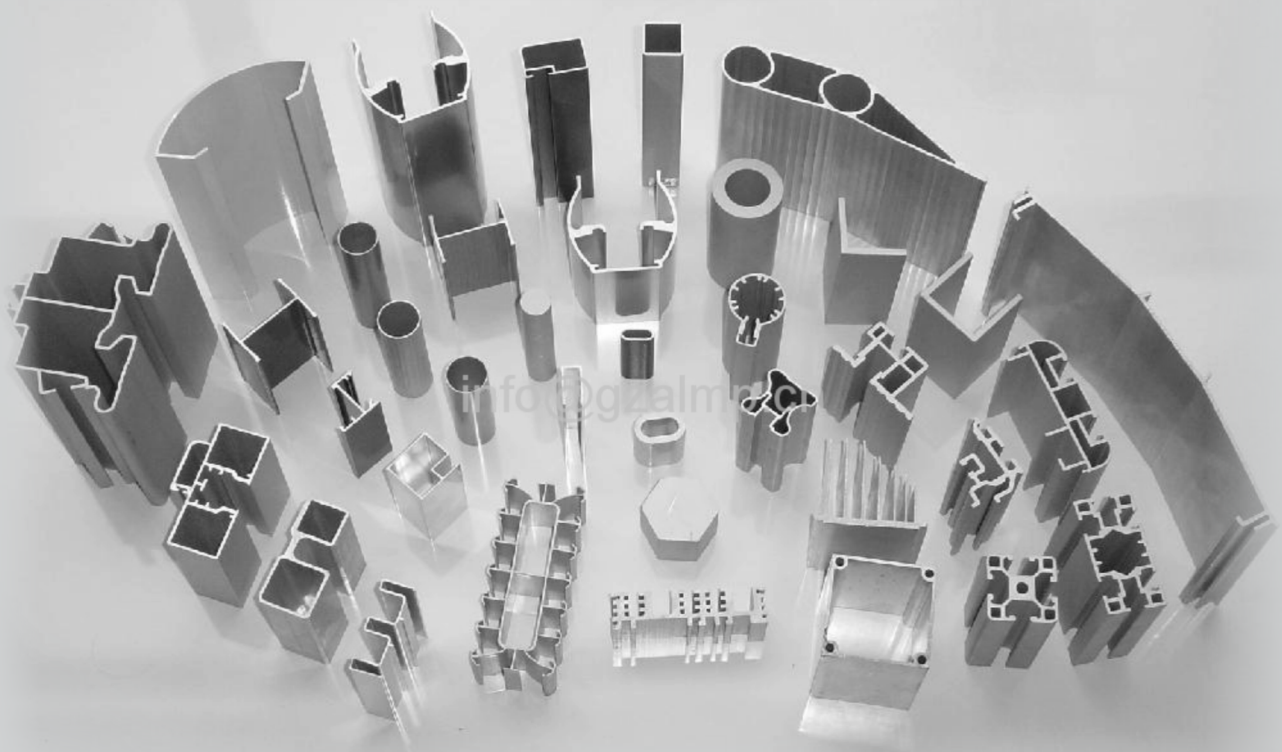


ANNUAL REPORT 2011 - 12



MAAN
ALUMINIUM LIMITED

Formerly known as Man Aluminium Limited

CORPORATE INFORMATION

Board of Directors

| | |
|----------------------------|----------------------|
| Mr. Ravinder Nath Jain | Executive Chairman |
| Mr. Mohinder Jain | Managing Director |
| Mr. Adish Jain | Promoter Director |
| Mr. Aditya Jain | Promoter Director |
| Mr. Sunil Kumar Shandilya | Executive Director |
| Mr. Rajesh Jain | Independent Director |
| Mr. Parveen Kumar Adlakha | Independent Director |
| Mr. Ashok Jain | Independent Director |
| Mr. Rajinder Prakash Gupta | Independent Director |
| Mr. Amit Jain | Independent Director |

CFO and Company Secretary

Mr. Bijender Kumar Rithaliya

Auditors

M/s Khandelwal and Khandelwal Associates
Chartered Accountants
Indore

Banker(s)

