



ANNUAL REPORT 2009-2010

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Attendance Slip and Proxy Form enclosed Separately

CORPORATE INFORMATION

Board of Directors:

Mr. R. C. Mansukhani
Mr. J. C. Mansukhani
Mr. J. L. Mansukhani
Mr. Kirit N. Damania
Mr. Vijay G. Kalantri
Mr. Sudatta Mandal

Chairman
Vice Chairman & Managing Director
Director
Director
Director
Director (Nominee EXIM Bank)

Management Team:

Mr. Sunil Trehan
Mr. Harjit Singh Bedi
Mr. Ajay Jain
Mr. K. G. Mantri
Mr. Lalit Tolwani
Mr. S. K. Srivastava
Mr. Anuj Nigam
Mr. Shashikant Modi
Mr. Umesh Rastogi
Mr. D. K. Jethani
Mr. Pankaj Nigam
Mr. Rajesh Saxena
Mr. K. R. Patidar
Mr. Sanjay Sohani
Mr. Abhilesh Ojha

Chief Executive & Executive Director
Director – Technical
Director – Finance
Senior Vice President – Corporate Affairs
Senior Vice President – Operations
Senior Vice President – Operations
Senior Vice President – Commercial
Senior Vice President – Business Development
Vice President – Business Development & Technical Services
Vice President – Works
Vice President – Marketing
Asst. Vice President – Procurement
Asst. Vice President – Works
Asst. Vice President – Project & Maintenance
Senior General Manager – Accounts & Taxation

Auditors:

Rohira Mehta & Associates
Chartered Accountants
Mumbai

Bankers:

State Bank of India
ICICI Bank Limited
Axis Bank
Bank of Baroda
Corporation Bank
Bank of India
Union Bank of India

Overseas Branch, Mumbai
Mumbai Main Branch, Fort, Mumbai
Fort, Mumbai
Fort, Mumbai
IFB Fort, Mumbai
Andheri, Mumbai
Fort, Mumbai

Registered Office:

MAN House, 102, S.V.Road, Opp. Pawan Hans,
Vile Parle (W), Mumbai – 400056 Phone 022-66477500

Plants:

Pipe and Coating Complex, Anjar
Khedoi Village, Taluka Anjar,
Dist. Kutch (Gujarat), Phone: 02836-275751

Pipe and Coating Complex, Pithampur
Plot No. 257/258 B, Sector 1, Pithampur Industrial Area,
Pithampur. Dist: Dhar (M.P.), Phone: 07292-253666

Registrar and Share Transfer Agent

M/s. Link Intime India Pvt. Ltd.
C/13, Pannalal Silk Mills Compound, L.B.S. Road,
Bhandup (W), Mumbai – 400078
Phone – 022-25963838
Fax – 022-25946969
E-mail: isrl@vsnl.com

CHAIRMAN'S SPEECH

Dear Shareholders,

It gives me immense pleasure in welcoming you to the 22nd Annual General Meeting of your Company.

The year 2009-10 was a year of mixed opportunities with the economy across the globe showing signs of revival after the unprecedented financial meltdown with some hiccups still felt in between.

The Indian story witnessed quicker recovery and better results than its peers and other developed economies owing to its low cost manufacturing and strong domestic & improved global consumption. Companies across India showed a robust growth in their financials. The Indian linepipe manufacturers clocked increased profit margins and today stand at a comfortable position, boasting of healthy order book position.

I would like to update on your Company's performance across all operating and financial parameters. Your Company recorded an increase of 15.39% in the operating profit from Rs.151.09 crores in Financial Year 2008-09 to Rs.174.34 crores in Financial Year 2009-10 and a robust increase of 41.45% at Rs.67.09 crores in PAT on YoY basis. Although the net sales witnessed a decline of 19.04% at Rs.1524.29 crores, the volumes in the year under review were higher than the previous year. The fall owed to fall in the prices of the raw materials.

Your Company has current order book position of approx. Rs. 2000 crores. The company is in the bidding stage for many projects both in International and domestic market for supplying pipes worth Rs 5000 crores.

The Indian line pipe industry is among the top three manufacturing hubs after Japan and Europe and India is also becoming a major export hub to countries like USA, Middle East, Africa and thus enabling us to explore many opportunities in the future.

Our business visibility remains strong and we remain confident in our ability to expand existing relationships, add new clients, identify the need of the customer's, optimum utilization of resources and maximizing long term value for the stakeholders. We are confident that we can continue to drive growth and achieve our strategic corporate objectives in 2010 and beyond. I am confident that with your continued support your Company shall continue to climb the growth ladder at a faster pace in the coming years.

On behalf of the Board of Directors, I take this opportunity to thank all our shareholders for their confidence and faith in the company, our bankers, customers and vendors for their continued co-operation and support. I would also like to thank all the employees of the Company, for their dedicated services.

R. C. Mansukhani
Chairman

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the members of Man Industries (India) Limited will be held on 16th day of July 2010 at Hotel Karl Residency, Lallubhai Park Road, Andheri (West), Mumbai – 400 058 at 4.00 P.M. to transact the following business:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2010, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Share for the Financial Year 2009-10.
3. To appoint a director in place of Mr. Kirit N. Damania, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr. Vijay G. Kalantri, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint the Statutory Auditors of the Company for the Financial Year 2010-11.

**By order of the Board of Directors
For Man Industries (India) Limited**

Date : 19 June, 2010
Place : Mumbai

Director

Notes:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
- 2) The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the meeting.
- 3) Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from 10th July, 2010 to 16th July, 2010 (both days inclusive).
- 5) The Dividend on Equity Shares as recommended by the Board of Directors, if any, declared at the meeting, will be payable to those shareholders whose names appear in the Register of Members as on 10th July, 2010 and in respect of shares held in Electronic form the dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
- 6) Shareholders seeking any information with regard to Accounts are requested to write to the Company at an early date to enable the management to keep the information ready.
- 7) Members are requested to bring their copy of Annual Report to the meeting.
- 8) The Equity Shares of the Company are compulsorily traded in demat form and the share holders who have not yet dematerialized their shares are requested to dematerialize their shares by opening DP Account with nearest Depository Participants at the earliest to avail the benefits of dematerialisation.
- 9) Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividends which remain unclaimed in the unpaid dividend account for a period of seven years from the date of transfer of the same, will be transferred to the **Investor Education and Protection Fund (IEPF)** established by the Central Government, pursuant to Section 205C of the Companies Act, 1956.

Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:

Financial Year Ended	Date of declaration of Dividend	Last Date for Claiming Dividend
31.03.2004	28.09.2004	28.10.2011
31.03.2005	24.09.2005	24.10.2012
31.03.2006	15.09.2006	15.10.2013
31.03.2007	14.09.2007	14.10.2014
31.03.2008	26.09.2008	26.10.2015
31.03.2009	22.09.2009	22.10.2016

According to the provisions of the Act, Shareholders are requested to note that no claims shall lie against the Company or said Fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the date that they first became due for payment and no payment shall be made in respect of any such claims.

- 10) In order to provide protection against fraudulent encashment of the warrants, Members holding Share Certificates in physical form are requested to notify any change in their addresses or bank mandates immediately, in any event not later than 10th July, 2010 to the **Company's Registrar and Transfer Agent, Link Intime India Pvt. Ltd., (formerly known as Intime Spectrum Registry Ltd.) C/13, Pannalal Silk Mills Compound, L.B.S. Road, Bhandup (W), Mumbai 400 078, Maharashtra.**
- 11) Non-Resident Indian Shareholders are requested to inform immediately Link Intime India Pvt. Ltd. C/13, Pannalal Silk Mills Compound, L.B.S. Road, Bhandup (W), Mumbai 400 078 Maharashtra.
 - a) The change in the Residential status on return to India for permanent settlement.
 - b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
- 12) Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- 13) Information required under Clause 49 of the Listing Agreement on Directors Re-appointment/ Appointment:

(a) Mr. Kirit N. Damania

Mr. Kirit N. Damania, aged 77, is leading solicitor in Mumbai and is a senior partner in Kirit N. Damania & Co., Advocate & Solicitors. He is a Director of the Company since 11th July 1989. He is not holding any shares in the Company. Mr. Kirit N. Damania is the Chairman of the Audit Committee of the Company. He is also on the Board of following Companies:

- Living Room Life Style Ltd.
- Kirit N. Damania Investment & Consultancy Pvt. Ltd.

(b) Mr. Vijay G. Kalantri

Mr. Vijay G. Kalantri, aged 61, is an industrialist and President of AIAI. He is on the board of many corporates in India and having wide experience of more than 25 years in various industries. He is not holding any shares of the Company and is a member of the Audit Committee of the Company.

He is holding Directorship in the following Companies:

- Balaji Infra Projects Limited
- Hindustan Housing Finance & Development Corporation Limited
- VIP Industries Limited
- Vindychal Hydro Power Limited
- Zicom Electronic Security System Limited
- Shree Ram Urban Infrastructure Limited
- SAB Industries Limited
- Dighi Port Limited
- Dighi Project Development Co. Limited
- S. Kumar Nationwide Limited
- Sovereign Diamonds Limited
- Gannon Dukerley & Co. Limited
- Dighi Rail Infrastructure Limited
- Goenka Diamond & Jewels Limited
- Courier Publications Private Limited
- Laqshya Media Private Limited

He is also member of the Audit Committee of the following Companies:

- S. Kumar Nationwide Limited
- VIP Industries Limited
- Zicom Electronic Security Systems Limited

**By order of the Board of Directors
For Man Industries (India) Limited**

**Date : 19th June, 2010
Place : Mumbai**

Director

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 22nd Annual Report of your Company and the Audited Accounts for the financial year ended 31st March, 2010.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	For the year 2009-10	For the year 2008-09
Profit before Depreciation	13,736.22	10,614.22
Less: Depreciation	3,681.53	3,499.41
Profit Before Tax	10,054.69	7,114.82
Less : Taxation	3,345.75	2,372.15
Profit after Tax	6,708.94	4,742.67
Add: Profit brought forward	18,925.80	15,653.28
Total profit available for appropriation	25,634.74	20,395.95
APPROPRIATIONS:		
Profit & Loss Appropriations	41.69	60.77
Transfer to General Reserve	670.89	474.27
Proposed Dividend	936.86	799.27
Provision for Taxation – Dividend	159.22	135.84
Balance carried to Balance Sheet	23,826.08	18,925.80

RESULTS OF OPERATIONS

Net sales and other income for the standalone entity changed to Rs. 1,524.29 Crores from Rs. 1,882.93 Crores in the previous year – a decline of 19.04%. The operating profit (PBDIT) witnessed an increase of 15.39% from Rs. 151.09 crores in 2008-09 to Rs.174.34 crores in 2009-10. The profit after tax (PAT) showed a robust growth of 41.45% at Rs.67.09 crores from Rs. 47.43 crores in the previous year.

DIVIDEND

For the year under review, the Directors have recommended a dividend of 35% i.e. Rs.1.75 per share (Face Value Rs. 5) [30% i.e. Rs.1.50 per share for the previous year (Face Value Rs.5)], on the Ordinary (Equity) Shares of the Company.

TRANSFER TO RESERVES

Your Company proposes to transfer Rs. 670.89 lakhs to the General Reserve.

SUBSIDIARIES

As of today, the Company has the following Subsidiaries:-

1. Man Infraprojects Limited. (Incorporated in India)
2. Man USA Inc. (Incorporated in USA)
3. Man Overseas Metal DMCC (Incorporated in UAE)
4. Merino Shelters Private Limited (Incorporated in India). It is the subsidiary of Man Infraprojects Limited. So by virtue of Section 4 of the Companies Act, 1956 it becomes subsidiary of the Company.

All the Subsidiaries are duly incorporated under the respective companies act in the respective country's jurisdiction.

SAFETY, HEALTH AND ENVIRONMENT

During the year, the Company continued to focus on resource conservation and reduction in generation of hazardous wastes and enhanced its efforts to positively impact the environment in which it operates. All the manufacturing facilities and processes are subject to regular inspections and a Safety Audit is carried out meticulously at Anjar & Pithampur plants and preventive measures are taken to ensure high standards of safety. Your Company has taken adequate insurance cover for all its plants as well as for third party liabilities and continues to work towards the improvement of our environment, healthy and safe management system.

HUMAN RESOURCES

In your Company, employees continue to be the key driving force of the organization and remain a strong source of our competitive advantage. We believe in aligning business priorities with the aspirations of employees leading to the development of an empowered and responsive human capital.

Attracting, retaining and motivating employees and creating an environment that nurtures them to deliver their best have been a constant challenge for your Company. Your Company continues to invest in training, refining its goal setting and performance evaluation processes through which employees can share best practices and seek support to drive change and improvement.

RESEARCH & DEVELOPMENT

Your Company is executing an integrated strategy for technology development and deployment. The technology function is supporting your Company's strategy around four missions: technology development, development of substantially new products, productivity improvement, and cost reductions.

FUTURE OUTLOOK

Your Company has current order book position of approx. Rs.2000 crores. The company is in the bidding stage for many projects both in International and domestic market for supplying pipes worth Rs 5000 crores.

Your company currently boasts of a total manufacturing capacity of one million tons divided equally between HSAW and LSAW.

Securing orders approx. Rs.2000 crores clearly displays the strong credentials of the company among its large clientele. Your Company has done well in the recent past and we are confident of charting out a strong growth trajectory in the near future too. The Company has also participated in several bids globally and expects the growth trend in orders to continue in the coming quarters.

LISTING & DEMAT OF SHARES

The equity shares of the Company are listed with Bombay Stock Exchange and National Stock Exchange and the GDRs of the Company are listed with NASDAQ Dubai.

As on 31st March, 2010, 51,505,974 Equity shares of the Company, representing 96.21% of its issued capital, were held in dematerialized form and the balance 3.79% representing 20,28,900 shares were held in physical form.

MANAGEMENT DISCUSSION AND ANALYSIS

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

CORPORATE GOVERNANCE

Your Company fully adheres to the standards set out by the Securities and Exchange Board of India's Corporate Governance practices and has implemented all of its stipulations. As required by Clause 49 of the Listing Agreement of Stock Exchanges, a detailed report on Corporate Governance forms part of this Annual Report. The Company's Statutory Auditor's Certificate as stipulated under Clause 49 of the Listing Agreement is annexed to and forms part of this Annual Report.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits during the year 2009-10 and there are no outstanding fixed deposits from the public as on 31st March, 2010.

INSURANCE

All the insurable interests of your Company including inventories, buildings, plant and machinery and liabilities under legislative enactments are adequately insured.

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

Details relating to the conservation of energy and technology absorption and foreign exchange earnings and out goings are given in separate annexure forming part of this report as required as per section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988.

PERSONNEL

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975, names and other particulars of the employees are required to be set out in the annexure to this report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Annual Accounts of the Company sent to the shareholders do not contain the said annexure. Any shareholders desirous of obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

PARTICULARS UNDER 212 OF THE COMPANIES ACT

Your Company has received a letter from the Ministry of Corporate Affairs (MCA) granting exemption under Section 212(8) of the Companies Act, 1956 from attaching the financial statements of the subsidiary companies in India and abroad, both direct and indirect, to the balance sheet of your Company for the financial year 2009-10. A statement of summarized financials of all subsidiaries of your Company, pursuant to the approval under Section 212(8) of the Companies Act, 1956, forms part of this report. Additional information in respect of the annual report and the financial statements of the subsidiary companies of your Company will be made available to members on request. In accordance with the Accounting Standard (AS 21) issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by your Company include financial information of all its subsidiaries.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- In preparation of the annual accounts, the applicable accounting standards have been followed.
- The accounting policies have been selected and applied consistently and the judgments and estimates made, are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.

DIRECTORS

Mr. Kirit N. Damania and Mr. Vijay G. Kalantri are due to retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

Appropriate resolutions for their re-appointment are being placed before you for your approval at the ensuing Annual General Meeting. The brief resume of the aforesaid Directors and other information have been detailed in the Corporate Governance Section of this report. Your Directors recommend their re-appointment as Directors of your Company.

AUDITORS

M/s Rohira Mehta & Associates, Chartered Accountants, who are the statutory auditors of the Company, hold office until the ensuing Annual General Meeting and are eligible for re-appointment. The members are requested to consider their re-appointment for the current financial year 2010-11 and authorize the Board of Directors to fix their remuneration. The retiring auditors have, under Section 224 (1B) of the Companies Act, 1956, furnished certificate of their eligibility for the appointment.

APPRECIATION

Your Directors wish to place on record their appreciation for the contribution made by employees at all levels to the continued growth and prosperity of your Company. Your Directors also wish to place on record their appreciation to the banks and other financial institutions, shareholders, dealers and consumers for their continued support.

For and on behalf of the Board

Date: 19th June, 2010
Place: Mumbai

R. C. Mansukhani
Chairman

ANNEXURE TO THE DIRECTORS' REPORT
(UNDER SECTION 217(1) (e) of the companies ACT, 1956)

FORM " A "

I) CONSERVATION OF ENERGY

A) ENERGY CONSERVATION MEASURES TAKEN:

- (a) Energy conservation devices have been installed and the equipments are maintained properly to reduce energy consumption.
- (b) The new system are being devised to reduce electric power, fuel, and water Consumption industrial lighting in the plant area has been optimized.

B) ADDITIONAL INVESTMENT AND PROPOSALS FOR REDUCTION OF CONSUMPTION OF ENERGY:

- (a) By improving the available equipments, energy, conservation measures are being implemented and major investment have not been made for equipments so far.
- (b) By installation of Wind Turbines to generate cheaper energy.

C) IMPACT OF ABOVE MEASURES:

- (a) The impact of above measures taken results in lower energy consumption per tone of production.

D) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT PRODUCTION:

PARTICULARS	FOR THE YEAR 2009-10	FOR THE YEAR 2008-09
POWER AND FUEL CONSUMPTION :		
(i) Electricity Purchased (Units)	20,133,692	23,113,901
Total Amount (Rs.)	122,311,965	131,166,295
Rate per Unit	6.07	5.67
(ii) Own Generation through D.G.Set:		
Generation Unit	5,600	54,323
Unit per liter of Oil	2.08	2.78
Cost per Unit	14.18	12.62
CONSUMPTION PER UNIT OF PRODUCTION	(In kgs)	
Production in kgs	281,507,996	252,133,160
Consumption per unit of Production (per kg.) Units	0.07	0.09

II) TECHNOLOGY ABSORPTION

FORM " B "

1) SPECIFIC AREAS IN WHICH RESEARCH AND DEVELOPMENT CARRIED OUT BY THE COMPANY

R & D was carried in product development, process development, energy conservation, environment protection, cost reduction and automation.

2) BENEFITS DERIVED

With the installation of various additional equipments it was possible to achieve consistency in production and quality of finished product.

3) EXPENDITURE ON R & D

Development and improvement of products is an inbuilt and ongoing activity within existing manufacturing facilities. Expenditure on R & D is not separately allocated and identified.

Technology Absorption, Adaptation & Innovation

- | | |
|-------------------------------------------------------------------------|------------|
| 1. Effort made towards Technology Absorption, Adaptation and innovation | NIL |
| 2. Benefit derived as a result of the above efforts | NIL |
| 3. Imported Technology | NIL |
| a) Technology imported | |
| b) Year of import | |
| c) Has technology been fully absorbed? | |
| d) If not fully absorbed, reasons and future course of action | |

III) FOREIGN EXCHANGE EARNING AND OUTGO

(Rs. in Lakhs)

Particulars	For the year 2009-10	For the year 2008-09
FOREIGN EXCHANGE EARNINGS & OUTGO		
a) Foreign Exchange Earnings (FOB Value of Exports)	61,262.80	1,04,375.57
b) Other Receipts	---	---
c) Foreign Exchange Outgo	70,165.51	1,05,004.21

MANAGEMENT'S DISCUSSION AND ANALYSIS

MACRO-ECONOMIC SCENARIO

The global economy has revived to a large extent from one of the most extreme recessions in the last 75 years. Although the impact in India was lower due to limited exposure to global economy and strong demand by the domestic consumption.

India is again back on the growth track with a GDP growth rate of 8.6% registered in the last quarter of 2009-10.

With the revival in the Domestic and Global economy, oil prices are picking up resulting into increase of exploration activities, which has led to the demand for the Pipes. Strong order book of the Indian Pipe manufacturing companies signals towards the same.

BUSINESS REVIEW

Today pipes are the most preferred mode of transport for liquids and gases globally. Different types of pipes are used for different applications and uses. The types of pipes also differ on the product being transported through it.

Pipes are generally used for transporting the following products:

- Water, sewerage, petroleum products
- Gases and other high pressure applications,

Being the most economical and dependable mode of supply, pipeline can be considered as the long-term infrastructure solution to the problem of product transport. Major advantages of this mode over other modes are as under:

- Operating Cost is least in Pipeline transportation and it is most suited mode of transportation for conversion of energy.
- Cost of Transportation is least, for large volumes and overlong leads.
- Pipeline transportation is highly environment friendly. Its impact on environments during the stages of construction, operation and mountainous is negligible, compared to other modes.
- Safely is an intrinsic feature of pipeline transportation. Vagaries of nature like floods, breaches etc. do no disrupt pipeline transport systems.

GLOBAL INDUSTRY OVERVIEW

Pipeline systems are recognized as both the safest transportation mode and the most economical way of distributing the vast quantities of oil and natural gas from production fields to refineries and from refineries to consumers. In comparison to railroad, they have lower operating cost per unit and also higher capacity.

Currently there is an overcapacity in the global system but Large Global Companies like El Paso, Trans Canada and Kinder Morgan has plans to invest billions of dollars in several mega projects over the next few years which augur well with the demand led growth. As per global consultancy, Simdex, March 2010 report the Global future pipeline demand is seen at more than 200,000 kms in the next five years. New demand is primarily emerging from Asia, Middle Eastern markets such as Iran, Iraq, UAE, Qatar, etc along with markets in Africa such as Algeria, Libya, Nigeria, etc. This is on account of setting up of basic Oil & Gas transportation infrastructure in these regions.

Owing to the low cost manufacturing capabilities with world class quality standards, Indian pipe producers are poised to benefit significantly from robust global demand.

DOMESTIC INDUSTRY OVERVIEW

The Indian Large Diameter Pipe industry is among the world's top three manufacturing hubs after Japan and Europe. Indian Line Pipe Industry is approximately USD 5 Billion in size. Currently, there is an overcapacity in the domestic system also but India is still way behind in terms of Pipeline density, which stands at 3 km/1000 sq.kms as compared to 50km/1000 sq.kms in USA, UK and China, providing ample scope for complete utilization of the existing facilities and further capacity expansion. Given the demand of gas in India, India needs around 15,000 kms of pipelines in coming years.

India is witnessing a spurt in construction of pipelines as the domestic gas availability is poised to increase two-fold over the next four years. The government is also planning to build national gas highways. Recently announced NELP VIII also provides thrust to the growing demand for the pipeline infrastructure.

Moreover, water and irrigation offers a very strong business opportunity for Indian pipe manufacturers. The 11th five-year plan envisages around US\$83bn of investments in irrigation and water supply & sanitation over FY08–12E.

Indian Domestic Sector itself provides huge opportunities for line pipe sector. As Gas has become the 'FUTURE FUEL' construction of pipeline infrastructure has become inevitable. Indian Pipe Manufacturers are well poised to capitalize on the available domestic opportunities.

FUTURE OUTLOOK

In view of the excessive demand for Pipelines on the global as well as domestic front due to various reasons stated above, the future for Pipeline business will always be bright.

MAN has set up its Anjar Plant at strategic location in the coastal belt of the country. This enables us to minimize transportation costs by strategically catering to our customers from our facilities depending on the geographical location of the project. Our Anjar facilities, located in close proximity to the Mundra and Kandla ports, enable us to reduce transportation costs on export orders as well as inland transportation costs on imported raw materials such as steel plates and coils. Our ability to provide anticorrosion and cement mortar coatings further enables us to reduce transportation costs.

Exports have been an important source of our growth. With the growing opportunities in the domestic sector coupled with the government thrust on pipeline infrastructure, we are keen to capitalize on the same. We also intend to continue to focus on our international markets thereby making our presence felt in the domestic as well as international markets. We are keen to increase the utilization of our existing capacities of both LSAW and HSAW. We intend to continue to leverage our quality products and our long-standing relationships and credentials with our international customers to further develop our international markets.

Our capacity is divided equally between LSAW and HSAW, which gives a strategic advantage of stability in performance of the Company in case of any shift in demand from one segment to the other.

We also intend to further strengthen our presence in strategically important international markets, such as in the Middle East and in emerging markets like Africa which have significant oil and gas reserves and high potential for large pipeline projects. We have established a regional office in the U.A.E. and intend to focus on projects in the Middle East region as well as in certain African countries. In pursuing our strategies, we seek to identify markets where we believe we can provide cost advantages to our customers.

QUALITY CONTROL

We are ISO 9001, ISO 14001 and OHSAS 18001 accredited with KVQA, API and the BIS certifications.

In order to ensure the quality of our products, we perform various tests and inspections which start from the analysis of raw materials to the finished product. In addition to the conventional forms of testing, we also carry out selective testing to ensure desired quality in our products.

INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY

The Company has in place, adequate systems of internal control to reasonably safeguard its assets against loss through unauthorized use and pilferage. A comprehensive system of internal controls employed by the Company ensures optimal use of the resources available at its disposal. Internal audits and checks are an ongoing process within the Company.

The internal audit department has looked into various functional areas of the Company with the following primary objectives:

- To ensure critical examination of weaknesses in the system and offer alternative solutions to overcome them;
- To identify shortcomings that may affect the Company's operations and profitability;
- To review systems and procedures in purchase, capital investments and routine operations to plug revenue leakages;
- To ensure compliance with Company policies and procedures;
- To identify non-performing assets and suggest procedures for their disposal.
- To undertake and complete any other assignments given by the management

The internal audit department submits its reports to the management, outlining its findings, along with analytical reviews of the functional areas looked into, and providing practical solutions for the problems observed.

RISK MANAGEMENT

The nature of Company's business is such that various risks have to be confronted with not only successfully existing in the said business but even to grow at a respectable pace. However, these risks are no different than the ones faced by the industry as a whole. A comprehensive and integrated risk management framework forms the basis of all the de-risking efforts of the Company. Formal reporting and control mechanisms ensure timely information availability and facilitate proactive risk management. These mechanisms are designed to cascade down to the level of the line managers so that risks at the transactional level are identified and steps are taken towards mitigation in a decentralized fashion.

FOLLOWING ARE CONCERNS ABOUT THE INDUSTRY

ECONOMIC SLOWDOWN TO IMPACT ENERGY DEMAND

Downturn in the global economy may again lead to a negative outlook of the oil & gas prices which may adversely affect future E & P activities leading to a slowdown in the order for SAW pipes.

VOLATILE RAW MATERIAL PRICES

Raw materials account for the major portion (70-75%) of the total costs. "In case of rising raw material prices, the pipe manufacturers loose on EBDITA margins as majority of the pipe supply contracts are fixed price contracts and do not incorporate any price escalation clause. To safeguard margins, pipe manufacturers enter into back to back contracts for supply of steel plates and HR Coils Coupled with the increase in the input prices, the pipe industry has also been witnessing shortage of the petroleum grade steel plates and coils.

CURRENCY FLUCTUATION

As the exports contribute to a major portion of sales, business is prone to the abrupt fluctuation in the currency. High Volatility may affect EBIDTA Margins. This made currency management has become an integral part of the business.

CONTINGENT LIABILITIES

Details of Contingent liabilities are given in Notes on Balance Sheet and Profit & Loss Account.

STATUTORY COMPLIANCE

All the statutory compliance with respect to SEBI regulations, provisions of the listing agreement with the stock exchanges, Income Tax Act, Sales Tax Act, Companies Act, 1956 and all other applicable Acts, Rules & Regulations are complied with.

ENVIRONMENT MANAGEMENT

Your Company has been accredited with various certifications including American Petroleum Institute (API), ISO 9001:2000, ISO 14001 and ISO 18001 in the field of quality control, environmental management and occupational health and safety system management. These certifications ensure due compliance to well-documented procedures and systems and continuous improvement thereon for their continuous validity.

INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT

Your Company believes in creating an environment that builds a committed workforce pursuing a shared vision of excellence. Over the years the organization has put in place practices around quality sourcing, performance management and capability enhancement among others. Efforts are continuously made to strengthen these practices to ingrain them with the organization ethos.

Your Company has a team of experienced staff and executives at different levels. It is the commitment of employees at all levels and their contribution to innovation and change that is essential to compete successfully in an increasingly competitive global market place and achieve sustained growth and profitability. Attracting, retaining and motivating employees to perform to their best of their abilities and contribute to the growth of the company along with self-development have been one of the objectives of the Company. The organization continues to regularly review people policies and implement need based revision. Industrial relations at all the Company's work and plants remained cordial through out the year.

HEALTH & SAFETY

The Company continuously focuses on the health and safety of all its workers and staff. Adequate safety measures have been taken at all the plants for the prevention of accidents or other untoward incident. The necessary medical facilities are available for the workers, staff and their family members to enable them to maintain good health.

CAUTIONARY STATEMENT

The statements in this Management Discussions and Analysis, describing the projections, estimates and expectations may be forward looking statements within the meaning of the applicable laws and regulations. Actual results may differ substantially from those expressed or implied, important developments that could affect the Company's operations include a shift in the industry structure, significant changes in political and economic environment in India and globally, tax laws, import duties, litigations and labour relations.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance which encompasses the moral, ethical and legal framework within which an organization functions has become imperative today. Good governance practices stems from the culture and mindset of the organization. Man Industries (India) Limited is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. Thus your Company envisages an attainment of transparency, accountability and propriety in total functioning of the Company and conduct of business, both internally and externally. In addition to compliance with regulatory requirements, we endeavor to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

Our governance practices stems from an inherent desire to improve and innovate and reflects the culture of trusteeship that is deeply ingrained in our value system and forms part of the strategic thought process. Our governance philosophy rests on five basic tenets viz., Board accountability to the Company and shareholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all shareholders as well as superior transparency and timely disclosure.

We are guided by the following core principles.

1. Transparency

To maintain the highest standards of transparency in all aspects of our interactions and dealings.

2. Disclosure

To ensure timely dissemination of all price sensitive information and matters of interest to our stakeholders.

3. Empowerment and Accountability

To demonstrate the highest levels of personal accountability and to ensure that employees consistently pursue excellence in everything they do.

4. Compliance

To comply with all the laws and regulations applicable to the Company.

5. Ethical Conduct

To conduct the affairs of the Company in an ethical manner.

6. Stakeholders' Interest

To promote the interests of all stakeholders including customers, shareholders, employees, lenders, vendors and the community.

CORPORATE GOVERNANCE MONITORING AND REVIEW PROCESS AT MAN:

Man continuously reviews its policies and practices of Corporate Governance with a clear goal not merely to comply with statutory requirements in letter and spirit but also constantly endeavours to implement the best international practices of Corporate Governance, in the overall interest of all stakeholders.

Some of the major initiatives taken by the Company towards strengthening its corporate governance systems and practices include the following:

(a) Secretarial Audit:

The Company has appointed an independent practicing Company Secretary to conduct secretarial audit. The quarterly audit reports are placed before the Board and the annual audit report placed before the Board is included in the Annual Report. This audit has been introduced to report to the management as well as the shareholders of the status of compliance with various applicable corporate and securities laws.

(b) Role of the Company Secretary in Overall Governance Process:

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements. Transforming India is the interface between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

(c) Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India:

The Institute of Company Secretaries of India (ICSI) is one of the premier professional bodies in India. ICSI has issued Secretarial Standards on important aspects like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings and Transmission of Shares. Though these standards are recommendatory in nature, the Company adheres to the standards voluntarily.

BOARD OF DIRECTORS:

The Board of Directors of the company comprises of three promoter directors, three non-executive and independent directors. The board met seven times in the last year on 26.05.2009, 19.06.2009, 31.07.2009, 31.10.2009, 18.12.2009, 29.01.2010 and 05.02.2010.

Directors' Profile

Brief resume of all the Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships, memberships/chairmanships of Board Committees and their shareholding in the Company are provided below:

Mr. Rameshchandra Mansukhani

Mr. Rameshchandra Mansukhani, aged 54 is a promoter of the Company. He is Director of the Company since incorporation. He has done Post Graduation in Economics and LLB. He has career spanning of over 20 years of contribution in the field of manufacturing. He has created a successful business set up in UK, UAE and India. He is also very active in keeping up the welfare activities and social obligations. He holds 10,334,226 shares of the Company in his name as on 31st March, 2010. He is on the board of following companies:

- Man Infraprojects Limited
- Merino Shelters Private Limited
- Man Global Limited (Formerly Mansukhani Builders Private Limited)
- Man Overseas Metals DMCC

Mr. Jagdishchandra Mansukhani

Mr. Jagdishchandra Mansukhani aged 51 is a Graduate in Arts. He is Director of the Company since incorporation. He has career spanning of over 20 years of contribution in the field of manufacturing. He is an efficient and enthusiastic young entrepreneur as well with enormous capacity to work hard and had played a significant role in the exponential growth of the Man Group. He holds 9,910,007 Company in his name as on 31st March, 2010. He is on the board of following companies:

- Man Infraprojects Limited
- Merino Shelters Private Limited
- JPA Holdings Private Limited
- Man Overseas Metal DMCC

Mr. J. L. Mansukhani

Mr. J. L. Mansukhani aged 77 is a business man and industrialist. He has been involved in the construction, metal trading and steel industry for over five decades. He holds 810,831 shares of the Company in his name as on 31st March, 2010. He has been on the Company's Board since its incorporation in 1988. He is on the Board of Man Infraprojects Limited.

Mr. Kirit N. Damania

Mr. Kirit N. Damania, aged 77 is leading solicitor in Mumbai and is a senior partner in Kirit N. Damania & Co., Advocate & Solicitors. He is a Director of the Company since 11th July 1989. He is not holding any shares in the Company. Mr. Kirit N. Damania is the Chairman of the Audit Committee of the Company. He is on the Board of following companies:

- Living Room Life Style Limited
- Kirit Damania Investment & Consultancy Private Limited

Mr. Vijay G. Kalantri

Mr. Vijay G. Kalantri, aged 61 years is an industrialist and President of AIAI. He is on the board of many corporates in India and having wide experience of more than 25 years in various industries. He is not holding any shares of the Company. Mr. Kalantri is a member of the Audit Committee. He is holding Directorship in the following Companies:

- Balaji Infra Projects Limited
- Hindustan Housing Finance & Development Corporation Limited
- VIP Industries Limited
- Vindyachal Hydro Power Limited
- Zicom Electronic Security System Limited
- Shree Ram Urban Infrastructure Limited

- SAB Industries Limited
- Dighi Port Limited
- Dighi Project Development Co. Limited
- S. Kumar Nationwide Limited
- Sovereign Diamonds Limited
- Gannon Dukerley & Co. Limited
- Dighi Rail Infrastructure Limited
- Goenka Diamond & Jewels Limited
- Courier Publications Private Limited
- Laqshya Media Private Limited

He is also member of the Audit Committee of the following Companies:

- S. Kumar Nationwide Limited
- VIP Industries Limited
- Zicom Electronic Security Systems Limited

Mr. Suddatta Mandal

Mr. Suddatta Mandal aged 42 holds Bachelors degree in Engineering and a Masters degree in Business Administration. He is working with EXIM Bank and has corporate experience of approximately 15 years. He is not holding any shares of the Company. He is a nominee of EXIM Bank on our Board and was appointed in 2005. He is on the Board of Malladi Drugs & Pharmaceuticals Limited.

Mr. Ramesh Chandra Jindal

Mr. Ramesh Chandra Jindal aged 62 has over 30 years experience in Oil & Gas Industry. He has an expertise in Construction, Operations, Projects, Engineering, Materials and Maintenance Function. He was appointed as Director of the Company on 16th May, 2008. He is not holding any shares of the Company.

Mr. R.C. Jindal, Director – Operations has resigned from the Board w.e.f. 31st July, 2009

Composition, nature of Directorship, the number of meetings attended and the Directorships in other companies, of the Board of Directors as on 31st March, 2010:

Name of the Director	Nature of Directorship	Date of Joining the Board	Attendance		Directorship in other Companies*	Membership & Chairmanship of the Board of other Companies **	
			At the Board Meeting	At the last AGM		Committee Member	Committee Chairman
Mr. R. C. Mansukhani	Promoter & Chairman	19-05-1988	7	Yes	2	-	-
Mr. J. C. Mansukhani	Promoter, Vice Chairman & Managing Director	01-10-1996	6	Yes	1	-	-
Mr. J. L. Mansukhani	Promoter & Executive Director	01-01-1989	7	No	1	-	-
Mr. Kirit N. Damania	Non-Executive Independent Director	11-07-1989	7	Yes	1	-	-
Mr. Vijay G. Kalantri	Non-Executive Independent Director	15-02-2001	7	No	14	3	1
Mr. Sudatta Mandal	Nominee Director of EXIM Bank	22-06-2005	4	No	1	-	-
#Mr. R. C. Jindal	Executive Director	16-05-2008	3	No	-	-	-

*Resigned as Director w.e.f. July 31, 2009

Note:

*Excludes directorship in Man Industries (India) Limited. Also excludes directorship in Indian Private Limited Companies, Foreign Companies and Alternate Directorships. As per the disclosure(s) received from the Directors, the Directors do not hold directorship in more than 15 Companies.

**For the purpose of considering the limit of the committee memberships and chairmanships of a Director, the Audit Committee and the Shareholders' Grievance Committee of public listed companies have been considered. As per disclosure(s) received from the Directors, the Directors do not hold.

The Board of Directors meet at least once in every four months and the maximum time gap between two meetings does not exceed four months. The date(s) on which the quarterly and annual results are proposed to be declared in the next financial year are determined in advance. Additional meetings are convened as and when necessitated.

BOARDS PROCEDURE

The day to day business is conducted by the executives and the business heads of the Company under the direction of the Board led by the Chairman. The Board holds five to six meetings every year to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committee(s). However, in case of business exigencies or urgency of matter, the resolutions are passed by way of circulation. In addition to the regular business items, the following items/ information are regularly placed before the Board to the extent applicable:

- Annual operating plans and Budgets, Capital budgets and updates;
- Purchase and disposal of major fixed assets;
- Quarterly and half yearly results of the Company;
- Minutes of the Audit Committee and Shareholders' and investor Grievance Committee;
- Information on recruitment and remuneration of senior management just below the Board level including appointment or removal of CFO and Company Secretary;
- Any material defaults in financial obligations to and by the Company, or substantial non-payments for goods sold by the Company;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Materially important show cause, demand, prosecution and penalty notices;
- Details of quarterly foreign exchange exposures and steps take by the management to limit the risks of adverse exchange rate movement;
- Sale of material nature, of investments and assets, which are not in the normal course of business;
- Quarterly Statutory Compliance Report;
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholder's service such as non-payment of dividend, delay in share transfer etc.;
- Investments strategy/plan;
- Proposals for investments, divestments, loans, guarantees, mergers and acquisitions;
- Approval of related party transactions;
- Disclosures made by the senior management personnel as to all material financial and commercial transactions, where they have personal interest;
- All other information which is relevant for decision making by the Board;
- Significant labour problems and their proposed solutions. Also, any significant development in Human Resources/Industrial Relations front like signing of Wage Agreement, implementation of Voluntary Retirement Schemes etc.;
- All other information which is relevant for decision making by the Board.

COMMITTEES OF THE BOARD

Currently there are two committees of the Board: Audit Committee & Shareholder's Investor Grievance Committee. The terms of reference of the Committee(s) detailing their scope of work are determined by the Board from time to time. The Board periodically reviews the minutes of the meetings of Audit Committee & Shareholder's Investor Grievance Committee. Composition, terms of reference, number of meetings and related attendance etc., of these committees are detailed.

AUDIT COMMITTEE

The Audit Committee of the company was constituted in 2002. Since then it has been dealing with matters prescribed by the Board of Directors on a case to case basis. In general, the primary role/objective of the Audit Committee is to review the financial statements of the Company, strengthen internal controls & look into all transactions having monetary implications on the functioning of the Company. The nomenclature, constitution and terms of reference of the Committee is as per the provisions of the Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement of the Stock Exchange.

As on March 31, 2010, the Committee had three Directors. Out of that two Directors are Non-Executive and Independent Directors in accordance with the prescribed guidelines. Mr. Kirit N. Damania, is the Chairman of the Committee. The other members are Mr. Vijay G. Kalantri and Mr. J.C. Mansukhani, Vice Chairman & Managing Director of the Company.

The members of the Committee have adequate knowledge in the field of finance, accounting, and law. The role and "terms of reference" of the Audit Committee includes the following:

- Overseeing
 - the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending
 - the appointment, re-appointment, replacement and removal of the statutory auditor, fixation of audit fees and approving payments for any other services.

- Reviewing
 - with the management the annual financial statements with primary focus on matters required to be included in the Directors' Responsibility Statement, changes, if any in accounting policies and practices and reasons thereof, compliance with accounting standards and guidelines of stock exchange(s), major accounting entries, qualifications in draft audit reports, related party transactions & the going concern assumption.
 - with the management, the quarterly financial statements before submission to the board for approval.
 - the adequacy of internal control systems and the internal audit function and reviewing the Company's financial and risk management policies.
 - foreign exchange exposure.
- Complying
 - with the provisions of listing agreement laid down by the Stock Exchange(s) and legal requirements concerning financial statements.
- Discussing
 - with external auditors before the audit commences, of the nature and scope of audit. Also post audit discussion to ascertain any area of concern.

The Group CFO, AVP- Finance & Accounts and Statutory Auditors attended the meetings of the Committee on the invitation of the Chairman, Ms. Sujal Sharma, Company Secretary of the Company acted as the Secretary of the Committee.

During the year, 4 (four) meetings of the Audit Committee were held on 19th June, 2009; 31st July, 2009; 31st October, 2009 and 29th January, 2010 in due compliance with the stipulated provisions. The attendance record of members of the Audit Committee is given as under.

Name of Members	Designation	Meeting held during the year	Attendance	Whether Attended last AGM
Mr. Kirit N. Damania	Chairman	4	4	Yes
Mr. Vijay G. Kalantri	Member	4	4	No
Mr. J. C. Mansukhani	Member	4	4	Yes

REMUNERATION COMMITTEE

The remuneration policy of the Company based on the fundamental rule of rewarding performance as against benchmarked objectives. The policy is revised from time to time to make it commensurate with the industry standards. The aim is to attract, retain, develop and motivate talent within the organization.

The Board has not constituted a separate committee as Remuneration Committee. It is proposed to constitute one. The details of the payments made to the board of Directors during the year are as follows:

Name of Director	Salary (Rs.)	Sitting Fees (Rs.)
Mr. R. C. Mansukhani	27,062,757	-
Mr. J. C. Mansukhani	21,600,000	-
Mr. J. L. Mansukhani	4,879,546	-
Mr. Kirit N. Damania	-	180,000
Mr. Vijay G. Kalantri	-	180,000
Mr. Sudatta Mandal	-	80,000
Mr. R. C. Jindal	2,067,023	-

SHAREHOLDERS'/INVESTORS GRIEVANCE COMMITTEE

The Board has constituted Shareholders/ Investor Grievances Committee to specifically look into the redressal of shareholders complaints. The Shareholders'/Investors' Grievance Committee consists of the following:.

Name of the Director	Designation
Mr. R. C. Mansukhani	Chairman
Mr. J. C. Mansukhani	Member

The terms of reference of the Committee include the following:

- To specifically look into complaints received from the shareholders of the Company.
- To oversee the performance of the Registrar and Transfer Agent of the Company.
- To recommend measurements for over all improvement in the quality of services to the investors.

Details pertaining to the numbers of complaints received and resolved and the status thereof during the financial year ended 31st March 2010 are given as follows:

Nature of Complaints	Received during the year	Addressed during the year
Non receipt of Share certificates lodged for transfer	12	12
Non-receipt of dividend warrant	40	40
Other/ Miscellaneous	28	28
Total	80	80

SUBSIDIARY COMPANIES

Your Company as per the terms of Clause 49 (III) of the Listing Agreement, does not have a material non-listed Indian subsidiary company, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

The Audit Committee reviews the financial statements including investments by the unlisted subsidiary companies of the Company. Also, copies of the minutes of the subsidiary companies of the Company are placed before the Board of the Company on a periodical basis.

CEO/ CFO'S CERTIFICATION

The Vice Chairman & Managing Director has certified to the Board of Directors inter-alia the accuracy of financial statements and adequacy of Internal Controls for the financial reporting purpose as required under Clause 49(V) of the Listing Agreement for the year ended 31st March, 2010.

GENERAL BODY MEETINGS

(i) The details of Annual General Meeting held in last three years are as follows:

AGM	Day	Date	Time	Venue
19th AGM	Friday	14-Sep-2007	5.00 p.m.	Hotel Karl Residency, Lallubhai Park Road, Andheri (W) Mumbai - 400058
20th AGM	Friday	26-Sep-2008	3.00 p.m.	Hotel Karl Residency, Lallubhai Park Road, Andheri (W) Mumbai – 400058
21st AGM	Tuesday	22-Sep-2009	4.00 p.m	Hotel Karl Residency, Lallubhai Park Road, Andheri (W) Mumbai – 400058

- (ii) All special resolutions set out in the notices were passed by requisite majority by the shareholders in the respective meeting.
 (iii) There were no resolutions passed by the members through postal ballot during the year ended on 31st March 2010.

DISCLOSURES

Related Party Transactions

The Company follows the following policy in disclosing the related party transactions to the Audit Committee:

- A Statement in the Summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee.
- There are no material individual transactions with related parties, which are not in the normal course of business and which are not on an arm's length basis.

Disclosures on materially significant related party transactions that may have potential conflict with the interest of the company at large.

There are no materially significant transactions made by the Company with its promoters, Directors or Management or relatives etc. that may have potential conflict with the interest of the Company at large.

Accounting Treatment in preparation of Financial Statements

The guidelines/accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) have been followed in preparation of the financial statements of the Company.

Compliances by the Company

There has neither been any non-compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the stock exchanges or SEBI or any other authorities, on any matters related to capital market during the last three years.

Insider Trading

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive code of conduct for its management, staff and relevant business associates. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on consequences of non-compliances.

Code of conduct

Code of Conduct for the Board of Directors and Senior Management personnel of the Company is duly approved by the Board and is available on website of the company.

Management Discussion & Analysis

This Annual Report has a detailed section on Management Discussion and Analysis.

MEANS OF COMMUNICATION

Financial Results:

The Company has regularly sent, both by post as well as by fax (within 15 minutes of closure of the Board meeting) the annual audited as well as quarterly un-audited results to both the Stock exchanges, BSE & NSE, after they are taken on record by the Board of Directors.

Quarterly Results and Audited Financial Results are published in the Economic Times & The Maharashtra Times.

Financial Information :

Pursuant to Clause 51 of the Listing Agreement, financial information like annual and quarterly financial statements and shareholding pattern etc. are available on the SEBI web-site www.sebidifair.nic.in. The Company Secretary being the Compliance Officer ensures the correctness and authenticity of the information filed in the said website.

News Releases Presentations etc.:

Official news releases are displayed on the Company's website.

Website: Detailed information regarding the Company is available for the investors at the Company's website www.mangroup.com.

Annual Report: Annual Report containing inter alia Audited Annual Accounts, Consolidated Financial Statements, Director's Report, Auditors Report, Corporate Governance Report along with Management Discussion & Analysis are circulated to members and others entitled thereto.

E-mail: investor.relation@maninds.org mail id has been formed for exclusively for investor servicing.

GENERAL SHAREHOLDER INFORMATION

Annual General meeting

Date : 16th July, 2010

Venue : Hotel Karl Residency,
Lallubhai Park Road,
Andheri (W) Mumbai - 400058

Time : 4.00 P.M.

Financial Calendar

Financial year: April 1 to March 31

For the year ended 31st March, 2010 results were announced on:

First quarter ended 30th June, 2009	-	31st July, 2009
Second quarter and half year ended 30th September, 2009	-	31st October, 2009
Third quarter ended 31st December, 2009	-	29th January, 2010
Fourth quarter and year ended 31st March, 2009	-	18th May, 2010

For the year ending 31st March, 2011, results will be announced on: (Tentative and subject to change)

First quarter ending 30th June, 2010	- August 2010 (2nd week)
Second quarter and half year ended 30th September, 2010	- November 2010 (2nd Week)
Third quarter ended 31st December, 2010	- February 2011 (2nd Week)
Fourth quarter and year ended 31st March, 2011	- May 2011 (4th Week)

Book Closure

10th July 2010 to 16th July 2010 (both days inclusive)

Dividend

A final dividend of Rs.1.75 per share (35%) was recommended by the Board of Directors in their meeting held on 18th May 2010 subject to the approval of the members in the Annual General Meeting of the company.

Dividends paid in the last five years are as follows:

Year	Rate	Dividend Per Share
2004-05	20%	Rs. 2.00
2005-06	25%	Rs. 2.50
2006-07	30%	Rs. 1.50
2007-08	30%	Rs. 1.50
2008-09	30%	Rs. 1.50

Listing

The Companies Shares are listed on the following:

- Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai – 400023
- National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051

The Companies GDRs are listed on the following:

- NASDAQ Dubai Stock Exchange
Level 7, The Exchange Building, Gate District, Dubai International Financial Centre, P.O.Box 53536, Dubai (UAE)

The Company has paid the annual listing fees for the financial year 2010-11 to all the exchanges and has also paid the custodial fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2010-11.

ISIN No.

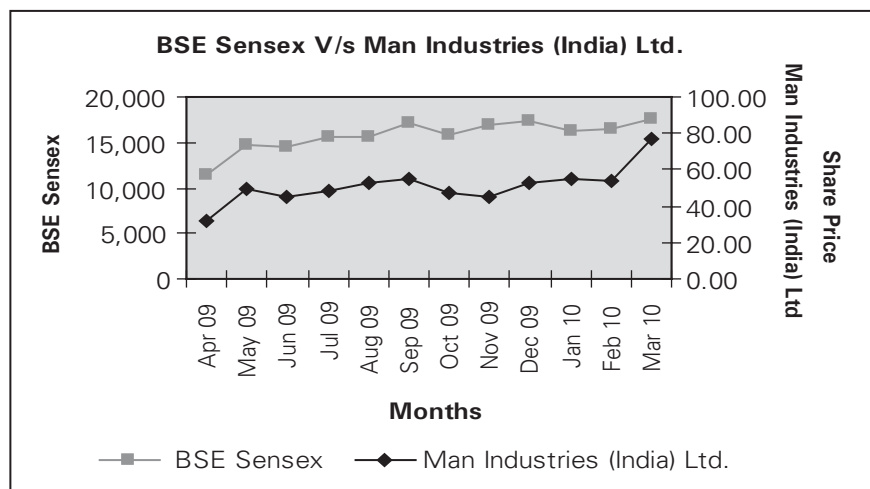
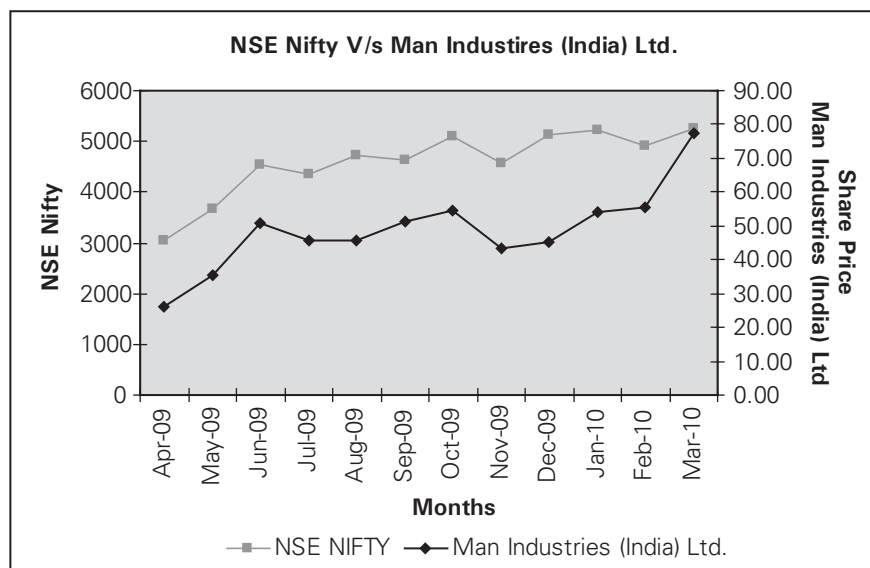
The International Security Identification Number (ISIN) allocated to the Company by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is INE993A01026.

Stock Codes

Stock Exchange	Code
National Stock Exchange of India Limited	Maninds
Bombay Stock Exchange Limited	513269

Stock Price Data

Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	Volume	High	Low	Volume
Apr 09	38.60	25.55	7,216,524	38.90	25.00	6,964,735
May 09	53.50	32.15	4,955,489	53.00	32.50	6,364,165
Jun 09	60.90	40.40	5,870,571	61.00	40.10	7,777,266
Jul 09	52.80	37.00	2,811,817	51.95	36.65	3,640,427
Aug 09	57.40	43.05	5,075,465	57.00	43.10	7,741,966
Sep 09	56.85	49.70	4,391,221	56.75	49.60	5,684,290
Oct 09	55.95	47.00	2,048,294	55.90	46.60	2,822,458
Nov 09	50.25	42.00	1,716,669	50.20	42.55	2,793,671
Dec 09	54.90	45.00	2,812,680	54.90	45.00	3,197,770
Jan 10	59.40	49.80	2,984,297	59.80	49.30	3,821,497
Feb 10	58.75	51.00	2,826,939	59.40	51.50	3,422,477
Mar 10	78.80	53.00	9,826,657	78.90	53.20	13,513,849

Stock Price Movement in BSE

Stock Price Movement in NSE


Share Transfer System

The applications and requests received by your Company for transfer of shares held in physical form are processed and the share certificates for the same are sent to the transferee within the stipulated period under the Companies Act 1956 and the Listing Agreement. A summary of all the transfers, transmissions, deletion requests, etc. are placed before the Board of Directors from time to time for their review.

Distribution of Shareholding

The distribution of Shareholding of the Company by number of shares held on 31st March 2010:

Distribution of shares	Shareholders		Share Allotted	% of total
	Number	% of Total		
001 - 500	24976	84.94	4,195,138	7.84
501 - 1000	2500	8.50	2,023,577	3.78
1001 - 2000	1028	3.50	1,637,118	3.06
2001 - 3000	295	1.00	764,726	1.43
3001 - 4000	169	0.57	620,415	1.16
4001 - 5000	117	0.40	560,236	1.05
5001 - 10000	154	0.52	1,161,006	2.17
10001 and above	164	0.56	42,572,658	79.52

Shareholding Pattern

The distribution pattern of shareholding of your Company as on 31st March 2010 by ownership and size class respectively is given as follows:

	Category of Shareholders	Total No. of Shares	Percentage of total no. of Shares
(A)	Shareholding of Promoter and Promoter Group		
(a)	Individuals/HUF	17,267,637	32.26
(b)	Foreign Holdings of Promoters	1,431,440	2.67
(c)	Others	8,758,788	16.36
	Total Shareholding of Promoters & Promoter Group (A)	27,457,865	51.29
(B)	Public Shareholding		
1.	Institutions		
(a)	Mutual Funds/UTI	1,014,265	1.89
(b)	Financial Institutions/Banks	103,800	0.19
(c)	FII's	235,332	0.44
(d)	Insurance	2,905,891	5.43
(e)	Trusts	2,000	0.01
(f)	Others	2,800	0.01
	Sub-Total(B1)	4,264,088	7.97
2.	Non-Institutions		
(a)	Bodies Corporate	3,255,384	6.08
(b)	Individual		
	i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	10,323,524	19.28
	ii) Individual shareholders holding nominal capital in excess of Rs. 1 lakh.	1,668,629	3.12
(c)	Clearing Members	1,048,277	1.96
(d)	Non Resident Indians (Repartiable)	611,163	1.14
(e)	Non Resident Indians (Non-Repartiable)	101,760	0.19
(f)	Foreign Companies	347,722	0.65
	Sub Total (B2)	17,356,459	32.42
	Total Public Shareholding B = (B1) + (B2)	21,620,547	40.39
(C)	Shares held by custodian	4,456,462	8.32
	Total (C)	4,456,462	8.32
	Total (A) + (B) + (C)	53,534,874	100.00

Outstanding GDRs/ADRs/ Warrants/ Convertible Instruments and their impact on equity

GDRs: Outstanding GDRs as on 31st March, 2010 represent 4,456,462 equity shares constituting 8.32% of the Paid up Equity Share Capital of the Company. Each GDR represents one underlying equity shares in the Company. GDR is not a specific time-bound instrument and can be surrendered any time and converted into the underlying equity shares in the Company. The shares so released in favor of the investors upon surrender of GDRs can either be held by the investors concerned in their name or sold off in the Indian secondary markets for cash

Details of public funding obtained in the last three years

Your Company has not obtained any public funding in the last three years.

OTHER INFORMATION:

Corporate Identification Number

L99999MH1988PLC047408

Top ten Shareholders of the Company in the non-promoter group as on 31st March, 2010

Sr. No.	Name of the Shareholder	No. of Shares	% of Capital
1.	The Bank of New York	4,456,462	8.32
2.	United India Insurance Company Ltd	1,789,666	3.34
3.	Reliance Capital Trustee Co Ltd-Reliance Long term Equity Fund	992,111	1.85
4.	General Insurance Corporation of India	767,498	1.43
5.	Arcadia Share and Stock Brokers V	571,340	1.07
6.	Emkay Global Financial Services Limited	506,422	0.95
7.	Mangal Keshav Securities Limited	446,217	0.83
8.	Neoworth Commercial Private Limited	350,000	0.65
9.	The New India Assurance Company Limited	348,727	0.65
10.	Dubai Bank Pjsc	347,722	0.65

Secretarial Audit Report

As stipulated by the Securities and Exchange Board of India, a Qualified Practicing Company Secretary carries out the Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors.

Electronic Clearing Scheme (ECS) for dividend.

The Reserve Bank of India (RBI) has provided an Electronic Clearance Scheme (ECS) to the investors as an option to receive dividend directly through their bank accounts rather than receiving the same in the form of Dividend Warrants. Under this option, an investor's bank account is directly credited and the intimation thereof is sent by the Company to the Shareholder.

This service provides instantaneous credit to the shareholders account and protects against fraudulent interception and encashment of dividend warrant but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondence relating to revalidation/ issue of duplicate warrants.

Shareholders holding share in physical form

Investors who would like to avail this facility and are holding shares in physical form may send in their ECS Mandate Form, dully filled in to the Company's Registrar and Transfer Agent, Link Intime India Pvt. Ltd. (formerly know as Intime Spectrum Registry Ltd.), C/13 Pannalal Silk Mills Compound, L. B. S. Road, Bhandup (West), Mumbai - 400076. The ECS mandate form is annexed at the end of the Annual Report. The ECS Mandate Instruction should be under the signature of the shareholder as per the specimen signature records lodged by the Company.

Shareholders holding share in Electronic/Demat form

Investors holding shares in demat or electronic form may send in their ECS Mandate Form, duly filled in to the concerned Depository Participant (DP) directly in the format prescribed by the DP. Pursuant to the depository regulations, the Company is obliged to pay dividend on dematerialized shares as per the details furnished by the concerned DP. The Company or the Registrar & Transfer Agent cannot make any change in the records received from the Depository.

Unpaid/Unclaimed Dividend

In terms of section 205A and 205C of the companies Act 1956, the company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend (s) from the Company before transfer to the Investor Education and Protection Fund.

Financial Year	Due date for transfer to IEPF
2003-04	28.10.2011
2004-05	24.10.2012
2005-06	15.10.2013
2006-07	14.10.2014
2007-08	26.10.2015
2008-09	22.10.2016

Registrar & transfer Agent

Link Intime India Pvt. Ltd (formerly know as Intime Spectrum Registry Ltd). is the Registrar & Transfer Agent of the Company. Shareholders, beneficial owners and depository participants are requested to send the correspondence relating to the Company's share transfer activity etc. to Intime Spectrum Registry Limited at the following address:

Link Intime India Pvt. Ltd.
C/13, Pannalal Silk Mills Compound, L.B.S. Road, Bhandup (West), Mumbai – 400 078
Ph: 022-25963838
Fax: 022- 25946969
Email: isrl@vsnl.com

E-mail id for investor grievance

The e-mail address of the Company for investor grievance is investor.relation@maninds.org

Plant Location

- Plot No. 257/258B, Sector No. 1, Pithampur Industrial Area, Pithampur (Near Indore), District: Dhar (MP)
Ph: 07292-253666
- Village: Khedoi, Taluka: Anjar, District: Kutch (Gujarat)
Ph: 02836-275751

Address for correspondence**Registered Office:**

Man House, 102, S. V. Road, Opp. Pawan Hans, Vile Parle (W), Mumbai - 400056

Registrar & Transfer Agents Address:

M/s Link Intime India Pvt. Ltd.
C/13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078
Ph: 022-25963838
Fax: 022- 25946969
Email: isrl@vsnl.com

Declaration of Compliance with the code of conduct (by the Vice Chairman & Managing Director)

To,
The Members of
Man Industries (India) Limited,

I, J. C. Mansukhani, Vice – Chairman & Managing Director of Man Industries (India) Limited declares that to the best of my knowledge and belief, all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2010.

For Man Industries (India) Limited

Place: Mumbai
Date : 18th May, 2010

J. C. Mansukhani
Vice-Chairman & Managing Director

CEO/CFO CERTIFICATION

To,
The Board of Directors,
Man Industries (India) Limited
102, Man House, S.V.Road,
Vile Parle (W), Mumbai 400 056

Sub: Certification by the Vice- Chairman & Managing Director on Financial Statements of the Company for the year ended 31 March 2010

I, J. C. Mansukhani, Vice Chairman & Managing Director of Man Industries (India) Limited, certify that:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) these financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the financial results/ statements or figures contain therein misleading; and,
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal controls, if any and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - ii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee.

For Man Industries (India) Limited

Place: Mumbai
Date: 18th May, 2010

J. C. Mansukhani
Vice-Chairman & Managing Director

AUDITORS REPORT ON CORPORATE GOVERNANCE

**To The Members of
Man Industries (India) Limited**

We have examined the compliance of conditions of corporate governance by **Man Industries (India) Limited** for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange, Mumbai.

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

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Rohira Mehta & Associates
Chartered Accountants**

**Date: 18th May, 2010
Place: Mumbai**

**Anil Rohira
Partner
Membership No. 37339**

CORPORATE SOCIAL RESPONSIBILITY

Successful global businesses have the power to make a real difference. Economic performance and social responsibility can go hand in hand, when there is a genuine consideration of our impact on the communities and the environment in which we live and work. True global companies must foster good relations with customers, communities in which they operate, nation and bear the responsibility of the impact their activities have on environment and society.

MAN has 2 Manufacturing Plants in operation in India. All these plants are certified ISO 14001: 2004 and OHSAS 18001: 2007 for its Environmental Management and safety System. The initiative of obtaining this certification is purely based on Man's Environmental and Safety Policy.

Each year, on World Environment Day, we contribute to this global effort with activities such as planting of tree saplings and promoting environmental protection awareness amongst our plant employees through an exhibition van sent by the State Pollution Control Board. To observe National Safety Day, we celebrate the entire month as Safety Health Environment Month at all our manufacturing facilities. Our main objective is to promote safety, health and environment protection to our employees, their families and our local communities.

Pollution Prevention Pays is our way to engage employees to work for Green Projects like Recycling, Reuse, Reduce Recover. Employees who come up with innovative ideas, aimed at protecting the environment, are recognized by the MAN Leadership.

To fulfill its obligation towards society and environment, MAN Industries has undertaken and contributed to the below mentioned welfare activities:-

- Plantation of trees at the vacant land at Khedoi production facility and at other various locations, to improve the scenic beauty and to contribute in maintaining ecological balance.
- For education of poor, orphaned and underprivileged children.
- By Depositing the Professional Tax of MAN Industries employees with Khedoi Gram Panchayat under the Gujarat Government Scheme, wherein, the amount is to be utilized for the development projects for the village.
- Setting up of stalls on the occasion of "Pad Yatra" by villagers to "MAA Ashapura Temple" during "Navratri" festivities.
- Contributed towards Kutch Ran Utsav, a fair organized for promoting Kutch District to attract investors and contribute towards creating employment opportunities and development of earthquake effected Kutch.
- Contributed towards developmental activities conducted by Local Communities.

With safety, health and environment protection high on its corporate agenda MAN is committed to conducting business with a strong environment conscience, so as to ensure sustainable development, safe work places and enrichment of the quality of life of its employees, customers and the community.

In addition, we have a number of employee welfare activities for plant employees like educational scholarships for children, emergency loans and the like. On an annual basis, office-based employees collect books, clothes, blankets and such other items and donate them to charities.

SECRETARIAL AUDIT REPORT

To,
The Board of Directors
Man Industries (India) Limited
102, Man House, Opp. Pawan Hans,
S. V. Road, Vile Parle (W),
Mumbai- 400 052

We have examined the registers, records and documents of Man Industries (India) Limited ("the Company") for the financial year ended on March 31, 2010 maintained under the provisions of –

- a) The Companies Act, 1956 and the Rules made under that Act;
- b) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') -
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - The Equity Listing Agreement with Bombay Stock Exchange Limited and National Stock Exchange of India Limited and GDR Listing Agreement with NASDAQ Dubai and FCCB Listing Agreement with Singapore Stock Exchange.

1. We report that, based on our examination and verification of the registers, records and documents produced to us and according to the information and explanations given to us by the Company, the Company has, in our opinion, complied with the provisions of the Companies Act, 1956 ("the Act") and the Rules made under the Act, and Memorandum and Articles of Association of the Company, with respect to:

- a) maintenance of statutory registers and documents and making in them necessary entries;
- b) closure of Register of Members;
- c) returns, forms, documents and resolutions required to be filed with the Registrar of Companies;
- d) service of documents by the Company on its Members and Registrar of Companies;
- e) Notice of Board meetings and Committee meetings of Directors;
- f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) the 21st Annual General Meeting held on September 22, 2009;
- h) minutes of proceedings of General Meetings and of Board and other meetings;
- i) approvals of shareholders, the Board of Directors, the Committee of Directors and government authorities, wherever required;
- j) constitution of the Board of Directors and appointment, retirement and re-appointment of Directors;
- k) appointment and remuneration of Auditors;
- l) transfers and transmissions of the Company's shares and issue and delivery of original and duplicate certificates of shares;
- m) giving guarantees in connection with loans taken by subsidiaries and associate companies;
- n) borrowings and registration, modification and satisfaction of charges;
- o) investment of the Company's funds including inter corporate loans and investments;
- p) contracts, common seal, registered office and publication of name of the Company; and

2. We further report that:

- a. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities.
- b. there was no prosecution initiated against, or show cause notice received by, the Company and no fines or penalties were imposed on the Company under the Companies Act and Rules, Regulations and Guidelines framed under the Acts.

3. We further report that, the Company has complied with:

- a) the requirements under the Equity Listing Agreements entered into with Bombay Stock Exchange Limited and GDR Listing Agreement with NASDAQ Dubai and FCCB Listing Agreement with Singapore Stock Exchange.
- b) the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 with regard to the disclosures and maintenance of records required under the Regulations.
- c) the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 with regard to disclosures and maintenance of records required under the Regulations

For A. K. Jain & Co.
Company Secretaries

Place: Mumbai
Date: 18th May, 2010

Ashish Kumar Jain
Proprietor
C.P. No. 6124

AUDITORS' REPORT

To,
**The Members of
Man Industries (India) Limited**

1. We have audited the attached Balance Sheet of Man Industries (India) Limited as at 31st March, 2010 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. The audited financial statements of the Company incorporate the audited financial statements of the Dubai branch, which have been audited by another auditor reflecting the total assets employed of Rs. 284.32 Lakhs as at 31st March 2010, and total revenues amounting to Rs. 49696.53 Lakhs for the year ended on that date and that we have relied on the report of the other auditor. Further we believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 ("CARO") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, ("the Act") , we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable .
4. Further to our comments in the Annexure referred to above, we report that:
 - 1) We have obtained all the information and explanations, which, to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 2) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - 3) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - 4) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act except Accounting Standard: 11 issued by Institute of Chartered Accountants of India (refer to sub clause d of clause no. G of part II & clause no. 16 of part III of Schedule 18 forming part of accounts)
 - 5) On the basis of the written representations received from the directors as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
 - 6) Subject to the above, in our opinion and to the best of our information and according to the information and explanations given to us, the said accounts read together with the "Notes" thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For Rohira Mehta & Associates
Chartered Accountants
Firm Registration No.: 118777W**

**(Anil V. Rohira)
Partner
Membership No. 037339**

**Place: Mumbai
Dated: May 18, 2010**

MAN INDUSTRIES (INDIA) LIMITED

Annexure referred to in paragraph 3 of our report of even date

1. (i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 (ii) The Company has formulated a programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of 2 years. In our opinion, this periodicity of physical verification is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 (iii) Fixed assets disposed during the year were not substantial and therefore do not affect the going concern assumption.
2. (i) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 (ii) The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
 (iii) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and book stocks were not material having regard to the size of the operations.
3. (i) The Company has granted loans to 3 (Three) parties covered in the registered maintained under section 301 of the Companies Act, 1956 the amount to Rs. 18402.42 Lakhs. The amount outstanding at year end was Rs. 6395.47 Lakhs.
 (ii) In our opinion and according to explanation and information given to us, the rate of interest and other terms and conditions on which the loans have been granted by the Company are not, prima facie, prejudicial to the interest of the Company.
 (iii) There is no written term & condition and written stipulation as to recovery of principal amount and interest as such we are unable to comment on clauses (iii)(c) & (d) of paragraph 4 of Companies (Auditor's Report) Order are not applicable to the Company.
 (iv) The Company has taken loans from 2 (Two) party covered in the registered maintained under section 301 of the Companies Act, 1956 amounting to Rs. 788.75 Lakhs. The amount outstanding at the year end was Nil.
 (v) There is no written term & condition and written stipulation as to repayment of principal amount as such we are unable to comment on clauses (iii)(f) & (g) of paragraph 4 of Companies (Auditor's Report) Order are not applicable to the Company.
4. In our opinion and to the information and explanations given to us, there is anadequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these area.
5. (i) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the Register required to be maintained under that Section.
 (ii) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 and exceeding the value of Rupees Five Lakhs during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A and 58AA of the Act and rules there under, to the extent applicable, have been complied with. The management further informs us that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposit.
7. During the year, the Company has taken steps to strengthen the internal audit system. In our opinion it needs to be further strengthening.
8. We have broadly reviewed the books of account and records maintained pursuant to the order made by the Central Government for maintenance of cost records under section 209(1)(d) of the Act and are of the opinion that prima facie, the prescribed accounts and record have been made and maintained. We, however, have not made a detailed examination of such accounts and record with view to determine whether they are accurate or complete.
9. (i) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income-tax, sales-tax, wealth -tax, customs duty, excise-duty, service tax, cess and other statutory dues wherever applicable with the appropriate authorities *except in the following cases.*

Name of the Statute	Amount (Rs. In Lakhs)
Service Tax (Import of Services)	31.40
VAT/CST/Entry Tax	95.06

- (ii). According to the records of the Company, there are no dues outstanding of sales tax, income-tax, customs duty, wealth tax, excise duty, service tax or cess on account of any dispute, other than the following:

Name of the Statute	Amount (Rs. In Lakhs)	Forum where dispute
Central Excise Act, 1944.	3958.10	CESTAT, Revenue Authority
Service Tax	220.13	Commissioner Service Tax
Sales Tax, CST, Entry Tax	571.47	Commissioner Appeals
Income Tax Act, 1961	86.21	Commissioner Appeals

10. The Company has no accumulated losses as at 31st March 2010 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank, as may be applicable at the Balance Sheet date.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of dealing and trading in shares, securities, debentures and other investment and timely entries have generally been made therein. All shares, debentures and other securities have been held by the Company, in its own name.
15. In our opinion, and according to the information and explanations given to us, the Company has given guarantee on behalf of its subsidiaries as mentioned in clause 17 of part III of schedule 18 forming part of accounts. Further the terms and conditions of the guarantee are not prejudicial to the interest of the Company.
16. In our opinion, and according to the information and explanations given to us, Term Loan's have been applied for the purpose for which they were raised.
17. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. According to the information and explanations given to us, the Company has made preferential allotment of shares to parties covered in the register maintained under section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the Company.
19. The Company has not issued any debentures during the year.
20. The Company has not raised money through a public issue.
21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place: Mumbai
 Dated: May 18, 2010

For Rohira Mehta & Associates
Chartered Accountants
Firm Registration No.: 118777W

(Anil V. Rohira)
Partner
M. No. 037339

MAN INDUSTRIES (INDIA) LIMITED
BALANCE SHEET AS AT MARCH 31, 2010

PARTICULARS	Sch. No.	(Rupees)	
		AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SOURCES OF FUND			
1. Shareholders Funds			
Share Capital	1	267,674,370	266,424,370
Share Application Money		19,687,500	-
Reserves and Surplus	2	4,365,093,459	3,812,262,106
		4,652,455,329	4,078,686,476
2. Loan Funds			
Secured Loans	3	1,247,179,225	1,614,744,553
Unsecured Loans	4	1,836,944,740	2,030,000,000
		3,084,123,965	3,644,744,553
3. Deferred Tax Liability		545,396,436	527,062,247
TOTAL		8,281,975,731	8,250,493,276
APPLICATION OF FUNDS			
1. Fixed Assets			
a) Gross Block	5	5,799,291,392	5,641,994,088
Less : Accumulated Depreciation		1,652,847,078	1,288,863,521
Net Block		4,146,444,314	4,353,130,567
b) Capital Work in Progress.		75,541,061	126,709,546
		4,221,985,375	4,479,840,113
2. Investments	6	338,232,260	426,576,657
3. Current Assets, Loans and Advances			
Inventories	7	2,722,546,486	2,340,499,853
Sundry Debtors	8	1,561,756,535	5,191,510,391
Cash and Bank Balances	9	3,566,160,072	1,895,725,657
Loans and Advances	10	2,659,072,612	2,811,191,837
		10,509,535,706	12,238,927,737
Less: Current Liabilities and Provisions	11	6,812,759,148	8,932,617,605
Net Current Assets		3,696,776,558	3,306,310,132
4. Miscellaneous Expenditure		24,981,538	37,766,374
TOTAL		8,281,975,731	8,250,493,276
Significant Accounting Policies and Notes on Accounts	18		

As per our report attached hereto

For and on behalf of Board

For and on behalf of
Rohira Mehta & Associates
Chartered Accountants

R. C. Mansukhani
Chairman

J. C. Mansukhani
Vice-Chairman & Managing Director

Anil V. Rohira
Partner
Membership No. 37339
FRN No. 118777W

J. L. Mansukhani
Director

Kirit N. Damania
Director

Place : Mumbai
Date : May 18, 2010

MAN INDUSTRIES (INDIA) LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

(Rupees)

PARTICULARS	Sch. No.	YEAR 2009-2010	YEAR 2008-2009
INCOME			
Sales and Other Income	12	15,560,255,726	19,188,495,654
Less: Excise Duty		317,348,108	359,222,200
TOTAL		15,242,907,618	18,829,273,454
EXPENDITURE			
Cost of Material	13	11,038,743,494	14,222,147,822
Increase/(Decrease) in Stock	14	267,389,089	510,991,759
Employment Cost	15	365,710,532	400,961,596
Interest and Financial Charges	16	369,751,222	449,462,961
Operating and Other Expenses	17	1,827,691,310	2,184,286,593
TOTAL		13,869,285,647	17,767,850,732
Profit Before Depreciation		1,373,621,971	1,061,422,722
Depreciation		368,152,840	349,940,584
Profit Before Tax		1,005,469,132	711,482,138
<u>Provision For Taxation</u>		334,574,517	237,214,860
Current Tax		316,240,328	127,421,995
Deferred Tax		18,334,189	105,766,265
Fringe Benefit Tax		-	4,026,600
Profit After Tax		670,894,614	474,267,279
Balance Brought Forward		1,892,579,792	1,565,327,584
Disposable Profit		2,563,474,407	2,039,594,863
APPROPRIATIONS			
General Reserve		(67,089,461)	(47,426,728)
Proposed Dividend		(93,686,030)	(79,927,311)
Corporate Dividend Tax		(15,921,941)	(13,583,647)
Profit and Loss Appropriation		(4,169,431)	(6,077,384)
Balance Carried to Balance Sheet		2,382,607,544	1,892,579,792
Significant Accounting Policies and Notes on Accounts	18		

As per our report attached hereto

For and on behalf of Board

 For and on behalf of
 Rohira Mehta & Associates
 Chartered Accountants

 R. C. Mansukhani
 Chairman

 J. C. Mansukhani
 Vice-Chairman & Managing Director

 Anil V. Rohira
 Partner
 Membership No. 37339
 FRN No. 118777W

 J. L. Mansukhani
 Director

 Kirit N. Damania
 Director

 Place : Mumbai
 Date : May 18, 2010

MAN INDUSTRIES (INDIA) LIMITED**SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010**

PARTICULARS	(Rupees)	
	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SCHEDULE - 1		
SHARE CAPITAL		
<u>1. Authorised</u>		
70,000,000 (Previous Year 70,000,000 of Rs. 5/- each) Equity Share of Rs. 5/- each	350,000,000	350,000,000
<u>2. Issued, Subscribed and Paid-up</u>		
53,534,874 (Previous Year 53,284,874 of Rs. 5/- each) Equity Shares of Rs.5/ each	267,674,370	266,424,370
TOTAL	267,674,370	266,424,370
OF THE ABOVE EQUITY SHARES:		
-13,461,540 equity shares of Rs. 5/- each issued on March 22, 2006 as underlying shares to the Global Depository Receipt each representing one equity share.		
SCHEDULE - 2		
RESERVES AND SURPLUS		
Profit and Loss Account	2,382,607,544	1,892,579,793
Share Premium	1,607,786,174	1,600,286,174
General Reserve	344,443,569	277,354,108
Foreign Currency Translation Reserve	30,256,172	42,042,032
TOTAL	4,365,093,459	3,812,262,106
- Share Premium includes Rs. 145.15 crores received on 13,461,540 underlying equity shares.		
SCHEDULE - 3		
SECURED LOANS		
From Financial Institutions and Banks		
<u>Working Capital Loans</u>		
Cash Credit /WCDL/ FCNR-B	656,025,735	526,998,199
	656,025,735	526,998,199
<u>Term Loans</u>		
Rupee Term Loans	343,750,000	559,407,275
Foreign Currency Term Loans	247,403,490	528,339,080
	591,153,490	1,087,746,355
TOTAL	1,247,179,225	1,614,744,553
- Term Loans from Banks and Financial Institutions are secured by way of first pari-passu charge on fixed assets and second pari-passu charge on movable assets of the Company.		
- Working Capital facilities by banker's are secured by first pari-passu charge on all the movable assets and second pari-passu charge on the immovable assets of the Company.		

MAN INDUSTRIES (INDIA) LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

PARTICULARS	(Rupees)	
	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SCHEDULE - 4		
UNSECURED LOANS		
Foreign Currency Convertible Bonds	1,790,460,000	2,030,000,000
From Bank	46,484,740	-
TOTAL	1,836,944,740	2,030,000,000
SCHEDULE - 5	ATTACHED SEPARATELY	
SCHEDULE - 6		
INVESTMENTS		
Quoted Shares (Valued at cost or market price whichever is lower)	39,587,319	21,384,263
Investment In Joint Venture	163,008	163,008
Investment In Subsidiaries	272,882,000	379,429,453
Investment in Property	25,599,933	25,599,933
TOTAL	338,232,260	426,576,657
SCHEDULE - 7		
INVENTORIES (As certified by the Management)		
Raw Materials	1,590,545,491	1,332,725,272
Work In Process	211,095,759	629,814,923
Finished Goods	352,129,804	200,799,729
Stores & Spares	50,635,061	21,017,290
Stock-in-transit	518,140,371	156,142,639
TOTAL	2,722,546,486	2,340,499,853
SCHEDULE - 8		
SUNDRY DEBTORS (Unsecured Considered Good)		
Debtors Over Six Months	664,184,108	484,023,805
Other Debtors	897,572,427	4,707,486,586
TOTAL	1,561,756,535	5,191,510,391

MAN INDUSTRIES (INDIA) LIMITED
SCHEDULE OF FIXED ASSETS AS ON MARCH 31, 2010

SCHEDULE - 5

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01.04.2009	ADDITIONS DURING THE YEAR	SALES	AS AT 31.03.2010	AS AT 01.04.2009	FOR THE YEAR	ADJUSTED ON SALES/ OTHER	AS AT 31.03.2010	AS AT 31.03.2010
LAND	26,404,269	-	-	26,404,269	-	-	-	26,404,269	26,404,269
FACTORY BUILDING	970,622,203	5,262,445	-	975,884,648	89,443,807	32,421,435	-	881,178,396	854,019,406
OFFICE PREMISES	36,449,851	7,646,498	-	44,096,349	3,327,661	594,767	-	33,122,190	40,173,921
PLANT & MACHINERY	3,990,453,037	117,044,736	2,879,052	4,104,618,721	1,033,628,609	277,378,760	1,250,653	2,956,824,428	2,794,862,005
OFFICE EQUIPMENTS	15,830,225	378,718	53,200	16,155,744	5,362,530	1,015,026	5,574	10,467,696	9,783,762
FURNITURE & FIXTURES	30,562,005	31,844,794	-	62,406,799	8,341,588	2,318,190	-	22,220,418	51,747,022
ELEC. EQUIPMENTS	137,232,534	4,011,364	-	141,243,897	27,605,448	9,423,254	-	109,627,085	104,215,195
VEHICLES	30,744,145	500,000	8,194,270	23,049,875	10,797,841	3,020,857	2,913,056	19,946,304	12,144,233
COMPUTERS	27,142,065	1,735,271	-	28,877,335	18,753,208	3,044,892	-	8,388,857	7,079,235
WIND MILL	376,553,754	-	-	376,553,754	91,602,830	38,935,658	-	284,950,924	246,015,266
Sub Total	5,641,994,088	168,423,826	11,126,522	5,799,291,393	1,288,863,521	368,152,841	4,169,283	4,353,130,567	4,146,444,314
CAPITAL W.I.P.	126,709,546	447,349,458	95,903,430	75,541,061	-	-	-	126,709,546	75,541,061
TOTAL	5,768,703,634	213,158,772	107,029,952	5,874,832,454	1,288,863,521	368,152,841	4,169,283	4,479,840,113	4,221,985,375

(Rupees)

MAN INDUSTRIES (INDIA) LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

PARTICULARS	(Rupees)	
	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SCHEDULE - 9		
CASH AND BANK BALANCE		
<u>Balances With Scheduled Banks</u>		
- In Current Accounts	2,256,267,976	407,189,888
- In Fixed Deposits	1,308,760,938	1,487,028,459
Cash on Hand	1,131,159	1,507,310
TOTAL	3,566,160,072	1,895,725,657
(Fixed Deposits as on March 31, 2010 includes deposit of Rs. 0.11 crores (Previous year Rs.36.17 crores) with Banks being un-utilized funds of FCCB issue.)		
SCHEDULE - 10		
LOANS AND ADVANCES		
(Unsecured Considered Good except otherwise stated)		
Advances Recoverable in Cash or kind or for value to be received		
Prepaid Expenses	35,216,925	18,525,766
Deposits/Claims with Govt. Departments	33,787,308	31,190,155
Export Incentives Receivable	31,250,465	147,538,643
Balances with Central Excise	469,982,969	733,643,206
Other Advances	2,088,834,945	1,880,294,068
TOTAL	2,659,072,612	2,811,191,837
SCHEDULE - 11		
CURRENT LIABILITIES AND PROVISIONS		
Sundry Creditors		
- Goods and Services	5,698,371,951	8,167,045,169
- Capital Goods	85,750,527	93,206,941
Unclaimed Dividend	7,005,078	5,220,483
Proposed Dividend	93,686,030	79,927,311
Others Liabilities and Provisions	927,945,563	587,217,701
TOTAL	6,812,759,148	8,932,617,605

MAN INDUSTRIES (INDIA) LIMITED**SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**

PARTICULARS	(Rupees)	
	YEAR 2009-2010	YEAR 2008-2009
SCHEDULE - 12		
SALES AND OTHER INCOME		
Gross Sales	15,054,255,216	18,947,957,774
Interest Income	210,571,337	16,675,372
Other Income	295,429,173	223,862,508
TOTAL	15,560,255,726	19,188,495,654
SCHEDULE - 13		
COST OF RAW MATERIALS		
Opening Stock of Raw Materials.	1,332,725,272	1,441,541,513
Add:- Purchases	11,296,563,713	14,113,331,581
Sub Total :	12,629,288,985	15,554,873,094
Less:- Closing Stock of Raw Materials.	1,590,545,491	1,332,725,272
TOTAL	11,038,743,494	14,222,147,822
SCHEDULE - 14		
INCREASE (DECREASE) IN STOCK		
Opening Stock of Finished Goods & Stock in Process	830,614,652	1,341,606,411
Less: Closing Stock of Finished Goods and Stock in Process	563,225,563	830,614,652
TOTAL	267,389,089	510,991,759

MAN INDUSTRIES (INDIA) LIMITED
SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

PARTICULARS	(Rupees)	
	YEAR 2009-2010	YEAR 2008-2009
SCHEDULE - 15		
EMPLOYMENT COST		
Salaries and Staff Expenses	365,710,532	400,961,596
TOTAL	365,710,532	400,961,596
SCHEDULE - 16		
INTEREST AND FINANCIAL CHARGES		
Interest to Financial Institutions	53,358,291	65,831,050
Interest to Banks (Net)	179,276,944	227,081,187
Bank Charges	137,115,987	156,550,724
TOTAL	369,751,222	449,462,961
SCHEDULE - 17		
OPERATING AND OTHER EXPENSES		
A) MANUFACTURING EXPENSES		
Power Expenses	135,875,941	156,035,818
Stores & Spares	42,594,243	95,548,959
Repairs & Maintenance		
- Plant & Machinery	6,974,584	4,186,655
- Building & Others	5,323,395	2,866,296
Other Manufacturing Expenses	353,511,996	362,752,593
B) ADMINISTRATIVE & OTHER EXPENSES		
Telephone & Talex	8,418,573	9,038,281
Rent, Rates & Taxes	15,786,891	13,214,560
Insurance Premium	15,091,927	12,677,673
Legal & Professional Charges	94,893,066	49,975,414
Other Administrative Expenses	29,398,751	28,928,746
C) SELLING & DISTRIBUTION EXPENSES		
Freight & Transportation	368,289,761	943,494,371
Forwarding Expenses	23,051,130	40,747,856
Travelling Expenses	39,441,744	38,682,546
Selling Expenses	676,548,539	413,646,056
D) PRELIMINARY EXPENSES WRITTEN OFF	12,490,769	12,490,769
TOTAL	1,827,691,310	2,184,286,593

SCHEDULE - 18**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS FOR YEAR ENDED MARCH 31, 2010****I. NATURE OF OPERATIONS**

Man Industries (India) Limited (hereinafter referred to as "MIIL" or "the Company") is a Company formed and registered under the Companies Act, 1956. The activity of MIIL is the manufacturing and beveling of Submerged Arc Welded Pipes.

II. SIGNIFICANT ACCOUNTING POLICIES:**A) Basis of Preparation of Financial Statements :**

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company. All income & expenditure items having a material bearing on the financial statements are recognized on accrual basis, except in respect of insurance claims, liquidated damages, where the exact quantum cannot be ascertained.

B) Income Recognition :

- a) Revenue in respect of sale of goods is recognized on dispatch of goods from the factory on the basis of excise invoice. The sales are inclusive of excise duty but net of value added tax. Further the materials returned/rejected are accounted for in the year of return/rejection.
- b) For services rendered the Company recognizes revenue on the basis of Completed Contract Method.
- c) Export incentives & other miscellaneous incomes are recognized on accrual basis except dividend on investments which are accounted in the year of receipt.

C) Fixed Assets :

- a) Valuation Of Fixed Assets
Fixed Assets are stated at cost of acquisition including any attributable cost for bringing the assets to its working condition and exclusive of cenvat credit on capital account. Further in case of impairment of assets, the fixed assets are carried at cost or recoverable amount whichever is less.
- b) Depreciation
Depreciation on Fixed Assets is provided on straight-line method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956.

D) Valuation of Inventories:

- a) Raw materials are valued at cost or net realisable value whichever is lower. Cost is computed using first in first out method.
- b) Work in progress includes the cost of purchase, appropriate share of cost of conversion and other overheads incurred in bringing the inventories to its present location and condition.
- c) Finished goods includes cost of purchase, cost of conversion and other overhead incurred in bringing the inventory to its present location and condition. Obsolete/ slow moving inventories are adequately provided for.
- d) Other stores and spares/consumable are valued at cost after providing for cost of obsolescence, if any.

E) Investments:

Long-term investments are valued at cost, less any diminution in value that is other than temporary. Current investments are valued at lower of cost and fair value. Income thereon is accounted for as and when realised.

F) Miscellaneous Expenditure:

Miscellaneous expenditure is written off to the Profit and Loss Account over a period of up to ten years depending upon the nature and expected future benefit of such expenditure. However deferred revenue expenditure comprising of foreign currency convertible bond issue expense is written off to the Profit and Loss Account over a period of up to five years.

G) Foreign exchange transactions:

- (a) Foreign currency transactions during the year are recognized at the rate of exchange prevailing on the date of transaction. All exchange differences are dealt with in the Profit and Loss Account except those relating to acquisition of fixed assets acquired from outside India, which are adjusted in the cost of the assets. Foreign currency current assets, current liabilities and loans other than for financing fixed assets and, outstanding at the year end are translated at the rates of exchange prevailing at the close of the year and the resultant gain/losses are recognized in the Profit and Loss Account of the year.
- (b) In respect of forward exchange contract entered for speculation purpose and expired during the year, the difference in forward exchange booking rate and spot rate on the date of expiry of contract is dealt in the Profit and Loss Account. In respect of forward exchange contract entered for speculative purpose and carried forward in next accounting period, the difference between the forward exchange booking rate and closing inter bank rate prevailing at the close of the year are dealt in the Profit and Loss Account.
- (c) In the case of foreign branches, being non-integral foreign operations, revenue items are converted at the rate prevailing as on the date of transactions during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on conversion is recognized in the foreign fluctuation translation reserve.
- (d) The company has not restated its various foreign currency monetary assets and liabilities consisting of debtors, creditors and FCCB deposits at the closing rates of exchange. Accordingly net monetary gains aggregating to Rs 2039.71 Lakhs (net of deferred tax Rs. 1050.29 Lakhs) have not been provided in the financial statement. Additionally, the mark to market gains pertaining to forward contracts amounting to Rs 1259.47 Lakhs (net of deferred tax of Rs. 648.52 Lakhs) have also not been provided in the financial statements.

Accordingly the Net Profit for the year and the net worth as at March 31, 2010 are lower by Rs. 4998 Lakhs.

The company is of the view that these favorable foreign exchange fluctuations are temporary in nature.

However, the above is in contravention to Accounting Standard – 11 (Revised) “The Effects of Changes in Foreign Exchange Rates” issued by The Institute of Chartered Accountants of India and is also inconsistent with the accounting policy regularly followed by the Company.

H) Retirement Benefits :**i) Short Term Employee Benefits :**

All Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which employee renders the related service except Leave Encashment .

ii) Post – employment Benefits :

- a) Defined Contribution Plans
Defined contribution fund are government administered provident fund scheme, employee state insurance scheme for all employees. The Company’s contribution to defined contribution plans are recognized in the Profit & Loss Account in the financial year to which they relate.
- b) Defined Benefit Gratuity Plan
The Company operates a defined gratuity plan for all employees with Life Insurance Corporation of India. The Company’s contribution of premium to gratuity scheme is recognized in the Profit & Loss Account in the financial year to which they relate.

I) Taxation :

a) Current Tax :

Current Tax provision is computed for the current income based on tax liability after considering allowances and exemptions.

b) Deferred Tax Provision :

Deferred Tax arising from timing difference between the book profit and tax profit is accounted for, at the future rate of tax, to the extent of temporary timing differences that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Assets are not recognized on unabsorbed depreciation and carry forward losses unless there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

J) Contingent Liabilities:

Contingent liabilities are not provided for in the accounts but are separately disclosed by way of a note.

K) Borrowing Costs:

Borrowing Costs are accounted on accrual basis.

L) Earning Per Share:

Earning per share is calculated by dividing the profit attributable to the Equity Shareholders by the weighted average number of equity share outstanding during the year.

M) Lease Accounting

Assets taken on operating lease:

Lease rentals on assets taken on operating lease are recognised as expense in the Profit and Loss Account on an accrual basis over the lease term.

Assets given on operating lease:

The Company has provided tinting systems to dealers on an operating lease basis. Lease rentals are accounted on accrual basis in accordance with the respective lease agreements.

N) Provisions:

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. Where the Company expects provisions to be reimbursed, is recognized as a separate asset, only when such reimbursement is virtually certain.

O) Impairment of Assets:

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognized for an asset in prior accounting period may no longer exists or may have decreased. If any indication exists the assets recoverable amount is estimated. The carrying amount is increased to revised estimate of its recoverable amount but so that the increased carrying amount does not exceeds the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior years. A reversal of impairment loss is recognized in the Profit & Loss Account.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the assets is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

III. NOTES FORMING PART OF ACCOUNTS

1. Contingent Liabilities not provided in respect of:

(Rs. In Lakhs)

SR. NO.	PARTICULARS	AS AT 31ST MARCH 2010	AS AT 31ST MARCH 2009
1	Guarantees / Letter of Credit outstanding	79,797.13	102,651.82
2	Excise Duty / Service Tax Matters	4,178.22	298.94
3	Entry Tax / Sales Tax Matters	571.46	243.13
4	Income Tax Matters	86.21	119.90
5	Estimated amount of contract remaining to be executed on capital account (net of advances)	355.00	215.10
6	Corporate Guarantee Issued	21,574.00	10,474.00
		106,562.02	114,002.89

2. a) Term Loan from Banks and Financial Institutions are by the way of first pari -passu charge on fixed assets and second pari - passu charge on moveable assets of the Company & further secured by personal guarantee of the Promoter Directors.
- b) Working Capital facilities by banker's are secured by first pari – passu charge on all the moveable assets and second pari – passu charge on the immovable assets of the Company.
3. Balances of Sundry Creditors and Debtors are subject to confirmations, reconciliation and consequent adjustments, if any.
4. (i) The Company had raised US \$ 50 Million (Rs. 20300 Lakhs) by way of Zero Coupon Foreign Currency Convertible Bonds during the year ended 31st March, 2008. The Bondholders have an option to convert these Bonds into equity shares, at an initial conversion price of Rs. 143.50 per share with a fixed rate of exchange on conversion of Rs. 41.1475 = US \$ 1 at the option of the Bondholders at any time on or after 1 July 2007. The conversion price is subject to adjustment/ reset in certain circumstances. Further the initial conversion price of Rs. 143.50 has been reset to Rs. 115/- on 3rd May, 2008, which has been further reset at Rs. 109/- on 3rd May, 2009. The Bonds may be redeemed in whole, at the option of the Company, at any time on or after 22nd May, 2010 subject to satisfaction of certain conditions. Unless previously converted, redeemed or repurchased and cancelled, the Bonds will be redeemed on 23 May, 2012 at 146.57% of the principal amount so as to give a gross yield of 7.80% per annum to the bondholder.
- (ii) The part proceeds received from the issue of FCCB, Rs. 16813.44 Lakhs have been utilised for funding of expansion of Pipe and Coating Complex at Anjar, Rs. 1926.16 Lakhs have been utilised for FCCB Buyback during the year.
- (iii) During the year, the Company has bought back 59 FCCB of the face value 5.90 million USD at discount of Rs. 4.69 Crores and the same has been considered as other income.
- (iv) The Board is of the opinion that it is more likely than not bondholders would opt for conversion rather than redemption of bonds accordingly, believes that the payment on premium on redemption, if any, is contingent in nature, hence at this stage, provision of redemption premium is not considered necessary and has not been recognized in the financial statements. The amount of premium on the outstanding quantum of bonds determined on time proportion basis till March 31, 2010 aggregates to Rs. 4034.19 Lakhs.
5. Directors of the Company have certified that the Current Assets, Loans & Advances and Current Liabilities have a value on realization at least equal to the amount at which they are stated in the Balance Sheet.
6. Although the Group operates in more than one segment, segmental reporting as required under Accounting Standard – 17 is not applicable as the segment revenue from other segment is lower than 10% of total revenue.
7. The Company has not initiated the process of identifying 'suppliers' covered under the Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosure requirements in this regards as per Schedule VI of the Companies Act, 1956 could not be provided.

8. Arbitration & Legal cases between Company and**(Rs. In Lakhs)**

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009	CURRENT STATUS
1	Indian Oil Corporation Limited			
a)	for recovery of dues	234.88	234.88	Pending for Arbitration
b)	for encashment of performance bank guarantee	549.77	549.77	
2	Gujrat Water Supply & Sewerage Board for recovery of dues	391.29	784.95	Pending before Gujrat Highcourt
3	GAIL for recovery of dues	1,953.66	1,953.66	Pending for Arbitration
4	Advance for Purchase of Land	1,235.50	1,235.50	Redirected to the Collector
5	Midcontinent Express Pipeline LLC Encashment of stand by letter of credit *	6,878.25	6,878.25	

*As informed to us by the management the company has initiated legal proceedings against Midcontinent Pipeline LLC. (MEP) in the District Court of Harris County, Texas for fraudulently encashing the stand by letter of credit of US \$ 15 Million (Rs. 6878.25 Lakhs) and has classified the same as loans and advances under Current Assets. The Company proceeded to invoke the bank guarantee of US \$ 33 Million provided by MEP; however the same could not be encashed as it was stayed by The Texas Court. Further Bank of Tokyo & Mitsubishi (BTM), who did not honor the said bank guarantee on account of alleged discrepancies in the invocation documents. The Company has initiated legal proceedings against BTM for not honouring the invocation of Bank Guarantee, and the depositions have commenced before the Honorable District Court of Harris County, Texas.

9. Donation to Political Parties**(Rs. In Lakhs)**

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
1	Bharatiya Janta Party	4.25	10.00
2	Maharashtra Pradesh Congress Committee	15.00	-

10. Deferred Tax Liability**(Rs. In Lakhs)**

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
1	Opening Deferred Tax Liability	5,270.62	4,212.96
2	Deferred Tax Liability on account of		
a)	Difference between book and tax depreciation	93.40	1,211.82
b)	Deferred Revenue Expenditure	(42.46)	(42.46)
c)	Others	132.40	(111.70)
3	Closing Deferred Tax Liability	5,453.96	5,270.62

11. Disclosure as per amendment to clause 32 of the Listing Agreement

(Rs. In Lakhs)

Sr. No.	Name of the Parties	Transaction During the year Ended		Outstanding Balance as at	
		AS AT MARCH 31, 2010	AS AT MARCH 31, 2009	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
1	Loans to Subsidiary Co.				
	a) Man Infraprojects Limited	(74.15)	(3,646.63)	6,179.97	6,254.11
	b) Man Overseas Metals DMCC	(220.60)	413.21	192.61	413.21
2	Unsecured Loans where there are no Repayment Schedule				
	a) Man UK Limited	(4.42)	(1.40)	1.25	5.67
	b) JPA Holdings Pvt. Ltd.	751.35	50.50	–	–
	c) Man Alluminium Limited	8.59	(262.28)	–	–
	d) Man Futures Pvt. Ltd.	–	88.00	–	–

12. Earning per share (EPS) computed in accordance with Accounting Standard 20 "Earning Per Share".

(Rs. In Lakhs)

Sr.No.	Particulars	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
A	Basic Earning Per Share		
a)	Net Profit attributable to Equity Shareholders	6,708.95	4,742.67
b)	Weightage Average Nos. of Share	53,285,559	53,284,874
c)	Basic Earning Per Share (Rs.)	12.59	8.90
B	Diluted Earning Per Share		
a)	Net Profit attributable to Equity Shareholders	6,708.95	4,742.67
b)	Weightage Average Nos. of Share	54,080,856	53,284,874
c)	Diluted Earning Per Share (Rs.)	12.41	8.90

13. Pursuant to Accounting Standard (AS 19) – Leases, the following information is given:

- I. a) The Company has taken certain assets such as cars on an operating lease basis. The lease rentals are payable on a monthly basis.
 b) Future minimum lease rentals payable as at March, 31 2010 as per lease agreements:

(Rs. In Lakhs)

Sr.No.	Particulars	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
a)	Not later than one year	147.13	101.10
b)	Later than one year but not later than 5 years	442.03	53.51
c)	Later than 5 years	–	–

- II. a) Future minimum lease rental receivable as at March, 31 2010 as per lease agreements:

(Rs. In Lakhs)

Sr.No.	Particulars	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
a)	Not later than one year	33.51	33.43
b)	Later than one year but not later than 5 years	66.70	40.73
c)	Later than 5 years	24.67	50.62

14. Remuneration to Managing Director and Whole – time Directors paid/payable during the year, under section 198 of the Companies Act, 1956.

Sr.No.	Particulars	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
a)	Salaries & Perquisites	666.97	631.26
b)	Sitting Fees	4.40	4.80

15. Payment to Auditors

(Rs. In Lakhs)

Sr.No.	Particulars	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
a)	Audit Fees	14.50	13.50
b)	Tax Audit Fees	2.50	2.50
c)	In Other Capacity	1.00	1.00

16. Foreign currency exposure at the year end not hedged by derivative instrument.

(Rs. In Lakhs)

Sr.No.	Particulars	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
a)	Receivable against exports of goods and services		
	Rupees	3,351.90	26,175.28
	US Dollar	83.78	543.71
	Euros	(6.03)	0.80
b)	Payable against import of goods and services		
	Rupees	56,012.63	79,629.91
	US Dollar	824.08	1,497.32
	Euros	38.55	136.69
	GBP	0.43	0.09
	AUD	-	1.51

17. Related Party Disclosures:

Related party disclosure as required by Accounting Standard – 18 “Related Party Disclosures” issued by “Institute of Chartered Accountants of India” are given below:

a) Names of the parties where control exists:

- Man Infraprojects Limited – Subsidiary of the Company
- Merino Shelters Private Limited – Wholly owned subsidiary of Man Infraprojects Limited
- Man USA Inc – Wholly owned Subsidiary of the Company
- Man Overseas Metals DMCC – Wholly owned Subsidiary of the Company

b) Names of the Enterprise in which Management has significant interest:

- JPA Holdings Private Limited
- Man Aluminum Limited (till 24.12.2009)
- Man Global FZC, UAE
- Man Futures Private Limited
- Man (U.K.) Limited

c) Names of the Key Management Personnel:

- Mr. R.C. Mansukhani – Chairman
- Mr. J. C. Mansukhani – Vice Chairman & Managing Director
- Mr. J. L. Mansukhani – Executive Director

d) Names of the Relatives of Management Personnel:

- Mrs. Kimatdevi Mansukhani
- Mrs. Anita Mansukhani
- Ms. Deepa Mansukhani

(Rs. In Lakhs)

Sr.No	Particulars	Transaction During the		Outstanding Balance as at	
		Year 2009 - 2010	Year 2008 - 2009	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
1	Man Infraprojects Limited				
a)	Investment in Equity Shares	-	2,500.00	2,660.00	2,660.00
b)	Share Application Money	-	-		-
c)	Inter Corporate Deposit (net)	(74.15)	(3,646.63)	6,179.97	6,254.11
d)	Interest received	2,103.13	2,203.21	995.43	-
e)	Rent - Income	2.88	1.05	1.80	-
f)	Construction Contract – Given	152.29	476.93	131.86	-
g)	Sales	-	3.80	-	-
2	JPA Holdings Pvt. Ltd.				
a)	Interest – Expenses	7.56	0.20	-	-
b)	Loan Taken	751.35	50.50	-	-
c)	Loan Repaid	751.35	-	-	-
d)	Sale of Car	7.00	-	-	-
3	Man Aluminum Limited (till 24.12.2009)				
a)	Loan Taken	8.59	262.28		-
b)	Loan Repaid	8.59	-		-
c)	Purchase	5.62	16.33		6.80
d)	Sale	5.62	-		-
4	Man Global FZC, UAE				
a)	Investment in Equity Shares	-	-	1.63	1.63
b)	Loan Given	0.92	-	0.92	-
5	Man USA Inc.				
a)	Investment in Equity Shares	(1,065.35)	1,065.35	-	1,065.47
b)	Loan Given	20.73	-	20.73	-
6	Man Overseas Metal, DMCC				
a)	Investment in Equity Shares	-	68.82	68.82	68.82
b)	Loan Given	(220.60)	413.21	192.61	413.21
7	Man Futures Pvt. Ltd.				
a)	Loan Given (Net)	-	88.00	-	-
b)	Interest Paid	-	1.51	-	-
8	Man UK Limited				
	Loan Taken	(4.42)	(1.40)	1.25	5.67
9	Others				
a)	Rent Deposit	(477.75)	-		
b)	Salary	535.42	559.66		
c)	Rent	120.00	72.00		
d)	Interest	-	23.25		
e)	Loan Taken	38.74	255.00		
f)	Loan Repaid	38.74	365.00		
g)	Sale of car	5.00	-		
h)	Equity Share Capital	87.50	-		
i)	Share Warrant Application Money	196.88	-		
10	Corporate Guarantee given for loan taken by				
a)	Man Aluminium Limited	1,350.00	1,350.00	1,350.00	1,350.00
b)	Man Infraprojects Limited	3,300.00	1,100.00	4,400.00	1,100.00
c)	Man Global FZC	955.00	-	8,980.00	8,024.00
d)	Merino Shelters Pvt Ltd	7,500.00	-	7,500.00	-

18. Employee Defined Benefits : Defined benefit plans as per Actuarial valuation on March 31, 2010.**(Rs. In Lakhs)**

Sr.No.	Particulars	March, 2010	March, 2009
I	Expense Recognised in the Statement of Profit & Loss Account for the year ended		
1	Current Service Cost	44.14	60.08
2	Interest	19.55	19.05
3	Expected Return on plan assets	(11.38)	(9.02)
4	Actuarial (Gain)/Loss	(175.79)	(27.78)
5	Total Expenses	(123.48)	42.34
II	Net (Asset)/Liability recognised in the Balance Sheet as at		
1	Present value of Defined Benefit obligation as at	154.00	279.22
2	Fair Value of plan assets as at	161.06	164.17
3	Funded Status [Surplus/(Deficit)]	7.06	115.05
4	Net (Asset)/Liability as at	(7.06)	115.05
III	Change in the obligation during the year ended		
1	Present value of Defined Benefit obligation as at the beginning of the year	279.22	232.34
2	Current service cost	44.14	60.08
3	Interest cost	19.55	19.05
4	Benefit payments	(16.03)	(8.52)
5	Actuarial (Gain)/Loss	(172.88)	(23.73)
6	Present value of Defined Benefit obligation as at the end of the year	154.00	279.22
IV	Change in Fair Value of Assets during the year ended		
1	Fair Value of plan assets at the beginning of the year	162.58	109.99
2	Expected return on plan assets	11.38	9.02
3	Contributions by employer	0.22	49.63
4	Actual Benefits paid	(16.03)	(8.52)
5	Actuarial Gain/ (Loss) on plan assets	2.91	4.05
6	Fair Value of plan assets at the end of the year	161.06	164.17
7	Total Actuarial Gain/(Loss) to be recognized	175.79	27.78
V	The major Categories of plan assets as a percentage of total plan Funded with LIC		
VI	Actuarial Assumptions		
1	Discount Rate	8.00%	7.00%
2	Expected rate of return on plan assets	8.00%	7.00%
3	In-service Mortality	LIC 1994-96 Ultimate	LIC 1994-96 Ultimate
4	Salary Rise	7.00%	7.00%

General Description of the Defined Benefit Plan:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, whichever is earlier. The benefits vests after five year of continuous service.

19. Additional information pursuant to paragraphs 3 & 4 II of Schedule VI of the Companies Act, 1956.**A) Particulars in respect of licensed and installed capacities and actual production as certified by the Management****(Rs. In Lakhs)**

Sr. No.	Particulars	Quantity (M.T.)	AS AT MARCH 31, 2010	Quantity (M.T.)	AS AT MARCH 31, 2009
a)	Pipes Division (Pipes)				
i)	Installed Capacity	1,000,000		1,000,000	
ii)	Opening Stock	3,614.63	2,008.00	25,457.56	10,156.00
iii)	Production/Coating/(Bevelling)				
	In India	162,442.00		207,083.16	
	Overseas	119,066.00		45,050.00	
iv)	Turnover				
	In India	155,989.58	97,107.57	228,926.10	156,548.63
	Overseas	119,066.00	49,696.54	45,050.00	28,152.24
v)	Closing Stock	10,067.04	3,467.53	3,614.63	2,008.00

B) Raw Material Consumption
(Rs. In Lakhs)

SR. NO.	PARTICULARS	QUANTITY (M.T.)	AS AT MARCH 31, 2010	QUANTITY (M.T.)	AS AT MARCH 31, 2009
a)	H.R.Plates, Coils and Pipes	283,345.43	110,099.91	259,202.89	135,386.06

C) Finished Goods Stock
(Rs. In Lakhs)

SR.NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
a) i)	Manufacturing Pipes M.T.	10,067.03	3,614.62

D) C.I.F. Value of Imports
(Rs. In Lakhs)

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
i)	Raw Materials	56,193.70	82,358.13
ii)	Capital Goods	369.35	5,843.10
iii)	Others	483.90	992.25

E) F.O.B Value of Exports
(Rs. In Lakhs)

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
1	F.O.B Value of Exports	61,262.80	104,375.57

F) Expenditure in Foreign Currency

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
i)	Interest	4,566.89	2,460.39
ii)	Travelling	28.53	8.68
iii)	Commission	4,853.62	3,625.60
iv)	Others	3,669.52	9,716.05
v)	Dividend	28.77	66.94

20. Previous year figures have been regrouped /reclassified, wherever necessary.

As per our report attached hereto

For and on behalf of Board

 For and on behalf of
 Rohira Mehta & Associates
 Chartered Accountants

 R. C. Mansukhani
 Chairman

 J. C. Mansukhani
 Vice-Chairman & Managing Director

 Anil V. Rohira
 Partner
 Membership No. 37339
 FRN No. 118777W

 J. L. Mansukhani
 Director

 Kirit N. Damania
 Director

 Place : Mumbai
 Date : May 18, 2010

MAN INDUSTRIES (INDIA) LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010**

PARTICULARS	(Rupees)	
	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
A. Cash Flow from Operating Activities		
Net Profit before Taxes & Extraordinary Activities	1,005,469,132	711,482,138
Adjustment for :		
Depreciation	368,152,840	349,940,584
Diminution in value of Investments	4,003,582	24,807,540
Interest	369,751,222	449,462,961
Loss on Sale of Assets	3,029,094	9,481
Other Income	(506,000,510)	(240,537,880)
Operating Profit before W. Capital Changes	1,244,405,359	1,295,164,825
Adjustment for :		
Trade & Other Receivables	3,629,753,856	(3,026,010,821)
Inventories	(382,046,634)	442,648,071
Loans & Advances	152,119,225	(175,812,341)
Trade & Other Payables	(2,119,858,457)	3,102,973,086
Income Tax	(316,240,328)	(131,448,595)
Net Cash from Operating Activities(A)	2,208,133,021	1,507,514,225
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(117,255,342)	(952,215,093)
Sale of Fixed Assets	3,844,279	12,906
Increase / Decrease in Investments	84,340,815	(117,563,081)
Other Income	506,000,510	240,537,880
Decrease in Preliminary Expenses	12,784,836	12,494,562
Net Cash from Investing Activities(B)	489,715,098	(816,732,825)
C. Cash Flow from Financing Activities		
Increase/ (Decrease) in Share Capital (Incl. Share Premium)	8,750,000	-
Increase/ (Decrease) in Share Application Money	19,687,500	-
Interest Paid	(369,751,222)	(449,462,961)
Dividend Paid & Other Adjustments	(125,479,396)	(57,546,311)
Increase in Borrowings	(560,620,588)	549,694,344
Net Cash used in Financing Activities(C)	(1,027,413,704)	42,685,072
Net Increase/ Decrease in Cash & Cash Equivalents(A + B + C)	1,670,434,415	733,466,471
Cash & Cash Equivalents(OP Bal)	1,895,725,657	1,162,259,186
Cash & Cash Equivalents(CL Bal)	3,566,160,072	1,895,725,657

As per our report attached hereto

For and on behalf of Board

For and on behalf of
Rohira Mehta & Associates
Chartered Accountants

R. C. Mansukhani
Chairman

J. C. Mansukhani
Vice-Chairman & Managing Director

Anil V. Rohira
Partner
Membership No. 37339
FRN No. 118777W

J. L. Mansukhani
Director

Kirit N. Damania
Director

Place : Mumbai
Date : May 18, 2010

AUDITORS CERTIFICATE

To
The Board of Directors
Man Industries (India) Limited
102, Man House, S. V. Road,
Vile Parle (W), Mumbai - 400 056.

We have examined the attached Cash Flow Statement of Man Industries (India) Limited for the year ended March 31, 2010. The statement has been prepared by the Company in accordance with the requirement of listing agreement clause 32 with Mumbai Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of May 18, 2010 to the members of the Company.

For and on behalf of
Rohira Mehta & Associates
Chartered Accountants

Anil V. Rohira
Partner
M.No. 37339
FR No 118777W

Place : Mumbai
Date : May 18, 2010

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
as per part (IV) of Schedule VI of the Companies Act, 1956

I. Registration Details

Registration No.	1 1 - 4 7 4 0 8	State Code	1 1
Balance Sheet Date	3 1 0 3 2 0 1 0		

II. Capital Raised During the Year (Amount in Rs. Thousands)

Public Issue	N I L	Right Issue	N I L
Bonus Issue	N I L	Private Placement	1 2 5 0

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Total Liabilities	8 2 8 1 9 7 5	Total Assets	8 2 8 1 9 7 5
Sources of funds		Application of Funds	
Paid-up Capital	2 6 7 6 7 4	Net Fixed Assets	4 2 2 1 9 8 5
Share Application Money	1 9 6 8 8	Investments	3 3 8 2 3 2
Reserves & Surplus	4 3 6 5 0 9 3	Net Current Assets	3 6 9 6 7 7 7
Secured Loans	1 2 4 7 1 7 9	Miscellaneous Expenditure	2 4 9 8 1
Unsecured Loans	1 8 3 6 9 4 5	Accumulated Loses	N I L

IV Performance of Company (Amount in Rs.Thousands)

Turnover	1 5 2 4 2 9 0 8	Total Expenditure	1 3 8 6 9 2 8 6
Profit before Tax	1 0 0 5 4 6 9	Profit After Tax	6 7 0 8 9 4
Earnings per Share in Rs.	1 2 . 5 9	Dividend	9 3 6 8 6 3 5 %

V Generic Names of Three Principal Products/ Services of company (As per Monetary terms)

ITEM Code No. (ITC Code)	Product Description
7 3 0 5	S U B M E R G E D A R C W E L D E D P I P E S

AUDITORS' REPORT

To,
The Members of
Man Industries (India) Limited

1. We have audited the attached Consolidated Balance Sheet of Man Industries (India) Limited and its subsidiaries (collectively 'Group') as at 31st March, 2010 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. Further we believe that our audit provides a reasonable basis for our opinion.
3. (a) We did not audit the financial statements of M/s. Man Overseas Metal DMCC, subsidiary of the Company, whose financial statements reflect total capital employed of Rs. 253.16 Lakhs, total revenue of Rs. 12.32 Lakhs for the year ended on that date. This financial statement has been audited by other auditor whose report has been furnished to us and our opinion, insofar as it relates to amount included in respect of the subsidiary is based solely on the report of other auditor.

(b) As stated in clause 13 of schedule 18, the financial statements of M/s. Man USA Inc. whose financial statement reflects the group share of total capital employed of Rs. 7.77 Lakhs and total revenue of Rs. 118.51 Lakhs for the period ended on 29th October, 2009 are not audited and have been included in the consolidated financial statements on the basis of unaudited financial information received from the management of the such subsidiary.
4. In our opinion, the Consolidated Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act except Accounting Standard: 11 issued by Institute of Chartered Accountants of India (refer to sub clause **d of clause no I, of part I** & clause no 14 of part II of schedule 18 forming part of accounts).
5. On the basis of the written representations received from the directors as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
6. Subject to the above, in our opinion and to the best of our information and according to the information and explanations given to us, we are of the opinion that the attached consolidated financial statement read together with the "Notes" thereon, give a true and fair view in conformity with the accounting principles generally accepted in India: -
 - (i) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (ii) In the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Rohira Mehta & Associates
Chartered Accountants
Firm Registration No. 118777W

Anil V. Rohira
Partner
Membership No.: 37339

Place : Mumbai
Dated : May 18, 2010

MAN INDUSTRIES (INDIA) LIMITED**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010**

PARTICULARS	SCH. NO.	(Rupees)	
		AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SOURCES OF FUND			
1. Shareholders Funds			
Share Capital	1	267,674,370	266,424,370
Share Application Money		19,687,500	-
Reserves and Surplus	2	3,897,299,494	3,585,105,717
		4,184,661,364	3,851,530,087
2. Loan Funds			
Secured Loans	3	1,683,500,736	1,664,741,954
Unsecured Loans	4	3,340,510,493	3,399,344,521
		5,024,011,229	5,064,086,475
3. Minority Interest		200,989,377	195,349,909
4. Deferred Tax Liability		546,563,398	527,155,179
Total		9,956,225,367	9,638,121,651
APPLICATION OF FUNDS			
1. Fixed Assets			
Gross Block	5	5,775,293,758	5,731,944,297
Less : Accumulated Depreciation		1,654,582,326	1,288,941,195
Net Block		4,120,711,432	4,443,003,102
Goodwill on Consolidation		499,721,963	499,721,963
Capital Work in Progress.		90,844,549	134,585,645
		4,711,277,945	5,077,310,710
2. Investments	6	82,336,535	64,133,479
3. Current Assets, Loans and Advances			
Inventories	7	4,768,694,992	3,986,435,510
Sundry Debtors	8	1,576,562,051	5,191,130,669
Cash and Bank Balances	9	3,590,375,007	1,918,987,338
Loans and Advances	10	2,272,374,702	2,397,088,273
		12,208,006,752	13,493,641,789
Less: Current Liabilities and Provisions	11	7,070,816,557	9,035,375,964
Net Current Assets		5,137,190,195	4,458,265,825
4. Miscellaneous Expenditure		25,420,693	38,411,637
Total		9,956,225,367	9,638,121,651
Significant Accounting Policies and Notes on Accounts	18		

As per our Report attached hereto
For and on behalf of
Rohira Mehta & Associates
Chartered Accountants

For and on behalf of Board

R. C. Mansukhani
Chairman

J. C. Mansukhani
Vice-Chairman & Managing Director

Anil V. Rohira
Partner
FR No. 118777W
Membership No. 37339

J. L. Mansukhani
Director

Kirit N. Damania
Director

Place : Mumbai
Date : May 18, 2010

MAN INDUSTRIES (INDIA) LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

PARTICULARS	SCH. NO.	(Rupees)	
		YEAR 2009-10	YEAR 2008-09
INCOME			
Sales and Other Income	12	15,376,988,500	19,193,444,925
Less: Excise Duty		317,348,108	359,222,200
Total		15,059,640,392	18,834,222,725
EXPENDITURE			
Cost of Material	13	11,044,570,415	14,238,222,794
Increase/(Decrease) in Stock	14	267,389,089	510,991,759
Employment Cost	15	365,728,021	401,506,433
Interest and Financial Charges	16	369,813,080	669,825,319
Operating and Other Expenses	17	1,847,473,810	2,204,956,607
Total		13,894,974,415	18,025,502,911
Profit Before Depreciation		1,164,665,977	808,719,815
Depreciation		369,812,705	350,016,026
Profit Before Tax		794,853,271	458,703,789
<u>Provision For Taxation</u>		339,268,833	242,897,203
Current Tax		319,860,614	131,830,648
Deferred Tax		19,408,219	106,953,711
Fringe Benefit Tax		-	4,112,844
Profit After Tax		455,584,438	215,806,587
Balance Brought Forward		1,631,642,415	1,574,912,747
Disposable Profit		2,087,226,853	1,790,719,334
Minority Interest		5,639,468	6,849,909
Appropriation			
General Reserve		(67,089,461)	(47,426,728)
Proposed Dividend		(93,686,030)	(79,927,311)
Corporate Dividend Tax		(15,921,941)	(13,583,647)
ROC fees		-	(3,572,850)
Previous year Adjustment		3,416,563	-
Share Issue Expenses		(450,000)	-
Profit and Loss approp.		(4,173,481)	(7,716,474)
Balance Carried to Balance Sheet		1,903,683,036	1,631,642,415
Significant Accounting Policies and Notes on Accounts	18		

As per our Report attached hereto
 For and on behalf of
Rohira Mehta & Associates
 Chartered Accountants

For and on behalf of Board

R. C. Mansukhani
 Chairman

J. C. Mansukhani
 Vice-Chairman & Managing Director

Anil V. Rohira
 Partner
 FR No. 118777W
 Membership No. 37339

J. L. Mansukhani
 Director

Kirit N. Damania
 Director

Place : Mumbai
 Date : May 18, 2010

MAN INDUSTRIES (INDIA) LIMITED**SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010**

PARTICULARS	(Rupees)	
	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SCHEDULE - 1		
SHARE CAPITAL		
1. Authorised		
70,000,000 (Previous Year 70,000,000 of Rs. 5/- each) Equity Share of Rs. 5/- each	350,000,000	350,000,000
2. Issued, Subscribed and Paid-up		
53,534,874 (Previous Year 53,284,874 of Rs. 5/- each) Equity Shares of Rs.5/- each	267,674,370	266,424,370
TOTAL	267,674,370	266,424,370
OF THE ABOVE EQUITY SHARES:		
-13,461,540 equity shares of Rs. 5/- each issued on 22nd March, 2006 as underlying shares to the Global Depository Receipt each representing one equity share.		
SCHEDULE - 2		
RESERVES AND SURPLUS		
Profit and Loss Account	1,903,683,036	1,631,642,410
Share Premium	1,619,786,174	1,612,286,174
General Reserve	344,443,569	277,354,108
Foreign Currency Translation Reserve	29,386,715	63,823,025
TOTAL	3,897,299,494	3,585,105,717
- Share Premium includes Rs. 145.15 crores received on 1,34,61,540 underlying equity shares.		
SCHEDULE - 3		
SECURED LOANS		
From Financial Institutions and Banks		
Working Capital Loans		
Cash Credit /WCDL/ FCNR-B	656,025,735	526,998,199
	656,025,735	526,998,199
Term Loans		
Rupee Term Loans	780,071,511	609,404,676
Foreign Currency Term Loans	247,403,490	528,339,080
	1,027,475,001	1,137,743,756
TOTAL	1,683,500,736	1,664,741,954
- Term Loans from Banks and Financial Institutions are secured by way of first pari-passu charge on fixed assets and second pari-passu charge on movable assets of the Company.		
- Working Capital facilities by banker's are secured by first pari-passu charge on all the movable assets and second pari-passu charge on the immovable assets of the Company.		
- Secured by Equitable Mortgage of Land & Building to be constructed on respective Project at Nerul, Navi Mumbai		
- (Secured by Registered Mortgage of Land & Residential Building to be constructed on respective project at Bandra (W), Mumbai)		

MAN INDUSTRIES (INDIA) LIMITED
SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010

PARTICULARS	(Rupees)	
	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SCHEDULE - 4		
UNSECURED LOANS		
From Bank	1,096,700,493	900,394,521
Intercompany Deposits	-	20,000,000
Compulsory Convertible Debentures (411 Debentures of Rs.10,00,000/- each)	411,000,000	411,000,000
From Others	42,350,000	37,950,000
Foreign Currency Convertible Bonds	1,790,460,000	2,030,000,000
TOTAL	3,340,510,493	3,399,344,521
SCHEDULE - 5	ATTACHED SEPARATELY	
SCHEDULE - 6		
CURRENT INVESTMENTS		
Quoted Shares (Valued at cost or market price whichever is lower)	39,587,319	21,384,263
Investment In Joint Venture	163,008	163,008
Investment in Property	42,586,208	42,586,208
TOTAL	82,336,535	64,133,479
SCHEDULE - 7		
INVENTORIES (As certified by the Management)		
Raw Materials	1,590,545,491	1,332,725,272
Work In Process	211,095,759	629,814,923
Finished Goods	352,129,804	200,799,729
Stock-in-transit	518,140,371	156,142,639
Stores & Spares	50,635,061	21,017,290
Stock-in-Trade	758,264,919	265,931,814
Work In Progress (Real Estate)	1,287,883,586	1,380,003,843
TOTAL	4,768,694,992	3,986,435,510
SCHEDULE - 8		
SUNDRY DEBTORS (Unsecured Considered Good)		
Debtors over Six Months	664,184,108	484,023,805
Other Debtors	912,377,943	4,707,106,864
TOTAL	1,576,562,051	5,191,130,669

MAN INDUSTRIES (INDIA) LIMITED
SCHEDULE OF CONSOLIDATED FIXED ASSETS AS ON MARCH 31, 2010

SCHEDULE - 5

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	AS AT 01.04.2009	ADDITIONS DURING THE YEAR	SALES	AS AT 31.03.2010	AS AT 01.04.2009	FOR THE YEAR	ADJ ON	AS AT 31.03.2010	AS AT 31.03.2010
LAND	143,669,953	-	117,265,684	26,404,269	-	-	-	143,669,953	26,404,269
FACTORY BUILDING	922,928,780	91,038	-	923,019,818	89,443,806	32,421,435	-	833,484,974	801,154,577
OFFICE PREMISES	55,899,759	1,722,555	-	57,622,314	3,327,661	594,767	-	52,572,098	53,699,886
PLANT & MACHINERY	3,990,453,037	115,470,647	2,879,052	4,103,044,632	1,033,628,608	277,378,760	1,250,653	2,966,824,429	2,793,287,917
OFFICE EQUIPMENTS	15,974,598	1,106,454	80,852	17,000,200	5,367,422	1,052,156	7,865	10,607,176	10,588,488
FURNITURE & FIXTURES	30,746,653	33,656,499	-	64,403,152	8,346,612	2,571,772	-	22,400,041	53,484,768
ELEC. EQUIPMENTS	137,232,534	4,011,364	-	141,243,898	27,605,448	9,423,254	-	109,627,086	104,215,196
VEHICLES	30,744,145	6,289,047	8,194,270	28,838,922	10,797,841	3,257,851	2,913,056	19,946,304	17,696,286
COMPUTERS	27,741,083	9,421,713	-	37,162,796	18,820,965	4,177,053	-	8,920,118	14,164,778
WIND MILL	376,553,754	-	-	376,553,754	91,602,829	38,935,658	-	284,950,925	246,015,267
Sub Total	5,731,944,297	171,769,318	128,419,858	5,775,293,758	1,288,941,192	369,812,706	4,171,574	4,443,033,102	4,120,711,432
CAPITAL W.I.P.	134,585,645	60,038,433	103,779,529	90,844,549	-	-	-	134,585,645	90,844,549
TOTAL	5,864,353,958	231,807,751	232,199,387	5,866,138,306	1,288,941,192	369,812,706	4,171,574	4,577,588,749	4,211,555,981

MAN INDUSTRIES (INDIA) LIMITED
SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010

PARTICULARS	(Rupees)	
	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
SCHEDULE - 9		
CASH AND BANK BALANCE		
<u>Balances With Scheduled Banks</u>		
- In Current Accounts	2,280,378,604	429,279,439
- In Fixed Deposits	1,308,760,938	1,488,110,296
Cash on Hand	1,235,466	1,597,604
TOTAL	3,590,375,007	1,918,987,338
(Fixed Deposits as on 31.03.2010 includes deposit of Rs. 0.11 crores (Previous year Rs.36.17 crores) with Banks being un-utilized funds of FCCB issue.)		
SCHEDULE - 10		
LOANS AND ADVANCES		
(Unsecured Considered Good except otherwise stated)		
Advances Recoverable in Cash or kind or for value to be received		
Prepaid Expenses	35,216,925	18,525,766
Deposits / Claims with Govt. Departments	54,834,021	41,963,588
Export Incentives Receivable	31,250,465	147,538,643
Balances with Central Excise	469,982,969	733,643,206
Other Advances	1,681,090,322	1,455,417,070
TOTAL	2,272,374,702	2,397,088,273
SCHEDULE - 11		
CURRENT LIABILITIES AND PROVISIONS		
Sundry Creditors		
- Goods and Services	5,718,809,930	8,192,920,370
- Capital Goods	85,750,527	83,818,983
Unclaimed Dividend	7,005,078	5,220,483
Proposed Dividend	93,686,030	79,927,311
Others Liabilities and Provisions	1,165,564,993	673,488,817
TOTAL	7,070,816,557	9,035,375,964

MAN INDUSTRIES (INDIA) LIMITED**SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**

PARTICULARS	(Rupees)	
	YEAR 2009-10	YEAR 2008-09
SCHEDULE - 12		
SALES AND OTHER INCOME		
Gross Sales	15,054,255,216	18,947,578,052
Interest Income	14,518,682	21,614,955
Other Income	308,214,602	224,251,918
TOTAL	15,376,988,500	19,193,444,925
SCHEDULE - 13		
COST OF MATERIALS		
Opening Stock of Materials	1,332,725,272	1,441,541,513
Add:- Purchases	11,302,390,634	14,129,406,553
Sub Total :	12,635,115,906	15,570,948,066
Less:- Closing Stock of Materials	1,590,545,491	1,332,725,272
TOTAL	11,044,570,415	14,238,222,794
SCHEDULE - 14		
INCREASE / (DECREASE) IN STOCK		
Opening Stock of Finished Goods & Stock in Process	830,614,652	1,341,606,411
Less: Closing Stock of Finished Goods and Stock in Process	563,225,563	830,614,652
TOTAL	267,389,089	510,991,759
SCHEDULE - 15		
EMPLOYMENT COST		
Salaries and Staff Expenses	365,728,021	401,506,433
TOTAL	365,728,021	401,506,433
SCHEDULE - 16		
INTEREST AND FINANCIAL CHARGES		
Interest to Financial Institutions	53,358,291	65,831,050
Interest to Banks	179,279,984	447,402,519
Bank Charges	137,174,805	156,591,750
TOTAL	369,813,080	669,825,319

MAN INDUSTRIES (INDIA) LIMITED

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

PARTICULARS	(Rupees)	
	YEAR 2009-10	YEAR 2008-09
SCHEDULE - 17		
OPERATING AND OTHER EXPENSES		
A) MANUFACTURING EXPENSES		
Power Expenses	135,875,941	156,035,818
Stores & Spares	42,594,243	95,548,959
Repairs & Maintenance		
- Plant & Machinery	6,974,584	4,186,655
- Building & Others	5,323,395	2,866,296
Other Manufacturing Expenses	358,088,271	382,173,145
B) ADMINISTRATIVE & OTHER EXPENSES		
Telephone & Talex	8,556,315	9,038,281
Rent, Rates & Taxes	16,109,347	13,322,560
Insurance Premium	15,091,927	12,677,673
Legal & Professional Charges	95,076,035	49,993,831
Other Administrative Expenses	43,861,757	29,859,159
C) SELLING & DISTRIBUTION EXPENSES		
Freight & Transportation	368,289,761	943,665,554
Forwarding Expenses	23,051,130	40,747,856
Travelling Expenses	39,441,744	38,682,546
Other Selling Expenses	676,548,539	413,646,056
D) PRELIMINARY EXPENSES WRITTEN OFF		
	12,590,822	12,512,218
TOTAL	1,847,473,810	2,204,956,607

SCHEDULE - 18

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF CONSOLIDATED ACCOUNTS FOR YEAR ENDED MARCH 31, 2010

I. SIGNIFICANT ACCOUNTING POLICIES:

A) Basis of Preparation of consolidated financial statements:

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Group. All income & expenditure items having a material bearing on the financial statements are recognised on accrual basis, except in respect of insurance claims, liquidated damages, where the exact quantum cannot be ascertained.

B) Principal of Consolidation:

The Consolidated Financial Statements have been prepared in accordance with Accounting standard (AS -21) "Consolidated Financial Statements", on the following basis:

- a. The financial statements of the parent company and its subsidiaries have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. The results of subsidiaries acquired or disposed off during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate. All significant intra group balances and transactions have been eliminated on consolidation. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post – acquisition increase in the relevant reserves of the subsidiaries.
- b. In case of foreign subsidiaries, being non – integral foreign operations, revenue items are consolidated at the rates prevailing at date of transaction. All the assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in foreign currency translation reserve until the disposal of said foreign operations.
- c. The difference between the cost of investment in the subsidiaries, over the share of equity in the subsidiaries, on acquisition date, is recognised in the financial statement as goodwill or capital reserve as the case may be.
- d. Minority interest in the net income and net assets of the consolidated financial statements are computed and shown separately. Losses applicable to minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the group.
- e. The unamortized carrying value of goodwill is tested for impairment as at each balance sheet date.

C) Revenue Recognition:**i) Manufacturing Division:**

- a) Revenue in respect of sale of goods is recognised on dispatch of goods from the factory on the basis of excise invoice. The sales are inclusive of excise duty but net of value added tax. Further the materials returned/rejected are accounted for in the year of return/rejection.
- b) For services rendered the Group recognizes revenue on the basis of Completed Contract Method.
- c) Exports incentives & other miscellaneous incomes are recognised on accrual basis except dividend on investments which are accounted in the year of receipt.

ii) Construction & Real Estate Division:

- a) Construction Contracts:
The Group follows the percentage of completion method of accounting for revenue recognition as per Accounting Standard 7 and recognizes the revenue in proportion to the actual cost incurred as against the total estimated cost of the project under execution with the Group. As the project progresses, estimated cost are revised based on the current cost indices and other information available to the Group.
- b) Real Estate Development:
 - a. Revenue from constructed properties is recognised on the "percentage of completion method". Total sale consideration as per the agreements to sell constructed properties entered into is recognised as revenue based on the percentage of actual project costs incurred thereon to total estimated project cost, subject to such actual cost incurred being 25 per cent or more of the total estimated project cost. Project cost includes estimated construction and development cost of such properties (excluding cost of land/ development rights). The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognised in the period such changes are determined. However, when the total project cost (including cost of land/ development rights) is estimated to exceed total revenues from the project, the loss is recognised immediately.

In respect of Man Infraprojects Limited, although the Company has incurred more than 25% of total estimated project cost, the Company has not recognised revenue since the agreements entered and realisations thereof are insignificant.

- b. Sale of land and plots (including development rights) is recognised in the financial year in which the agreement to sell is executed. Where the Group has any remaining substantial obligations as per the agreements; revenue is recognised on the percentage of completion method of accounting, as per (a) above.

D) Fixed Assets:

a) Valuation Of Fixed Assets

Fixed Assets are stated at cost of acquisition including any attributable cost for bringing the assets to its working condition and exclusive of cenvat credit on capital account. Further in case of impairment of assets, the fixed assets are carried at cost or recoverable amount whichever is less.

b) Depreciation

Depreciation on Fixed Assets is provided on straight-line method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956.

E) Goodwill:

Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets and liabilities of the subsidiary recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

F) Valuation of Inventories:

- a) Raw materials are valued at cost or net realizable value whichever is lower. Cost is computed using first in first out method.
- b) Work in progress includes the cost of purchase, appropriate share of cost of conversion and other overheads incurred in bringing the inventories to its present location and condition.
- c) Finished goods includes cost of purchase, cost of conversion and other overhead incurred in bringing the inventory to its present location and condition.
- d) Other stores and spares/consumable are valued at cost after providing for cost of obsolescence, if any.
- e) Land and plots (including land under agreements to sell) other than area transferred to constructed properties at the commencement of construction are valued at cost, approximate average cost or as revalued on conversion to stock, as applicable. Cost includes land (including Development rights) acquisition cost, estimated internal development costs and external development charges and the proportionate finance cost.
- f) Constructed properties includes the cost of land (including Development rights and land under agreements to purchase) internal development costs, external development charges, construction costs development/construction materials, and is valued at cost or estimated cost, as applicable.

G) Investments:

Long-term investments are valued at cost, less any diminution in value that is other than temporary. Current investments are valued at lower of cost and fair value. Income thereon is accounted for as and when realized.

The Parent Company has entered in Joint Venture with Man Global FZC and has acquired 10% equity shares in Joint Venture. As per the information and explanations given by the management of the Parent Company, the Parent Company does not have joint control over Joint Venture and therefore the financial statement of Joint Venture have not been consolidated.

H) Miscellaneous Expenditure:

Miscellaneous expenditure is written off to the Profit and Loss Account over a period of up to ten years depending upon the nature and expected future benefit of such expenditure. However deferred revenue expenditure comprising of foreign currency convertible bond issue expense is written off to the Profit and Loss Account over a period of up to five years.

I) Foreign exchange transactions:

- a) Foreign currency transactions during the year are recognized at the rate of exchange prevailing on the date of transaction. All exchange differences are dealt with in the Profit and Loss Account except those relating to acquisition of fixed assets acquired from outside India, which are adjusted in the cost of the assets. Foreign currency current assets, current liabilities and loans other than for financing fixed assets and, outstanding at the year end are translated

at the rates of exchange prevailing at the close of the year and the resultant gain/losses are recognized in the Profit and Loss Account of the year.

- (b) In respect of forward exchange contract entered for speculation purpose and expired during the year, the difference in forward exchange booking rate and spot rate on the date of expiry of contract is dealt in the Profit and Loss Account. In respect of forward exchange contract entered for speculative purpose and carried forward in next accounting period, the difference between the forward exchange booking rate and closing inter bank rate prevailing at the close of the year are dealt in the Profit and Loss Account.
- (c) In the case of foreign branches, being non-integral foreign operations, revenue items are converted at the rate prevailing as on the date of transactions during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on conversion is recognized in the foreign fluctuation translation reserve.
- (d) The parent company has not restated its various foreign currency monetary assets and liabilities consisting of debtors, creditors and FCCB deposits at the closing rates of exchange. Accordingly net monetary gains aggregating to Rs 2039.71 Lakhs (net of deferred tax Rs. 1050.29 Lakhs) have not been provided in the financial statement. Additionally, the mark to market gains pertaining to forward contracts amounting to Rs 1259.47 Lakhs (net of deferred tax of Rs. 648.52 Lakhs) have also not been provided in the financial statements.

Accordingly the Net Profit for the year and the net worth as at March 31, 2010 are lower by Rs. 4998 Lakhs.

The parent company is of the view that these favorable foreign exchange fluctuations are temporary in nature.

However, the above is in contravention to Accounting Standard – 11 (Revised) "The Effects of Changes in Foreign Exchange Rates" issued by The Institute of Chartered Accountants of India and is also inconsistent with the accounting policy regularly followed by the Company.

J) Retirement Benefits:

i) Short Term Employee Benefits:

All Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which employee renders the related service except Leave Encashment.

ii) Post – Employment Benefits:

- a) Defined Contribution Plans
Defined contribution fund are government administered provident fund scheme, employee state insurance scheme for all employees. The Group's contribution to defined contribution plans are recognised in the Profit & Loss Account in the financial year to which they relate.
- b) Defined Benefit Gratuity Plan
The Group operates a defined gratuity plan for all employees with Life Insurance Corporation of India. The Group's contribution of premium to gratuity scheme is recognised in the Profit & Loss Account in the financial year to which they relate.

K) Taxation:

a) Current Tax:

Current Tax provision is computed for the current income based on tax liability after considering allowances and exemptions.

b) Deferred Tax Provision :

Deferred Tax arising from timing difference between the book profit and tax profit is accounted for, at the future rate of tax, to the extent of temporary timing differences that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Assets are not recognised on unabsorbed depreciation and carry forward losses unless there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

L) Contingent Liabilities:

Contingent liabilities are not provided for in the accounts but are separately disclosed by way of a note.

M) Borrowing Costs:

Borrowing Costs are accounted on accrual basis.

N) Earning Per Share:

Earning per share is calculated by dividing the profit attributable to the Equity Shareholders by the weighted average number of equity share outstanding during the year.

O) Provisions:

Provisions are recognised when the Group has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. Where the Group expects provisions to be reimbursed, is recognised as a separate asset, only when such reimbursement is virtually certain.

P) Impairment of Assets:

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Group's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting period may no longer exists or may have decreased. If any indication exists the assets recoverable amount is estimated. The carrying amount is increased to revised estimate of its recoverable amount but so that the increased carrying amount does not exceeds the carrying amount that would have been determined had no impairment loss been recognised for the asset in the prior years. A reversal of impairment loss is recognised in the Profit & Loss Account.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the assets is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

II. NOTES FORMING PART OF ACCOUNTS
1. Contingent Liabilities not provided in respect of:

SR. NO.	PARTICULARS	(Rs. In Lakhs)	
		AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
1	Guarantees / Letter of Credit Outstanding	79,797.13	102,651.82
2	Excise Duty / Service Tax Matters	4,178.22	3,361.57
3	Entry Tax / Sales Tax Matters	571.46	243.13
4	Income Tax Matters	86.21	119.90
5	Estimated Amount of Contract Remaning to be Executed on Capital Account (Net of Advances)	355.00	215.10
6	Corporate Guarantee Issued	21,574.00	10,474.00
		106,562.02	117,065.52

2. a) Term Loan from Banks and Financial Institutions are by the way of first pari -passu charge on fixed assets and second pari - passu charge on moveable assets of the Group & further secured by personal guarantee by the promoters Directors.
- b) Working Capital facilities by banker's are secured by first pari – passu charge on all the moveable assets and second pari – passu charge on the immoveable assets of the Group.
3. Balances of Sundry Creditors and Debtors are subject to confirmations, reconciliation and consequent adjustments, if any.
4. i) The Parent Company had raised US \$ 50 Million (Rs. 20300 Lakhs) by way of Zero Coupon Foreign Currency Convertible Bonds during the year ended 31st March, 2008. The Bondholders have an option to convert these Bonds into equity shares, at an initial conversion price of Rs. 143.50 per share with a fixed rate of exchange on conversion of Rs. 41.1475 = US \$ 1 at the option of the Bondholders at any time on or after 1 July 2007. The conversion price is subject to adjustment/ reset in certain circumstances. Further the initial conversion price of Rs. 143.50 has been reset to Rs. 115/- on 3rd May, 2008, which has been further reset at Rs. 109/- on 3rd May, 2009. The Bonds may be redeemed in whole, at the option of the Company, at any time on or after 22nd May, 2010 subject to satisfaction of certain conditions. Unless previously converted, redeemed or repurchased and cancelled, the Bonds will be redeemed on 23 May, 2012 at 146.57% of the principal amount so as to give a gross yield of 7.80% per annum to the bondholder.
- (ii) The part proceeds received from the issue of FCCB, Rs. 16813.44 Lakhs have been utilised for funding of expansion of Pipe and Coating Complex at Anjar, Rs. 1926.16 Lakhs have been utilised for FCCB Buy back during the year.
- (iii) During the year, the Parent Company has bought back 59 FCCB of the face value 5.90 million USD at discount of Rs. 4.69 Crores and the same has been considered as other income.

(iv) The Board is of the opinion that it is more likely than not bondholders would opt for conversion rather than redemption of bonds accordingly, believes that the payment on premium on redemption, if any, is contingent in nature, hence at this stage, provision of redemption premium is not considered necessary and has not been recognized in the financial statements. The amount of premium on the outstanding quantum of bonds determined on time proportion basis till March 31, 2010 aggregates to Rs. 4034.19 Lakhs.

5. Directors of the Group have certified that the Current Assets, Loans & Advances and Current Liabilities have a value on realization at least equal to the amount at which they are stated in the Balance Sheet.
6. Although the Group operates in more than one segment, segmental reporting as required under Accounting Standard – 17 is not applicable as the segment revenue from other segment is lower than 10% of total revenue.
7. The Group has not initiated the process of identifying 'suppliers' covered under the Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosure requirements in this regards as per Schedule VI of the Companies Act, 1956 could not be provided.

8. Donation to Political Parties

(Rs. In Lakhs)

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
1	Bharatiya Janta Party	4.25	10.00
2	Maharashtra Pradesh Congress Committee	15.00	–

9. Deferred Tax Liability

(Rs. In Lakhs)

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
1	Opening Deferred Tax Liability	5,271.55	4,202.01
2	Deferred Tax Liability on account of		
	a) Difference between book and tax depreciation	104.14	1,212.66
	b) Deferred Revenue Expenditure	(42.46)	(42.46)
	c) Others	132.40	(100.66)
3	Closing Deferred Tax Liability	5,465.63	5,271.55

10. Arbitration cases

(Rs. In Lakhs)

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009	CURRENT STATUS
1	Indian Oil Corporation Limited			
	a) for recovery of dues	234.88	234.88	Pending for Arbitration
	b) for encashment of performance bank guarantee	549.77	549.77	
2	Gujrat Water Supply & Sewerage Board for recovery of dues	391.29	784.95	Pending for final award
3	GAIL for recovery of dues	1,953.66	1,953.66	Pending for Arbitration
4	Advance for Purchase of Land	1,235.50	1,235.50	Redirected to the Collector
5	Midcontinent Express Pipeline LLC Encashment of stand by letter of credit *	6,878.25	6,878.25	

*As informed to us by the management the company has initiated legal proceedings against Midcontinent Pipeline LLC. (MEP) in the District Court of Harris County, Texas for fraudulently encashing the stand by letter of credit of US \$ 15 Million (Rs. 6878.25 Lakhs) and has classified the same as loans and advances under Current Assets. The Company proceeded to invoke the bank guarantee of US \$ 33 Million provided by MEP; however the same could not be encashed as it was stayed by The Texas Court. Further Bank of Tokyo & Mitsubishi (BTM), who did not honor the said bank guarantee on account of alleged discrepancies in the invocation documents. The Company has initiated legal proceedings against BTM for not honouring the invocation of Bank Guarantee, which is pending before the Honorable Supreme Court of New York, U.S.A.

11. Related Party Disclosures:

Related party disclosure as required by Accounting Standard – 18 “Related Party Disclosures” issued by “The Institute of Chartered Accountants of India” are given below:

a) Names of the Enterprise in which Management has significant interest:

- | | |
|---------------------------------|--------------------------|
| i) JPA Holdings Private Limited | ii) Man Aluminum Limited |
| iii) Man Global FZC, UAE | iv) Man UK Limited |

b) Names of the Key Management Personnel:

- | | | |
|----------------------|---|-----------------------------------|
| Mr. R. C. Mansukhani | – | Chairman |
| Mr. J. C. Mansukhani | – | Vice Chairman & Managing Director |
| Mr. J. L. Mansukhani | – | Executive Director |

c) Names of the Relatives of Key Management Personnel:

- | | |
|------------------------------|----------------------------|
| i) Mrs. Kimatdevi Mansukhani | ii) Mrs. Anita Mansukhani |
| iii) Mrs. Deepa Mansukhani | iv) Mr. Nikhil Mansukhani |
| v) Ms. Priyal Mansukhani | vi) Mr. Bhagwan Mansukhani |
| vii) Mr. Kumar Mordani | viii) Ms. Reshma Mordani |
| ix) Ms. Roshni Mordani | x) Mr. Kanayalal Mordani |

(Rs. In Lakhs)

SR.NO	PARTICULARS	TRANSACTION DURING THE		OUTSTANDING BALANCE AS AT	
		YEAR 2009 - 2010	YEAR 2008 - 2009	AS AT MARCH, 31, 2010	AS AT MARCH, 31, 2009
1	JPA Holdings Pvt. Ltd.				
a)	Interest – Expense	7.56	0.20		-
b)	Loan Taken (Net)	-	250.50		200.00
c)	Sale of Car	7.00	-		
2	Man Aluminum Limited (till 24.12.2009)				
a)	Loan Taken (Net)	-	262.28		-
b)	Purchase	5.62	16.33		6.80
c)	Sales	5.62	-		-
3	Man Global FZC, UAE				
a)	Investment in Equity Shares	-	-	1.63	1.63
b)	Loan Given	0.92	-	0.92	-
4	Man Futures Pvt. Ltd.				
a)	Loan Given (Net)	-	88.00	-	-
b)	Interest Paid	-	1.51	-	-
5	Man UK Limited				
a)	Loan Taken	(4.42)	(1.40)	1.25	5.67
6	Others				
a)	Rent Deposit	(477.75)	-		
b)	Salary	583.42	568.96		
c)	Rent	189.55	80.40		
d)	Brokerage paid	9.00	19.31		
e)	Professional Fees paid	8.50	17.05		
f)	Interest	336.60	56.44		
g)	Loan Taken	(156.00)	262.00		
h)	Advance for Purchase of Office Premises	172.48	1,181.70		
i)	Equity Share Issued	87.50	2,000.00		
j)	Loan Given	-	10.00		
k)	Sale of car	5.00	-		
l)	Share Warrant Application Money	196.88	-		
7	Corporate Guarantee given for loan taken by				
a)	Man Aluminium Limited	1,350.00	1,350.00	1,350.00	1,350.00
b)	Man Global FZC	955.00	-	8,980.00	8,024.00

12. Pursuant to Accounting Standard (AS 19) – Leases, the following information is given:

- I. a) The Group has taken certain assets such as cars on an operating lease basis. The lease rentals are payable on a monthly basis.
b) Future minimum lease rentals payable as at March 31, 2010 as per lease agreements:

(Rs. In Lakhs)

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
a)	Not later than one year	147.13	101.10
b)	Later than one year but not later than 5 years	442.03	53.51
c)	Later than 5 years	–	–

- II. a) Future minimum lease rental receivable as at March 31, 2010 as per lease agreements:

(Rs. In Lakhs)

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
a)	Not later than one year	33.51	33.43
b)	Later than one year but not later than 5 years	66.70	40.73
c)	Later than 5 years	24.67	50.62

13. Details of Subsidiaries:

(Rs. In Lakhs)

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
	Direct Subsidiaries		
1	Man Infraprojects Limited	India	58.33%
2	Man USA Inc.*	U.S.A.	100%
3	Man Overseas Metal, DMCC	Dubai	100%
	Indirect Subsidiary		
4	Merino Shelters Private Limited	India	100%

*The consolidation is based on unaudited financial statements of Man USA Inc as on the date of disposal of investment on 29.10.2009.

14. Foreign currency exposure at the year end not hedged by derivative instrument.

(Rs. In Lakhs)

SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
a)	Receivable against exports of goods and services		
	Rupees	3,351.90	26,175.28
	US dollar	83.78	543.71
	Euros	(6.03)	0.80
b)	Payable against import of goods and services		
	Rupees	56,012.63	79,629.91
	US dollar	824.08	1,497.32
	Euros	38.55	136.69
	GBP	0.43	0.09
	AUD		1.51

15. Employee Defined Benefits : Defined benefit plans as per Actuarial valuation on March 31, 2010.

		(Rs. In Lakhs)	
SR. NO.	PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
I.	Expense Recognised in the Statement of Profit & Loss Account for the year ended		
1.	Current Service Cost	48.82	60.08
2.	Interest	19.55	19.05
3.	Expected Return on Plan Assets	(11.38)	(9.02)
4.	Actuarial (Gain)/Loss	(175.79)	(27.78)
5.	Total Expense	(118.81)	42.34
II.	Net (Asset) / Liability Recognised in the Balance Sheet as at		
1.	Present Value of Defined Benefit Obligation as at	161.07	279.22
2.	Fair Value of Plan Assets as at	161.06	164.17
3.	Funded Status [Surplus/Deficit]	7.06	115.05
4.	Net (Asset)/Liability as at	0.01	115.05
III.	Change in the obligation during the year ended		
1.	Present Value of Defined Benefit Obligation as at the Beginning of the Year	281.61	232.34
2.	Current Service Cost	44.14	60.08
3.	Interest Cost	19.55	19.05
4.	Benefit Payments	(16.03)	(8.52)
5.	Actuarial (Gain)/Loss	(168.61)	(23.73)
6.	Present Value of Defined Benefit Obligation as at the end of the Year	161.07	279.22
IV.	Change in Fair Value of Assets During the Year ended		
1.	Fair Value of Plan Assets at the Beginning of the Year	162.58	109.99
2.	Expected Return on Plan Assets	11.38	9.02
3.	Contributions by Employer	0.22	49.63
4.	Actual Benefits Paid	(16.03)	(8.52)
5.	Actuarial Gain/(Loss) on Plan Assets	2.91	4.05
6.	Fair Value of Plan Assets at the End of the Year	161.06	164.17
7.	Total Actuarial Gain/(Loss) to be Recognised	175.79	27.78
V.	The major Categories of plan assets as a percentage of total plan Funded with LIC		
VI.	Actuarial Assumptions		
1.	Discount Rate	8.00%	7.00%
2.	Expected Rate of Return on Plan assets	8.00%	7.00%
3.	In-service Mortality	LIC 1994-96 Ultimate	LIC 1994 -96 Ultimate
4.	Salary Rise	7.00%	7.00%

General Description of the Defined Benefit Plan :

The Parent Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, whichever is earlier. The benefits vests after five year of continuous service.

16. Previous year figures have been regrouped /reclassified, wherever necessary.

As per our Report attached hereto
 For Rohira Mehta & Associates
 Chartered Accountants

For and on behalf of Board

(Anil V. Rohira)
 Partner
 M.No. 37339
 F.R.No. 118777W

R. C. Mansukhani
 Chairman

J. C. Mansukhani
 Vice Chairman & Managing Director

J. L. Mansukhani
 Director

Kirit N. Damania
 Director

Place: Mumbai
 Date: May 18, 2010

MAN INDUSTRIES (INDIA) LIMITED**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010**

		(Rupees)	
PARTICULARS		AS AT MARCH 31, 2010	AS AT MARCH 31, 2009
A.	Cash Flow from Operating Activities		
	Net Profit before Taxes & Extraordinary Activities	1,019,332,808	727,668,263
	Adjustment for :		
	Depreciation	369,812,706	350,016,026
	Diminution in value of Investments	4,003,582	24,807,540
	Interest	394,664,674	467,105,183
	Loss on sale of Assets	3,041,560	9,481
	Other Income	(545,132,315)	(263,573,069)
	Operating Profit before W. Capital changes	1,245,723,014	1,306,033,425
	Adjustment for :		
	Trade & Other Receivables	3,614,948,340	(3,026,010,821)
	Inventories	(992,932,153)	(692,031,781)
	Loans & Advances	67,715,363	(58,454,008)
	Trade & Other Payables	(1,972,918,451)	3,201,561,538
	Income Tax	(319,860,614)	(135,943,492)
	Net Cash from Operating Activities(A)	1,642,675,499	595,154,861
B.	Cash Flow from Investing Activities		
	Purchase of Fixed Assets	(149,711,188)	(1,097,632,071)
	Sale of Fixed Assets	128,998,958	12,906
	Purchase of Investments	(50,000,000)	(16,986,275)
	Increase / Decrease in Investments	84,340,815	(117,563,081)
	Other Income	545,132,315	263,573,069
	Decrease in Preliminary Expenses	12,990,944	12,016,938
	Net Cash from Investing Activities(B)	571,751,844	(956,578,514)
C.	Cash Flow from Financing Activities		
	Increase in Share Capital (Incl. Share Premium)	(68,857,185)	333,719,685
	Share Application Money	19,687,500	-
	Interest Paid	(394,664,674)	(467,105,183)
	Dividend Paid & Other Adjustments	(123,598,719)	(61,119,161)
	Increase in Borrowings	24,393,403	1,304,924,605
	Net Cash used in Financing Activities(C)	(543,039,674)	1,110,419,946
	Net Increase/ Decrease in Cash & Cash Equivalents(A + B + C)	1,671,387,669	748,996,293
	Cash & Cash Equivalents(OP Bal)	1,918,987,338	1,169,991,044
	Cash & Cash Equivalents(CL Bal)	3,590,375,007	1,918,987,338

As per our Report attached hereto

For and on behalf of
Rohira Mehta & Associates
Chartered AccountantsAnil V. Rohira
Partner
Membership No. 37339
FR No 118777WPlace : Mumbai
Date : May 18, 2010

For and on behalf of Board

R.C. Mansukhani
ChairmanJ. L. Mansukhani
DirectorJ.C. Mansukhani
Vice Chairman & Managing DirectorKirit N. Damania
Director

AUDITORS CERTIFICATE

To
The Board of Directors
Man Industries (India) Limited
102, Man House, S. V. Road,
Vile Parle (W), Mumbai - 400 056.

We have examined the attached Cash Flow Statement of Man Industries (India) Limited for the year ended March 31, 2010. The statement has been prepared by the Company in accordance with the requirement of listing agreement clause 32 with Mumbai Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of May 18, 2010 to the members of the Company.

For and on behalf of
Rohira Mehta & Associates
Chartered Accountants

Anil V. Rohira
Partner
M.No. 37339
FR No 118777W

Place : Mumbai
Date : May 18, 2010

Statement pursuant to section 212 of the Companies Act, 1956 relating to subsidiary companies

(Rupees)

Sr. No	Particulars	Name of Subsidiaries			
		Man Infraprojects Limited	Merino Shelters Private Limited	Man USA INC	Man Overseas Metal DMCC
1	Reporting Currency	INR	INR	USD	AED
2	Exchange Rate	-	-	44.90	12.225
3	Share capital	45,450,000	50,100,000	0.00	6,112,500
4	Reserves	38,239,678	3,451,088		148,705
5	Total Assets	2,719,749,454	856,909,081	2,179,662.00	25,377,517
6	Total Liabilities	2,719,749,454	856,909,081	2,179,662.00	25,377,517
7	Investment Other than Investment in Subsidiary	-	16,986,275	0.00	
8	Turnover	46,829,697	6,288,972	11,850,929.00	1,231,877
9	Profit/ (Loss) before taxation	10,140,920	4,976,609	-1,402,558.00	148,704
10	Tax Provision	3,156,544	1,537,772	0.00	-
11	Profit/ (Loss) after taxation	6,984,376	3,438,837	-1,402,558.00	148,704
12	Proposed Dividend	-	-	0.00	-
13	Country	India	India	USA	Dubai, UAE

For and on behalf of the Board of Directors

R C Mansukhani
Chairman

J C Mansukhani
Vice Chairman & Managing Director

J L Mansukhani
Director

Kirit N Damania
Director

Place: Mumbai
Date: May 18, 2010

THE
MAN
GROUP

Globally Committed

An ISO 9001 / 14001 / 18001 accredited company
L-SAW Line Pipes | Spiral Pipes | Coating Systems

Corp. Office: Man House, 102, S.V. Road, Vile Parle (W), Mumbai - 400 056. India.
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