

2012

ANNUAL REPORT

**CONTROL
PRINT**
An ISO 9001:2008 Company

21st Annual Report|2011 - 2012

Board of Directors

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

Management Team

Mr. Basant S. Kabra (Managing Director)
Mr. Shiva Kabra (Wholetime Director)

Company Secretary and Chief Financial Officer

Ms. Saroj Agarwal

Auditors

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

Registered Office

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

Registrar & Share Transfer Agent

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

Legal Advisor

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

Works

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

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About us

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

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

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

Vision

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

Mission

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

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

Company Values

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

- Integrity
- Reliability
- Innovation
- Excellence
- Precision

Financial Highlights

(₹ in lakhs)

FINANCIAL YEAR	2011-12	2010-11	2009-10	2008-09	2007-08
Gross Revenue	7064.69	6290.36	4753.87	3793.51	4296.91
Profit before Tax	1101.67	767.58	224.71	85.56	767.35
Profit After Tax	840.94	587.74	208.68	19.62	626.45
Dividend	173.46	NIL	NIL	NIL	150.37
Funds Employed	7658.45	7434.75	5590.32	4775.29	4328.99
Net Worth	6003.94	5326.77	4606.77	4312.75	4216.22
Borrowings	331.85	1010.33	856.53	315.65	NIL
Debt: Equity Ratio	0.05:1	0.19:1	0.15:1	0.07:1	0.00:1
Net Worth Per Equity Share (₹ 10/- each)	69.23	61.42	57.14	58.99	56.07
Earning Per Equity Share (₹ 10/- each)	₹ 9.70	₹ 7.09	₹ 2.59	₹ 0.26	₹ 8.47
Dividend Per Equity Share (₹ 10/- each)	₹ 2.00	NIL	NIL	NIL	₹ 2.00
Promoters Shareholding in %	46.05	45.76	43.59	41.34	38.20
Paid up Capital	867.32	867.32	824.38	784.58	766.03

NOTICE

Notice is hereby given that the Twentyfirst Annual General Meeting of the Members of CONTROL PRINT LIMITED will be held on Friday, 14th September, 2012 at Mirage Hotel, International Airport Approach Road, Marol Naka, Andheri (East), Mumbai – 400 059 at 2.30 p.m. to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Directors and Auditors thereon.
2. To declare final dividend of ₹2/- (Rupees Two Only) per Equity Shares of the face value of ₹10/- each for the Financial Year ended 31st March, 2012.
3. To appoint a Director in place of Mr. Rakesh Agrawal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to Section 224 and other applicable provisions of the Companies Act, 1956, M/s. Dosi & Jain, Chartered Accountants, having Firm Registration No. FRN112435W, the retiring Auditors of the Company, having offered themselves for re-appointment, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of the 21st Annual General Meeting up to the conclusion of the 22nd Annual General Meeting of the Company at a remuneration to be fixed by the Board & reimbursement of out of pocket expenses, if any incurred in connection with the audit."

By Order of the Board of Directors
For CONTROL PRINT LIMITED

Saroj Agarwal
Company Secretary

Mumbai, 27th June, 2012

Registered Office:

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

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.
2. Proxy Form duly completed and stamped, to be effective, must be received by the Company at its Registered Office at least 48 (forty eight) hours before the time appointed for the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 1st September, 2012 to 14th September, 2012 (both days inclusive).
4. Under Section 205A of the Companies Act, 1956, the amount of Dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of a Company is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. Members who have not so far encashed the dividend warrants in respect of the Final Dividend 2004-05 (10%), Interim Dividend 2005-06 (10%), Final Dividend 2005-06 (10%) Final Dividend 2006-07 (20%) and Final Dividend 2007-08 (20%) are advised to submit their claim to the Company quoting their folio numbers / DP ID Client ID. Dividend declared on 13th September, 2005 is due for transfer to Investor Education and Protection Fund (IEPF). Members who have not encashed their dividend warrant pertaining to the aforesaid years may approach the Company/its Registrar, for obtaining payments thereof.
5. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. to 1.00 p.m. up to the Annual General Meeting.
6. Investor Grievance Redressal: The Company has designated an exclusive e-mail id viz. companysecretary@controlprint.com to enable investors to register their complaints, if any.
7. Details as required under Clause 49 VI A of the Listing Agreement with the Stock Exchange in respect of the Director seeking appointment/re-appointment at the Annual General Meeting, is separately annexed hereto.
8. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialised form with their respective Depository Participants and in respect of shares held in physical form with Sharepro Services (India) Private Limited.

9. Members may avail themselves of the facility of nomination in terms of Section 109A of the Companies Act, 1956 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The members holding shares in physical form and desiring to avail of this facility may send their nomination in Form No. 2B duly filled in to the Company's Registrar and Transfer Agent. Members holding shares in demat form may contact their respective depository participants for recording of nomination.
10. Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.

Details Of Directors Seeking Appointment/ Re-appointment At The Forthcoming Annual General Meeting
(pursuant To Clause 49 Of The Listing Agreement)

Particulars	Mr. Rakesh Agrawal
Date of Birth	8th June, 1947
Date of Appointment	30th October, 2010
Qualifications	Master of Engineering (Chemical)
Expertise in Specific Functional areas	He has made pioneering efforts in manufacturing and developing the market of Engineering Thermoplastics in India.
Directorship held in other public Companies (excluding foreign and private companies)	1. STYROLUTIONABS (INDIA) LIMITED 2. SHIVAPHARMACHEM LIMITED 3. SHRI DINESH MILLS LIMITED
Chairmanships / Memberships of committees across public companies	Member - Audit Committee - • Control Print Limited Member-Shareholders Grievance Committee • StyrolutionABS (India) Ltd
Shareholding of Non - Executive Director	NIL
Relationships between Directors inter-se	NIL

DIRECTORS' REPORT

To,

The Members of Control Print Limited

1. CORPORATE OVERVIEW:

Your Company is India's Leading player in coding and marking solutions business having its corporate headquarters in Mumbai.

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 1956 and the Generally Accepted Accounting Principles (GAAP) in India. Overall the financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent and reasonable basis, so as to reflect in a true and fair manner the form and substance of transactions and reasonably present your Company's state of affairs, profit and cash flows for the year ended March 31, 2012.

2. FINANCIAL RESULTS:

The Directors have pleasure in presenting the Twentyfirst Annual Report of your Company along with the Audited Statement of Accounts for the year ended 31st March, 2012. (₹ In lacs)

	Current Year 2011 - 2012	Previous Year 2010 - 2011
Sales & Service Income	6654.35	5797.20
Other Income including Exceptional Income	410.34	493.16
Total Income	7064.69	6290.36
Profit before Depreciation & Tax	1190.66	866.86
Less: Depreciation	88.99	99.28
Net Profit before Taxation	1101.67	767.58
Less: Provision for Taxation	170.00	155.00
Deferred Tax (Assets) / Liability	90.73	24.84
Net Profit	840.94	587.74
Earlier years adjustment	15.73	7.12
Balance brought forward	1797.65	1259.91
Balance available for appropriation	2638.59	1847.65
Proposed Dividend	173.46	--
Tax on Dividend	28.14	--
Transferred to General Reserve	90.00	50.00
Balance carried to Balance Sheet	2346.99	1797.65

3. FINANCE AND ACCOUNTS:

The observations made by the Auditors in their Report have been clarified in the relevant notes forming part of the Accounts, which are self-explanatory. The Schedule VI of the Companies Act, 1956 has been revised by the Ministry of Corporate Affairs vide its notification dated February 28, 2011. The notification is in force and is applicable for all Balance Sheets and Statement of Profit and Loss to be prepared for the financial year commencing on or after April 1, 2011. Therefore, the previous period figures have been regrouped/recast wherever necessary.

4. DIVIDEND:

Your directors have recommended the payment of final dividend of ₹ 2/- (Rupees Two Only) per Equity Shares of the face value of ₹ 10/- each for the Financial Year ended 31st March, 2012.

5. CONSOLIDATED ACCOUNTS:

In accordance with the requirements of Accounting Standard (AS) 21 prescribed by The Institute of Chartered Accountants of India, the Consolidated Accounts of the Company and its Subsidiary is annexed to this Report.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

Your Company continues to closely track the developments in the packaging industry and particularly in Coding and Marking segment in order to optimize its business model to cope with the threats and promises these developments hold.

7. DIRECTORS:

During the year, no director has been appointed or resigned from the Board of Directors of the Company.

Mr. Rakesh Shivbhagwan Agrawal retires from the Board by rotation and is eligible for re-appointment at the forthcoming Annual General Meeting. The Notice convening the Annual General Meeting includes the proposals for re-appointment of Directors.

8. TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND:

The Company sends letters to all shareholders whose dividends are unclaimed so as to ensure that they receive their rightful dues. Efforts are also made in co-ordination with the Registrar to locate the shareholders who have not claimed their dues.

During the year, the Company has transferred a sum of ₹ 6,79,351.34 to Investor Education & Protection Fund, the amount which was due & payable and remained unclaimed and unpaid for a period of seven years, as provided in Section 205C(2) of the Companies Act, 1956. Despite the reminder letters sent to each shareholder, this amount remained unclaimed and hence was transferred.

9. AUDITORS:

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

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

10. SHARE CAPITAL:

During the year, Company had not issued any shares to the shareholders of the Company or to the general public. Hence, your Company's paid up Equity Share Capital remain same of ₹8,67,32,480 comprising of 86,73,248 equity shares of ₹ 10/- each but at the same time, the Company has issued 4,00,000 Warrants convertible into Equity Shares of ₹ 10/- each at a premium of ₹ 27.84/- per Share as per the SEBI Guidelines to the Promoters of the Company on preferential basis for which Company has received in-principle approval from Bombay Stock Exchange (BSE).

11. INVESTMENT IN SUBSIDIARY COMPANY :

During the year, your Company has acquired "Liberty Chemicals Private Limited" as its wholly owned subsidiary. The acquisition would enhance shareholders value since Liberty Chemicals Private Limited owns a plot of land as a valuable asset. Control Print Limited intends to explore diversification in real estate business in future post feasibility study on its plans.

Additionally the Company has invested ₹ 3,70,00,000/- in its subsidiary company by way of subscribing to the right issue of 18,50,000 Equity Shares of ₹ 10/- each (at premium of ₹ 10/-each).

Besides, Mr. Basant Kabra and Mr. Shiva Kabra as Executive Directors of the Company, Liberty Chemicals Private Limited has Mr. Vishwas Varde and Mrs. Sharmista Patel as Independent Directors on its the Board.

12. FIXED DEPOSIT :

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

13. PARTICULARS OF EMPLOYEES :

None of the employees were in receipt of Remuneration exceeding the limits prescribed pursuant to Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 during the year ended March 31, 2012.

14. PARTICULARS OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EARNINGS AND OUTGO :

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

15. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a) In the preparation of annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b) Appropriate accounting policies have been selected and applied consistently, and judgments and estimates are made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profits of the Company for the year ended 31st March, 2012;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- d) The accounts for the financial year ended 31st March 2012 have been prepared on a going concern basis.

16. CORPORATE GOVERNANCE:

As required pursuant to Clause 49 of the Stock Exchanges Listing Agreement, a separate section containing Corporate Governance and Management Discussion and Analysis Reports, as approved by the Board of Directors, together with the Certificate from the Auditors of the Company confirming the compliance with the requirements of Corporate Governance policies is set out in the 'Annexure - B' forming part of this Annual Report.

17. ENVIRONMENT AND SAFETY:

Your Company is conscious of the importance of environmentally clean and safe operations. Your Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

18. APPRECIATION:

Your Directors wish to place on record their appreciation for the contribution made by employees at all levels. Your Directors also wish to thank its esteemed corporate clients, dealers, agents, suppliers, technology partners, investors, Government Authorities and bankers for their continued support and faith reposed in the Company.

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

Mumbai, 27th June, 2012

Annexure "A" to The Directors' Report

Information Under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of the Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2012.

A. Conservation of Energy :

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

B. Technology Absorption:

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

C. Foreign Exchange Earning And Outgo:

- | | | |
|--|---|--|
| f) Activities relating to exports; initiative taken to increase exports; development of new export markets for product and service and export plans; | : | Company has developed several components and products for exports. |
| g) Total foreign exchange used and earned | : | Expenditure - ₹ 3,27,50,734/-
Earning - ₹ 1,11,13,217/- |

FORM "B" (Forming part of Directors Report)

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

A. Research & Development (R & D)

- | | | |
|---|---|--|
| 1. Specify areas in which R & D carried out by the Company | : | Coding & Marking Machine |
| 2. Benefits derived as a result of the R&D | : | Improved capabilities and feature set combining the need of the local market |
| 3. Future plan of action | : | No specific further planned |
| 4. Expenditure on R & D | | |
| (a) Capital | | |
| (b) Recurring | | |
| (c) Total | | |
| (d) Total R & D expenditure as a percentage of total turnover | : | Cannot be ascertained reliably from other development and production expenditure |

B. Technology Absorption, Adaptation And Innovation

- | | | |
|---|---|---|
| 1. Efforts in brief made towards technology absorption, adaptation and innovation | : | Technology for Continuous Ink Jet Printers and Large Character Printers absorbed. |
| 2. Benefits derived as a result of the above efforts e.g. product Improvement, cost reduction, product development, imports Substitution etc. | : | Import substitution and product improvement |
| 3. In case imported technology (imported during last five years reckoned from the beginning of the financial year), | | |
| (a) Technology Imported | : | (b) Year of Import |
| 1. Hot Ink Roll Manufacturing Technology | : | 2005 |
| 2. Manufacture of Ink Jet Printers. | : | 2008 |
| 3. Manufacturing Ink Jet Consumables | : | 2008 |
| 4. Manufacture of Large Character Printers | : | 2009 |
| (c) Has technology been fully absorbed | | |
| 1. Hot Ink Roll Manufacturing Technology | : | Technology absorbed |
| 2. Manufacture of Ink Jet Printers. | : | Technology absorbed |
| 3. Manufacturing Ink Jet Consumables | : | Technology absorbed |
| 4. Manufacture of Large Character Printers | : | Technology absorbed |
| (d) If not fully absorbed, areas where this has not taken place reason thereof and future plan of action | : | N.A |

MANAGEMENT DISCUSSION AND ANALYSIS

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

A) INDUSTRY STRUCTURE AND DEVELOPMENTS:

There are several demand drivers for the Coding & Marking Industry with increases in regulatory, inventory control, and traceability requirements being the key contributing factors. Overall the industry growth is closely co-related to packaging industry growth and the manufacturing sector growth as a whole. The Indian Coding & Marking industry has reached a level of maturity and acceptance across applications and is dominated value-wise by players with CPL being amongst them.