1. State Bank of India, Commercial Branch, Indore
2. ICICI Bank, New Delhi
3. HDFC Bank, New Delhi

Registered Office

3/8, IInd Floor,
Asaf Ali Road, New Delhi-110002
Telephone : 91-011-23247868-72
Telefax : 91- 011-23260320
Email : maan@siddharthametal.com
Website : www.maanaluminium.org

Plant

Plot No. 67 & 75, Sector 1,
Pithampur Industrial Area,
Dist.: Dhar (M.P.),
Phone : 07292-253446, 253618

Registrar and Share Transfer Agent

M/s. Link Intime India Pvt. Limited
A-40,2nd Floor, Naraina Industrial Area,
Phase-II, Near Batra Banquet Hall,
New Delhi – 110028
Ph. : 011-41410592/3/4
Fax : 011-41410591
Email : delhi@linkintimeindia.co.in

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Chairman's Speech

It gives me immense pleasure to present your Company's results for the financial year ended March 31, 2012 at this 9th Annual General Meeting of the Company.

Globally, the economies are facing significant downside risks owing to fiscal crisis in Europe, political upheavels in parts of Middle East. India too witnessed its share of its challenges during 2011-12 fiscal, led by a deceleration in Industrial Production and GDP growth rates. Steep inflation and resultant high input costs coupled with adverse currency movements and fluctuating global commodity prices are some of the challenges in the Indian market. GDP is expected to grow by 6.9% in 2011-12 after having grown at 8.4% in preceding two years. However India's GDP growth in 2012-13 is expected to be 7.6%.

Your Company has successfully implemented a plan for optimisation of its manufacturing operations with the installation of new 1320 MT Extrusion press, a modern foundry with a 10 MT furnace and HOT TOP casting machine which will yield improved productivity, higher efficiency and enable manufacturing of a wider product range. With installation of this new press, the production capacity of the Company has increased to 9000 M.T. p.a.

Your Company achieved a turnover of ₹ 12061.67 lacs during the year under review as compared to ₹ 13340.31 lacs during the earlier year.

The net margins in the main line products of your Company have been under pressure, resulting in the net profit for the year under review reducing to ₹ 40.23 lacs as compared to the net profit of ₹ 84.32 lacs during the earlier year.

There is need for continuous improvement in the products and the methods to achieve greater operational efficiencies and manufacturing of value added products. The development of new infrastructure in developing economies and replacement assets in developed economies are leading to increased demand for aluminium, and various measures taken by your Company are targeted to achieve a step up in its share in the domestic and overseas markets.

The proposed merger of SMW Metal Private Limited with your Company as envisaged in the last year has been put on hold due to adverse market condition

Your Company remains focused on cost control and productivity. These efforts would facilitate in achieving partial offset of its high costs of production. Your Company expects the full benefit of manufacturing side augmentations to be realized by the end of the current financial year.

I would like to take this opportunity to thank all our consumers, business partners, shareholders and employees for continued commitment and support. I gratefully acknowledge the confidence and faith reposed by the shareholders in the Board and the Management team which has, in my view, spurred the Company to take on more challenges. Finally, I must applaud the tireless efforts, dedication and commitment of our employees who have helped us reach where we are now and look forward to their continued support in the journey forward.



Ravinder Nath Jain
Executive Chairman

NOTICE

Notice is hereby given that the Ninth Annual General Meeting of the members of Maan Aluminium Limited will be held on Saturday, the 29th day of September, 2012 at The Connaught, 37, Shaheed Bhagat Singh Marg, Next to Shivaji Stadium, New Delhi-110001 at 10.30 AM to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2012, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Sunil Kumar Shandilya, who retires by rotation and being eligible offers himself for re- appointment.
3. To appoint a director in place of Mr. Rajesh Jain, who retires by rotation and being eligible offers himself for re- appointment.
4. To appoint a director in place of Mr. Rajinder Prakash Gupta, who retires by rotation and being eligible offers himself for re-appointment.
5. To re-appoint M/s. Khandelwal and Khandelwal Associates, Chartered Accountants, Indore (Firm Registration No. 008389C) as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until conclusion of next Annual General Meeting and to fix their remuneration.

