

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 2009 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 for 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, Crescent Industries (Nepal) Pvt Ltd, Nepal, Mark Steels Ltd, India, Euroasian Ventures FZE, UAE, Solex Chemicals Pvt Ltd, India, Manaksia Global Ltd, Mauritius, Euroasian Steels LLC, Georgia and Manaksia Worldwide Corporation, Netherland, whose financial statements reflect total assets of Rs. 55,717.71 Lacs as at 31st March, 2009 and total revenues of Rs. 67,504.04 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 report of the other auditors.

We report that the 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 other auditors, the consolidated financial position of Manaksia Limited and its subsidiaries as at 31st March, 2009 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.

8, N.S. Road, Gillander House
Block –A, 3rd Floor
Room No. 7
Kolkata – 700 001
Date : 30.06.2009

For SRB & Associates
Chartered Accountants

S. Patra
Partner
Membership No. : 056121

Manaksia Limited

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

Rs. in Lacs

	Schedule	31st March 2009	31st March 2008
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
(a) Share Capital	A	1,390.68	1,628.08
(b) Reserves & Surplus	B	79,278.91	71,453.77
		80,669.59	73,081.85
MINORITY INTEREST			
- Share Capital		0.01	-
LOAN FUNDS			
(a) Secured	C	38,480.72	27,464.34
(b) Unsecured	D	4,267.95	4,077.21
		42,748.67	31,541.55
DEFERRED TAX LIABILITY (Net)		4,980.15	4,644.96
TOTAL		128,398.42	109,268.36
APPLICATION OF FUNDS			
FIXED ASSETS			
(a) Gross Block	E	76,216.01	66,086.42
(b) Less: Accumulated Depreciation/Amortisation		21,349.84	16,044.20
(c) Net Block		54,866.17	50,042.22
(d) Capital Work in Progress		15,049.91	7,767.82
		69,916.08	57,810.04
INVESTMENTS	F	6,120.98	13,847.85
FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT		606.75	-
CURRENT ASSETS, LOANS & ADVANCES			
(a) Inventories	G	37,101.82	30,389.63
(b) Sundry Debtors	H	27,218.36	18,530.71
(c) Cash and Bank Balances	I	3,558.09	1,286.14
(d) Loans and Advances	J	16,267.38	16,011.48
		84,145.65	66,217.96
Less :			
CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	K	30,135.36	26,487.90
Provisions	L	2,289.06	2,166.02
		32,424.42	28,653.92
NET CURRENT ASSETS		51,721.23	37,564.04
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
Deferred Revenue Expenditure		6.25	18.73
Preliminary Expenses		27.13	27.70
TOTAL		128,398.42	109,268.36

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.

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

Nitin Didwania
Company Secretary

Dated : 30th June 2009

Membership No. 056121

Manaksia Limited

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Rs. in Lacs

Schedule		2008-2009	2007-2008
INCOME			
Gross Sales		153,502.66	120,203.58
Processing Income		499.96	469.56
		154,002.62	120,673.14
Less : Excise Duty		4,371.53	5,032.46
Commercial Tax		624.44	903.25
Net Sales		149,006.65	114,737.43
Other Income	M	1,158.14	411.42
		150,164.79	115,148.85
EXPENDITURE			
Decrease/(Increase) in Stocks	N	(118.10)	4,191.50
Excise Duty on Stocks		(71.75)	17.88
Raw Materials & Components Consumed (including Trading Goods)	O	100,581.61	67,569.58
Manufacturing, Administrative, Selling & Other Expenses	P	23,967.11	20,544.41
Directors Remuneration	Q	46.40	50.39
		124,405.27	92,373.76
PROFIT BEFORE INTEREST, DEPRECIATION & TAX			
Interest (Net)	R	25,759.52	22,775.09
Depreciation / Amortisation	E	6,355.77	4,806.74
		5,343.05	4,006.82
PROFIT BEFORE PRIOR PERIOD & EXCEPTIONAL ITEMS			
Less : Prior Period Items		14,060.70	13,961.53
Less : Exceptional Item		217.11	10.12
		2,836.16	-
PROFIT BEFORE TAXATION			
Less : Provision for Taxation		11,007.43	13,951.41
Current Tax		373.98	949.73
Fringe Benefit Tax		71.15	62.07
Deferred Tax		335.19	360.39
MAT Credit		(15.58)	(22.52)
PROFIT AFTER TAXATION			
Short/(Excess) Provision for Taxation for Earlier Years		10,242.69	12,601.74
		(388.10)	(218.00)
PROFIT AFTER ADJUSTMENT			
Balance from last period		10,630.79	12,819.74
		20,832.50	12,103.67
PROFIT AVAILABLE FOR APPROPRIATION			
		31,463.29	24,923.41
APPROPRIATIONS			
Transfer to General Reserve		250.00	1,450.00
Dividend on Preference Shares		5.46	11.87
Dividend on Equity Shares		1,529.75	1,390.68
Tax on Dividends		260.91	238.36
Transfer to Exchange Fluctuation Reserve		200.00	1,000.00
Transfer to Debenture Redemption Reserve		150.00	-
Balance carried to the balance sheet		29,067.17	20,832.50
		31,463.29	24,923.41
Basic and diluted earning per share (EPS) (Face value of Rs. 2 each)			
EPS before Prior Period and Exceptional Items		19.11	21.75
EPS after Prior Period and Exceptional Items		14.72	21.73
(Refer to Note No. 2.(vii) of Schedule "S")			

ACCOUNTING POLICIES & NOTES

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

8 N S Road, Gillander House
Block A, 3rd Floor, Room No. 7
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For **SRB & Associates**
Chartered Accountants

R N Sengupta
Chairman

B K Agrawal
Managing Director

S.Patra
Partner

Membership No. 056121

Dated : 30th June 2009

Nitin Didwania
Company Secretary

Manaksia Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Rs. in Lacs

Particulars		31st March 2009	31st March 2008
A: CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit before Tax & Extraordinary items :		11007.43	13951.41
Adjustment for:			
Depreciation		5343.05	4006.82
Provision for Doubtful Debts written back		(9.55)	-
Finance Cost & Interest (Net)		6355.77	4806.74
Loss/ (Profit) on Fixed Assets Sold / Discarded (Net)		(14.68)	17.25
Prior Period & Exceptional Items (Net)		3053.27	10.12
Loss from Partnership Firm		-	0.22
Deferred Revenue Expenditure written off		12.48	6.24
Dividend Income		(766.56)	(309.68)
Unrealised Loss in Foreign Exchange		303.38	-
Amortisation of Preliminary Expenses		0.57	0.07
Operating Profit before Working Capital Changes		25285.16	22489.19
Adjustment for:			
Change in Trade & Other Receivables		(6659.11)	(12396.29)
Change in Inventories		(6712.21)	1099.48
Change in Trade Payable		3538.01	3103.67
Cash Generated from Operations		15451.85	14296.05
Direct Taxes Paid		(1637.53)	(265.80)
Cash Flow before Prior Period & Exceptional items		13814.32	14030.25
Prior Period & Exceptional Items (Net)		(3053.27)	(10.12)
Net Cash Flow from Operating Activities	(A)	10761.05	14020.13
B: CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets and change in Capital work in progress		(17615.51)	(9043.43)
Sale of Fixed Assets		103.39	1741.48
Purchase of Investments		(6053.53)	(13825.28)
Sale of Investments		13780.40	10.00
Interest Received		576.14	115.36
Dividend Received		766.56	309.68
Loss from Partnership Firm		-	(0.22)
Net cash Used in Investing Activities	(B)	(8442.55)	(20692.41)
C: CASH FLOW FROM FINANCING ACTIVITIES:			
Public issue of Shares		-	310.00
Premium on Public Issue of Shares		-	24490.00
Public Issue Expenses		(72.22)	(1500.12)
Redemption of Preference Shares		(237.40)	-
Issue of Debentures		6000.00	-
Repayment of Long Term Borrowings (Net)		(902.13)	(1371.11)
(Repayment of)/ Proceeds from Short Term Borrowings (Net)		5199.16	(9827.48)
Payment of Dividend on Equity Shares		(1386.30)	(108.07)
Payment of Dividend on Preference Shares		(17.33)	(6.42)
Dividend Tax Paid		(239.29)	(19.46)
Interest etc. Paid		(6935.50)	(4918.82)
Utilisation of Exchange Fluctuation Reserve		(1455.53)	-
Net Cash Flow From Financing Activities	(C)	(46.55)	7048.52
D: Net Increase/(Decrease) in Cash and Cash Equivalents	(A+B+C)	2271.95	376.24
Cash and Cash Equivalents as at 1st April		1286.14	909.90
Cash and Cash Equivalents as at 31st March		3558.09	1286.14

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

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For **SRB & Associates**
Chartered Accountants

R N Sengupta
Chairman

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Managing Director

S. Patra
Partner

Nitin Didwania
Company Secretary

Dated : 30th June 2009

Membership No. 056121

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE A

Rs. in Lacs

	31.03.09	31.03.08
SHARE CAPITAL		
Authorised :		
7,00,00,000 (7,00,00,000) 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
- (1,187,000) 5% optionally convertible Non-cumulative Redeemable Preference Shares of Rs. 20/- each	-	237.40
	1,390.68	1,628.08

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 previous 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 were redeemed during current financial year.

SCHEDULE B

Rs. in Lacs

	31.03.09	31.03.08
RESERVES & SURPLUS		
Capital Reserve	94.29	94.29
Investment Subsidy	89.58	89.58
Amalgamation Reserve	123.45	123.45
Exchange Fluctuation Reserve	200.00	1,455.53
Share Premium		
As per last Balance Sheet	22,989.88	-
Add : Received on issue of Equity Shares	-	24,490.00
Less : Issue related Expenses	(72.22)	(1,500.12)
	22,917.66	22,989.88
Capital Redemption Reserve Account		
Transfer from General Reserve	237.40	-
	237.40	-
Debenture Redemption Reserve Account		
Arising during the year	150.00	-
	150.00	-
General Reserve		
As per last Balance Sheet	25,868.55	25,495.58
Arising during the year	832.47	(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	15.24	0.72
Less: Short Prov for Tax For Earlier Years	(329.50)	-
Add : Transfer from Profit & Loss A/c	250.00	1,450.00
Less: Transfer to Capital Redemption Reserve Account	(237.40)	-
	26,399.36	25,868.54
Surplus as per annexed Profit & Loss Account	29,067.17	20,832.50
	79,278.91	71,453.77

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE C

Rs. in Lacs

	31.03.09	31.03.08
SECURED LOANS *		
I) Debentures (Privately Placed)		
600 (Nil) 11.95% Non convertible Debentures of Rs. 10 lacs each	6,000.00	-
II) Loans from Banks & Financial Institutions		
a) Long Term		
1) Foreign Currency Loans	13,062.95	8,367.54
2) Rupee Loans	234.72	4,791.48
b) Short Term		
Working Capital Demand Loans & Cash Credit Accounts	19,183.05	14,305.32
	38,480.72	27,464.34

*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

	31.03.09	31.03.08
UNSECURED LOANS		
Under Sales Tax Deferrment Scheme (Interest Free) :		
(Including Rs.240.55 Lacs (Previous Year Rs. 204.86 Lacs) falling due for payment within one year)	2,546.74	2,677.37
From Directors	4.25	4.27
From Bodies Corporate	1,716.96	1,395.57
	4,267.95	4,077.21

SCHEDULE E

FIXED ASSETS

Rs. in Lacs

	Gross Block				Depreciation				Net Block	
	Cost As at 01.04.08	Addition	Deletion	Cost As at 31.03.09	As at 01.04.08	Adjust- ment	For the Year	Up to 31.03.09	As at 31.03.09	As at 31.03.08
Tangible Assets :										
Land*	746.66	96.25	-	842.91	-	-	-	-	842.9	746.66
Leasehold Land	326.02	-	-	326.02	45.83	(18.35)	5.34	32.82	293.20	280.19
Buildings	10,140.03	166.55	-	10,306.58	1,310.65	-	318.94	1,629.59	8,676.99	8,829.38
Plant & Machinery	49,465.08	9,227.06	63.10	58,629.04	12,774.62	(1.41)	4,548.60	17,321.81	41,307.23	36,690.46
Electrical Installations	1,956.57	30.73	-	1,987.30	350.66	(0.10)	93.34	443.90	1,543.40	1,605.91
Electric Generator	922.40	27.49	27.62	922.27	267.35	(5.76)	49.01	310.60	611.67	655.05
Computers	362.18	57.19	0.46	418.91	239.34	(1.87)	46.20	283.67	135.24	122.84
Office Equipments	246.73	21.79	-	268.52	116.81	(0.01)	17.47	134.27	134.25	129.92
Furniture & Fixtures	395.90	59.88	0.12	455.66	182.25	(2.11)	32.24	212.38	243.28	213.65
Vehicles	1,448.85	419.87	30.60	1,838.12	703.29	(18.45)	206.32	891.16	946.96	745.56
Lease Assets	68.16	-	-	68.16	51.70	(1.69)	6.11	56.12	12.04	16.46
Intangible Assets :										
Computer Software	7.84	144.68	-	152.52	1.70	1.32	30.50	33.52	119.00	6.14
TOTAL	66,086.42	10,251.49	121.90	76,216.01	16,044.20	(48.43)	5,354.07	21,349.84	54,866.17	50,042.22
Less : Capitalised During the Year							11.02			
							5,343.05			
Previous Year	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	46,108.66
Capital Work in Progress	7,228.23	16,490.41	8,668.73	15,049.91	-	-	-	-	15,049.91	7,228.23

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.	31.03.09	31.03.08
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	4.25
United Bank for African	-	35.00N	-	3.58
	(30,000.00)			
Zenith Bank Plc	-	38.90N	-	66.38
	(500,000.00)			
Kutaisi Steel & Concrete Production Fty	312,667	1GEL	247.45	-
	-			
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.	-		-	10.00
Premium of Rs. 400/- each	(2,000)	100.00		
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	-	10.00	-	3,119.41
Quarterly Interval Plan - Series I	(31,146,761)			
UTI Fixed Income Interval Fund-Mip	-	10.00	-	5,009.05
Monthly Interval Plan - Series I	(50,000,000)			
UTI Liquid Plus Fund Institutional	-	1,000.00	-	1,118.82
Plan (Daily Dividend Option) - Re investment	(111,858)			
LIC MF Liquid Plus Fund	506,347	10.00	50.63	4,503.79
Daily dividend Plan	(45,037,886)			
HDFC Short Term Plan- Dividend	3,893,860	10.34	402.67	-
	-			
HDFC Short Term Plan- Dividend	3,893,860	10.34	402.67	-
	-			
AIG India Treasury Fund Super	49,952,441	10.01	5,000.74	-
Institutional Daily Dividend Plan	-			
			6,120.98	13,847.85
Aggregate amount of investments :				
Quoted			0.97	0.97
Unquoted			6,120.01	13,846.88
Market Value of Quoted Investments			1.17	1.51

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)
LIC MF Floating Rate Fund-Short term plan-Growth Plan	532,668,348	10.00	33,651.02
AIG India Liquid Fund Super Institutional Daily Dividend	1,019,078	1,000.81	10,200.00
Reliance Liquidity Fund Daily Dividend Reinvestment Option	139,956,613	10.00	14,000.00
28 Q ICICI Prudential- Flex Income Plan	132,406,488	10.57	14,000.00
Mirae Asset Liquid Fund Super Inst- Daily Dividend Plan	1,399,000	1,000.71	14,000.00
HDFC Short Term Plan- Dividend	7,755,996	10.31	805.34
LIC MF Saving Plus Fund- Daily Dividend Plan	2,817,000,000	10.00	281,700.00
Shares Sold during the year			
Shree Rameswar Himghar (P) Ltd.	2,000	100.00	10.00

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE G

Rs. in Lacs

	31.03.09	31.03.08
INVENTORIES		
At Lower of Cost or Net Realisable Value		
Raw Materials	24,753.24	18,734.03
Finished Goods	6,918.76	6,396.71
Work-in-Process	3,498.16	3,933.36
Stores & Spares	1,723.67	1,188.83
At Cost		
Stock in Trade in Transit	92.36	52.32
At Estimated Realisable Value		
Scraps	115.63	84.38
	37,101.82	30,389.63

SCHEDULE H

SUNDRY DEBTORS		
(Unsecured)		
Considered Doubtful not provided for -		
Outstanding over six months	16.37	25.92
Less : Provision for Doubtful Debts	16.37	(25.92)
Considered Good -		
Outstanding over six months	2,328.11	1,891.38
Other Debts	24,890.25	16,639.33
	27,218.36	18,530.71

SCHEDULE I

CASH AND BANK BALANCES		
Cash in Hand	81.40	126.37
Cheque in Hand	-	7.53
With Scheduled Banks in :		
Current Accounts	2,537.56	1,057.51
Savings Accounts	11.16	0.06
Fixed Deposits	908.17	94.23
Unclaimed Dividend money lying in escrow account	4.82	0.44
Margin Accounts	14.98	-
	3,476.69	-
	3,558.09	1,286.14

Note: Fixed Deposits are pledged with

1. Bank as Margin Money against - Bank Guarantee Rs. 52.34 Lacs (Previous Year Rs.45.27 Lacs)
2. Commercial Tax Authorities Rs. 1.12 Lacs (Previous Year Rs.1.12 Lacs)

SCHEDULE J

LOANS AND ADVANCES		
(Unsecured - Considered good except stated otherwise)		
Loans		
Bearing Interest	639.75	442.38
Not Bearing Interest	107.92	32.94
	747.67	475.32
Advances :		
Advance Recoverable in cash or in kind or for value to be received or pending adjustment	10,382.86	8,511.12
MAT Credit Entitlement	65.51	49.93
Balances with Central Excise and other Statutory Authorities	3,375.51	2,265.79
Other Deposits	1,695.83	4,709.32
	15,519.71	15,536.16
	16,267.38	16,011.48

SCHEDULE K

CURRENT LIABILITIES		
Sundry Creditors for Goods, Services, Expenses etc.	27,536.13	24,347.05
Advance against Sales	923.19	911.69
Temporary Overdrawn from Banks	-	235.95
Interest accrued but not due on Loans	292.98	120.72
Unclaimed Dividend	4.82	0.44
Other Liabilities	1,378.24	872.05
	30,135.36	26,487.90

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE L

Rs. in Lacs

	31.03.09	31.03.08
PROVISIONS		
Gratuity	362.49	316.52
Excise Duty	136.84	208.59
Proposed Dividend	1,529.75	1,402.55
Tax on Proposed Dividend	259.98	238.36
	2,289.06	2,166.02

SCHEDULE M

OTHER INCOME		
Income from Current Investment :		
Tax Free Dividends From Mutual Funds	766.56	309.68
Profit on sale of Investment	101.56	-
Provision for Doubtful Debts Written Back	9.55	-
Profit on Sale of Fixed Assets (Net)	14.68	-
Miscellaneous Income	265.79	101.74
	1,158.14	411.42

SCHEDULE N

DECREASE/(INCREASE) IN STOCKS		
Opening 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
Less :		
Closing Stock :		
Finished Goods	6,918.76	6,396.71
Work in Progress	3,498.16	3,933.36
Scrap	115.63	84.38
	10,532.55	10,414.45
	(118.10)	4,191.50

SCHEDULE O

RAW MATERIALS & COMPONENTS CONSUMED		
Opening Stock	18,734.03	15,725.62
Add : Purchases & Procurement Expenses / Job Charges (net of sales)	106,600.82	70,577.99
Less :		
Closing Stock	24,753.24	18,734.03
	100,581.61	67,569.58

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE P

Rs. in Lacs

	31.03.2009	31.03.2008
MANUFACTURING, ADMINISTRATIVE, SELLING AND OTHER EXPENSES		
Consumption of Stores and Consumables	1,312.04	1,578.11
Power & Fuel	3,768.75	3,555.11
Primary Packing Material	806.00	1,034.00
Processing Charges	633.46	827.02
Clearing Charges	2,196.17	1,160.88
Carriage Inward	470.54	369.60
Repairs to:		
Building	445.04	163.68
Machinery	696.28	530.08
Others	49.62	77.44
Other Manufacturing Expenses	763.69	282.21
Salaries, Wages and Bonus	2,803.65	2,338.16
Contribution to Provident and Other Funds	182.77	181.12
Welfare Expenses	754.32	671.40
Rent	298.90	235.15
Insurance	397.36	336.85
Rates & Taxes	94.80	49.84
Packing Expenses	621.62	714.58
Freight, Forwarding and Handling Expenses	2,266.45	2,455.52
Communication Expenses	211.87	176.23
Travelling & Conveyance	700.02	541.98
Discount	186.91	94.74
Bad Debt	26.14	3.04
Auditors' Remuneration :		
As Auditors	29.74	26.05
As Advisor in Taxation Matters	3.24	3.21
In other capacity for Certificates and other services	0.05	6.00
Less : Transferred to Public Issue Expenses	33.03	(6.00)
Donations	32.28	10.94
Loss From Partnership Firm	-	0.22
Loss on Sale/Discarding of Fixed Assets	-	17.25
Preliminary Expenses Written off	0.56	15.38
Commission	175.21	62.23
Other Miscellaneous Expenses	4,039.63	3,032.39
	23,967.11	20,544.41

SCHEDULE Q

DIRECTORS' REMUNERATION		
Salary & Bonus	35.28	39.01
Medical Expenses	0.59	1.93
Meeting Fees	4.80	4.11
Perquisites	5.73	5.34
	46.40	50.39

SCHEDULE R

FINANCE COST & INTEREST (Net)		
Finance Cost		
Net exchange loss/(gain) on translation of Loans in foreign currency	653.28	(118.92)
Interest Charge		
To Financial Institutions / Banks		
On Debentures	203.26	-
On Fixed Loans	3,195.69	1,383.06
On Others	2,958.71	3,607.25
To Others	96.83	50.71
	7,107.77	4,922.10
Less: Interest Income		
From Banks	317.88	5.37
From Others	434.12	109.99
(T.D.S. Rs. 175.85 Lacs, Previous Year Rs. 22.99 Lacs)	6,355.77	4,806.74

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

SCHEDULE S

Notes annexed to and forming part of Company's Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2009

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.
- 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.
- 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.
- In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- 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.

viii) Inventories

Inventories are valued as under –

- 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.
- 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.

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

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.

xii) 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.

xiii) 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.

xiv) 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.

xv) Shares issue Expenses

Shares issue expenses have been adjusted against Share Premium Account.

xvi) 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.

xvii) 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.

xviii) Taxation

Tax expenses comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax are 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 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. 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.

xix) 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.

xx) Assets Acquired under Lease

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

xxi) Sales

- a) Sales include trade sales and inter divisional transfer.
- b) Sales include applicable taxes unless separately 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.

xxii) Prior Period Expenses/Income

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

xxiii) 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 ACCOUNTS

2) Notes on Accounts

Rs. in Lacs

	Balance as on	
	31.03.09	31.03.08
i) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	3906.00	1783.92

Rs. in Lacs

	Balance as on	
	31.03.09	31.03.08
ii) Contingent Liabilities not provided for in respect of :		
1) Excise duty demands under appeal	2533.21	2237.40
2) Sales tax and Entry tax demand under appeal.	93.25	141.55
3) Income tax demands under appeal.	73.53	102.91
4) Excise duty liability on goods exported pending submission of proof of export.	0.32	26.16
5) Custom Duty	27.29	46.42
6) Service Tax	4.60	
7) Civil	0.58	0.58
8) Municipal Tax	103.85	110.69
9) Demand by Haldia Development Authority towards Land Premium	332.50	-
10) Stamp Duty for Registration of Land	49.45	-

- iii) a) Sundry Creditors include Rs. 121.07 Lacs (Previous Year Rs. 214.05 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. 359.61 Lacs (Previous Year Rs. 127.02 Lacs)
iv) Exceptional items Rs. 2836.16 lacs represents short term fluctuation loss after adjusting loss of Rs. 1455.53 lacs with exchange fluctuation Reserve.

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

Rs. in Lacs

	Balance as on	
	31.03.09	31.03.08
Due from Associates Concern :		
Under Advance Head :		
Arena Machineries Limited	-	25.01
Agrim Steel Industries Ltd	-	0.21
	-	24.80

Rs. in Lacs

	Balance as on	
	31.03.09	31.03.08
vi) The deferred tax liability as at 31st March 2009 comprise of the following :		
a. Deferred Tax Liability		
Timing difference in depreciable assets	5,187.41	4,822.22
b. Deferred Tax Assets		
Expenses allowable against taxable income in future years	(207.26)	(177.26)
c. Provision for Deferred Tax (Net)	4,980.15	4,644.96

- 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	
	31.03.09	31.03.08
Profit as per Profit & Loss Account	10242.69	12601.74
Less : Preference Dividend for the year (including dividend tax)	6.39	13.89
	10236.30	12587.86
Add : Prior Period item	217.11	10.12
Add : Exceptional Item	2836.16	-
Profit before Prior Period and Exceptional Items	13289.57	12597.97
Weighted average number of equity shares	69534050	57930225
Nominal value per share (Rs.)	2.00	2.00
Basic and Diluted earning per share (EPS)		
EPS before Prior Period and Exceptional Items (Rs.)	19.11	21.75
EPS after Prior Period and Exceptional Items (Rs.)	14.72	21.73

- 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 ACCOUNTS

ix) In line with the notification dated 31st March, 2009 issued by the Ministry of Corporate Affairs, amending Accounting Standard (AS) 11 - 'Effects of Changes in Foreign Exchange Rates', the Company has chosen to exercise the option under paragraph 46 inserted in the standard by the notification.

Accordingly with retrospective effect from 1st April, 2007 exchange differences on all long term monetary items are :

- to the extent such items are used for financing fixed assets, added to/subtracted from the cost of those fixed assets and depreciated over the balance useful life of the asset.
- in other cases accumulated in the 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance period of such long term monetary item but not beyond 31st March, 2011.

Arising from the above the Company has :

- charged to the Profit and Loss Account Rs. 303.38 Lacs.
- carried forward Rs. 606.75 Lacs in the 'Foreign Currency Monetary Item Translation Difference Account' being the amount remaining to be amortised as at 31st March, 2009.

x) Financial and Derivative Instruments :-

- Derivative contracts entered into by the company and outstanding as on 31st March 2009
 - For hedging Interest rate related risk - (LIBOR Hedging) USD 5.00 Million (Previous Year USD 6.50 Million)
 - For hedging commodity related risks - Forward contract (Net) USD 60.00 Million (Previous Year USD 29.00 Million)
- Foreign currency loan that are not hedged USD 14.30 Million (Previous Year USD 14.50 Million)

xi) 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 31.03.2009
1.	Purchase Of Goods	19.52 (7.90)	NIL NIL	NIL NIL	19.52 (7.90)
2.	Sale Of Goods	1.59 NIL	NIL NIL	NIL NIL	1.59 NIL
3.	Payment against rendering of Services	NIL NIL	2.88 (2.81)	1.78 (1.75)	4.66 (4.56)
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)	26.09 (20.68)	NIL NIL	NIL NIL	26.09 (20.68)
6.	Dividend & Interest Income	1.62 (32.07)	NIL NIL	NIL NIL	1.62 (32.07)
7.	Interest Expense	NIL NIL	NIL NIL	NIL NIL	NIL NIL
8.	Remunerations	NIL NIL	33.33 (33.35)	8.40 (10.80)	41.73 (44.15)
9.	Amount Due from as of 31st March 2009	NIL (25.01)	NIL NIL	NIL NIL	NIL (25.01)
10.	Amount Due to as of 31st March 2009	NIL NIL	NIL NIL	NIL (0.90)	NIL (0.90)

Notes:-

- 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.
- Figures in the bracket represent previous year figures.

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

xii) Segment information as on and for the year ended 31st March, 2009 are as below:

a) Primary Segment Information

Rs. in Lacs

	Particulars	Packaging Products		Mosquito Coil		Metal Products		Engineering & Others		Unallocable		Eliminations		Total	
		31/3/2009	31/3/2008	31/3/2009	31/3/2008	31/3/2009	31/3/2008	31/3/2009	31/3/2008	31/3/2009	31/3/2008	31/3/2009	31/3/2008	31/3/2009	31/3/2008
Segment Revenue	Segment Revenue	15,621.55	14,273.04	3,744.89	6,945.45	125,861.36	97,015.52	8,774.82	2,439.13	-	-	-	-	154,002.62	120,673.14
	"Less : Inter Unit Transfer"	629.17	1,415.03	20.38	-	9,613.57	5,091.57	259.80	314.95	-	-	-	-	10,522.92	6,821.55
	External Turnover	14,992.38	12,858.01	3,724.51	6,945.45	116,247.79	91,923.95	8,515.02	2,124.18	-	-	-	-	143,479.70	113,851.59
	"Add : Inter Segment Turnover"	709.42	769.83	0.03	-	322.64	138.51	244.79	143.80	-	-	(1,276.88)	(1,052.14)	-	-
	Total	15,701.80	13,627.84	3,724.54	6,945.45	116,507.43	92,062.46	8,759.81	2,267.98	-	-	(1,276.88)	(1,052.14)	143,479.70	113,851.59
	"Less : Excise duty/Service Tax recovered"	956.45	1,410.01	523.16	1,103.31	2,859.76	2,504.80	32.16	14.34	-	-	-	-	4,371.53	5,032.46
	Less : Commercial Tax	174.04	213.87	46.58	158.72	403.42	529.71	0.40	0.95	-	-	-	-	624.44	903.25
Segment Results	Net Turnover	14,571.31	12,003.96	3,154.80	5,683.43	113,307.25	89,027.95	8,727.25	2,252.69	-	-	(1,276.88)	(1,052.14)	138,483.73	107,915.88
	Segments Results (PBIT)	2,399.94	1,344.29	(217.48)	574.50	17,958.45	16,739.44	928.34	672.62	-	-	-	-	21,069.25	19,330.85
	"Less : Unallocated corporate Expenses net of unallocated income"	-	-	-	-	-	-	-	-	(652.78)	(562.58)	-	-	(652.78)	(562.58)
	Operating Profit	2,399.94	1,344.29	(217.48)	574.50	17,958.45	16,739.44	928.34	672.62	(652.78)	(562.58)	-	-	20,416.47	18,768.27
	Less : Interest Expenses	-	-	-	-	-	-	-	-	7,107.77	4,922.10	-	-	7,107.77	4,922.10
	Add : Interest Income	-	-	-	-	-	-	-	-	752.00	115.36	-	-	752.00	115.36
	Less : Prior Period Items	-	-	-	-	-	-	-	-	217.11	10.12	-	-	217.11	10.12
	Less: Exceptional Item	-	-	-	-	-	-	-	-	2,836.16	-	-	-	2,836.16	-
	Profit before Tax	2,399.94	1,344.29	(217.48)	574.50	17,958.45	16,739.44	928.34	672.62	(10,061.82)	(5,379.44)	-	-	11,007.43	13,951.41
	Current Tax	-	-	-	-	-	-	-	-	373.98	949.73	-	-	373.98	949.73
	Fringe Benefit Tax	-	-	-	-	-	-	-	-	71.15	62.07	-	-	71.15	62.07
	Deferred Tax	-	-	-	-	-	-	-	-	335.19	360.39	-	-	335.19	360.39
	MAT Credit	-	-	-	-	-	-	-	-	(15.58)	(22.52)	-	-	(15.58)	(22.52)
Other Information	Net Profit	2,399.94	1,344.29	(217.48)	574.50	17,958.45	16,739.44	928.34	672.62	(10,826.56)	(6,729.11)	-	-	10,242.69	12,601.74
	Segment Assets	13,233.16	16,512.29	6,362.53	8,350.63	107,036.74	77,757.28	7,422.42	4,989.65	26,768.00	30,312.43	-	-	160,822.85	137,922.28
	Segment Liabilities	2,196.81	2,159.79	455.99	915.78	24,156.52	19,936.33	3,320.15	350.18	2,294.95	5,291.84	-	-	32,424.42	28,653.92
	Capital Expenditure	302.02	2,277.57	(1.35)	124.28	7,649.45	5,126.13	426.10	16.27	9,035.45	(718.16)	-	-	17,411.67	6,826.09
	Depreciation	652.64	767.56	400.04	391.94	4,080.11	2,519.09	102.27	251.66	107.99	76.57	-	-	5,343.05	4,006.82

b) Secondary Segment Information

Rs. in Lacs

	31.03.09	31.03.08
1. Segment Revenue - External Turnover		
- India	36,657.97	42,367.80
- Outside India	106,821.73	71,483.79
Total Segment Revenue	143,479.70	113,851.59
2. Segment Assets		
- India	90,390.72	77,547.71
- Outside India	70,432.13	60,374.57
Total Segment Assets	160,822.85	137,922.28
3. Capital Expenditure		
- India	2,194.35	1,164.62
- Outside India	15,217.32	5,661.47
Total Capital Expenditure	17,411.67	6,826.09

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, 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 Repellant 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.
- Secondary Segment : Geographical segment has been identified as secondary segment. Geographical segments considered for disclosure are :
 - Within India
 - Outside India

xiii) 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 date.

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

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, 2009"	Percentage of voting power as at "31st March, 2008"
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%
Solex Chemicals Pvt Ltd ** #	India	100.00%	NA
Manaksia Global Ltd ** #	Mauritius	100.00%	NA
Euroasian Steels LLC ** # (Subsidiary of Euroasian Ventures FZE)	Georgia	87.50%	NA
Manaksia Worldwide Corporation ** # (Subsidiary of Manaksia Global Ltd)	Netherland	100.00%	NA

* For the consolidation purpose Balance Sheet drawn upto 31st December 2008 has been considered.

** For the consolidation purpose Balance Sheet drawn upto 31st March 2009 has been considered.

New subsidiaries and step down subsidiaries formed during the year.

xiv) 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.

xv) 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:

i) Defined contribution Plan

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

Rs. in Lacs

	31/3/2009	31/3/2008
Employees' contribution to Provident Fund	83.49	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	316.50	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	41.52	39.31
4) Interest cost	25.46	22.40
5) Actuarial (gain) / loss	14.62	15.96
6) Benefit paid	(35.61)	(5.07)
7) Defined benefit obligation at the year end	362.49	316.50
b) Reconciliation of fair value assets and obligations:		
1) Fair value of plan assets as at 31st March 2009	Nil	Nil
2) Present value of obligations as at 31st March 2009	362.49	316.50
3) Amount recognized in balance sheet	362.49	316.50
c) Expenses recognized during the year (under the head salaries, wages & Bonus schedule – P)		
1) Current service cost	41.52	39.31
2) Interest cost	25.46	22.40
3) Actuarial (gain) / Loss	14.62	15.96
4) Net amount	81.60	77.67
d) Actuarial assumptions		
1) Mortality table	LIC	LIC
2) Discount rate (per annum)	7.50%	8%
3) Rate of escalation in salary (per annum)	5%	5%
4) Expected average remaining working lives of employees (years)	20.40	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.

Manaksia Limited

SCHEDULE FORMING PART OF THE CONSOLIDATED ACCOUNTS

- xvi) The Company has raised Rs. 24800.00 Lacs by issue of shares in public issue during previous year and utilised the proceeds of the issue as stated in the letter of offer. Statement of Utilisation of Public Issue proceeds as on 31st March 2009

	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 metals business	1,280.44
General Corporate purposes	10,090.51
Short term investments in mutual funds pending utilization	5,856.71
Total	23,227.66

	Rs. in Lacs	
	31/3/2009	31/3/2008
xvii) Interest Received from others includes :		
Staff And Workers	2.45	1.77
Loan Parties	420.98	94.36
Customers	10.69	10.76
Vendors	-	3.10
	434.12	109.99
xviii) Expenses pertaining to earlier year but crystallised :		
Material	141.14	26.65
Freight, Forwarding And Handling Expenses	67.14	0.22
Exchange Fluctuation	6.64	-
Service Tax	4.07	-
Salaries,Wages And Bonus	3.25	(1.40)
Packing Expenses	1.69	-
Travelling & Conveyance	1.53	0.06
Consumption Of Stores And Consumables	1.34	0.76
Carriage Inward	0.70	0.46
Vehicle Upkeep	0.63	-
Sundry balance written off	0.49	-
Communication Expenses	0.45	(0.67)
Repairs To Machinery	0.18	(1.04)
Other Manufacturing Expenses	0.18	0.62
Commercial Tax	0.08	2.76
Contribution To Provident And Other Funds	0.06	(0.18)
Excise Duty	0.06	0.01
Welfare Expenses written back	(0.01)	(1.58)
Discount	(0.01)	0.01
Profession Tax	(0.02)	-
Processing Charges	(0.06)	(0.83)
Rent	(0.19)	0.77
Insurance	(0.97)	0.13
Gratuity	(1.13)	-
Power & Fuel	(1.48)	(8.62)
Interest Charge To Others	(4.92)	5.16
Other Miscellaneous Income	(3.73)	(10.47)
Professional Fees	-	0.45
Clearing Charges	-	(0.28)
Sales Return	-	12.85
Interest Income From Others	-	(14.95)
Primary Packing Material	-	(0.80)
Repairs To Other	-	0.03
	217.11	10.12

Figures in the bracket represent income pertaining to earlier years

- xix) 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.

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

Nitin Didwania
Company Secretary

Dated : 30th June 2009