B) OPPORTUNITIES AND THREATS:

Being a manufacturer of majority of the Items required for Coding and Marking industry and having a leadership edge in technological terms, your Company has an advantage over other players in the industry and can increase market share and installed base. The primary threat is the greater installed base of a few key competitors enabling them to get a higher number of repeat and reference sales.

C) PERFORMANCE REVIEW & OUTLOOK:

The past year was a year of consolidation with the focus being on streamlining sales and manufacturing activities and consolidating sales and market share gains made in the past 2-3 years. This strategy has been successfully executed and your company has increased sales sharply during the year under review.

The current year will see the launch of new models which will help sustain our sales performance. We are also diligently working on the manufacturing and operational costs front in order to improve margins.

The last 2 years have also seen good growth in non-inkjet technology namely Thermal Coders Transfer Overprints, Thermal Ink Codes and Laser Coders. Your Company aims to improve its product portfolio and market presence in these segments with upgraded model.

The past year Company has seen reasonable sales and profit growth and we are confident that we can maintain steady growth in the current year.

D) RISKS AND CONCERNS:

We see a positive growth for the Company and the Industry in-line with or exceeding overall Packaging and Manufacturing Sector growth for the short-to-medium term. Regulatory reasons along with increased traceability requirements of customers in addition have ensured consistent market growth. Competitive pressures may also lead to some downward pressure on operating margins in the short term.

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

measures.

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

E) INTERNAL CONTROL SYSTEMS:

Your Company believes in formulating adequate and effective internal control systems and implementing the same to ensure that assets and interests of the Company are safeguarded and reliability of accounting data and accuracy are ensured with proper checks and balances. The internal control system is improved and modified continuously to meet the changes in business conditions, statutory and accounting requirements.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control system and suggests improvements for strengthening them. The Company has a regular Management Information System which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken.

F) FINANCIAL PERFORMANCE:

During the year 2011-12, Sales and Service Income of the Company was ₹ 6654.35 lakhs as compared to previous year ₹ 5797.15 lakhs.

Profit before depreciation and tax during the year under review is ₹1218.13 lakhs compared to ₹861.55 lakhs in the previous year. Profit after tax is ₹ 858.42 lakhs compared to ₹ 580.61 lakhs in the previous year.

G) HUMAN RESOURCES:

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Various HR initiatives are taken to align the HR Policies to the growing requirements of the business.

The relations between the employees and the Company remained cordial throughout the year. There has been no material development in Human Resources / Industrial relations during the period covered by this Annual Report. As on 31st March 2012, the employee strength of the Company was 356.

H) CAUTIONARY STATEMENT:

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

REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance for the Financial Year ended 31st March 2012 is given below.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

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

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

2. BOARD OF DIRECTORS:

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

a) The Composition of the Board as at 31st March 2012:

Name of the Director	Designation & Category	No. of other Directorship*	No. of Committee Membership**	
			Member	Chairman
Mr. S. S. Jangid	Non-Executive & Independent Director	NIL	NIL	2
Mr. B.S. Kabra	Promoter & Managing Director	NIL	NIL	NIL
Mr. Gaurav Himatsingka	Non-Executive & Independent Director	NIL	NIL	NIL
Mr. Shiva Kabra	Promoter & Whole-Time Director	NIL	NIL	NIL
Mr. Rakesh Agrawal	Non-Executive & Independent Director	3	2	NIL

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

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

All the Independent Directors of the Company have furnished annual declaration that, they qualify the condition of being Independent. All such declarations were placed before the Board.

b) Attendance of the Directors at the Board Meetings:

Board meetings are conducted in accordance with the Articles of Association of the Company. The Board meets at regular intervals to discuss and decide on business strategies/policies and financial performance of the Company and its subsidiary. The Board Meetings are pre-scheduled and a tentative annual calendar of the board is circulated to all the Directors well in advance to facilitate them to plan their schedules.

The notice of each Board Meeting is given in writing to each Director. The Agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting. This ensures timely and informed decisions by the Board. The Minutes of the Board Meetings are also circulated in advance to all Directors.

During the financial year ended 31st March, 2012, six (6) meetings of the Board of Directors were held and maximum time gap between two (2) meetings did not exceed three (3) months. The dates on which Board meetings were held were are follows:

Date(s) on which meetings(s) were held

- 17th June, 2011
- 18th July, 2011
- 13th August, 2011
- 12th November, 2011
- 25th November, 2011
- 9th February, 2012

The Twentieth Annual General Meeting was held on 23rd September 2011.

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

Name of the Director	Number of Board Meetings held during F. Y. 2011-12	Number of Board Meetings attended	Whether attended the AGM held on 23rd September 2011
Mr. S. S. Jangid	6	5	Yes
Mr. B. S. Kabra	6	6	Yes
Mr. G. Himatsingka	6	4	Yes
Mr. Shiva Kabra	6	6	Yes
Mr. Rakesh Agrawal	6	1	No

c) Board's Responsibilities:

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

d) Role of Independent Directors:

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

e) Information placed before the Board of Directors:

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

f) Code of Conduct for Board Members and Senior Management:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company and it is available on the website of the Company.

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

3. AUDIT COMMITTEE:

The Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role, scope, etc., are in accordance with Section 292A of the Companies Act, 1956 and the provisions of Clause 49 of the Listing Agreement. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance.

The Audit Committee comprises of Three Directors, all being Independent Non-Executive Directors.

The Audit Committee inter-alia performs the functions of approving Annual Internal Audit Plan, Review of Financial Reporting System, Internal Controls System, discussion on quarterly, half-yearly and annual financial results, interaction with Statutory & Internal Auditors, meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and Cost Auditors and fixing their remuneration, appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions & Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of Clause 49 of the Listing Agreement. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

Meetings and Attendance:

The Audit Committee met four times during the Financial Year 2011-12. The Company is in full compliance with the provisions of Clause 49 of the Listing Agreement. The Committee met on 17th June, 2011, 13th August, 2011, 12th November, 2011 and 9th February, 2012.

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

Name of Director	Category	Number of Meetings attended
Mr. S. S. Jangid	Non-Executive & Independent Director	4
Mr. G. Himatsingka	Non-Executive & Independent Director	4
Mr. Rakesh Agrawal	Non-Executive & Independent Director	None

The Managing Director, Whole-time Director, Chief Financial Officer and Assistant Company Secretary were invitees at the Meetings of the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

Power of Audit Committee:

The audit committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee:

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956

- b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 8. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 9. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 10. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 11. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

4. REMUNERATION COMMITTEE:

The Remuneration Committee comprises of Three Directors all being Independent Non-Executive Directors.

During the year, remuneration paid to the Directors remained same. As no agenda was available for discussion, revision and approval, no meeting was conducted.

The Composition of Remuneration Committee is as under.

Name of Director	Category
Mr. S. S. Jangid	Non-Executive & Independent Director
Mr. G. Himatsingka	Non-Executive & Independent Director
Mr. Rakesh Agrawal	Non-Executive & Independent Director

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

Name of the Director	Remuneration paid (₹)				Service contract / Notice period / Severance fees
	Basic Salary	Perquisites, Allowance and other benefits	Contribution to Provident Fund	Total	
Mr. B. S. Kabra Managing Director	27,00,000	11,19,748	—	38,19,748	Service Contract for five years. Notice Period-2 months Severance Fees- Nil
Mr. Shiva Kabra Whole-Time Director	21,60,000	13,35,600	9,360	35,04,960	Service Contract for Three years. Notice period- 2 months Severance fees- Nil

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

Remuneration to Non-Executive Directors:

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

Name of the Director	Board Meeting (₹)	Audit Committee Meeting (₹)	Remuneration Committee Meeting (₹)	Total(₹)
Mr. S. S. Jangid	40,000/-	20,000/-	-	60,000/-
Mr. G. Himatsingka	30,000/-	20,000/-	-	50,000/-
Mr. Rakesh Agrawal	10,000/-	-	-	10,000/-

Equity Shares held by the Directors

Except as stated hereunder, none of the Non-Executive Directors held any shares in the Company as on 31st March, 2012.

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

5. INVESTORS GRIEVANCE COMMITTEE:

Investors Grievance Committee is headed by Mr. S. S. Jangid, Non-Executive and Independent Director and Mr. Basant Kabra, Managing Director as its Member. During the year under review, no complaints were received from the shareholders and investors. As there was no Investor Grievance or complaints during the year, meeting of Investor Grievance Committee was not held.

6. SHARE TRANSFER COMMITTEE:

During the financial year 2011-12, Mr. Basant S. Kabra, Managing Director, Mr. S.S. Jangid, Non-Executive Director and Mr. Gaurav Himatsingka, Non-Executive Director were the members of Share Transfer Committee. Ms. Saroj Agarwal, Company Secretary and Chief Financial Officer is the Compliance officer of the Company. It is constituted to monitor, supervise and approve the request received from the shareholders of the Company and others, for transfers, transmission, deletion, etc. handled by the company in co-ordination with M/s. Sharepro Services (India) Private Limited, the Company's Registrar and Transfer Agent.

The Share Transfer Committee has been delegated powers to administer the following:

- a. To effect transfer of shares;
- b. To effect transmission or deletion of name on the shares;
- c. To issue duplicate share certificates, issue of certificates on receipt of request for consolidation or split of share certificates;
- d. To approve the Register of Members as on the record date(s) and/or Book closure dates for receiving dividends and other corporate benefits;
- e. To review correspondence with the shareholders and take decisions in that regard; and
- f. To redress complaints received from the shareholders from time to time.

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

7. DETAILS OF GENERAL BODY MEETINGS:

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

Financial Year	Location	Date and Time	Special Resolution(s) passed
2008 - 09	Mirage Hotel, International Airport Approach Road, Marol, Andheri (East), Mumbai-400 059.	26th September 2009 4.00 p.m.	Resolution passed under section 163 of the Companies Act, 1956.
2009 - 10	Mirage Hotel, International Airport Approach Road, Marol, Andheri (East), Mumbai-400 059.	28th September 2010 3.00 p.m.	1) Revision in Remuneration of Mr. Basant Kabra, Managing Director of the Company. 2) Re-appointment of Mr. Shiva Kabra, Whole-time Director of the Company.
2010-11	Mirage Hotel, International Airport Approach Road, Marol, Andheri (East), Mumbai-400 059.	23rd September 2011 4.00 p.m.	None

ii) Postal Ballot

The Company successfully completed the process of obtaining the approval of its Members on the Special Resolution under Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2001, for issue of 4,00,000 Warrants convertible into Equity Shares on preferential basis

Mr. Nilesh Shah, Practicing Company Secretary, who was appointed as the Scrutinizer, carried out the Postal Ballot process in a fair and transparent manner. The results were announced on 3rd August, 2011.

Voting Pattern and Procedure for Postal Ballot:

1. The Board of Directors of the Company, at its meeting held on 17th June, 2011, had appointed Mr. Nilesh Shah, Practicing Company Secretary as the Scrutinizer for conducting the postal ballot voting process.
2. The Company had completed on 29th June, 2011, the dispatch of postal ballot forms along with postage prepaid business reply envelopes to its Members whose name(s) appeared on the Register of Members/list of beneficiaries as on 17th June, 2011.

3. Particulars of the postal ballot forms received from the Members were entered in a register separately maintained for the purpose.
4. The postal ballot forms were kept under her safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
5. All postal ballot forms received/receivable up to the close of working hours on 1st August, 2011, the last date and time fixed by the Company for receipt of the forms, had been considered for the scrutiny.
6. Envelopes containing postal ballot forms received after close of business hours on 1st August, 2011, had not been considered for the scrutiny.
7. Based on the Scrutinizer's Report dated 2nd August, 2011 the Chairman has declared the Results of Postal Ballot as under on 3rd August, 2011:

Sr. No.	Particulars	Special Resolution	
		No. of Postal Ballot Forms	No. of Shares
a.	Postal Ballot Forms received	161	3774711
b.	Less: Invalid Postal Ballot Forms	13	1539
c.	Net Valid Postal Ballot Forms of which:	148	3773172
i.)	Postal Ballot Form with assent for the Resolution	137	3771462
	% of Assent	92.57	99.95
ii.)	Postal Ballot Form with dissent for the Resolution	11	1710
	% of Dissent	7.43	0.05

The resolution is considered as passed having secured the requisite majority of votes and therefore accepted.