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 INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the meeting.
3. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2012 to 28th September, 2012 (both days inclusive).
5. 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.
6. Members are requested to bring their copy of Annual Report to the meeting.
7. Non-Resident Indian Shareholders are requested to provide following information to M/s Link Intime India Pvt. Ltd. A-40,2nd Floor, Naraina Industrial, Area, Phase-II, Near Batra Banquet Hall, New Delhi – 110028.
 - 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.
8. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
9. 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. to 1.00 p.m.
10. As part of Green Initiative in the Corporate Governance, members whose e-mail addresses are registered will be sent the annual report through e-mail.

11. Information required under Clause 49 of the Listing Agreement on Directors re-appointment.

- a) Mr. Sunil Kumar Shandilya aged 60 years has over 39 years experience in Aluminium Extrusion industry. He worked for overseas units for 17 years. He managed various units as profit centre incharge during last 22 years.
- b) Mr. Rajesh Jain aged 55 years is a graduate and has experience of over 32 years in various capacities.
- c) Mr. Rajinder Prakash Gupta aged 62 is a Chartered Accountant with vast experience of about 37 years in various fields such as taxation, auditing, finance, accounts etc.

By order of the Board of Directors
For **Maan Aluminium Limited**

Date : 13th August, 2012
Place : New Delhi

Bijender Kumar Rithaliya
CFO & Company Secretary

DIRECTOR'S REPORT

Dear Members,

Your Directors present you the Ninth Annual Report of your Company and the Audited Accounts for the financial year ended 31st March 2012.

THE YEAR AT A GLANCE

(₹ in Lakhs)

| Particulars | 2011-12 | 2010-11 |
|--|---------|---------|
| Net Profit Before Depreciation | 205.30 | 287.99 |
| Less: Depreciation | 148.62 | 138.99 |
| Net Profit Before Tax | 56.68 | 149.00 |
| Less: Taxation | 16.45 | 64.68 |
| Profit After Tax | 40.23 | 84.32 |
| Add: Profit brought forward | 516.08 | 481.18 |
| Total Profit Available for Appropriation | 556.31 | 565.50 |
| Less: Appropriations | - | 49.42 |
| Balance carried to Balance Sheet | 556.31 | 516.08 |

RESULTS OF OPERATIONS

The gross turnover of your Company for the 2011-12 is ₹ 12,061.67 Lakhs as against ₹ 13,340.31 Lakhs in the previous year. The Net Profit before tax stood at ₹ 56.68 Lakhs as against ₹ 149.00 Lakhs in the previous year. The Profit after Tax is ₹ 40.23 Lakhs as against ₹ 84.32 Lakhs in the previous year.

DIVIDEND

The Company's inadequate profits does not justify a dividend payout. Hence to conserve our reserves we are unable to recommend any dividend for the year under review.

FUTURE OUTLOOK

Aluminium Extrusion demand is growing @ 8% per annum mainly on Account of increase in usage of Aluminium Profiles in Villa Segment, in addition to High rise Buildings. Further there has been tremendous growth in demand of Aluminium Bus Bars in Electrical Segment. Similarly increasing trends are seen in High end Segment of Bus Body fabrication particularly in Volvo Model. On account of these potential for usage of Aluminium extrusion remains bright.

DIRECTORS

Mr. Sunil Kumar Shandilya, Executive Director, Mr. Rajesh Jain, Non Executive Independent Director and Mr. Rajinder Prakash Gupta, Non Executive Independent Director are due to retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The brief resume of the aforesaid directors and other information have been detailed in the Corporate Governance Section of this report. Your Directors recommend their re-appointment as Directors of your Company.

FIXED DEPOSITS

Your Company has not accepted any fixed Deposit during the year 2011-12 and there are no outstanding fixed deposits from the public as on 31st March 2012.

