



Annual Report 2007-2008



## NOTICE

Notice is hereby given that the Fifth Annual General Meeting of the members of Man Aluminium Limited will be held on 26<sup>th</sup> day of September, 2008 at Hotel Karl Residency, Lallubhai Park Road, Andheri (West), Mumbai – 400 058, at 4.30 P.M to transact the following business:

### **Ordinary Business:**

1. To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2008, profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Share for the Financial Year 2007-08.
3. To appoint a director in place of Mr. Rajaram Wadhwani, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr. P. K. Tandon, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint the Statutory Auditors of the Company for the Financial Year 2008-09.

### **Special Business**

6. **To consider and if thought fit to pass the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to section 293(1) (d) and other applicable provisions of the Companies Act, 1956 consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of money on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the company’s bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/ moneys so borrowed by the Board shall not at any time exceed the limit of Rs. 5,000,000,000 (Rupees Five Hundred Crores Only).

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution”

7. **To consider and if thought fit to pass the following resolution as a Special Resolution:**

**“RESOLVED THAT** subject to the approval of equity shareholders of the company by way of a special resolution and pursuant to section 81, 81 (1A) and other relevant provisions, if any, of the Companies Act, 1956, SEBI Guidelines for Preferential Issues, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, Guidelines for Substantial Acquisition and Takeover Regulations, Listing Agreements with Stock Exchanges, Guidelines as specified by the Reserve Bank of India and other applicable laws or guidelines and in accordance with the provisions of Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed in granting such approvals, permissions and sanctions which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof for the time being exercising the powers conferred by the Board), at its sole discretion, the consent of the Company Board be and is hereby accorded to offer, issue and allot 1,50,000 Warrants to Mr. Nikhil Mansukhani (forming part of the promoter group) and 1,50,000 Warrants to JPA holdings Private Limited (forming part of the promoter group), that are convertible into fully paid up equity shares of face value of Rs. 10/- each, on one equity share for every warrant held, within a period of 18 months from the date of allotment, at a price of Rs. 38.00 per equity share at the option of such warrant holder, on such terms and conditions as given herein under.

- The exercise or conversion of the abovementioned warrants would give rise to the issue / allotment of 3,00,000 equity shares of Rs. 10/- each at a premium of Rs. 28.00 per equity share, ranking pari passu with the existing equity shares in all respects from the date of conversion of such warrants.
- The new equity shares issued pursuant to the conversion of warrants shall be subject to Memorandum and Articles of Association of the Company.
- The new equity shares issued pursuant to the conversion of warrants shall rank pari passu in all respects with the existing equity shares of the company.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things including matters relating to listing of shares issued on conversion of warrants, as it may deem fit and proper in this regard.”

**“RESOLVED FURTHER THAT** the “Relevant Date” under SEBI Guidelines on Preferential issue in relation to the shares/warrants for the purpose of determining the issue price shall be Tuesday, 26th August, 2008 being the date 30 days prior to the proposed date of passing of this Resolution.”

By order of the Board of Directors  
For Man Aluminium Limited

R.C. Mansukhani  
Chairman

Date : 1st September, 2008  
Place : Mumbai

**Notes:**

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
- 2) The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the meeting.
- 3) Explanatory Statement with respect to Item No.6 to 7 is annexed and forms part of the Notice.
- 4) Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
- 5) The Register of Members and Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September 2008 to 26<sup>th</sup> September 2008 (both days inclusive).
- 6) The Dividend on Equity Shares as recommended by the Board of Directors, if any, declared at the meeting, will be payable to those shareholders whose names appear in the Register of Members as on 26<sup>th</sup> September, 2008 and in respect of shares held in Electronic form the dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
- 7) Shareholders seeking any information with regard to Accounts are requested to write to the Company at an early date to enable the management to keep the information ready.
- 8) Members are requested to bring their copy of Annual Report to the meeting.
- 9) In order to provide protection against fraudulent encashment of the warrants, Members holding Share Certificates in physical form are requested to notify any change in their addresses or bank mandates immediately, in any event not later than 22<sup>nd</sup> September, 2008 to the **Company's Registrar and Transfer Agent, Intime Spectrum Registry Ltd. C/13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078 Maharashtra .**
- 10) Non-Resident Indian Shareholders are requested to inform immediately Intime Spectrum Registry Ltd. C/13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078 Maharashtra .
  - a) The change in the Residential status on return to India for permanent settlement.
  - b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
- 11) Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.
- 12) All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during the office hours on all working days between 11.00 a.m. and 1.00 p.m.

**Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956.****Item 6**

The company proposes to borrow money to meet ongoing expansion and general capex requirement of business activities. To facilitate the borrowings of funds for these activities, the Board of Directors of the Company are required to be given authority to borrow money on behalf of the Company. As per the estimated expenditure on expansion the sum for which the authority will be required to be given by the members of the company is estimated to be Rs. 5,000,000,000 (Rupees Five Hundred Crores Only). The Board of Directors recommend that the resolution be passed.

None of the Directors are concerned or interested in the Resolution.

**Item 7**

**The following disclosure is made in accordance with the provisions of Chapter XIII of the Securities and Exchange Board of India (Disclosure of Investor Protection) Guidelines 2000.**

**OBJECTS OF THE ISSUE:**

Man Aluminium Limited proposes to raise resources as a part of the expansion process of the company and to augment the long term working capital requirements. Mr. Nikhil Mansukhani (forming part of the promoter group) and JPA Holdings Private Limited (forming part of the promoter group) have shown interest in participating in the proposed restructuring process and accordingly, the company proposes to issue convertible warrants on Preferential allotment as per existing guidelines of SEBI to raise the required money.

**INTENTION OF THE PROMOTERS**

Mr. Nikhil Mansukhani and JPA Holdings Private Limited have expressed his willingness to invest in securities of the company. The management puts forward their details for the consent and approval of shareholders so as to enable the Company to raise funds through allotment of equity shares to them. The Company proposes to make a preferential allotment of 3,00,000 Equity shares of face value of Rs. 10/- each at a price of Rs. 38.00 per share for cash (including premium of Rs.28.00) to Mr. Nikhil Mansukhani (forming part of the promoter group) and JPA Holdings Private Limited (forming part of the promoter group)



Some of the specific terms of the warrants proposed to be issued are as under :

- The warrants under this resolution shall entrust right to the warrant holders to seek conversion of the said warrants at his option into equity share in the ratio of one equity share of Rs. 10/- each for every warrant held at a price of Rs. 38/- each as fixed under applicable SEBI norms.
- Warrants so issued will be convertible into fully paid up equity shares of Rs. 10/- each (1 warrant 1 equity share basis) at any time within the time frame prescribed by law and the Board of Directors of the company be authorized to allot fully paid up equity shares upon such conversion.
- Warrant holder shall be at a liberty to exercise such warrants anytime within a period of 18 months from the date of issue of such warrants.
- A sum equivalent to 10% of the price fixed for the warrants as per the SEBI pricing norm is payable at the time of issue of warrants, which would be adjusted against the price payable on acquisition of shares by exercising the option in this behalf.
- The balance amount is payable as and when the warrants are converted into equity shares.
- In case option to acquire shares under warrants is not exercised, within the time specified under the regulations and this resolution, the 10% amount paid on allotment of warrants will be forfeited by the company.

**PROPOSED SHAREHOLDING PATTERN AFTER PROPOSED ALLOTMENT OF EQUITY SHARES AS PER RESOLUTION 7 OF THIS NOTICE AND AFTER CONVERSION OF WARRANTS INTO EQUITY SHARES TO THE FULLEST EXTENT:**

Category	BEFORE		AFTER	
	No. of Shares	%age of holding	No. of Shares	%age of holding
<b>Promoters Holding</b>				
Mr. Nikhil Mansukhani	2,431	0.07	1,52,431	4.14
JPA Holdings Private Limited	15,000	0.44	1,65,000	4.48
Other Promoters	13,73,009	40.62	13,73,009	37.31
<b>Total Promoter Holding</b>	<b>13,90,440</b>	<b>41.13</b>	<b>16,90,440</b>	<b>45.93</b>
<b>Non Promoter Holding</b>				
Mutual Funds, FIIs, Banks & Financial Institutions	1,90,278	5.63	1,90,278	5.17
General Public	17,99,586	53.24	17,99,586	48.90
<b>Total Non- Promoter Holding</b>	<b>19,89,864</b>	<b>58.87</b>	<b>19,89,864</b>	<b>54.07</b>
<b>GRAND TOTAL</b>	<b>33,80,304</b>	<b>100.00</b>	<b>36,80,304</b>	<b>100.00</b>

Shareholding pattern is assuming that the entire warrants are converted into equity shares.

There will not be any change in the management control or constitution of the Board of Directors subsequent to the conversion of warrants into equity shares.

**Proposed time for issue of warrants**

The instruments of warrants are proposed to be issued within 15 days from the passing of the resolution by the shareholders at the Annual General Meeting.

**Lock-in period**

The equity shares on conversion to be allotted to Mr. Nikhil Mansukhani and JPA Holdings Private Limited shall be subject to 3 year lock-in period from the date of allotment as per SEBI Guidelines .Further the lock-in on equity shares acquired by conversion of warrants, shall be reduced to the extent the warrants have already been locked-in.

**Identity and percentage of post Preferential Issued Capital held by proposed allottees**

The warrants to be issued on preferential allotment basis are being issued to Mr. Nikhil Mansukhani and JPA Holdings Private Limited . The detail of the proposed allottee is as given herein under:

Particulars	Mr. Nikhil Mansukhani	JPA Holdings Private Limited
a) Contact address	102, Man Hosue, S.V. Road, Vile Parle (West), Mumbai - 400056	102, Man Hosue, S.V. Road, Vile Parle (West), Mumbai - 400056
b) No. of shares and percentage of post conversion equity capital that may be held by the proposed allottee.	No of Shares subsequent to conversion of warrant : 1,52,431 Percentage of Holding 4.14 %	No of Shares subsequent to conversion of warrant : 1,65,000 Percentage of Holding 4.48 %



**Pricing**

The issue of warrants on preferential basis as mentioned is proposed to be made in terms of the Guidelines for Preferential Issues as prescribed by SEBI.

As per clause 13.1.1 of the SEBI (DIP) Guidelines pricing of equity shares/warrants to be issued on preferential basis would not be less than the higher of following:

Average of the weekly high and low of the closing prices of the equity shares of the company quoted on the Stock Exchanges during the six months preceding the relevant date.

**OR**

The average of the weekly high and low of the closing prices of the related shares quoted on the Stock Exchanges during the two weeks preceding the relevant date

'Relevant Date' for this purpose means the date 30 days prior to the date on which the meeting of General Body of shareholders is held in terms of 81(1A) of the Companies Act, 1956 to consider this issue.

'Stock Exchange' for this purpose means any of the recognised stock exchanges in which the shares are listed and in which the highest trading volume in respect of the shares of the company has been recorded during the preceding six months prior to the relevant date.

The equity shares of the company are listed at The Stock Exchange, Mumbai (BSE) and The National Stock Exchange (NSE). But highest trading volume during the preceding six months prior to relevant date is recorded at BSE. So price is worked out considering trading volume at BSE.

Considering the relevant date (Tuesday, 26th August, 2008) for this proposed resolution in terms of the SEBI (DIP) Guidelines, 2000, the price works out to Rs. 38 per equity share determined as follows:

Average of the weekly high and low of the closing prices of the equity shares of the company quoted on the BSE during the six months preceding the relevant date: Rs. 37.84 per share

**OR**

The average of the weekly high and low of the closing prices of the related shares quoted on the BSE during the two weeks preceding the relevant date: Rs. 30.10 per share

The issue of equity shares upon conversion of the warrants at the option of the warrant holder is proposed to be priced at Rs. 38.00 per share for an equity of face value of Rs. 10/- each at a premium of Rs. 28.00 per share, which is as per the SEBI pricing norm.

Certificate confirming that the proposed issue of warrants on preferential basis is as per the SEBI Guidelines for preferential issue is obtained from M/S. Rohira Mehta and Associates, Chartered Accountants, Statutory auditors of the Company.

**General**

Assuming conversion of warrants to the fullest extent, the post preferential allotment holding of Mr. Nikhil Mansukhani will be 1,52,431 equity shares forming 4.14% of the proposed post preferential issue Equity share capital of the Company and of JPA Holdings Private Limited will be 1,65,000 equity shares forming 4.48% of the proposed post preferential issue Equity share capital of the Company. The aforesaid proposed allotment does not result into any change in the management control of the Company and the allotment does not require making public offer as it is below the prescribed threshold limit for making of a public offer in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Section 81 of the Companies Act, 1956 provides, inter alia that whenever it is proposed to issue further shares, such shares shall be offered to the existing shareholders of the Company in the manner laid down in the said section, unless shareholders decide otherwise in the general meeting by way of a Special resolution. Accordingly, the consent of the shareholders is being sought pursuant to the provisions of Section 81 (1A) and other applicable provisions of the Companies Act, 1956, Chapter XIII on preferential Issue in SEBI (Disclosure and Investor Protection) Guidelines for Capital Issues, 2002, and in terms of the provisions of the Listing Agreement to issue and allot warrants as stated in the Special Resolution.

The directors recommend the passing of the special resolution as set out in Item no. 7 and seek the approval of shareholders.

Mr. R.C. Mansukhani and Mr. J.C. Mansukhani, Directors of the Company are concerned or interested in the said resolution.

By order of the Board of Directors  
For Man Aluminium Limited

Date : 1st September, 2008

Place : Mumbai

R.C. Mansukhani  
Chairman



## CORPORATE INFORMATION

### Board of Directors

Mr. R.C. Mansukhani  
Mr. J.C. Mansukhani  
Mr. P.K. Tandon  
Mr. R.R. Wadhvani

Chairman  
Vice Chairman  
Director  
Director

### Auditors

Rohira Mehta and Associates  
Chartered Accountants  
Mumbai

### Bankers

State Bank of India

Commercial Branch, Indore

### Registered Office

MAN House, 102, S.V. Road, Opp. Pawan Hans,  
Vile Parle (W), Mumbai - 400 056.  
Ph: 91-22-6647 7500 , Fax : 91-22-6647.7601  
Email : [investor.relation@mangroup.com](mailto:investor.relation@mangroup.com)  
Website : [www.manaluminium.org](http://www.manaluminium.org)

### Plant

Plot No. 67, Sector 1, Pithampur Industrial Area, Dist.: Dhar (M.P.), Ph.: 0729-253446

### Registrar and Share Transfer Agent

M/s.Intime Spectrum Registry Ltd.  
C/13, Pannalal Silk Mills Compound, L.B.S. Marg,  
Bhandup (West), Mumbai - 400 078  
Ph.: 022-2596 3838  
Fax: 022-2594 6969  
Email: [isrl@vsnl.com](mailto:isrl@vsnl.com)

**CHAIRMAN'S SPEECH**

Dear Shareholders,

I am honored and proud to bring to your notice, the growth and recognition that your company has achieved in the year that went by. I am very pleased to share with you that the year 2007-08 has been good year for your Company.

The global economy continues its surge of prosperity, despite rising oil prices and geo-political challenges in a few regions. This continues to be the most productive value - generating era for the human civilization in the increasingly globalised world. The Indian economy continues its strong economic performance with almost 9% growth, and by all counts, the Indian economy has the potential to sustain and achieve even higher growth rates. It is a matter of great satisfaction that in this environment your company maintains to perform and progress with poise and assurance.

At Man Aluminium Limited it has been our endeavor to emerge a single point source for all types of aluminium extrusion product. Your Company provides aluminium extrusion in different shapes to manufacture tower bolt, handles, aldrops, tee hinges etc. We provide customization to our range of aluminium extrusions as per the client's requirement. We offer a finer range of precision engineered aluminium extrusion for electronic racks and enclosures. We manufacture aluminium based building material. We also manufacture products for transportation, construction and electronic industries.

We are all living in an exciting time. The development of India since independence and thereafter, especially at the turn of the century, has been stupendous in the social and economic sphere. The rising confidence in the Indian business class is worth mentioning. India is transforming from a developing nation to a developed economic power. It is this assured collective confidence that is now inspiring Indian Entrepreneurship. This will lead to our dream of Indian Multinational. The industry is aware of the market potentials available today and also in the years to come and is gearing up to exploit and maximize these opportunities to its advantages. In the past we have made good progress and yet we have miles to go.

In our quest towards continuous growth, we would require support of all our esteemed stakeholders, Bankers, Government Authorities, Customers, Suppliers and of course our very own employees. The unflinching support and trust of all our stakeholders has helped us reach where we are and we are confident that their faith in us would motivate us further to strive harder in reaching towards even higher goals. I would like to conclude with an expression of gratitude to our customers, our team, our investors, our Board members and all stakeholders, for your goodwill and support which are so valuable to us, and we will continue to look forward to the same.

Chairman





## MANAGEMENT DISCUSSION AND ANALYSIS

### **Business Review**

Man Aluminium supplies various sections for industrial applications like textile machinery, construction industry, chemical industry etc. The quality and precision in these sections are of high importance & your company is committed for providing both quality and service to these sectors. Aluminium extrusion has two major inputs. One is aluminium billets and the other is extrusion die. Both are important to get successful quality extrusions on consistent basis. Although the possibilities of different shapes and profiles are very large, still the process has some inherent limitations. Also for an extruder it is a challenge to come out with newer and newer products. With its plant located at Pithampur in Madhya Pradesh your company is a well reputed name in the field of aluminium extrusion. Without compromising on the quality, through our consistent research and development program we always bring innovative ideas to market our products all around the globe. Utilizing the best advanced technology in aluminium extrusion field, we make sure that each product that leave our factory premises results in further business enhancement of our clients.

### **Global Industry Overview**

Globally it is expected that from the year 2005 to 2010, the annual growth for aluminium extrusions would be somewhere around 4.9 percent. Talking of the Chinese Aluminium Extrusion it has seen a phenomenal growth in the last 15 years. The United States Aluminium extrusion industry has shown strong growth in the 1990's. In the year 2000 the total value of industry shipments was pegged at \$6.05 billion. In USA the primary consumer of extruded aluminium products is the construction industry. However this trend is changing with automotive industry taking to extruded aluminium products big way from the year 2000. The importance of extrusion industry can be gauged from the fact that out of the total number of firms engaged in aluminium production nearly 36% are dealing in extrusion. The US is also the leading country when it comes to perhead consumption of Extruded Aluminium products. Man Aluminium Limited has the following competitive advantage in world market:

- Low labor and land cost.
- Sizeable market support for further expansion.
- Product diversity and relatively easier financing.
- Self contained facility.
- Low packaging Cost.

### **Domestic Industry Overview**

Aluminium extrusion presents an unlimited possibility in terms of shapes and profiles. They find wide range of applications. Behind the high-rise buildings and architectural structures lies one unifying force of Aluminium, this is slowly but surely becoming one of the modern world's most versatile materials, particularly in the form of extrusion in India. Aluminium Extrusions present us unlimited possibilities in terms of shapes & profiles. They find wide range of applications.

### **Future Outlook**

The following are important factors in guiding the functioning of Man Aluminium Limited:

### **Competitive Excellence**

For competing with offshore imports, only price is not enough. What is needed is superior quality, value-added services, customization and exemplary customer service.

### **Process Integration**

There is need to have a total system approach in the aluminum extrusion industry. Things like thermal alignment during the extrusion process gives rise to performance improvements for getting increased productivity and reduce the level of scrap. Conducting of profitability analysis throughout a business unit also gives rise to operational efficiencies. To conclude the need of the hour is to have a holistic approach toward the aluminium extrusion industry. Attempts that are directed to isolate individual functions as discreet units unperturbed by related activities would invariably result in failures and loss.

### **Strategies for Success**

To succeed in the increasingly competitive world market for Aluminium extrusion there is requirement to understand market drivers in the Aluminium Extrusion Industry. Other than that, there is also a need for some well thought out strategies for garnering market share and beat competitors which can be done by adopting the following strategies:

- Shorter lead time
- Look out for niche market
- Lower the production cost
- Value added services
- Expand production capacity
- Upgrade extrusion equipment
- Pooled research approach
- Export oriented approach

### **Quality Control**

The Company's growth and good performance can mainly be attributed to the strict quality norms being followed through out the production process. The quality control related procedures, methods and technology are being constantly updated and upgraded. As a result the Company enjoys a high reputation for consistently offering a quality product to its customers.

### **Review of Company's Operation**

Empowered with highly experienced engineers, our speciality lies in the manufacture of extraordinary, complex and intricate aluminium extrusion parts. While very few extruders can handle a wide range of size, weight and tolerance requirements, our aluminium extrusion products stands out



as one of the best. We offer complete assortment of aluminium extrusions that is custom manufacture as we can provide everything you need to create aluminum extrusion structure or assembly. We offer aluminium extrusions for various applications. In addition, we also provide customization to our range of aluminium extrusions as per the client's requirements.

Your Company offers aluminium extrusions materials conforming to International standards, consistent metallurgical and mechanical properties, the best alloy for anodizing application, dimensional accuracy, and excellent surface finish. We mostly manufacture different kinds of window parts to suit the needs of our customers. Apart from our products used in industries like automobiles, buildings, etc. we also specialize in producing aluminum parts for the consumer products industry. These products can be used in industries like electronic, furniture, luggage and home furnishings. We offer a wide range of aluminum extrusions for electric control panels in various sizes and shapes used in electric devices and switchgears, we offer these control panels extrusion in various specifications. The company further contributes to the building industry by manufacturing aluminum fences that are used in malls and other buildings. Fences are also used in the automotive industry as conveyors. Production of fences is again completely customer oriented.

#### **Internal Controls Systems and their adequacy.**

The Company has an intricate system of internal control procedures commensurate with the size and nature of business covering all financial and operating functions. The qualified, experienced and independent Audit Committee of the Board of Directors regularly reviews plans, significant audit findings, internal control adequacy, compliance with the accounting standards and other legal requirements relating to financial statements. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. These internal controls provides for well administered policies, guidelines, and authorization and approval procedures.

#### **Risk Management**

Man Aluminium operates in a business environment characterized by increasing globalization, intensifying competition and complex technologies. The Company responds to this reality with a comprehensive and integrated risk management framework to deal effectively with uncertainty and associated risks, enhancing the organisation's capacity to enhance value.

#### **Contingent Liabilities**

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

#### **Statutory Compliance**

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

#### **Industrial Relations & Human Resource Management**

At Man Aluminium Limited we believe 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.

#### **Health & Safety**

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

#### **Cautionary Statement**

The statements given in this report, describing the company's objectives, estimates and expectations and future plans may be construed to be a forward looking statement within the meaning of applicable laws and/or regulations. Actual performance may differ materially from those either expressed or implied. Important factors that could effect the working of the Company include economic conditions, domestic as well as international, affecting demand and price conditions, raw material prices, interest costs, change in the government policies affecting investments, change in the government regulations tax laws and other statutes, high prices of petro products affecting energy and transportation cost etc.

# Corporate Governance

## Company's Philosophy on Corporate Governance

We at Man Aluminium Limited believe in ethical business conduct, integrity and commitments to values. This helps us to enhance and retain the trust of our stakeholders and which in turn enhance our corporate governance. Man Aluminium Limited is committed to the adoption of best corporate governance practices and its adherence in the true spirit, at all times. Corporate Governance is the frame work which acts as the guiding principle to meet the aspirations of stakeholders, thereby enhancing the value of the enterprise. The Company has and will continue to focus on its resources, strengths and strategies, in order to achieve its objective, while upholding the core values of transparency, integrity, honesty and accountability. The Company believes that good corporate governance practices enable the management to direct and control the affairs of a company in an efficient manner and to achieve its ultimate goal of maximizing value for all its stakeholders.

Your Company follows the 3-Tier Corporate Governance Structure. Firstly the shareholders appoint and authorize the Board of Directors to conduct the business with objectivity and ensure accountability to the shareholders at large. Secondly Board of Directors lead the strategic management of the Company on behalf of the shareholder, exercise supervision through direction and control and appoint various committees to handle specific areas of responsibilities and seek accountability. Thirdly the committees of the Board of Directors and executive management appointed by the Board of Directors take up specific responsibilities and day-to-day tasks to ensure that the activities of the Company run in parallel with the strategies set by the Board of Directors.

## BOARD OF DIRECTORS:

The Board of Directors of the Company comprises of two promoter directors and two independent directors. The Board met six times in the year on 16.05.2007, 25.05.2007, 27.06.2007, 30.09.2007, 30.10.2007 & 28.01.2008.

Name of the Director	Nature of Directorship	Date of Joining the Board	Attendance		Directorship in other Companies	Membership & Chairmanship of the Board of other Companies	
			At the Board Member	At the last AGM		Committee Member	Committee Chairman
Mr. R. C. Mansukhani	Promoter & Chairman	31.05.2006	6	Yes	2	-	-
Mr. J. C. Mansukhani	Promoter & Managing Director	31.05.2006	6	Yes	2	-	-
Mr. R. Wadhvani	Non-Executive Independent Director	16.05.2007	6	Yes	-	-	-
Mr. P. K. Tandon	Non-Executive Independent Director	16.05.2007	6	Yes	-	-	-

Sitting fees for all the meetings attended by the Directors were duly paid to them.

## Availability of Information to the members of the Board

The Board has unfettered and complete access to any information within the Company. The information regularly supplied to the Board includes the following:

- Minutes of the Board meeting, minutes of the Audit Committee meeting and abstract of the circular resolution passed.
- Quarterly, half-yearly and annual results of the Company.
- Annual operating plans and budgets, capital budgets and updates.
- Materially important litigations, show cause, demand, prosecution and penalty notices.
- Any issues that involves possible public or product liability claims of a substantial nature.
- Sale of material nature, of investments, assets, etc. which are not in the normal course of business.
- General notices of interest.
- Dividend data.
- Significant development on the human resources front.

## Code of Conduct

The Board of Directors plays an important role in ensuring good governance and have laid down the Code of Conduct applicable to all Board members and senior executives of the Company. All Board members and senior executives have confirmed compliance of the Code of Conduct.