- III) During the year, a Resolution was passed in the Board Meeting dated 25th November, 2011 to approve the issue of 4,00,000 Warrants convertible into Equity Shares of ₹10/- each at a premium of ₹27.84/- per Share as per the SEBI Guidelines to the Promoters of the Company on preferential basis for which Company has received in-principle approval from Bombay Stock Exchange. The details of allotment are as follows:

Sr. No.	Name of Allottee	No. of Warrants Allotted
1.	M/s. Silver Plastochem Private Limited	2,00,000
2.	Mr. Shiva Kabra	1,00,000
3.	Mrs. Pushpa Kabra	1,00,000
	Total	4,00,000

8. Disclosures:

A. Related Party Transactions:

The disclosures provided by the Company are as per the guidelines provided under the Accounting Standard 18 (AS- 18). The Company follows the following policy in disclosing the related party transactions to the Audit Committee:

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

B. Disclosures on materially significant related party transactions during the Twelve months period ended on 31st March 2012:

The Company has paid rent of ₹ 36,31,296/- to Silver Plastochem Private Limited during the Financial Year 2011 - 12 for occupying its Office premises. Mr. B. S. Kabra, Managing Director of the Company and Mr. Shiva Kabra, Whole time Director of the Company, are the Directors of Silver Plastochem Private Limited.

During the year, the Company has not issued any equity shares, preference shares and debentures to the promoters and public.

C. Risk Management:

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

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

Your Company has complied with all the requirements of Stock Exchange(s) and the Securities Exchange Board of India on matters related to Capital Markets or any other matter, as may be applicable from time to time. There were no penalties imposed or strictures passed against the Company by the statutory authorities in this regard.

E. Disclosure of Accounting Treatment:

Your Company follows Accounting Standard prescribed by the Companies Accounting Standard Rules, 2006 and relevant provisions of the Companies Act, 1956. In preparation of financial statements, the Company has not adopted a treatment different from that prescribed in Accounting Standards.

F. Details of compliance with mandatory and Non - mandatory requirements Clause 49 of the Listing Agreement:

Clause 49 of the Listing Agreement mandates to obtain a Certificate from either the Auditors or Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in the Clause and annex the Certificate with the Directors' Report, which is sent annually to all the Shareholders. The Company has obtained a Certificate from its Auditors to this effect and the same is given as part of Annual Report.

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

G. Code of Conduct:

Your Company has adopted a Code of Conduct for all the employees including the Board Members and Senior Management Personnel of the Company in accordance with the requirement under Clause 49(I)(D) of the Listing Agreement. The Code of Conduct has been posted on the website of the Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2012.

H. Code of Conduct for Prevention of Insider Trading:

Ms. Saroj Agarwal, Company Secretary and Chief Financial Officer is the Compliance Officer of the Company. All the Directors, senior management personnel, persons forming part of promoter(s)/ promoter group(s) and such other designated employees of Company, who are expected to have access to unpublished price sensitive information relating to the Company, are covered under the said code. The Directors, their relatives, senior management personnel, persons forming part of promoter(s)/ promoter group(s), designated employees etc. are restricted in purchasing, selling

and dealing in the shares of the Company while in possession of unpublished price sensitive information about the Company.

I. Certificate from the Managing Director and the Chief Financial Officer:

Certificate from Mr. B.S. Kabra, Managing Director, Ms. Saroj Agarwal, Chief Financial Officer & Company Secretary and Mr. V Krishnan, Head - HRD & Administration in terms of Clause 49 (V) of the Listing Agreement with the Stock Exchange for the financial year ended 31st March 2012 was placed before the Board of Directors of the Company in its Meeting held on 27th June, 2012.

9. MEANS OF COMMUNICATION:

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

- Half yearly report sent to each household of Shareholders : No
- Quarterly results, which newspapers normally published in : The Free Press Journal & Navashakti.
- Any Website, where displayed : Corpfiling and Dissemination System
- Whether It also displays official News Releases : No
- Whether any presentation made to Institutional Investors/Analysts : No
- Whether the Management Discussion & Analysis Report is part of Annual Report : Yes, it is part of the Annual Report.
<http://www.controlprint.com/cp.html>

Green Initiative In Corporate Governance:

Pursuant to Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, Ministry of Corporate Affairs (MCA) has launched "Green Initiative in Corporate Governance" whereby the companies are allowed to send notices, documents and other communication to the shareholders in electronic mode.

In view of the above circulars issued by MCA, like last year, this year too your Company is sending documents like the Notice convening the general meetings, Financial Statements, Director's Report, Auditors' Report, etc. to the email address provided by shareholders to their Depository Participant(DP)/ Company's Registrar and Transfer Agent, Sharepro Services (India) Private Limited.

Your Company encourages its shareholders to support the "Green Initiative" by registering their

email addressed with their respective depositories/ Company's Registrar and Transfer Agent and intimate changes in the email address from time to time.

10. SHAREHOLDERS INFORMATION:

i) Company's Registration Details:

Corporate Identity Number (CIN) L22219MH1991PLC059800

ii) 21st Annual General Meeting :

Day, Date and Time	Friday, 14th September, 2012 At 2.30 p.m.
Venue	Mirage Hotel, International Airport Approach Road, Marol Naka, Andheri (E), Mumbai - 400 059.

As required under Clause 49VI(A), particulars of Directors seeking re-appointment are given in the Explanatory Statement to the Notice of the Annual General Meeting to be held on 14th September, 2012.

iii) Financial Year: April 1, 2012 to March 31, 2013.

iv) Financial Calendar (Tentative) :

Financial Reporting for the	
Quarter ending on 30th June 2012	: 1st week of August, 2012
Quarter ending on 30th September 2012	: 1st /2nd week of November, 2012
Quarter ending on 31st December 2012	: 1st /2nd week of February, 2013
Year ending on 31st March 2013	: 3rd /4th week of May, 2013

v) Book Closure Date(s):

The dates of book closure are from 1st September, 2012 to 14th September, 2012, inclusive both days.

vi) Dividend:

A final dividend of ₹2.00 (Rupees Two Only) per equity share of ₹10/- each was recommended by the Board of Directors at its meeting held on 27th June, 2012 and subject to the approval of the shareholders at the ensuing Annual General Meeting, will be paid/dispatched on or after 15th September, 2012 as follows:

- a. To those members whose names appear on the Company's register of members, after giving effect to all valid share transfers in physical form lodged on or before 31st August, 2012.
- b. In respect of shares held in electronic form, to those members whose names appear in the

statement of beneficial ownership furnished by NSDL and CDSL as at the closing on or before 31st August, 2012.

vii) Listing Details:

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

Name & Address	Scrip Code
The Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	522295

The Company has paid Annual Listing fees for the financial year 2012 - 13.

viii) Stock Market Data:

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

Month	Month's High Price (₹)	Month's Low Price (₹)	Volume (In Nos.)
April-2011	41.50	33.00	1,08,805
May-2011	40.00	32.05	1,12,085
June-2011	41.00	34.30	1,96,996
July-2011	39.90	34.75	32,434
August-2011	39.00	33.00	91,369
September-2011	39.50	32.25	1,60,826
October-2011	38.60	34.35	77,287
November-2011	36.00	30.60	84,493
December-2011	34.10	25.50	1,13,278
January-2012	35.00	26.55	82,085
February-2012	38.80	29.05	31,471
March-2012	38.80	28.10	2,02,264

Source - www.bseindia.com

- ix) **Registrar & Share Transfer Agent** : SHAREPRO SERVICES (I) PVT. LTD
 13AB, Samhita Warehousing Complex,
 Second Floor, Sakinaka Telephone Exchange lane,
 Off Andheri Kurla Road, Sakinaka,
 Andheri (East), Mumbai - 400 072
 Tel. : (022) 677 20 300 / 400,
 Fax : (022) 2837 5646
 Email - sharepro@vsnl.com

x) **Share Transfer System:**

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

xi) **Distribution of Shareholding as at 31st March 2012:**

No. of Equity shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-500	6731	88.22	1036547	11.95
501-1000	458	6.00	390304	4.50
1001-2000	198	2.60	311042	3.59
2001-3000	85	1.11	217000	2.50
3001-4000	28	0.37	100406	1.16
4001-5000	23	0.30	106688	1.23
5001-10000	48	0.63	357727	4.12
10001 & above	59	0.77	6153534	70.95
Total	7630	100.00	8673248	100.00

xii) Shareholding Pattern as at 31st March 2012:

Category	No. of Shareholders	% of shareholders	No. of shares held	% shareholding
Public	7380	96.73	34,33,911	39.59
Domestic Bodies Corporate	175	2.29	7,55,580	8.71
Financial Institutions / Mutual Funds / Bank	1	0.01	3,40,000	3.92
Fills	2	0.02	86,258	0.99
NRIs / OCBs/Trust	65	0.85	63,776	0.74
Promoters & associates	7	0.10	39,93,723	46.05
Total	7630	100.00	86,73,248	100.00

xiii) Dematerialization of Shares and Liquidity:

The shares of the Company are tradable compulsory in Demat form and are available for trading in the depository system of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March 2012, 82,34,187 Equity Shares of the Company representing 95.00 % of the share capital of the Company stand dematerialized.

xiv) Outstanding GDRs / ADRs / Warrants or any Convertible instruments:

During the year, there was issue of 4,00,000 Warrants convertible into Equity Shares of ₹ 10/- each at a premium of ₹ 27.84/- per Share as per the SEBI Guidelines to the Promoters of the Company on preferential basis for which Company has received in-principle approval from Bombay Stock Exchange and were pending for conversion as on 31st March, 2012.

xv) General Do's and Don'ts:

- Shareholders/ Beneficial holders should quote their Folio No./ DP Id, as the case may be, in all the correspondences with the Company.
- Shareholders/ Beneficial holders should mention their Contact Nos./Fax Nos. and e-mail ID shall be registered in the records of the Company.
- Shareholders are requested to furnish self-attested copy of their PAN card, at the time of submitting the physical share certificate(s) for transfer, transmission, deletion or any other request, to the Company.

Securities and Exchange Board of India (SEBI), by its Circular No. MRD/DoP/Cir-05/2009 dated 20th May, 2009, and SEBI/MRD/DoP/SE/RTA/Cir-08/2010, dated 7th January, 2010 has made it mandatory for the transferee(s) to furnish the copy of the PAN Card to the Company for registration of physical transfer of shares, transmission, deletion and transposition of shares in physical form.

- Shareholders are requested to maintain a record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.
- Investors holding shares in dematerialized form should send all the communications related to change in address or change in bank details to their Depository Participant.

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

xvii) Address for Investors Correspondence:

For any queries, shareholders are requested to either write to
The Company Secretary
CONTROL PRINT LIMITED
C-106, Hind Saurashtra Industrial Estate,
Andheri - Kurla Road, Marol Naka,
Mumbai - 400 059.
Tel: (022)- 28509056, 56938900
Fax: (022)- 28519581, 28502609
Email - companysecretary@controlprint.com

OR

The Company's Registrar & Share Transfer Agent
Sharepro Services (India) Private Limited
13AB, Samhita Warehousing Complex, Second Floor,
Sakinaka Telephone Exchange lane, Off Andheri Kurla Road,
Sakinaka, Andheri (East), Mumbai - 400 072
Tel: (022) 677 20 300/ 400

**DECLARATION BY THE MANAGING DIRECTOR ON
COMPLIANCE WITH THE CODE OF CONDUCT**

To

The Members of CONTROL PRINT LIMITED

I do hereby declare that all the Directors and Senior Management Personnel have affirmed compliance of their respective Code of Conduct adopted by the Company and confirmation to that effect has been given by each of them.

For **CONTROL PRINT LIMITED**

Sd/-

**B. S. Kabra
Managing Director**

Place: Mumbai

Date: 27th June, 2012

CEO / CFO certification under Clause 49 of the Stock Exchange Listing Agreement

The Managing Director and Chief Financial Officer (CFO) be and hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the Financial Year 2011 - 12 and that to the best of their knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the Financial Year 2011 - 12 which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the Financial Year 2011 - 12 and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Mumbai,
27th June, 2012

**For Control Print Limited
B.S. Kabra
Managing Director**

**For Control Print Limited
Saroj Agarwal
Chief Financial Officer**

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Control Print Limited

We have examined the compliance of the conditions of Corporate Governance by Control Print Limited for the year ended March 31, 2012 as stipulated in Clause 49 of the listing Agreement of the company with the Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement subject to the following:-

1. The Company has not made presentations to the institutional shareholders or analysts.

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

We state that no investor grievances were pending for the period exceeding one month against the company as per the records maintained by the Shareholders / Investors Grievances Committee. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Dosi & Jain
Chartered Accountants
FRN 112435W

Chandresh Gandhi
Partner
Membership No. 43172
Place: Mumbai
Date: 27th June, 2012

AUDITORS REPORT

The Members of
Control Print Limited

Dear Sirs,

We have audited the attached Balance Sheet of Control Print Limited as at 31st March, 2012 and Statement of Profit and Loss of the company and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
2. As required by Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, and as per the information and explanation furnished to us and the books and records examined by us in the normal course of audit, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the Order.
3. Further to our comments in the Annexure referred to in paragraph above, we report that :
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us.
 - c) The Balance Sheet, 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, Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of the written representations received from the directors as on 31st March 2012, and the same being taken on record by the Board of Directors, we report that none of the directors is disqualified as a director in terms of section 274 (1) (g) of the Companies Act, 1956.

- f) In our opinion, according to the information and explanation given to us, the said accounts read together with notes thereon and the accounting policies give the information required by the Companies Act, 1956 in the manner so required and give true and fair view in the conformity with the accounting principles generally accepted in India:
- i. In case of Balance Sheet, of state of affairs of the company as at 31st March 2012;
 - ii. In case of Statement of Profit and Loss, of profit for the year ended on that date; and
 - iii. In case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Dosi & Jain
Chartered Accountants
(Registration No. FRN 112435W)

Chandresh Gandhi
Partner
Membership No.43172

Place: Mumbai
Date: 27 June, 2012

Annexure To The Auditor's Report

As referred to in paragraph 2 of our report of even date to the members of Control Print Ltd., on the accounts for the year ended 31st March 2012

- i. In respect of Fixed Assets
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
 - (b) As explained to us all the fixed assets have been physically verified by the management in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) In our opinion, the company has not disposed off a substantial part of its fixed assets during the year.
- ii. In respect of inventories
 - (a) The inventories have been physically verified by the management at reasonable intervals during the year.
 - (b) In our opinion the procedures followed for physical verification of stocks is reasonable and adequate considering the nature of the business and size of the Company.
 - (c) The Company has maintained proper records of inventories. In our opinion the discrepancies noticed on the verification between physical stocks and book stocks were not material having regard to the size of the operations of the Company and have been properly dealt with in the books of accounts.
- iii. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - (a) The Company has not accepted any loan from related parties during the year. However, the maximum amount outstanding of Rs 4.25,00,000 in respect of earlier years loan taken has been repaid during the year.
 - (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans accepted by the Company, are not prima facie prejudicial to the interest of the Company.
 - (c) The principal amounts are repayable on demand and there is no repayment schedule. The interests is payable on demand.
 - (d) In respect of the said loans, the same are repayable on demand and therefore the question of overdue amounts does not arise. In respect of interest, there are no overdue amounts.
 - (e) The Company has not given any loan during the year from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.

Consequently, the requirements of Clauses (iii) (b), (c) and (d) of paragraph 4 of the Order are not applicable.

- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and Fixed Assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - (a) In our opinion and according to the information and explanations given to us, we are of the opinion that transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the explanations given to us, transactions in pursuance of contracts or arrangements entered in register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs.500000/- (Rupees Five Lacs only) or more in respect of each party during the year have been made at prices which appear reasonable as per information available with the company.
- vi. According to the information and explanation given to us, the company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the order are not applicable to the Company.
- vii. In our opinion, the Company has developed an Internal Audit System commensurate with the size and nature of its business.
- viii. We are informed that the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956.
- ix. In respect of the statutory dues:
 - (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax and other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanation given to us, there are no other undisputed amounts outstanding as on 31st March, 2012 for a period of more than six months from the date they become payable, except payment of service tax Rs 28,23,429/- which is appearing as payable by the company for which the reconciliation with the income receivable of earlier period is in progress.
 - (b) According to the information and explanation given to us and records of the Company, there are no disputed demands payable by the company
- x. The Company does not have accumulated losses and has not incurred cash losses during the financial year covered by audit and in the immediately preceding financial year.

- xi. As per the information and explanations given to us, the Company has filed the suit before the Honorable High Court of Mumbai for recovery and damages against IDBI for wrongful appropriation by sale of promoters / guarantors shares in the earlier year which is still pending. There is no amount outstanding to the financial institution as the disputed amount is already appropriated.
- xii. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- xiv. In respect of company's investments proper records have been maintained for all transactions and contracts and entries therein have generally been made on timely basis. All shares, securities, debentures and other investments have been held by the company in its own name except as permissible under section 49 of the Companies Act, 1956.
- xv. In our opinion and according to the information and explanation given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- xvi. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purpose for which they were raised.
- xvii. According to the information and explanation given to us and over all examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized any amount from short term sources towards repayment of long-term borrowings and acquisition of fixed assets and funds raised on long term basis have not been used for short term investment.
- xviii. The Company has not issued any debentures and therefore the question of creating security in respect thereof does not arise.
- xix. The Company has not raised any money by way of public issue during the year and therefore the question of disclosing the end use of money does not arise.
- xx. Based on the audit procedures performed and according to the information and explanation given to us by the management, no fraud on / by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

For Dosi & Jain
Chartered Accountants
Reg No. FRN 112435W

Chandresh Gandhi
Partner
Membership No. 43172

Date: 27 June, 2012

Balance Sheet as at 31st March , 2012

	Note No.	As at March 31, 2012 ₹	As at March 31, 2011 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share Capital	1	86,732,480	86,732,480
(b) Reserves and Surplus	2	509,877,975	445,944,407
(c) Money Received Against Share Warrants		3,784,000	-
		600,394,455	532,676,887
Non-Current Liabilities			
(a) Long Term Borrowings	3	764,538	3,393,268
(b) Deferred Tax Liability - Net	4	24,258,501	15,185,965
(c) Long Term Provisions	5	5,297,744	7,696,510
		30,320,783	26,275,743
Current Liabilities			
(a) Short - Term Borrowings	6	28,836,150	87,639,241
(b) Trade Payables	7	34,895,428	42,057,599
(c) Other Current Liabilities	8	42,644,806	54,825,659
(d) Short- Term Provisions	9	28,753,142	-
		135,129,526	184,522,499
TOTAL		765,844,764	743,475,129
ASSETS			
Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets		133,987,906	146,770,718
(ii) Intangible Assets		2,573,310	3,125,476
	10	136,561,216	149,896,194
(b) Non- Current Investments	11	159,733,287	103,082,716
(c) Long Term Loans & Advances	12	19,431,318	41,002,654
(d) Other Non- Current Assets	13	4,878,643	1,515,573
		184,043,248	145,600,943
Current Assets			
(a) Inventories	14	261,318,355	274,046,985
(b) Trade Receivables	15	172,927,904	144,233,111
(c) Cash and Cash Equivalents	16	5,988,525	7,355,129
(d) Short-term Loans and Advances	17	3,668,586	20,595,337
(e) Other Current Assets	18	1,336,930	1,747,430
		445,240,300	447,977,992
TOTAL		765,844,764	743,475,129

Significant Accounting Policies and Notes to Accounts 29 to 40
The accompanying Notes are an Integral Part of these Financial Statements.

In terms of our report attached For and on behalf of Board of Directors

For DOSI & JAIN
Firm Registration No. 112435W
Chartered Accountants
Chandresh Gandhi
Partner
Membership No. 43172
Mumbai, June 27, 2012

B.S. Kabra
Managing Director
Mumbai, June 27, 2012

Shiva Kabra
Wholetime Director

Saroj Agarwal
CFO & CS

Statement of Profit and Loss for the year ended 31st March, 2012

	Note No.	As at March 31, 2012 ₹	As at March 31, 2011 ₹
I.Revenue from operations (gross)	19	671,747,880	584,390,105
Less : Excise duty		6,313,247	4,669,620
Revenue from operations (net)		665,434,633	579,720,485
II.Other Income	20	3,221,334	13,200,243
III.Total Revenue (I+II)		668,655,967	592,920,728
IV.Expenditure			
Cost of Materials Consumed	21	220,147,307	160,264,891
Purchase of Stock-in- Trade	22	99,927,261	207,388,060
Manufacturing & Operating Costs	23	50,085,787	41,261,232
Changes in Inventories of Finished Goods,	24	20,818,775	(19,449,867)
Employee Benefit Expenses	25	86,224,019	68,718,049
Finance Costs	26	13,435,625	12,313,912
Depreciation and Amortisation Expense		8,899,351	9,928,207
Other Expenses	27	96,764,592	71,853,551
Total Expenses		596,302,717	552,278,035
V.Profit before Exceptional Items & Tax		72,353,250	40,642,693
VI.Exceptional Items	28	37,813,299	36,115,445
VII.Profit/Loss Before Taxation (V - VI)		110,166,549	76,758,138
VIII.Tax Expense :			
Current Tax		21,700,000	15,500,000
Less : MAT Credit		(4,700,000)	—
Deferred Tax		9,072,536	24,84,432
IX.Profit After Taxation (VII - VIII)		84,094,013	58,773,706
Earnings per Equity Share of Rs. 10/- each			
(1) Basic		9.70	7.09
(2) Diluted		9.27	7.09

The accompanying Notes are an Integral Part of these Financial Statements.

In terms of our report attached For and on behalf of Board of Directors

For DOSI & JAIN

Firm Registration No. 112435W

Chartered Accountants

Chandresh Gandhi

Partner

Membership No. 43172

Mumbai, June 27, 2012

B.S. Kabra

Managing Director

Mumbai, June 27, 2012

Shiva Kabra

Wholetime Director

Saroj Agarwal

CFO & CS

CASH FLOW STATEMENT FOR THE YEAR 2011-12

A. CASH FLOW FROM OPERATING ACTIVITIES:

	As at March 31, 2012	As at March 31, 2011
	₹	₹
Net Profit before tax as per Statement of Profit and Loss	110,166,549	76,938,996
Adjusted for :		
Depreciation and Amortisation (Net)	8,899,351	9,928,207
Net Earlier year's adjustments	1,572,744	
Deferred Revenue Expenditure	1,747,430	2,143,831
Provision for Wealth Tax	174,309	
Forex Fluctuation	(4,223)	(535,420)
Profit / Loss of Investments (Net)	(8,578)	(46,506,210)
Profit / Loss of Sale of Fixed Assets (Net)	(36,638,724)	-
Finance Costs	13,435,625	11,468,358
Dividend Income	(2,061,342)	(943,476)
Interest Income	(1,201,647)	(947,537)
Misc. Income	54,456	(388,745)
Operating Profit before Working Capital Changes	(14,030,600)	(25,780,992)
Adjustment for changes in :		
(Increase)/Decrease in Trade Receivables	(28,694,793)	(20,570,165)
(Increase)/Decrease in Inventories	13,403,804	(39,955,374)
(Increase)/Decrease in Other Current and Long - Term Assets, Loans & Advances	37,998,085	(12,502,349)
Increase/(Decrease) Trade Payables	(7,162,170)	6,898,383
Increase/(Decrease) in Other Payables	(5,945,218)	-
	9,599,708	(66,129,505)
Cash Generated from Operations	105,735,657	(14,971,501)
Net Earlier year's adjustments	1,572,744	
Direct Tax Paid	15,000,000	11,332,358
Net Cash from Operating Activities (Total – A)	89,162,913	(26,303,859)

B. CASH FLOW FROM INVESTING ACTIVITIES:

Purchase of Fixed Assets (Net)	(12,860,138)	(11,871,850)
Sale of Fixed Assets (Net)	53,259,315	-
(Purchase) / Sale of Investments (Net)	(1,535,070)	15,543,079
Investment in Subsidiary Company	(55,115,500)	-
Profit / Loss of Investments (Net)	8,578	-

Forex Fluctuation	4,223	535,420
Dividend Income	2,061,342	943,476
Interest Income	1,201,647	947,537
Misc. Income	(54,456)	388,745
Net Cash (Used in) Investing Activities (Total – B)	(13,030,059)	6,486,407
C. CASH FLOW IN FINANCING ACTIVITIES:		
Application Money on Issuance of Share Warrants	3,784,000	-
Issue of Equity Shares	-	16,721,750
Decrease in ESOP's Outstanding	-	(3,496,000)
Increase / (Decrease) in Borrowings	(67,847,834)	15,379,336
Finance Costs	(13,435,625)	(11,468,358)
Net Cash (Used in)/ from Financing Activities (Total – C)	(77,499,459)	17,136,728
Net Increase/Decrease in Cash and Cash Equivalents	(1,366,604)	(2,680,724)
Opening Balance of Cash and Cash Equivalents	7,355,129	10,035,853
Closing Balance of Cash and Cash Equivalents	5,988,525	7,355,129

Notes:

(i) Cash and Cash Equivalents at the end of the year represent cash on hand and Balances with Banks.

In terms of our report attached For and on behalf of Board of Directors

For DOSI & JAIN

Chartered Accountants

Firm Registration No. 112435W

Chandresh Gandhi
Partner
Membership No. 43172
Mumbai, June 27, 2012

B.S. Kabra
Managing Director
Mumbai, June 27, 2012

Shiva Kabra
Wholetime Director

Saroj Agarwal
CFO & CS

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The Accounts have been prepared as a going concern under historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

B. Fixed Assets:

All fixed assets are valued at their original cost which includes expenditure incurred in acquisition and construction / installation and other related expenses less accumulated depreciation. Capital work in progress is carried at cost comprising of direct cost and related incidental expenses.

C. Intangible Assets:

Intangible Assets are stated at cost of acquisition less amortization.

D. Investments:

Investments are stated at cost as the same are Long Term Investments.

E. Inventories:

Inventories are valued on FIFO basis as under:

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

The management has written off the cost of machines & spares given on rental basis on the basis of evaluation of its usage of the finished product to bring the same to its realizable market value.

F. Depreciation:

Depreciation on fixed assets has been provided on Straight Line basis at the rates prescribed in Schedule XIV of the Companies Act, 1956. Intangible Assets are amortized on straight line basis over the estimated economic useful life.

G. Impairment of Assets:

The Company on an annual basis makes an assessment of any indicator that may lead to "Impairment of Assets". If any such indications exist, the Company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount of the assets, then the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and the same is charged to Profit & Loss Account.

H. Revenue Recognition:

Sales are net of returns and claims. Income and expenditure are recognised on accrual basis. Revenue from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred. Revenue from maintenance contracts are recognised pro-rata over the period of the contract.

I. Foreign Currency Transactions :

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction. Monetary items denominated in foreign currencies at the year end are restated at year end rates. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

J. Employee Benefits:

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered. Post employment and other long term employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss Account.

K. Borrowing Costs:

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to profit and loss account.

L. Provisions, Contingent Liabilities and Contingent Assets:

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

M. Taxation:

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

Notes to the Financial Statements for the year ended March 31, 2012

1 SHARE CAPITAL	As at March 31, 2012 ₹	As at March 31, 2011 ₹
Authorised		
1 00 00 000 (Previous year: 1 00 00 000) equity shares of 10 each	<u>100,000,000</u>	<u>100,000,000</u>
Issued and subscribed		
86 73 248 (Previous year: 86 73 248) equity shares of 10 each fully paid up	<u>86,732,480</u>	<u>86,732,480</u>

Reconciliation of fully paid equity shares As per last balance sheet Equity shares of 10 each issued during the year Balance at the end of year

Terms/Rights attached to equity shares

As at Mar 31, 2012		As at Mar 31, 2011	
Number of Shares	Share Capital (₹)	Number of Shares	Share Capital (₹)
8,673,248	86,732,480	8,673,248	86,732,480
-	-	-	-
8,673,248	86,732,480	8,673,248	86,732,480

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the company

	As at Mar 31, 2012		As at Mar 31, 2011	
	Number of Shares	%	Number of Shares	%
Silver Plastrochem Limited	1,912,871	22.05%	1,812,871	20.90%
Shiva Kabra	583,376	6.73%	474,376	5.47%
Pushpa Kabra	575,073	6.63%	465,073	5.36%

2 RESERVES AND SURPLUS	As at March 31, 2012	As at March 31, 2011
	₹	₹
Capital Reserve		
Balance as per Last Account	8,355,975	8,355,975
Securities Premium Account		
Balance as per Last Account	159,670,050	147,242,300
Add: Premium on 375,000 shares issued to Promoters.	-	9,843,750
Add: Premium on 54,400 shares issued under ESOP.	<u>-</u>	<u>2,584,000</u>
	159,670,050	159,670,050
General Reserve		
Balance as per Last Account	98,152,981	93,152,981
Add/(Less): Transferred (to)/from Profit & Loss Account	<u>9,000,000</u>	<u>5,000,000</u>
	107,152,981	98,152,981
Surplus in the statement of Profit and Loss		
Balance as per Last Account	179,765,401	125,991,695
Add/(Less): Net Profit / (Net Loss) for the year	84,094,013	53,773,706
Less Appropriations:		
Proposed Dividend		
(Previous year Rs NIL per share)	(17,346,496)	-
Corporate Tax on Proposed Dividend	(2,813,949)	-
Transfer to General Reserve	<u>(9,000,000)</u>	<u>-</u>
Net Surplus in the Statement of Profit and Loss	<u>234,698,969</u>	<u>179,765,401</u>
Total Reserves and Surplus	<u>509,877,975</u>	<u>445,944,407</u>

3 LONG TERM BORROWINGS	As at March 31, 2012	As at March 31, 2011
	₹	₹
Secured :		
Term Loan from ING Vysya Bank	-	3,393,268
Car Loan from Kotak Mahindra Bank	764,538	-
	<u>764,538</u>	<u>3,393,268</u>

A) Car loan from Kotak Mahindra Bank is secured by creating a Charge on the cars purchased from the loan amount. The Loan is repayable in 59 monthly installments starting from June, 2011 and the last instalment is due in April, 2016.

	As at March 31, 2012 ₹	As at March 31, 2011 ₹
4 DEFERRED TAX LIABILITY - NET		
Deferred Tax Liability		
Related to Fixed Assets	23,766,773	14,258,873
Deferred Revenue Expenses	491,728	927,091
Net Deferred Tax Liability	<u>24,258,501</u>	<u>15,185,965</u>
	As at March 31, 2012 ₹	As at March 31, 2011 ₹
5 LONG TERM PROVISIONS		
Provision for Compensated Absences	2,283,151	3,068,573
Provision for Gratuity	3,014,593	4,627,937
	<u>5,297,744</u>	<u>7,696,510</u>
	As at March 31, 2012 ₹	As at March 31, 2011 ₹
6 SHORT TERM BORROWINGS		
Secured :		
Working Capital Loan from Bank	28,836,150	45,139,241
Unsecured :		
Other Parties	-	42,500,000
	<u>28,836,150</u>	<u>87,639,241</u>
	As at March 31, 2012 ₹	As at March 31, 2011 ₹
7 TRADE PAYABLES		
Total Outstanding Dues to Micro Enterprises and Small Enterprises	1,784,065	1,077,136
Total Outstanding Dues to Creditors other than Micro Enterprises and Small Enterprises	33,111,363	40,980,463
	<u>34,895,428</u>	<u>42,057,599</u>

a) Working Capital Loan from ING Vysya Bank is secured by hypothecation of present and future stock, book debts and first charge on immovable property located at Nalagarh, Himachal Pradesh.

The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

	As at March 31, 2012 ₹	As at March 31, 2011 ₹
Particulars		
Principal amount due and remaining unpaid	1,155,496	147,884
Interest due on above and the unpaid interest	6,829	1,312
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	6,829	1,312
Interest accrued and remaining unpaid	6,829	1,312
Amount of further interest remaining due and payable in succeeding years	6,829	1,312
8 OTHER CURRENT LIABILITIES	₹	₹
Current Maturities of Term Loan	3,393,268	10,000,000
Current Maturities of Car Loan	190,720	-
Statutory Dues	10,413,339	8,301,516
Unclaimed Dividends	2,070,667	2,074,569
Other Payables	19,408,998	29,201,538
Income Received in Advance	7,167,814	5,248,035
	<u>42,644,806</u>	<u>54,825,659</u>

a) Term loan amounting to Rs. 3 Crores from ING Vysya Bank is secured by hypothecation of present and future stock, book debts and first charge on immovable property located at Nalagarh, Himachal Pradesh. The Loan is repayable in 36 monthly installments starting from monthly August, 2009 and the last instalment is now due in July 2012.

	As at March 31, 2012 ₹	As at March 31, 2011 ₹
9 SHORT-TERM PROVISIONS		
Provision for Compensated Absences	1,005,479	-
Provision for Gratuity	1,212,909	-
Provision for Other Employee benefits	-	-
Provision for Income Tax	6,200,000	-
Provision for Wealth Tax	174,309	-
Proposed Dividend	17,346,496	-
Tax on Proposed Dividend	2,813,949	-
	<u>28,753,142</u>	<u>-</u>

Notes on Financial Statements for the Year ended 31st March, 2012

10. FIXED ASSETS

(Amount in Rupees)

Description	Gross Block		Depreciation/Amortisation			Net Block	
	As at 01-04-2011	Additions	Deductions Adjustments 31-03-2012	As at 01-04-2011	Additions	Deductions Adjustments 31-03-2012	As atAs at 31-03-2012 31-03-2011
TANGIBLE ASSETS:							
Freehold Land	5,621,158	-	-	-	-	-	5,621,158
Buildings*	39,496,265	4,249,000	14,045,774	7,290,972	594,611	2,859,073	24,672,981
Factory Buildings	60,958,570	-	-	14,013,518	2,036,036	-	44,909,016
Plant & Machinery**	25,153,044	1,756,166	-	6,118,117	1,213,827	-	19,577,266
Electrical Installations	8,404,291	336,574	242,650	1,627,074	399,480	161,652	6,633,313
Office Equipments	20,654,906	2,186,166	1,579,784	10,154,983	1,827,757	799,462	10,078,310
Furniture & Fixtures	33,117,327	1,718,491	4,045,833	14,217,174	1,792,849	2,987,716	17,767,678
Vehicles	9,964,378	1,447,879	764,500	5,536,571	907,192	524,190	4,728,184
Sub-Total (A)	203,369,939	11,694,276	20,678,541	58,958,109	8,771,752	7,332,093	133,987,906
INTANGIBLE ASSETS:							
Technical Knowhow fees	1,471,650	-	-	824,506	245,324	-	401,820
Software	5,225,799	250,607	-	2,747,467	557,449	-	2,171,490
Sub-Total (B)	6,697,449	250,607	-	3,571,973	802,773	-	2,573,310
Total (A+B)	210,067,388	11,944,883	20,678,541	62,530,082	9,574,525	7,332,093	136,561,216
Previous Year	200,554,426	16,165,278	4,293,428	52,601,875	9,928,207	-	149,896,194
Capital Work-in-Progress	2,358,888	915,255	3,274,143	-	-	-	-
							2,358,888

*Note: Buildings include Residential Premises of ₹ 16,657,997/=

** Depreciation on Plant & Machinery ₹ 675174/= has been excluded from total depreciation under AS 2 as the part of overheads

	As at March 31, 2012		As at March 31, 2011
	₹		₹
11 NON - CURRENT INVESTMENTS			
Investment in 100% Wholly - Owned Subsidiary (Unquoted, Trade)			
Liberty Chemicals Private Limited	<u>55,115,500</u>		<u>-</u>
	As at March 31, 2012		As at March 31, 2011
	₹		₹
Investment in Equity Shares			
(Quoted - Shares of Rs. 10 each unless otherwise specified)	Number of shares	Amount	Number of shares
Eros International Media Limited	272,000	45,526,342	264,000
GIC Housing Finance Limited	300,000	33,522,378	300,000
Taj GVK Hotel & Resorts Limited	204,796	25,569,067	204,796
Himatsingka Seide Limited	-		8,500
		<u>104,617,787</u>	<u>103,082,716</u>
Total Non- Current Investments		<u>159,733,287</u>	<u>103,082,716</u>
Aggregate Amount of Quoted Investments		104,617,787	103,082,716
Market Value of Quoted Investments		91,158,737	86,479,909
Aggregate Amount of Unquoted Investments		55,115,500	-
	As at March 31, 2012		As at March 31, 2011
	₹		₹
12 LONG-TERM LOANS & ADVANCES			
Capital Advances	-		27,411,282
Security Deposits (Unsecured, considered good)	2,253,296		2,182,496
Deposits with Related Parties	823,050		853,050
Loan to Employees	990,080		533,477
Advance Tax (Net of Provision for Tax)	15,364,892		10,022,349
Others (Margin Money held with banks)	<u>19,431,318</u>		<u>41,002,654</u>
	As at March 31, 2012		As at March 31, 2011
	₹		₹
13 OTHER NON-CURRENT ASSETS			
MAT Credit Receivable	4,700,000		-
Unamortized Expenses	<u>178,643</u>		<u>1,515,573</u>
	<u>4,878,643</u>		<u>1,515,573</u>

	As at March 31, 2012	As at March 31, 2011
	₹	₹
14 INVENTORIES		
Raw Materials	13,454,688	17,299,072
Raw Materials -in Transit	1,625,166	-
Work-in- Process	3,119,174	23,514,145
Finished goods (others than those acquired for trading)	59,098,320	39,738,411
Stock in Trade	108,451,542	128,235,255
Stock in Trade - in Transit	1,071,015	-
Stores and Spare Parts	38,495,168	44,913,052
Manufactured Components	36,003,282	20,347,050
	<u>261,318,355</u>	<u>274,046,985</u>
Details of Inventories:		
Coding & Marking Systems 948 Nos.	109,097,309	
Consumables, Spares & Raw Materials	130,100,170	
Work In Progress	3,119,174	
Others including Goods - in - Transit	19,001,702	
Total Inventories	<u>261,318,355</u>	
	As at March 31, 2012	As at March 31, 2011
	₹	₹
15 TRADE RECEIVABLES		
(Unsecured, considered good)		
Over Six Months	29,846,766	27,835,273
Others	143,081,138	116,397,838
	<u>172,927,904</u>	<u>144,233,111</u>
	As at March 31, 2012	As at March 31, 2011
	₹	₹
16 CASH & BANK BALANCES		
(i) Cash and Cash equivalents		
(a) Balances with banks In Current Accounts	1,423,087	1,659,724
(b) Cash on Hand	1,116,651	2,098,158
(ii) Other Bank Balances		
(a) Unclaimed Dividend Accounts	2,070,667	2,074,569
(b) Balances with Bank to the extent held as Margin Money	1,378,120	1,522,678
	<u>5,988,525</u>	<u>7,355,129</u>

	As at March 31, 2012	As at March 31, 2011
17 SHORT-TERM LOANS AND ADVANCES	₹	₹
Loan to Employees	397,750	1,542,810
Advances to Employees	907,997	2,389,034
Prepaid Expenses	696,945	264,960
Balances with Customs & Central Excise Authorities	992,444	869,658
Security Deposits (Unsecured, considered good)	673,450	528,875
Other Advances	-	15,000,000
	<u>3,668,586</u>	<u>20,595,337</u>
18 OTHER CURRENT ASSETS	₹	₹
Current Portion of Unamortized Expenses	<u>1,336,930</u>	<u>1,747,430</u>
19 REVENUE FROM OPERATIONS	₹	₹
Sale of Manufactured Products	441,911,772	300,221,549
Sale of Stock - in - Trade	183,470,542	259,265,081
Sale of Services	45,549,310	24,897,775
Other Operating Revenues	816,256	5,700
	<u>671,747,880</u>	<u>584,390,105</u>
Less: Excise duty	6,313,247	4,669,620
	<u>665,434,633</u>	<u>579,720,485</u>
Particulars:		
Sale of Products comprises:		
Manufactured goods		
Coding & Marking Systems	994 Nos.	176,266,814
Consumables & Spares		249,455,950
Others including Rent & CPC		16,189,008
Total - Sale of Manufactured Goods		<u>441,911,772</u>
Traded goods		
Coding & Marking Systems	123 Nos.	16,484,894
Consumables & Spares		77,984,327
Others including Rent & CPC		89,001,321
Total - Sale of Traded Goods		<u>183,470,542</u>
Total - Sale of products		<u>625,382,314</u>
OTHER OPERATING REVENUES		
Duty Drawback Receipts		808,556
Sale of Scrap		7,700
Total - Other Operating Revenues		<u>816,256</u>

	As at March 31, 2012	As at March 31, 2011
	₹	₹
20 OTHER INCOME		
a) Interest	1,201,647	947,537
b) Dividend	2,061,342	943,476
c) Misc. Receipts	(54,456)	383,045
d) Profit on Sale of Investments	8,578	10,390,765
e) Gain on Foreign Exchange Fluctuations	4,223	535,420
	<u>3,221,334</u>	<u>13,200,243</u>
	As at March 31, 2012	As at March 31, 2011
	₹	₹
21 COST OF MATERIALS CONSUMED		
Opening stock	82,559,174	62,053,668
Add: Purchases	225,541,271	180,770,397
	<u>308,100,445</u>	<u>242,824,065</u>
Less: Closing stock	87,953,138	82,559,174
Cost of Material Consumed	<u>220,147,307</u>	<u>160,264,891</u>
Cost of Materials Consumed:	% of consumption	
Imported	73,806,245	33.53
Indigenous	146,341,062	66.47
	<u>220,147,307</u>	<u>100.00</u>
	As at March 31, 2012	As at March 31, 2011
	₹	₹
22 PURCHASE OF TRADED GOODS		
Purchase of Traded Goods	<u>99,927,261</u>	<u>207,388,060</u>
Details of Purchase of Traded Goods:		
Coding & Marking Systems	101 Nos. 17,508,811	
Consumables & Spares	32,315,460	
Others	50,102,990	
Total	<u>99,927,261</u>	
	As at March 31, 2012	As at March 31, 2011
	₹	₹
23 MANUFACTURING & OPERATING COSTS		
Power & other Expenses	2,785,737	4,418,883
Personnel Cost	18,656,106	14,847,086
Royalty Expenses	28,643,944	21,995,263
	<u>50,085,787</u>	<u>41,261,232</u>

	As at March 31, 2012	As at March 31, 2011
	₹	₹
24 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories at the end of the year:		
Work-in-Process	3,119,174	23,514,145
Stock-in-Trade	108,451,542	128,235,255
Finished Goods	<u>59,098,320</u>	<u>39,738,411</u>
	170,669,036	191,487,811
Inventories at the beginning of the year:		
Work-in-Process	23,514,145	7,249,862
Stock-in-Trade	128,235,255	136,086,311
Finished Goods	<u>39,738,411</u>	<u>28,701,771</u>
	191,487,811	172,037,944
Net (Increase) / Decrease	<u><u>20,818,775</u></u>	<u><u>(19,449,867)</u></u>
	As at March 31, 2012	As at March 31, 2011
	₹	₹
25 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	78,521,069	63,506,941
Contribution to Provident and Other funds	2,441,961	1,894,586
Staff Welfare Expenses	<u>5,260,989</u>	<u>3,316,522</u>
	<u><u>86,224,019</u></u>	<u><u>68,718,049</u></u>
	As at March 31, 2012	As at March 31, 2011
	₹	₹
26 FINANCE COSTS		
Interest on Cash Credit & Others	10,881,351	8,993,907
Interest on Term Loan	1,332,142	2,474,451
Bank Commission & Charges	1,117,214	845,554
Interest on Vehicle Loan	<u>104,918</u>	<u>-</u>
	<u><u>13,435,625</u></u>	<u><u>12,313,912</u></u>

	As at March 31, 2012	As at March 31, 2011
	₹	₹
27 OTHER EXPENSES		
Rent	8,043,790	5,280,256
Rates & Taxes	1,841,665	643,438
Printing & Stationery	2,675,800	2,681,956
Payment to Auditors	811,863	564,782
Legal & Professional Charges	11,702,655	8,486,847
Directors Meeting Fees	120,000	110,000
Telephone, Mobile & Fax Charges	3,758,888	3,643,335
Insurance Charges	69,424	203,179
Conveyance Expenses	9,839,774	8,471,429
Loss on Sale of Fixed Assets	1,174,575	-
General Expenses	3,965,117	4,959,095
Vehicle Expenses	3,741,234	3,377,060
Repairs & Maintenance	5,991,578	3,679,017
Electricity Charges	2,256,264	2,185,748
Travelling Expenses	19,337,187	14,234,117
Sales and Market Promotion Expenses	2,748,732	1,991,858
Freight & Other Expenses	10,889,985	7,910,840
Deferred Revenue Expenses Written Off	1,705,397	1,705,403
Preliminary Expenses Written Off	42,033	42,034
Bad Debts Written Off (Net)	4,301,578	2,214,593
Prior Period Items	1,572,744	(712,293)
Wealth Tax	174,309	180,858
	<u>96,764,592</u>	<u>71,853,551</u>
	As at March 31, 2012	As at March 31, 2011
	₹	₹
28 EXCEPTIONAL ITEM		
Profit on Sale of Immovable Property	37,813,299	-
Profit on Sale of Investments	-	36,115,445
	<u>37,813,299</u>	<u>36,115,445</u>
	As at March 31, 2012	As at March 31, 2011
	₹	₹
29 PAYMENT TO AUDITORS INCLUDE:		
(I) Audit Fees	439,915	256,695
(ii) Tax Audit Fees	89,888	33,090
(iii) Certification Charges	168,540	128,605
(iv) Advisory Services	112,360	78,090
(v) Due Diligence Fees	-	55,150
(vi) Out of Pocket Expenses	1,160	13,152

	As at March 31, 2012	As at March 31, 2011
30 VALUE OF IMPORTS ON CIF BASIS	₹	₹
IN RESPECT OF		
(i) Capital Goods	30,030	NIL
(ii) Raw Material	59,042,263	6,91,92,022
(iii) Finished Goods	47,809,821	6,58,90,710
	As at March 31, 2012	As at March 31, 2011
	₹	₹
31 EXPENDITURE IN FOREIGN CURRENCY:		
(i) Traveling	607,409	4,23,572
(ii) Royalty	26,462,000	1,99,41,308
(iii) Professional fees	5,402,800	4,89,500
(iv) Technical Know How Fees	278,525	NIL
	As at March 31, 2012	As at March 31, 2011
	₹	₹
32 EARNINGS IN FOREIGN EXCHANGE:		
FOB Value of Exports	11,113,217	8,203,272
	As at March 31, 2012	As at March 31, 2011
	₹	₹
33 EARNINGS PER SHARE:		
Profit after taxation (₹ in lacs)	841	588
Weighted average number of shares outstanding	8,673,248	82,84,628
Earnings per Share - Basic (₹)	9.70	7.09
Weighted average number of shares (including Share Warrants) outstanding	9,073,248	82,84,628
Earnings per Share - Diluted (₹)	9.27	7.09
Face value per Equity Share (₹)	10.00	10.00
	As at March 31, 2012	As at March 31, 2011
34 RELATED PARTY DISCLOSURES :		
Related Party Disclosures required under AS –18 are given below:		
Name of the Related Party	Relationship	
Silver Plastochem Pvt. Ltd.	Where control exists	
Key Management Personnel	Mr. Basant Kabra	
	Mr. Shiva Kabra	

I Transactions during the year with Related Parties:

		As at March 31, 2012	As at March 31, 2011
		₹	₹
Nature of Transaction	Name of Party		
Rent paid	- Silver Plastochem Pvt. Ltd.	3,631,296	3,113,548
II Transactions during the year with Directors			
Loan repayment to			
	Marytime Trimpex Private Limited	15,000,000	
	Miura Trading & Finvest Private Limited	7,500,000	
Remuneration	- Executive Directors	7,324,708	5,989,530
Board Meeting Fees	Non - Executive Directors	120,000	110,000
Pledge of 10,00,000 Equity Shares of Control Print Limited towards Security for Loans Sanctioned to the Company. Silver Plastochem Pvt. Ltd.			
Personal Guarantees given by Mr. Basant Kabra and Mr. Shiva Kabra, Directors of the Company for the Loans Sanctioned to the Company.			
III Balances as on 31st March 2012			
	Security Deposit to Silver Plastochem Private Limited	8,23,050	8,53,050

	As at March 31, 2012	As at March 31, 2011
	₹	₹
35 CONTINGENT LIABILITIES AND COMMITMENTS		
Counter Guarantees given by the company to the bank against the Bank Guarantees	7,058,853	72,94,609
Estimated amount of contracts remaining to be executed on capital account (net of Advances)	745,250	1,620,000

36 BALANCE CONFIRMATIONS

The Company has issued Confirmation to its Debtors and Creditors which are in the process of being reverted by the parties thereof. The process of reconciliation of the balances is on progress.

37 The Company operates in a single reportable segment, viz, Coding and Marking and Consumables thereof.

38 In the opinion of the Board, the Current Assets, Loans and advances have a value on realisation not less than which they have stated in the Balance Sheet and Provision of all known liabilities have been made.

39 PREVIOUS YEAR FIGURES

The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have

also been reclassified to confirm to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

40 The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

In terms of our report attached For and on behalf of Board of Directors

For DOSI & JAIN

Chartered Accountants

Firm Registration No. 112435W

Chandresh Gandhi
Partner
Membership No. 43172
Mumbai, June 27, 2012

B.S. Kabra
Managing Director
Mumbai, June 27, 2012

Shiva Kabra
Wholetime Director

Saroj Agarwal
CFO & CS

Auditors' Report on Consolidated Financial Statements

To The Board of Directors

Control Print Ltd

We have audited the attached Consolidated Balance Sheet of Control Print Ltd (the Company) and its subsidiary known as Liberty Chemicals Private Ltd. as at 31st March, 2012, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. Financial statements / consolidated financial statements of subsidiary which reflect total assets of 7682.83 lacs as at 31st March, 2012, total revenue of 7032.48 lacs and net cash flows amounting to 1168.81 lacs for the year then ended, have been audited by us .
2. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 13 ,Accounting for Investments and (AS) 21, Consolidated Financial Statements
3. Based on our audit as aforesaid and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at 31st March, 2012;
 - (ii) in the case of the Consolidated Statement of Profit and Loss, of the Profit of the Group for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

Place: Mumbai
Date: 27 June, 2012

Chandresh Gandhi
Partner
Membership No.43172

For Dosi & Jain
Chartered Accountants
(Registration No. FRN 112435W)

Consolidated Balance Sheet as at March 31, 2012

	Note No.	As at March 31, 2012 ₹
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Share Capital	1	86,732,480
(b) Reserves and Surplus	2	505,458,411
(c) Money Received Against Share Warrants		3,784,00
Non-Current Liabilities		
(a) Long Term Borrowings	3	764,538
(b) Deferred Tax Liability - Net	4	24,270,280
(c) Other Long Term Liabilities	5	6,753,400
(d) Long Term Provisions	6	5,297,744
Current Liabilities		
(a) Short - Term Borrowings	7	28,836,150
(b) Trade Payables	8	34,895,428
(c) Other Current Liabilities	9	42,737,183
(d) Short-term Provisions	10	28,753,142
TOTAL		<u>768,282,756</u>
ASSETS		
Non-current Assets		
(a) Fixed Assets		
(i) Tangible Assets	11	151,134,080
(ii) Intangible Assets		22,688,026
(iii) Capital Work in Progress		12,084,986
(b) Non- Current Investments	12	104,617,787
(c) Long Term Loans & Advances	13	26,785,175
(d) Other Non- Current Assets	14	4,878,643
Current Assets		
(a) Inventories	15	261,318,355
(b) Trade Receivables	16	172,927,904
(c) Cash and Cash Equivalents	17	6,842,284
(d) Short-term Loans and advances	18	3,668,586
(e) Other Current Assets	19	1,336,930
TOTAL		<u>768,282,756</u>

Significant Accounting Policies and Notes to Accounts 29 to 40

The accompanying Notes are an Integral Part of these Financial Statements.

In terms of our report attached For and on behalf of Board of Directors

Chandresh Gandhi
Partner
Membership No. 43172
Mumbai, June 27, 2012

B.S. Kabra
Managing Director
Mumbai, June 27, 2012

Shiva Kabra
Wholetime Director

Saroj Agarwal
CFO & CS

Consolidated Statement of Profit and Loss for the Twelve Months ended March 31, 2012

	Note No.	As at March 31, 2012 ₹
I. Revenue from operations (gross)	20	671,747,880
Less: Excise duty		6,313,247
Revenue from operations (net)		<u>665,434,633</u>
II. Other Income	21	3,221,663
III. Total Revenue (I+II)		<u>668,656,296</u>
IV. Expenditure		
Cost of Materials Consumed	22	220,147,307
Purchase of Stock-in-Trade	23	99,927,261
Manufacturing & Operating Costs	24	50,085,787
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	20,818,775
Employee Benefit Expenses	26	86,224,019
Finance Costs	27	13,436,021
Depreciation and Amortisation Expense		11,134,319
Other Expenses	28	98,949,122
Total Expenses		<u>600,722,611</u>
V. Profit before Exceptional Items & Tax		67,933,685
VI. Exceptional Items	29	37,813,299
VII. Profit/Loss Before Taxation (V - VI)		<u>105,746,984</u>
VIII. Tax Expense :		
Current Tax		21,700,000
Less: MAT Credit		(4,700,000)
Deferred Tax		9,072,536
IX. Profit After Taxation (VII - VIII)		<u>79,674,448</u>
Earnings per Equity Share of Rs. 10/- each		
(1) Basic		9.19
(2) Diluted		8.78

The accompanying Notes are an Integral Part of these Financial Statements.

In terms of our report attached For and on behalf of Board of Directors

For DOSI & JAIN

Firm Registration No. 112435W

Chartered Accountants

**Chandresh Gandhi
Partner**

**Membership No. 43172
Mumbai, June 27, 2012**

**B.S. Kabra
Managing Director
Mumbai, June 27, 2012**

**Shiva Kabra
Wholetime Director**

**Saroj Agarwal
CFO & CS**

Consolidated Cash Flow Statement For The Year 2011 -12

	As at March 31, 2012	As at March 31, 2012
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit and Loss		105,746,984
Adjusted for :		
Depreciation and Amortisation (Net)	11,134,319	
Net Earlier year's adjustments	1,572,743	
Deferred Revenue Expenditure	1,747,430	
Provision for Wealth Tax	174,309	
Forex Fluctuation	(4,223)	
Profit / Loss of Investments (Net)	(8,578)	
Profit / Loss of Sale of Fixed Assets (Net)	(36,638,724)	
Finance Costs	13,436,021	
Dividend Income	(2,061,342)	
Interest Income	(1,201,976)	
Misc. Income	54,456	
Operating Profit before Working Capital Changes		(11,795,565)
Adjustment for changes in :		
(Increase)/Decrease in Trade Receivables	(28,694,793)	
(Increase)/Decrease in Inventories	13,403,804	
(Increase)/Decrease in Other Current and Long - Term Assets, Loans & Advances	38,320,423	
Increase/(Decrease) Trade Payables	(7,162,170)	
Increase/(Decrease) in Other Payables	(33,369,406)	(17,502,142)
Cash Generated from Operations		76,449,278
Net Earlier year's adjustments		1,572,743
Direct Tax Paid		15,000,000
Net Cash from Operating Activities (Total – A)		59,876,535
B. CASHFLOW FROM INVESTING ACTIVITIES:		
(Purchase)/Sale of Fixed Assets (Net)	(19,728,413)	
(Purchase)/Sale of Fixed Assets (Net)	53,259,315	
(Purchase) / Sale of Investments (Net)	(1,535,070)	
Acquisition of Subsidiary Company	(18,115,500)	

Profit / Loss of Sale of Fixed Assets (Net)	-	
Profit / Loss of Investments (Net)	8,578	
Forex Fluctuation	4,223	
Dividend Income	2,061,342	
Interest Income	1,201,976	
Misc. Income	(54,456)	
Net Cash (Used in) Investing Activities (Total – B)		17,101,995
C. CASH FLOW IN FINANCING ACTIVITIES:		
Application Money on Issuance of Share Warrants	3,784,000	
Issue of Equity Shares	-	
Decrease in ESOP's Outstanding	-	
Increase / (Decrease) in Borrowings	(67,847,834)	
Finance Costs	(13,436,021)	
Net Cash (Used in)/ from Financing Activities (Total – C)		(77,499,854)
Net Increase/Decrease in Cash and Cash Equivalents		(521,327)
Opening Balance of Cash and Cash Equivalents		7,363,610
Closing Balance of Cash and Cash Equivalents		6,842,283

Notes:

- (i) Cash and Cash Equivalents at the end of the year represent cash on hands and Balances with Banks.
(ii) Movement in working Capital includes adjustments for opening net working capital acquired on acquisition of Liberty Chemicals Private Limited as a wholly owned - subsidiary.

In terms of our report attached For and on behalf of Board of Directors

For DOSI & JAIN

Firm Registration No. 112435W

Chartered Accountants

Chandresh Gandhi
Partner
Membership No. 43172
Mumbai, June 27, 2012

B.S. Kabra
Managing Director
Mumbai, June 27, 2012

Shiva Kabra
Wholetime Director

Saroj Agarwal
CFO & CS

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENTS

A. Principles of Consolidation:

The consolidated financial statements relate to Control Print Limited ('the Company') and its wholly - owned subsidiary company - Liberty Chemicals Private Limited. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the Company and its subsidiary companies are 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 in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- (ii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill amounting to Rs. 22,349,684/- and the management of the company has decided to write off the said goodwill over the period of 10 years commencing from financial year 2011-12.
- (iii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

B. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

C. Other Significant Accounting Policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

Notes on Consolidated Financial Statements for the year ended March 31, 2012

As at March 31, 2012
₹

1 SHARE CAPITAL

Authorised 1 00 00 000 (Previous year: 1 00 00 000) equity shares of ₹ 10 each	<u>100,000,000</u>
Issued and subscribed 86 73 248 (Previous year: 86 73 248) equity shares of ₹ 10 each fully paid up	<u>86,732,480</u>

As at Mar 31, 2012	
Reconciliation of fully paid equity shares:	Share Capital (₹)
As per last balance sheet	86,732,480
Equity shares of ₹ 10 each issued during the year	-
Balance at the end of year	86,732,480

Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the company As at Mar 31, 2012

	Number of Shares	%
Silver Plastochem Limited	1,912,871	22.05%
Shiva Kabra	583,376	6.73%
Pushpa Kabra	575,073	6.63%

		As at March 31, 2012
		₹
2 RESERVES AND SURPLUS		
Capital Reserve		
Balance as per Last Account		8,355,975
Securities Premium Account		
Balance as per Last Account		159,670,050
General Reserve		
Balance as per Last Account	98,152,981	
Add/(Less): Transferred (to)/from Profit & Loss Account	<u>9,000,000</u>	107,152,981
Surplus in the statement of Profit and Loss		
Balance as per Last Account	179,765,401	
Add/(Less): Net Profit /(Net Loss) for the year	79,674,448	
Less Appropriations:		
Proposed Dividend (Previous year Rs NIL per share)	(17,346,496)	
Corporate Tax on Proposed Dividend	(2,813,948)	
Transfer to General Reserve	<u>(9,000,000)</u>	
Net Surplus in the Statement of Profit and Loss		230,279,405
Total Reserves and Surplus		<u>505,458,411</u>

As at March 31, 2012

₹

3 LONG TERM BORROWING		
Secured :		
Term Loan from ING Vysya Bank		-
Car Loan from Kotak Mahindra Bank		764,538
		<u>764,538</u>

A) Car loan from Kotak Mahindra Bank is secured by creating a Charge on the cars purchased from the loan amount. The Loan is repayable in 59 monthly installments starting from June, 2011 and the last instalment is due in April, 2016.

As at March 31, 2012

₹

4 DEFERRED TAX LIABILITY - NET		
Deferred Tax Liability		
Related to Fixed Assets		23,778,552
Deferred Revenue Expenses		491,728
Net Deferred Tax Liability		<u>24,270,280</u>

	As at March 31, 2012
	₹
5 OTHER LONG TERM LIABILITIES	
Other Liabilities	6,753,400
	<u>6,753,400</u>
	As at March 31, 2012
	₹
6 LONG TERM PROVISIONS	
Provision for Compensated Absences	2,283,151
Provision for Gratuity	3,014,593
	<u>5,297,744</u>
	As at March 31, 2012
	₹
7 SHORT TERM BORROWINGS	
Secured:	
Working Capital Loan from Bank	28,836,150
	<u>28,836,150</u>
a) Working Capital Loan from ING Vysya Bank is secured by hypothecation of present and future stock, book debts and first charge on immovable property located at Nalagarh, Himachal Pradesh.	
	As at March 31, 2012
	₹
8 TRADE PAYABLES	
Total Outstanding Dues to Micro Enterprises and Small Enterprises	1,784,065
Total Outstanding Dues to Creditors other than Micro Enterprises and Small Enterprises	33,111,363
	<u>34,895,428</u>
The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:	
	As at March 31, 2012
	₹
Particulars As At:	
Principal amount due and remaining unpaid	1,155,496
Interest due on above and the unpaid interest	6,829
Interest paid	-
Payment made beyond the appointed day during the year	-
Interest due and payable for the period of delay	6,829
Interest accrued and remaining unpaid	6,829
Amount of further interest remaining due and payable in succeeding years	6,829

As at March 31, 2012

₹

9 OTHER CURRENT LIABILITIES

Current Maturities of Term Loan	3,393,268
Current Maturities of Car Loan	190,720
Statutory Dues	10,429,161
Unclaimed Dividends	2,070,667
Other Payables	19,485,553
Income Received in Advance	7,167,814
	<u>42,737,183</u>

a) Term loan amounting to Rs. 3 Crores from ING Vysya Bank is secured by hypothecation of present and future stock, book debts and first charge on immovable property located at Nalagarh, Himachal Pradesh. The Loan is repayable in 36 monthly installments starting from monthly August, 2009 and the last instalment is now due in July 2012.

As at March 31, 2012

₹

10 SHORT-TERM PROVISIONS

Provision for Compensated Absences	1,005,479
Provision for Gratuity	1,212,909
Provision for Other Employee benefits	-
Provision for Income Tax	6,200,000
Provision for Wealth Tax	174,309
Proposed Dividend	17,346,496
Tax on Proposed Dividend	2,813,949
	<u>28,753,142</u>

Notes on Consolidated Financial Statements for the Year ended 31st March, 2012

11. FIXED ASSETS

Description	Gross Block				Depreciation/Amortisation			Net Block	
	As at 01-04-2011	Additions	Deductions Adjustments	As atAs atAs at 31-03-2012 01-04-2011 31-03-2012	Additions	Deductions Adjustments	As atAs atAs at 31-03-2012 31-03-2012 31-03-2011		
TANGIBLE ASSETS:									
Freehold Land	22,767,331	-	-	22,767,331	-	-	-	22,767,331	22,767,331
Buildings*	39,496,265	4,249,000	14,045,774	29,699,491	7,290,972	2,859,073	5,026,510	24,672,981	32,205,293
Factory Buildings	60,958,570	-	-	60,958,570	14,013,518	2,036,036	16,049,554	44,909,016	46,945,052
Plant & Machinery	25,153,044	1,756,166	-	26,909,210	6,118,117	1,213,827	7,331,944	19,577,266	19,034,927
Electrical Installations	8,404,291	336,574	242,650	8,498,215	1,627,074	399,480	1,664,902	6,633,313	6,777,217
Office Equipments	20,654,906	2,186,166	1,579,784	21,261,288	10,154,683	1,827,757	11,182,978	10,078,310	10,500,223
Furniture & Fixtures	33,117,327	1,718,491	4,045,833	30,789,985	14,217,174	1,792,849	2,987,716	17,767,678	18,900,153
Vehicles	9,964,378	1,447,879	764,500	10,647,757	5,536,571	907,192	524,190	4,728,184	4,427,807
Sub-Total (A)	220,516,112	11,694,276	20,678,541	211,531,847	58,958,109	8,771,752	7,332,093	60,397,768	161,558,003
INTANGIBLE ASSETS:									
Goodwill on Consolidation	22,349,684	-	-	22,349,684	-	2,234,968	-	2,234,968	20,114,716
Technical Knowhow fees	1,471,650	-	-	1,471,650	824,506	245,324	-	1,069,830	401,820
Software	5,225,799	250,607	-	5,476,406	2,747,467	557,449	-	3,304,916	2,171,490
Sub-Total (B)	29,047,133	250,607	-	29,297,740	3,571,973	3,037,741	-	6,609,714	22,688,026
Total (A+B)	249,563,245	11,944,883	20,678,541	240,829,587	62,530,082	11,809,493	7,332,093	67,007,482	173,822,105
Previous Year	200,554,426	16,165,278	4,293,428	212,426,276	52,601,875	9,928,207	-	62,530,082	149,896,194
Capital Work-in-Progress	2,358,888	13,000,241	3,274,143	12,084,986	-	-	-	-	12,084,986

*Note: Buildings include Residential Premises of ₹ 16,657,997/=

** Depreciation on Plant & Machinery ₹ 675174/= has been excluded from total depreciation under AS 2 as the part of overheads

As at March 31, 2012

₹

12 NON - CURRENT INVESTMENTS**Investment in Equity Shares**

(Quoted - Shares of Rs. 10 each unless otherwise specified)	Number of Shares	Amount
Eros International Media Limited	272,000	45,526,342
GIC Housing Finance Limited	300,000	33,522,378
Taj GVK Hotel & Resorts Limited (Face Value of ₹ 10 each)	204,796	25,569,067
		<u>104,617,787</u>
Total Non- Current Investments		104,617,787
Aggregate Amount of Quoted Investments		104,617,787
Market Value of Quoted Investments		91,158,737

As at March 31, 2012

₹

13 LONG-TERM LOANS AND ADVANCES

Capital Advances	7,250,000
Security Deposits (Unsecured, considered good)	2,253,296
Deposits with Related Parties	823,050
Loan to Employees	990,080
Advance Tax (Net of Provision for Tax)	15,468,749
Others (Margin Money held with banks)	<u>26,785,175</u>

As at March 31, 2012

₹

14 OTHER NON - CURRENT ASSETS

MAT Credit Receivable	4,700,000
Unamortized Expenses	178,643
	<u>4,878,643</u>

As at March 31, 2012

₹

15 INVENTORIES

Raw Materials	13,454,688
Raw Materials -in Transit	1,625,166
Work-in- Process	3,119,174
Finished goods (others than those acquired for trading)	59,098,320
Stock in Trade	108,451,542
Stock in Trade - in Transit	1,071,015
Stores and Spare Parts	38,495,168
Manufactured Components	36,003,282
	<u>261,318,355</u>

Details of Inventories:		
Coding & Marking Systems	948 Nos.	109,097,309
Consumables, Spares & Raw Materials		130,100,170
Work In Progress		3,119,174
Others including Goods - in - Transit		19,001,702
Total Inventories		<u>261,318,355</u>
		As at March 31, 2012
		₹
16 TRADE RECEIVABLES		
(Unsecured, considered good)		
Over Six Months		29,846,766
Others		143,081,138
		<u>172,927,904</u>
		As at March 31, 2012
		₹
17 CASH & BANK BALANCES		
(i) Cash and Cash equivalents		
(a) Balances with banks In Current Accounts		2,273,385
(b) Cash on Hand		1,120,112
(ii) Other Bank Balances		
(a) Unclaimed Dividend Accounts		2,070,667
(b) Balances with Bank to the extent held as Margin Money		1,378,120
		<u>6,842,284</u>
		As at March 31, 2012
		₹
18 SHORT-TERM LOANS AND ADVANCES		
Loan to Employees		397,750
Advances to Employees		907,997
Prepaid Expenses		696,945
Balances with Customs & Central Excise Authorities		992,444
Security Deposits (Unsecured, considered good)		673,450
Other Advances		-
		<u>3,668,586</u>
		As at March 31, 2012
		₹
19 OTHER CURRENT ASSETS		
Current Portion of Unamortized Expenses		<u>1,336,930</u>

As at March 31, 2012

₹

20 REVENUE FROM OPERATIONS

Sale of Manufactured Products	441,911,772
Sale of Stock - in - Trade	183,470,542
Sale of Services	45,549,310
Other Operating Revenues	816,256
	671,747,880
Less: Excise duty	6,313,247
	665,434,633

Particulars:

Sale of Products comprises:

Manufactured goods

Coding & Marking Systems	994 Nos.	176,266,814
Consumables & Spares		249,455,950
Others including Rent & CPC		16,189,008
Total - Sale of Manufactured Goods		441,911,772

Traded goods

Coding & Marking Systems	123 Nos.	16,484,894
Consumables & Spares		77,984,327
Others including Rent & CPC		89,001,321
Total - Sale of Traded Goods		183,470,542
Total - Sale of products		625,382,314

OTHER OPERATING REVENUES

Duty Drawback Receipts	808,556
Sale of Scrap	7,700
Total - Other Operating Revenues	816,256

As at March 31, 2012

₹

21 OTHER INCOME

a) Interest	1,201,976
b) Dividend	2,061,342
c) Misc. Receipts	(54,456)
d) Profit on Sale of Investments	8,578
e) Gain on Foreign Exchange Fluctuations	4,223
	3,221,663



As at March 31, 2012
₹

22 COST OF MATERIALS CONSUMED

Opening stock		82,559,174
Add: Purchases		<u>225,541,271</u>
		308,100,445
Less: Closing stock		<u>87,953,138</u>
Cost of Material Consumed		<u>220,147,307</u>

Cost of Materials Consumed:

		% of consumption
Imported	73,806,245	33.53
Indigenous	146,341,062	66.47
	<u>220,147,307</u>	<u>100.00</u>

As at March 31, 2012
₹

23 PURCHASE OF TRADED GOODS :

Purchase of Traded Goods		99,927,261
--------------------------	--	------------

Details of Purchase of Traded Goods:

Coding & Marking Systems	101 Nos.	17,508,811
Consumables & Spares		32,315,460
Others		50,102,990
Total		<u>99,927,261</u>

As at March 31, 2012
₹

24 MANUFACTURING & OPERATING COSTS

Power & other Expenses		2,785,737
Personnel Cost		18,656,106
Royalty Expenses		<u>28,643,943</u>
		<u>50,085,787</u>

	As at March 31, 2012
	₹
25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	
Inventories at the end of the year:	
Work-in-Process	3,119,174
Stock-in-Trade	108,451,542
Finished Goods	<u>59,098,320</u>
	170,669,036
Inventories at the beginning of the year:	
Work-in-Process	23,514,145
Stock-in-Trade	128,235,255
Finished Goods	<u>39,738,411</u>
	191,487,811
Net (Increase) / Decrease	<u>20,818,775</u>
	As at March 31, 2012
	₹
26 EMPLOYEE BENEFIT EXPENSES	
Salaries, Wages and Bonus	78,521,069
Contribution to Provident and Other funds	2,441,961
Staff Welfare Expenses	5,260,989
	<u>86,224,019</u>
	As at March 31, 2012
	₹
27 FINANCE COSTS	
Interest on Cash Credit & Others	10,881,691
Interest on Term Loan	1,332,142
Bank Commission & Charges	1,117,270
Interest on Vehicle Loan	104,918
	<u>13,436,021</u>

As at March 31, 2012

₹

28 OTHER EXPENSES

Rent	8,813,354
Rates & Taxes	1,843,430
Printing & Stationery	2,675,800
Payment to Auditors	868,043
Legal & Professional Charges	12,826,651
Directors Meeting Fees	120,000
Telephone, Mobile & Fax Charges	3,759,018
Insurance Charges	69,424
Conveyance Expenses	9,839,774
Loss on Sale of Fixed Assets	1,174,575
General Expenses	4,180,629
Vehicle Expenses	3,741,234
Repairs & Maintenance	5,992,641
Electricity Charges	2,272,584
Travelling Expenses	19,337,187
Sales and Market Promotion Expenses	2,748,732
Freight & Other Expenses	10,889,985
Deferred Revenue Expenses Written Off	1,705,397
Preliminary Expenses Written Off	42,033
Bad Debts Written Off (Net)	4,301,578
Prior Period Items	1,572,744
Wealth Tax	174,309
	<u>98,949,122</u>

As at March 31, 2012

₹

29 EXCEPTIONAL ITEM

Profit on Sale of Immovable Property	<u>37,813,299</u>
--------------------------------------	-------------------

30 Payment to Auditors include:

(i) Audit Fees	462,387
(ii) Tax Audit Fees	89,888
(iii) Certification Charges	168,540
(iv) Advisory Services	146,068
(v) Due Diligence Fees	-
(vi) Out of Pocket Expenses	1,160

As at March 31, 2012

₹

31 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

(i) Capital Goods	30,030
(ii) Raw Material	59,042,263
(iii) Finished Goods	47,809,821

	As at March 31, 2012
	₹
32 EXPENDITURE IN FOREIGN CURRENCY:	
(i) Traveling	607,409
(ii) Royalty	26,462,000
(iii) Professional fees	5,402,800
(iv) Technical Know How Fees	278,525
	As at March 31, 2012
	₹
33 EARNINGS IN FOREIGN EXCHANGE:	
FOB Value of Exports	11,113,217
	As at March 31, 2012
34 EARNINGS PER SHARE:	
Profit after taxation (₹ in lacs)	797
Weighted average number of shares outstanding	8,673,248
Earnings per Share - Basic (₹)	9.19
Weighted average number of shares (including Share Warrants) outstanding	9,073,248
Earnings per Share - Diluted (₹)	8.78
Face value per Equity Share (₹)	10.00
	As at March 31, 2012
35 RELATED PARTY DISCLOSURES :	
Related Party Disclosures required under AS – 18 are given below:	
I Name of the Related Party	Relationship
Silver Plastochem Pvt. Ltd.	Where control exists
Key Management Personnel	Mr. Basant Kabra Mr. Shiva Kabra
II Transactions during the year with Related Parties:	₹
Nature of Transaction	Name of Party
Rent paid -	Silver Plastochem Pvt. Ltd.
Remuneration -	Executive Directors
Board Meeting Fees	Non - Executive Directors
Pledge of 10,00,000 Equity Shares of Control Print Limited towards Security for Loans Sanctioned to the Company.	Silver Plastochem Pvt. Ltd.
Personal Guarantees given by Mr. Basant Kabra and Mr. Shiva Kabra, Directors of the Company for the Loans Sanctioned to the Company.	
III Balances as on 31st March 2012	
Security Deposit to Silver Plastochem Private Limited	8,23,050

As at March 31, 2012

₹

36 CONTINGENT LIABILITIES AND COMMITMENTS

Counter Guarantees given by the company to the bank against the Bank Guarantees	7,058,853
Estimated amount of contracts remaining to be executed on capital account (net of Advances)	745,250

37 BALANCE CONFIRMATIONS

The Company has issued Confirmation to its Debtors and Creditors which are in the process of being reverted by the parties thereof. The process of reconciliation of the balances is on progress

- 38** In the opinion of the Board, the Current Assets, Loans and advances have a value on realisation not less than which they have stated in the Balance Sheet and Provision of all known liabilities have been made.

39 PREVIOUS YEAR FIGURES

The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

- 40** Since this is the first year, Consolidated Financial Statements being prepared by the company, the corresponding figures for the year ended March 31, 2011 are not applicable and hence not provided.

In terms of our report attached For and on behalf of Board of Directors

For DOSI & JAIN
Firm Registration No. 112435W
Chartered Accountants

Chandresh Gandhi
Partner
Membership No. 43172
Mumbai, June 27, 2012

B.S. Kabra
Managing Director
Mumbai, June 27, 2012

Shiva Kabra
Wholetime Director

Saroj Agarwal
CFO & CS

The details of subsidiary in terms of General Circular No. 2 dated 8th February 2011 issued by Government of India , Ministry of Corporate Affairs under Section 212(8) of the Companies Act 1956 is as under:

Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country
1	Liberty Chemicals Private Limited (Wholly - owned Subsidiary)	INR	18,600,000	11,981,219	37,438,775	6,857,556	-	329	(2,184,597)	-	(2,184,597)	-	India



Control Print Limited, C-106, Hind Saurashtra Industrial Estate, Andheri-Kurla Road, Marol Naka, Mumbai - 400 059

Attendance Slip

(To be presented at the entrance)

Name and Address of Member	Folio No	:
	DP ID No.	:
	Client ID No.	:
	No. of Shares	:

I hereby record my presence at the TWENTYFIRST ANNUAL GENERAL MEETING of the Company on Friday, 14th September, 2012 at Mirage Hotel, International Airport Approach Road, Marol Naka, Andheri (East), Mumbai - 400 059 at 2.30 p.m.

Signature of the Member / Proxy

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

.....



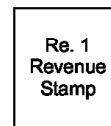
Control Print Limited, C-106, Hind Saurashtra Industrial Estate, Andheri-Kurla Road, Marol Naka, Mumbai 400 059

PROXY SLIP

Folio No.	:	Client ID No.	:
DP ID No.	:	No. of Shares	:

I/We of being a Member/Members of CONTROL PRINT LIMITED, hereby appoint..... Ofofor failing him/her as my/our proxy to attend and vote for me/us and on my/our behalf at the attend and the TWENTYFIRST ANNUAL GENERAL MEETING of the Company to be held on Friday, 14th September, 2012 at 2.30 p.m. at Mirage Hotel, International Airport Approach Road, Marol Naka, Andheri (East), Mumbai - 400 059 and at any adjournment thereof.

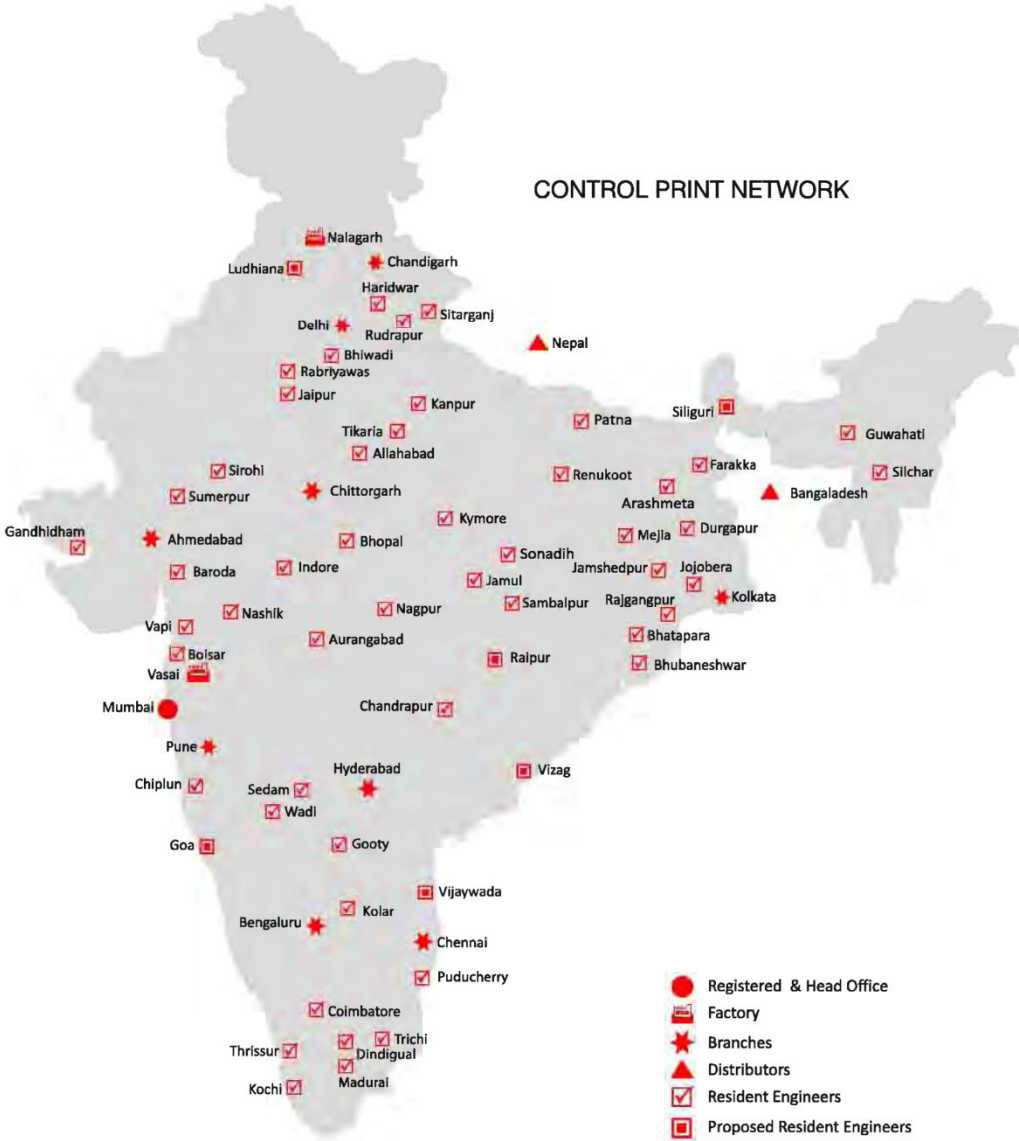
Signed this day of 2012 at.....



NOTES:

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

CONTROL PRINT NETWORK



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