



y e a r s o f e x c e l l e n c e

COMPANY SYNOPSIS

BOARD OF DIRECTORS

MR. RAMESH C. MANSUKHANI
(Executive Chairman)

MR. JAGDISH C. MANSUKHANI
(Executive Vice Chairman
and Managing Director)

MR. NIKHIL R. MANSUKHANI
(Director)

MR. KIRIT N. DAMANIA
(Independent Director)

MR. A.V. RAMMURTHY
(Independent Director)

MR. PRAMOD TANDON
(Independent Director)

Management Team

Mr. Harjit Singh Bedi
Mr. Sanjiv Dheer
Mr. Ashok Gupta
Mr. K.G. Mantri
Mr. Ashit Mittal
Mr. Umesh Rastogi
Mr. Abhilesh Ojha
Mr. Anil Kumar Sahu
Mr. Pankaj Nigam
Mr. Sanjay Sohani
Mr. Dilip Jethani

MR. RISHIKESH VYAS

ROHIRA MEHTA & ASSOCIATES

Bankers

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

Registered Office

MAN House, 101, S.V. Road, Opp. Pawan Hans,
Vile Parle (West), Mumbai - 400 056
Phone 022 66477500
Fascimile 022 66477613

Board Committees

Mr. Kirit N. Damania
(Chairman)
Mr. Jagdish C. Mansukhani
Mr. A.V. Rammurthy
Mr. Pramod Tandon

Shareholders/Investors Grievance Committee

Mr. Pramod Tandon
(Chairman)
Mr. Ramesh C. Mansukhani
Mr. Jagdish C. Mansukhani

Director - Technical
Chief Operating Officer
Chief Financial Officer
Senior Vice President - Corporate Affairs
Senior Vice President - Marketing & Business Development
Vice President - Business Development & Technical Services
Vice President - Finance & Accounts
Vice President - Marketing & Business Development
Vice President - Marketing
Vice President - Operations & Electricals.
Vice President - Works

GROUP COMPANY SECRETARY & COMPLIANCE OFFICER STATUTORY AUDITORS

Registrar and Share Transfer Agent

M/s Link Intime India Pvt. Ltd.
C/13, Pannalal Silk Mills Compound, L.B.S. Marg,
Bhandup (West), Mumbai - 400 078
Ph: 022-25946970
Fax: 022-25946969
Email: rnt.helpdesk@linkintime.co.in

Plants

Pipe and Coating Complex Anjar
Khedoi Village, Taluka Anjar,
Dist. Kutch (Gujarat)

Pipe and Coating Complex, Pithampur
Plot No.257/258 B, Sector I, Pithampur Industrial Area
Pithampur District Dhar, Madhya Pradesh

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*The life that you infused in us is filled with gratitude even as we
feel your presence amongst us every moment.*



Late Shri. J. L. Mansukhani

13.10.1933 - 31.10.2011



Dear Shareowners,

It is my pleasure and privilege to reach you through this momentous Annual Report. As I begin to pen my contemplations, It is time for us to reflect on the voyage of our twenty five years of eventful journey and to set an agenda for the future. This occasion merits pride and celebrations and I am sure that you all share the same feeling.

Last year we mourned the sad and untimely demise of Mr. J.L Mansukhani, Executive Director of your Company. We at MAN vow to continue on the path that Mr. J.L Mansukhani envisioned for us.

The year in progress is of utmost importance to us as we enter into Silver Jubilee year of our successful operations. There have been so many achievements and milestones in this journey, but the most significant one is the immense trust we enjoy with all our stakeholders. MAN is an entrepreneurial business wholly built on satisfying the needs of customers, anticipating future needs and developing competencies that enable our Customers and Stakeholders to gain by associating with us.

MAN's 25th anniversary Celebration signifies an uplifting story of continuous transformation and growth. Your company has transformed itself from a domestic player to one of the leading global pipe manufacturers. Over the years, your company has sharpened its focus and enhanced its offerings for the global markets and also judiciously optimizes resources across operations.

With your relentless support, the company has posted the highest ever EBIDTA and PAT for the year 2011-12. Recently the Company had redeemed Foreign Currency Convertible Bonds (FCCBs) issued in the year 2007. Thus, as we enter into Silver Jubilee Year, we will be maintaining our track record of 25 years of timely fulfilling financial obligations despite extremely challenging global environment.

Your company has made an enviable track record of uninterrupted profit since inception and consistent dividend payment for more than a decade.

In another significant development, the company has entered into strategic partnership with Kobe Steel Limited (Kobe) one of leading Japanese manufacturer with business covering iron and steel, welding, aluminum and copper, machinery, natural resources and engineering, environmental solutions, construction equipment etc amongst other businesses. This formidable alliance will result in leveraging on each other's competencies without financial leveraging. This alliance is first of its kind in the line pipe industry across the globe.

As I conclude, it is indeed satisfying to witness a fulfilling journey of an enterprise that is deeply motivated by its commitment to create value for its stakeholders and society. Your Company looks to the future with confidence, driven by an inspiring Vision, Values of Trusteeship and Vitality powered by a dedicated world-class team of human resources.

MAN owns its sustained success to its trusted relationships with customers, business partners, employees, banks and of course with you, our shareowners. I would like to sincerely thank you for your confidence, for being a pillar of support in helping to accomplish our shared aspirations. We will continue to make every effort in years to come to justify your confidence. As we move on new thinking will lead us to new horizons.

As always, I am looking forward for your continued support and encouragement.

R C Mansukhani
Chairman

THE NOTICE OF THE TWENTY FOURTH ANNUAL GENERAL MEETING

THE TWENTY FOURTH ANNUAL GENERAL MEETING (the “Meeting”) of MAN Industries (India) Limited (“the Company”) will be held at Hotel Karl Residency, 36, Lallubhai Park Road, Andheri (W), Mumbai - 400 058, Maharashtra, India, on Monday, the August 27 2012, at 3.00.P.M. to transact the following business:

ORDINARY BUSINESS:

- 1st. To receive, consider and adopt the Balance Sheet as at March 31, 2012, the Profit and Loss account for the year ended on that date and the Reports of the Directors’ and the Auditors’ thereon.
- 2nd. To declare dividend on equity shares for the financial year ended March 31, 2012.
- 3rd. To appoint a Director in place of Mr. Pramod Kumar Tandon who retires by rotation and, being eligible, seeks re-appointment.
- 4th. To consider and, if thought fit, to pass with or without modification, the following resolution for appointment/reappointment of Statutory Auditors and fix their remuneration.

“RESOLVED THAT M/s. Rohira Mehta & Associates Chartered Accountants (Registration No. 118777W), be and are hereby reappointed as the Auditors of the Company to hold office from conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting on such remuneration as may be determined by the Board of Directors (which term shall include any Committee of the Board of Directors) in consultation with the Auditors, and the remuneration be paid on such terms as may be mutually agreed by the Auditors and the Board of Directors (which term shall include to mean any committee of the Board).”

SPECIAL BUSINESS:

- 5th. To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution** for increasing the Borrowing Limits.

“RESOLVED THAT in supersession of all earlier resolution(s) passed by the Shareholders, subject to approval of the Shareholders of the Company and in pursuance to the provisions of Section 293(1)(d) of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, the Board of Directors (hereinafter referred to as “Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose or any other existing committee of the Board), be and is hereby authorized, to borrow in one or more tranches any sums of money (including non fund based facilities) from time to time at their discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other persons, firms, bodies, corporates, notwithstanding that the monies to be borrowed together with the monies to already borrowed by the Company (apart from the temporary loans obtained by the Company’s bankers in the ordinary course of business) may at any time, exceed upto a sum of Rs. 2,500 Crores (Rupees Two Thousand Five Hundred Crores) over and above the aggregate of the then paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing (s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

- 6th. To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution** for the purpose of creation of security for the Borrowing Limits.

“RESOLVED THAT in supersession of all earlier resolution(s) passed by the Shareholders and subject to approval of the Shareholders of the Company and in pursuant to such applicable provisions of the Companies Act, 1956 as may be applicable (including any statutory modification(s) or re-enactment (s) thereof for the time being in force) and the Articles of Association of the Company, the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose) be and is hereby authorised to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on any of the moveable and/or

immoveable properties of the Company, both present and future in favour of the Lender(s), Agent(s) and Trustee(s)/Trustee(s), for securing the borrowings availed/to be availed by the Company and/or any of the Company's holding / subsidiary / affiliate / associate company, by way of loan(s) (rupee or in foreign currency) and Securities (comprising fully/partly Convertible Debentures and/or Non Convertible Debentures with or without detachable or non-detachable Warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the Company, from time to time, subject to the limits approved under Section 293(1)(d) of the Companies Act, 1956, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/ Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s)/Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agent(s) and Trustee(s) / Trustee(s), in respect of the said loans / borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s)/ Agent(s)/ Trustee(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and are hereby authorised to finalise, settle and execute such documents/ deeds/writings/papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

By Order of the Board of Directors

Rishikesh Vyas
Group Company Secretary & Compliance Officer

Mumbai, July 31, 2012

Registered Office:
101, Man House, Opp. Pawan Hans,
S.V.Road, Vile Parle (West),
Mumbai - 400056,
Maharashtra,
India

Notes and Explanatory Statement

Notes:

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under Item Nos 5th and 6th set out above and details under Clause 49 of the Listing with the Stock Exchanges in respect of Directors seeking reappointment at this Annual General Meeting are annexed hereto.
2. **A member entitled to attend and vote at the annual general meeting (“the Meeting”) is entitled to appoint a proxy to attend and vote on poll instead of him/her and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of company, societies, partnership firms, etc. must be supported by appropriate resolution / authority letter, as applicable, issued by the member organization.**
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. Members /Proxies should bring and deposit duly filled Attendance Slips sent herewith to attend the meeting.
5. In terms of Article 118 and 119 of the Articles of Association of the Company, read with Section 256 of the Companies Act,1956 of the Companies Act,1956, Mr. P.K. Tandon, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment. The Board of Directors of the Company recommends his reappointment.
6. The Register of Contracts, maintained under Section 301 of the Companies Act, 1956 will be available for inspection by the members at the Registered Office of the Company.
7. The Register of Directors Shareholding, maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the members at the Registered Office of the Company.
8. A particular of Director seeking reappointment is furnished pursuant to the Clause 49 of the Listing Agreement in the Explanatory Statement.
9. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General meeting. Members are requested to bring their attendance slip along with a copy of the Annual Report to the Meeting.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. The Register of Members and Share Transfer Books will remain closed from August 24 to August 27, 2012 (all days inclusive).
12. If the Dividend as recommended by the Board of Directors is approved at the Annual General Meeting, then payment of such Dividend will be made to those shareholders whose name appear in the Register of Members as on August 24, 2012 and in respect of shares held in Electronic form the dividend will be paid on the basis of beneficial ownership as per the details furnished by the Depositories for this purpose.
13. Members whose shareholding is in the electronic mode are requested to inform change of address and updates of their Bank Account details to their respective depository participants.
14. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Agents.
15. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary, at the Company’s registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account, will, as per Section 205 A of the Companies Act,1956 be transferred to the Investor Education and Protection Fund.
16. Your Company is concerned about the environment and utilizes natural resources in a substantial way. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21,2011 and April 29,2011 respectively), has undertaken a “Green Initiative In Corporate Governance” and allowed companies to share documents with shareholders through an electronic mode. A recent amendment to the Listing

Agreement (vide Security Exchange Board of India circular October 05, 2011) with the Stock Exchange permits companies to send soft copies of the Annual Report to all the shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their electronic mail addresses for receiving electronic communications.

By Order of the Board of Directors

Rishikesh Vyas
Group Company Secretary & Compliance Officer

Mumbai, July 31, 2012

Registered Office:

101, Man House, Opp. Pawan Hans,
S.V.Road, Vile Parle (West),
Mumbai - 400056,
Maharashtra, India

Annexure I to the Notice

EXPLANATORY STATEMENT - under Section 173 (2) of the Companies Act, 1956.

Item No.5

In terms of the provisions of Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors of the Company, except with the consent of the Company in general meeting, cannot borrow moneys, apart from loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves that is to say reserves not set apart for any specific purpose. Keeping in view the Company's business requirements and its growth plans, it is considered desirable to increase the said borrowing limits.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No.6

In order to facilitate the Company to avail the aforesaid borrowing limits, the Company may be required to create security in one or more *tranches*. The Security that shall be created to avail the borrowings *should not be construed to mean that it is disposing of the whole or substantially the whole of the undertaking of the Company*.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Annexure II to the Notice

Particulars relating to Directors seeking re -appointment/appointment, furnished pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchange (s).

Mr. Pramod Kumar Tandon holds an M. Sc Tech. degree and has an experience of around 40 years.

Directorship in other Companies : One

Membership of Board Committees : One

Note : Directorship given herein above excludes foreign companies, private limited companies and alternate directorships. For the purpose of Board Committee memberships, only Audit Committee and Shareholders Investors' grievance Committee are Considered.

By Order of the Board of Directors

Rishikesh Vyas
Group Company Secretary & Compliance Officer

Mumbai, July 31, 2012

Registered Office:

101, Man House, Opp. Pawan Hans,
S.V.Road, Vile Parle (West),
Mumbai - 400056,
Maharashtra, India

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 24th Annual Report of your Company along with the Audited Accounts for the financial year ended March 31, 2012

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	For the year 2011-12	For the year 2010-11
Profit before Depreciation	18,822.54	13,843.48
Less: Depreciation	3,890.56	3,915.25
Profit Before Tax	14,931.98	9,928.23
Less : Taxation	4,732.41	732.23
Profit after Tax	10,199.57	9,196.00
Add: Profit brought forward	30,931.70	23,826.08
Total profit available for appropriation	41,131.27	33,022.08
APPROPRIATIONS:		
Profit & Loss Appropriations	(533.03)	(118.56)
Transfer to General Reserve	1,019.96	919.60
Proposed dividend	1,105.70	1,105.70
Provision for taxation - dividend	179.37	183.64
Balance carried to Balance Sheet	39,359.27	30,931.70

RESULTS OF OPERATIONS

Net sales and other income for the standalone entity increased to Rs.173,572.14 lacs from Rs. 167,743.02 lacs in the previous year; an increase of 3.48%. The operating profit (PBDIT) witnessed a increase of 27.76 % from Rs.16,843.60 lacs in 2010-11 to Rs.21,518.85 lacs in 2011-12. The profit after tax (PAT) showed a growth of 10.92 % at Rs.102.00 lacs from Rs.91.96 lacs in the previous year.

DIVIDEND

For the year under review, the Directors have recommended a dividend of Rs. 2 per share (Face Value Rs. 5) [Rs.2 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. 1019.96 lacs to the General Reserve.

SUBSIDIARIES

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

1. Man Infraprojects Limited. (Incorporated in India)
2. Man Overseas Metal DMCC (Incorporated in UAE)
3. 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 practice followed by 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.

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 March 31, 2012 5,36,90,999 Equity shares of the Company, representing 97.12% of its issued capital, were held in dematerialized form and the balance 2.88% representing 15,93,875 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

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 2011-12 and there are no outstanding fixed deposits from the public as on March 31, 2012.

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 SECTION 212 OF THE COMPANIES ACT

The Ministry of Corporate Affairs vide its General Circular No.: 2 /2011 dated 8th February 2011 has granted general exemption to companies who fulfill the requirements specified in the said circular from attaching the financial statements of the subsidiary companies in India and abroad, both direct and indirect, to the balance sheet of the Company. Your Company has complied with all the conditions specified in the said circular and hence the financial statements of the subsidiary companies in India and abroad, have not been attached in this Annual Report. 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. Pramod Kumar Tandon is liable to retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

Resolutions for his re-appointment is being placed before you for your approval at the ensuing Annual General Meeting. The brief resume of the aforesaid Director and other information has been given in the notice convening the Annual General Meeting. Your Directors recommend his appointment as Director of your Company.

AUDITORS

M/s Rohira Mehta & Associates, Chartered Accountants, who are the statutory auditors of the Company, hold office until the conclusion of 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 2012-13 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

R. C. Mansukhani
Chairman

Place : Mumbai
Date : July 31, 2012

ANNEXURE TO THE DIRECTORS' REPORT

(UNDER SECTION 217(1) (e) of the Companies Act, 1956)

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 systems 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.
- (b) 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.

FORM " A "	For the year 2011-12	For the year 2010-11
POWER AND FUEL CONSUMPTION :		
(i) Electricity Purchased (Units)	32,365,069	35,809,265
Total Amount (Rs.)	217,762,764	232,936,732
Rate per Unit	6.73	6.50
(ii) Own Generation through D.G.Set:		
Generation Unit	5,640	206,082
Unit per liter of Oil	3.00	2.79
Cost per Unit.	14.82	14.69
CONSUMPTION PER UNIT OF PRODUCTION	(In kgs)	
Production in kgs	248,278,987	305,864,651
Consumption per unit of Production (per kg.) Units	0.13	0.12

This increase is due to increase in the rate per unit of Electricity and due to product mix i.e. thickness of the pipes and coating etc.

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 2010-11	For the year 2011-12
FOREIGN EXCHANGE EARNINGS & OUTGO		
a) Foreign Exchange Earnings (FOB Value of Exports)	137,524.29	122,592.19
b) Other Receipts		
c) Foreign Exchange Outgo	89,879.89	124,954.55

Management Discussion and Analysis (forming part of Annual Report)

Global Socio Economic Environment

The year commenced with several challenges both on the domestic and international fronts. The global economic environment, which has been weak at best throughout the year, turned sharply adverse in September 2011 owing to the turmoil in the euro zone and questions about the outlook on the US economy provoked by rating agencies. Jasmine revolution sparked in Arab countries and Africa resulted in extraordinary volatility in crude oil. Besides uncertainty in policy making on the domestic front coupled with Tsunami in Japan have posed quite a few unique challenges. Growth in Indian economy is expected to remain strong, although the momentum in industrial activity is not as it should be due to persistent high inflation and resultant high interest rates.

Company's Strategic and Competitive Advantage

The Company has emerged out as a prominent player in the league of world-class manufacturers of Line Pipe and Coating Systems in a short span of time and is one of the leading manufacturers of the large diameter Carbon Steel SAW pipes offering total solutions to its valued and reputed clients globally. The Anjar Plant's location in the vicinity of Mundra and Kandla seaports has provided a competitive edge to the Company in the global market. The Company has recently commissioned its third HSAW production line at Anjar. This is the first ever mill in India which can produce pipes upto 30 mm thickness in X-80 grade steel. 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.

Financial Overview for the year 2011-12

Particulars in Rs. Crs.	FY12	FY11	Inc/(Dec) %
Total Revenue	1735.72	1631.42	6.39
Operational EBITDA	215.19	168.44	27.75
PAT	102.00	91.96	10.92
EPS	18.45	16.63	10.94
EBITDA Margin (%)	12.40	10.32	20.16
PAT MARGIN (%)	5.88	5.64	4.31

The Company revenues has shown an increase of 6.39% to Rs. 1735.72 crore for Year ended on 31st March 2012, as compared to Rs. 1631.42 crore for the corresponding period of previous year.

The Company's operating Profit has shown an increase of 27.75% to Rs. 215.19 crore for Year ended on 31st March 2012, as compared to Rs. 168.44 crore for the corresponding period of previous year.

The Company has done extremely well during the year under review & has posted highest ever net profit of Rs. 102 crore in its 25 years history thereby registering a growth of 11% approx. in comparison to corresponding period of previous year and resulting into an EPS of Rs. 18.45 per Share.

We have considerably reduced our Debt-Equity ratio to 0.10 thereby de-leveraging your company to provide financial stability in the prevailing turbulent and challenging financial environment.

Also your company has made an enviable track record of uninterrupted profit since inception and consistent dividend payment for more than a decade.

The management is expecting further growth in the current financial year. The recent strategic partnership with Kobe Steel is expected to add value to our business growth in coming years.

Global Industry Overview

Currently there is an overcapacity in the global system but Large Global clients have plans to invest billions of dollars in several mega projects over the next few years which augur well with the demand led growth.

Middle East, West Asia, Africa, South East Asia, Australia and the domestic market would be key volume drivers for Indian Pipe Manufacturers. These geographies account for over 40% of the total global demand of Line SAW

Pipes. 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 with Japan and Europe. Indian Line Pipe Industry is approximately USD 5 Billion in size. Currently, there is some 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, the country needs around 17,000 kms of pipelines in the 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 as Gas has become the 'FUTURE FUEL', therefore construction of pipeline infrastructure has become inevitable. Indian Pipe Manufacturers are well poised to capitalize on the available domestic opportunities.

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 sector.

Future Outlook

In view of the healthy demand for Pipelines on the global as well as domestic front, the future for Pipeline industry appears bright.

In order to meet rising energy needs, there is an urgent need to develop and improve oil & gas distribution in India as well as globally.

International pipeline projects like the TAPI (Turkmenistan-Afghanistan-Pakistan-India), IPI (Iran-Pakistan-India) Gas pipeline, Bangladesh-India Onshore gas pipeline and imports from Myanmar are in the offing.

As per global consultancy, Simdex 2011 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.

Increased focus on Shale Gas exploration will give major boost to the pipeline industry. Also it is said to be the biggest energy innovation of the decade. It has become increasingly important source of natural gas in the USA, Canada, Europe, Asia and Australia. Although many other nations are pursuing shale gas, commercial success is so far limited to US and Canada.

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 are keen to increase the utilization of our existing capacities of both LSAW and HSAW.

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 adequate internal controls for its business processes across departments to ensure efficient operations, compliance with internal policies, applicable laws and regulations, protection of resources and assets, and accurate reporting of financial transactions. The Company also has an internal audit system so as to cover various operations on continuous basis. Summarized Internal Audit Observations/Reports are reviewed by the Audit Committee on a regular basis.

The primary objectives of an effective internal control system are to ensure (1) efficient and effective operations,

(2) accurate financial reporting, and (3) compliance with laws and regulations.

The internal audit team has identified the following components of an effective internal control system:

- **THE CONTROL ENVIRONMENT**, which establishes the foundation for the internal control system by providing fundamental discipline and structure.
- **RISK ASSESSMENT**, which involves the identification and analysis by management—not the internal auditor—of relevant risks to achieving predetermined objectives.
- **CONTROL ACTIVITIES**, or the policies, procedures, and practices that ensure management objectives are achieved and risk mitigation strategies are carried out.
- **INFORMATION AND COMMUNICATION**, which support all other control components by communicating control responsibilities to employees and by providing information in a form and time frame that allows people to carry out their duties.
- **MONITORING**, which covers the external oversight of internal controls by management or other parties outside the process; or the application of independent methodologies, like customized procedures or standard checklists, by employees within a process.

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 to successfully exist 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.

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 and 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 innovate 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 the best of their abilities and contribute to the growth of the company along with self-development has 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. The Company has also obtained Group Medical Policy for its employee's and their families.

Accreditations & Awards

- ☆ ISO 9001, 14001, 18001 certification for all divisions.
- ☆ American Petroleum Institute (API) certification.
- ☆ Certified by ENGINEERS INDIA LTD. (EIL)
- ☆ Recipient of EEPC AWARD for 2008-09
- ☆ Recipient of GAIL AWARD in 2010-11

Corporate Social Responsibility

The principles of corporate social responsibility (CSR) are firmly embedded in Man's philosophy and strategy as a business enterprise. The company considers itself part of society and therefore obligated to behave as a responsible corporate citizen.

As we continue to grow, it becomes increasingly important to focus on our core values, namely: building a sustainable business and giving back to society.

We have two Manufacturing Plants in operation in India. Both the plants are certified ISO 14001:2004 and OHSAS 18001:2007 for its Environmental Management and Safety systems. The initiative of obtaining this certification is purely based on Man's Environmental and Safety Policy.

Our sustainability program guides us in supporting our employees and the communities where they work.

Our Environmental Efforts

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.

We are committed to reduce Carbon-emission and steps have already been taken for the same by setting up 7 MW Wind Mill.

We Celebrate World Environment Day by planting of tree saplings and promoting environmental protection

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

Our Work in the Community

Company has enhanced its contribution to the social welfare activities in the field of education and healthcare. It organizes Medical/Health Camps on Pulse Polio, Eye, and Blood Donation on regular basis. We facilitate education to poor, orphaned and underprivileged children in the nearby villages.

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.

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.

Cautionary Statement

This Management Discussion and Analysis (MDA) should be read in combination with the Audited Financial Statements of the Company and the notes thereto for the financial year ended March 31, 2012. Further the Statements made in this report describing Company's objective, estimates, expectations may be "forwarding looking statements" within the meaning of applicable securities laws, regulations, rules etc. Actual result might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the sector, significant change in the regulatory and economic environment in Indian and other geography where Company is having business interest, exchange rate fluctuations, fiscal and taxation laws, litigation, labour relations and interest costs.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is essential to achieve long term corporate goals and enhance stakeholder's value. The Philosophy on Corporate Governance is aimed at attainment of highest level of transparency, accountability and compliance in laws in all facets of operations, leading to best standards of Corporate Governance.

The Company believes that good ethics make good business sense and our business practices are in keeping with this spirit of maintaining the highest level of ethical standards.

2. BOARD OF DIRECTORS

A. Composition:

The composition of your Company's Board is as under:

Executive Directors (Promoter Group)

- a) Mr. R. C. Mansukhani, Executive Chairman
- b) Mr. J. C. Mansukhani, Vice Chairman & Managing Director
- c) Mr. J. L. Mansukhani (expired on October 31, 2011)

Non Executive Directors

- a) Mr. Nikhil Mansukhani (w.e.f. November 23, 2011)

Independent

- a) Mr. Kirit N. Damania
- b) Mr. Pramod Kumar Tandon
- c) Mr. Annavarapu Venkat Rammurthy

The composition of the Board is in conformity with Clause 49 of the Listing Agreement with Stock Exchanges.

B. Dates of Board Meetings held during the year:

Date of Board Meeting	Board Strength	No. of Directors present
April 22, 2011	6	6
May 19, 2011	6	4
May 24, 2011	6	5
July 19, 2011	6	5
August 11, 2011	6	6
November 24, 2011	5	5
November 23, 2011	5	5
February 07, 2012	6	6
March 14, 2012	6	6

The time gap between any two Meetings did not exceed four months. The information as prescribed under Clause 49 of the Listing Agreement was placed before the Board from time to time, as required.

C. Attendance of Directors:

As mentioned above nine Board Meetings were held during the year ended March 31, 2012. The details of attendance of the Directors at the said Board Meetings and at the last Annual General Meeting of the Company are given below:

Name of the Director Attended	No. of Meetings on December 23, 2011	Attendance at the previous AGM held
Mr. R. C. Mansukhani	9	Yes
Mr. J. C. Mansukhani	8	Yes
Mr. J. L. Mansukhani @	4	NA
Mr. Kirit N. Damania	9	Yes
Mr. Pramod Kumar Tandon	9	Yes
Mr. Annavarapu Venkat Rammurthy	7	Yes
Mr. Nikhil Mansukhani *	2	No

@ Mr. J. L. Mansukhani expired on October 31, 2011

*Mr. Nikhil Mansukhani was appointed as Director on November 23, 2011

D. Details of Membership of the Directors in Boards and in Board Committees (including Man Industries (India) Limited):

Name of the Director	Boards*	All Board Committees**	Chairmanship of Board Committees
Mr. R. C. Mansukhani	5	3	1
Mr. J. C. Mansukhani	4	2	—
Mr. J. L. Mansukhani \$	—	—	—
Mr. Kirit N. Damania	1	1	1
Mr. Pramod Kumar Tandon	1	3	—
Mr. Annavarapu Venkat Rammurthy	1	1	—
Mr. Nikhil Mansukhani #	6	—	—

* (Excludes Foreign Companies, Private Limited Companies and Alternate Directorships).

** (Only the following Board Committees have been considered for this purpose: Audit Committee and Shareholders' /Investors' Grievance Committee)

\$ Mr. J. L. Mansukhani expired on October 31, 2011 and therefore ceased to be Director of the Company prior to March 2012. Hence declarations from these Directors were not obtained as at end of the financial year.

Mr. Nikhil Mansukhani was appointed as Director on November 23, 2011.

3. AUDIT COMMITTEE

A. Terms of reference:

The minutes of the meetings of the audit committee are placed before the Board. The terms of reference of the audit committee are in accordance with all the items listed in clause 49 (II) (D) and (E) of the listing agreement as follows:

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, 2012, the Committee had four members. Out of that three members 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. Pramod Tandon, Mr. Annavarapu Venkat Rammurthy, 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 Audit Committee recommends the appointment, re-appointment, replacement and removal of the statutory auditor, fixation of audit fees and approving payments for any other services.

➤ *Reviewing*

- i. 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.
- ii. With the management, the quarterly financial statements before submission to the board for approval.
- iii. The adequacy of internal control systems and the internal audit function and reviewing the Company's financial and risk management policies.

iv. 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 head of finance department and Statutory Auditors attend the meetings of the Committee on the invitation of the Chairman. Company Secretary of the Company acts as the Secretary of the Committee.

B. Composition

The composition of the Audit Committee is as follows:

Mr. Kirit N. Damania (Chairman)

Mr. Jagdish C. Mansukhani

Mr. Pramod Kumar Tandon

Mr. Annavarapu Venkat Rammurty

C. Meetings and Attendance

The details of meetings held during the year and the attendance there at are as follows:

Dates of Audit Committee Meetings held during the year ended March 31, 2012:

May 24, 2011, July 19, 2011, August 11, 2011, November 14, 2011 and February 7, 2012

Attendance

Name of the Director	Number of Meetings attended
Mr. Kirit N. Damania	5
Mr. J. C. Mansukhani	5
Mr. Pramod Kumar Tandon	5
Mr. Annavarapu Venkat Rammurty	4

4. REMUNERATION COMMITTEE

The remuneration policy of the Company is 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.)	
		Board Meeting	Audit Committee Meeting
Mr. R. C. Mansukhani	3,60,00,000	-	-
Mr. J. C. Mansukhani	2,67,57,333	-	-
Mr. J. L. Mansukhani	35,00,000	-	-
Mr. Kirit N. Damania	-	1,80,000	50,000
Mr. Nikhil Mansukhani	-	40,000	-
Mr. Pramod Kumar Tandon	-	1,80,000	50,000
Mr. Annavarapu Venkat Rammurty	-	1,40,000	40,000

5. SHAREHOLDERS'/INVESTORS GRIEVANCE COMMITTEE

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

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

The terms of reference of the Committee include the following:

1. To specifically look into complaints received from the shareholders of the Company.
2. To oversee the performance of the Registrar and Transfer Agent of the Company.
3. 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 March 31, 2012 are given as follows:

Nature of Complaints	Received during the year	Addressed during the year
Non receipt of Share certificates	20	20
Non-receipt of dividend / Interest/ Redemption warrant	54	54
Non receipt of Annul Report	5	5
Rematerialisation/ Dematerialisation of shares	3	3
Non receipt of exchange certificate	4	4
Others	7	7
Total	93	93

6. 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.

7. CEO/ CFO'S CERTIFICATION

The CFO 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 March 31, 2012.

8. GENERAL BODY MEETINGS

a. Details of location, date and time of holding the last three Annual General Meetings:

Financial Year	Location	Date and Time	Special Resolutions Passed
2008-2009	Hotel Karl Residency, Lallubhai Park Road, Andheri (W) Mumbai - 400058	22-Sep-2009 at 4.00 p.m.	No Special Resolution passed.
2009-2010	Hotel Karl Residency, Lallubhai Park Road, Andheri (W) Mumbai - 400058	16- July- 2010 at 4.00 p.m.	No Special Resolution passed.

Financial Year	Location	Date and Time	Special Resolutions Passed
2010-2011	Hotel Karl Residency, Lallubhai Park Road, Andheri (W) Mumbai - 400058	23 rd December 2011 at 3.30 p.m.	<ol style="list-style-type: none"> 1. Appointment of Mr. J. C. Mansukhani as Vice Chairman & Managing Director 2. Alteration of Articles of Association consequent upon increase in Authorised Share capital of the Company. 3. To alter, vary, restructure, amend or modify any of the terms and conditions including but not limited to conversion price, date of maturity etc of the US dollar 500,000,000 Zero Coupon Convertible Bonds due 2012 ("the Bonds") issued by the Company.

No Special Resolution requiring voting through Postal Ballot was passed in the year 2011-12.

There is no special resolution proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

9. DISCLOSURES

- a. There were no material significant related party transactions that may have a potential conflict with the interests of the Company at large. Transactions with related parties have been disclosed vide Note No. 31 in Notes on Financial Statements.
- b. SEBI vide its order no. PG/AO/97/2011 dated September 30, 2011 imposed penalty of Rs.11,00,000/- (Rupees Eleven lakhs only) on the Company in terms of Section 15HB of the SEBI Act, 1992, for violation of Regulation 12 (1) read with Clause 3.2 of Part A of Schedule I and a penalty of Rs. 22,00,000/- (Rupees Twenty Two lakhs only) for the violation of Regulation 12 (2) read with Clause 2.0 of Schedule II of the PIT Regulations, a total penalty of Rs.33,00,000/- (Rupees Thirty three lakhs only). However, on appeal made by the Company to Securities Appellate Tribunal, penalty of ' 11,00,000/- for violation of Regulation 12(1) read with Clause 3.2 of Part A of Schedule I was deleted and penalty for violation of Regulation 12(2) read with Clause 2.0 of Schedule II of the PIT Regulations was reduced to Rs.5,00,000/- (Rupees Five Lakh Only) which has been paid buy the Company. There have been no other instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/ strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority or any matter relating to capital markets during the last three years.
- c. The Company has complied with all the mandatory requirements of Corporate Governance as required by the Listing Agreement.
- d. No personnel have been denied access to the Audit Committee of the Company to discuss any matter of substance.
- e. The Company has not adopted any non-mandatory requirements of the Listing Agreement.

10. MEANS OF COMMUNICATION

- A. The quarterly results were published in leading national newspapers (Economic Times and Maharashtra Times). The quarterly results are simultaneously displayed on www.mangroup.com, the Company's website. The website is updated regularly with the official news releases and disclosures as required from time to time.

- B. Management Discussion and Analysis Report is given as an Annexure to the Directors' Report.
C. Official news releases are displayed on the Company's website.

11. GENERAL SHAREHOLDER INFORMATION

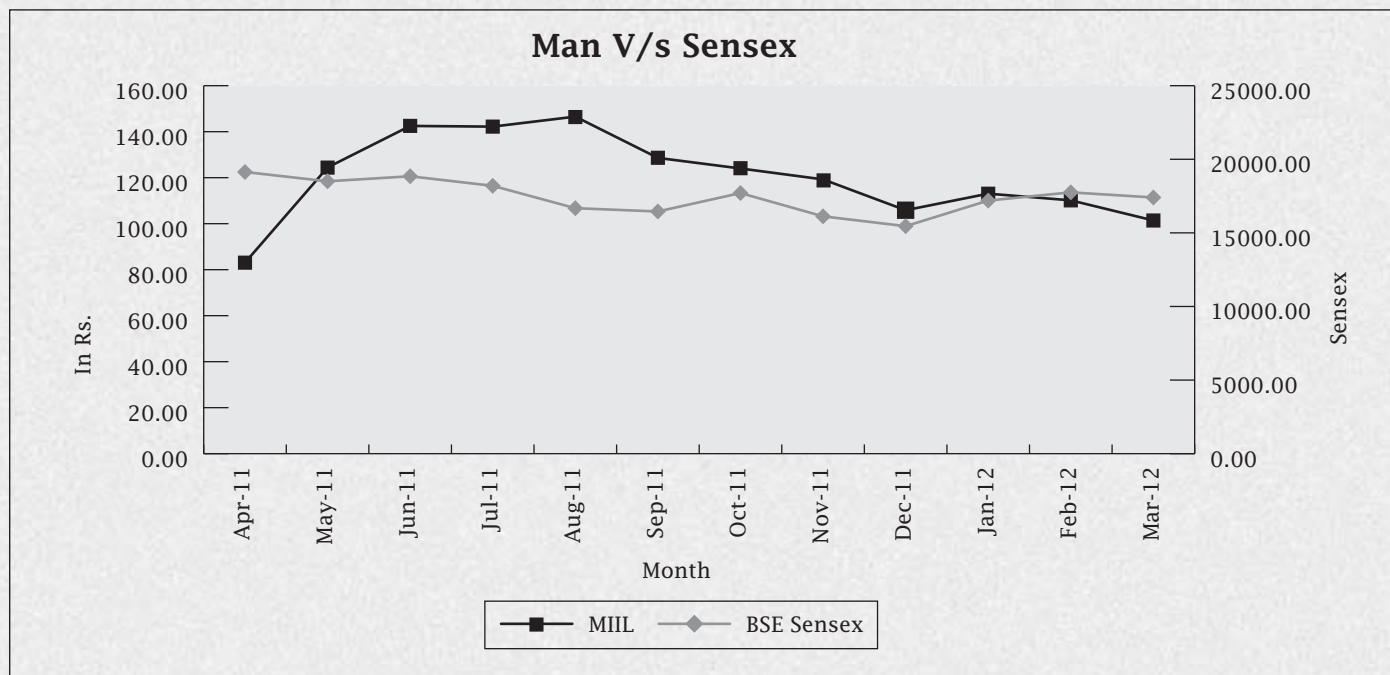
1.	Next Annual General Meeting - Date, Time & Venue	August 27, 2012 at 3:00 p.m. at Hotel Karl Residency, Lallubhai Park Road, Andheri (West), Mumbai - 400 058
2.	Financial Calendar for 2011-12 (Tentative)	
	Unaudited results for the quarter ending June 30, 2012	Upto August 14, 2012
	Unaudited results for the quarter / half year ending September 30, 2012	Upto November 14, 2012
	Unaudited results for the quarter ending December 31, 2012	Upto February 14, 2013
	Audited results for the year ending March 31, 2013	Upto May 30, 2013
3.	Book Closure Dates	From August 24, 2012 to August 27, 2012 (all days inclusive)
4.	Dividend for the financial year 2012-13, if any.	On or after Annual General Meeting
5.	Listing of Equity Shares Listing of GDRs of the Company	Bombay Stock Exchange Limited, (BSE) and National Stock Exchange of India Limited (NSE) NASDAQ Dubai Stock Exchange Level 7, The Exchange Building, Gate District, Dubai International Financial Centre P.O.Box 53536 Dubai (UAE)
6	Stock Code	BSE: 513269, NSE: Maninds

Note: Annual Listing fee for the financial year 2012-13 has been paid to Bombay Stock Exchange Limited & National Stock Exchange of India Limited.

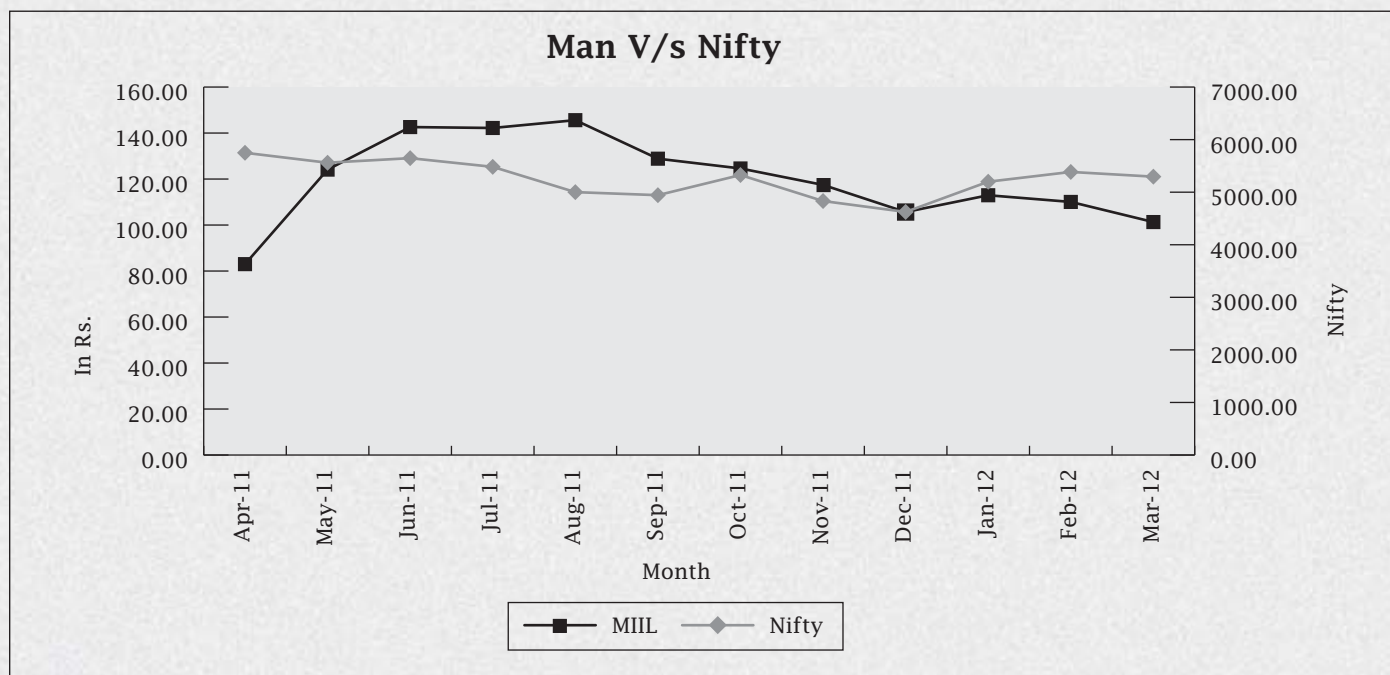
Stock Price Data

Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	Volume	High	Low	Volume
April 11	83.9	63	12,02,859	83.45	63.50	1368262
May 11	144.2	83.1	90,48,443	144.20	81.95	14337689
June 11	157	115.25	20,75,875	156.80	115.55	3045739
July 11	161.7	138	8,49,997	161.5	137.2	1318002
Aug 11	151.25	122	14,87,276	149.4	119	1004770
Sep 11	156	125.1	10,17,987	156.4	121	903216
Oct 11	132.8	117.2	81362	132.8	117	127871
Nov 11	137	110	5,32,422	139.7	106.7	353828
Dec 11	120.5	101	18,15,540	120.15	101.1	893934
Jan 12	121.6	103.1	7,29,914	121.6	101	589870
Feb 12	116.25	105.6	4,67,581	116.9	105.15	644766
Mar 12	128.9	98.5	28,37,750	128.5	98.1	2463078

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 Committee 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 March 31, 2012 is as follows:

Distribution of shares	Shareholders		Share Allotted	% of total
	Number	% of Total		
001 - 500	17469	88.2050	2775206	5.0198
501 - 1000	1411	7.1245	1121617	2.0288
1001 - 2000	521	2.6306	816585	1.4770
2001 - 3000	148	0.7473	384758	0.6960
3001 - 4000	88	0.4443	325354	0.5885
4001 - 5000	40	0.2020	190355	0.3443
5001 - 10000	33	0.1666	238445	0.4313
10001 and above	95	0.4797	49432554	89.4142

The distribution pattern of shareholding of your Company as on March 31, 2012 by ownership and size class respectively is as follows:

S.No.	Category of Shareholders	Total No. of Shares	Percentage of total no. of Shares
(A)	Shareholding of Promoter and Promoter Group		
	(a) Individuals/HUF	16255127	29.40
	(b) Bodies Corporate	5097254	9.22
	(c) Foreign Holdings of Promoters	8741070	15.81
	Total Shareholding of Promoters & promoter Group (A)	30093451	54.43
(B)	Public Shareholding		
	1. Institutions		
	(a) Mutual Funds/UTI	11800	0.02
	(b) Financial Institutions/Banks	6300	0.01
	(c) FIIs	2851	0.01
	(d) Insurance Companies	2244191	4.06
	Sub-Total (B1)	2265142	4.10
	2. Non-Institutions		
	(a) Bodies Corporate	8346650	15.10
	(b) Individual		
	i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	5372054	9.72
	ii) Individual shareholders holding nominal capital in excess of Rs. 1 lakh.	2872520	5.20
	(c) Clearing Members	1422783	2.80
	(d) Non Resident Indians (Repartiable)	265111	0.27
	(e) Non Resident Indians (Non-Repartiable)	71393	0.14
	(f) Foreign Company	117308	0.23
	(g) Trusts	2000	0.00
	Sub Total (B2)	18469819	33.41
	Total Public Shareholding B = (B1) + (B2)	20734961	37.51
(C)	Shares held by custodian	4,456,462	8.06
	Total (C)	44,56,462	8.06
	Total (A) + (B) + (C)	5,52,84,874	100.00

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

GDRs: Outstanding GDRs as on March 31, 2012 represent 44,56,462 equity shares constituting 8.06% 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 of 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 March 31, 2012

Sr. No.	Name of the Shareholder	No. of Shares	% of Capital
1.	The Bank Of New York (Depository for GDRs)	4456462	8.06
2	Mangal Keshav Securities Limited	2604185	4.72
3	Heena Mansukhani	1872611	3.39
4	United India Insurance Company Ltd	1578390	2.86
5	IL & FS Securities Services Limited	1178125	2.13
6	Arcadia Share And Stock Brokers Pvt. Ltd.	1065109	1.93
7	Man Steel and Power Limited	831704	1.50
8	Nippon Investment and Finance Company Private Limited	636361	1.15
9	Shree Dhoot Trading & Agencies Ltd.	601300	1.09
10	General Insurance Corporation Of India	553662	1.00

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by the Securities and Exchange Board of India, a Qualified Practicing Company Secretary carries out the 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 - 400078. 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
2004-05	October 24, 2012
2005-06	October 15, 2013
2006-07	October 14, 2014
2007-08	October 26, 2015
2008-09	October 22, 2016
2009-10	August 16, 2017
2010-11	January 23, 2019

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 Link Intime India Pvt. Limited at the following address:

Link Intime India Pvt. Ltd.
C/13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai - 400 078
Ph: 022-25946970
Fax: 022- 25946969
Email: rnt.helpdesk@linkintime.co.in

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: 02836-249160

Address for correspondence

Registered Office:
Man House, 101, 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: 022-25946970
Fax: 022- 25946969
Email: rnt.helpdesk@linkintime.co.in

Declaration of Compliance with the code of conduct (by the Executive Chairman)

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

I, R. C. Mansukhani, Chairman 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 March 31, 2012.

For Man Industries (India) Limited
R.C. Mansukhani
Chairman

Place: Mumbai
Date: July 31, 2012

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 Executive Chairman on Financial Statements of the Company for the year ended March 31, 2012

I, R. C. Mansukhani, Chairman 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 violates 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
R.C. Mansukhani
Chairman

Place: Mumbai
Date: July 31, 2012

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 March 31, 2012, 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

(Anil V Rohira)
Partner

Place: Mumbai

Date: July 31, 2012

Membership No. 037339

Financial Statements
for the year ended 31 March 2012

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, 2012 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. Further we believe that our audit provides a reasonable basis for our opinion.
3. We have not audited the financial statements of Dubai Branch. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the said audited branch is based solely on the Report of the other auditor. The financial statements of branch reflecting the total capital employed of Rs. 2,255,819/- and total revenue amounting to Rs. 2,539,179/- are included in these financial statements.
4. 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 .
5. 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 & 30 issued by Institute of Chartered Accountants of India (refer to note (g) sub point (iv) of part B of significant accounting policies forming part of accounts)*
 - 5) On the basis of the written representations received from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 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, 2012;
 - (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 Number: 118777W

Nirav B. Mehta
Partner
Membership No. 106294
Place : Mumbai
Dated: 24th May, 2012

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

1. (i) The Company is in the process of updating its 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 loan to 1 (one) party covered in the register maintained under section 301 of the Companies Act, 1956 amounting to Rs. 2,861,690,448/-. The amount outstanding at year end was Rs. 1,410,062,723/-.
(ii) In our opinion and according to explanation and information given to us, the rate of interest on which the loans have been granted by the Company are not, prima facie, prejudicial to the interest of the Company.
(iii) There are no written terms and conditions and written stipulation as to recovery of principal amount and interest as such, hence we are unable to comment on clauses (iii) (c) & (d) of paragraph 4 of Companies (Auditor's Report) Order, 2003.
(iv) The Company has not taken any loans from parties covered in the register maintained under section 301 of the Companies Act, 1956, hence clause (iii)(e), (f) & (g) of paragraph 4 of Companies (Auditor's Report) Order, 2003 are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is an adequate 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 areas.
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. The company has not accepted deposits from the public and hence, the provisions of Section 58A and 58AA of the Act and rules there under are not applicable to the company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
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 records 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 in Rs.
Service Tax (Import of Services)	3,140,000/-
VAT/CST/ Entry Tax	12,792,629/-

(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 in Rs.	Forum where dispute
Central Excise Act, 1944.	237,567,920/-	CESTAT, Revenue Authority
Service Tax, 1994	22,012,562/-	Commissioner Service Tax
Sales Tax, CST, Entry Tax	73,936,003/-	Commissioner Appeals
Income Tax Act, 1961	18,464,750/-	High Court & Commissioner Appeals

10. The Company has no accumulated losses as at 31st March 2012 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 not given guarantee for loans taken by others from bank or financial institution.
16. The Company has not raised Term Loan during the financial year.
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, during the year the Company has not made preferential allotment of shares to parties covered in the register maintained under section 301 of the Act.
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.

For Rohira Mehta & Associates

Chartered Accountants

Firm Registration Number: 118777W

Nirav B. Mehta

Partner

Membership No. 106294

Place : Mumbai

Dated: 24th May, 2012

Balance Sheet as at 31st March, 2012

Particulars	Note	(Amount in Rupees)	
		As at 31st March, 2012	As at 31st March, 2011
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	276,424,370	276,424,370
Reserves and Surplus	2	6,172,894,113	5,218,787,179
Money received against Share Warrant		-	4,375,000
Non-Current Liabilities			
Long Term Borrowings	3	-	1,790,460,000
Deferred Tax Liability (net)	4	489,582,196	521,643,547
Other Long Term Liabilities	5	32,613,382	24,823,522
Long Term Provision	6	120,559,015	119,811,040
Current Liabilities			
Short Term Borrowings	7	2,302,326,166	9,199,672,092
Trade Payable	8	3,212,813,067	1,162,226,729
Other Current Liabilities	9	1,840,367,798	174,567,480
Short Term Provisions	10	576,315,598	605,345,074
TOTAL		15,023,895,704	19,098,136,034
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	3,479,943,663	3,863,863,333
Capital Work in Progress	11	9,305,389	2,275,194
Non-Current Investments	12	702,178,231	298,644,941
Long Term Loans and Advances	13	249,633,974	297,185,947
Other Non-Current Assets	14	361,920,669	383,367,700
Current Assets			
Current Investments	15	2,322,420,957	1,543,402,265
Inventories	16	1,602,136,557	5,284,411,993
Trade Receivable	17	2,985,043,676	3,520,764,830
Cash and Bank Balances	18	1,077,655,614	2,311,027,193
Short Term Loans and Advances	19	2,126,279,835	1,453,630,783
Other Current Assets	20	107,377,140	139,561,855
TOTAL		15,023,895,704	19,098,136,034

Significant Accounting Policies
Notes on Financial Statements

1 to 42

As per our report of even date

For Rohira Mehta & Associates
Firm registration number : 118777W
Chartered Accountants

Nirav B. Mehta
Partner
Membership No.: 106294

Place : Mumbai
Date : 24th May 2012

For and behalf of Board

R C Mansukhani
Chairman

P K Tandon
Director

Place : Mumbai
Date : 24th May 2012

J C Mansukhani
Vice Chairman &
Managing Director

A V Ramamurty
Director

Kirit N Damania
Director

Nikhil Mansukhani
Director

Rachana Kokal
Company Secretary

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

Particulars	Note	(Amount in Rupees)	
		Year 2011-12	Year 2010-11
INCOME			
Revenue from Operations (gross)	21	17,246,028,668	16,009,757,362
Less : Excise Duty		228,983,313	127,202,995
Revenue from Operations (net)		17,017,045,355	15,882,554,367
Other Incomes	22	340,168,735	860,547,995
Total Revenue		17,357,214,090	16,743,102,362
EXPENDITURE :			
Cost of Materials Consumed	23	11,269,115,287	12,619,562,124
Purchases of Trade goods	24	80,271,832	35,039,783
Changes in Inventories of Finished Goods and Stock in Process	25	984,530,458	(983,600,484)
Employee Benefits Expense	26	468,414,241	447,456,441
Finance Costs	27	269,631,102	300,012,210
Depreciation & Amortization	11	401,546,489	404,015,761
Other Expenses	28	2,390,506,321	2,927,793,991
Total Expenses		15,864,015,729	15,750,279,826
Profit before Tax		1,493,198,361	992,822,536
Tax Expenses			
Current Tax		505,302,826	96,975,469
Deferred Tax Liabilities / (Assets)		(32,061,351)	(23,752,889)
Profit for the year		1,019,956,886	919,599,956
Earnings per equity share of face value of Rs.5 each			
Basic and Diluted		18.45	16.63
Significant Accounting Policies			
Notes on Financial Statements	1 to 42		

As per our report of even date

For Rohira Mehta & Associates
Firm registration number : 118777W
Chartered Accountants

Nirav B. Mehta
Partner
Membership No.: 106294

Place : Mumbai
Date : 24th May 2012

For and behalf of Board

R C Mansukhani
Chairman

P K Tandon
Director

Place : Mumbai
Date : 24th May 2012

J C Mansukhani
Vice Chairman &
Managing Director

A V Ramamurty
Director

Kirit N Damania
Director

Nikhil Mansukhani
Director

Rachana Kokal
Company Secretary

Cash Flow Statement for the year ended March 31, 2012

Particulars	(Amount in Rupees)	
	As at 31st March, 2012	As at 31st March, 2011
A Cash flow from operating activities		
Net Profit before tax from continuing operations	1,493,198,361	992,822,536
Adjusted for:		
Depreciation/amortization on continuing operation	401,546,489	404,015,761
Diminution in Value of Investment	9,606,343	15,529,853
Permanent Diminution in Value of Investment	48,866,710	-
Short provision of Income tax of earlier year	53,303,454	11,856,310
Unrealized foreign exchange Gain	4,978,519	(1,328,545)
Interest Expenses	146,790,742	143,362,691
Interest & Other Income	(317,400,061)	(787,461,320)
Dividend Income	(22,768,674)	(73,086,675)
Operating Profit before working capital changes :	1,818,121,883	705,710,611
Adjusted for:		
Increase/(Decrease) in trade payables	2,050,586,338	373,815,066
Increase/(Decrease) in other current liabilities	1,665,800,317	(731,089,885)
Increase/(Decrease) in other long - term liabilities	7,789,860	(28,380,261)
Increase/(Decrease) in long - term provisions	747,975	113,261,717
Increase/(Decrease) in short - term provisions	(29,029,477)	52,852,745
Adjustments for (increase) / decrease in operating assets:		
Decrease/(Increase) in inventories	3,682,275,437	(2,561,865,507)
Decrease/(Increase) in trade receivables	535,721,154	(2,031,218,715)
Decrease/(Increase) in long - term loans and advances	47,551,973	793,991,420
Decrease/(Increase) in short - term loans and advances	(672,649,052)	(353,241,515)
Decrease/(Increase) in other current assets	32,184,716	(1,568,364)
Decrease/(Increase) in other non - current assets	21,447,031	(7,326,648)
	7,342,426,272	(4,380,769,947)
Cash generated from/(used in)operations	9,160,548,155	(3,675,059,336)
Direct Taxes Paid(net of refunds)	(505,302,826)	(96,975,469)
Net cash flow from/(used in) operating activities (A)	8,655,245,328	(3,772,034,805)
B Cash flow from investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances (Net)	(17,626,819)	(121,434,780)
Investment in Capital WIP	(7,030,195)	73,265,867
Purchase of non - current investments	(452,400,000)	-
Purchase of current investments	(788,625,035)	(1,519,344,799)
Interest received	317,400,061	787,461,320
Dividend received	22,768,674	73,086,675
Net cash flow from/(used in) investing activities (B)	(925,513,314)	(706,965,717)
C Cash flow from financing activities		
Proceeds from issuance of share capital	-	45,937,500
Repayment of long - term borrowings	(1,790,460,000)	(41,233,500)
Proceeds from short - term borrowings	-	3,491,460,333
Repayment of short - term borrowings	(6,897,345,926)	-
Interest paid	(146,790,742)	(143,362,691)
Dividends paid on equity shares	(110,569,748)	(110,569,748)
Tax on equity dividend paid	(17,937,177)	(18,364,253)
Net cash flow from/(used in) financing activities (C)	(8,963,103,593)	3,223,867,641
Net Increase/(decrease) in cash and cash equivalents(A+B+C)	(1,233,371,578)	(1,255,132,881)
Cash and cash equivalents at the beginning of the year	2,311,027,192	3,566,160,073
Cash and cash equivalents at the end of the year	1,077,655,614	2,311,027,193
D Components of cash and cash equivalents		
Cash on hand	862,335	1,277,487
Cheques/drafts on hand		
With banks on current account	165,409,327	581,755,780
- EEFC Account	150,829,270	299,740
- on deposit account	751,399,065	1,719,728,643
- unpaid dividend accounts	9,155,617	7,965,543
Total cash and cash equivalents	1,077,655,614	2,311,027,193

As per our report of even date

For and behalf of Board

For Rohira Mehta & Associates
Firm registration number : 118777W
Chartered Accountants

R C Mansukhani
Chairman

J C Mansukhani
Vice Chairman &
Managing Director

Kirit N Damania
Director

Nirav B. Mehta
Partner
Membership No.: 106294

P K Tandon
Director

A V Ramamurty
Director

Nikhil Mansukhani
Director

Rachana Kokal
Company Secretary

Place : Mumbai
Date : 24th May 2012

Place : Mumbai
Date : 24th May 2012

Significant Accounting Policies

A Corporate Information

Man Industries (India) Limited (hereinafter referred to as “ MIIL “ or “ the company “) is a public company domiciled in India and incorporated under the provisions of the Companies Act,1956. The company is engaged in the business of manufacturing and beveling of submerged arc welded pipes.

B Significant Accounting Policies:

a) Change in Presentation and Disclosure of financial statement

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company, for preparation and presentation of financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principle followed for preparation of financial statements. The Company has also reclassified the previous year figures in accordance with the requirement of revised Schedule VI.

b) 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.

c) Use Of Estimates

The presentation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period. These adjustments are based on the managements best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustments to the carrying amounts of assets and liabilities in future periods.

d) Income Recognition

- i) 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/rejections.
- ii) For the service rendered the Company recognised revenue on the basis of Completed Contract Method.
- iii) Export incentives & other miscellaneous income are recognised on accrual basis except dividend on investments which are accounted in the year of receipt .

e) Fixed Asset

i) Valuation of Fixed Assets

- Tangible Assets

Fixed Assets are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost include cost of acquisition including any direct attributable cost for bringing the assets to its working condition for intended use, borrowing costs if capitalisation criteria are met and exclusive of recoverable taxes. Any trade discounts and rebates are deducted in arriving the cost of acquisition.

Gain or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets are derecognised.

- Intangible Fixed Assets :

Intangible assets acquired separately are measured at cost less accumulated depreciation and accumulated impairment loss, if any. The cost include cost of acquisition including any directly attributable cost for bringing the assets to its working condition for intended use, borrowing cost if capitalisation criteria are met and exclusive of recoverable taxes.

Gain or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets are derecognised.

ii) Depreciation

- Tangible Fixed Assets

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.

- Intangible Fixed Assets

Intangible assets are amortized by straight line method over the estimated useful life of such assets. The useful life is estimated based on the evaluation of future economic benefits expected of such assets. The amortisation period and amortisation method are reviewed atleast at each financial year. if the expected useful life of assets is significantly different from previous estimates, the amortisation period is changed accordingly The Company has written off software over the 5 years period.

f) Valuation of Inventories

- i) Raw materials are valued at cost or net realizable value whichever is lower. Cost is computed using FIFO method.
- ii) Work -in -Progress include the cost of purchase, appropriate share of cost of conversion and other overhead incurred in bringing the inventory to its present location and condition
- iii) Finished goods are valued at cost or net realisable value whichever is less. Cost 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.
- iv) Other stores and spares/consumable are valued at cost after providing for cost of obsolescence, if any.

g) Foreign Exchange Fluctuation

- i) 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.
- ii) 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 interbank rate including premium upto maturity prevailing at the close of the year are dealt in the Profit and Loss Account.
- iii) 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.
- iv) 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. 78,065,017/- (net of deferred tax Rs. 37,492,702/-) have not been provided in the financial statement. Additionally, the mark to market profits pertaining to forward contracts amounting to Rs. 12,422,642/- (net of deferred tax of Rs. 5,966,288/-) have also not been provided in the financial statements.

Accordingly the Net Profit for the year and the net worth as at March 31, 2012 are lower by Rs. 90,487,658/- . 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 :

- 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.

- **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

i) Current Tax :

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

ii) 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 realized.

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 Cost 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) 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.

n) Lease Accounting

i) 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.

ii) Assets given on operating lease.

Lease rentals are accounted on accrual basis in accordance with the respective lease agreements.

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.

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

The previous year's figures have been regrouped/ reclassified, wherever necessary to conform to the current year's presentation.

		As at 31st March, 2012	(Amount in Rs.) As at 31st March, 2011
1	SHARE CAPITAL		
1.1	Authorised, Issued, Subscribed & Paid-Up Share Capital		
	Authorised Share Capital		
	Equity Share Capital		
	80,000,000 (Previous Year 70,000,000) equity shares of Rs.5/- (Previous Year Rs.5/-) each	400,000,000	350,000,000
	Total :-	<u>400,000,000</u>	<u>350,000,000</u>
	Issued, Subscribed & Paid-Up:		
	Equity Share Capital		
	55,284,874 (Previous Year 55,284,874) equity shares of Rs.5/- (Previous Year Rs 5/-) each fully paid up.	276,424,370	276,424,370
	Total :-	<u>276,424,370</u>	<u>276,424,370</u>
1.2	The details of Shareholders holding more than 5% shares		
		% held	No. of Shares
	Jagdishchandra Jhamaklal Mansukhani	18.79	10,386,309
	Rameshchandra Mansukhani	18.56	10,262,026
	The Bank of NewYork (GDR)	8.06	4,456,462
		% held	No. of Shares
		18.89	10,441,847
		18.69	10,334,226
		8.06	4,456,462
1.3	Reconciliation of shares outstanding at the beginning and at the end of the year		
		Nos. of Shares	Value of Shares
	Outstanding at the beginning of the period	55,284,874	276,424,370
		(53,534,874)	(267,674,370)
	Add :		
	Shares issued on conversion of warrants	-	-
		(1,750,000)	(8,750,000)
	Outstanding at the end of the period	55,284,874	276,424,370
		(55,284,874)	(276,424,370)
	(Previous years figures in bracket)		
1.4	The company, in the previous five years, has not allotted any bonus shares, fully paid up shares pursuant to contract(s) without payment being received in cash and has not bought back any shares.		
2	RESERVES AND SURPLUS		
	Securities Premium Reserve		
	Opening Balance	1,660,286,174	1,607,786,174
	Add : On conversion of Share Warrant	-	52,500,000
	Closing balance	<u>1,660,286,174</u>	<u>1,660,286,174</u>
	General Reserve		
	Opening Balance	436,403,565	344,443,569
	Add : Additions during the year	101,995,689	91,959,996
	Closing balance	<u>538,399,254</u>	<u>436,403,565</u>
	Capital Reserve		
	Opening Balance	-	-
	Add : Share Warrant Cancellations	4,375,000	-
	Closing balance	<u>4,375,000</u>	<u>-</u>
	Foreign Currency Translation Reserve		
	Opening Balance	28,927,627	30,256,172
	Add : Gain / (Loss) on exchange fluctuation during the year	4,978,519	(1,328,545)
	Closing balance	<u>33,906,146</u>	<u>28,927,627</u>

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

	<u>As at 31st March, 2012</u>	<u>(Amount in Rs.) As at 31st March, 2011</u>
Surplus		
Opening Balance	3,093,169,813	2,382,607,544
Add : Profit for the year	1,019,956,886	919,599,956
	<u>4,113,126,699</u>	<u>3,302,207,500</u>
Less : Appropriations		
Transferred to General Reserve	101,995,689	91,959,996
Proposed Dividend	110,569,748	110,569,748
Corporate Dividend Tax	17,937,177	18,364,253
Short/(Excess) provision of taxes for earlier years	(53,303,454)	(11,856,310)
	<u>177,199,160</u>	<u>209,037,687</u>
Closing Balance	<u>3,935,927,538</u>	<u>3,093,169,813</u>
Total Reserves & Surplus	<u>6,172,894,113</u>	<u>5,218,787,179</u>
3 LONG TERM BORROWINGS		
Secured		
From Banks		
Foreign Currency Term Loan	-	41,233,500
Un-secured		
Bonds		
Foreign Currency Convertible Bonds	1,790,460,000	1,790,460,000
	<u>1,790,460,000</u>	<u>1,831,693,500</u>
Loan Repayable :-		
Within one year	1,790,460,000	41,233,500
Beyond one year	-	1,790,460,000
	<u>1,790,460,000</u>	<u>1,831,693,500</u>
Less : Classified as Current Liabilities	<u>1,790,460,000</u>	<u>41,233,500</u>
Non - Current Borrowings	-	1,790,460,000
Total :-	<u>-</u>	<u>1,790,460,000</u>
3.1	<p>The Company had raised US \$ 50 Million (Rs. 20,300 Lakhs) by way of Zero Coupon Foreign Currency Convertible Bonds during the year ended 31st March, 2008. The Bondholders had 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 had been reset to Rs. 115.00 on 3rd May, 2008, which had been further reset at Rs. 109.00 on 3rd May, 2009. The Bonds would 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 would be redeemed on 23 May, 2012 at 146.57 per cent of the principal amount so as to give a gross yield of 7.80% per annum to the bondholder.</p> <p>The part proceeds received from the issue of FCCB, Rs. 16,697.06 Lakhs have been utilised for funding of expansion of Pipe and Coating Complex at Anjar, Rs. 1,674.56 Lakhs have been utilized for investment in overseas Subsidiaries/ Joint Venture and Rs. 1,926.16 Lakhs have been utilised for FCCB Buyback during the previous years.</p> <p>The Company had total outstanding FCCB liabilities of USD 44,100,000 as on 31st March, 2012, out of which the Company has bought back FCCB of face value USD 200,000 at a price of USD 277,000 on 23rd April, 2012 and the balance FCCB of USD 43,900,000 have been redeemed on 23rd May, 2012 along with the Yield to Maturity of USD 20,445,108.</p>	
4 DEFERRED TAX		
Opening Deferred Tax Liability	521,643,547	545,396,436
On account of		
Difference in depreciation as per books of accounts and Income tax	(28,008,721)	(19,700,259)
Deferred revenue expenditure	(4,052,630)	(4,052,630)
Closing Deferred Tax Liability	<u>489,582,196</u>	<u>521,643,547</u>

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

	As at 31st March, 2012	(Amount in Rs.) As at 31st March, 2011
5 OTHER LONG TERM LIABILITIES		
Trade Payables	4,063,018	6,367,180
Others		
Trade payables for Capital Goods	25,506,644	16,573,622
Deposit	3,043,720	1,882,720
Total :-	32,613,382	24,823,522
6 OTHER LONG TERM PROVISIONS		
Provision for Employee Benefits	13,428,766	9,904,312
Others Provisions	107,130,249	109,906,728
Total :-	120,559,015	119,811,040
7 SHORT TERM BORROWINGS		
Secured		
Working capital loans		
From Bank		
Foreign Currency Loans		
Buyers Credit	1,889,362,775	9,199,672,092
Others	410,200,000	-
Rupee Loans	2,763,391	-
Total :-	2,302,326,166	9,199,672,092
Working Capital facilities by banker's are secured by first pari-passu charge on all the movable assets and second pari-passu charges on the immovable assets of the Company.		
8 TRADE PAYABLES		
Trade payables	3,212,813,067	1,162,226,729
Total :-	3,212,813,067	1,162,226,729
9 OTHER CURRENT LIABILITIES		
Current maturities of long term debt (refer note no. 3)	1,790,460,000	41,233,500
Interest Accrued but not due for payment	27,702,834	33,321,907
Advance from Customer	15,237,430	60,905,944
Unpaid Dividend	6,967,534	5,777,460
Deposits	-	1,206,000
Other Trade Payable		
- for capital goods	-	31,973,873
- for others	-	148,797
Total :-	1,840,367,798	174,567,480
10 SHORT-TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity	4,966,878	1,639,623
Salary Payable	42,116,224	42,663,840
Statutory Contribution to Provident Fund & ESIC	3,149,820	2,456,030
Other Provision		
Other Provisions	390,836,706	423,319,142
Statutory Dues	6,739,046	6,332,439
Proposed Dividend	110,569,748	110,569,748
Tax on Dividend	17,937,177	18,364,253
Total :-	576,315,598	605,345,074

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

Note 11 Fixed assets

A.	Tangible assets	Gross Block			
		Balance as at 1 April, 2011	Additions	Disposals	Balance as at 31 March, 2012
	(a) Land				
	Freehold	13,378,340	-	-	13,378,340
	Leasehold	13,025,929	-	-	13,025,929
	(b) Factory Buildings	1,003,116,678	815,598	-	1,003,932,276
	(c) Office Premises	52,005,558	-	-	52,005,558
	(d) Plant and Equipment	4,163,331,988	3,577,375	19,590,184	4,147,319,179
	(e) Furniture and Fixtures	65,375,534	1,517,351	-	66,892,885
	(f) Vehicles	30,913,468	9,101,725	6,369,686	33,645,507
	(g) Office equipment	16,611,834	267,152	97,925	16,781,061
	(h) Electrical Equipments	142,756,469	414,670	-	143,171,139
	(i) Computers	30,604,264	272,888	-	30,877,152
	(j) Windmill	376,553,754	-	-	376,553,754
	(k) Capital W.I.P.	2,275,194	7,030,195	-	9,305,389
	Total	5,909,949,010	22,996,954	26,057,795	5,906,888,169
	Previous year	5,874,832,453	117,305,020	82,188,463	5,909,949,010

A.	Tangible assets	Accumulated Depreciation and Impairment			
		Balance as at 1 April, 2011	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2012
	(a) Land				
	Freehold	-	-	-	13,378,340
	Leasehold	-	-	-	13,025,929
	(b) Factory Buildings	154,940,430	33,705,261	-	815,286,586
	(c) Office Premises	4,650,029	847,690	-	46,507,839
	(d) Plant and Equipment	1,607,650,733	294,215,235	10,925,292	2,256,378,504
	(e) Furniture and Fixtures	14,683,693	4,169,323	-	48,039,868
	(f) Vehicles	13,223,284	2,861,638	4,284,253	21,844,837
	(g) Office equipment	7,415,477	1,054,909	17,542	8,328,217
	(h) Electrical Equipments	47,096,988	10,207,025	-	85,867,126
	(i) Computers	24,675,704	3,058,981	-	3,142,466
	(j) Windmill	169,474,145	38,935,658	-	168,143,950
	(k) Capital W.I.P.	-	-	-	9,305,389
	Total	2,043,810,483	389,055,721	15,227,087	3,489,249,052
	Previous year	1,652,847,078	391,524,992	561,587	3,866,138,527

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

	As at 31st March, 2012	(Amount in Rs.) As at 31st March, 2011
12 NON-CURRENT INVESTMENTS		
<i>(Long Term Investments)</i>		
Trade Investments		
In Equity Shares of Subsidiary Companies		
Unquoted, fully paid up		
Man Overseas Metal DMCC		
500 (Previous Year 500) equity shares of AED 1,000 each	6,882,000	6,882,000
Other Investments		
Investment in property	25,599,933	25,599,933
In Equity Shares of Subsidiary Companies		
Unquoted, fully paid up		
Man Infraprojects Limited		
4,54,50,000 (Previous Year 2,66,00,000) equity shares		
of Rs. 10 each	718,400,000	
Less : Diminution in value	<u>48,866,710</u>	266,000,000
In Equity Shares of Joint Venture Companies		
Unquoted, fully paid up		
Man Global FZC, UAE		
15 (Previous Year 15) equity shares of AED 1,000 each	163,008	163,008
Total :-	<u><u>702,178,231</u></u>	<u><u>298,644,941</u></u>
13 LONG TERM LOANS AND ADVANCES		
Capital Advances		
(Unsecured and considered doubtful)		
Advance for Land	123,250,000	123,250,000
Advance for Office Premises	17,894,089	17,894,089
Security Deposits		
(Unsecured and considered good)		
Security Deposits for Leased Property	11,374,436	11,541,436
Other Deposit	6,298,366	26,917,408
(Unsecured and considered doubtful)		
Earnest Money Deposit	-	1,066,125
Other Loans & Advances		
(Unsecured, considered good)		
Pre-paid Expenses	1,151,721	1,479,434
Balance with Government Authorities	84,817,778	97,745,737
Other Loans & Advances	4,847,583	17,291,719
Total :-	<u><u>249,633,974</u></u>	<u><u>297,185,947</u></u>
14 OTHER NON-CURRENT ASSETS		
Unsecured and considered good		
Long term trade receivables	361,920,669	370,876,931
Others		
Unamortised Expenses		
- Share issue expenses	-	12,490,769
Total :-	<u><u>361,920,669</u></u>	<u><u>383,367,700</u></u>
15 CURRENT INVESTMENTS		
Investment in Fixed Deposit		
Fixed Deposit kept with Bank*	2,000,000,000	1,500,000,000
	<u><u>2,000,000,000</u></u>	<u><u>1,500,000,000</u></u>

*Encumbered against Bank Overdraft availed by Man Infraprojects Limited

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

			As at 31st March, 2012	(Amount in Rs.) As at 31st March, 2011
Traded, valued at lower of cost or fair value, unless otherwise stated				
Quoted - Equity Instruments				
74,748	(45,298)	Trident Ltd (Abhishek Industries)	803,541	643,232
23,975	(23,975)	AMD Industries Ltd (Metplast)	350,035	413,569
170,296	(15,255)	Ansal Properties & Infrastructure Ltd. (PRP)	5,834,575	572,063
-	(25,115)	Fair Field Atlas Ltd (Atlas Gears)	-	1,380,069
36,707	(46,707)	Dhampur Sugar Mills Ltd	1,569,224	2,786,073
-	(30,000)	Eros International Media Ltd	-	4,093,500
2,303	(40,234)	Essar Oil Limited	123,556	5,005,111
18,763	(18,763)	Everest Kanto Cyclinder Ltd	546,003	1,453,194
43,212	(50,712)	Filatex India Ltd	1,523,223	1,840,846
286,453	(158,959)	Gujarat Sidhee Cement Ltd	2,406,205	1,756,497
62,666	(60,137)	Hind Syntex Ltd	109,039	189,432
33,490	-	J K Tyre & Industries Ltd (J K Industries)	2,699,294	-
65,550	(45,550)	Jyoti Structures Ltd	2,543,340	3,807,980
-	(14,757)	Kaveri Telecom Products Ltd	-	1,666,068
-	(20,000)	Kingfisher Air Ltd	-	796,000
37,066	-	Lakshmi Energy & Foods Ltd	672,748	-
4,607	(2,065)	Marathon Nextgen Realty Ltd	709,478	354,457
9,339	-	MBL Infrastructures Ltd	1,612,238	-
50,736	(50,736)	NHPC Ltd	999,499	1,283,621
28,496	(28,496)	Nirlon Ltd	1,330,763	1,330,763
35,000	(35,000)	Poddar Pigments Ltd	1,231,650	1,422,750
14,771	(14,771)	Precision Wires Ltd	1,079,022	1,685,371
79,072	(57,022)	Pudumjee Pulp & Papers Mills Ltd	1,304,688	1,211,718
2,293,500	-	Rainbow Paper Ltd	140,554,022	-
67,429	(67,392)	Samtex Fashions Ltd	1,213,722	1,883,606
65,733	(98,730)	Simbhaoli Sugar Mill Ltd	1,998,283	4,072,613
28,537	(43,154)	Sirpur Paper Mills Ltd	1,027,332	2,457,620
875,000	-	Videocon Industries Ltd	149,538,485	-
-	(7,500)	Subex Ltd	-	403,875
8,878	(8,878)	Visaka Industries Ltd	640,992	892,239
Previous year number in bracket				
Total :-			322,420,957	43,402,265
Total :-			2,322,420,957	1,543,402,265
Market value of Quoted Shares			337,939,261	43,468,668
16 INVENTORIES				
Raw Materials			576,739,213	2,701,276,954
Raw Materials in Transit			418,590,915	985,808,992
Work-in-Process			8,010,682	516,304,953
Finished Goods			554,284,907	1,030,521,094
Stores & Consumables			44,510,840	50,500,000
Total :-			1,602,136,557	5,284,411,993
17 TRADE RECEIVABLES				
Trade receivables				
Over six months			468,481,435	25,300,988
Others			2,516,562,241	3,495,463,842
Total :-			2,985,043,676	3,520,764,830

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

	As at 31st March, 2012	(Amount in Rs.) As at 31st March, 2011
18 CASH & BANK BALANCES		
Cash on hand	862,335	1,277,487
Balance with banks		
Current Accounts	165,409,327	581,755,780
EEFC Account	150,829,270	299,740
Unpaid Dividend Account	9,155,617	7,965,543
Fixed Deposit with Banks (Margin Money)	751,399,065	1,719,728,643
Total :-	1,077,655,614	2,311,027,193
19 SHORT-TERM LOANS AND ADVANCES		
Unsecured, Considered good		
Loans	1,703,504,909	620,152,243
Others		
Advance Tax less Provision for tax	179,900,963	280,308,783
Balance with Government Authorities	137,255,825	434,692,689
Advances to Employees	2,489,028	4,234,089
Other Advances / Receivables	103,129,109	114,242,980
Total :-	2,126,279,835	1,453,630,783
20 OTHER CURRENT ASSETS		
Unsecured, Considered good		
Interest accrued not due	84,370,540	118,059,399
Prepaid Expenses	23,006,600	21,502,456
Total :-	107,377,140	139,561,855
	Year 2011-12	Year 2010-11
21 REVENUE FROM OPERATIONS:		
Sale of Products	16,883,147,047	14,967,408,239
Sale of Services	18,593,418	42,762,704
Other Operating Revenues	344,288,203	999,586,420
	17,246,028,668	16,009,757,362
Less : Excise Duty	228,983,313	127,202,995
	17,017,045,355	15,882,554,367
21.1 Particulars of Sale of Products		
Sale of Manufactured Product		
Steel Pipes	16,774,519,513	14,914,327,714
Sale of Traded Goods		
Sleeves	108,627,534	53,080,525
	16,883,147,047	14,967,408,239
21.2 Particulars of Sale of Services		
Jobwork Income	-	29,727,518
Dumpsite Maintainance	18,062,724	12,200,000
Inspection Charges	530,694	835,186
Total :-	18,593,418	42,762,704

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

	Year 2011-12	(Amount in Rs.) Year 2010-11
21.3 Particulars of other operating revenue		
Sale of Scrap	243,342,381	315,993,815
Excise, Sales Tax and Export Incentives	100,945,822	683,592,605
Total :-	344,288,203	999,586,420
22 OTHER INCOME		
Interest Income	323,528,989	199,794,365
Dividend from Current Investments	22,768,674	73,086,675
Net gain on sale of Current Investments	(2,607,336)	15,933,266
Adjustments on carrying amount of current investments	(9,606,343)	(15,529,853)
Foreign exchange Fluctuation	(66,878,353)	529,410,480
Other Non-Operating Income	72,963,104	57,853,062
Total :-	340,168,735	860,547,995
22.1 Particulars of Interest Income		
From Current Investments		
On Bank Deposits	100,685,846	69,228,244
On Loans / Inter Corporate Deposits	45,154,709	19,335,937
From Non Current Investments		
On Loans to Subsidiaries	177,688,434	111,230,184
Total :-	323,528,989	199,794,365
23 COST OF MATERIALS CONSUMED		
Opening Stock :	2,701,276,954	1,590,545,491
Raw Material Purchases	9,144,577,546	13,730,293,587
Less : Closing Stock	576,739,213	2,701,276,954
Total :-	11,269,115,287	12,619,562,124
24 DETAILS OF PURCHASE OF TRADED GOODS		
Sleeves	80,271,832	35,039,783
Total :-	80,271,832	35,039,783
25 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROGRESS		
Opening Stock :		
Finished Goods	1,030,521,094	352,129,804
Work-in-progress	516,304,953	211,095,759
	1,546,826,047	563,225,563
Closing Stock		
Finished Goods	8,010,682	1,030,521,094
Work-in-progress	554,284,907	516,304,953
	562,295,589	1,546,826,047
Total :-	984,530,458	(983,600,484)
26 EMPLOYEE BENEFITS EXPENSE		
Salary & Wages	438,331,961	424,587,164
Staff Welfare	1,281,500	1,574,182
Contribution to Provident Funds and other funds	28,800,780	21,295,095
Total :-	468,414,241	447,456,441

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

	Year 2011-12	(Amount in Rs.) Year 2010-11
27 FINANCE COST		
Interest Expenses		
Interest to banks	145,965,972	141,909,540
Interest to others	824,770	1,453,151
Other Borrowing Cost		
Bank Charges / Loan Processing fees	122,840,360	156,649,519
Total :-	269,631,102	300,012,210
28 OTHER EXPENSES		
Consumption of Stores & Packing Materials	105,887,431	115,328,180
Sales Commission	464,051,158	157,741,888
Consultancy, Profession and Legal Fees	37,801,878	80,093,433
Rentals including lease rentals	23,033,169	22,261,120
Misc Other Expenses	313,634,850	1,301,960,812
Rates & Taxes	1,499,751	1,969,028
Payment to Auditor	2,121,101	2,121,225
Insurance Paid	13,594,564	14,237,567
Freight & Forwarding Charges	1,167,069,539	955,455,986
Power Expense	240,414,929	259,251,044
Repairs & Main to Other	2,638,568	2,893,190
Repairs & Main to Building	2,887,258	703,569
Repairs & Main to Plant & Machinery	15,872,124	13,776,949
Total :-	2,390,506,321	2,927,793,991
29 Contingent Liabilities not provided in respect of		
Guarantees / Letter of Credit Outstanding	12,921,162,082	6,839,310,000
Excise Duty / Service Tax Matters	259,580,482	199,936,259
Entry Tax / Sales Tax Matters	73,936,003	55,557,423
Income Tax Matters	18,464,750	8,223,610
Corporate Guarantee issued	-	2,868,000,000
Legal Cases*		
- Midcontinent Express Pipeline LLC, USA	263,314,405	-
- Prime Pipe International USA	94,567,588	70,930,497
- Prime Pipe International & Bank of Tokyo & Mitsubishi	-	156,083,000
Total :-	13,631,025,311	10,198,040,789
* The Company has appealed against the same		
30 Pursuant to Accounting Standard (AS-19) - Leases the following information is given:		
The Company has taken certain assets such as cars on an operating lease basis. The lease rentals are payable on a monthly basis.		
Future Minimum Lease rentals payable as at March 31, 2012 as per lease agreements:		
Not later than one year	23,688,906	23,438,169
Later than one year but not later than five years	17,884,616	30,368,522
Future Minimum Lease rentals receivable as at March 31, 2012 as per lease agreements:		
Not later than one year	6,203,776	6,100,448
Later than one year but not later than five years	15,737,655	15,980,326
Later than five years	1,435,240	1,721,870

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

	Year 2011-12	Year 2010-11
31 Related Party Disclosure		
Related party disclosure as required by Accounting Standard - 18 "Related Party Disclosures" issued by "Institute of Chartered Accountants of India" are given below		
i) List of Related Parties and relationship		
Sr. No.	Name of the Related Party	Relationship
1	Man Infraprojects Limited	Subsidiary
2	Man USA Inc	Subsidiary
3	Man Overseas Metal DMCC	Subsidiary
4	Merino Shelters Private Limited	Subsidiary of Man Infraprojects Limited
5	Shri Rameshchandra Mansukhani	Key Managerial Personnel
6	Shri Jagdishchandra Mansukhani	Key Managerial Personnel
7	Smt. Kimatdevi Mansukhani	Relative of Key Managerial Personnel
8	Smt. Anita Mansukhani	Relative of Key Managerial Personnel
9	Smt. Deepa Mansukhani	Relative of Key Managerial Personnel
10	Man Global FZC, UAE	Associate
11	JPA Holdings Private Limited	Enterprises over which Key Managerial Personnel are able to exercise significant influence
12	Man Futures Private Limited	
13	Man Realty Limited	
14	Man (U.K.) Limited	
ii) Transactions during the year with related parties :		
1) Subsidiary Company		
a) Man Infraprojects Limited		
	Investment in Equity Shares	452,400,000
	Inter-corporate deposit paid	2,861,690,448
	Inter-corporate deposit received back	1,941,017,167
	Interest income	177,688,434
	Rental Income	288,000
	Construction contract given	-
	Corporate guarantee given	-
	Corporate guarantee released	1,070,000,000
b) Man Overseas Metal, DMCC		
	Loan given	208,334,345
c) Merino Shelters Private Limited		
	Corporate guarantee released	750,000,000
d) Man USA Inc.		
	Loan received back	-
		2,073,450
2) Enterprises over which Key Managerial Personnel are able to exercise significant influence		
a) JPA Holdings Private Limited		
	Interest income	-
	Loan given	-
	Loan received back	-
	Rental Income	60,000
b) Man Realty Limited		
	Interest Income	-
	Loan Given	-
	Loan received back	-
c) Man Global Limited		
	Interest Income	-
	Loan Given	-
	Loan received back	-
d) Man Global FZC, UAE		
	Loan received	92,459
	Corporate guarantee released	898,000,000
e) Man UK Limited		
	Loan repaid	125,867

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

	Year 2011-12	(Amount in Rs.) Year 2010-11
3) Others		
Remunerations	66,257,333	68,474,708
Rental charges	22,125,000	23,560,080
Equity Shares issued	-	61,250,000
Share Warrant Application Money	(4,375,000)	45,937,500
Rental Income	-	941,250
Purchases	-	992,306
iii) Outstanding Balances in enterprise where key management personnel have significant interest		
1) Subsidiary Company		
a) Man Infraprojects Limited		
Inter-corporate deposit	1,410,062,723	489,389,442
Interest income	59,102,482	111,230,184
Rental Income	180,000	180,000
Construction contract given	-	15,165,461
Corporate guarantee given	-	1,070,000,000
Investment in Equity Shares (Net of Diminution)	669,533,290	266,000,000
b) Man Overseas Metal, DMCC		
Investment in Equity Shares	6,882,000	6,882,000
Loan Given	243,442,187	35,107,842
c) Merino Shelters Private Limited		
Corporate guarantee given	-	750,000,000
2) Associates		
a) Man Global FZC, UAE		
Investment in Equity Shares	163,008	163,008
Loan Given	-	92,459
Corporate guarantee given	-	898,000,000
b) Man UK FZC		
Loan paid	-	125,867
32 Disclosure as per amendment to clause 32 of the Listing Agreement		
A Transactions during the year with Year Ended :		
Name of the parties		
1 Loans to Subsidiary Co.		
a) Man Infraprojects Limited	1,941,017,167	(128,607,196)
2 Unsecured Loans where there are no Repayment Schedule		
a) Man UK Limited	125,867	-
b) JPA Holdings Pvt. Ltd.	60,000	50,000,000
c) Man Global Limited	-	152,500,000
d) Man Realty Limited	-	20,000,000
B Outstanding Balance		
Name of the parties		
1 Loans to Subsidiary Co.		
a) Man Infraprojects Limited	1,410,062,723	489,389,442
2 Unsecured Loans where there are no Repayment Schedule		
a) Man UK Limited	-	125,867
33 Earning per share		
a) Weightage average no.of shares	55,284,874	54,555,422
b) Net profit attributable to equity share holders	1,019,956,886	919,599,956
c) Basic / Diluted earning per share	18.45	16.86
34 Remuneration payable to Auditors		
a) Audit Fees	1,800,000	1,750,000
b) Tax Audit Fees	300,000	250,000
c) Certification & Consultation Fees	1,140,000	789,500
	<u>3,240,000</u>	<u>2,789,500</u>

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

	Year 2011-12	(Amount in Rs.) Year 2010-11
35 Expenditure & Earnings in foreign Exchange		
a) Earnings :		
Export Sales	13,752,429,330	12,259,219,140
b) Expenditure :		
Interest Expense	74,557,982	77,082,940
Travelling Expenses	7,717,541	1,054,336
Commission on Export Sales	464,051,158	122,006,125
Dividend	12,000	1,786,830
Freight & Others	837,590,143	750,852,399
36 C.I.F. Value of Imports		
a) Raw Materials	7,588,931,044	11,519,783,000
b) Others	15,129,023	24,679,000
37 Employee Defined Benefits : Defined benefit plans as per Actuarial valuation on 31st March, 2012.		
I. Expense Recognised in the Statement of Profit & Loss Account for the year ended		
Current Service Cost	4,358,002	3,902,125
Interest	1,458,226	1,231,982
Expected Return on plan assets	(1,321,217)	(1,288,482)
Amount recognised in the profit & loss account	(1,211,091)	(1,478,663)
Actuarial (Gain)/Loss	3,283,920	2,366,962
II. Net (Asset) / Liability recognised in the Balance Sheet as at		
Present value of Defined Benefit obligation as at the beginning of the year	1,660,711	17,675,470
Fair Value of plan assets as at	3,283,920	16,014,759
Funded Status [Surplus/(Deficit)]	4,944,631	(1,660,711)
Net (Asset)/Liability as at	4,944,631	(1,660,711)
III. Change in the obligation during the year ended		
Present value of Defined Benefit obligation as at the beginning of the year	17,675,470	15,399,767
Current service cost	4,358,002	3,902,125
Interest Cost	1,458,226	1,231,982
Benefit payments	(1,186,743)	(1,494,626)
Actuarial (Gain)/Loss	(1,126,718)	(1,363,777)
Present value of Defined Benefit obligation as at the end of the year	21,178,237	17,675,470
IV. Change in Fair Value of Assets during the year ended		
Fair Value of plan assets at the beginning of the year	16,014,759	16,106,018
Expected return on plan assets	1,321,217	1,288,482
Contributions by employer	-	-
Actual Benefits paid	(1,186,743)	(1,494,626)
Actuarial Gain/(Loss) on plan assets	84,373	114,885
Fair Value of plan assets at the end of the year	16,233,606	16,014,759
Total Actuarial Gain/(Loss) to be recognised	1,211,091	1,478,663
V. Actuarial Assumptions		
Discount Rate	8.75%	8.00%
Expected rate of return on plan assets	8.75%	8.00%
In-service Mortality	LIC 1994 - 96 Ultimate	LIC 1994 - 96 Ultimate
Salary Rise	7.00%	7.00%

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, which ever is earlier. The benefits vests after five year of continuous service.

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

	Year 2011-12	(Amount in Rs.) Year 2010-11
38 Donation to Political Parties		
a) Bhartiya Janta Party	-	100,000
39 Remuneration to Directors		
a) Salaries & Perquisite	66,257,333	88,204,930
b) Sitting Fees	680,000	460,000
40 Foreign currency exposure at the year end not hedged by derivative instruments		
a) Received against export of goods & services		
US dollar	4,867,565	-
Kuwait Dinar	2,383,515	-
b) Payable against import of goods and services		
US dollar	76,262,458	193,234,292
Euros	4,466	5,806,683
Total unhedged exposures in Rupees	4,248,978,467	9,313,140,988
41 Arbitration & Legal Cases between Company and		

(Amount in Rs.)

Sr. No.	Particulars	Financial Year 2010 - 2011	Financial Year 2011 - 2012	Current Status
1	Indian Oil Corporation Limited			
a)	for recovery of dues	23,488,292	23,488,292	Pending before
b)	for encashment of performance bank guarantee	54,977,184	54,977,184	Delhi High Court
2	Gujrat Water Supply & Sewerage Board for recovery of dues	39,128,856	39,128,856	Pending before Gujrat High Court
3	GAIL for recovery of dues	195,366,000	195,366,000	Pending for Arbitration
4	Advance for Purchase of Land	123,250,000	123,250,000	Redirected to the collector
5	Hindustan Petroleum Corporation Limited	14,329,248	14,329,248	Pending before Delhi High Court
6	S.K.M. Infrastructure & Food Park Pvt. Ltd.		For specific performance	Pending before District Court, Indore

The Company has received a show cause notice u/s. 124 and u/s. 28 of the Custom Act, 1962 dated 11th May, 2012 from Directorate of Revenue Intelligence (DRI), Mumbai for differential custom duty payable on import of raw material amounting to Rs. 1,209,861,393/-. The Company has deposited Rs. 37,920,724/- under protest at the time of investigation. The Management is confident that there will no liability on this account since the Company has fulfilled its export obligation against the imported material and there is no loss to revenue.

42 Micro, Small and Medium Enterprises

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.

The accompanying notes are integral part of the financial statements.

As per our report of even date

For Rohira Mehta & Associates
Firm registration number : 118777W
Chartered Accountants

Nirav B. Mehta
Partner
Membership No.: 106294

Place : Mumbai
Date : 24th May 2012

For and behalf of Board

R C Mansukhani
Chairman

P K Tandon
Director

Place : Mumbai
Date : 24th May 2012

J C Mansukhani
Vice Chairman &
Managing Director

A V Ramamurty
Director

Kirit N Damania
Director

Nikhil Mansukhani
Director

Rachana Kokal
Company Secretary

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 Subsidiary (collectively 'Group') as at 31st March, 2012 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. 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. Further we believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of M/s. Man Overseas Metal DMCC, subsidiary of the Company, whose financial statement reflects total assets of Rs. 2,775.37 Lakhs and profit for the year of Rs. 160.43 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 it relates to amount included in respect of the subsidiary is bases solely on the report of other auditor.
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 sub- note no. g of note b of notes forming part of accounts).*
5. On the basis of the written representations received from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 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, 2012;
 - (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's Registration Number: 118777W

Nirav B. Mehta
Partner
M. No.: 106294
Place : Mumbai
Dated: May 24, 2012

Consolidated Balance Sheet as at 31st March, 2012

Particulars	Note	(Amount in Rupees)	
		As at 31st March, 2012	As at 31st March, 2011
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	276,424,370	276,424,370
Reserves and Surplus	2	5,843,396,713	4,668,842,593
Money received against Share Warrant		-	4,375,000
Minority Interest		-	176,960,267
Non-Current Liabilities			
Long Term Borrowings	3	-	2,201,460,000
Deferred Tax Liability (net)	4	488,900,979	499,249,563
Other Long Term Liabilities	5	41,983,086	71,232,750
Long Term Provision	6	120,936,265	120,865,050
Current Liabilities			
Short Term Borrowings	7	4,127,708,858	10,103,158,116
Trade Payable	8	3,225,711,009	1,173,983,957
Other Current Liabilities	9	2,137,508,658	1,447,702,953
Short Term Provisions	10	597,061,532	637,268,359
TOTAL		16,859,631,470	21,381,522,977
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	3,524,200,950	3,847,388,589
Intangible Assets		2,570,673	3,683,069
Capital Work in Progress	11	9,305,389	2,275,194
Goodwill on Consolidation		816,913,908	499,721,963
Non-Current Investments	12	42,749,216	42,749,216
Long Term Loans and Advances	13	353,685,033	498,599,790
Other Non-Current Assets	14	472,296,307	421,729,910
Current Assets			
Current Investments	15	2,322,420,957	1,543,402,265
Inventories	16	4,426,682,477	7,640,165,671
Trade Receivable	17	3,277,622,056	3,555,490,120
Cash and Bank Balances	18	1,074,560,166	2,332,430,736
Short Term Loans and Advances	19	500,698,647	954,348,519
Other Current Assets	20	35,925,691	39,537,934
TOTAL		16,859,631,470	21,381,522,977

Significant Accounting Policies

Notes on Financial Statements

1 to 39

As per our report of even date

For and behalf of Board

For Rohira Mehta & Associates
Firm registration number : 118777W
Chartered Accountants

R C Mansukhani
Chairman

J C Mansukhani
Vice Chairman &
Managing Director

Kirit N Damania
Director

Nirav B. Mehta
Partner
Membership No.: 106294

P K Tandon
Director

A V Ramamurty
Director

Nikhil Mansukhani
Director

Rachana Kokal
Company Secretary

Place : Mumbai
Date : 24th May 2012

Place : Mumbai
Date : 24th May 2012

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

(Amount in Rupees)

Particulars	Note	Year	
		2011-12	2010-11
INCOME			
Revenue from Operations (gross)	21	17,737,573,422	16,169,701,609
Less : Excise Duty		228,983,313	127,202,995
Revenue from Operations (net)		17,508,590,109	16,042,498,614
Other Incomes	22	156,974,199	868,472,517
Total Revenue		17,665,564,309	16,910,971,131
EXPENDITURE :			
Cost of Materials Consumed	23	11,269,115,287	12,619,562,124
Cost of Construction	23.1	227,581,664	192,235,687
Purchases of Trade goods	24	428,954,243	35,039,783
Changes in Inventories of Finished Goods and Stock in Process	25	984,530,458	(983,600,484)
Employee Benefits Expense	26	476,977,777	458,834,652
Finance Costs	27	269,992,384	343,879,669
Depreciation & Amortization	11	409,293,624	409,788,685
Other Expenses	28	2,396,941,121	2,941,207,474
Total Expenses		16,463,386,557	16,016,947,590
Profit before Tax, Exceptional Items and Minority Interest		1,202,177,752	894,023,541
Less : Exceptional Items		217,289	-
Loss on Sale of Fixed Assets			30,000,000
Fixed Deposit W/off.			
Profit before Tax, Minority Interest		1,201,960,463	864,023,541
Tax Expenses			
Current Tax		501,485,777	96,201,504
Deferred Tax Liabilities / (Assets)		(10,348,585)	(46,539,869)
Profit after tax before Minority Interest		710,823,271	814,361,906
Minority Interest		-	(24,029,106)
Profit for the year		710,823,271	838,391,012
Earnings per equity share of face value of Rs.5 each			
Basic and Diluted		12.86	14.73
Significant Accounting Policies			
Notes on Financial Statements	1 to 39		

As per our report of even date

For and behalf of Board

For Rohira Mehta & Associates
Firm registration number : 118777W
Chartered Accountants

R C Mansukhani
Chairman

J C Mansukhani
Vice Chairman &
Managing Director

Kirit N Damania
Director

Nirav B. Mehta
Partner
Membership No.: 106294

P K Tandon
Director

A V Ramamurty
Director

Nikhil Mansukhani
Director

Rachana Kokal
Company Secretary

Place : Mumbai
Date : 24th May 2012

Place : Mumbai
Date : 24th May 2012

Consolidated Cash Flow Statement for the year ended 31st March, 2012

Sr. No.	Particulars	(Amount in Rupees)	
		As at 31st March, 2012	As at 31st March, 2011
A	Cash flow from operating activities		
	Net Profit before tax from continuing operations	1,353,849,579	906,376,142
	Adjusted for:		
	Depreciation/amortization on continuing operation	409,293,624	409,788,685
	Diminution in Value of Investment	9,606,343	15,529,853
	Permanent Diminution in Value of Investment	48,866,710	-
	Short provision of Income tax of earlier year	53,303,454	11,856,310
	Unrealized foreign exchange Gain	(10,773,141)	(1,328,545)
	Interest Expenses	246,831,728	187,068,057
	Interest & Other Income	(401,968,884)	(832,138,947)
	Dividend Income	(22,768,674)	(73,086,675)
	Operating Profit before working capital changes :	1,686,240,738	624,064,879
	Adjusted for:		
	Increase/(Decrease) in trade payables	2,051,727,052	368,991,331
	Increase/(Decrease) in other current liabilities	678,054,417	7,588,858
	Increase/(Decrease) in other long - term liabilities	44,607,849	(563,612)
	Increase/(Decrease) in long - term provisions	754,460	113,570,032
	Increase/(Decrease) in short - term provisions	(27,494,951)	60,880,243
	Adjustments for (increase) / decrease in operating assets:		
	Decrease/(Increase) in inventories	3,287,685,018	(2,908,176,065)
	Decrease/(Increase) in trade receivables	520,580,882	(2,051,128,209)
	Decrease/(Increase) in long - term loans and advances	(131,170,372)	683,158,654
	Decrease/(Increase) in short - term loans and advances	(672,750,399)	(356,300,540)
	Decrease/(Increase) in other current assets	20,975,774	7,930,843
	Decrease/(Increase) in other non - current assets	(50,566,397)	(29,896,693)
		5,722,403,333	(4,103,945,157)
	Cash generated from/(used in)operations	7,408,644,071	(3,479,880,278)
	Direct Taxes Paid(net of refunds)	(506,930,966)	(99,378,492)
	Net cash flow from/(used in) operating activities (A)	6,901,713,105	(3,579,258,770)
B	Cash flow from investing activities		
	Purchase of fixed assets, including intangible assets, CWIP (Net)	(18,459,802)	(130,505,495)
	Investment in Capital WIP	(7,030,195)	73,265,867
	Proceeds from sale of fixed Assets	406,708	-
	Purchase of non - current investments	(902,299,300)	-
	Purchase of current investments	(788,625,035)	(1,519,344,799)
	Interest received	401,968,884	832,138,947
	Dividend received	22,768,674	73,086,675
	Net cash flow from/(used in) investing activities (B)	(1,291,270,066)	(671,358,805)
C	Cash flow from financing activities		
	Proceeds from issuance of share capital	893,300	45,988,900
	Repayment of long - term borrowings	(1,605,255,000)	56,367,500
	Proceeds from short - term borrowings	2,058,732,667	3,507,736,762
	Repayment of short - term borrowings	(6,947,345,926)	(300,686,925)
	Interest paid	(246,831,728)	(187,068,057)
	Dividends paid on equity shares	(110,569,748)	(110,523,519)
	Tax on equity dividend paid	(17,937,177)	(18,364,253)
	Net cash flow from/(used in) financing activities (C)	(6,868,313,612)	2,993,450,408
	Net Increase/(decrease) in cash and cash equivalents(A+B+C)	(1,257,870,573)	(1,257,167,166)
	Cash and cash equivalents at the beginning of the year	2,332,430,739	3,589,597,903
	Cash and cash equivalents at the end of the year	1,074,560,166	2,332,430,737
	Components of cash and cash equivalents		
	Cash on hand	1,088,741	1,348,974
	Cheques/drafts on hand	2,270,216	-
	Balance with Bank		
	- Current Account	159,817,257	603,087,837
	- EEFC Account	150,829,270	299,740
	- unpaid dividend accounts	9,155,616	7,965,543
	- Fixed Deposits with Banks (Margin Money)	751,399,065	1,719,728,643
	Total cash and cash equivalents	1,074,560,166	2,332,430,737

As per our report of even date

For Rohira Mehta & Associates
Firm registration number : 118777W
Chartered Accountants

Nirav B. Mehta
Partner
Membership No.: 106294

Place : Mumbai
Date : 24th May 2012

For and behalf of Board

R C Mansukhani
Chairman

P K Tandon
Director

Place : Mumbai
Date : 24th May 2012

J C Mansukhani
Vice Chairman &
Managing Director

A V Ramamurty
Director

Kirit N Damania
Director

Nikhil Mansukhani
Director

Rachana Kokal
Company Secretary

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

A Principles 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.

B Significant Accounting Policies:

a) Change in Presentation and Disclosure of Consolidated Financial Statements

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Group Companies, for preparation and presentation of financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principle followed for preparation of financial statements. The Group Companies has also reclassified the previous year figures in accordance with the requirement of revised Schedule VI.

b) Basis Of Preparation Of Consolidation Financial Statements :

The consolidated 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 Group. 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.

c) Use Of Estimates

The presentation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period. These adjustments are based on the managements best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustments to the carrying amounts of assests and liabilities in future periods.

d) Income 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/rejections.
- b) For the service rendered the Company recognised revenue on the basis of Completed Contract Method.
- c) Export incentives & other miscellaneous income 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:

- i) 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.

- ii) 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.

e) Fixed Asset

i) Valuation of Fixed Assets

- Tangible Assets

Fixed Assets are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost include cost of acquisition including any direct attributable cost for bringing the assets to its working condition for intended use, borrowing costs if capitalisation criteria are met and exclusive recoverable taxes. Any trade discounts and rebates are deducted in arriving the cost of acquisition.

Gain or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets are derecognised.

- Intangible Fixed Assets :

Intangible assets acquired seperately are measured at cost less accumulated depreciation and accumulated impairment loss, if any. The cost include cost of acquisition including any directly attributable cost for bringing the assets to its working condition for intended use, borrowing cost if capitalisation criteria are met and exclusive of recoverable taxes.

Gain or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets are derecognised.

ii) Depreciation

- Tangible Fixed Assets

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.

- Intangible Fixed Assets

Intangible assets are amortized by straight line method over the estimated useful life of such assets. The useful life is estimated based on the evaluation of future economic benefits expected of such assets. The amortisation period and amortisation method are reviewed atleast at each financial year. If the expected useful life of assets is significantly different from previous estimates, the amortisation period is changed accordingly. The Company has written off software over the 5 years period.

f) Valuation of Inventories

- i) Raw materials are valued at cost or net realizable value whichever is lower. Cost is computed using FIFO method.
- ii) Work -in -Progress include the cost of purchase, appropriate share of cost of conversion and other overhead incurred in bringing the inventory to its present location and condition.
- iii) Finished goods are valued at cost or net realisable value whichever is less. Cost 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.
- iv) Other stores and spares/consumable are valued at cost after providing for cost of obsolescence, if any.
- v) Land other than considered for construction represent land acquired for future development and construction, are stated at cost including the cost of land, the related cost of acquisition, borrowing cost and other costs incurred to get the properties ready for thier intended use.
- vi) 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) Foreign Exchange Fluctuation

- i) 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.
- ii) 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 interbank rate including

premium upto maturity prevailing at the close of the year are dealt in the Profit and Loss Account.

- iii) 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.
- iv) 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. 78,065,017/- (net of deferred tax Rs. 37,492,702/-) have not been provided in the financial statement. Additionally, the mark to market profits pertaining to forward contracts amounting to Rs. 12,422,642/- (net of deferred tax of Rs. 5,966,288/-) have also not been provided in the financial statements.

Accordingly the Net Profit for the year and the net worth as at March 31, 2012 are lower by Rs.90,487,658/-. The group 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 :

- 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.

- 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

i) Current Tax :

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

ii) 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 realized.

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 Cost 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) 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.

n) Lease Accounting

- i) **Asssets 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.

ii) **Assets given on operating lease.**

Lease rentals are accounted on accrual basis in accordance with the respective lease agreements.

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.

	(Amount in Rs.)			
	<u>As at March 31, 2012</u>	<u>As at March 31, 2011</u>		
1 SHARE CAPITAL				
1.1 Authorised, Issued, Subscribed & Paid-Up Share Capital				
Authorised Share Capital				
Equity Share Capital				
80,000,000 (Previous Year 70,000,000) equity shares of Rs.5/- (Previous Year Rs.5/-) each	<u>400,000,000</u>	<u>350,000,000</u>		
Total :-	<u><u>400,000,000</u></u>	<u><u>350,000,000</u></u>		
Issued, Subscribed & Paid-Up:				
Equity Share Capital				
55,284,874 (Previous Year 55,284,874) equity shares of Rs.5/- (Previous Year Rs 5/-) each fully paid up.	<u>276,424,370</u>	<u>276,424,370</u>		
Total :-	<u><u>276,424,370</u></u>	<u><u>276,424,370</u></u>		
1.2 The details of Shareholders holding more than 5% shares				
	% held	No. of Shares	% held	No. of Shares
Jagdishchandra Jhamaklal Mansukhani	18.79	10,386,309	18.89	10,441,847
Rameshchandra Mansukhani	18.56	10,262,026	18.69	10,334,226
Bank of Newyork (GDR)	8.06	4,456,462	8.06	4,456,462
1.3 Reconciliation of shares outstanding at the beginning and at the end of the year				
		Nos. of Shares		Value of Shares
Outstanding at the beginning of the period		55,284,874		276,424,370
		(53,534,874)		(267,674,370)
Add :				
Shares issued on conversion of warrants		-		-
		(1,750,000)		(8,750,000)
Outstanding at the end of the period		<u>55,284,874</u>		<u>276,424,370</u>
		<u>(55,284,874)</u>		<u>(276,424,370)</u>
(Previous years figures in bracket)				
1.4 The company, in the previous five years, has not allotted any bonus shares, fully paid up shares pursuant to contract(s) without payment being received in cash and has not bought back any shares.				

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

	(Amount in Rs.)	
	As at March 31, 2012	As at March 31, 2011
2 RESERVES AND SURPLUS		
Securities Premium Reserve		
Opening Balance	1,672,286,174	1,619,786,174
Add : On conversion of Share Warrant	-	52,500,000
Closing balance	1,672,286,174	1,672,286,174
General Reserve		
Opening Balance	436,403,565	344,443,569
Add : Additions during the year	101,995,689	91,959,996
Closing balance	538,399,254	436,403,565
Capital Reserve		
Opening Balance	-	-
Add : Share Warrant Cancellations	4,375,000	-
Closing balance	4,375,000	-
Foreign Currency Translation Reserve		
Opening Balance	28,971,282	30,256,172
Add : Gain / (Loss) on exchange fluctuation during the year	(1,843,873)	(2,139,216)
Closing balance	27,127,409	28,116,956
Surplus		
Opening Balance	3,068,534,008	1,905,085,595
Add : Profit for the year	710,823,271	838,391,012
	3,779,357,279	2,743,476,607
Less : Appropriations		
Transferred to General Reserve	101,995,689	91,959,996
Proposed Dividend	110,569,748	110,569,748
Corporate Dividend Tax	17,937,177	18,364,253
Short/(Excess) provision of taxes for earlier years	(51,675,314)	(9,453,287)
Others	(678,897)	-
	178,148,403	211,440,710
Closing Balance	3,601,208,876	2,532,035,897
Total Reserves & Surplus	5,843,396,713	4,668,842,593
3 LONG TERM BORROWINGS		
Secured		
From Banks		
Foreign Currency Term Loan	-	41,233,500
Un-secured		
From Bank		
Rupee Term Loans	-	986,526,443
Others		
Foreign Currency Convertible Bonds	1,790,460,000	1,790,460,000
Compulsory Convertible Debentures (411 Debentures of Rs. 1,000,000/-each)	-	411,000,000
	1,790,460,000	3,229,219,943
Loan Repayable :-		
Within one year	1,790,460,000	1,027,759,943
Beyond one year	-	2,201,460,000
	1,790,460,000	3,229,219,943
Less : Classified as Current Liabilities	1,790,460,000	1,027,759,943
Non - Current Borrowings	-	2,201,460,000
Total :-	-	2,201,460,000

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

3.1 The Parent Company had raised US \$ 50 Million (Rs. 20,300 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. 115.00 on 3rd May, 2008, which has been further reset at Rs. 109.00 on 3rd May, 2009. The Bonds may be redeemed in whole, at the option of the Parent 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 per cent of the principal amount so as to give a gross yield of 7.80% per annum to the bondholder.

The part proceeds received from the issue of FCCB, Rs. 16,697.06 Lakhs have been utilised for funding of expansion of Pipe and Coating Complex at Anjar, Rs. 1,674.56 Lakhs have been utilized for investment in overseas Subsidiaries/ Joint Venture and Rs. 1,926.16 Lakhs have been utilised for FCCB Buyback during the previous years.

Out of total outstanding FCCB liabilities of USD 44,100,000, the Parent Company has bought back FCCB of face value USD 200,000 at a price of USD 277,000 on 23rd April, 2012. Further the Parent Company have redeemed balance FCCB of USD 43,900,000 on 23rd May, 2012 being the due date along with the Yield to Maturity of USD 20,445,108.

	As at March 31, 2012	(Amount in Rs.) As at March 31, 2011
4 DEFERRED TAX		
Opening Deferred Tax Liability	499,947,847	546,692,630
On account of		
Difference in depreciation as per books of accounts and Income tax	(28,008,721)	(19,598,996)
Deferred revenue expenditure	(4,052,630)	(4,052,630)
Others	21,014,483	(23,791,441)
	<u>(11,046,868)</u>	<u>(47,443,067)</u>
Closing Deferred Tax Liability	<u>488,900,979</u>	<u>499,249,563</u>
5 OTHER LONG TERM LIABILITIES		
Interest on Loans	-	32,701,595
Trade Payables	4,772,326	13,152,435
Retention Money	-	5,290,475
for Capital Goods	25,506,644	16,573,622
for Others	8,660,396	1,631,903
Deposit	3,043,720	1,882,720
Total :-	<u>41,983,086</u>	<u>71,232,750</u>
6 OTHER LONG TERM PROVISIONS		
Provision for Employee Benefits	13,806,016	10,958,322
Others Provisions	107,130,249	109,906,728
Total :-	<u>120,936,265</u>	<u>120,865,050</u>
7 SHORT TERM BORROWINGS		
Secured		
Working capital loans		
From Bank		
Foreign Currency Loans		
Buyers Credit	1,889,362,775	9,199,672,092
Others	410,200,000	-
Rupee Loans	1,802,763,391	903,486,024
From Related Parties (repayable on demand)	25,382,692	-
Total :-	<u>4,127,708,858</u>	<u>10,103,158,116</u>

Working Capital facilities by banker's are secured by first pari-passu charge on all the movable assets and second pari-passu charges on the immovable assets of the Company.

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

	As at March 31, 2012	(Amount in Rs.) As at March 31, 2011
8 TRADE PAYABLES		
Trade payables	3,225,711,009	1,173,983,957
Total :-	3,225,711,009	1,173,983,957
9 OTHER CURRENT LIABILITIES		
Current maturities of long term debt	1,790,460,000	1,027,759,943
Interest Accrued but not due for payment	29,426,165	62,147,538
Advance from Customer	305,635,501	315,577,819
Unpaid Dividend	6,967,534	5,777,460
Deposits	-	1,206,000
Other Trade Payable		
- for capital goods	-	31,973,873
- for others	5,019,458	3,260,321
Total :-	2,137,508,658	1,447,702,953
10 SHORT-TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity	4,971,772	1,639,623
Salary Payable	46,779,340	49,217,027
Statutory Contribution to Provident Fund & ESIC	3,149,820	2,456,030
Other Provision		
Other Provisions	378,203,308	424,127,813
Statutory Dues	35,450,367	30,893,865
Proposed Dividend	110,569,748	110,569,748
Tax on Dividend	17,937,177	18,364,253
Total :-	597,061,532	637,268,359

NOTE 11 FIXED ASSETS (Consolidated)

A. Tangible assets

	Gross Block			
	Balance as at 1 April, 2011	Additions	Disposals	Balance as at 31 March, 2012
(a) Land				
Freehold	13,378,340	-	-	13,378,340
Leasehold	13,025,930	-	-	13,025,930
(b) Factory Buildings	935,958,896	67,973,381	-	1,003,932,277
(c) Office Premises	69,613,898	-	-	69,613,898
(d) Plant and Equipment	4,163,331,988	3,577,375	19,590,184	4,147,319,179
(e) Furniture and Fixtures				
Owned	75,128,627	2,142,719	-	77,271,346
On Lease hold property	15,749,065	-	-	15,749,065
(f) Vehicles	36,713,354	9,101,725	7,669,572	38,145,507
(g) Office equipment	20,226,668	402,867	112,484	20,517,051
(h) Electrical Equipments	142,756,469	414,670	-	143,171,139
(i) Computers	34,393,924	344,788	-	34,738,712
(j) Windmill	376,553,754	-	-	376,553,754
(k) Capital W.I.P.	2,275,194	7,030,195	-	9,305,389
Total	5,899,106,107	90,987,720	27,372,240	5,962,721,587

NOTE 11 FIXED ASSETS (Consolidated)

Tangible assets	Accumulated Depreciation and Impairment				
	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2012	Net Balance as at 31 March, 2012
(a) Land					
Freehold	-	-	-	-	13,378,340
Leasehold	-	-	-	-	13,025,930
(b) Factory Buildings	154,940,429	33,705,261	-	188,645,690	815,286,587
(c) Office Premises	4,650,028	847,691	-	5,497,719	64,116,179
(d) Plant and Equipment	1,607,650,732	294,215,234	10,925,292	1,890,940,674	2,256,378,505
(e) Furniture and Fixtures					
Owned	15,654,243	5,123,961	-	20,778,204	56,493,142
On Lease hold property	2,500,206	4,085,158	-	6,585,364	9,163,701
(f) Vehicles	14,213,217	3,589,845	4,965,852	12,837,210	25,308,297
(g) Office equipment	7,635,994	1,298,483	26,391	8,908,086	11,608,965
(h) Electrical Equipments	47,096,988	10,207,024	-	57,304,012	85,867,127
(i) Computers	25,626,337	3,682,149	-	29,308,486	5,430,226
(j) Windmill	169,474,145	38,935,658	-	208,409,803	168,143,951
(k) Capital W.I.P.	-	-	-	-	9,305,389
Total	2,049,442,319	395,690,464	15,917,535	2,429,215,248	3,533,506,339

Intangible assets	Gross Block			
	Balance as at 1 April, 2011	Additions	Disposals	Balance as at 31 March, 2012
Computer software	5,561,979	-	-	5,561,979
Total	5,561,979	-	-	5,561,979

Intangible assets	Accumulated Depreciation and Impairment				
	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2012	Net Balance as at 31 March, 2012
Computer software	1,878,910	1,112,396	-	2,991,306	2,570,673
Total	1,878,910	1,112,396	-	2,991,306	2,570,673

	(Amount in Rs.)	
	As at March 31, 2012	As at March 31, 2011
12 NON-CURRENT INVESTMENTS		
<i>(Long Term Investments)</i>		
Investment Properties		
Investment Properties (stated at cost)	42,586,208	42,586,208
Trade Investments		
In Equity Shares of Joint Venture Companies		
Unquoted, fully paid up		
Man Global FZC, UAE		
15 (P.Y. 15) equity shares of AED 1000 each	163,008	163,008
Total :-	<u>42,749,216</u>	<u>42,749,216</u>

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

	As at March 31, 2012	(Amount in Rs.) As at March 31, 2011	
13 LONG TERM LOANS AND ADVANCES			
Capital Advances			
(Unsecured and considered doubtful)			
Advance for Land	123,250,000	123,250,000	
Advance for Office Premises	17,894,089	17,894,089	
Security Deposits			
(Unsecured and considered good)			
Security Deposits for Leased Property	11,374,436	11,541,436	
Other Deposit	7,309,904	30,682,768	
(Unsecured and considered doubtful)			
Earnest Money Deposit	-	1,066,125	
Other Loans & Advances			
(Unsecured, considered good)			
Pre-paid Expenses	1,151,721	1,479,434	
Balance with Government Authorities	84,817,778	97,745,737	
Other Loans & Advances	107,887,105	214,940,202	
Total :-	353,685,033	498,599,790	
14 OTHER NON-CURRENT ASSETS			
Unsecured and considered good			
Long term trade receivables	361,920,669	370,876,931	
Others			
Unamortised Expenses			
- Share issue expenses	-	12,490,769	
- Others	162,029	247,629	
Accrued Interest	110,213,609	38,114,581	
Total :-	472,296,307	421,729,910	
16 CURRENT INVESTMENTS			
Investment in Fixed Deposit			
Fixed Deposit kept with Bank*	2,000,000,000	1,500,000,000	
	2,000,000,000	1,500,000,000	
*Encumbered against Bank Overdraft availed by Man Infraprojects Limited			
Traded, valued at lower of cost of fair value, unless otherwise stated			
Quoted - Equity Instruments			
74,748 (45,298)	Trident Ltd (Abhishek Industries)	803,541	643,232
23,975 (23,975)	AMD Industries Ltd (Metplast)	350,035	413,569
170,296 (15,255)	Ansal Properties & Infrastructure Ltd. (PRP)	5,834,575	572,063
- (25,115)	Fair Field Atlas Ltd (Atlas Gears)	-	1,380,069
36,707 (46,707)	Dhampur Sugar Mills Ltd	1,569,224	2,786,073
- (30,000)	Eros International Media Ltd	-	4,093,500
2,303 (40,234)	Essar Oil Limited	123,556	5,005,111
18,763 (18,763)	Everest Kanto Cylinder Ltd	546,003	1,453,194
43,212 (50,712)	Filatex India Ltd	1,523,223	1,840,846
286,453 (158,959)	Gujarat Sidhee Cement Ltd	2,406,205	1,756,497
62,666 (60,137)	Hind Syntex Ltd	109,039	189,432
33,490 -	J K Tyre & Industries Ltd (J K Industries)	2,699,294	-
65,550 (45,550)	Jyoti Structures Ltd	2,543,340	3,807,980
- (14,757)	Kaveri Telecom Products Ltd	-	1,666,068
- (20,000)	Kingfisher Air Ltd	-	796,000
37,066 -	Lakshmi Energy & Foods Ltd	672,748	-
4,607 (2,065)	Marathon Nextgen Realty Ltd	709,478	354,457
9,339 -	MBL Infrastructures Ltd	1,612,238	-
50,736 (50,736)	NHPC Ltd	999,499	1,283,621
28,496 (28,496)	Nirlon Ltd	1,330,763	1,330,763
35,000 (35,000)	Poddar Pigments Ltd	1,231,650	1,422,750
14,771 (14,771)	Precision Wires Ltd	1,079,022	1,685,371

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

			(Amount in Rs.)	
			As at March 31, 2012	As at March 31, 2011
79,072	(57,022)	Pudumjee Pulp & Papers Mills Ltd	1,304,688	1,211,718
2,293,500	-	Rainbow Paper Ltd	140,554,022	-
67,429	(67,392)	Samtex Fashions Ltd	1,213,722	1,883,606
65,733	(98,730)	Simbhaoli Sugar Mill Ltd	1,998,283	4,072,613
28,537	(43,154)	Sirpur Paper Mills Ltd	1,027,332	2,457,620
875,000	-	Videocon Industries Ltd	149,538,485	-
-	(7,500)	Subex Ltd	-	403,875
8,878	(8,878)	Visaka Industries Ltd	640,992	892,239
Previous year number in bracket				
Total :-			322,420,957	43,402,265
Total :-			2,322,420,957	1,543,402,265
Market value of Quoted Shares			337,939,261	43,468,668
16 INVENTORIES				
Raw Materials			576,739,213	2,701,276,954
Raw Materials in Transit			418,590,915	985,808,992
Work-in-Process			8,010,682	516,304,953
Finished Goods			554,284,907	1,030,521,094
Stores & Consumables			44,510,840	50,500,000
Construction Work -in -Progress			2,824,545,920	2,355,753,678
Total :-			4,426,682,477	7,640,165,671
17 TRADE RECEIVABLES				
Trade receivables				
Over six months			606,696,894	58,793,498
Others			2,670,925,162	3,496,696,622
Total :-			3,277,622,056	3,555,490,120
18 CASH & BANK BALANCES				
Cash on hand			1,088,741	1,348,974
Balance with banks				
Current Accounts			159,817,257	603,087,837
EEFC Account			150,829,270	299,740
Unpaid Dividend Account			9,155,617	7,965,543
Fixed Deposit with Banks (Margin Money)			751,399,065	1,719,728,643
Cheque on Hand			2,270,216	-
Total :-			1,074,560,166	2,332,430,736
19 SHORT-TERM LOANS AND ADVANCES				
Unsecured, Considered good				
Loans			49,999,999	95,294,960
Others				
Advance Tax less Provision for tax			183,718,013	280,308,783
Balance with Government Authorities			156,440,377	443,129,530
Advances to Employees			2,513,028	4,298,051
Other Advances / Receivables			108,027,230	131,317,195
Total :-			500,698,647	954,348,519
20 OTHER CURRENT ASSETS				
Unsecured, Considered good				
Interest accrued not due			12,550,826	17,952,233
Prepaid Expenses			23,374,865	21,585,701
Total :-			35,925,691	39,537,934

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

	(Amount in Rs.)	
	Year 2011-12	Year 2010-11
21 REVENUE FROM OPERATIONS:		
Sale of Products	17,255,212,336	14,967,408,239
Sale of Services	18,593,418	42,762,704
Sale of Properties / Construction Contract Receipts	119,479,465	159,944,247
Other Operating Revenues	344,288,203	999,586,420
	<u>17,737,573,422</u>	<u>16,169,701,609</u>
Less : Excise Duty	228,983,313	127,202,995
	<u>17,508,590,109</u>	<u>16,042,498,614</u>
21.1 Particulars of Sale of Products		
Sale of Manufactured Product		
Steel Pipes	16,774,519,513	14,914,327,714
Sale of Traded Goods	372,065,289	-
Sleeves	108,627,534	53,080,525
	<u>17,255,212,336</u>	<u>14,967,408,239</u>
21.2 Particulars of Sale of Services		
Jobwork Income	-	29,727,518
Dumpsite Maintainance	18,062,724	12,200,000
Inspection Charges	530,694	835,186
Total :-	<u>18,593,418</u>	<u>42,762,704</u>
21.3 Particulars of other operating revenue		
Sale of Scrap	243,342,381	315,993,815
Excise, Sales Tax and Export Incentives	100,945,822	683,592,605
Total :-	<u>344,288,203</u>	<u>999,586,420</u>
22 OTHER INCOME		
Interest Income	134,683,769	207,956,887
Dividend from Current Investments	22,768,674	73,086,675
Net gain on sale of Current Investments	(2,607,336)	15,933,266
Adjustments on carrying amount of current investments	(9,606,343)	(15,529,853)
Foreign exchange Fluctuation	(61,047,668)	529,410,480
Other Non-Operating Income	72,783,104	57,615,062
Total :-	<u>156,974,199</u>	<u>868,472,517</u>
22.1 Particulars of Interest Income		
From Current Investments		
on bank deposits	100,685,846	69,228,244
on loans / inter corporate deposits	45,154,709	19,335,937
From Non Current Investments		
on loans	(15,222,969)	118,583,009
on loans to Others	3,880,425	-
Others	-	809,697
Total :-	<u>134,498,011</u>	<u>207,956,887</u>
23 COST OF MATERIALS CONSUMED		
Opening Stock :	2,701,276,954	1,590,545,491
Raw Material Purchases	9,144,577,546	13,730,293,587
Less : Closing Stock	576,739,213	2,701,276,954
Total :-	<u>11,269,115,287</u>	<u>12,619,562,124</u>

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

	(Amount in Rs.)	
	Year 2011-12	Year 2010-11
23 COST OF CONSTRUCTION		
a) Opening work in progress	2,824,392,507	2,477,005,448
b) Add :		
i) Material, Labour and Other Construction Cost	52,364,700	184,595,055
ii) BMC Charges and Taxes	70,708	12,188,500
iii) Finance expenses	146,942,791	309,080,393
iv) Legal and professional fees	1,788,256	1,241,286
v) Employee cost	17,850,670	27,532,058
vi) Marketing Expenses and Sales Promotion Expenses	8,717,952	4,985,454
Cost Incurred During the Year (b) :-	227,735,078	539,622,746
c) Total cost of construction as at year end (a)+(b)	3,052,127,584	3,016,628,194
Less:		
Transfer of cost during the year	227,581,664	192,235,687
d) Closing work in progress	2,824,545,920	2,824,392,507
24 DETAILS OF PURCHASE OF TRADED GOODS		
Sleeves	80,271,832	35,039,783
Steel Pipes	348,682,411	-
Total :-	428,954,243	35,039,783
25 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROGRESS		
<u>Opening Stock :</u>		
Finished Goods	1,030,521,094	352,129,804
Work-in-progress	516,304,953	211,095,759
	1,546,826,047	563,225,563
<u>Closing Stock</u>		
Finished Goods	8,010,682	1,030,521,094
Work-in-progress	554,284,907	516,304,953
	562,295,589	1,546,826,047
Total :-	984,530,458	(983,600,484)
26 EMPLOYEE BENEFITS EXPENSE		
Salary & Wages	446,487,746	435,917,564
Staff Welfare	1,533,055	1,621,993
Contribution to Provident Funds and other	28,956,976	21,295,095
Total :-	476,977,777	458,834,652
27 FINANCE COST		
<u>Interest Expenses</u>		
Interest to banks	145,965,972	146,759,657
Interest to others	1,120,367	40,290,964
<u>Other Borrowing Cost</u>		
Bank Charges / Loan Processing fees	122,906,045	156,829,048
Total :-	269,992,384	343,879,669
28 OTHER EXPENSES		
Consumption of Stores & Packing Materials	105,887,431	115,328,180
Sales & Marketing expenses	455,676,441	157,741,888
Consultancy, Profession and Legal Fees	37,814,225	81,523,132
Rentals including lease rentals	30,199,607	26,593,063
Misc Other Expenses	320,421,370	1,305,537,698
Rates & Taxes	2,304,699	2,404,585
Payment to Auditor	2,682,901	2,672,725
Insurance Paid	13,603,847	14,288,808

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

	(Amount in Rs.)	
	Year 2011-12	Year 2010-11
Frieght & Forwarding Charges	1,167,069,539	955,455,986
Power Expense	240,414,929	259,251,044
Repairs & Main to Other	2,638,568	2,893,190
Repairs & Main to Building	2,887,258	703,569
Repairs & Main to Plant & Machinery	15,872,124	13,776,949
Prior Period Expenses	-	2,842,197
Sundry Balance W/off.	(531,819)	194,460
Total :-	2,396,941,121	2,941,207,474
29 Contingent Liabilities not provided in respect of		
Guarantees / Letter of Credit Outstanding	12,921,162,082	6,839,310,000
Excise Duty / Service Tax Matters	259,580,482	199,936,259
Entry Tax / Sales Tax Matters	73,936,003	55,557,423
Income Tax Matters	18,464,750	8,223,610
Corporate Guarantee issued	-	2,868,000,000
Legal Cases*		
- Midcontinent Express Pipeline LLC, USA	263,314,405	-
- Prime Pipe International USA	94,567,588	70,930,497
- Prime Pipe International & Bank of Tokyo & Mitsubishi	-	156,083,000
Total :-	13,631,025,311	10,198,040,789

* The Parent Company is Contesting the same

30 Pursuant to Accounting Standard (AS-19) - Leases the following information is given:

The Group has taken certain assets such as cars on an operating lease basis. The lease rentals are payable on a monthly basis.

	As at 31st March, 2012	(Amount in Rs.) As at 31st March, 2011
Future Minimum Lease rentals payable as at March 31, 2012 as per lease agreements:		
Not later than one year	30,579,536	30,000,669
Later than one year but not later than five years	26,335,290	45,709,826
Future Minimum Lease rentals receivable as at March 31, 2012 as per lease agreements:		
Not later than one year	6,203,776	6,100,448
Later than one year but not later than five years	15,737,655	15,980,326
Later than five years	1,435,240	1,721,870

31 Related Party Disclosure

Related party disclosure as required by Accounting Standard - 18 "Related Party Disclosures" issued by "Institute of Chartered Accountants of India" are given below

i) List of Related Parties and relationship

Sr. No.	Name of the Related Party	Relationship
1	Shri Rameshchandra Mansukhani	Key Managerial Personnel
2	Shri Jagdishchandra Mansukhani	Key Managerial Personnel
3	Smt. Kimatdevi Mansukhani	Relative of Key Managerial Personnel
4	Smt. Anita Mansukhani	Relative of Key Managerial Personnel
5	Smt. Deepa Mansukhani	Relative of Key Managerial Personnel
6	Man Global FZC, UAE	Associate
7	JPA Holdings Private Limited	Enterprises over which Key Managerial Personnel are able to exercise significant influence
8	Man Futures Private Limited	
9	Man Realty Limited	
10	Man (U.K.) Limited	

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

	(Amount in Rs.)	
	Year 2011-12	Year 2010-11
ii) Transactions during the year with related parties :		
1) Enterprises over which Key Managerial Personnel are able to exercise significant influence		
a) JPA Holdings Private Limited		
Interest income	-	1,479,452
Loan given	-	50,000,000
Loan received back	-	50,000,000
Rental Income	60,000	180,000
b) Man Realty Limited		
Interest Income	-	585,206
Loan Given	-	20,000,000
Loan received back	-	20,000,000
c) Man Global Limited		
Interest Income	-	1,593,699
Loan Given	-	152,500,000
Loan received back	-	152,500,000
d) Man Global FZC, UAE		
Loan received	92,459	-
Corporate guarantee released	898,000,000	-
e) Man UK Limited		
Loan repaid	125,867	-
2) Others		
Loan taken	-	103,864,324
Loan repaid	-	47,074,599
Loan given	-	234,650,500
Loan received back	-	234,650,500
Remunerations	73,857,333	78,874,708
Rental charges	30,803,438	31,893,830
Equity shares issued	-	61,250,000
Share warrant application money	(4,375,000)	45,937,500
Rental income	-	941,250
Purchases	-	992,306
Interest	-	4,756,088
Lease Deposit	(3,000,000)	3,000,000
	As at 31st March, 2012	As at 31st March, 2011
iii) Outstanding Balances in enterprise where key management personnel have significant interest		
a) Man Global FZC, UAE		
Investment in Equity Shares	163,008	163,008
Loan Given	-	92,459
Corporate guarantee given	-	898,000,000
b) Man UK FZC		
Loan paid	-	125,867
32 Earning per share		
a) Weightage average no.of shares	55,284,874	54,555,422
b) Net profit attributable to equity share holders (excluding exceptional items)	711,040,560	868,391,012
Net profit attributable to equity share holders (including exceptional items)	710,823,271	838,391,012
c) Basic / Diluted earning per share (excluding exceptional items)	12.86	15.92
Basic / Diluted earning per share (including exceptional items)	12.86	15.37
33 C.I.F. Value of Imports		
a) Raw Materials	7,588,931,044	11,519,783,000
b) Others	15,129,023	24,679,000

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

		(Amount in Rs.)	
		Year 2011-12	Year 2010-11
34	Donation to Political Parties		
	a) Bhartiya Janta Party	-	100,000
35	Remuneration to Directors		
	a) Salaries & Perquisite	73,857,333	98,604,930
	b) Sitting Fees	680,000	460,000
36	Foreign currency exposure at the year end not hedged by derivative instruments		
	a) Received against export of goods & services		
	US dollar	4,867,565	-
	Kuwait Dinar	2,383,515	-
	b) Payable against import of goods and services		
	US dollar	76,262,458	193,234,292
	Euros	4,466	5,806,683
	Total unhedged exposures in Rupees	4,248,978,467	9,313,140,988

38 Arbitration & Legal Cases between Parent Company and (Amount in Rs.)

Sr. No.	Particulars	Financial Year 2011 - 2012	Financial Year 2010 - 2011	Current Status
1	Indian Oil Corporation Limited			Pending before
	a) for recovery of dues	23,488,292	23,488,292	Delhi High Court
	b) for encashment of performance bank guarantee	54,977,184	54,977,184	
2	Gujrat Water Supply & Sewerage Board for recovery of dues	39,128,856	39,128,856	Pending before Gujrat High Court
3	GAIL for recovery of dues	195,366,000	195,366,000	Pending for Arbitration
4	Advance for Purchase of Land	123,250,000	123,250,000	Redirected to the collector
5	Hindustan Petroleum Corporation Limited	14,329,248	14,329,248	Pending before Delhi High Court
6	S.K.M. Infrastructure & Food Park Pvt. Ltd.	For specific performance		Pending before District Court, Indore

The Parent Company has received a show cause notice u/s. 124 and u/s. 28 of the Custom Act, 1962 dated 11th May, 2012 from Directorate of Revenue Intelligence (DRI), Mumbai for differential custom duty payable on import of raw material amounting to Rs. 1,209,861,393/-. The Parent Company has deposited Rs. 37,920,724/- under protest at the time of investigation. the Management is confident that there will no liability on this account since the Parent Company has fulfilled its export obligation against the imported material and there is no loss to revenue.

39 Micro, Small and Medium Enterprises

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.

The accompanying notes are integral part of the financial statements.

As per our report of the even date

For Rohira Mehta & Associates

Firm registration number : 118777W

Chartered Accountants

Nirav B. Mehta

Partner

Membership No.: 106294

Place : Mumbai

Date : 24th May 2012

For and behalf of Board

R C Mansukhani

Chairman

Kirit N Damania

Director

A V Ramamurty

Director

Place : Mumbai

Date : 24th May 2012

J C Mansukhani

Vice Chairman & Managing Director

P K Tandon

Director

Nikhil Mansukhani

Director

Rachana Kokal

Company Secretary

**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 Overseas Metal DMCC
1	Reporting Currency	INR	INR	AED
2	Exchange Rate	-	-	13.8525
3	Share Capital	454,500,000	100,000	6,926,250
4	Reserves	(191,533,385)	(3,117,621)	(3,937,545)
5	Total Assets	3,793,330,103	1,115,251,191	275,059,022
6	Total Liabilities	3,793,330,103	1,115,251,191	275,059,022
7	Investment Other than Investment in Subsidiary	-	16,986,275	-
8	Turnover	206,235,434	3,667,727	395,006,102
9	Profit / (Loss) before taxation	(149,926,266)	(5,682,594)	3,956,537
10	Tax Provision	22,577,998	(865,232)	-
11	Profit / (Loss) after taxation	(172,504,264)	(4,817,362)	3,956,537
12	Proposed Dividend	-	-	-
13	Country	India	India	Dubai, UAE

For and on behalf of the Board of Directors

R C Mansukhani
Chairman

J C Mansukhani
Vice Chairman and
Managing Director

J L Mansukhani
Director

Kirit N Damania
Director

Place: Mumbai
Date: May 24, 2012

P.K. Tandon
Director

Rachana Kokal
Company Secretary



Man Industries (India) Limited

Regd. Off: 101, Man House, S.V.Road, Vile Parle (West), Mumbai - 400 056

ATTENDANCE SLIP

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company at Hotel Karl Residency, 36, Lallubhai Park Road, Andheri (W), Mumbai - 400 058. Maharashtra, India, at 3.00 p.m. on Monday, the August 27, 2012.

.....
Full name of the Shareholder
(in block capitals)

.....
Signature

Folio No. /DP ID No.* & Client ID No.*.....
* Applicable for members holding shares in electronic form.

.....
Full name of Proxy
(in block capitals)

.....
Proxy Signature



Man Industries (India) Limited

Regd. Off: 101, Man House, S.V.Road, Vile Parle (West), Mumbai - 400 056

PROXY FORM

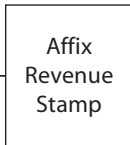
I/We
of in the district ofbeing
a Member/Members of the above named Company, hereby appoint
of in the district of
or failing him of in the district of
as my/our Proxy to attend and vote for me/us and on my/our behalf at the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company, to be held on Monday, the August 27, 2012 and at any adjournment thereof.

Signed this day of 2012

Folio No. /DP ID No.* & Client ID No.*.....
* Applicable for members holding shares in electronic form.

No. of Shares

Signature -----



Affix
Revenue
Stamp

This form is to be used @ in favour of/ @ against the resolution. Unless otherwise instructed, the proxy will act as he thinks fit.

@ Strike out whichever is not desired.

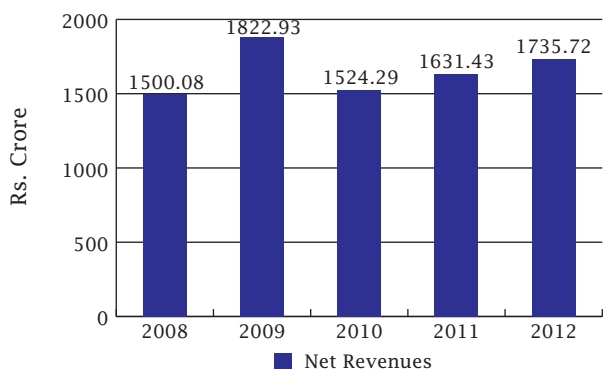
NOTES:

- (i) The proxy must be returned so as to reach the Registered Office of the Company at 101, Man House, S.V. Road, Vile Parle (West), Mumbai - 400 056, not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.
- (ii) Those members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.

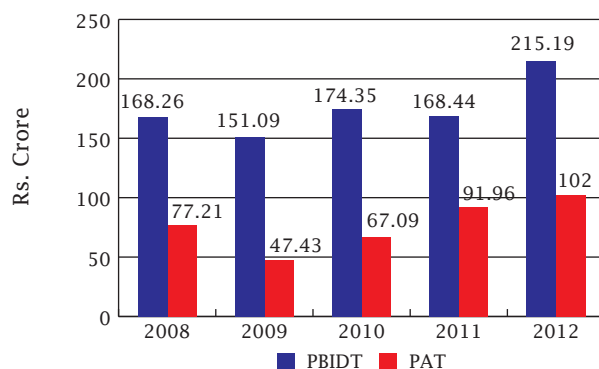
HISTORICAL FINANCIAL DATA

Financial Year	2008	2009	2010	2011	2012
Income Statement					
(₹ in crore)					
Net Revenues	1500.08	1882.93	1524.29	1631.43	1735.72
EBITDA	168.26	151.09	174.35	168.44	215.19
Net Profit after Tax	71.21	47.43	67.09	91.96	102.00
EBITDA Margin (%)	11.22	8.02	11.44	10.32	12.40
Net Profit after Tax Margin (%)	4.75	2.52	4.40	5.64	5.88
Capital & Reserves					
Share Capital	26.64	26.64	26.77	27.64	27.64
Reserves & Surplus	339.55	381.23	436.51	521.88	617.29
Shareholders Fund	366.19	407.87	465.25	549.96	644.93
Application of Funds					
Gross Block	376.44	564.20	579.93	590.77	589.74
Less: Acc Dep.	93.89	128.89	165.28	204.38	241.74
Net Block	282.55	435.31	414.64	386.39	348.00
Capital Work in Progress	105.21	12.67	7.55	0.23	0.93
Net Fixed Assets	387.76	447.98	422.20	386.61	348.93
Book Value, EPS & Dividend					
EPS share	13.11	8.65	12.23	16.63	18.45
Equity Dividend per share	1.50	1.50	1.75	2.00	2.00
Book Value Per share	68.73	76.55	86.53	99.41	116.67
Ratios					
Debt to Equity ratio	0.85	0.89	0.66	0.33	0.10
Fixed Assets Turnover ratio	3.98	3.34	2.63	2.76	2.94
Return on Networth (%)	19.45	11.63	14.42	16.72	15.82
Return on Fixed Assets (%)	18.92	8.41	11.57	15.57	17.30

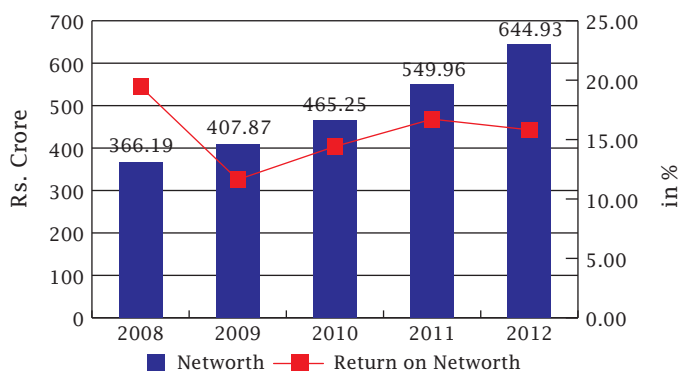
Net Revenue



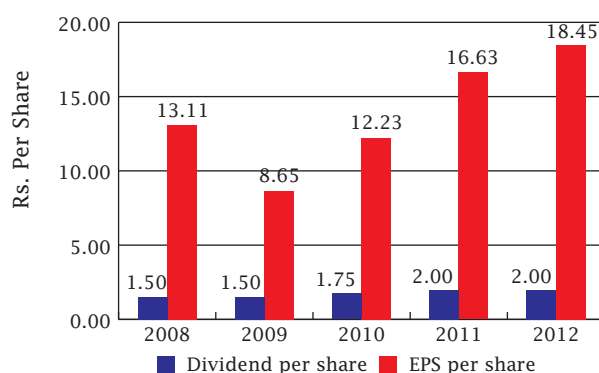
EBITDA & PAT



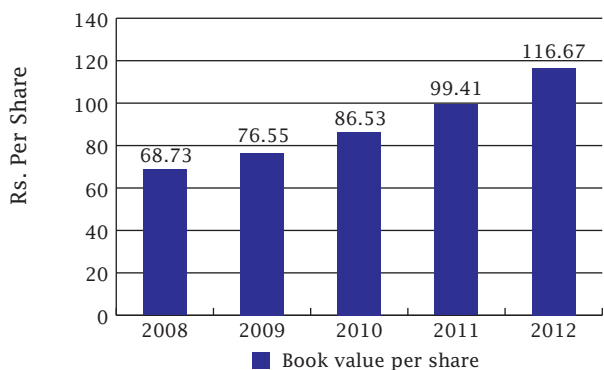
Net Worth & Return on Net Worth



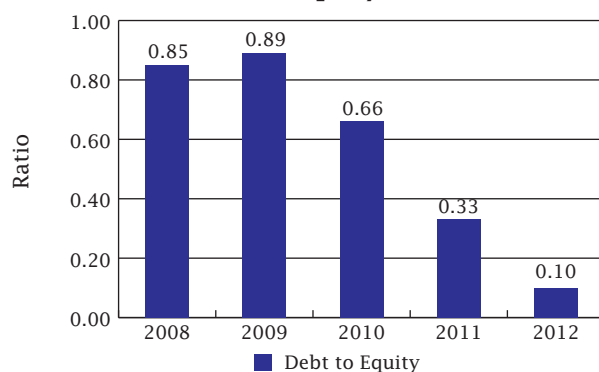
DPS & EPS



Book Value Per Share



Debt to Equity Ratio



CLIENTELE



ADANI Ports Ltd.



Bharat Petroleum Corporation Ltd.



Bharat Heavy Electricals Ltd.



Cairn India Ltd.



Engineers India Ltd.



Essar Constructions Ltd.



Gas Authority of India Ltd.



Gujarat State Petronet Ltd.



Gujarat State Petroleum Corporation



Hindustan Petroleum Corporation Ltd.



Indian Oil Corporation Ltd.



IOTL-IOT Infrastructure & Energy Service Ltd



Larsen & Toubro Ltd.



MECON Ltd.



Mangalore Refineries & Petrochemicals Ltd.



ONGC, India.



Reliance Industries Ltd.



State Water Supply Boards



ADCO-Abu Dhabi



ADMA OPCO-UAE



Energy Transfer, USA



ENPPI, Egypt.



Gasco-Abu Dhabi



GTCL - Bangladesh



KOC, Kuwait



Kinder Morgan, USA



PEDEC- Iran



NMDC, Abu Dhabi



NPCC, Abu Dhabi.



NIOC-Iran



NIGC-Iran



OGC-Oman



PDO, Oman



Petrofac - Abu Dhabi



Petrojet, Egypt.



Petodar, Sudan



PETROBRAS - Brazil



PTT Public Company Limited - Thailand



PETRONAS - Malaysia



Petrobangla - Bangladesh



Qatar Petroleum-Qatar



SCOP- Iraq



Saipem, Italy



Shell Global International B.V.



Sonatrach - Algeria



SOC, Libya



Technip-Germany



ZADCO-Abu Dhabi



the line pipe people

years of excellence

Book Post



Registered Office: MAN House, 101, S.V. Road, Opp. Pawan Hans,
Vile Parle (W), Mumbai - 400 056.
Phone 022-66477500