

Contents

Corporate Information	01
Directors' Report	02
Management Discussion and Analysis	09
Corporate Governance Report	12
Auditors' Report	23
Financial Statements	26
Consolidated Auditors' Report	49
Consolidated Financial Statements	50

Corporate Information

Directors

R. N. Sengupta – Chairman
B. K. Agrawal – Managing Director
A. K. Chakraborty
D. B. Guha – Executive Director
K. K. Chaudhuri
M. P. Agrawal
Nadia Basak
Smita Khaitan
Sunil Kumar Agrawal – Executive Director
Suresh Kumar Agrawal – Executive Director
Sushil Kumar Agrawal – Executive Director

Company Secretary

Anubhav Maheshwari

Auditor

M/s SRB & Associates

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
59C, Chowringhee Road,
Kolkata - 700 020

Registered Office

8/1, Lal Bazar Street
Kolkata - 700 001

Bankers

Axis Bank Ltd.
Citi Bank N. A
DBS Bank Ltd.
EXIM Bank
HDFC Bank Ltd.
ICICI Bank Ltd.
Standard Chartered Bank
State Bank of India



Directors' Report

Dear Shareholders,

Your Directors are pleased to present the Twenty Seventh Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2011.

FINANCIAL RESULTS:

₹ in lacs

	2010-11	2009-10
Total Income	94211.39	85139.09
Profit Before Tax	4005.60	3166.01
Less: Provisions for Taxation	1020.00	688.00
Net Profit	2985.60	2478.01
Transfer from Exchange Fluctuation Reserve	200.00	–
Balance brought forward from previous year	7.73	25.71
Short/(Excess) provision for Taxation for Earlier years	59.68	–
Total Amount available for appropriation	3133.65	2503.72
Which the Directors have appropriated as under to:		
(i) General Reserve	300.00	250.00
(ii) Debenture Redemption Reserve	900.00	300.00
(iii) Proposed Dividend on Equity Shares	1638.35	1668.82
(iv) Tax on Proposed Dividends	265.78	277.17
Balance Carried to Balance Sheet	29.52	7.73
Total	3133.65	2503.72

DIVIDEND

Your Directors recommend, subject to the approval of shareholders, a dividend of 125% i.e., ₹2.50 per Equity Share of ₹2/- each for the year ended 31.03.2011 (last year 120% i.e., ₹2.40 per equity share). The Dividend will be paid in compliance with the applicable regulations. The total outgo including tax on dividend would be ₹ 1904.13 lacs (last year Rs. 1945.99 lacs).

OPERATIONS AND BUSINESS PERFORMANCE

Kindly refer to 'Management Discussion & Analysis Report' and 'Corporate Governance Report' which forms part of the Annual Report.

FINANCE

All financial commitments including payment of loan installments were met in time within the year under review.

The borrowing costs during the year saw a noticeable decrease which resulted on account of better utilisation of working capital facilities.

The lenders continued to rate the Company as a prime customer.

Directors' Report

CASH FLOW ANALYSIS

In conformity with the provisions of Clause 32 of the Listing Agreement the Cash Flow Statement for the year ended 31st March 2011 is included in the annual accounts.

CHANGES IN SHARE CAPITAL

Pursuant to the resolution passed by the Board of Directors of the Company and in accordance with the provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 to optimise return to the shareholder and to enhance overall shareholder value, the Company had made a Public Announcement to Buy -Back upto maximum 40,00,000 Equity shares at a maximum price of ₹ 200/- per share. The Company bought back and extinguished 40,00,000 Equity shares from the open market using electronic trading facilities of Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE) at an aggregate consideration of ₹ 40.14 crores. Consequently the paid up capital of the Company has reduced from 6,95,34,050 Equity Shares to 6,55,34,050 Equity Shares of ₹ 2/- each.

EARNINGS IN FOREIGN EXCHANGE

During the year the export earnings of the Company amounted to ₹ 55355.70 lacs from the previous year level of ₹ 52274.71 lacs. Foreign currency expenditure of your Company amounted to ₹ 921.62 lacs as against ₹ 1453.39 lacs last year.

Full particulars of Foreign Exchange earnings and outgo are provided in Schedule "S" to the Accounts.

ENVIRONMENT

The Company continues to place great emphasis on environment management and protection. As one of the Eastern India's premier corporations, Manaksia lays paramount importance on its responsibility to contribute to the preservation and enrichment of the physical environment.

CREDIT RATING

The Company was awarded 'CARE AA' rating by CARE for its long and medium term loans which represent high security for timely servicing of debt instruments and carrying very low credit risk.

DEPOSITS

The Company has not accepted any deposit nor has any outstanding deposit as defined under Section 58A of the Companies Act, 1956.

INDUSTRIAL RELATION & PERSONNEL

Your Company continued to enjoy warm and healthy relations with its employees at all locations. Your Directors take this opportunity to record their appreciation for the dedicated services and significant efforts made by employees at all levels towards the progress of the Company.

PARTICULARS OF EMPLOYEES

The Ministry of Corporate Affairs by notification dated 31st March 2011, issued Companies (Particulars of Employees) Amendment Rules, 2011, wherein the disclosure required under Section 217 (2A) of the Companies Act 1956 in the Annual Report relating to remuneration payable to the employee have been modified. Since no employee of the Company draws remuneration in excess of the limits specified, no statement has been enclosed herewith.

DIRECTORS' RESPONSIBILITY STATEMENT

We, the Directors of the Company, hereby confirm, pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, in respect of financial year under review:

- a) That in the preparation of the annual accounts for the year ended 31st March 2011, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed.
- b) That we have adopted such accounting policies and have applied them consistently and have made judgements and estimates in a reasonable and prudent manner so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for the year.

Directors' Report

- c) That we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the annual accounts have been prepared on a going concern basis.

NATURE OF BUSINESS

There has been no change in the nature of business of the Company and any of its subsidiary companies during the year.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENT

During the year under review, the Company has sold its 100% equity stake in Manaksia Global Limited and Crescent Industries (Nepal) Pvt Limited at a consideration amount of ₹5.28 lacs and ₹ 389.50 lacs respectively. As reported in previous year's Directors' Report, during the year under review, the Company has invested in 50,000 Equity Shares of ₹ 10/- each equivalent to 100% Equity Capital of the relative Companies. The Company has since made further investment in 50,000 Shares of ₹ 10/- each equivalent to 100% equity in another new Company named Manaksia Industries Limited, thereby also making it wholly owned subsidiary company. These investments have been made keeping in mind the business opportunities available.

The statements required under Section 212 of the Companies Act, 1956 in respect of subsidiary companies are annexed hereto vide **Annexure "A"**.

In terms of circular issued by Ministry of Corporate Affairs, the Balance Sheet, Profit & Loss Account, Report of the Board of Directors, Auditors' Report and other documents of the subsidiary companies are not attached to the Annual Report. The annual accounts of these subsidiary companies and the related detailed information will be made available to any member of the Company/its subsidiary companies seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiary companies at the registered office of the Company. The annual accounts of the said subsidiary companies will also be available for inspection, as above, at the Registered Office of Manaksia Ltd and in the respective subsidiary companies registered offices. The Company will furnish a copy of details of annual accounts of subsidiaries to any member on demand. A statement containing brief financial details of the Company's subsidiaries for the financial year ended March 31, 2011 is attached with the Report as **Annexure "B"**.

As required under the Listing Agreement with the Stock Exchanges consolidated financial statement of the Company and all its subsidiary companies is attached. The consolidated financial statements have been prepared in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India and show the financial resources, assets, liabilities, income, profits and other details of the Company and its subsidiary companies.

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the followings form part of this Annual Report:

- (a) Report on Corporate Governance.
- (b) Managing Director's Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel.
- (c) Auditors Certificate regarding compliance of conditions of Corporate Governance.

DIRECTORS

During the period under review, Mr Nadia Basak, Director resigned as Executive Director of the Company as at the close of business hours of 30th March 2011. Your Directors would like to record their appreciation of the valuable contribution made by Mr Basak during his tenure as Executive Director of the Company. However, Mr Basak would continue as Non-Executive Director of the Company to enable Board to draw upon his knowledge and vast experience.

The tenure of Mr. Basant Kumar Agrawal as Managing Director would expire on 18th December 2011. The Board of Directors in its meeting held on 27th July 2011 has recommended for approval of the Members, the re-appointment of Mr Basant Kumar Agrawal as Managing Director, not liable to retire by rotation, for a period of five years from 19th December 2011.

Directors' Report

The Board in its meeting held on 27th July 2011, has recommended for approval of the Members revision in the remuneration payable to Mr Debabrata Guha, Whole Time Director.

Mr R N Sengupta, Mr A K Chakraborty and Mr Nadia Basak, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their re- appointment.

STATUTORY AUDITORS & AUDITORS' REPORT

The Statutory Auditors Messrs SRB & Associates, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and, being eligible offer themselves for re-appointment.

Certificate from the Auditors have been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act 1956.

The Auditors have also confirmed that they have subjected to themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.

The Auditors' Report to the shareholders does not contain any qualification.

COST AUDITORS

In terms of the directives of Ministry of Corporate Affairs under Section 233B of the Companies Act, 1956, the Company has proposed the name of a firm of a qualified Cost Auditors to the Central Government for conducting audit of Cost Accounting Records in respect of steel products manufactured by the Company. The approval of the Central Government as on the date of the Report is awaited.

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

The information regarding conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo required under Section 217(1) (e) of the Companies Act, 1956, are set out as **Annexure "C"** and form a part of this Report.

ACKNOWLEDGEMENT

Your Company continues its relentless focus on strengthening competitiveness in all its businesses. It is the endeavour of your Company to deploy resources in a balanced manner so as to best secure the interest of the shareholders in the short, medium and long terms.

Your Directors convey their grateful appreciation for the valuable patronage and co-operation received and goodwill enjoyed by the Company from its esteemed customers, commercial associates, banks, financial institutions, government departments, other stakeholders and the media.

Your directors also wish to place on record their deep sense of appreciation to all the employees at all levels for their commendable team-work, exemplary professionalism and enthusiastic contribution towards the growth of the Company during the year under review.

Your Directors look forward to the future with conviction.

On behalf of the Board

Kolkata, 27th July 2011

R N Sengupta
Chairman

Statement pursuant to Section 212(1)(e) of the Companies Act 1956 relating to Subsidiary Companies

Figures in Lakhs except for No. of shares

Name of the Subsidiary	MINL Ltd	Dynatech Industries Ghana Ltd	Mark Steels Ltd	Euroasain Ventures FZE	Solex Chemicals Pvt Ltd	Jebba Paper Mills Ltd	Euroasain Steels LLC	Manaksia Aluminium Co Ltd	Manaksia Overseas Ltd	Manaksia Coated Metals & Industries Ltd	Manaksia Ferro Industries Ltd	Manaksia Steels Ltd
1 The Financial Year of the Subsidiary Company ended on	31-Dec-10	31-Dec-10	31-Mar-11	31-Mar-11	31-Mar-11	31-Dec-10	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
2 Date from which they became Subsidiary Company	23-Aug-95	4-Oct-01	31-Mar-03	4-Jul-05	1-Jul-08	14-Jul-06	1-Apr-08	1-Apr-10	1-Apr-10	1-Apr-10	1-Apr-10	1-Apr-10
3(a) Number of shares held by Manaksia Limited, with its nominee in the subsidiary at the end of the Financial year of the Subsidiary Company	90,78,97,869 Equity Shares of Naira 1 each fully paid up	8,43,961 Ordinary Shares of Cedi 10,000 each	30,00,000 Equity Shares of Rs 10 each	25 Ordinary Shares of AED 10,000 each	10,000 Ordinary shares of Rs 10 each	2,00,00,000 Ordinary Shares of Naira 1 each fully paid up	1,68,58,000 Shares of GEL 1 each	50,000 Equity shares of Rs 10 each	50,000 Equity shares of Rs 10 each	50,000 Equity shares of Rs 10 each	50,000 Equity shares of Rs 10 each	50,000 Equity shares of Rs 10 each
(b) Extent of Interest of Holding Company at the end of the Financial Year of the subsidiary Company	100%	100%	100%	100%	100%	100%	93.75%	100%	100%	100%	100%	100%
4 The net aggregate amount of subsidiary Company Profit/ (Loss) so far it concerns to the members of Holding Company												
(a) Not Dealt with Holding Company's Account												
(i) (a) For the Financial Year	Profit of NGN 25193.64 Equivalent to INR 7378.65	Profit of GHS 5.82 Equivalent to INR 170.50	Profit of Rs. 96.61	Loss of AED 48.37 Equivalent to INR 588.51	Nil	Profit of NGN 4728.38 Equivalent to INR 1384.84	Nil	Nil	Nil	Nil	Nil	Loss of INR 0.15
(ii) For the previous financial years of the Subsidiary Companies since it became the Holding Company's subsidiary	Profit of NGN 97616.17 Equivalent to INR 28592.90	Profit of GHS 0.49 Equivalent to INR 14.35	Profit of Rs 901.71	Profit of AED 243.79 Equivalent to INR 2965.95	N A	Profit of NGN 1847.21 Equivalent to INR 541.07	N A	N A	N A	N A	N A	Loss of INR 1.67
(b) Dealt with Holding Company's Account												
(i) (a) For the Financial Year	Dividend received in NGN 907.90 Equivalent to INR 265.90	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(ii) For the previous financial years of the Subsidiary Companies since it became the Holding Company's subsidiary	Dividend received in NGN 5938.52 Equivalent to INR 1789.45	Nil	Nil	Dividend received AED 6.42 Equivalent to INR 80.43	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Statement pursuant to Section 212(5) of the Companies Act 1956 relating to the changes occurred between the end of the financial year of the Subsidiary Company and 31st March 2011

Figures in Lakhs

Name of the Subsidiary	MINL Ltd	Jebba Paper Mills Ltd	Dynatech Industries Ghana Ltd
A Details of material changes which have occurred between the end of the financial year of the Subsidiary and end of the holding company's financial year			
1 Increase/(-) Decrease in Fixed Assets	NGN 250.06 Equivalent to INR 73.25	NGN 322.86 Equivalent to INR 94.57	GHS 12.64 Equivalent to INR 370.07
2 Increase/(-) Decrease in Investments	Nil	Nil	Nil
3 Increase/(-) Decrease in Money Lent	Nil	Nil	Nil
4 Increase/(-) Decrease in Money Borrowed	NGN 55,889.04 Equivalent to INR 16370.55	Nil	Nil
B Whether there has been any change in the holding company's interest in the subsidiary between the end of the financial year of the subsidiary and the end of the holding company's financial year.	NO	NO	NO

Annexure B

Information of Subsidiary Companies pursuant to Section 212 of the Companies Act, 1956

Figures in lakhs

Name of the Subsidiary Company	Issued and Subscribed capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision of Taxation	Profit After Taxation	Proposed Dividend
MINL Ltd	NGN 9078.98 INR 2,659.03	NGN 1,228,09.81 INR 35,968.20	NGN 2,291,81.86 INR 67,122.15	NGN 2,291,81.86 INR 67,122.15	NGN 277.99 INR 81.42	NGN 2,534,65.29 INR 74,234.21	NGN 2,660,02.58 INR 7,791.29	NGN 501.04 INR 146.74	NGN 2,610,1.54 INR 7,644.55	NGN 907.90 INR 265.90
Jebba Paper Mills Ltd	NGN 200 INR 58.58	NGN 6575.59 INR 1,925.84	NGN 1,956,9.25 INR 5,731.39	NGN 1,956,9.25 INR 5,731.39	-	NGN 1,810,9.90 INR 5,303.98	NGN 4,728.38 INR 1,384.84	-	NGN 4,728.38 INR 1,384.84	-
Manakia Steels Ltd.	INR 300	INR 1,023.75	INR 6053.66	INR 6053.66	INR 4.25	INR 6081.54	INR 1,21.47	INR 24.86	INR 96.61	-
Euroscan Ventures FZE	AED 250 INR 3,041.50	AED 195.89 INR 2,383.20	AED 1,655.12 INR 20,136.13	AED 1,655.12 INR 20,136.13	AED 344.08 INR 4,186.07	AED 206.90 INR 2,517.11	(AED 48.37) (INR 588.51)	-	(AED 48.37) (INR 588.51)	-
Euroscan Steels LLC	GL 168.58 INR 4,423.54	-	GL 753.40 INR 19,769.13	GL 753.40 INR 19,769.13	-	-	-	-	-	-
Dynatech Industries Ghana Ltd	GHS 8.44 INR 247.10	GHS 6.32 INR 185.10	GHS 140.85 INR 4,124.01	GHS 140.85 INR 4,124.01	-	GHS 297.76 INR 8,717.90	GHS 5.95 INR 174.20	GHS 0.13 INR 3.70	GHS 5.82 INR 170.50	-
Solex Chemicals Pvt Ltd	INR 1	-	INR 2.56	INR 2.56	-	-	-	-	-	-
Manakia Aluminium Co Ltd	INR 5	-	INR 5.07	INR 5.07	-	-	-	-	-	-
Manakia Overseas Ltd	INR 5	-	INR 5.07	INR 5.07	-	-	-	-	-	-
Manakia Coated Metals & Industries Ltd	INR 5	-	INR 5.07	INR 5.07	-	-	-	-	-	-
Manakia Ferro Industries Ltd	INR 5	-	INR 5.07	INR 5.07	-	-	-	-	-	-
Manakia Steels Limited	INR 5	-	INR 3.25	INR 3.25	-	-	(INR 0.15)	-	(INR 0.15)	-

The aforesaid data in respect of Subsidiary companies is for 12 months as on 31st March 2011, except as stated below

For MINL Ltd, Jebba Paper Mills Ltd and Dynatech Industries Ghana Ltd as on 31st December 2010

For Manakia Aluminium Co Ltd, Manakia Ferro Industries Ltd and Manakia Coated Metals & Industries Ltd from the date of incorporation i.e. 25th March 2010 till 31st March 2011

For Manakia Overseas Ltd from the date of incorporation i.e. 30th March 2010 till 31st March 2011

Exchange Rate as on 31st March 2011

1 US\$	=	44.65
1 GHS	=	29.28
1 AED	=	12.17
1 NGN	=	3.41
1 GL	=	26.24

Directors' Report

Annexure- C

Information as per Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March 2011.

I. Conservation of Energy:

a. Energy Conservation measures taken during the year:-

The thrust on energy conservation continued during the year across all manufacturing locations through combined use of systems and devices. The various measures taken during the year include :-

- i. Installation of Alternative Energy General Devices in form of Biomass Gasifiers for both power generation and thermal application.
- ii. Strengthening of capacitor banks to improve power factor.
- iii. Optimization of loading efficiency of furnace.
- iv. Installation of more fuel efficient burners and melting furnaces.
- v. Conducting training programmes at various factories for conservation of energy.
- vi. Replacement of old inefficient equipment with new energy efficient equipment.
- vii. Replacement of all the motors running below the optimum capacity.

b. Additional Investments and Proposals being implemented for Reduction of Consumption of Energy :-

The Company is constantly taking steps to identify various alternative sources of energy both for thermal and power generation applications. In pursuit of its goal towards savings in energy cost, the Company while procuring new machinery under phased modernisation / replacement program take into account its impact on energy conservation.

c. Impact of measures as above for reduction of Energy Consumption and consequent impact on the cost of production of goods :-

The energy conservation measures undertaken during the year as specified in (a) and (b) above have resulted in savings and have thereby contributed in reducing the cost of production.

d. Total Energy Consumption and Energy Consumption per Unit of Production:-

FORM-A

(See Rule 2)

A. POWER & FUEL CONSUMPTION

	2010-11 Current Year	2009-10 Previous Year
1. ELECTRICITY		
A) Purchased		
Units (KWH in thousand)	22139.45	22555
Total Amount (₹ Lacs)	1351	1175
Rate/Unit (₹)	6.10	5.21
B) Own Generation		
i) Through Diesel generator		
Units	—	—
Unit per litre of diesel oil	—	—
Cost/Unit (₹)	—	—
ii) Through steam turbine/generator		
Units	—	—
Unit per litre of fuel oil/gas	—	—
Cost/Unit (₹)	—	—
2. COAL		
Quantity	—	—
Total cost	—	—
Average rate	—	—
3. FURNACE OIL		
Quantity	—	—
Total cost	—	—
Average rate	—	—

4. OTHERS/INTERNAL GENERATION

Quantity	—	—
Total cost	—	—
Average rate	—	—

B. CONSUMPTION PER TONNE OF PRODUCTION

PARTICULARS	Aluminium Products		Steel Products	
	10-11	09-10	10-11	09-10
Electricity (KWH/MT)	1060.44	968.76	331.20	366.56
Furnace Oil (Lts/MT)	135.28	135.80	26.07	28.15
Coal (Hard Coke/ Steam Coal) (kgs/MT)	297.95	36.25	—	—
Others	—	—	—	—

II. Technology Absorption:

Efforts made in technology absorption as per Form -B given below:

FORM-B

(A) Research and Development (R&D)

a. Specific areas in which the company carried out R&D -

- i. Productivity improvement in respect of current production processes and refining them with reference to quality yield and effluents.
- ii. Development of New Products.
- iii. Environment protection.
- iv. Energy Conservation.
- v. Capacity utilization.
- vi. Improvement in safety and reliability of the Plant.

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

- i. Plants operating at higher capacities with better efficiencies.
- ii. Decrease in waste and rejection.
- iii. Better quality product.
- iv. Reduction in overall energy cost.
- v. Increase in in-house capability.

c. Future plan of action

Continuous efforts towards Energy Conservation, Reduction of Costs, Protection of Environment and minimization of waste.

d. Expenditure on R&D

(₹ in Lakhs)

(a) Capital	—
(b) Recurring	15.07
(c) Total	15.07
(d) Total R & D expenditure as a percentage of total turnover	0.02%

(B) Technology Absorption, Adaptation and Innovation

a. Efforts -

R&D Division is currently involved in devising new methods of cost reduction and product development.

b. Benefits derived -

- i. Cost Reduction.
- ii. Better quality product.

c. Details of imported technology -

None of the technology being devised by the Company is imported.

III. Foreign Exchange Earnings and Outgo:

A. Details of activities relating to export, initiatives taken to increase exports, development of new export markets for products and services and export plans:

The Company has continued to maintain focus and avail of export opportunities based on economic considerations.

B. Total Foreign Exchange Used and Earned:

(₹ in Lakhs)

a. Foreign Exchange Earnings	55,355.70
b. Foreign Exchange Outgo:	
CIF Value of Imports	51,945.30
c. Other Expenditure in Foreign Currency	921.62

Management Discussion and Analysis

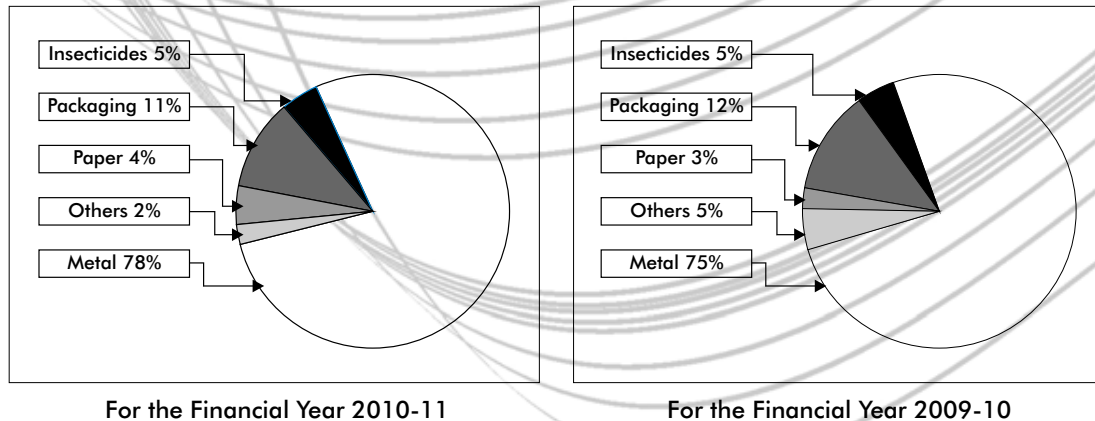
OVERVIEW OF OPERATIONS

RESULTS

During the year under review, the revenue of your Company grew from ₹ 836.33 crores to ₹ 931.98 crores on a standalone basis and from ₹ 1301.17 crores to ₹ 1433.28 crores, on a consolidated basis. The large fiscal deficits in the Global market, coupled with slow economic growth created unsettling conditions for business. This was reflected in the financial results of the Company also during the year under review. The net profit of the Company on a standalone basis increased from ₹ 24.78 crores to ₹ 29.86 crores but on a consolidated basis fell from ₹ 131.85 crores to ₹ 113.32 crores. In order to reward the shareholders adequately, your Company has proposed a dividend of 125%, an increase from last year's dividend payout of 120%.

BUSINESS

Manaksia's business consists of packaging products and value added metal products: both aluminium and steel. It is an outsourced manufacturer of mosquito repellent coils and vaporizers. The Company through subsidiary companies manufactures value added products and operates a paper mill in Nigeria, manufactures steel roofing sheets in Ghana. The Company also have a steel long product manufacturing facility at Georgia. The share of the revenue in the various segments is shown in the Pie-Chart below:



For the Financial Year 2010-11

For the Financial Year 2009-10

ECONOMIC OVERVIEW

The Global economic and financial situation is recovering slowly. The Industrial output growth plunged to 6.3% in the beginning of current financial year in India due to a dismal show by the manufacturing and mining sectors, which prompted the Government to term the situation as "Disturbing".

INDUSTRY STRUCTURE AND DEVELOPMENTS

The global steel industry has been on a roller coaster since 2007. Timely intervention by the government of the major economies by providing stimulus packages to overcome economic crisis, effectively push future steel demand. During 2010 the global demand for crude steel has rebounded to the earlier levels of 2008 as investments in infrastructure and other steel intensive projects increased. However, economic uncertainty in both European and US markets remains a matter of concern in the industry. The devastating effect of the earthquake in Japan has caused some uncertainty over raw material prices and short term end user steel demand.

The demand for aluminium is expected to increase in 2011 spurred by growing consumption in the BRIC (Brazil-Russia-India-China) countries. Despite worries about China's effort to restrict energy consumption with inflation fighting monetary measures, the aluminum consumption is also expected to rise in 2011.

The global packaging industry is growing fast. Rapid growth in packaging usage in fast growing economies have resulted in new opportunities for the packaging industry. However, rising input cost is also a concern for the industry.

OPPORTUNITIES AND THREATS

Increase in input costs, adverse exchange rate fluctuations and hardening of interest rates are some of the specific threats that the Company continues to mitigate by careful planning, active treasury management and use of alternative borrowing instruments.

Management Discussion and Analysis

The Company is also actively searching for growth opportunities and new markets in all its product segments.

RISKS AND CONCERNS

A varied product portfolio and wide geographical presence and reach, both domestic and international, have helped the Company to significantly de-risk its business. Multiple manufacturing units in various states of the country have enabled the Company to cater to the needs of its customers, meeting delivery deadlines at prescribed locations. The Company has sales and technical servicing offices at Mumbai, Delhi, Chennai, Bangalore, Hyderabad, Guhawati and Bhopal. Multi locational presence has reduced distribution and inventory costs and delivery times.

SEGMENT-WISE PERFORMANCE

The table below shows the performance in the various product groups of the Company:

₹ in lacs

Segment	Sales (2010-11)		Sales (2009-10)	
	S#	C#	S#	C#
Metal Products :				
Steel Products	42054.69	86354.76	29052.15	63308.12
Aluminium Products	28235.23	69488.98	24830.10	62845.60
Packaging Products	12015.37	15309.80	11341.31	15930.73
Mosquito Coils	5903.04	–	6219.66	–
Engineering	2671.94	3607.30	3886.98	6660.11
Paper	–	6520.11	–	3427.66

#S: Standalone , C: Consolidated

METAL PRODUCTS SEGMENT

The value-added metal products manufactured by the Company are the principal contributor to the revenues and profits for the Company and its subsidiaries.

The metals segment as a whole contributed to 78% of revenue and 81% of profits before interest and tax.

STEEL PRODUCTS

Steel is a significant barometer of economic development of a country. The demand for steel in the world stems from growth and development of the sectors that are end users of steel such as manufacturing, housing, infrastructure, automobile, etc.

The Steel division of Company has geared itself to cater to the increasing global demands.

Manaksia manufactures and sells value added steel products comprising Cold rolled sheets used in interior and exterior panels of automobiles, buses and commercial vehicles, Galvanised Corrugated Sheets which find use in the rural housing sector and factory sheds and Galvanised Plain Sheets, used in the manufacture of containers and water tanks. The Company has a steel cold rolling plant in Haldia for the manufacture of Cold Rolled Coils and Sheets, and a Galvanized steel plant at Bankura, West Bengal. Both the plants have a strong Quality Management System with in-house testing facilities and are ISO 9001:2008 certified.

Despite the challenging economic scenario, the positive performance of the Company in this segment contributed significantly to its overall performance.

ALUMINIUM PRODUCTS

The worldwide demand for aluminium products is increasing year by year. Aluminium Industry in India is highly concentrated. With the growing demand of aluminium in India, the Indian aluminium industry is also growing at a rapid pace.

The Company has aluminium plants at Bankura and Haldia in West Bengal and in Kutch, Gujarat, with a reliable quality management system and ISO 9001:2008 accreditation. Aluminium coils / sheets are being increasingly used in construction and in the manufacture of white goods, automobiles, utensils, pilfer proof closure, railway coaches, electrical items, industrial machinery and ship / boat building. In addition to manufacturing plain aluminium coils and sheets, the division also manufactures corrugated, profiled and patterned aluminium sheets.

Management Discussion and Analysis

Better price realization of the aluminium product coupled with improved market penetration resulted in an improved performance of the Company in this segment.

PACKAGING PRODUCTS SEGMENT

Increased sales and product diversification improved the overall performance of the segment on standalone basis. Further efforts have been initiated towards widening the product horizon and improving the existing product portfolios.

ENGINEERING SEGMENT

During the year under review, the margins/sales were under pressure due to intense competition and lower demand in the segment.

MOSQUITO COILS SEGMENT

The fall in revenue was primarily due to temporary suspension of work at Guhawati Unit, which had an impact on the performance of the Segment. However, normal production activities resumed in the unit in course of next 7/8 weeks.

PAPER SEGMENT

Better price realisation and improved demands in international markets contributed significantly to the Company's revenue in this segment.

FUTURE OUTLOOK

The Company is in the process of consolidating the existing projects and expansion that it had undertaken in the past and also continues to explore new business opportunities.

INTERNAL CONTROL SYSTEMS

The Company has already implemented ERP system 'SAP' in the previous year and presently it covers all the manufacturing locations of the Company in India. The system helps in safeguarding the assets of the Company, ensures that the transactions are authorized and recorded and material errors and irregularities are either timely detected and/or prevented.

To ensure adequate internal controls, the Company has appointed M/s S K Agrawal & Co., Chartered Accountants, as Internal Auditors. The Internal Auditors independently evaluate the adequacy of the internal controls and concurrently audit the majority of transactions in value terms. The Internal Auditors periodically submit reports to the Audit Committee of the Board of Directors to ensure independence and transparency.

HUMAN RESOURCES

Employee relations continues to be cordial throughout the year and recruitments were made commensurate with the needs of business. The Company employs about 4000 people in all its facilities worldwide.

DEBT

The total secured debt as per the balance sheet of the Company as on 31st March 2011 on a standalone basis was ₹ 138.53 crores (₹114.09 crores in the previous year) and on a consolidated basis was ₹ 258.18 crores (₹ 257.97 crores in the previous year). The increase in secured debt is primarily due to enhanced working capital requirements of the Company.

FINANCE COST & INTEREST

Net Finance cost and interest expenses, on a standalone basis, came down from ₹ 38.44 crores to ₹ 25.58 crores during the year. On a consolidated basis, finance cost has come down from ₹ 63.32 crores to ₹ 41.69 crores. This was due to net exchange gain owing to strengthening in the value of the rupee against dollar during the year and utilization of loan funds with better management of interest cost.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis, describing the company's objectives, outlook and expectation, may constitute "Forward Looking Statements" within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied expectations, projections etc. Several factors make a significant difference to the company's operations, including climatic conditions, economic scenario affecting demand and supply, Government regulations, taxation, natural calamity and other such factors over which the company does not have any direct control.

Corporate Governance Report

(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchange/s)

PHILOSOPHY OF THE COMPANY ON CORPORATE GOVERNANCE:

The Company has adopted the principles of good Corporate Governance and is committed to adopting, best relevant practices for Governance. As such the Company aims at always remaining progressive, competent and trustworthy, creating and enhancing value of stakeholders and customers to their complete satisfaction. For achieving the above goals at all spheres of its activities, the Company constantly seeks to ensure adoption of :

- High Standard of ethics.
- Sound Business decisions.
- Prudent financial management practices.
- Professionalism in decision making and conducting the business.
- Compliance with regulatory guidelines on governance.

BOARD OF DIRECTORS

Composition of the Board :

As on 31st March, 2011 the composition of the Board of Directors is detailed below. Their attendance at the meetings during the year and number of other directorships in Indian public companies and memberships of the Committee of the Board of such companies as on 31st March 2011 are as follows:

Name of the Directors	Category	No. of Directorship(s) held in other public companies		No. of other Board/Committee(s) of which he/she is a member/Chairman	
		Chairman	Member	Chairman	Member
Rabindra Nath Sengupta, Chairman	NEI	None	None	None	None
Ajay Kumar Chakraborty	NEI	None	2	None	2
Basant Kumar Agrawal, Managing Director	WTD	None	7	None	None
Debabrata Guha ⁽¹⁾	WTD	None	None	None	None
Dr. Kali Kumar Chaudhuri	NEI	None	2	None	1
Mahabir Prasad Agrawal	NE	None	3	None	None
Nadia Basak ⁽¹⁾ & ⁽²⁾	NE	None	None	None	None
Smita Khaitan	NEI	None	1	None	None
Sunil Kumar Agrawal ⁽¹⁾	WTD	None	3	None	None
Suresh Kumar Agrawal ⁽¹⁾	WTD	None	2	None	None
Sushil Kumar Agrawal ⁽¹⁾	WTD	None	1	None	None

NEI: Non Executive Independent Director, NE: Non Executive Director, WTD: Whole Time Director.

(1) Appointed as Executive Director w.e.f. 1st January 2011

(2) Resigned as Executive Director from close of business hours of 30th March 2011.

As mandated by Clause 49 none of the Directors are member of more than ten (10) Board level Committees nor are they Chairman of more than five (5) Committees in which they are members. Chairmanship /Membership of Board Committee includes membership of Audit and Shareholders' / Investors Grievance Committee in other public limited companies.

Board Agenda:

The meetings of the Board are governed by a structured agenda. The Board members in consultation with the Chairman may bring upon other matters for consideration at the Board Meeting.

Information placed before the Board:

Necessary information as required under statute and as per the guidelines on Corporate Governance are placed before the Board, from time to time. As required under Clause 49 of the Listing Agreement, the Board periodically reviews compliances of various laws applicable to the Company.

Number of Board Meetings held and attended by Directors:

Ten meetings of the Board of Directors were held during the year and gap between the meetings did not exceed 4 months. In case of any exigency/emergency resolutions are passed through circulation. The dates on which the Board meetings were held are 1st April 2010, 28th April 2010, 29th May 2010, 14th August 2010, 3rd September 2010, 5th October 2010, 13th November 2010, 29th December 2010, 11th February 2011 and 31st March 2011.

Corporate Governance Report

The attendance record of each of the directors at the Board Meetings during the year ended on 31st March 2011 and of the last Annual General Meeting is as under:

Name of Directors	No. of Board Meetings during the year 2010-11		Attendance at the last AGM
	Held	Attended	Yes/No
Rabindra Nath Sengupta	10	10	Yes
Ajay Kumar Chakraborty	10	10	Yes
Basant Kumar Agrawal	10	10	Yes
Debabrata Guha	10	-	No
Dr. Kali Kumar Chaudhuri	10	9	Yes
Mahabir Prasad Agrawal	10	10	Yes
Nadia Basak	10	-	No
Smita Khaitan	10	10	No
Sunil Kumar Agrawal	10	10	Yes
Suresh Kumar Agrawal	10	10	Yes
Sushil Kumar Agrawal	10	9	Yes

Code of Conduct

The Company has adopted "Code of Conduct" for the Directors and senior executives of the Company. The code anchors ethical and legal behaviour within the organisation. The Code is available on the Company website www.manaksia.com.

All Board members and senior executives have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of the Report.

Disclosure regarding appointment/ re-appointment of the Directors

The brief resume and other information required to be disclosed under this Section is provided in the Notice of the Annual General Meeting.

Managing Director/Sr. Vice President (Accounts) Certification

The Managing Director and Sr. Vice President (Accounts) of the Company have given a certificate to the Board of Directors of the Company under Clause 49(V) of the listing agreement for the year ended 31st March 2011. Pursuant to Clause 41 of the Listing Agreement, Managing Director and Sr Vice President (Accounts) also give quarterly certification on financial results while placing the same before the Board.

BOARD COMMITTEES:

Manaksia has five Board level committees:

- Audit Committee
- Committee of Directors
- Remuneration & Selection Committee
- Shareholders'/Investors' Grievance Committee
- Restructuring Committee

The Board is responsible for constituting, assigning, co-opting and fixing the terms and reference for members of various committees. The minutes of all the Board and Committee meetings are placed before the Board and noted by the Directors at the meetings. The role and composition of the Committees including the number of meeting(s) held and the related attendance during financial year 2010-11 are as follows:

AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with Stock Exchange read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee includes the powers as laid down in Clause 49 (II)(C) and role as stipulated in Clause 49(II)(D) of the Listing Agreement with Stock Exchanges. The Audit Committee also reviews the information as per the requirement of Clause 49(II) (E) of the Listing Agreement.

The Audit Committee also complies with relevant provisions of the Companies Act, 1956.

Terms of Reference:

The brief description of the terms of reference of the Audit Committee in line with Clause 49 of the Listing Agreement is:

- Overview of the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible.

Corporate Governance Report

- (b) Review with the management quarterly and annual financial statements before submission to the Board.
- (c) Review with the management performance of the statutory and internal auditors and adequacy of Internal control.
- (d) Recommending to the Board re-appointment of Statutory Auditors and the fixation of their Audit Fees.
- (e) Discussion with the internal auditor on any significant findings and follow up thereon.
- (f) Review of related party transactions.
- (g) And generally all items listed in Clause 49(II)(D) of the Listing Agreement

The Audit Committee may also review such other matters as considered appropriate by it or referred to it by the Board.

Composition:

The composition of the Audit Committee is in accordance with the requirement of Clause 49(II)(A) of the Listing Agreement. As on 31st March 2011, the Committee comprised of 5 Non Executive Directors out of which 4 including the Chairman of the Committee were independent directors. As per the requirement of Corporate Governance all members of the Audit Committee are financial literate with atleast one member having accounting or related financial management expertise.

Mr. A K Chakraborty (Chairman of the Committee), Mr R N Sengupta, Dr. K K Chaudhuri, Mr M P Agrawal and Ms Smita Khaitan were members of the Committee as on 31st March 2011.

The Audit Committee is normally attended by V P (Accounts), representatives of Statutory Auditors, representatives of Internal Auditors and Senior Executives of the Company, if required. The Company Secretary act as Secretary to the Committee. The Chairman of the Audit Committee attended the Annual General Meeting held on 28th December 2010 to answer shareholders queries.

Meetings and Attendance

Six Audit Committee meetings were held during the year ended 31st March 2011. The meetings were held on 23rd April 2010, 29th May 2010, 14th August 2010, 3rd September 2010, 13th November 2010 and 11th February 2011 and the gap between the 2 meetings did not exceed 4 months. The details of attendance of members are as under:

Name of the Member	No. of meetings during the year 2010-11	
	Held	Attended
Ajay Kumar Chakraborty	6	6
Dr. Kali Kumar Chaudhuri	6	5
Mahabir Prasad Agrawal	6	6
Rabindra Nath Sengupta	6	6
Smita Khaitan	6	5

COMMITTEE OF DIRECTORS

The Committee is empowered to do all such acts, deeds and things which the Board sub-delegates it, from time to time . The Committee meets as and when necessary to attend to important business matters sub-delegated to it by the Board.

Composition

As on 31st March 2011, the Committee of Directors consist of 2 Nos. Non Executive Directors and 3 Nos. Whole Time Directors. Mr R N Sengupta (Chairman of the Committee), Mr B K Agrawal, Mr M P Agrawal, Mr Sunil Kumar Agrawal and Mr Suresh Kumar Agrawal are members of the Committee. The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

Twenty One Committee of Directors meetings were held during the year ended 31st March 2011. These were held on 05.04.2010, 03.06.2010, 09.06.2010, 16.06.2010, 23.06.2010, 30.06.2010, 07.07.2010, 21.07.2010, 06.08.2010, 17.08.2010, 02.12.2010, 08.12.2010, 15.12.2010, 23.12.2010, 06.01.2011, 13.01.2011, 20.01.2011, 02.02.2011, 23.02.2011, 07.03.2011 and 17.03.2011. The details of attendance of members are as under:

Name of the Member	No. of meetings during the year 2010-11	
	Held	Attended
Rabindra Nath Sengupta	21	16
Basant Kumar Agrawal	21	20
Mahabir Prasad Agrawal	21	21
Sunil Kumar Agrawal	21	16
Suresh Kumar Agrawal	21	19

Corporate Governance Report

REMUNERATION & SELECTION COMMITTEE

The Committee is responsible for recommending to the Board the remuneration package of Managing Director/Whole Time Director(s) and such other matters as the Board may time to time require the Committee to examine and recommend/ approve.

Composition:

As on 31st March 2011, the Committee comprised of 5 Non -Executive Directors out of which 4 including the Chairman of the Committee are Independent Directors. Mr R N Sengupta (Chairman), Dr K K Chaudhuri, Mr M P Agrawal, Ms Smita Khaitan and Mr. A K Chakraborty are members of the Committee. The Company Secretary acts as Secretary to the Committee.

Meeting and Attendance

During the year, two meetings of the Remuneration & Selection Committee Meeting were held on 20th October 2010 and 13th November 2010. The details of attendance of members are as under:

Name of the Member	No. of meetings during the year 2010-11	
	Held	Attended
Rabindra Nath Sengupta	2	2
Dr. Kali Kumar Chaudhuri	2	2
Mahabir Prasad Agrawal	2	2
Smita Khaitan	2	2
Ajay Kumar Chakraborty*	2	1

* Appointed as a member w.e.f. 5th October 2010.

Remuneration Policy

The remuneration paid to the Wholetime Directors are approved by the Board of Directors on the recommendation of the Remuneration & Selection Committee. The payment of remuneration to Managing Director/ Whole time Director(s) is in accordance to the approval of the shareholders in the general meeting.

The Non Executive Directors are entitled to sitting fees for attending meetings of the Board and Committees thereof as per the prescribed limit. After the approval of the shareholders in the previous Annual General meeting held on 28th December 2010, the sittings fees for attending each meeting of the Board and Audit Committee have been increased from ₹ 5000 to ₹ 7500, For other Committee meetings the Company pays to the Non Executive Directors sitting fees of ₹ 5000/- per meeting. The remuneration paid to the Executive Directors is within the limits approved by the shareholders.

Details of Remuneration paid to Executive Directors

Name of the Director	Remuneration (₹)	Sitting Fees (₹)
Basant Kumar Agrawal	7,50,000/-	Nil
Suresh Kumar Agrawal	3,00,000/- ⁽¹⁾	122,500 ⁽²⁾
Sushil Kumar Agrawal	1,50,000/- ⁽¹⁾	42,500 ⁽²⁾
Sunil Kumar Agrawal	1,50,000/- ⁽¹⁾	1,07,500 ⁽²⁾
Debabrata Guha	81,000/- ⁽¹⁾	Nil
Nadia Basak	1,48,387- ^{(1) & (3)}	Nil

The agreements entered with the Managing Director/ Whole Time Director(s) are for a period of 5 years from the respective dates of appointment.

- (1) Appointed as Executive Director w.e.f 1st January 2011
- (2) Sitting fees paid to Non Executive Director for attending the meetings of the Board and Committees thereof held till 31st December 2010
- (3) Resigned as Executive Director w.e.f close of business hours of 30th March 2011.

Details of Sitting Fees paid to Non Executive Directors

Name of the Director	Sitting Fees (₹)
Rabindra Nath Sengupta	1,95,000
Ajay Kumar Chakraborty	1,00,000
Dr. Kali Kumar Chaudhuri	90,000
Mahabir Prasad Agrawal	2,15,000
Smita Khaitan	95,000

Corporate Governance Report

Details of Equity Shares/ Non Convertible instruments held by Non Executive Directors as on 31st March 2011 :

Name of the Director	Shares	Non Convertible Instrument
Debabrata Guha *	400	NA
Nadia Basak*	22,900	NA
Mahabir Prasad Agrawal	19,64,925	NA
Sunil Kumar Agrawal*	16,16,060	NA
Suresh Kumar Agrawal*	56,43,000	NA
Sushil Kumar Agrawal*	8,52,875	NA

* Executive Directors w.e.f 01/01/2011

The Company does not have any Employee Stock Option Scheme and there is no separate provision for payment of severance fees.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Committee oversees the redressal of complaints of shareholders and investors such as transfer of shares/ debentures, issue of duplicate share certificates, etc. The Board of Directors has sub delegated the authority to the Committee to approve share transfers/debentures, share transmission, issue duplicate share /debenture certificates, etc. The Committee meets once in a fortnight, if required, to dispose off all matters relating to share transfers, transmissions, etc.

Composition:

As on 31st March 2011, the Committee comprised of 3 Non Executive Directors and 2 Executive Directors. Mr R N Sengupta (Chairman), Mr A K Chakraborty, Mr B K Agrawal, Mr M P Agrawal and Mr Suresh Kumar Agrawal are the members of the Committee. The Company Secretary acts as Secretary to the Committee.

Meeting and Attendance

During the year Two Share Transfer Grievance Committee meetings were held on 21.05.2010 and 09.08.2010. The details of attendance of members are as under:

Name of the Members	No. of meetings during the year 2010-11	
	Held	Attended
Rabindra Nath Sengupta	2	2
Basant Kumar Agrawal	2	2
Mahabir Prasad Agrawal	2	2
Suresh Kumar Agrawal	2	2
Ajay Kumar Chakraborty#	-	-

Inducted as a Member w.e.f 5th October 2010.

Compliance Officer

Mr Anubhav Maheshwari, Company Secretary of the Company has been designated as Compliance officer.

Investors Complaints

Details of Investors Complaints received and redressed during the year

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	26	26	NIL

It is the endeavour of the Company to attend investors' complaints and other correspondence within 15 days except where constrained by disputes or legal impediments.

RESTRUCTURING COMMITTEE

During the period, the Board has constituted a Committee called 'Restructuring Committee' to review the current business profile of the Company and to recommend to the Board creation of a suitable structure through division/ consolidation of different production/business units to bring them under homogeneous and unified command for improved efficiency and control.

Composition:

As on 31st March 2011, the Committee comprised of 2 Non Executive Directors and 3 Executive Directors. Mr R N Sengupta (Chairman), Mr A K Chakraborty, Mr B K Agrawal, Mr Suresh Kumar Agrawal, Mr Sushil Kumar Agrawal are the members of the Committee. The Company Secretary acts as Secretary to the Committee. The Committee also have professional consultants.

Corporate Governance Report

Meeting and Attendance

During the year one meeting of the Restructuring Committee was held on 12th November 2010. The details of attendance of members are as under:

Name of the Members	No. of meetings during the year 2010-11	
	Held	Attended
Rabindra Nath Sengupta	1	1
Ajay Kumar Chakraborty	1	1
Basant Kumar Agrawal	1	1
Suresh Kumar Agrawal	1	1
Sushil Kumar Agrawal	1	1

GENERAL BODY MEETINGS

(A) ANNUAL GENERAL MEETINGS:

The location and time of last three AGMs held are as under:

No.	Financial Year / Time	Date	Venue	No. of Special Resolution passed
26th AGM	2009-10 10.00 A.M	28.12.10	"GYAN MANCH", 11 Pretoria Street, Kolkata- 700 071	1
25th AGM	2008-09 10.30 A.M	29.09.09	"GYAN MANCH", 11 Pretoria Street, Kolkata- 700 071	3
24th AGM	2007-08 10.30 A.M.	26.09.08	"KALAMANDIR", 48 Shakespeare Sarani, Kolkata – 700 017.	Nil

(B) Extra-Ordinary General Meeting

During the year Extra-Ordinary General Meeting was held on 22nd April 2010.

(C) Whether any special resolution is proposed through Postal Ballot

No special Resolution was passed through the Postal Ballot during FY 2010-11. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing of special resolution through postal ballot.

(D) Procedure for postal ballot

Prescribed procedure under the Companies Act 1956 and Companies (Passing of Resolutions through Postal Ballot) Rules 2001, as amended from time to time, shall be complied as and when necessary.

DISCLOSURES

- The details of the significant related party transactions have been disclosed by way of Note xii of Schedule S of Annual Report 2010-11. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.
- In preparation of the financial statements the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.
- There have been no strictures or penalties imposed on the Company by either SEBI or any of the Stock Exchange(s) or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.
- The Company has robust systems for Internal Audit and an appropriate risk management and minimizing policy. It has also put in place appropriate method to advise the Board, from time to time, about the actions taken by the Executive management to operationalise the policy. The Board quarterly reviews the foreign Exchange exposures and steps taken by the Management to limit the risks of adverse exchange rate movement, if material.
- The details of the utilisation of the IPO proceeds are placed before the meeting of Audit Committee and Board of Directors. During the period under review the Company has fully utilized the proceeds raised through issue of Equity shares.

NON MANDATORY REQUIREMENTS

Remuneration Committee

The Company has a Remuneration & Selection Committee. The details of the Remuneration & Selection Committee have been covered elsewhere in the report.

Shareholders Right

The quarterly, half yearly and annual financial results of the Company are published in the leading newspapers and are also posted on the Company's website.

Corporate Governance Report

Audit Qualifications

There are no qualifications in the Auditors' Report to the members on the financial statements for the year ended 31st March 2011.

Other Non mandatory Requirements

The Company would implement the other non mandatory requirements in due course as and when required and/or deemed necessary by the Board

SUBSIDIARY COMPANIES

The Company does not have material non listed Indian Subsidiary companies as define under Clause 49 of the Listing Agreement. The Board and the Audit Committee reviews the financial statements of subsidiary companies and the minutes of the subsidiary companies are placed at the Board meetings of the Company.

MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the quarterly, half-yearly and yearly financial results in the proforma prescribed under Clause 41 of the Listing Agreement.

The Company sends such approved financial results to the Calcutta Stock Exchange, Bombay Stock Exchange and National Stock Exchange, which have also been published in leading newspapers like Business Standard, Economic Times, Dainik Statesman (Bengali), etc.

The financial results and the official news releases of the Company are displayed on the website of the Company.

As quarterly financial results are published in the press and are also posted on the website of the Company, the same are not mailed to the shareholders.

The Company has not made any presentation to the institutional investors /analyst during the year

Management Discussion and Analysis Report as reviewed by the Audit Committee forms part of the Annual Report.

In compliance with the requirement of the Listing Agreement, the official website of the Company contains information about its business, shareholding pattern, compliance with corporate governance, contact information of the compliance officer, etc. and the same are updated at any given point of time.

GENERAL SHAREHOLDER INFORMATION

a) **Annual General Meeting :**

Date : 2nd September 2011

Time: 10.30 a.m

Venue: Gyan Manch Education Society Hall,
11, Pretoria Street, Kolkata-700 071

b) **Financial Year:**

1st April – 31st March. The Financial results will be declared as per the following schedule:

Particulars	Schedule
Quarter ended 30th June 2011	On or before 14th August 2011
Quarter ending 30th September 2011	On and before 14th November 2011 (Tentative)
Quarter ending 31st December 2011	On and before 14th February 2012 (Tentative)
Annual Results of 2011-12	On and before 30th May 2012 (Tentative)

c) **Dates of Book Closure:**

20th, August 2011 to 2nd September 2011
(Both days inclusive)

d) **Dividend Payment Date:**

On or after 7th September 2011

e) **Listing on Stock Exchanges:**

- (i) National Stock Exchange of India Limited (NSE)
- (ii) Bombay Stock Exchange Limited (BSE)
- (iii) Calcutta Stock Exchange Limited (CSE)

The annual listing fees have been paid to all the Stock Exchange for the year 2011-12.

f) **Custodial Fees to Depositories:**

The Company has paid the custodial fees for the year 2011-12 to National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL).

g) **Unclaimed shares lying in the Demat Suspense Account:**

The Company has opened a separate demat account in the name of "Manaksia Limited-Suspense Account" in order to credit the unclaimed shares of the IPO which could not be allotted to the rightful shareholders due to insufficient/incorrect information or any other reason. The voting rights in respect of said shares will be frozen till the time the rightful owner claims such shares.

Corporate Governance Report

The Details of shares lying in the aforesaid Demat account are as :

Particulars	No. of Shares	No. of shareholders
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. 1st April 2010.	3484	39
Number of shareholders who approached Company for transfer of shares from suspense account during the year.	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the year.	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31st March 2011.	3484	39

Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split, etc., shall also be credited to aforesaid suspense account.

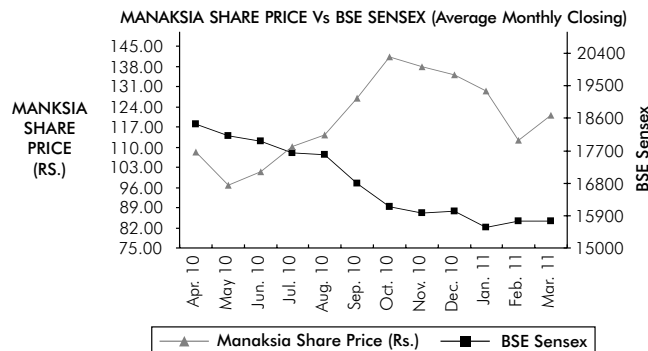
h) Stock Code:	ISIN No.	INE015D01022
	The Calcutta Stock Exchange Ltd.	18123
	National Stock Exchange of India Limited	MANAKSIA
	Bombay Stock Exchange Limited	532932

i) Market Price Data

The details of monthly high and low quotations of the equity shares of the Company traded at BSE and NSE during the financial year 2010-11 are given hereunder:

Month	Bombay Stock Exchange Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High (₹)	Low (₹)	Total Number of Shares Traded	High (₹)	Low (₹)	Total Number of Shares Traded
April'2010	143.60	92.35	2449607	143.40	92.60	4176231
May'2010	128.00	100.00	1005462	129.90	100.15	2510884
June'2010	121.35	102.60	504672	121.70	101.10	3151037
July'2010	113.35	102.80	352289	113.80	102.00	1621441
August'2010	117.80	97.00	1068373	117.50	97.55	2507633
September'2010	106.65	88.20	704572	107.00	74.00	1997802
October'2010	95.40	83.35	333313	95.50	81.95	692170
November'2010	98.75	75.40	349028	92.50	76.30	911091
December'2010	96.70	79.10	310151	85.30	77.00	806166
January'2011	91.70	72.35	314831	92.00	71.50	810714
February'2011	94.90	73.50	896518	94.40	73.00	2784685
March'2011	91.65	76.90	197806	91.70	76.80	647333

Note: There has been no trading in the equity shares of the Company on the Calcutta Stock Exchange Limited during the Financial year 2010-11



Corporate Governance Report

j) Registrar and Transfer Agents (RTA):

M/s Link Intime India Private Limited is acting as the Registrar and Share Transfer Agent of the Company. The address of the above Registrar is given hereunder:

Link Intime India Private Limited
59C, Chowringhee Road,
3rd Floor, Room No.5, Kolkata - 700 020
Ph: +91-033-2289 0540, Fax: +91-033-2289 0539
Contact Person: Mr. S P Guha
Email id: kolkata@linkintime.co.in

k) Share Transfer System:

94.38% of shares of the Company is held in electronic mode. Transfer of these shares is done through the depositories i.e. NSDL & CDSL with no involvement of the Company.

For transfer of shares in physical mode, the transfer documents should be sent to the office of the RTA at the above mentioned address. All share transfers are completed within the stipulated statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Shareholder's Investor's Grievance Committee has been delegated with the authority to approve transfer and/or transmissions of shares and other related matters.

As required under Clause 47 C of the listing Agreement, a certificate on half yearly basis confirming due compliance of the share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within the stipulated time.

l) Share holding as on March 31, 2011

Distribution of Equity Shareholding as on March 31, 2011

No. of Equity shares held	Shareholders		Shares	
	From – To	Number	% Total Holders	Number
1 – 500	35659	95.58	3678180	5.61
501 – 1000	787	2.11	622537	0.95
1001 – 2000	359	0.96	547853	0.84
2001 – 3000	133	0.36	339202	0.52
3001 – 4000	59	0.16	212632	0.32
4001 – 5000	64	0.17	303446	0.46
5001 – 10000	84	0.23	613419	0.94
10001 – And above	162	0.43	59216781	90.36
TOTAL	37307	100.00	6,55,34,050	100.00

m) Categories of Equity Shareholders as on March 31, 2011

Sl. No.	Category	No. of Shares	% of Shareholding
1.	Promoters Group	4,12,55,940	62.95
2.	Mutual Funds & UTI	NIL	NIL
3.	Financial Institutions / Banks	19,208	0.03
4.	Central Government / State Government(s)	NIL	NIL
5.	Venture Capital Fund	NIL	NIL
6.	Insurance Companies	NIL	NIL
7.	Foreign Institutional Investors	4,24,309	0.65
8.	Foreign Venture Capital Investors	NIL	NIL
9.	Bodies Corporate	1,52,38,565	23.26
10.	Public	85,28,070	13.01
11.	NRI's / OCB's / Foreign National	67,958	0.10
	TOTAL	6,55,34,050	100.00

Corporate Governance Report

The names of the Promoters and entities comprising Group as defined under Monopolies & Restrictive Trade Practices ("MRTP") Act, 1969, for the purpose of Section 3(1)(e)(i) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 include:

1. Aditya Agrawal	18. Suresh Kumar Agrawal	35. Crossroad Tradelinks Pvt. Ltd.	52. Active Goods Pvt. Ltd.
2. Anirudha Agrawal	19. Sushil Kumar Agrawal	36. Excel Vinttrade Pvt. Ltd.	53. Zion Distilleries Pvt. Ltd.
3. Anuradha Agrawal	20. Varun Agrawal	37. Fixopan Management Pvt. Ltd.	54. Manaksia Industries Ltd.
4. Basant Kumar Agrawal	21. Vidushi Agrawal	38. Glitter Agencies Pvt. Ltd.	55. Purushottam Barter Pvt. Ltd.
5. Basudeo Agrawal	22. Vineet Agrawal	39. Godson Exports Pvt. Ltd.	56. Seaview Tradecom Pvt. Ltd.
6. Chandrakala Agrawal	23. Vishakha Agrawal	40. Jiwaniyoti Vanijya Pvt. Ltd.	57. MINL Ltd.
7. Kanta Devi Agrawal	24. Basu Deo Agrawal (HUF)	41. Krishna Devlo Consultancy Pvt. Ltd.	58. Dynatech Industries Ghana Ltd.
8. Karan Agrawal	25. Basant Kumar Agrawal (HUF)	42. Kohinoor Commedeal Pvt. Ltd.	59. Mark Steels Ltd.
9. Mahabir Prasad Agrawal	26. Mahabir Prasad Agrawal (HUF)	43. Maxell Securities Ltd.	60. Euroasian Venture FZE
10. Manju Agrawal	27. Suresh Kumar Agrawal (HUF)	44. Mooncity Treadecom Pvt. Ltd.	61. Jebba Paper Mills Ltd.
11. Navneet Manaksia	28. Sunil Kumar Agrawal (HUF)	45. Rainbow Manufacturing Co Pvt Ltd	62. Euroasian Steels Ltd.
12. Prachi Agrawal	29. Sushil Kumar Agrawal (HUF)	46. Sampark Rolling Stocks & Containers Pvt. Ltd.	63. Manaksia Aluminium Company Ltd.
13. Saroj Devi Agrawal	30. AGR Capital Markets Ltd.	47. Manaksia Steels Ltd.	64. Manaksia Overseas Ltd.
14. Shalaja Agrawal	31. Agrim Steel Industries Ltd.	48. Shree Sanyogita Commercial Pvt. Ltd.	65. Manaksia Coated Metals & Industries Ltd.
15. Shobha Devi Agrawal	32. Arena Machineries Ltd.	49. Sweka Caps Pvt. Ltd.	66. Manaksia Ferro Industries Ltd.
16. Suman Agrawal	33. Athena Minerals and Steel Pvt. Ltd.	50. Vinayak Enclave & Developer Pvt. Ltd.	67. Any Company/entity promoted by any of the above
17. Sunil Kumar Agrawal	34. Crest Steel & Alloys Pvt. Ltd.	51. NM Trexim Pvt. Ltd.	

n) Dematerialization of Equity Shares

The shares of the Company are currently traded only in dematerialized form and the company has entered into agreements with the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares are INE015D01022.

As on 31st March 2011, 6,18,51,542 equity shares representing about 94.38% of the share capital is held in dematerialized form.

o) Outstanding GDRs / ADRs / Warrants / Other Convertible instruments: Nil

p) Listing of Debt Securities:

The Secured Redeemable Non-Convertible Debentures issued on private placement basis by the Company are listed on the Wholesale Debt market (WDM) of Bombay Stock Exchange Ltd (BSE).

q) Debenture Trustees

IDBI Trusteeship Services Ltd, Asian Building, Ground Floor,
17, R Kamani Marg, Ballard Estate, Mumbai-400 001

r) Plants Locations (Manufacturing Units)

- ✓ Plot No. 125B, Shree Venkatesh Co-Op Industrial Area, Ida, Vill- Bollaram, Dist. Medak
- ✓ 161/2, Village Khutli, Via Khanvel, Dudhni Road, Silvassa
- ✓ Plot no.25 & 24A, Anrich Industrial Estate, Bollaram, Medak, (KPL)
- ✓ 45-C, Phase-I, Jedimetla, R R District, SRO, Medak.
- ✓ 15, B.K. Pal Temple Road, Belur, Howrah
- ✓ Plot No. 125A, Shree Venkatesh Co-Op Industrial Area, IDA, Vill-Bollaram, Dis. Medak
- ✓ 43/1 Garden Reach Road, Kolkata
- ✓ 12, Duffer Street, Liluah, Howrah
- ✓ Brahmanpara, P.S. Haripal, Dist: Hooghly
- ✓ 471, Birsinghpur, P.O & P.S: Barjora
- ✓ 4, Garden Reach Road, Slipway-III, Pan Bazar, Shalimar
- ✓ Vill & P.O Bhunia Raichak, Haldia
- ✓ EPIP, Amingaon, North Guwahati
- ✓ Plot No. 15, New Industrial Area-II, Mandideep, Dist: Raizen
- ✓ Plot No. 16, New Industrial Area-II, Mandideep, Dist: Raizen
- ✓ 9 & 12 AI, New Industrial Area-II, Mandideep, Dist: Raizen
- ✓ Survey No. 396, Chandrani, Taluka Anjar, Dist. Kutch

s) Address for Correspondence:

Manaksia Limited

8/1, Lalbazar Street, Kolkata - 700 001
Phone Nos: +91 033 2231 0050 / 51 / 52
Fax Nos: +91 033 2230 0336 / 2242 8470
Email: investor.relations@manaksia.com
Website: www.manaksia.com

CERTIFICATION OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

This is to confirm that the Company has received declarations affirming compliance of the Code of Conduct from the persons concerned for the Financial Year ended 31st March, 2011.

Place: Kolkata
Date: 27 July 2011

B. K. Agrawal
Managing Director

CERTIFICATION UNDER CLAUSE 49V OF THE LISTING AGREEMENT

**The Board of Directors
Manaksia Limited**

Dear Sirs

In terms of Clause 49 of the Listing Agreement, we do hereby certify that:

- 1 We have reviewed financial statements and the cash flow statement for the financial year 2010-11 and that to the best of our 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.
- 2 There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2010-11 are fraudulent, illegal or violative of the Company's code of conduct.
- 3 We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 4 We have indicated to the Auditors and the Audit Committee :
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year 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.

Date: 27 July 2011
Place: Kolkata

For Manaksia Limited
B K Agrawal Sandeep Sultania
Managing Director Sr Vice President-Accounts

Certificate on Corporate Governance

TO THE MEMBERS OF MANAKSIA LIMITED

We have examined the compliance of conditions of Corporate Governance by Manaksia Limited, for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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.

Place : Kolkata
Date:27/7/2011

For SRB & Associates
Chartered Accountants
Sanjeet Patra
(Partner)
Membership No. 056121

Auditors' Report

TO THE MEMBERS

1. We have audited the attached Balance Sheet of Manaksia Limited as at 31st March' 2011 and the relative Profit & Loss account and Cash Flow Statement of the Company for the year ended on that date annexed there to, all of which we have signed under reference to this report. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on test basis, evidence supporting the 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 presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the annexure, a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that
 - a. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of account;
 - d. In our opinion, the Profit & Loss Account, Balance Sheet and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e. On the basis of written representation received from the Directors, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2011 from being appointed as director in terms of clause (g) of Section 274(1) of the Companies Act, 1956;
 - f. In our opinion and to the best of our knowledge and according to the explanations given to us, the said accounts read together with notes thereon attached thereto, give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view;
 - i. In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2011; and
 - ii. In the case of the Profit & Loss Account, of the Profit for the year ended on that date.
 - iii. In case of the Cash Flow Statement of the cash flows for the year ended on that date.

Date : 30th Day of May, 2011
Place : Kolkata

For SRB & Associates
Chartered Accountants
Firm Regn. No: 310009E

Sanjit Patra
(Partner)
M No: 056121

Annexure to Auditors' Report

Referred to in Paragraph 3 of our report of even date

1. In respect of its fixed assets :
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c. The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
2. In respect of its inventories:
 - a. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification.
3. The company has not taken or given any loans, secured or unsecured from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in such internal controls system.
5. In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - a. The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - b. Where transaction is in excess of Rs. 5 Lakhs in respect of any party during the period, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. Therefore the provisions of clause (vi) of the Companies (Auditors' Report) Order 2003 are not applicable.
7. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
8. According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) for any product of the Company.
9. According to the information and explanations given to us in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b. There were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as on 31st March, 2011 for a period of more than six months from the date they became payable.

c. Details of dues of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2011 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is Pending	Amount involved (Rs. In Lakhs)
Central Excise Act, 1944	Excise Duty	Hon'ble High Court, Kolkata	99.32
		CESTAT	7.50
		Commissioner, Central Excise	353.87
		Additional Commissioner, Central Excise	21.53
		Asst. Commissioner, Central Excise	28.35
		Joint Commissioner, Central excise	0.31
		Deputy Commissioner, Central Excise	7.97
		Director General of Central Excise	5.00
		Appellate Commissioner	11.30
		Tribunal of Central Excise	4.97
		Superintendent of Central Excise	0.31
	Service Tax	Superintendent of Service Tax	51.92
Sales Tax/VAT Act	Sales Tax	W.B. Commercial Taxes Appellate and Revisional Board, Deputy Commissioner of Commercial Taxes (Appeals)-Hyderabad	409.86
Income Tax Act, 1961	Income Tax Demand	C.I.T (Appeals)	73.53
Municipal Act, West Bengal	Municipal Tax	Haldia Municipality, West Bengal	67.90
Customs Act, 1962	Customs Duty and Interest	Commissioner of Customs.	15.15
West Bengal Taxation Laws (Amendment) Act, 2003	Stamp Duty	Commissioner of Haldia Municipality	49.45

10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions, debenture holders.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 4 (xiii) of the Companies (Auditors' Report) Order 2003 is not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, mutual fund, debentures and other investments and timely entries have been made therein. All shares, debentures, mutual fund and other investments have been held by the Company in its own name.
15. The Company has given guarantees for loans taken by others from banks or financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima-facie prejudicial to the interests of the Company.
16. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
17. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short term basis have not been used during the year for long term investment.
18. The Company has not made any preferential allotment of share to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanation given to us the Company has not issued any secured debentures during the year under audit.
20. The management has disclosed the end use of money raised by public issue and the same has been verified by us.
21. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For SRB & Associates
Chartered Accountants
Firm Regn. No: 310009E

Sanjit Patra
(Partner)
M No: 056121

Date : 30th Day of May, 2011
Place : Kolkata

MANAKSIA LIMITED
BALANCE SHEET AS AT 31ST MARCH 2011

(Rs. in Lacs)

	Schedule	31st March 2011	31st March 2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
(a) Share Capital	A	1,310.68	1,390.68
(b) Reserves & Surplus	B	47,325.93	50,171.45
		48,636.61	51,562.13
LOANS			
(a) Secured	C	13,853.29	11,409.04
(b) Unsecured	D	2,657.82	2,547.74
		16,511.11	13,956.78
Foreign Currency Monetary Item Translation Difference Account		–	93.69
DEFERRED TAX LIABILITY (Net)		4,675.00	4,520.00
TOTAL		69,822.72	70,132.60
APPLICATION OF FUNDS			
FIXED ASSETS			
(a) Gross Block	E	46,626.42	43,744.60
(b) Less: Accumulated Depreciation/Amortisation		14,394.48	12,540.13
(c) Net Block		32,231.94	31,204.47
(d) Capital Work in Progress		2,739.77	3,790.58
		34,971.71	34,995.05
INVESTMENTS			
CURRENT ASSETS, LOANS & ADVANCES			
(a) Inventories	G	25,054.64	15,526.45
(b) Sundry Debtors	H	18,084.46	20,744.09
(c) Cash and Bank Balances	I	348.20	379.18
(d) Loans and Advances	J	13,804.29	4,945.80
		57,291.59	41,595.52
Less :			
CURRENT LIABILITIES & PROVISIONS			
(a) Current Liabilities	K	26,540.23	14,347.39
(b) Provisions	L	2,830.85	2,571.37
		29,371.08	16,918.76
NET CURRENT ASSETS		27,920.51	24,676.76
TOTAL		69,822.72	70,132.60

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS
S

Schedules A to L and S referred to above form an integral part of the Balance Sheet.
In terms of our attached report of even date.

 For SRB & Associates
Chartered Accountants

 R N Sengupta
Chairman

 B K Agrawal
Managing Director

 Dated : 30/05/2011
Place : Kolkata

 S. Patra
(Partner)
Membership No. 056121

 Anubhav Maheshwari
Company Secretary

MANAKSIA LIMITED**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

(Rs. in Lacs)

	Schedule	2010-2011	2009-2010
INCOME			
Gross Sales		97,909.37	88,050.72
Processing Income		175.95	464.23
		98,085.32	88,514.95
Less : Excise Duty		4,224.39	4,009.53
Commercial Tax		662.81	872.85
		4,887.20	4,882.38
Net Sales		93,198.12	83,632.57
Other Income	M	1,013.27	1,506.52
		94,211.39	85,139.09
EXPENDITURE			
Decrease/(Increase) in Stocks	N	(4,245.91)	(1,522.88)
Excise Duty on Stocks		208.04	80.68
Raw Materials & Components Consumed (including Trading Goods)	O	70,900.50	58,796.53
Manufacturing, Administrative, Selling & Other Expenses	P	18,233.24	17,600.98
Directors' Remuneration	Q	25.47	36.68
		85,121.34	74,991.99
PROFIT BEFORE INTEREST, DEPRECIATION & TAX			
Interest	R	9,090.05	10,147.10
Depreciation / Amortisation	E	2,558.45	3,844.30
		2,015.26	1,946.81
PROFIT BEFORE PRIOR PERIOD & EXCEPTIONAL ITEMS			
Less : Prior Period Items		4,516.34	4,355.99
Loss on sale of Shares of Subsidiary Company		(107.81)	97.64
Exceptional Item		560.50	—
		58.05	1,092.34
PROFIT BEFORE TAXATION			
Less : Provision for Taxation		4,005.60	3,166.01
Current Tax		865.00	550.00
Deferred Tax		155.00	138.00
PROFIT AFTER TAXATION			
Short/(Excess) Provision for Taxation for Earlier Years		2,985.60	2,478.01
		59.68	—
PROFIT AFTER ADJUSTMENT			
Surplus brought forward from last year		2,925.92	2,478.01
		7.73	25.71
PROFIT AVAILABLE FOR APPROPRIATION			
APPROPRIATIONS			
Transfer to General Reserve		300.00	250.00
Dividend on Equity Shares		1,638.35	1,668.82
Tax on Dividends		265.78	277.17
Transfer from Exchange Fluctuation Reserve		(200.00)	—
Transfer to Debenture Redemption Reserve		900.00	300.00
Balance carried to the balance sheet		29.52	7.73
		2,933.65	2,503.72
Basic and diluted earning per share (EPS) (Face value of Rs. 2 each)			
EPS before Prior Period and Exceptional items		Rs. 5.17	Rs. 5.28
EPS after Prior Period and Exceptional items (Refer to Note No. 2.(vii) of Schedule "S")		Rs. 4.41	Rs. 3.56

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

S

Schedules M to R, E and S referred to above form an integral part of the Profit & Loss Account.
In terms of our attached report of even date.

For SRB & Associates
Chartered Accountants

R N Sengupta
Chairman

B K Agrawal
Managing Director

Dated : 30/05/2011
Place : Kolkata

S. Patra
(Partner)
Membership No. 056121

Anubhav Maheshwari
Company Secretary

MANAKSIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in Lacs)

PARTICULARS		2010-11	2009-10
A:	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before Tax	4,005.60	3,166.01
	Adjustment for:		
	Depreciation/ Amortisation	2,015.26	1,946.81
	Provision for Doubtful Debts / (written back)	5.09	269.07
	Profit on sale of Investment	(140.53)	(92.57)
	Finance Cost & Interest (Net)	2,298.28	3,180.30
	Profit on Fixed Assets Sold / Discarded (Net)	(5.79)	(181.64)
	Prior Period & Exceptional Items (Net)	510.74	1,189.98
	Amortisation of Foreign Currency Monetary Translation A/c	(93.69)	700.44
	Deferred Revenue Expenditure written off	-	6.25
	Dividend Income	(317.53)	(365.91)
	Operating Profit before Working Capital Changes	8,277.43	9,818.74
	Adjustment for:		
	Change in Trade & Other Receivables	(6,121.88)	1,347.52
	Change in Inventories	(9,528.19)	(4,677.65)
	Change in Trade Payable	12,612.02	4,427.44
	Cash Generated from Operations	5,239.38	10,916.05
	Direct Taxes Paid	(856.42)	(433.65)
	Cash Flow before Prior Period & Exceptional items	4,382.96	10,482.40
	Prior Period & Exceptional Items (Net)	49.76	(1,189.98)
	Net Cash Flow from Operating Activities	(A) 4,432.72	9,292.42
B:	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets and change in Capital work in progress	(2,388.11)	(2,569.26)
	Sale of Fixed Assets	130.30	494.45
	Purchase of Investments	(25.00)	(2,600.00)
	Sale of Investments	2,740.53	5,949.28
	(Purchase)/Sale of Investment in Subsidiary Co	394.78	(2,385.96)
	Interest Received	243.68	592.28
	Dividend Received	317.53	332.12
	Receipt of subsidy from Government	-	34.39
	Net Cash Used in Investing Activities	(B) 1,413.71	(152.70)
C:	CASH FLOW FROM FINANCING ACTIVITIES:		
	Buy back of shares	(4,014.11)	-
	Repayment of Long Term Borrowings (Net)	(306.58)	(3,724.44)
	(Repayment of) / Proceeds from Short Term Borrowings (Net)	2,860.91	378.23
	Payment of Dividend on Equity Shares	(1,611.53)	(1,529.75)
	Dividend Tax Paid	(267.66)	(259.98)
	Interest etc. Paid	(2,538.44)	(3,829.80)
	Net Cash Flow From Financing Activities	(C) (5,877.41)	(8,965.74)
D:	Net Increase/(Decrease) in Cash and Cash Equivalents	(A+B+C) (30.98)	173.98
	Cash and Cash Equivalents as at 1st April	379.18	205.20
	Cash and Cash Equivalents as at 31st March	348.20	379.18

Note : Previous year's figures have been rearranged and regrouped wherever necessary.

 For SRB & Associates
Chartered Accountants

 R N Sengupta
Chairman

 B K Agrawal
Managing Director

 S. Patra
(Partner)
Membership No. 056121

 Anubhav Maheshwari
Company Secretary

 Dated : 30/05/2011
Place : Kolkata

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

(Rs. in Lacs)

SCHEDULE A	31st March 2011	31st March 2010
SHARE CAPITAL		
Authorised :		
70,000,000 (70,000,000) Equity Shares of Rs. 2/- each	1,400.00	1,400.00
1,250,000 (1,250,000) Preference Shares of Rs. 20/- each	250.00	250.00
	1,650.00	1,650.00
Issued, Subscribed & Paid up		
69,534,050 (69,534,050) Equity Shares of Rs. 2/- each fully paid up	1,390.68	1,390.68
Less: 4,000,000 Equity shares bought back (Refer Note 2(xix) of Sch S)	80.00	-
65,534,050	1,310.68	1,390.68

Notes :

- i) 192,500 Equity Shares of Rs. 10/- each were allotted for cash.
ii) 7,500 Equity Shares of Rs. 10/- each were allotted pursuant to a contract for consideration other than cash.
iii) 508,396 Equity Shares of Rs. 10/- each were allotted as fully paid up pursuant to scheme of amalgamation without payment being received in cash.
iv) 13,445,614 Equity Shares of Rs. 10/- each were allotted as fully paid up bonus shares by capitalisation of General Reserve.
v) 3,347,200 Equity Shares of Rs. 10/- each held by erstwhile transferor companies were cancelled pursuant to the scheme of amalgamation without payment made in cash.
vi) During financial year 2006-07, the Company sub-divided 10,806,810 Equity share of the nominal value of Rs.10/- each fully paid-up in the capital of the Company into five Equity shares of Rs.2/- each fully paid-up.
vii) 15,500,000 Equity Shares of Face Value Rs. 2/- each were allotted through public issue at a premium of Rs.158/- per Equity share
viii) 4,000,000 Equity Shares of Face Value of Rs. 2/- each were bought back and extinguished during the current financial year

(Rs. in Lacs)

SCHEDULE B	31st March 2011	31st March 2010
RESERVES & SURPLUS		
Capital Reserve		
As per last Balance Sheet	128.68	94.29
Add : Created during the year	-	34.39
	128.68	128.68
Investment Subsidy		
As per last Balance Sheet	89.58	89.58
Amalgamation Reserve		
As per last Balance Sheet	123.45	123.45
Exchange Fluctuation Reserve		
As per last Balance Sheet	200.00	200.00
Less : Transfer to Profit & Loss A/c during the Year	(200.00)	-
	-	200.00
Securities Premium		
As per last Balance Sheet	22,917.66	22,917.66
Less : Premium paid on Buy Back of Shares (Refer Note 2(xix) of Sch S)	(3,934.11)	-
	18,983.55	22,917.66
Capital Redemption Reserve Account		
As per last Balance Sheet	237.40	237.40
Add : Created during the year on buy back (Refer Note 2(xix) of Sch S)	80.00	-
	317.40	237.40
Debenture Redemption Reserve Account		
As per last year Balance Sheet	450.00	150.00
Add : Created during the year	900.00	300.00
	1,350.00	450.00
General Reserve		
As per last Balance Sheet	26,016.95	25,766.95
Add: Provision for Dividend on Shares Cancelled Written Back	66.80	-
Transfer from Profit & Loss A/c	300.00	250.00
Less: Transfer to Capital Redemption Reserve Account	(80.00)	-
	26,303.75	26,016.95
Surplus as per Profit & Loss Account	29.52	7.73
	47,325.93	50,171.45

MANAKSIA LIMITED
SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

(Rs. in Lacs)

SCHEDULE C	31st March 2011	31st March 2010
SECURED LOANS		
I) Debentures (Privately Placed)		
600 (600) 11.95% Non convertible Debentures of Rs. 10 lacs each	6,000.00	6,000.00
II) Loans from Banks & Financial Institutions		
a) Long Term		
Foreign Currency Term Loans	3,219.84	3,636.50
b) Short Term		
Working Capital Loans	4,633.45	1,772.54
	13,853.29	11,409.04

Notes :
1) Debentures:

Non Convertible Debentures of Rs.6000 lacs (Prev.Yr. Rs.6000 lacs) are secured by way of creation of pari-passu charge on the movable and immovable assets of the Company's Aluminium Rolling Mill Unit at Haldia, West Bengal and by an exclusive charge on the Company's freehold land at Mehsana, Gujarat. The Debentures are redeemable in three tranches as detailed below with earliest redemption being on December 19, 2011 and the last being on December 19, 2013.

December 19, 2011	Rs 1,800.00 Lacs
December 19, 2012	Rs 1,800.00 Lacs
December 19, 2013	Rs 2,400.00 Lacs

2) Foreign Currency Term Loans :

a) Foreign Currency Loan amounting to Rs.3219.84 Lacs (Prev.Yr.Rs.3367.13 Lacs) is secured by way of creation of charge ranking pari-passu on the movable and immovable assets of all the manufacturing units of the Company excluding assets of Haldia, West Bengal and Assam units. The loan is further secured by Personal guarantees of the promoter directors of the Company.

b) The above term loans include Rs. Nil (Prev.Yr.Rs. 269.37 Lacs) falling due for payment within one year.

3) Working capital Loans:

Facilities amounting to Rs. 4633.45 Lacs (Prev.Yr. Rs. 1772.54 Lacs) are secured by way of creation of charge ranking pari-passu on movable and immovable assets of the Company. Some of the credit facilities are further secured by personal guarantee of the promoter directors of the Company.

(Rs. in Lacs)

SCHEDULE D	31st March 2011	31st March 2010
UNSECURED LOANS		
Under Sales Tax Deferrment Scheme (Interest Free) : (Including Rs.66.17 Lacs (Prev. Yr. Rs.91.95 Lacs) falling due for payment within one year)	2,657.82	2,547.74
	2,657.82	2,547.74

SCHEDULE E
FIXED ASSETS

(Rs. in Lacs)

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April 2010	Addition	Deletion/ Adjustment	As at 31st March 2011	As at 1st April 2010	Less : on Sales / Adjustments	For the Year	Upto 31st March 2011	As at 31st March 2011	As at 31st March 2010
Tangible Assets :										
Land*	191.84	—	2.70	189.14	—	—	—	—	189.14	191.84
Leasehold Land	422.27	—	—	422.27	38.17	0.01	5.34	43.52	378.75	384.10
Building	8,408.40	321.18	14.37	8,715.21	1,710.08	(4.95)	283.86	1,988.99	6,726.22	6,698.32
Plant & Machinery	30,230.20	2,628.32	132.65	32,725.87	8,972.97	(72.39)	1,437.63	10,338.21	22,387.66	21,257.23
Electrical Installation	1,694.45	17.78	2.94	1,709.29	463.40	(2.75)	80.10	540.75	1,168.54	1,231.05
Electric Generator	682.95	10.85	0.86	692.94	232.46	7.33	31.78	271.57	421.37	450.49
Computer	356.72	23.13	0.91	378.94	270.36	(0.90)	27.29	296.75	82.19	86.36
Office Equipment	199.49	18.75	1.37	216.87	79.21	(0.54)	9.08	87.75	129.12	120.28
Furniture & Fixtures	280.23	9.90	1.91	288.22	143.68	(1.15)	13.66	156.19	132.03	136.55
Vehicles	1,100.69	137.33	127.71	1,110.31	564.05	(85.57)	91.05	569.53	540.78	536.64
Intangible Assets :										
Computer Software	177.36	—	—	177.36	65.75	—	35.47	101.22	76.14	111.61
TOTAL	43,744.60	3,167.24	285.42	46,626.42	12,540.13	(160.91)	2,015.26	14,394.48	32,231.94	31,204.47
Previous Year	42,126.41	2,026.61	408.42	43,744.60	10,688.93	(95.61)	1,946.81	12,540.13	31,204.47	31,437.48
Capital Work in Progress	3,790.58	370.96	1,421.77	2,739.77	—	—	—	—	2,739.77	3,790.58

Note : * Land includes cost of 35 acre land at Haldia for which conveyance deed has not been executed.

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

SCHEDULE F

(Rs. in Lacs)

	No of Shares/ Units	Face Value per Share/Unit Rs.	31st March 2011	31st March 2010
INVESTMENTS				
LONG TERM				
Government Securities				
Unquoted				
6 Years National Savings Certificates			0.54	0.54
Trade (Fully Paid Up)				
Quoted				
Equity Shares				
United Spirits Ltd	47	10.00	0.09	0.09
Mansarovar Bottling Co. Ltd	5,000	10.00	0.88	0.88
Unquoted				
Equity Shares				
Agro Co-Operative Urban Bank Ltd	300	100.00	0.30	0.30
Other Than Trade (Fully Paid Up)				
Unquoted				
Equity Shares				
Singur - Haripal Rural Co-operative Society Ltd	90	10.00	0.01	0.01
AGR Capital Markets Ltd.	30,000	10.00	6.00	6.00
Maxell Securities Limited	47,500	10.00	4.75	4.75
SHARES IN SUBSIDIARY COMPANIES				
Unquoted				
Equity Shares (Fully Paid Up)				
MINL Ltd	907,897,869	1.00 Niara	2,874.18	2,874.18
Dynatech Industries Ghana Ltd	843,961	10000.00 Cedi	478.49	478.49
Mark Steels Ltd	3,000,000	10.00	300.00	300.00
Crescent Industries (Nepal) Pvt Ltd	(1,520,000)	(100 NRS)	-	950.00
Euroasian Venture FZE	25	1000000 AED	3,239.26	3,239.26
Solex Chemicals Pvt Ltd	10,000	10.00	1.00	1.00
Manaksia Global Ltd	(11,000)	(1 \$)	-	5.29
Manaksia Overseas Ltd	50,000	10.00	5.00	-
	(-)			
Manaksia Aluminium Co Ltd	50,000	10.00	5.00	-
	(-)			
Manaksia Ferro Industries Ltd	50,000	10.00	5.00	-
	(-)			
Manaksia Coated Metals & Industries Ltd	50,000	10.00	5.00	-
	(-)			
Manaksia Steels Limited	50,000	10.00	5.00	-
	(-)			
			6,930.50	7,860.79
SHORT TERM				
Current Investments - Others				
Unquoted				
In Units of Mutual Funds :				
HDFC Arbitrage Fund -	-	-	-	1,100.00
Wholesale Plan - Growth	(9,731,069)	(11.30)	-	1,500.00
Kotak Select Focus Fund - Growth	-	-	-	1,500.00
	(14,669,927)	(10.23)	-	2,600.00
			6,930.50	10,460.79
Aggregate amount of investments :				
Quoted			0.97	0.97
Unquoted			6,929.53	10,459.82
Market Value of Quoted Investments			1.40	1.50

Notes:

- 1) 6 Years National Savings Certificates are lodged with Directorate of Commercial Taxes
- 2) Figures in brackets represent previous year figures.

MANAKSIA LIMITED
SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

Movement during the year

Investments purchased and sold/redeemed

Name of the Mutual Fund	Units	Face Value (In Rupees)	Cost (Rs. in Lacs)
Canara Robeco Liquid Super Institutional-Daily Dividend Re-investment fund	134,510,194	10.06	13,525.00
Canara Robeco Treasury Advantage Super Institutional Daily Dividend Re-investment fund	87,259,403	12.41	10,826.36
Templeton India Treasury Management Account Institutional Plan-Daily Dividend	99,933	1,000.67	1,000.00
Templeton India Short Term Income Retail Plan-Growth	53,551	1,867.53	1,000.08
DSP Black Rock Liquidity Fund-Regular Plan-Daily Dividend Plan	1,498,501	10.01	150.00
DSP Black Rock Liquidity Fund-Institutional Plan-Daily Dividend	49,984	1,000.32	500.00
DSP Black Rock Floating Rate Fund-Institutional Plan-Daily Dividend	514,726	1,000.55	5,150.06
Birla Sun Life Cash Plus Institutional-Daily Dividend-Re investment	4,628,644	10.80	500.00
Birla Sun Life Savings Fund-Institutional-Daily Dividend-Re investment	4,997,084	10.01	500.05
Birla Sun Life Cash Plus-Institutional-Daily Dividend-Re investment	8,562,991	10.80	925.00
Birla Sun Life Cash Manager-IP-Daily Dividend-Re investment	9,248,664	10.00	925.14
JM- High Liquidity Fund-Super Institutional Plan-Daily Dividend	18,968,702	10.02	1,900.00
JM-Money Manager Fund Super Plus Plan-Daily Dividend	22,989,737	10.01	2,300.19

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

(Rs. in Lacs)

	31st March 2011	31st March 2010
SCHEDULE G		
INVENTORIES		
At Lower of Cost or Net Realisable Value		
Raw Materials	11,464.32	6,783.34
Finished Goods	4,915.29	2,872.33
Work-in-Process	6,842.70	4,529.95
Stores & Spares	1,607.72	994.94
At Cost		
Stock in Transit	-	11.48
At Estimated Realisable Value		
Scraps	224.61	334.41
	25,054.64	15,526.45
SCHEDULE H		
SUNDRY DEBTORS (Unsecured)		
Considered Doubtful provided for -		
Outstanding over six months	227.83	284.90
Less : Provision for Doubtful Debts	<u>227.83</u>	(284.90)
Considered Good -		
Outstanding over six months	2,973.84	1,636.65
Other Debts	15,110.62	19,107.44
	18,084.46	20,744.09
SCHEDULE I		
CASH AND BANK BALANCES		
Cash in Hand	43.58	38.09
With Scheduled Banks in :		
Current Accounts	189.85	268.44
Fixed Deposits	98.06	57.65
Savings Accounts	0.07	0.07
Unclaimed Dividend	<u>16.64</u>	14.93
	348.20	379.18
Note :		
Fixed Deposits are pledged with		
1. Bank as Margin Money against - Bank Guarantee Rs. 96.56 Lacs (Prev. Yr. Rs.55.77 Lacs)		
2. Commercial Tax Authorities Rs. 1.12 Lacs (Prev. Yr. Rs.1.12 Lacs)		

MANAKSIA LIMITED
SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

(Rs. in Lacs)

	31st March 2011	31st March 2010
SCHEDULE J		
LOANS AND ADVANCES (Unsecured - Considered good except stated otherwise)		
Loans	4,952.24	447.71
Advances :		
Advance Recoverable in cash or in kind or for value to be received	4,807.04	1,693.51
Balances with Statutory Authorities	3,648.08	2,444.00
Other Deposits	396.93	360.58
	13,804.29	4,945.80
SCHEDULE K		
CURRENT LIABILITIES		
Sundry Creditors for Goods, Services, Expenses etc.		
Micro, Small and Medium Enterprise@	10.32	
Others	<u>25,172.58</u>	
Advance against Sales	449.40	1,049.99
Interest accrued but not due on Loans	276.33	256.32
Unclaimed Dividend	16.64	14.93
Other Liabilities	614.96	1,004.76
	26,540.23	14,347.39

@ The details of amount outstanding to Micro, Small and Medium enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the company are as under:

Sl.No.	Particulars	Amount (Rs. in Lacs)
1	Principal amount due and remaining unpaid	0.80
2	Interest due on (1) above and the unpaid interest	0.06
3	Interest paid on all delayed payments under the MSMED Act.	-
4	Payment made beyond the appointed day during the year	-
5	Interest due and payable for the period of delay other than (3) above	-
6	Interest accrued and remaining unpaid	-
7	Amount of further interest remaining due and payable in succeeding years	-

(Rs. in Lacs)

	31st March 2011	31st March 2010
SCHEDULE L		
PROVISIONS		
Gratuity	505.90	412.60
Excise Duty	420.82	212.78
Proposed Dividend	1,638.35	1,668.82
Tax on Proposed Dividend	265.78	277.17
	2,830.85	2,571.37
SCHEDULE M		
OTHER INCOME		
Income from Long Term Investment :		
Dividend From Subsidiary Company	273.65	279.03
Withholding Tax Rs. 27.82 Lacs (Prev. Yr. Rs. 27.90 Lacs)		
Income from Current Investment :		
Tax Free Dividends From Mutual Funds	43.88	86.88
Profit on Sale of Fixed Assets	5.79	181.64
Profit on Sale of Mutual Fund	140.53	92.57
Interest Income :		
From Banks	11.77	86.81
From Others	<u>248.40</u>	577.19
T.D.S. Rs. 16.49 (Prev. Yr. Rs. 71.72)		
Miscellaneous Income	289.25	202.40
	1,013.27	1,506.52

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

(Rs. in Lacs)

	31st March 2011	31st March 2010
SCHEDULE N		
DECREASE/(INCREASE) IN STOCKS		
Opening Stock :		
Finished Goods	2,872.33	2,727.14
Work in Process	4,529.95	3,371.04
Scrap	334.41	115.63
	7,736.69	6,213.81
Less :		
Closing Stock :		
Finished Goods	4,915.29	2,872.33
Work in Process	6,842.70	4,529.95
Scrap	224.61	334.41
	11,982.60	7,736.69
	(4,245.91)	(1,522.88)
SCHEDULE O		
RAW MATERIALS & COMPONENTS CONSUMED		
Opening Stock	6,783.34	3,951.42
Add : Purchases & Procurement Expenses / Job Charges	75,570.00	61,628.45
Less : Closing Stock	11,452.84	6,783.34
	70,900.50	58,796.53
SCHEDULE P		
MANUFACTURING, ADMINISTRATIVE, SELLING AND OTHER EXPENSES		
Consumption of Stores and Consumables	1,100.80	692.37
Power & Fuel	3,817.08	2,994.10
Processing Charges	321.12	648.14
Clearing Charges	333.00	169.94
Carriage Inward	664.61	629.95
Lease Rent	5.87	7.34
Repairs to:		
Building	229.60	191.98
Machinery	592.02	672.74
Others	76.43	45.15
Other Manufacturing Expenses	363.95	804.26
Salaries, Wages and Bonus	2,257.69	1,857.33
Contribution to Provident and Other Funds	240.18	163.44
Welfare Expenses	717.02	513.69
Rent	96.21	66.38
Insurance	100.09	84.85
Rates & Taxes	101.36	79.31
Packing Expenses	2,071.17	2,041.76
Freight, Forwarding and Handling Expenses	2,554.37	1,969.96
Communication Expenses	112.82	111.65
Travelling & Conveyance	606.85	539.79
Bad Debt	0.08	525.72
Provision for Doubtful Debt	5.09	269.07
Auditors' Remuneration :		
Audit Fees	17.00	17.00
Tax Audit Fees	3.00	3.00
Donations	84.09	27.85
Commission	80.35	80.63
Other Miscellaneous Expenses	1,681.39	2,393.58
	18,233.24	17,600.98

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

(Rs. in Lacs)

	31st March 2011	31st March 2010
SCHEDULE Q		
DIRECTORS' REMUNERATION		
Salary & Bonus	15.79	30.24
Meeting Fees	9.68	3.85
Perquisites	–	2.59
	25.47	36.68
SCHEDULE R		
FINANCE COST & INTEREST		
Finance Cost		
Net exchange loss/(gain) on translation of Loans in foreign currency	(233.32)	(321.05)
Interest Charge		
To Financial Institutions / Banks		
On Debentures	717.00	716.07
On Fixed Loans	326.00	459.90
On Others	1,748.77	2,989.38
	2,558.45	3,844.30

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

SCHEDULE S**Significant Accounting Policies & Notes annexed to and forming part of Company's Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2011****1) Significant Accounting Policies****i) Basis of Preparation**

The financial statements are prepared under the Historical Cost Convention method, using the accrual system of accounting in accordance with the Generally Accepted Accounting Principles in India & the requirements of the Companies Act, 1956, including the Notified Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006.

ii) Revenue Recognition

Revenue from sale of goods and services rendered is recognized upon transfer of title and rendering of services to the customers.

iii) Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of duties (net of CENVAT/VAT), taxes, borrowing costs directly attributable to acquisition, incidental expenses and erection / commissioning etc., upto the date, the asset is ready for its intended use.

iv) Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factor. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and value in use of the asset. The estimated cash flows considered for determining the value in use, are discounted to the present value at weighted average cost of capital.

v) Foreign Currency Transactions**a) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the year in which they arise.

The premium or discount arising at the inception of forward exchange contracts is amortised as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

vi) Depreciation

a) Depreciation on all Fixed Assets are calculated under Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956

b) Depreciation includes amortisation of leasehold land over the period of lease.

c) Depreciation is calculated on prorata basis on additions and deletions of Fixed Assets during the year except for assets costing Rs. 5000/- or less on which 100% depreciation is provided.

d) Depreciation on individual items of plant and machinery costing Rs. 5000/- or less is being provided at normal applicable rates, whenever aggregate cost of such items constitute more than 10% of the total cost of plant and machinery in accordance with amendments to Schedule XIV to the Companies Act, 1956 vide Notification No. GSR No. 101 (E) dated 01.03.1995.

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

- e) In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- f) Computer software costs capitalised are amortised using the Straight Line Method over estimated useful life of 5 years, as estimated at the time of capitalisation.

vii) Investments

Long term Investments are stated at Cost. Investments in foreign companies are considered at the exchange rates prevailing on the date of their acquisition. Short term Investments in liquid fund scheme of mutual funds have been stated at their NAV on year end date or purchase price whichever is less.

viii) Inventories

Inventories are valued as under –

- a) Raw materials, Finished goods, Stock in trade, Work in process, Packing materials and Stores & Spares are valued at lower of cost or net realisable value. Closing stock has been valued on Weighted Average basis.
- b) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value.

ix) Research & Development

Research and development expenditure of revenue nature are charged to Profit & Loss Account, while capital expenditure are added to the cost of fixed assets in the year in which these are incurred.

x) Employee Benefits

- i) Short term employee benefits are charged off at the undiscounted amount in the year in which the related services is rendered.
- ii) Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to Profit and Loss Account/Project Development Expenditure Account.

xi) Earning per Share

Basic earning per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii) Excise Duty and Custom Duty

Excise duty on finished goods stock lying at factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the Balance Sheet date. Similarly, Custom duty on imported material in transit / lying in bonded warehouse is accounted for at the time, the same are released from Customs/ Bonded warehouse.

xiii) Financial Derivatives and Commodity Hedging Transactions

In respect of derivative contracts, premium paid, gains/losses on settlement and provision for losses for cash flow hedges are recognised in the Profit and Loss Account, except in case where they relate to borrowing costs that are attributable to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

xiv) Borrowing Costs

Borrowing Costs relating to acquisition / construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. 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 revenue.

MANAKSIA LIMITED**SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011****xv) Taxation**

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as on the Balance Sheet date. Deferred tax asset is recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax asset is recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

xvi) Segment Reporting**a) Identification of segments**

The company has identified its business segments as the primary segments. The company's businesses are organized and managed separately according to the nature of products/ services, with each segment representing a strategic business unit that offers different product / services and serves different markets. The analysis of geographical segments is based on the areas in which the customers of the company are located.

b) Allocation of Common Costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated".

The accounting policies adopted for segment reporting are in line with those of the Company.

xvii) The Company's significant leasing arrangements are in respect of operating leases for premises. These leasing arrangements which are not non-cancellable and range between 1 year to 3 years generally and are renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as Lease rent under **Schedule 'P'**.

xviii) Sales

- a) Sales includes trade sales.
- b) Gross Sales include applicables taxes unless seperately charged and are net of discount.
- c) Sales are recognised on despatch except consignment sales which are recognised on receipt of statement of accounts from the agent.

xix) Prior Period Expenses/Income

Material items of prior period expenses/income are disclosed separately.

xx) Provision, 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 the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

MANAKSIA LIMITED
SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011
2) Notes on Accounts
(Rs. in Lacs)

	Balance as on 31st March 2011	Balance as on 31st March 2010
i) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	58.98	2,231.63
ii) Contingent Liabilities not provided for in respect of :		
1) Guarantees in favour of banks/institutions against facilities granted to subsidiaries	14,846.13	19,753.80
2) Excise duty demands under appeal	540.43	1,171.35
3) Sales tax and Entry tax demand under appeal.	409.86	76.71
4) Income tax demands under appeal.	73.53	73.53
5) Excise duty liability on goods exported pending submission of proof of export.	35.83	0.38
6) Custom Duty	15.15	37.29
7) Service Tax	51.92	7.41
8) Municipal Tax	67.90	70.83
9) Demand by Haldia Development Authority towards Land Premium	332.50	332.50
10) Stamp Duty for Registration of Land	49.45	49.45

- iii) **Sundry Creditors include Rs. 198.59 Lacs (Previous Year Rs. 336.44 Lacs) towards Creditors for Capital Goods.**
- iv) **Advances recoverable in kind or for value to be received include advance for capital goods amounting to Rs. 397.11 Lacs (Previous Year Rs. 263.28 Lacs).**
- v) **Sundry Debtors, Advances, Balances with Director and Companies under the same management/ Associates/ Subsidiaries:**

(Rs. in Lacs)

	Balance as on 31st March 2011	Balance as on 31st March 2010	Maximum Balance Outstanding During the FY 2010-11
Due from/to Associates Concern :			
Under Sundry Debtors Head :	227.19	127.32	227.19
Arena Machineries Limited	227.19	127.32	227.19
Due from/to Subsidiary Companies :			
Under Sundry Debtors Head :	9,844.69	10,771.45	15,541.71
MINL Ltd	5,770.84	7,693.05	7693.05
Dynatech Industries Ghana Ltd	2,003.20	1,691.75	3996.69
Mark Steels Ltd	285.01	283.45	308.55
Euroasian Ventures FZE	1,701.35	1,103.20	3424.9
Jebba Peper Mills Ltd	56.84	-	91.07
Euroasian Steels LLC	27.45	-	27.45
Under Advance Head :	0.26	0.16	0.26
Mark Steels Ltd	0.26	0.16	0.26
Under Loan Given Head :	4,699.21	74.85	4,700.06
Mark Steels Ltd	174.00	74.00	174.00
Crescent Industries (Nepal) Pvt Ltd	-	0.85	0.85
Euroasian Ventures FZE	4,525.21	-	4525.21
Under Creditors Head :	382.22	129.80	659.04
MINL Ltd	382.22	128.34	657.58
Dynatech Industries Ghana Ltd	-	1.46	1.46

Notes:

- (a) Loans & Advances to Subsidiaries shown above includes Rs. 174.00 lacs to Mark Steels Ltd. where there is no repayment schedule & bears no interest.

MANAKSIA LIMITED**SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011**

vi) The deferred tax liability as at 31st March 2011 comprise of the following : (Rs. in Lacs)

	Balance as on 31st March 2011	Balance as on 31st March 2010
a. <u>Deferred Tax Liability</u>		
Timing difference in depreciable assets	5,012.36	4,822.20
b. <u>Deferred Tax Assets</u>		
Expenses allowable against taxable income in future years	(337.36)	(302.20)
Net Deferred tax Liability (a-b)	4,675.00	4,520.00

vii) Earnings per share (EPS) (Rs. in Lacs)

	31st March 2011	31st March 2010
Profit as per Profit & Loss Account	2,985.60	2,478.01
Add : Prior Period item	(107.81)	97.64
Exceptional Item	58.05	1,092.34
Loss on sale of Shares of Subsidiary Company	560.50	-
Profit before Prior Period and Exceptional Items	3,496.34	3,667.99
Weighted average number of equity shares	67,627,334	69,534,050
Nominal value per share (Rs.)	2	2
Basic and diluted earning per share (EPS)		
EPS before Prior Period and Exceptional items (Rs)	5.17	5.28
EPS after Prior Period and Exceptional items (Rs)	4.41	3.56

viii) Excise duty on stocks represents differential excise duty on opening and closing stock of Finished Goods.

ix) Exchange fluctuation Rs. 58.05 lacs (Previous Year Rs. 1092.34 Lacs) represents short term exchange fluctuation loss.

x) Financial and Derivative Instruments :-

a) Derivative contracts entered into by the company and outstanding as on 31st March 2011

- 1) For hedging Interest rate related risk - (LIBOR Hedging) on Loan balance of USD 7.5 Million (Previous Year USD 7.50 Million)
- 2) For hedging commodity related risks - Forward contract (Net) USD 2.05 Million (Previous Year USD 34.00 Million)

b) Foreign currency loan that are not hedged USD 31.50 Million (Previous Year USD 19.10 Million)

xi) Information pursuant to the provisions of the Paragraph 4C, and 4D of Part II of Schedule VI to the Companies Act, 1956.

a) Value of Raw Materials, Components and Spare Parts Consumed :

	Year Ended 31st March 2011		Year Ended 31st March 2010	
	Amount (Rs. in Lacs)	%	Amount (Rs. in Lacs)	%
1) Raw Materials				
Indigenous	22,467.70	31.69	15,016.00	25.54
Imported	48,432.80	68.31	43,780.53	74.46
	70,900.50	100.00	58,796.53	100.00
2) Stores & Spare Parts				
Indigenous	861.57	78.27	588.44	84.99
Imported	239.23	21.73	103.93	15.01
	1,100.80	100.00	692.37	100.00

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

(Rs. in Lacs)

	31st March 2011	31st March 2010
b) CIF value of Imports		
– Capital goods	402.64	1,321.09
– Raw materials, components and other purchases	51,189.98	49,294.47
– Spares parts and chemicals	352.68	113.48
	51,945.30	50,729.04
c) Expenditure in foreign currencies		
Bank Charges	5.20	8.98
Commission	18.02	13.10
Foreign Travel	54.87	57.97
Interest on Loans From Banks & Financial Institutions	809.06	1,362.60
Consultancy Fees	4.54	2.85
Others	29.93	7.89
	921.62	1,453.39
d) Earnings in foreign currencies		
Export of Goods & Services (F.O.B. Value Including Freight Realised)	55,001.90	51,995.68
Interest income from Subsidiary Co.	80.15	–
Dividend income from Subsidiary Co.	273.65	279.03
	55,355.70	52,274.71
e) Amount remitted in Foreign Currency towards dividend :		
i) Number of Non Resident Shareholders	304	338
ii) Ordinary Shares held	547,520	767,368
iii) Amount remitted and/or paid in Indian Currency (Rs in lacs)	13.14	16.88
iv) Year to which Dividend relates	2009-2010	2008-2009

f) Particulars of Capacity, Production, Purchase:

Classes of Goods	Unit	Capacity per annum		Production/ Procurement Quantity
		Licensed Quantity	Installed Quantity	
Aluminium Rolled Product	MT	NA	36,000.000 (36,000.000)	24,683.359 (22,658.873)
Aluminium Alloy Ingot	MT	NA	12,000.000 (12,000.000)	5,064.819 (2,014.487)
Colour Coated Sheets	MT	NA	60,000.000 (60,000.000)	28,385.501 (16,320.756)
Steel Coils & Sheets	MT	NA	30,000.000 (30,000.000)	14,076.953 (14,624.534)
Cold Rolled Steel Sheets	MT	NA	50,000.000 (50,000.000)	51,393.695 (44,500.397)
Crown Closures	Nos. (In 100 Gross)	NA	322,395.810 (322,395.810)	184,347.500 (197,084.650)
PP Caps	Nos. (In 1000 Pcs)	NA	1,701,100.000 (1,701,100.000)	690,339.177 (619,804.250)
Metal Containers	Nos. (In 1000 sets)	NA	59,600.000 (59,600.000)	9,443.450 (8,139.100)
Plastic Closures	Nos. (In Million Pcs)	NA	588.000 (588.000)	145.987 (105.266)
Corrugated Box	Nos. (In 1000 Pcs)	NA	6,000.000 (6,000.000)	3,638.679 (4,764.205)
Mosquito Coils	Nos. (In Million Pcs)	NA	2,988.064 (2,988.064)	612.805 (700.582)

MANAKSIA LIMITED**SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011**

- Notes: a) Installed capacities have been certified by the Management and accepted as correct by the Auditors.
- b) The Ministry of Corporate Affairs, Government of India vide its General Notification No.S.O.301(E) dated. 8th February, 2011 issued under Section 211(3) of the Companies Act, 1956 has exempted certain classes of companies from disclosing certain information in their Profit and Loss account. The Company being an "Export Oriented Company" is entitled to the exemption. Accordingly, disclosures mandated by paragraph 3(ii)(a),3(ii)(a), 3(ii)(b) and 3(ii)(d) of Part II, Schedule VI to the Companies Act, 1956 have not been provided.
- c) 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 Statement.

xii) Related Parties disclosure.

a.

Subsidiary Companies	Associates	Key Management Personnel	Relatives	Relationship
MINL Ltd. Dynatech Industries Ghana Ltd. Euroasian Ventures FZE Euroasian Steels LLC (Subsidiary of Euroasian Ventures FZE) Mark Steels Ltd Solex Chemicals Pvt Ltd Crescent Ind (Nepal) Pvt Ltd * Jebba Paper Mills Ltd (Subsidiary of MINL Ltd) Manaksia Aluminium Co Ltd Manaksia Coated Metals & Industries Ltd Manaksia Ferro Industries Ltd Manaksia Overseas Ltd Manaksia Steels Limited Manaksia Global Ltd *	Arena Machineries Ltd.	Mr.Basant Kumar Agrawal	Mr Aditya B Manaksia Mr Navneet Manaksia	Son Son
		Mr. Suresh Kumar Agrawal	Mr.B D Agrawal Ms Vishakha Agrawal Mr. Mahabir Pd. Agrawal	Brother Daughter Brother
		Mr.Sushil Kumar Agrawal	Mr Karan Agrawal	Son
		Mr. Sunil Kumar Agrawal	Mr Anirudha Agrawal Ms Prachi Agrawal	Son Daughter
		Mr. Nadia Basak**		
		Mr. Debarata Guha		

* The Holding -Subsidiary relationship ceased to exist as on 31st March 2011

** Resigned as Executive Director w.e.f. Close of business hours of. 30th March,2011.

b. Transactions during the year with related parties

(Rs. in Lacs)

Sl No.	Nature of Transactions	Subsidiaries		Associates		Key Management Personnel		Relatives		Total as on 31.03.2011	Total as on 31.03.2010
		2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010		
1.	Purchase of Goods from										
	MINL Ltd.	1,948.25	828.52							1,948.25	828.52
	Dynatech Industries Ghana Ltd.	85.12	138.78							85.12	138.78
	Euroasian Ventures FZE	310.52	538.94							310.52	538.94
	Arena Machineries Ltd			141.16	25.31					141.16	25.31
	Rainbow Manufacturing Co Pvt Ltd				14.15						14.15
	Euroasian Steels LLC	91.70	-							91.70	-
2.	Sale of Goods to										
	MINL Ltd.	42,032.57	42,526.62							42,032.57	42,526.62
	Arena Machineries Ltd			99.87	124.84					99.87	124.84
	Dynatech Industries Ghana Ltd.	7,842.02	4,406.57							7,842.02	4,406.57
	Mark Steels Ltd	25.48	14.30							25.48	14.30
	Euroasian Ventures FZE	-	10.69							-	10.69
	Euroasian Steels LLC	27.45	-							27.45	-
	Jebba Paper Mills Ltd	291.33	-							291.33	-
	Rainbow Manufacturing Co. Pvt. Ltd.	-	-		2.03					-	2.03
3.	Sale of Fixed Assets to										
	MINL Ltd.	-	3.11							-	3.11
	Arena Machineries Ltd				2.48						2.48
4.	Sale of Shares							5.02	-	5.02	-
5.	Purchase of Shares					7.26	-	17.74	-	25.00	-
6.	Finance (including loans & equity contributions in cash or kind) given (Net)										
	Mark Steels Ltd	100.00	-							100.00	-
	Euroasian Ventures FZE	4,445.06	2,056.86							4,445.06	2,056.86
	Manaksia Global Ltd	-	4.83							-	4.83

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

b. Transactions during the year with related parties (Contd.)

(Rs. in Lacs)

Sl No.	Nature of Transactions	Subsidiaries		Associates		Key Management Personnel		Relatives		Total as on	Total as on
		2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	31.03.2011	31.03.2010
7.	Finance (including loans & equity contributions in cash or kind) received (Net)										
	Mark Steels Ltd	—	210.00							—	210.00
	Crescent Ind (Nepal) Pvt Ltd	0.85	—							0.85	—
8.	Dividend & Interest Income										
	MINL Ltd.	273.65	279.03							273.65	279.03
	Euroasian Ventures FZE	80.15	—							80.15	—
9.	Remunerations					18.32	31.09	11.90	12.15	30.22	43.24
10.	Amount Due from as on 31st March										
	MINL Ltd.	5,770.84	7,693.05							5,770.84	7,693.05
	Dynatech Industries Ghana Ltd.	2,003.20	1,691.75							2,003.20	1,691.75
	Euroasian Ventures FZE	6,226.56	1,103.20							6,226.56	1,103.20
	Mark Steels Ltd	459.28	357.61							459.28	357.61
	Arena Machineries Ltd			227.19	127.32					227.19	127.32
	Euroasian Steels LLC	27.45	—							27.45	—
	Jebba Paper Mills Ltd.	56.84	—							56.84	—
11.	Amount Due to as on 31st March										
	MINL Ltd.	382.22	128.34							382.22	128.34
	Dynatech Industries Ghana Ltd.	—	1.46							—	1.46

Note:- i) No amount pertaining to the related parties have been written off or written back during the year. Transactions have taken place on arm's length basis.

ii) No provision for doubtful debts is required to be made for the year in respect of debt due from related parties

iii) The related party relationship is as identified by the Company and relied upon by the auditors.

xiii) Segment information as on and for the Year ended 31st March 2011 are as below:
a) Primary Segment Information

(Rs. in Lacs)

Particulars	Packaging Products		Mosquito Coil		Metal Products		Engineering & Others		Unallocable		Eliminations		Total	
	31/3/2011	31/3/2010	31/3/2011	31/3/2010	31/3/2011	31/3/2010	31/3/2011	31/3/2010	31/3/2011	31/3/2010	31/3/2011	31/3/2010	31/3/2011	31/3/2010
Segment Revenue														
External Turnover	12,723.69	12,099.36	7,086.94	7,454.79	75,589.79	65,024.61	2,684.90	3,936.19					98,085.32	88,514.95
Add : Inter Segment Turnover	556.76	333.66			185.94	643.59	12.17	123.62			(754.87)	(1,100.87)		
Gross Turnover	13,280.45	12,433.02	7,086.94	7,454.79	75,775.73	65,668.20	2,697.07	4,059.81			(754.87)	(1,100.87)	98,085.32	88,514.95
Less : Excise duty/ Service Tax recovered	1,059.19	862.92	958.81	927.31	2,206.19	2,097.83	0.20	121.47					4,224.39	4,009.53
Less : Commercial Tax	205.89	228.79	225.09	307.81	206.90	284.89	24.93	51.36					662.81	872.85
Net Turnover	12,015.37	11,341.31	5,903.04	6,219.67	73,362.64	63,285.48	2,671.94	3,886.98			(754.87)	(1,100.87)	93,198.12	83,632.57
Segment Results														
Segments Results (PBIT)	907.35	1,262.50	449.20	456.11	6,433.65	6,135.09	650.30	980.46					8,440.50	8,834.16
Less : Unallocated corporate Expenses net of unallocated income									(1,625.88)	(1,297.87)			(1,625.88)	(1,297.87)
Operating Profit	907.35	1,262.50	449.20	456.11	6,433.65	6,135.09	650.30	980.46					6,814.62	7,536.29
Less : Interest Expenses									2,558.45	3,844.30			2,558.45	3,844.30
Add : Interest Income									260.17	664.00			260.17	664.00
Less : Prior Period Items									(107.81)	97.64			(107.81)	97.64
Less: Loss on sale of Shares of Subsidiary Company									560.50				560.50	
Less: Exceptional Item									58.05	1,092.34			58.05	1,092.34
Profit before Tax	907.35	1,262.50	449.20	456.11	6,433.65	6,135.09	650.30	980.46	(4,434.90)	(5,668.15)			4,005.60	3,166.01
Current Tax									865.00	550.00			865.00	550.00
Deferred Tax									155.00	138.00			155.00	138.00
Short/(Excess) Provision for Taxation for Earlier Years									59.68				59.68	
Net Profit	907.35	1,262.50	449.20	456.11	6,433.65	6,135.09	650.30	980.46	(5,514.58)	(6,356.15)			2,925.92	2,478.01
Other Information														
Segment Assets	17,419.97	13,223.21	7,791.39	7,903.02	52,659.40	45,705.75	4,505.36	5,621.16	16,817.68	14,598.22			99,193.80	87,051.36
Segment Liabilities	3,912.53	519.88	670.19	479.68	21,800.25	12,530.82	346.04	1,210.38	2,642.07	2,178.00			29,371.08	16,918.76
Capital Expenditure	645.73	997.11	167.24	94.92	1,034.25	1,272.20	(135.23)	62.11	119.02	58.50			1,831.01	2,484.84
Depreciation	410.11	365.28	401.12	401.42	1,011.54	1,001.63	58.99	65.27	133.50	113.21			2,015.26	1,946.81

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

b) Secondary Segment Information

(Rs. in Lacs)

	31st March 2011	31st March 2010
1. Segment Revenue - External Turnover		
– Within India	43,083.42	36,519.27
– Outside India	55,001.90	51,995.68
Total Segment Revenue	98,085.32	88,514.95
2. Segment Assets		
– Within India	78,397.72	66,565.52
– Outside India	20,796.08	20,485.84
Total Segment Assets	99,193.80	87,051.36
3. Capital Expenditure		
– Within India	1,831.01	2,484.84
– Outside India	–	–
Total Capital Expenditure	1,831.01	2,484.84

Notes :

- 1) **Primary Segment** : Business segment has been identified as primary segment on the basis of the products of the company. Accordingly, the company has identified Packaging Product, Mosquito Coil, Metal Products, Engineering & Others as the business segments.
- **Packaging** consists of manufacture and sale of PP Cap, Crown Closures, Metal Containers, EP Liners, Washer, EP Sheets etc.
 - **Mosquito Coils** consists of manufacture and sale of Mosquito Repellant coils.
 - **Metal Product** consists of manufacture and sale of Aluminium and Steel galvanized sheets, coils etc.
 - **Engineering & others** consists of manufacture and sales of Machine, Spare Parts etc.
- 2) **Secondary Segment** : Geographical segment has been identified as secondary segment. Geographical segments considered for disclosure are :
- Within India
 - Outside India

xiv) Employee Benefits

i) **Defined Contribution Plan**

Contribution to defined contribution plan, recognized are charged of during the year as follows: (Rs. in Lacs)

	31st March 2011	31st March 2010
Employees' contribution to Provident Fund	127.58	85.81

ii) **Defined Benefit Plan**

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(Rs. in Lacs)

	31st March 2011	31st March 2010
a) Reconciliation of opening and closing balances of defined obligation:		
1) Defined benefit obligation at the beginning of the year	412.60	358.40
2) Current service cost	47.77	43.48
3) Interest cost	34.04	28.91
4) Actuarial (gain) / loss	63.05	17.64
5) Benefit paid	(51.55)	(35.83)
6) Defined benefit obligation at the year end	505.90	412.60
b) Reconciliation of fair value assets and obligations:		
1) Fair value of plan assets as at 31st March 2011	Nil	Nil
2) Present value of obligations as at 31st March 2011	505.90	412.60
3) Amount recognized in balance sheet	505.90	412.60

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011

	(Rs. in Lacs)	
	31st March 2011	31st March 2010
c) Expenses recognized during the year (Schedule - P : Salaries, Wages & Bonus)		
1) Current service cost	47.77	43.48
2) Interest cost	34.04	28.91
3) Actuarial (gain) / Loss	63.05	17.64
4) Net amount	144.86	90.03
d) Actuarial assumptions		
1) Mortality table	LIC	LIC
2) Discount rate (per annum)	8.25%	7.50%
3) Rate of escalation in salary (per annum)	5%	5%
4) Expected average remaining working lives of employees (years)	19.87	19.74

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors. The above information has been certified by the actuaries.

xv) Change in Accounting for Insurance Claims.

The Company has changed the accounting for Insurance claims from actual/receipt basis to accrual basis from the current financial year. Consequent upon such change in the accounting, the profits for the year has increased by Rs.148.04 lacs.

xvi) The Company has raised Rs. 24800.00 Lacs by issue of shares, in public issue in an earlier year and has fully utilised the proceeds of the issue as approved in Annual General Meeting of Shareholders
Statement of Utilisation of Public Issue proceeds as on 31st March 2011

(Rs. in Lacs)	
Particulars	
Gross proceeds of the Issue	24,800.00
Less : - Issue related expenses	1,572.34
Net proceeds of the issue	23,227.66
Deployment	
Repayment of debt	6,000.00
Expansion of various businesses both in India & Abroad	8,000.00
General Corporate purposes	9,227.66
Total	23,227.66

xvii) Interest Received from others includes :

	(Rs. in Lacs)	
	31st March 2011	31st March 2010
Staff and Workers	3.72	3.90
Loans to Parties	239.12	568.79
Customers	0.69	0.58
Vendors	4.87	3.92
	248.40	577.19

MANAKSIA LIMITED**SCHEDULE FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2011**

xviii) Prior Period Items :

(Rs. In Lacs)

	31st March 2011	31st March 2010
Expenditure :-		
Carriage Inward	3.79	7.89
Sales	6.84	56.35
Travelling & Conveyance	5.23	5.27
Gratuity	3.28	-
Vehicle Upkeep	2.18	-
Communication Expenses	1.19	1.77
Repairs to Machinery	0.59	1.57
Excise Duty	0.41	-
Repairs to Electricals	0.16	-
Processing Charges	0.01	-
Interest (others)	0.01	-
Service Tax	-	9.75
Rent	-	0.42
Power & Fuel	-	1.05
Packing Expenses	-	0.09
Other Miscellaneous Expenses	1.15	2.73
Other Manufacturing Expenses	-	2.29
Material	-	30.23
Freight, Forwarding and Handling Expenses	-	3.17
Dividend from Mutual Fund	-	2.06
Contribution To Provident and Other Funds	-	0.09
Consumption of Stores and Consumables	-	5.58
Clearing Charges	-	0.03
	24.84	130.34
Income :-		
Provision for Bad Debt Written off	39.01	-
Power & Fuel	64.68	-
Welfare Expenses written back	15.46	9.17
Salaries, Wages and Bonus	6.17	19.01
Commission	5.13	-
Service Tax	1.31	-
Rent	0.86	-
Consumption of Stores and consumables	0.03	-
Repairs to Electricals	-	0.45
Interest (others)	-	1.29
Gratuity	-	2.40
Commercial Tax	-	0.38
	132.65	32.70
Total	(107.81)	97.64

xix) Buy Back of Equity Shares

Pursuant to the approval of the Board of Directors of the Company, for buy back of equity shares under Section 77A of the Companies Act, 1956, the Company has bought back & extinguished 4,000,000 equity shares during the year ended March 31, 2011 through open market transactions for Rs. 40.14 crores by utilizing the Securities Premium account & the General Reserve to the extent of Rs. 39.34 crores & Rs. 0.80 crores respectively. The Capital Redemption Reserve has been created out of General Reserve for Rs. 0.80 crores being the nominal value of shares bought back in terms of Section 77A of the Companies Act, 1956.

xx) Figures in bracket indicates Previous Year figure.

xxi) Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary.

Signature to Schedules A to S.

In terms of our attached report of even date.

For SRB & Associates
Chartered AccountantsR N Sengupta
ChairmanB K Agrawal
Managing DirectorDated : 30/05/2011
Place : KolkataS. Patra
(Partner)
Membership No. 056121Anubhav Maheshwari
Company Secretary

MANAKSIA LIMITED
**Additional Information Pursuant to the Provisions of Part IV of Schedule VI to the Companies Act, 1956
Balance Sheet Abstract and Company's General Business Profile**
1. Registration Details :

Registration No. L74950WB1984PLC038336
 State Code 21
 Balance Sheet Date 31st March 2011

2. Capital raised during the year :

Public Issue NIL
 Rights Issue NIL
 Bonus Issue NIL
 Private Placement NIL

3. Position of mobilisation and deployment of funds :

Rs. in Lacs
 Total Liabilities 99,193.80
 Total Assets 99,193.80

Source of Funds :

Rs. in Lacs
 Paid up Capital 1,310.68
 Reserves & Surplus 47,325.93
 Deferred Tax Liability 4,675.00
 Secured Loans 13,853.29
 Unsecured Loans 2,657.82

Application of Funds :

Rs. in Lacs
 Net Fixed Assets including Capital Work in Progress 34,971.71
 Investments 6,930.50
 Net Current Assets 27,920.51
 Accumulated Losses NIL

4. Performance of Company :

Rs. in Lacs
 Turnover 98,085.32
 Other Income 1,013.27
 Total Expenditure 95,092.99
 Profit/(Loss) before tax 4,005.60
 Profit/(Loss) after tax 2,985.60
 Earnings per share (Rs.)
 – Basic & Diluted 5.17
 – Dividend Rate 125%

5. Generic Names of Three Principal Products of Company :

Item Code No. (ITC Code) 7606
 Product Description Aluminium Products
 Item Code No. (ITC Code) 7209
 Product Description C R Steel Products
 Item Code No. (ITC Code) 3808
 Product Description Mosquito Coils

R N Sengupta
Chairman

B K Agrawal
Managing Director

Dated : 30/05/2011
 Place : Kolkata

Anubhav Maheshwari
Company Secretary

MANAKSIA LIMITED

CONSOLIDATED AUDITORS' REPORT

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF MANAKSIA LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MANAKSIA LIMITED AND ITS SUBSIDIARY COMPANIES.

We have examined the attached consolidated Balance Sheet of Manaksia Limited and its subsidiaries as at 31st March 2011 and also the consolidated Profit and Loss Account and the Cash Flow Statement for the year then ended.

These consolidated financial statements are the responsibility of the management of Manaksia Limited. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence, supporting the amounts and disclosure 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.

We did not audit the financial statements of the subsidiary companies, MINL Ltd., Nigeria, Jebba Paper Mills Ltd., Nigeria, Dynatech Industries Ghana Ltd., Ghana, Mark Steels Ltd., India, Euroasian Ventures FZE, UAE, Solex Chemicals Pvt. Ltd., India, Euroasian steels LLC, Georgia, Manaksia Aluminium Co. Ltd., India, Manaksia Coated Metals & Industries Ltd, India, Manaksia Ferro Industries Ltd., India, Manaksia Overseas Ltd., India and Manaksia Steels Ltd., India whose financial statements reflect total assets of Rs 96,866.19 Lacs as at 31st March, 2011 and total revenue of Rs.50,068.24 Lacs for the year ended on that date. These Financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts in respect of these subsidiaries, is based solely on the reports of the other auditors.

We report that consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited Financial Statements of Manaksia Limited and its Subsidiary Companies included in the aforesaid consolidation.

In our opinion, based on our audit and the report of the auditors, the consolidated financial position of Manaksia Limited and its subsidiaries as at 31st March, 2011 and of the results of their operations and cash flows for the year then ended are in conformity with generally accepted accounting principles in India.

Dated: 30th Day of May, 2011
Place: Kolkata

For SRB & Associates
Chartered Accountants
FRN 310009E

Sanjit Patra
(Partner)
M.No.056121

MANAKSIA LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

(Rs. in Lacs)

	Schedule	31st March 2011	31st March 2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
(a) Share Capital	A	1,310.68	1,390.68
(b) Reserves & Surplus	B	97,852.43	92,118.56
		99,163.11	93,509.24
MINORITY INTEREST			
Share Capital		278.91	267.86
LOANS FUNDS			
(a) Secured	C	25,817.99	25,796.96
(b) Unsecured	D	19,425.54	7,854.25
		45,243.53	33,651.21
Foreign Currency Monetary Item Translation Difference Account		-	93.69
Deferred Tax Liability (Net)		5,376.97	5,173.52
TOTAL		150,062.52	132,695.52
APPLICATION OF FUNDS			
FIXED ASSETS			
(a) Gross Block	E	92,716.40	90,843.12
(b) Less: Accumulated Depreciation/Amortisation		31,435.40	26,900.38
(c) Net Block		61,281.00	63,942.74
(d) Capital Work in Progress		21,298.96	18,140.73
		82,579.96	82,083.47
INVESTMENTS			
	F	17.02	2,616.82
CURRENT ASSETS, LOANS & ADVANCES			
(a) Inventories	G	53,080.27	35,407.27
(b) Sundry Debtors	H	19,526.24	18,853.49
(c) Cash and Bank Balances	I	4,576.23	7,576.51
(d) Loans and Advances	J	36,280.28	27,113.00
		113,463.02	88,950.27
Less :			
CURRENT LIABILITIES & PROVISIONS			
(a) Current Liabilities	K	43,148.09	38,364.63
(b) Provisions	L	2,850.49	2,591.51
		45,998.58	40,956.14
NET CURRENT ASSETS		67,464.44	47,994.13
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
Preliminary Expenses		1.10	1.10
TOTAL		150,062.52	132,695.52

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS
S

Schedules A to L and S referred to above form an integral part of the Balance Sheet.
In terms of our attached report of even date.

For SRB & Associates
Chartered Accountants

R N Sengupta
Chairman

B K Agrawal
Managing Director

Dated : 30/05/2011
Place : Kolkata

S. Patra
(Partner)
Membership No. 056121

Anubhav Maheshwari
Company Secretary

MANAKSIA LIMITED**CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

(Rs. in Lacs)

	Schedule	2010-2011	2009-2010
INCOME			
Gross Sales		148,563.33	135,062.24
Processing Income		175.95	464.23
		148,739.28	135,526.47
Less : Excise Duty		4,677.55	4,447.64
Commercial Tax		734.18	961.92
		5,411.73	
Net Sales		143,327.55	130,116.91
Other Income	M	952.08	2,280.71
		144,279.63	132,397.62
EXPENDITURE			
Decrease/(Increase) in Stocks	N	(7,760.41)	(1,183.05)
Excise Duty on Stocks		207.60	91.00
Raw Materials & Components Consumed (including Trading Goods)	O	94,736.78	73,828.61
Manufacturing, Administrative, Selling & Other Expenses	P	32,984.81	32,234.15
Directors' Remuneration	Q	25.47	39.85
		120,194.25	105,010.56
PROFIT BEFORE INTEREST, DEPRECIATION & TAX		24,085.38	27,387.06
Interest	R	4,169.40	6,331.52
Depreciation / Amortisation	E	5,852.34	5,675.30
PROFIT BEFORE PRIOR PERIOD & EXCEPTIONAL ITEMS		14,063.64	15,380.24
Less : Prior Period Items		(107.81)	98.09
Loss on discarding of Fixed Assets		680.31	-
Loss on sale of Shares of Subsidiary Company		560.50	-
Exceptional Item		273.48	1,043.80
PROFIT BEFORE TAXATION		12,657.16	14,238.35
Less : Provision for Taxation			
Current Tax		1,121.37	867.22
Deferred Tax		203.45	193.37
MAT Credit		-	(7.30)
PROFIT AFTER TAXATION		11,332.34	13,185.06
Short/(Excess) Provision for Taxation for Earlier Years		59.73	31.68
PROFIT AFTER ADJUSTMENT		11,272.61	13,153.38
Balance from last period		39,724.57	29,067.18
PROFIT AVAILABLE FOR APPROPRIATION		50,997.18	42,220.56
APPROPRIATIONS			
Transfer to General Reserve		300.00	250.00
Dividend on Equity Shares		1,638.35	1,668.82
Tax on Dividends		265.78	277.17
Transfer from Exchange Fluctuation Reserve		(200.00)	-
Transfer to Debenture Redemption Reserve		900.00	300.00
Balance carried to the balance sheet		48,093.05	39,724.57
		50,997.18	42,220.56
Basic and diluted earning per share (EPS) (Face value of Rs. 2 each)			
EPS before Prior Period and Exceptional items		Rs. 18.84	Rs. 20.60
EPS after Prior Period and Exceptional items (Refer to Note No. 2.(vii) of Schedule "S")		Rs. 16.76	Rs. 18.96

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

S

Schedules M to R, E and S referred to above form an integral part of the Profit & Loss Account.
In terms of our attached report of even date.