PERSONNEL AND HUMAN CAPITAL

Your Company acknowledges that the role of Human Resources continues to remain strategic to organization's success. Management of the human resources is a key focus for your Company with processes and policies aligned

to enable employees to meet their career objectives. The industrial relations remained cordial throughout the year. Statement U/S 217 (2A) of the companies Act, 1956 read with the company (particulars of employee) Rule 1975 for the year ended March 2012.

| S. No. | Employee Name | Designation | Nature of Duties | Qualification | Total Work Experience (yrs.) | Age years | Remuneration (₹) |
|--------|--------------------|--------------------|------------------------|---------------|------------------------------|-----------|------------------|
| 1. | Ravinder Nath Jain | Executive Chairman | Overall Control | Graduate | 32 | 53 | 36,00,000/- |
| 2. | Mohinder Jain | Managing Director | Purchase, Sale & Misc. | Graduate | 32 | 50 | 36,00,000/- |

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control structure of your company is adequately designed to ensure the effectiveness of its operations, propriety in the utilization of funds, safeguarding of assets from unauthorized use or disposition, true and fair reporting and compliance with all the applicable regulatory laws and company policies.

QUALITY, RESEARCH & DEVELOPMENT

Quality is a way of life for the company and a key component for its success. Your Company ensures strict adherence to quality processes which are strictly benchmarked against world-class operating models and global practices.

Your Company believes that Research and Development in every aspect is an important path for improvisation of business. Particulars of activities relating thereto have been given in Annexure hereto.

INSURANCE

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

LISTING OF SHARES

Your Company's shares are listed and are being traded on the National Stock Exchange of India Limited & Bombay Stock Exchange Limited.

CORPORATE GOVERNANCE

Pursuant to Clause-49 (VII) of the Listing Agreement a separate report on Corporate Governance forms part of the Annual Report. Your Company is compliant with the requirements of the Listing Agreement and necessary disclosures have been made in this regard in the Corporate Governance Report. The report on Corporate Governance is included as a part of the Annual Report.

A certificate from the statutory auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A separate report on Management Discussion and Analysis relating to business and economic environment surrounding your company is enclosed as a part of the Annual Report.

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

Particulars in respect of conservation of energy, technology absorption, foreign exchange earning and outgo by the Company as per section 217(1) (e) of the Companies Act, 1956, are given as per Annexure of this report.

AUDITORS

At the forth coming Annual General Meeting as per term of appointment of M/s Khandelwal & Khandelwal Associates, Chartered Accountants, Statutory auditors of your Company retire and are eligible for re-appointment. Your Directors recommend their re-appointment for the ensuing year.

COST AUDITOR

As per the directive of Central Government pursuant to the provisions of Section 233B of the Companies Act, 1956, your Directors have re-appointed M/s. Vinod Bhatt & Co. a firm of Cost Accountants, to conduct the audit for the year ended 31st March, 2013.

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 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.

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 bankers, financial institutions, shareholders, dealers and customers for their continued support and assistance. Without their appreciable support it not possible for the company to stands in competitive market, therefore company seeks their support in future too.

For and on behalf of the Board

Date : 30th May 2012
Place : New Delhi

Ravinder Nath Jain
Executive Chairman

ANNEXURE TO THE DIRECTOR'S REPORT

Particulars required Under Section 217 (1) (e) and under the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988.

FORM A

CONSERVATION OF ENERGY

A) Energy conservation measures taken:

Energy conservation devices have been installed and the equipments are maintained properly to reduce energy consumption. The new system is 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:

By relocating/ modifying the available equipments, energy conservation measures are being implemented

C) Total energy consumption and energy consumption per unit production:

| Particulars | 2011-12 | 2010-11 |
|--|-------------------|------------|
| POWER AND FUEL CONSUMPTION : | | |
| (i) Electricity Purchased (Units) | 3,352,828 | 2,863,673 |
| Total Amount (₹) | 20,538,666 | 15,604,305 |
| Rate per unit | 6.12 | 5.45 |
| (ii) Own Generation through D.G. Set: | | |
| Generation Unit | - | - |
| Unit per liter of Oil | - | - |
| Cost per Unit | - | - |
| CONSUMPTION PER UNIT OF PRODUCTION | | |
| Production in kgs | 3,166,322 | 3,060,328 |
| Consumption per unit of Production (per kg.) | 1.06 | 0.94 |

FORM B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Research & Development (R&D)

- The R&D unit of your Company is carrying out the following activities to support the business goals of your Company:
 - Development of new products and processes related to extrusion.
 - Upgradation of products and processes to reduce environment and safety concerns.
 - