

Manaksia Limited

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2008

Rs. in Lacs

	Schedule	31.03.08	31.03.07
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
(a) Share Capital	A	1,628.08	1,318.08
(b) Reserves & Surplus	B	71,453.77	38,362.10
		73,081.85	39,680.18
LOAN FUNDS			
(a) Secured	C	27,464.34	35,134.49
(b) Unsecured	D	4,077.21	7,605.66
		31,541.55	42,740.15
DEFERRED TAX LIABILITY (Net)		4,644.96	4,284.58
TOTAL		109,268.36	86,704.91
APPLICATION OF FUNDS			
FIXED ASSETS	E		
(a) Gross Block		66,086.42	58,333.65
(b) Less: Accumulated Depreciation/Amortisation		16,044.20	12,224.99
(c) Net Block		50,042.22	46,108.66
(d) Capital Work in Progress		7,228.23	7,953.01
(e) Expenditure on Expansion / New projects (pending allocation)	S	539.59	741.49
		57,810.04	54,803.16
INVESTMENTS	F	13,847.85	32.57
CURRENT ASSETS, LOANS & ADVANCES			
(a) Inventories	G	30,389.63	31,489.11
(b) Sundry Debtors	H	18,530.71	14,209.56
(c) Cash and Bank Balances	I	1,286.14	909.90
(d) Loans and Advances	J	16,011.48	9,516.77
		66,217.96	56,125.34
Less :			
CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	K	26,487.90	23,743.16
Provisions	L	2,166.02	565.75
		28,653.92	24,308.91
NET CURRENT ASSETS		37,564.04	31,816.43
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
Deferred Revenue Expenditure		18.73	24.98
Preliminary Expenses		27.70	27.77
TOTAL		109,268.36	86,704.91

ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

T

Schedules A to L, S and T referred to above form an integral part of the Balance Sheet.

In terms of our attached report of even date.

8 N S Road, Gillander House
Block A, 3rd Floor, Room No. 7
Kolkata - 700 001

For **SRB & Associates**
Chartered Accountants

R N Sengupta
Chairman

B K Agrawal
Managing Director

S.Patra
Partner

Membership No. 056121

Dated : 28th June 2008

S K Sultania
Company Secretary

Manaksia Limited

"CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2008

Rs. in Lacs

Schedule		2007-2008	2006-2007
INCOME			
Gross Sales		120,203.58	88,087.13
Processing Income		469.56	339.76
		120,673.14	88,426.89
Less : Excise Duty		5,032.46	4,797.89
Commercial Tax		903.25	852.64
Net Sales		114,737.43	82,776.36
Other Income	M	411.42	639.75
		115,148.85	83,416.11
EXPENDITURE			
Decrease/(Increase) in Stocks	N	4,191.50	(282.29)
Excise Duty on Stocks		17.88	(1.88)
Raw Materials & Components Consumed (including Trading Goods)	O	67,569.58	48,580.20
Manufacturing, Administrative, Selling & Other Expenses	P	20,544.41	17,129.58
Directors Remuneration	Q	50.39	83.98
Interest (Net)	R	4,806.74	4,332.09
Depreciation / Amortisation	E	4,006.82	3,380.62
		101,187.32	73,222.30
PROFIT BEFORE TAXATION & PRIOR PERIOD ITEMS		13,961.53	10,193.81
Less : Prior Period Items		10.12	75.94
PROFIT BEFORE TAXATION		13,951.41	10,117.87
Less : Provision for Taxation			
Current Tax		949.73	595.66
Fringe Benefit Tax		62.07	72.98
Deferred Tax		360.39	242.82
MAT Credit		(22.52)	-
Short/(Excess) Provision for Taxation for Earlier Years		(218.00)	2.75
PROFIT AFTER TAXATION		12,819.74	9,203.66
Balance from last period		12,103.67	5,983.96
PROFIT AVAILABLE FOR APPROPRIATION		24,923.41	15,187.62
APPROPRIATIONS			
Transfer to General Reserve		1,450.00	2,950.00
Dividend on Preference Shares		11.87	6.42
Dividend on Equity Shares		1,390.68	108.07
Tax on Dividends		238.36	19.46
Transfer to Exchange Fluctuation Reserve		1,000.00	-
Balance carried to the balance sheet		20,832.50	12,103.67
		24,923.41	15,187.62
Basic and diluted earning per share (EPS) (Face value of Rs. 2 each)			
EPS before Prior Period item		22.12	17.16
EPS after Prior Period item		22.11	17.02
(Refer to Note No. 2.(vii) of Schedule "T")			

ACCOUNTING POLICIES & NOTES

T

Schedules M to R, E and T referred to above form an integral part of the Profit & Loss Account.

In terms of our attached report of even date

8 N S Road, Gillander House
Block A, 3rd Floor, Room No. 7
Kolkata - 700 001

For **SRB & Associates**
Chartered Accountants

R N Sengupta
Chairman

B K Agrawal
Managing Director

S.Patra
Partner

S K Sultania
Company Secretary

Dated : 28th June 2008

Membership No. 056121

Manaksia Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008

Rs. in Lacs

Particulars		31.03.2008	31.03.2007
A: CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit before Tax & Extraordinary items :		13951.41	10117.87
Adjustment for:			
Depreciation		4006.82	3380.64
Provision for Doubtful Debts			16.90
Finance Cost & Interest (Net)		4806.74	4332.09
Loss on Fixed Assets Sold / Discarded (Net)		17.25	99.64
Prior Period Adjustments (Net)		10.12	75.94
Loss from Partnership Firm		0.22	
Deferred Revenue Expenditure written off		6.24	
Dividend Income		-309.68	
Unrealised (Gain) / Loss on Foreign Exchange			0.02
Operating Profit before Working Capital Changes		22489.12	18023.10
Adjustment for:			
Change in Trade & Other Receivables		-12396.29	(5636.79)
Change in Inventories		1099.48	(6887.24)
Change in Trade Payable		3103.67	7167.40
Cash Generated from Operations		14295.98	12666.47
Direct Taxes Paid		-265.80	(358.90)
Cash Flow before Prior Period items		14030.18	12307.57
Prior Period Adjustments(Net)		-10.12	(75.94)
Net Cash Flow from Operating Activities	(A)	14020.06	12231.63
B: CASH FLOW FROM INVESTING ACTIVITIES:			
(Increase)/ Decrease in Project & Pre-operative Expenses		201.90	(362.12)
(Increase)/ Decrease in Preliminary Expenses		0.07	12.97
Purchase of Fixed Assets and change in Capital work in progress		-9245.33	(8743.18)
Sale of Fixed Assets		1741.48	320.39
Purchase of Investments		-13825.28	(16.24)
Sale of Investments		10.00	25.00
Interest Received		115.36	170.33
Dividend Received		309.68	
Loss from Partnership Firm		-0.22	
Net cash Used in Investing Activities	(B)	(20692.34)	(8592.85)
C: CASH FLOW FROM FINANCING ACTIVITIES:			
Public issue of Shares		310.00	
Premium on Public Issue of Shares		24490.00	
Public Issue Expenses		-1500.12	
Repayment of Long Term Borrowings (Net)		-1371.11	(3974.71)
(Repayment of)/ Proceeds from Short Term Borrowings (Net)		-9827.48	5868.32
Dividend on Equity Shares Paid		-108.07	(75.99)
Preference Dividend Paid		-6.42	
Dividend Tax Paid		-19.46	(10.10)
Interest Paid		-4918.82	(4652.56)
Utilisation of Exchange Fluctuation Reserve			(594.47)
Net Cash Flow From Financing Activities	(c)	7048.52	(3439.51)
D: Net Increase/(Decrease) in Cash and Cash Equivalents	(A + B + C)	376.24	199.27
Cash and Cash Equivalents as at 1st April		909.92	710.65
Cash and Cash Equivalents as at 31st March		1286.16	909.92
CASH AND CASH EQUIVALENTS COMPRISE :			
Cash and Bank Balances		1286.14	909.90
Unrealised Loss/(Gain) on Foreign Currency Cash and Cash Equivalents		0.02	0.02
		1286.16	909.92

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

8 N S Road, Gillander House
Block A, 3rd Floor, Room No. 7
Kolkata - 700 001For **SRB & Associates**
Chartered Accountants**R N Sengupta**
Chairman**B K Agrawal**
Managing Director

Dated : 28th June 2008

S.Patra
Partner
Membership No. 056121**S K Sultania**
Company Secretary

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE A

Rs. in Lacs

	31.03.08	31.03.07
SHARE CAPITAL		
Authorised :		
7,00,00,000 Equity Shares of Rs.2/- each	1,400.00	1,400.00
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 (Previous Year 54,034,050)		
Equity Shares of Rs.2/- each fully paid up	1,390.68	1,080.68
1,187,000 5% optionally convertible Non-cumulative Redeemable Preference Shares of Rs. 20 each	237.40	237.40
	1,628.08	1,318.08

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 10806810 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 during the year through public issue at a premium of Rs.158 per Equity share
- viii) 1,187,000 5% optionally convertible Non-cumulative Redeemable Preference Shares of Rs. 20/- each were allotted pursuant to scheme of amalgamation without payment being received in cash. However, none of the Preference Shareholders exercised the option of conversion of Preference Shares into Equity Shares. These shares are redeemable at par at end of 2 years from the date of allotment i.e. on 15th September 2008.

SCHEDULE B

Rs. in Lacs

	31.03.08	31.03.07
RESERVES & SURPLUS		
Capital Reserve	94.29	94.29
Investment Subsidy	89.58	89.58
Amalgamation Reserve	123.45	123.45
Exchange Fluctuation Reserve		
As per last Balance Sheet	455.53	455.53
Add : Transfer from Profit & Loss A/c	1,000.00	
Exchange Fluctuation Reserve	1,455.53	455.53
Share Premium		
Add : Received on issue of Equity Shares	24,490.00	-
Less : Issue related Expenses	(1,500.12)	-
	22,989.88	-
General Reserve		
As per last Balance Sheet	25,495.58	22,905.81
Arising during the year	(1,102.35)	-
Less: Charge on account of transitional provisions under Accounting Standard -15	(2.82)	-
Add: MAT Credit in respect of earlier years	27.41	-
Add: (Short)/Excess Depreciation For Earlier Years	0.72	-
Less: Utilised for Bonus Issue	-	(360.23)
Add : Transfer from Profit & Loss A/c	1,450.00	2,950.00
	25,868.54	25,495.58
Surplus as per annexed Profit & Loss Account	20,832.50	12,103.67
	71,453.77	38,362.10

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE C

Rs. in Lacs

	31.03.08	31.03.07
SECURED LOANS*		
a) Long Term		
1) Foreign Currency Loans from Banks & Financial Institutions	8,367.54	9,129.07
2) Rupee Loans from Banks & Financial Institutions	4,791.48	5,327.66
b) Short Term		
From Scheduled Banks -		
Working Capital Demand Loans & Cash Credit Accounts	14,305.32	20,677.76
	27,464.34	35,134.49

* 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.

SCHEDULE D

Rs. in Lacs

	31.03.08	31.03.07
UNSECURED LOANS		
Under Sales Tax Defferment Scheme (Interest Free) :		
(Including Rs.204.86 Lacs (Previous Year Rs. 272.50 Lacs) falling due for payment within one year)	2,677.37	2,750.78
From Banks	-	3,500.00
From Directors	4.27	4.88
From Bodies Corporate	1,395.57	1,350.00
	4,077.21	7,605.66

SCHEDULE E FIXED ASSETS

Rs. in Lacs

	Gross Block						Depreciation					Net Block	
	Cost as at 01.04.07	Addition	Deletion	Adjustment	Inter Unit Transfer	Cost As at 31.03.08	As at 01.04.07	Adjustment	Inter Unit Transfer	For the Year	Total 31.03.08	As at 31.03.08	As at 31.03.07
Land	746.66	-	-	-	-	746.66	-	-	-	-	-	746.66	746.66
Leasehold Land	326.02	-	-	-	-	326.02	37.39	-	-	8.44	45.83	280.19	288.63
Buildings	8,429.63	1,725.26	14.86	-	-	10,140.03	1,032.89	(1.97)	-	279.73	1,310.65	8,829.38	7,396.74
Plant & Machinery	44,231.60	7,092.89	1,859.41	-	-	49,465.08	9,567.60	(172.30)	-	3,379.32	12,774.62	36,690.46	34,664.00
Electrical Installations	1,331.91	624.66	-	-	-	1,956.57	282.01	-	-	68.65	350.66	1,605.91	1,049.90
Electric Generator	933.59	19.12	30.31	-	-	922.40	222.92	(3.96)	-	48.39	267.35	655.05	710.67
Computers	337.88	32.14	-	-	-	370.02	201.57	(2.89)	-	42.36	241.04	128.98	136.31
Office Equipment	236.13	16.19	5.59	-	-	246.73	102.80	(2.25)	-	16.26	116.81	129.92	133.33
Furniture & Fixtures	373.55	22.35	-	-	-	395.90	155.40	-	-	26.85	182.25	213.65	218.15
Vehicles	1,318.52	192.83	62.50	-	-	1,448.85	575.92	(31.29)	-	158.66	703.29	745.56	742.60
Lease Assets	68.16	-	-	-	-	68.16	46.49	-	-	5.21	51.70	16.46	21.67
Total	58,333.65	9,725.44	1,972.67	-	-	66,086.42	12,224.99	(214.66)	-	4,033.87	16,044.20	50,042.22	46,108
Less : Capitalised During the Year										27.05			
										4,006.82			
Previous Year	50,527.83	8,350.88	545.06	-	-	58,333.65	8,945.30	(125.03)	-	3,404.72	12,224.99	46,108.66	41,582.53
Capital Work-in-progress	7,953.01	7,226.31	7,951.09	-	-	7,228.23	-	-	-	-	-	7,228.23	7,953.01

Note : * Fixed Assets added during the year have been valued at year end rates in respect of assets of foreign subsidiaries.
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 ACCOUNTS

SCHEDULE F

Rs. in Lacs

	No of Shares/ Units	Face Value per Share/ Units Rs.	31.03.08	31.03.07
INVESTMENTS				
LONG TERM				
Government Securities				
Unquoted				
6 Years National Savings Certificates			0.54	0.54
Trade (Fully Paid Up)				
Quoted				
Equity Shares				
Shaw Wallace & Co Ltd	200	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	-
	(Nil)			
United Bank for African	30,000	35.00₹	3.58	-
	(Nil)			
Zenith Bank Plc	500,000	38.90₹	66.38	-
	(Nil)			
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
Shree Rameswar Himghar (P) Ltd.	2,000	100.00	10.00	20.00
Premium of Rs. 400/- each	(4,000)			
Maxell Securities Limited	47,500	10.00	4.75	4.75
SHORT TERM				
Current Investments - Others				
Unquoted				
In Units of Mutual Fund :				
UTI Fixed Income Interval Fund-Mip	31,146,761	10.00	3,119.41	-
Quarterly Interval Plan - Series I	(Nil)			
UTI Fixed Income Interval Fund-Mip	50,000,000	10.00	5,009.05	-
Monthly Interval Plan - Series I	(Nil)			
UTI Liquid Plus Fund Institutional	111,858	1,000.00	1,118.82	-
Plan (Daily Dividend Option) - Re investment	(Nil)			
LIC MF Liquid Plus Fund	45,037,886	10.00	4,503.79	-
Daily dividend Plan	(Nil)	-		
Aggregate amount of investments :			13,847.85	32.57
Quoted			0.97	0.97
Unquoted			13,846.88	31.60
Market Value of Quoted Investments			1.51	1.11

₹ - Naira

Notes: 6 Years National Savings Certificates are lodged with Directorate of Commercial Taxes

Movement during the year

Investments purchased and sold/redeemed

Rs. in Lacs

Name of the Mutual Fund	Units	Face Value (in Rupees)	Cost (Rs. in Lacs)
HDFC Cash Management Fund	79,748,791	10.00	8,000.00
Birla Sun Life Liquid Plus Fund	69,952,432	10.00	7,000.00
UTI Liquid Plus Fund Institutional	799,829	1,000.00	8,000.00
Plan (Daily Dividend Option) - Re investment			
Reliance Liquid Plus - Retail Option	439,611	1,000.00	4,400.00

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE G

Rs. in Lacs

	31.03.08	31.03.07
INVENTORIES		
At Lower of Cost or Net Realisable Value		
Raw Materials	18,734.03	15,725.62
Finished Goods	6,396.71	11,706.55
Work-in-Process	3,933.36	2,738.85
Packing Materials	177.90	261.58
Stores	1,010.93	758.15
At Cost		
Stock in Trade in Transit	52.32	137.81
At Estimated Realisable Value		
Scraps	84.38	160.55
	30,389.63	31,489.11

SCHEDULE H

SUNDRY DEBTORS (Unsecured)		
Considered Doubtful not provided for -		
Outstanding over six months	25.92	25.92
Less : Provision for Doubtful Debts	25.92	(25.92)
Considered Good - Outstanding over six months	1,891.38	1,358.95
Other Debts	16,639.33	12,850.61
	18,530.71	14,209.56

SCHEDULE I

CASH AND BANK BALANCES		
Cash in Hand (including Cheques)	133.90	119.45
With Scheduled Banks in :		
Current Accounts	1,057.95	700.30
Savings Accounts	0.06	0.06
Fixed Deposits	94.23	90.09
Margin Accounts	-	-
	1,152.24	-
	1,286.14	909.90

Note : Fixed Deposits are pledged with

1. Bank as Margin Money against - Bank Guarantee Rs. 45.27 Lacs (Previous Year Rs.42.36 Lacs)
2. Commercial Tax Authorities Rs. 1.12 Lacs (Previous Year Rs.0.89 Lacs)

SCHEDULE J

LOANS AND ADVANCES (Unsecured - Considered good except stated otherwise)		
Loans		
Bearing Interest	442.38	353.62
Not Bearing Interest	32.94	60.12
	475.32	413.74
Advances		
Advance Recoverable in cash or in kind or for value to be received or pending adjustment	8,511.12	6,391.03
MAT Credit Entitlement	49.93	-
Balances with Central Excise and other Statutory Authorities	2,265.79	2,180.97
Other Deposits	4,709.32	531.03
	15,536.16	9,103.03
	16,011.48	9,516.77

SCHEDULE K

CURRENT LIABILITIES		
Sundry Creditors for Goods, Services, Expenses etc.	24,347.05	22,519.01
Advance against Sales	911.69	472.27
Temporary Overdrawn from Banks	235.95	0.78
Interest accrued but not due on Loans	120.72	117.44
Other Liabilities	872.49	633.66
	26,487.90	23,743.16

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE L

Rs. in Lacs

	31.03.08	31.03.07
PROVISIONS		
Gratuity	316.52	241.08
Excise Duty	208.59	190.72
Proposed Dividends	1,402.55	114.49
Tax on Proposed Dividend	238.36	19.46
	2,166.02	565.75

SCHEDULE M

OTHER INCOME		
Income from Current Investment :		
Tax Free Dividends From Mutual Funds	309.68	-
Exchange Fluctuation (Net)	-	356.51
Miscellaneous Income	101.74	283.24
	411.42	639.75

SCHEDULE N

DECREASE/(INCREASE) IN STOCKS		
Opening Stock :		
Finished Goods	11,706.55	12,388.17
Work in Progress	2,738.85	1,786.08
Scrap	160.55	149.41
	14,605.95	14,323.66
Less :		
Closing Stock :		
Finished Goods	6,396.71	11,706.55
Work in Progress	3,933.36	2,738.85
Scrap	84.38	160.55
	10,414.45	14,605.95
	4,191.50	(282.29)

SCHEDULE O

RAW MATERIALS & COMPONENTS CONSUMED		
Opening Stock	15,725.62	9,653.83
Add : Purchases & Procurement Expenses / Job Charges (net of sales)	70,577.99	54,651.99
Less :		
Closing Stock	18,734.03	15,725.62
	67,569.58	48,580.20

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE P

Rs. in Lacs

	2007-2008	2006-2007
MANUFACTURING, ADMINISTRATIVE SELLING AND OTHER EXPENSES		
Consumption of Stores and Consumables	1,578.11	1,265.76
Power & Fuel	3,555.11	3,398.75
Primary Packing Material	1,034.00	1,013.71
Processing Charges	827.02	342.85
Clearing Charges	1,160.88	537.43
Carriage Inward	369.60	546.51
Repairs to:		
Building	163.68	152.12
Machinery	530.08	440.90
Others	77.44	60.20
Other Manufacturing Expenses	282.21	455.90
Salaries, Wages and Bonus	2,338.16	2,138.67
Contribution to Provident and Other Funds	181.12	155.42
Welfare Expenses	671.40	577.71
Rent	235.15	127.07
Insurance	336.85	289.58
Rates & Taxes	49.84	61.50
Packing Expenses	714.58	851.12
Freight, Forwarding and Handling Expenses	2,455.52	1,724.70
Communication Expenses	176.23	175.97
Travelling & Conveyance	541.98	541.65
Discount	94.74	62.24
Bad Debt	3.04	64.21
Provision for Doubtful Debt	-	16.90
Auditors' Remuneration :		
As Auditors	26.05	18.20
As Advisor in Taxation Matters	3.21	3.15
In other capacity for Certificates and other services	6.00	5.06
Less : Transferred to Public Issue Expenses	(6.00)	-
Donations	10.94	11.61
Loss From Partnership Firm	0.22	-
Loss on Sale/Discarding of Fixed Assets	17.25	99.64
Preliminary Expenses Written off	15.38	14.69
Commission	62.23	27.51
Other Miscellaneous Expenses	3,032.39	1,948.85
	20,544.41	17,129.58

SCHEDULE Q

DIRECTORS' REMUNERATION		
Salary & Bonus	39.01	36.71
Medical Expenses	1.93	2.21
Meeting Fees	4.11	2.43
Perquisites	5.34	42.63
	50.39	83.98

SCHEDULE R

FINANCE COST & INTEREST (Net)		
Finance Cost		
Net exchange loss/(gain) on translation of Loans in foreign currency	(118.92)	67.81
Interest Charge		
To Financial Institutions / Banks		
On Fixed Loans	1,383.06	1,244.40
On Others	3,607.25	3,100.72
To Others	50.71	89.49
	4,922.10	4,502.42
Less: Interest Income		
From Banks	5.37	4.40
From Others	109.99	165.93
(T.D.S. Rs. 22.99 Lacs, Previous Year Rs. 40.12 Lacs)	4,806.74	4,332.09

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE S

Rs. in Lacs

	31.03.2008	31.03.2007
PROJECT & PREOPERATIVE EXPENSES		
Consumable Stores	119.41	14.44
Employees Remuneration & Benefits	105.20	63.70
Travelling & Conveyance	24.55	15.58
Lease Rent	1.67	1.67
Interest	548.60	548.60
Insurance	9.26	5.73
Rent	0.27	0.27
Rates & Taxes	3.36	1.01
Depreciation	82.54	55.42
Other Manufacturing Expenses	131.35	19.31
Auditors Remuneration	0.70	0.27
Telephone Charges	6.22	2.24
Miscellaneous Expenses	223.23	32.00
	1,256.36	760.24
Less : Rent Income	18.75	18.75
Less : Capitalised during the Year	698.02	-
	539.59	741.49

SCHEDULE T

Notes annexed to and forming part of Company's Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2008

1) Accounting Policies

i) Basis of Preparation

The financial statements have been prepared to comply in all material aspect in respects with the Notified Accounting Standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. Except otherwise mentioned, the accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii) Revenue Recognition

- Revenue from sale of goods and services rendered is recognized upon passage of title and rendering of services to the customers.
- Insurance and other claims/refunds, due to uncertainty in realisation, are accounted for on acceptance/ actual receipt basis.

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 assets. 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

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.

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.

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

- 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.
- 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.
- Exchange differences in respect of liabilities incurred to acquire fixed assets are adjusted to the carrying amount of such fixed assets. Depreciation is charged on revised unamortised amount prospectively over residual useful life of the Assets.

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS



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- d) 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.
- e) 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.
- f) In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- 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.
- 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 FIFO 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) Deferred Revenue Expenditure**
Payment to employees under Voluntary Retirement Schemes are written off in annual installments in such manner that expenditure so deferred are not carried forward to accounting periods, commencing on or after 1st April 2010.
- xii) 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.
- xiii) 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.
- xiv) Shares issue Expenses**
Shares issue expenses have been adjusted against Share Premium Account.
- xv) 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.
- xvi) 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.
- xvii) Taxation**
Tax expenses comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit 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 of the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are 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 Alternative 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. In the year in which the 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.
- xviii) 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.

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

xix) Assets Acquired under Lease

For assets acquired under operating lease, rentals payable are charged to the Profit & Loss Account.

xx) Sales

- a) Sales include trade sales and inter divisional transfer.
- b) Sales include applicables sales tax /VAT 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.

xxi) 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.

2) Notes on Accounts

Rs. in Lacs

	Balance as on	
	31.03.08	31.03.07
i) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	1783.92	215.83

Rs. in Lacs

	Balance as on	
	31.03.08	31.03.07
ii) Contingent Liabilities not provided for in respect of :		
1) Excise duty demands under appeal	2237.40	883.28
2) Sales tax and Entry tax demand under appeal.	141.55	114.25
3) Income tax demands under appeal.	102.91	358.61
4) Excise duty liability on goods exported pending submission of proof of export.	26.16	2.34
5) Custom Duty	46.42	50.49
6) Service Tax		24.75
7) Civil	0.58	7.58
8) Municipal Tax	110.69	

iii) Sundry Creditors include Rs. 214.05 Lacs (Previous Year Rs. 485.77 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. 127.02 Lacs (Previous Year Rs. 670.10 Lacs)

v) Sundry Debtors, Advances, Balances with Director & Companies under the same management:

Rs. in Lacs

	Balance as on	
	31.03.08	31.03.07
Due from Associates Concern :		
Under Advance Head :	25.01	2.50
Newmech Manufacturing Company Pvt. Ltd.	-	2.50
Arena Machinery Limited	0.21	-
Agrim Steel Industries Ltd.	24.80	-

Rs. in Lacs

	Balance as on	
	31.03.08	31.03.07
vi) The deferred tax liability as at 31 st March 2008 comprise of the following :		
a. <u>Deferred Tax Liability</u>		
Timing difference in depreciable assets	4,822.22	4,437.58
b. <u>Deferred Tax Assets</u>		
Expenses allowable against taxable income in future years	(177.26)	(153.00)
c. Provision for Deferred Tax (Net)	<u>4,644.96</u>	<u>4,284.58</u>

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

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

	Balance as on	
	31.03.08	31.03.07
Profit as per Profit & Loss Account	12819.74	9203.66
Less : Preference Dividend for the year (including dividend tax)	13.89	7.51
	12805.85	9196.15
Add : Prior Period item	10.12	75.94
Profit before Prior Period item	12815.97	9272.09
Weighted average number of equity shares	57930225	54034050
Nominal value of shares (Rs.)	2.00	2.00
Basic and diluted earning per share (EPS)	22.12	17.16
EPS before Prior Period item (Rs.)	22.12	17.16
EPS after Prior Period item (Rs.)	22.11	17.02

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

ix) Financial and Derivative Instruments :-

a) Derivative contracts entered into by the company and outstanding as on 31st March, 2008

1) For hedging Interest rate related risk - (LIBOR Hedging) USD 6.50 Million (Previous Year USD 8.00 Million)

2) For hedging commodity related risks - Forward contract (Net) USD 29.00 Million (Previous Year USD 27.00 Million)

b) Foreign currency exposure that are not hedged USD 14.50 Million (Previous Year USD 16.00 Million)

x) Related Parties disclosure.

a.

Associates	Key Management Personnel	Relatives	Relationship
Arena Machineries Ltd Manaksia Steels Ltd Agrim Steel Industries Ltd AGR Capital Markets Ltd Maxell Securities Ltd	Mr. Basant Kumar Agrawal Mr. Mahabir Pd. Agrawal Mr. Suresh Kumar Agrawal Mr. Sushil Kumar Agrawal Mr. Sunil Kumar Agrawal Mr. Nadia Basak Mr. Debarata Guha	Mrs. Saroj Devi Agrawal Mr. Navneet Manaksia Mr. B.D. Agrawal Mrs. Chandrakala Agrawal Mr. Varun Kumar Agrawal Mrs. Shailja Agrawal Mrs. Manju Agrawal Mrs. Latika Basak	Wife Son Brother Wife Son Wife Wife Wife

b.

Sl. No.	Nature of Transactions	Associates	Key Management Personnel	Relatives	Total as on 31.12.2008
1.	Purchase Of Goods	7.90 (1.45)	NIL NIL	NIL NIL	7.90 (1.45)
2.	Sale Of Goods	0.30 NIL	NIL NIL	NIL NIL	0.30 NIL
3.	Payment against rendering of Services	NIL NIL	2.81 (1.66)	1.75 (1.24)	4.56 (2.90)
4.	Finance (including loans & equity contributions in cash or kind) given (Net)	NIL NIL	NIL NIL	NIL NIL	NIL NIL
5.	Finance (including loans & equity contributions in cash or kind) received (Net)	20.68 (47.41)	NIL NIL	NIL NIL	20.68 (47.41)
6.	Dividend & Interest Income	32.07 (52.65)	NIL NIL	NIL NIL	32.07 (52.65)
7.	Interest Expense	NIL (6.03)	NIL NIL	NIL NIL	NIL (6.03)
8.	Remunerations	NIL NIL	33.35 (22.21)	10.80 (10.80)	44.15 (33.01)
9.	Amount Due from as of March 31, 2008	25.01 (24.93)	NIL NIL	NIL NIL	25.01 (24.93)
10.	Amount Due to as of March 31, 2008	NIL (0.00)	NIL NIL	-0.90 (2.15)	0.90 (2.15)

Note:- 1. 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.
2. Figures in the bracket represent previous year figures.

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

xi) Segment information as on and for the year ended 31st March, 2008 are as below:

a) Primary Segment Information

Rs. in Lacs

	Particulars	Packaging Products		Mosquito Coil		Metal Products		Engineering & Others		Unallocable		Eliminations		Total	
		31/3/2008	31/3/2007	31/3/2008	31/3/2007	31/3/2008	31/3/2007	31/3/2008	31/3/2007	31/3/2008	31/3/2007	31/3/2008	31/3/2007	31/3/2008	31/3/2007
Segment Revenue	Segment Revenue	14,273.04	13,517.95	6,945.45	8,887.06	97,015.52	62,269.93	2,439.13	3,751.95	-	-	-	-	120,673.14	88,426.89
	"Less : Inter Unit Transfer"	1,415.03	2,015.16	-	-	5,091.57	5,753.22	314.95	186.39	-	-	-	-	6,821.55	7,954.77
	External Turnover	12,858.01	11,502.79	6,945.45	8,887.06	91,923.95	56,516.71	2,124.18	3,565.56	-	-	-	-	113,851.59	80,472.12
	"Add : Inter Segment"	769.83	789.26	-	-	138.51	1,431.54	143.80	177.30	-	-	(1,052.14)	(2,398.10)	-	-
	TOTAL	13,627.84	12,292.05	6,945.45	8,887.06	92,062.46	57,948.25	2,267.98	3,742.86	-	-	(1,052.14)	(2,398.10)	113,851.59	80,472.12
	"Less : Excise duty/Service Tax recovered"	1,410.01	1,385.65	1,103.31	1,582.31	2,504.80	1,809.54	14.34	20.39	-	-	-	-	5,032.46	4,797.89
	Less : Commercial Tax	213.87	227.28	158.72	215.00	529.71	407.81	0.95	2.55	-	-	-	-	903.25	852.64
	Net External Turnover	12,003.96	10,679.12	5,683.43	7,089.75	89,027.95	55,730.90	2,252.69	3,719.92	-	-	(1,052.14)	(2,398.10)	107,915.88	74,821.59
	Segments Results (PBIT)	1,344.29	1,344.37	574.50	585.06	16,739.44	11,899.72	672.62	722.73	-	-	-	-	19,330.85	14,551.88
	"Less : Unallocated corporate Expenses net of unallocated income"	-	-	-	-	-	-	-	-	(562.58)	(25.98)	-	-	(562.58)	(25.98)
Segment Results	Operating Profit	1,344.29	1,344.37	574.50	585.06	16,739.44	11,899.72	672.62	722.73	(562.58)	(25.98)	-	-	18,768.27	14,525.90
	Less : Interest Expenses	-	-	-	-	-	-	-	-	4,922.10	4,502.42	-	-	4,922.10	4,502.42
	Add : Interest Income	-	-	-	-	-	-	-	-	115.36	170.33	-	-	115.36	170.33
	Less : Prior Period Items	-	-	-	-	-	-	-	-	10.12	75.94	-	-	10.12	75.94
	Profit before Tax	1,344.29	1,344.37	574.50	585.06	16,739.44	11,899.72	672.62	722.73	(5,379.43)	(4,434.00)	-	-	13,951.41	10,117.87
	Current Tax	-	-	-	-	-	-	-	-	949.73	595.66	-	-	949.73	595.66
	Fringe Benefit Tax	-	-	-	-	-	-	-	-	62.07	72.98	-	-	62.07	72.98
	Deferred Tax	-	-	-	-	-	-	-	-	360.39	242.82	-	-	360.39	242.82
	MAT Credit	-	-	-	-	-	-	-	-	(22.52)	-	-	-	(22.52)	-
	Short/(Excess) Provision for Taxation for Earlier Years	-	-	-	-	-	-	-	-	(218.00)	2.75	-	-	(218.00)	2.75
Other Information	Net Profit	1,344.29	1,344.37	574.50	585.06	16,739.44	11,899.72	672.62	722.73	(6,511.09)	(5,348.21)	-	-	12,819.74	9,203.66
	Segment Assets	16,512.29	13,725.46	8,350.63	11,515.66	77,757.28	65,410.64	4,989.65	4,908.73	30,312.43	15,453.33	-	-	137,922.28	111,013.82
	Segment Liabilities	2,159.79	1,505.19	915.78	1,702.25	19,936.33	18,859.42	350.18	373.95	5,291.84	1,868.10	-	-	28,653.92	24,308.91
	Capital Expenditure	2,277.57	1,610.17	124.28	173.47	5,126.13	5,177.80	16.27	0.79	(718.16)	924.95	-	-	6,826.09	7,887.17
	Depreciation	767.56	546.15	391.94	389.21	2,519.09	1,995.07	251.66	64.12	76.57	386.07	-	-	4,006.82	3,380.62

b) Secondary Segment Information

Rs. in Lacs

	31.03.08	31.03.07
1. Segment Revenue - External Turnover		
- India	42,367.80	35,887.68
- Overseas	71,483.79	44,584.44
Total Segment Revenue	113,851.59	80,472.12
2. Segment Assets		
- India	77,547.71	61,932.10
- Overseas	60,374.57	49,081.72
Total Segment Assets	137,922.28	111,013.82
3. Capital Expenditure		
- India	1,164.62	1,147.42
- Overseas	5,661.47	6,739.75
Total Expenditure	6,826.09	7,887.17

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 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.
- 2) Secondary Segment : Geographical segment has been identified as secondary segment. Geographical segments considered for disclosures are:
India
Overseas.

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.

- a. 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.
- b. 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.
- c. In respect of foreign subsidiaries figures have been converted for the purpose of Consolidation at exchange rate on balance sheet date.

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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, 2008"	Percentage of voting power as at "31st March, 2007"
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%
Crescent Industries (Nepal) Pvt. Ltd. **Nepal	100.00%	100.00%	
Mark Steels Ltd. **	India	100.00%	100.00%
Euroasian Ventures FZE ** UAE	100.00%	100.00%	

* For the consolidation purpose B/S drawn upto 31st December, 2007 has been considered.

** For the consolidation purpose B/S drawn upto 31st March, 2008 has been considered.

xiii) **Outstanding dues of micro enterprises and small enterprises**

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid / payable under this Act have not been given.

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

Rs. in Lacs

i) Defined contribution Plan Contribution to defined contribution plan, recognized are charged of during the year as follows: Employees' contribution to Provident Fund	79.28
ii) <u>Defined benefit plan</u> 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.	
a) Reconciliation of opening and closing balances of defined obligation:	
1) Defined benefit obligation at the beginning of the year	241.08
2) Adjustment in opening balance due to change in method of calculation as prescribed by AS-15 issued by The Institute of Chartered Accountants of India, reduced from General Reserves (Refer Schedule 'B')	2.82
3) Current service cost	39.31
4) Interest cost	22.40
5) Actuarial (gain) / loss	15.96
6) Benefit paid	(5.07)
7) Defined benefit obligation at the year end	316.50
b) Reconciliation of fair value assets and obligations:	
1) Fair value of plan assets as at 31st March 2008	Nil
2) Present value of obligations as at 31st March 2008	316.50
3) Amount recognized in balance sheet	316.50
c) Expenses recognized during the year (under the head salaries, wages & Bonus schedule - O)	
1) Current service cost	39.31
2) Interest cost	22.40
3) Actuarial (gain) / Loss	15.96
4) Net amount	77.67
d) Actuarial assumptions	
1) Mortality table	LIC
2) Discount rate (per annum)	8%
3) Rate of escalation in salary (per annum)	5%
4) Expected average remaining working lives of employees (years)	21.27
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. This being the first year of implementation previous year figures have not been given.	

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SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

xv) The Company has raised Rs. 24800.00 Lacs by issue of shares in public issue during the year and utilised the proceeds of the issue as stated in the letter of offer.

Statement of Utilisation of Public Issue proceeds as on March 31, 2008	
Particulars	
Gross proceeds of the Issue	24,800.00
Less : - Issue related expenses	1,500.12
Net proceeds of the issue	23,299.88
Deployment	
Repayment of debt	6,000.00
Expansion of metals business	974.30
General Corporate purposes	2,592.75
Short term investments in mutual funds pending utilization	13,732.83
Total	23,299.88

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

Signature to Schedules A to T.

In terms of our attached report of even date.

8 N S Road, Gillander House
Block A, 3rd Floor, Room No. 7
Kolkata - 700 001

For **SRB & Associates**
Chartered Accountants

R N Sengupta
Chairman

B K Agrawal
Managing Director

S.Patra
Partner

Membership No. 056121

S K Sultania
Company Secretary

Dated : 28th June 2008