For SRB & Associates
Chartered Accountants

R N Sengupta
Chairman

B K Agrawal
Managing Director

Dated : 30/05/2011
Place : Kolkata

S. Patra
(Partner)
Membership No. 056121

Anubhav Maheshwari
Company Secretary

MANAKSIA LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in Lacs)

PARTICULARS		2010-11	2009-10
A:	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before Tax	12,657.16	14,238.35
	Adjustment for:		
	Depreciation/ Amortisation	5,852.34	5,675.30
	Provision for Doubtful Debts / (written back)	5.09	269.07
	Finance Cost & Interest (Net)	3,908.37	5,142.99
	Profit on Fixed Assets Sold / Discarded (Net)	(2.64)	(182.02)
	Profit on sale of Investment	(140.53)	(543.73)
	Prior Period & Exceptional Items (Net)	1,406.48	1,141.90
	Deferred Revenue Expenditure written off	-	6.24
	Dividend Income	(43.90)	(86.98)
	Amortisation of Foreign Currency Monetary Translation A/c	(93.69)	700.44
	Amortisation of Preliminary Expenses	-	26.04
	Operating Profit before Working Capital Changes	23,548.68	26,387.60
	Adjustment for:		
	Change in Trade & Other Receivables	(9,600.72)	(1,134.43)
	Change in Inventories	(17,673.00)	1,694.55
	Change in Trade Payable	4,770.90	7,166.63
	Cash Generated from Operations	1,045.86	34,114.35
	Direct Taxes Paid	(1,120.93)	(596.65)
	Cash Flow before Prior Period & Exceptional items	(75.07)	33,517.70
	Prior Period & Exceptional Items (Net)	(1,406.48)	(1,141.90)
	Net Cash Flow from Operating Activities	(A) (1,481.55)	32,375.80
B:	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets and change in Capital work in progress	(12,878.43)	(16,771.67)
	Sale of Fixed Assets	6,809.51	512.68
	Purchase of Investments	(0.20)	(2,600.00)
	Sale of Investments	2,740.53	6,400.44
	Interest Received	244.54	1,116.66
	Dividend Received	43.90	86.98
	Receipt of subsidy from Government	-	34.38
	Net cash Used in Investing Activities	(B) (3,040.15)	(11,220.53)
C:	CASH FLOW FROM FINANCING ACTIVITIES:		
	Buy back of shares	(4,014.11)	-
	(Repayment of)/Proceeds from Long Term Borrowings (Net)	11.23	(2,050.65)
	(Repayment of)/ Proceeds from Short Term Borrowings (Net)	11,581.09	(7,046.79)
	Payment of Dividend on Equity Shares	(1,609.81)	(1,519.64)
	Dividend Tax Paid	(267.66)	(259.98)
	Interest etc. Paid	(4,179.32)	(6,259.79)
	Net Cash Flow From Financing Activities	(C) 1,521.42	(17,136.85)
D:	Net Increase/(Decrease) in Cash and Cash Equivalents	(A+B+C) (3,000.23)	4,018.42
	Cash and Cash Equivalents as at 1st April	7,576.51	3,558.09
	Cash and Cash Equivalents as at 31st March	4,576.23	7,576.51

Note : Previous year's figures have been rearranged and regrouped wherever necessary.

 For SRB & Associates
Chartered Accountants

 R N Sengupta
Chairman

 B K Agrawal
Managing Director

 S. Patra
(Partner)
Membership No. 056121

 Anubhav Maheshwari
Company Secretary

 Dated : 30/05/2011
Place : Kolkata

MANAKSIA LIMITED**SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011**

(Rs. in Lacs)

SCHEDULE A	31st March 2011	31st March 2010
SHARE CAPITAL		
Authorised :		
70,000,000 (70,000,000) Equity Shares of Rs.2/- each	1,400.00	1,400.00
1,250,000 (1,250,000) Preference Shares of Rs. 20/- each	250.00	250.00
	1,650.00	1,650.00
Issued, Subscribed & Paid up		
69,534,050 (69,534,050) Equity Shares of Rs.2/- each fully paid up	1,390.68	1,390.68
Less: 4,000,000 Equity shares bought back (Refer Note 2(xvii) of Sch S)	80.00	-
65,534,050	1,310.68	1,390.68

Notes :

- i) 192,500 Equity Shares of Rs. 10/- each were allotted for cash.
ii) 7,500 Equity Shares of Rs. 10/- each were allotted pursuant to a contract for consideration other than cash.
iii) 508,396 Equity Shares of Rs. 10/- each were allotted as fully paid up pursuant to scheme of amalgamation without payment being received in cash.
iv) 13,445,614 Equity Shares of Rs. 10/- each were allotted as fully paid up bonus shares by capitalisation of General Reserve.
v) 3,347,200 Equity Shares of Rs. 10/- each held by erstwhile transferor companies were cancelled pursuant to the scheme of amalgamation without payment made in cash.
vi) During financial year 2006-07 the Company sub-divided 10,806,810 Equity share of the nominal value of Rs.10/- each fully paid-up in the capital of the Company into five Equity shares of Rs.2/- each fully paid-up.
vii) 15,500,000 Equity Shares of Face Value Rs. 2/- each were allotted through public issue at a premium of Rs. 158/- per Equity share
viii) 4,000,000 Equity Shares of Face Value of Rs. 2/- each were bought back and extinguished during the current financial year

(Rs. in Lacs)

SCHEDULE B	31st March 2011	31st March 2010
RESERVES & SURPLUS		
Capital Reserve		
As per last Balance Sheet	128.67	94.29
Add : Created during the year	-	34.38
	128.67	128.67
Investment Subsidy		
As per last Balance Sheet	89.58	89.58
Amalgamation Reserve		
As per last Balance Sheet	123.45	123.45
Exchange Fluctuation Reserve		
As per last Balance Sheet	200.00	200.00
Less : Transfer to Profit & Loss A/c during the Year	(200.00)	-
	-	200.00
Securities Premium		
As per last Balance Sheet	22,917.66	22,917.66
Less : Premium paid on Buy Back of Shares (Refer Note 2(xvii) of Sch S)	(3,934.11)	-
	18,983.55	22,917.66
Capital Redemption Reserve Account		
As per last Balance Sheet	237.40	237.40
Add : Created during the year on buy back (Refer Note 2(xvii) of Sch S)	80.00	-
	317.40	237.40
Debenture Redemption Reserve Account		
As per last year Balance Sheet	450.00	150.00
Add : Created during the year	900.00	300.00
	1,350.00	450.00
General Reserve		
As per last Balance Sheet	28,247.23	26,399.36
Add : Created during the year	232.70	1,597.87
Provision for Dividend on Shares Cancelled Written Back	66.80	-
Transfer from Profit & Loss A/c	300.00	250.00
Less: Transfer to Capital Redemption Reserve Account	(80.00)	-
	28,766.73	28,247.23
Surplus as per annexed Profit & Loss Account	48,093.05	39,724.57
	97,852.43	92,118.56

MANAKSIA LIMITED
SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011
(Rs. in Lacs)

SCHEDULE C	31st March 2011	31st March 2010
SECURED LOANS*		
I) Debentures (Privately Placed)		
600 (600) 11.95% Non convertible Debentures of Rs. 10 lacs each	6,000.00	6,000.00
II) Loans from Banks & Financial Institutions		
a) Long Term		
1) Foreign Currency Term Loans	8,937.29	10,370.74
2) Local Currency Term Loans	2,209.89	875.30
b) Short Term		
Working Capital Loans	8,670.81	8,550.92
	25,817.99	25,796.96

* Secured by charge over certain fixed assets and current assets of the company, both present and future. Some of the above loans are further secured by personal guarantee of promoter directors.

The Debentures are redeemable in three tranches as detailed below with the earliest redemption being on December 19, 2011 and the last being on December 19, 2013.

December 19, 2011	Rs 1,800.00 Lacs
December 19, 2012	Rs 1,800.00 Lacs
December 19, 2013	Rs 2,400.00 Lacs

(Rs. in Lacs)

SCHEDULE D	31st March 2011	31st March 2010
UNSECURED LOANS		
Under Sales Tax Deferrment Scheme (Interest Free) :		
(Including Rs.66.17 Lacs (Prev. Yr. Rs.91.95 Lacs) falling due for payment within one year)	2,657.82	2,547.73
From Banks	14,877.45	3,697.15
From Directors	3.25	3.39
From Bodies Corporate	1,887.02	1,605.98
	19,425.54	7,854.25

SCHEDULE E										
FIXED ASSETS										
(Rs. in Lacs)										
Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April 2010	Addition	Deletion	As at 31st March 2011	As at 1st April 2010	Adjustment	For the Year	Upto 31st March 2011	As at 31st March 2011	As at 31st March 2010
Tangible Assets :										
Land*	842.90	511.65	2.70	1,351.85	—	—	—	—	1,351.85	842.90
Leasehold Land	326.02	—	—	326.02	38.18	0.01	5.34	43.53	282.49	287.84
Building	11,565.45	759.53	584.07	11,740.91	1,980.00	(4.95)	355.36	2,330.41	9,410.50	9,585.45
Plant & Machinery	71,591.10	8,286.65	7,051.13	72,826.62	22,112.56	(1,105.46)	4,999.09	26,006.19	46,820.43	49,478.54
Electrical Installations	1,996.23	17.78	2.94	2,011.07	538.31	(2.75)	94.34	629.90	1,381.17	1,457.92
Electric Generator	914.51	10.85	0.86	924.50	342.42	7.33	36.88	386.63	537.87	572.09
Computers	455.22	23.13	0.91	477.44	315.43	(0.90)	29.75	344.28	133.16	139.79
Office Equipments	324.79	19.40	37.22	306.97	159.44	(2.13)	21.40	178.71	128.26	165.35
Furniture & Fixtures	467.27	9.99	34.12	443.14	240.76	(8.25)	24.50	257.01	186.13	226.51
Vehicles	2,114.11	358.49	342.08	2,130.52	1,051.41	(144.10)	250.21	1,157.52	973.00	1,062.70
Lease Assets	68.16	—	68.16	—	56.12	(56.12)	—	—	—	12.04
Intangible Assets :										
Computer Software	177.36	—	—	177.36	65.75	—	35.47	101.22	76.14	111.61
TOTAL	90,843.12	9,997.47	8,124.19	92,716.40	26,900.38	(1,317.32)	5,852.34	31,435.40	61,281.00	63,942.74
Previous Year	76,215.98	15,082.53	455.39	90,843.12	21,349.81	(124.73)	5,675.30	26,900.38	63,942.74	54,866.17
Capital Work in Progress	18,140.73	7,252.60	4,094.37	21,298.96	—	—	—	—	21,298.96	18,140.73

Note: Fixed Assets of foreign subsidiary companies purchased/sold during the year have been converted in Indian Rupees using the exchange rate at Balance Sheet date.

* Land includes cost of 35 acre land at Haldia for which conveyance deed has not been executed.

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011

SCHEDULE F

(Rs. in Lacs)

	No of Shares/ Units	Face Value per Share/Unit (Rs.)	31st March 2011	31st March 2010
INVESTMENTS				
LONG TERM				
Government Securities				
Unquoted				
6 Years National Savings Certificates			0.54	0.54
Trade (Fully Paid Up)				
Quoted				
Equity Shares				
United Spirits Ltd	47	10.00	0.09	0.09
Mansarovar Bottling Co. Ltd	5,000	10.00	0.88	0.88
Unquoted				
Equity Shares				
Agro Co-Operative Urban Bank Ltd	300	100.00	0.30	0.30
Bengal Sponge Manuf. Mining (P) Ltd	42,500	10.00	4.25	4.25
Others				
Manaksia Worldwide Cooperatief U.A.	N.A.	N.A.	0.20	-
Other Than Trade (Fully Paid Up)				
Unquoted				
Equity Shares				
Singur - Haripal Rural Co-operative Society Ltd	90	10.00	0.01	0.01
AGR Capital Markets Ltd.	30,000	10.00	6.00	6.00
Maxell Securities Limited	47,500	10.00	4.75	4.75
			17.02	16.82
SHORT TERM				
Current Investments - Others				
Unquoted				
In Units of Mutual Funds :				
HDFC Arbitrage Fund - Wholesale Plan - Growth	-	-	-	1,100.00
Kotak Select Focus Fund - Growth	(9,731,069)	(11.30)	-	1,500.00
	(14,669,927)	(10.23)	-	2,600.00
			17.02	2,616.82
Aggregate amount of investments :				
Quoted				
Unquoted				
Market Value of Quoted Investments				
			0.97	0.97
			16.05	2,615.85
			1.40	1.50

Notes:

- 1) 6 Years National Savings Certificates are lodged with Directorate of Commercial Taxes
- 2) Figures in brackets represent previous year figures.

Movement during the year**Investments purchased and sold/redeemed**

Name of the Mutual Fund	Units	Face Value (In Rupees)	Cost (Rs. in Lacs)
Canara Robeco Liquid Super Institutional-Daily Dividend Re-investment fund	134,510,194	10.06	13,525.00
Canara Robeco Treasury Advantage Super Institutional Daily Dividend Re-investment fund	87,259,403	12.41	10,826.36
Templeton India Treasury Management Account Institutional Plan-Daily Dividend	99,933	1,000.67	1,000.00
Templeton India Short Term Income Retail Plan-Growth	53,551	1,867.53	1,000.08
DSP Black Rock Liquidity Fund-Regular Plan-Daily Dividend Plan	1,498,501	10.01	150.00
DSP Black Rock Liquidity Fund-Institutional Plan-Daily Dividend	49,984	1,000.32	500.00
DSP Black Rock Floating Rate Fund-Institutional Plan-Daily Dividend	514,726	1,000.55	5,150.06
Birla Sun Life Cash Plus Institutional-Daily Dividend-Re investment	4,628,644	10.80	500.00
Birla Sun Life Savings Fund-Institutional-Daily Dividend-Re investment	4,997,084	10.01	500.05
Birla Sun Life Cash Plus-Institutional-Daily Dividend-Re investment	8,562,991	10.80	925.00
Birla Sun Life Cash Manager-IP-Daily Dividend-Re investment	9,248,664	10.00	925.14
JM- High Liquidity Fund-Super Institutional Plan-Daily Dividend	18,968,702	10.02	1,900.00
JM-Money Manager Fund Super Plus Plan-Daily Dividend	22,989,737	10.01	2,300.19

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011

(Rs. in Lacs)

	31st March 2011	31st March 2010
SCHEDULE G		
INVENTORIES		
At Lower of Cost or Net Realisable Value		
Raw Materials	30,821.82	22,054.67
Finished Goods	11,968.15	6,589.38
Work-in-Process	7,283.26	4,791.81
Stores & Spares	2,782.43	1,625.52
At Cost		
Stock in Trade in Transit	–	11.48
At Estimated Realisable Value		
Scraps	224.61	334.41
	53,080.27	35,407.27
SCHEDULE H		
SUNDRY DEBTORS (Unsecured)		
Considered Doubtful provided for -		
Outstanding over six months	227.83	284.90
Less : Provision for Doubtful Debts	<u>227.83</u>	<u>(284.90)</u>
Considered Good -		
Outstanding over six months	6,204.12	2,680.73
Other Debts	13,322.12	16,172.76
	19,526.24	18,853.49
SCHEDULE I		
CASH AND BANK BALANCES		
Cash in Hand	130.33	230.79
With Scheduled Banks in :		
Current Accounts	4,315.96	4,824.33
Savings Accounts	0.07	0.07
Fixed Deposits	113.23	2,506.39
Unclaimed Dividend	<u>16.64</u>	<u>14.93</u>
	4,576.23	7,576.51

Note :

Fixed Deposits are pledged with

1. Bank as Margin Money against - Bank Guarantee Rs. 96.56 Lacs (Prev. Yr. Rs.55.77 Lacs)
2. Commercial Tax Authorities Rs. 1.12 Lacs (Prev. Yr. Rs.1.12 Lacs)

MANAKSIA LIMITED**SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011**

(Rs. in Lacs)

	31st March 2011	31st March 2010
SCHEDULE J		
LOANS AND ADVANCES (Unsecured - Considered good except stated otherwise)		
Loans	568.03	372.86
Advances :		
Advance Recoverable in cash or in kind or for value to be received	29,714.41	22,291.04
MAT Credit Entitlement	65.38	72.81
Balances with Central Excise and other Statutory Authorities	5,333.11	3,839.95
Other Deposits	599.35	536.34
	36,280.28	27,113.00
SCHEDULE K		
CURRENT LIABILITIES		
Sundry Creditors for Goods, Services, Expenses etc.		
Micro, Small and Medium Enterprise@	10.32	
Others	<u>38,396.66</u>	
Advance against Sales	1,030.16	1,659.40
Temporary Overdrawn from Banks	184.57	-
Interest accrued but not due on Loans	354.79	364.71
Unclaimed Dividend	16.64	14.93
Other Liabilities	3,154.95	2,170.17
	43,148.09	38,364.63

@ The details of amount outstanding to Micro, Small and Medium enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the company are as under:

Sl.No.	Particulars	Amount (Rs. in Lacs)
1	Principal amount due and remaining unpaid	0.80
2	Interest due on (1) above and the unpaid interest	0.06
3	Interest paid on all delayed payments under the MSMED Act.	-
4	Payment made beyond the appointed day during the year	-
5	Interest due and payable for the period of delay other than (3) above	-
6	Interest accrued and remaining unpaid	-
7	Amount of further interest remaining due and payable in succeeding years	-

(Rs. in Lacs)

	31st March 2011	31st March 2010
SCHEDULE L		
PROVISIONS		
Gratuity	510.92	417.69
Excise Duty	435.44	227.84
Proposed Dividend	1,638.35	1,668.81
Tax on Proposed Dividend	265.78	277.17
	2,850.49	2,591.51
SCHEDULE M		
OTHER INCOME		
Income from Long Term Investment :		
Dividend on Trade Investments	0.02	0.10
Income from Current Investment :		
Tax Free Dividends From Mutual Funds	43.88	86.88
Profit on Sale of Investment	-	451.16
Profit on Sale of Fixed Assets	5.79	182.02
Profit on Sale of Mutual Fund	140.53	92.57
Interest Income		
From Banks	52.27	611.30
From Others	<u>208.76</u>	577.23
T.D.S. Rs. 16.49 Lacs (Prev. Yr. Rs. 71.72 Lacs)		
Miscellaneous Income	500.83	279.45
	952.08	2,280.71

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011

(Rs. in Lacs)

	31st March 2011	31st March 2010
SCHEDULE N		
DECREASE/(INCREASE) IN STOCKS		
Opening Stock :		
Finished Goods	6,589.38	6,918.76
Work in Process	4,791.82	3,498.17
Scrap	334.41	115.63
	11,715.61	10,532.56
Less :		
Closing Stock :		
Finished Goods	11,968.15	6,589.38
Work in Process	7,283.26	4,791.82
Scrap	224.61	334.41
	19,476.02	11,715.61
	(7,760.41)	(1,183.05)
SCHEDULE O		
RAW MATERIALS & COMPONENTS CONSUMED		
Opening Stock	22,054.67	24,753.24
Add : Purchases & Procurement Expenses / Job Charges	103,503.93	71,130.04
Less : Closing Stock	30,821.82	22,054.67
	94,736.78	73,828.61
SCHEDULE P		
MANUFACTURING, ADMINISTRATIVE, SELLING AND OTHER EXPENSES		
Consumption of Stores and Consumables	2,020.68	1,502.13
Power & Fuel	5,994.03	5,415.14
Processing Charges	321.12	648.14
Clearing Charges	2,713.27	2,480.03
Carriage Inward	1,306.07	1,364.34
Lease Rent & Lease Management Fee	46.95	44.18
Repairs to:		
Building	757.09	477.24
Machinery	2,132.78	2,465.38
Others	304.48	220.46
Other Manufacturing Expenses	1,532.63	1,083.29
Salaries, Wages and Bonus	3,612.73	3,296.35
Contribution to Provident and Other Funds	272.95	189.29
Welfare Expenses	934.38	704.08
Rent	287.89	225.81
Insurance	433.40	339.25
Rates & Taxes	118.50	90.88
Packing Expenses	2,386.40	2,299.41
Freight, Forwarding and Handling Expenses	3,586.17	2,949.11
Communication Expenses	202.54	229.38
Travelling & Conveyance	732.12	697.02
Bad Debt	0.08	525.72
Provision for Doubtful Debt	5.09	269.07
Auditors' Remuneration :		
As Auditors	47.31	40.91
As Advisor in Taxation Matters	3.25	3.25
In other capacity for Certificates and other services	0.04	0.15
Donations	85.80	29.53
Loss on Sale of Fixed Assets	3.15	-
Provision for Diminution in Investment Value	-	248.55
Preliminary Expenses Written off	-	25.70
Commission	185.73	284.33
Other Miscellaneous Expenses	2,958.18	4,086.03
	32,984.81	32,234.15

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011

(Rs. in Lacs)

	31st March 2011	31st March 2010
SCHEDULE Q		
DIRECTORS' REMUNERATION		
Salary & Bonus	15.79	33.14
Medical Expenses	–	0.27
Meeting Fees	9.68	3.85
Perquisites	–	2.59
	25.47	39.85
SCHEDULE R		
FINANCE COST & INTEREST		
Finance Cost		
Net exchange loss/(gain) on translation of Loans in foreign currency	(233.32)	(321.05)
Interest Charge		
To Financial Institutions / Banks		
On Debentures	717.00	716.07
On Fixed Loans	399.98	2,058.97
On Others	3,257.44	3,849.17
To Others	28.30	28.36
	4,169.40	6,331.52

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011

SCHEDULE S

Significant Accounting Policies & Notes annexed to and forming part of Company's Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2011

1) Significant Accounting Policies

i) Basis of Preparation

The financial statements are prepared under the Historical Cost Convention method, using the accrual system of accounting in accordance with the Generally Accepted Accounting Principles in India & the requirements of the Companies Act, 1956, including the Notified Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006.

ii) Revenue Recognition

Revenue from sale of goods and services rendered is recognized upon transfer of title and rendering of services to the customers.

iii) Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of duties (net of CENVAT/VAT), taxes, borrowing costs directly attributable to acquisition, incidental expenses and erection / commissioning etc., upto the date, the asset is ready for its intended use.

iv) Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factor. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and value in use of the asset. The estimated cash flows considered for determining the value in use, are discounted to the present value at weighted average cost of capital.

v) Foreign Currency Transactions

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the year in which they arise.

The premium or discount arising at the inception of forward exchange contracts is amortised as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

vi) Depreciation

a) Depreciation on all Fixed Assets are calculated under Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956 and the Act in force for the time being of the concerned country, however in case of Dynatech Industries Ghana Ltd the depreciation has been provided in written down value method as per the Internal Revenue Act Ghana 2000.

b) Depreciation includes amortisation of leasehold land over the period of lease at the rates specified in the Act in force for the time being of the concerned country.

c) Depreciation is calculated on prorata basis on additions and deletions of Fixed Assets during the year except for assets costing Rs. 5000/- or less on which 100% depreciation is provided.

d) Depreciation on individual items of plant and machinery costing Rs. 5000/- or less is being provided at normal applicable rates, whenever aggregate cost of such items constitute more than 10% of the total cost of plant and machinery in accordance with amendments to Schedule XIV to the Companies Act, 1956 vide Notification No. GSR No. 101(E) dated 01.03.1995.

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011

- e) In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- f) Computer software costs capitalised are amortised using the Straight Line Method over estimated useful life of 5 years, as estimated at the time of capitalisation.

vii) Investments

Long term Investments are stated at Cost. Short term Investments in liquid fund scheme of mutual funds have been stated at their NAV on year end date or purchase price whichever is less.

viii) Inventories

Inventories are valued as under

- a) Raw materials, Finished goods, Stock in trade, Work in process, Packing materials and Stores & Spares are valued at lower of cost and net realisable value. Closing stock has been valued on Weighted Average basis.
- b) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value.

ix) Research & Development

Research and development expenditure of revenue nature are charged to Profit & Loss Account, while capital expenditure are added to the cost of fixed assets in the year in which these are incurred.

x) Employee Benefits

- i) Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.
- ii) Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to Profit and Loss Account/Project Development Expenditure Account.

xi) Earning per Share

Basic earning per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii) Excise Duty and Custom Duty

Excise duty on finished goods stock lying at factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the Balance Sheet date. Similarly, Custom duty on imported material in transit / lying in bonded warehouse is accounted for at the time, the same are released from Customs/ Bonded warehouse.

xiii) Financial Derivatives and Commodity Hedging Transactions

In respect of derivative contracts, premium paid, gains/losses on settlement and provision for losses for cash flow hedges are recognised in the Profit and Loss Account, except in case where they relate to borrowing costs that are attributable to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

xiv) Borrowing Costs

Borrowing Costs relating to acquisition / construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. 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 revenue.

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011

xv) Taxation

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with tax laws of concerned country. Deferred income taxes reflects the impact of current year timing differences between taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as on the Balance Sheet date. Deferred tax asset is recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax asset is recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India.

xvi) Segment Reporting

a) Identification of segments

The company has identified its business segments as the primary segments . The company's businesses are organized and managed separately according to the nature of products/ services, with each segment representing a strategic business unit that offers different product / services and serves different markets. The analysis of geographical segments is based on the areas in which the customers of the company are located.

b) Allocation of Common Costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head " Unallocated".

The accounting policies adopted for segment reporting are in line with those of the Company.

xvii) Assets Acquired under Lease

The Company's significant leasing arrangements are in respect of operating leases for premises. These leasing arrangements which are not non-cancellable and range between 1 year to 3 years generally and are renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as Lease rent under Schedule 'P'

xviii) Sales

a) Sales include trade sales and are net of discount.

b) Sales are recognised on despatch except consignment sales which are recognised on receipt of statement of accounts from the agent.

xix) Prior Period Expenses/Income

Material items of prior period expenses/income are disclosed separately.

xx) Provision, 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 the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

MANAKSIA LIMITED**SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011****2) Notes on Accounts** (Rs. in Lacs)

	Balance as on	
	31st March 2011	31st March 2010
i) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	58.98	2231.63
ii) Contingent Liabilities not provided for in respect of :		
1) Excise duty demands under appeal	540.43	1,171.35
2) Sales tax and Entry tax demand under appeal.	409.86	94.04
3) Income tax demands under appeal.	73.53	73.53
4) Excise duty liability on goods exported pending submission of proof of export.	35.83	0.38
5) Custom Duty	15.15	37.29
6) Service Tax	51.92	7.41
7) Municipal Tax	67.90	70.83
8) Demand by Haldia Development Authority towards Land Premium	332.50	332.50
9) Stamp Duty for Registration of Land	49.45	49.45

- iii) a. Sundry Creditors include Rs. 5,214.30 Lacs (Previous Year Rs. 4,892.69 Lacs) towards Creditors for Capital Goods.
b. Advances recoverable in kind or for value to be received include advance for capital goods amounting to Rs. 397.11 Lacs (Previous Year Rs. 352.78 Lacs).
iv) Exceptional items Rs. 273.48 lacs (Previous Year Rs. 1043.80 Lacs) represents short term exchange fluctuation loss.
v) Sundry Debtors, Advances, Balances with Director and Companies under the same management:

	Balance as on		Maximum Balance Outstanding during the F.Y. 2010-11
	31st March 2011	31st March 2010	
Due from Associate Concerns :			
Under Sundry Debtors Head :	227.19	127.32	227.19
Arena Machinerics Limited	227.19	127.32	227.19

vi) The deferred tax liability as at 31st March 2011 comprises of the following : (Rs. in Lacs)

	Balance as on	
	31st March 2011	31st March 2010
a. Deferred Tax Liability		
Timing difference in depreciable assets	5,714.33	5,475.98
b. Deferred Tax Assets		
Expenses allowable against taxable income in future years	(337.36)	(302.46)
c. Provision for Deferred Tax (Net)	5,376.97	5,173.52

vii) Earnings per share (EPS)

In terms of Accounting Standard 20 issued by The Institute of Chartered Accountants of India, the calculation of EPS is given below :

	(Rs. in Lacs)	
	31st March 2011	31st March 2010
Profit as per Profit & Loss Account	11,332.34	13,185.06
Add : Prior Period item	(107.81)	98.09
Loss on discarding of Fixed Assets	680.31	-
Loss on sale of Shares of Subsidiary Company	560.50	-
Exceptional Items	273.48	1,043.80
Profit before Prior Period and Exceptional Items	12,738.82	14326.95
Weighted average number of equity shares	67,627,334	69,534,050
Nominal value of shares (Rs.)	2.00	2.00
Basic and Diluted Earning per Share (EPS)		
EPS before Prior Period and Exceptional items (Rs.)	18.84	20.60
EPS after Prior Period and Exceptional items (Rs.)	16.76	18.96

- viii) Excise duty on stocks represents differential excise duty on opening and closing stock of Finished Goods.

MANAKSIA LIMITED
SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011
ix) Financial and Derivative Instruments :-

- a) Derivative contracts entered into by the company and outstanding as on 31st March 2011
- 1) For hedging Interest rate related risk - (LIBOR Hedging) on Loan balance of USD 7.5 Million (Previous Year USD 7.50 Million)
 - 2) For hedging commodity related risks - Forward contract (Net) USD 2.05 Million (Previous Year USD 34.00 Million)
- b) Foreign currency loan that are not hedged USD 31.50 Million (Previous Year USD 19.10 Million)

x) Related Parties disclosure :

- a. List of related parties with whom transactions have taken place and relationships :

Associates	Key Management Personnel	Relatives	Relationship
Arena Machineries Ltd.	Mr. Basant Kumar Agrawal	Mr Aditya B Manaksia Mr Navneet Manaksia	Son Son
	Mr. Suresh Kumar Agrawal	Mr B D Agrawal Ms Vishakha Agrawal Mr. Mahabir Pd. Agrawal	Brother Daughter Brother
	Mr. Sushil Kumar Agrawal	Mr Karan Agrawal	Son
	Mr. Sunil Kumar Agrawal	Mr Anirudha Agrawal Ms Prachi Agrawal	Son Daughter
	Mr. Nadia Basak* Mr. Debarata Guha		

*Resigned as Executive Director w.e.f. Close of business hours of 30th March, 2011

b. Transactions during the year with related parties
(Rs. in Lacs)

Sl No.	Nature of Transactions	Associates		Key Management Personnel		Relatives		Total as on	Total as on
		2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	31.03.2011	31.03.2010
1.	Purchase of Goods from								
	Rainbow Manufacturing Co Pvt Ltd	—	14.15					—	14.15
	Arena Machineries Ltd	141.16	25.31					141.16	25.31
2.	Sale of Goods to								
	Arena Machineries Ltd	99.87	124.84					99.87	124.84
	Rainbow Manufacturing Co. Pvt. Ltd	—	2.03					—	2.03
3.	Sale of Fixed Assets to								
	Arena Machineries Ltd	—	2.48					—	2.48
4.	Sale of Shares					5.02	—	5.02	—
5.	Purchase of Shares			7.26	—	17.74	—	25.00	—
6.	Remuneration			18.32	31.09	11.90	12.15	30.22	43.24
7.	Amount Due to as on March 31								
	Arena Machineries Ltd	227.19	127.32					227.19	127.32

- Notes:-
- i) No amount pertaining to the related parties have been written off or written back during the year. Transactions have taken place on arm's length basis.
 - ii) No provision for doubtful debts is required to be made for the year in respect of debt due from related parties.
 - iii) The related party relationship is as identified by the Company and relied upon by the auditors.

MANAKSIA LIMITED**SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011**

xi) Segment information as on and for the Year ended 31st March 2011 are as below:

a) Primary Segment Information

(Rs. in Lacs)

Particulars	Packaging Products		Mosquito Coil		Metal Products		Engineering & Others		Paper Products		Unallocable		Eliminations		Total	
	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010
Segment Revenue																
External Turnover	16,018.12	16,688.78	7,086.94	7,454.79	115,498.86	101,245.94	3,620.25	6,709.30	6,520.11	3,427.66	-	-	-	-	148,739.28	135,526.47
Add : Inter Segment Turnover	556.76	333.66	-	-	185.94	643.59	12.17	123.62	-	-	-	-	(754.87)	(1,100.87)	-	-
Gross Turnover	16,574.88	17,022.44	7,086.94	7,454.79	115,679.80	101,889.53	3,632.42	6,832.92	6,520.11	3,427.66	-	-	(754.87)	(1,100.87)	148,739.28	135,526.47
Less : Excise duty/Service Tax recovered	1,059.19	862.92	958.81	927.32	2,659.35	2,535.94	0.20	121.46	-	-	-	-	-	-	4,677.55	4,447.64
Less : Commercial Tax	205.89	228.79	225.09	307.81	278.28	378.96	24.92	51.36	-	-	-	-	-	-	734.18	964.92
Net Turnover	15,309.80	15,930.73	5,903.04	6,219.66	112,742.17	98,979.63	3,607.30	6,660.10	6,520.11	3,427.66	-	-	(754.87)	(1,100.87)	143,827.55	130,116.91
Segment Results																
Segments Results (PBIT)	764.86	2,508.93	449.20	456.11	16,359.85	16,137.85	669.82	2,334.74	1,627.97	662.50	-	-	-	-	19,871.20	22,100.13
Less : Unallocated	-	-	-	-	-	-	-	-	-	-	(1,899.69)	(1,576.90)	-	-	(1,899.69)	(1,576.90)
Operating Profit	764.86	2,508.93	449.20	456.11	16,359.85	16,137.85	669.82	2,334.74	1,627.97	662.50	-	-	(1,899.69)	(1,576.90)	17,972.01	20,523.23
Less : Interest Expenses	-	-	-	-	-	-	-	-	-	-	4,169.40	6,331.52	-	-	4,169.40	6,331.52
Add : Interest Income	-	-	-	-	-	-	-	-	-	-	261.03	1,188.53	-	-	261.03	1,188.53
Less : Prior Period Items	-	-	-	-	-	-	-	-	-	-	(107.81)	98.09	-	-	(107.81)	98.09
Less : Exceptional Items	-	-	-	-	-	-	-	-	-	-	273.48	1,043.80	-	-	273.48	1,043.80
Less : Loss on discarding of Fixed Assets	-	-	-	-	-	-	-	-	-	-	680.31	-	-	-	680.31	-
Less : Loss on sale of Shares of Subsidiary Company	-	-	-	-	-	-	-	-	-	-	560.50	-	-	-	560.50	-
Profit before Tax	764.86	2,508.93	449.20	456.11	16,359.85	16,137.85	669.82	2,334.74	1,627.97	662.50	(7,214.54)	(7,861.78)	-	-	12,657.16	14,238.35
Current Tax	-	-	-	-	-	-	-	-	-	-	1,121.37	867.22	-	-	1,121.37	867.22
Deferred Tax	-	-	-	-	-	-	-	-	-	-	203.45	193.37	-	-	203.45	193.37
HAT Credit	-	-	-	-	-	-	-	-	-	-	-	(7.30)	-	-	-	(7.30)
Short/(Excess) Provision for Taxation for Earlier Years	-	-	-	-	-	-	-	-	-	-	59.73	31.68	-	-	59.73	31.68
Net Profit	764.86	2,508.93	449.20	456.11	16,359.85	16,137.85	669.82	2,334.74	1,627.97	662.50	(8,599.09)	(8,946.75)	-	-	11,272.61	13,153.38
Other Information																
Segment Assets	24,815.66	17,519.00	7,791.39	7,906.03	130,305.95	107,702.37	6,001.69	10,580.09	10,302.48	11,288.24	16,843.77	18,655.93	-	-	196,061.09	173,651.66
Segment Liabilities	4,026.24	1,516.11	670.19	482.69	34,916.48	24,379.65	3,266.14	6,755.03	477.07	5,415.16	2,642.46	2,407.50	-	-	45,998.58	40,956.14
Capital Expenditure	645.73	2,046.15	167.24	94.92	3,435.46	13,360.22	(116.91)	243.42	231.44	1,158.90	668.53	814.36	-	-	5,031.49	17,717.97
Depreciation	1,055.03	580.75	401.12	401.42	3,850.57	4,249.49	59.10	91.60	353.02	238.83	133.50	113.21	-	-	5,852.34	5,675.30

b) Secondary Segment Information

(Rs. in Lacs)

	31st March 2011	31st March 2010
1. Segment Revenue - External Turnover		
- India	49,689.05	42,734.60
- Outside India	99,050.23	92,791.87
Total Segment Revenue	148,739.28	135,526.47
2. Segment Assets		
- India	88,894.73	71,873.56
- Outside India	107,166.36	101,778.10
Total Segment Assets	196,061.09	173,651.66
3. Capital Expenditure		
- India	1,838.20	2,517.23
- Outside India	3,193.29	15,200.74
Total Capital Expenditure	5,031.49	17,717.97

Notes :

- Primary Segment** : Business segment has been identified as primary segment on the basis of the products of the company. Accordingly, the company has identified Packaging Product, Mosquito Coil, Metal Products, Paper Products, Engineering & Others as the business segment.
 - Packaging** consists of manufacture and sale of PP Cap, Crown Closures, Metal Containers, EP Liners, Washer, EP Sheets etc.
 - Mosquito Coils** consists of manufacture and sale of Mosquito Repellent coils.
 - Metal Product** consists of manufacture and sale of Aluminium and Steel galvanized sheets, coils etc.
 - Engineering & others** consists of Manufacturing and Sales of Machine, Spare Parts etc.
 - Paper and Paper Products** consists of manufacture and sale of Craft Paper.
- Secondary Segment** : Geographical segment has been identified as secondary segment. Geographical segments considered for disclosure are :
 - India
 - Outside India

xii) **The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.**

- The financial statements of the company and its subsidiaries are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealised profit/loss included therein.
- The consolidated financial statements have been prepared using uniform accounting policies, except stated otherwise, for like transactions and are presented, to the extent possible, in the same manner as the company's separate financial statements.
- In respect of foreign subsidiaries figures have been converted for the purpose of Consolidation at exchange rate on balance sheet

MANAKSIA LIMITED

SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011

d. The subsidiaries considered in the preparation of these consolidated financial statements are :

Name	Country of Incorporation	Percentage of voting power as at 31st March 2011	Percentage of voting power as at 31st March 2010
MINL Ltd	Nigeria	100.00%	100.00%
Jebba Paper Mills Ltd (Subsidiary of MINL Ltd)	Nigeria	100.00%	100.00%
Dynatech Industries Ghana Ltd.*	Ghana	100.00%	100.00%
Mark Steels Ltd.	India	100.00%	100.00%
Euroasian Ventures FZE	UAE	100.00%	100.00%
Solex Chemicals Pvt Ltd	India	100.00%	100.00%
Euroasian Steels LLC (Subsidiary of Euroasian Ventures FZE)	Georgia	93.75%	93.75%
Manaksia Aluminium Co Ltd	India	100.00%	-
Manaksia Coated Metals & Industries Ltd	India	100.00%	-
Manaksia Ferro Industries Ltd	India	100.00%	-
Manaksia Overseas Ltd	India	100.00%	-
Manaksia Steels Limited	India	100.00%	-

* In current financial year, the company has consolidated result of subsidiary company, Dynatech Industries Ghana Ltd. for 15 months (i.e. for the period from 1st January 2010 to 31st March 2011) which upto last year was considered according to financial year of subsidiary company (which is calendar year).

Hence, there is an increase in Gross sales by Rs. 3667.76/- Lacs & PBT by Rs.52.47/- Lacs.

xiii) The Group has adopted revised Accounting Standard 15 (AS 15) on 'Employee Benefits'. These consolidated financial statements include the obligations as per requirement of this standard except for those subsidiaries which are incorporated outside India who have determined the valuation/provision for employee benefits as per requirements of their respective countries.

The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

1. **Defined Contribution Plan**

Contribution to defined contribution plan, recognized are charged of during the year as follows:

(Rs. in Lacs)

	31st March 2011	31st March 2010
Employees' contribution to Provident Fund	135.26	93.00

2. **Defined Benefit Plan**

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(Rs. in Lacs)

	31st March 2011	31st March 2010
a) Reconciliation of opening and closing balances of defined obligation:		
1) Defined benefit obligation at the beginning of the year	417.52	362.49
2) Current service cost	48.76	44.72
3) Interest cost	34.45	29.25
4) Actuarial (gain) / loss	61.74	16.89
5) Benefit paid	(51.55)	(35.83)
6) Defined benefit obligation at the year end	510.92	417.52
b) Reconciliation of fair value assets and obligations:		
1) Fair value of plan assets as at 31st March 2011	Nil	Nil
2) Present value of obligations as at 31st March 2011	510.92	417.52
3) Amount recognized in balance sheet	510.92	417.52
c) Expenses recognized during the year (Schedule - P : Salaries, Wages & Bonus)		
1) Current service cost	48.76	44.72
2) Interest cost	34.45	29.25
3) Actuarial (gain) / Loss	61.74	16.89
4) Net amount	144.95	90.86
d) Actuarial assumptions		
1) Mortality table	LIC	LIC
2) Discount rate (per annum)	8.25%	7.50%
3) Rate of escalation in salary (per annum)	5%	5%
4) Expected average remaining working lives of employees(years)	19.87	19.74
The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors. The above information has been certified by the actuaries.		

xiv) The Company has raised Rs. 24800.00 Lacs by issue of shares, in public issue in an earlier year and fully utilised the proceeds of the issue as approved in Annual General Meeting of Shareholders

Statement of Utilisation of Public Issue proceeds as on 31st March 2011

Particulars	Rs. in Lacs
Gross proceeds of the Issue	24,800.00
Less : - Issue related expenses	1,572.34
Net proceeds of the issue	23,227.66
Deployment	
Repayment of debt	6,000.00
Expansion of metals business	8,000.00
General Corporate purposes	9,227.66
Total	23,227.66

MANAKSIA LIMITED**SCHEDULE FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2011**

xv) Interest Received from others includes : (Rs. in Lacs)

	31st March 2011	31st March 2010
Staff and Workers	3.72	3.90
Loans to Parties	199.49	568.84
Customers	0.69	0.58
Vendors	4.86	3.91
	208.76	577.23

xvi) Prior Period Items :

Expenditure :-

(Rs. in Lacs)

	31st March 2011	31st March 2010
Carriage Inward	3.79	7.89
Sales	6.84	56.35
Travelling & Conveyance	5.23	5.27
Gratuity	3.28	-
Vehicle Upkeep	2.18	-
Communication Expenses	1.19	1.77
Repairs to Machinery	0.59	1.57
Excise Duty	0.41	-
Repairs to Electricals	0.16	-
Processing Charges	0.01	-
Interest (Others)	0.01	-
Material	-	30.23
Service Tax	-	9.75
Consumption of Stores and Consumables	-	5.58
Other Miscellaneous Expenses	1.15	3.18
Freight, Forwarding and Handling Expenses	-	3.17
Other Manufacturing Expenses	-	2.29
Dividend from Mutual Fund	-	2.06
Power & Fuel	-	1.05
Rent	-	0.42
Contribution to Provident and Other Funds	-	0.09
Packing Expenses	-	0.09
Clearing Charges	-	0.03
	24.84	130.79
Income :-		
Provision for Bad Debt Written off	39.01	-
Power & Fuel	64.68	-
Welfare Expenses written back	15.46	9.17
Salaries, Wages and Bonus	6.17	19.01
Commission	5.13	-
Service Tax	1.31	-
Rent	0.86	-
Consumption of Stores and Consumables	0.03	-
Gratuity	-	2.40
Interest (Others)	-	1.29
Repairs to Electricals	-	0.45
Commercial Tax	-	0.38
	132.65	32.70
Total	(107.81)	98.09

xvii) Buy Back of Equity Shares

Pursuant to the approval of the Board of Directors of the Company, for buy back of Equity Shares under Section 77A of the Companies Act, 1956, the Company has bought back & extinguished 4,000,000 equity shares during the year ended March 31, 2011 through open market transactions for Rs.40.14 crores by utilizing the Securities Premium account & the General Reserve to the extent of Rs.39.34 crores & Rs.0.80 crores respectively. The Capital Redemption Reserve has been created out of General Reserve for Rs.0.80 crores being the nominal value of shares bought back in terms of Section 77A of the Companies Act, 1956.

xviii) Figures in bracket indicates Previous Year figures.

xix) Change in Accounting for Insurance Claims :

The Company has changed the accounting for Insurance claims from actual/receipt basis to accrual basis from the the current financial year. Consequent upon such change in the accounting, the profits for the year has increased by Rs. 148.04 lacs.

xx) Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary.

Signature to Schedules A to S.

In terms of our attached report of even date.

For SRB & Associates
Chartered AccountantsR N Sengupta
ChairmanB K Agrawal
Managing DirectorDated : 30/05/2011
Place : KolkataS. Patra
(Partner)
Membership No. 056121Anubhav Maheshwari
Company Secretary

NOTES



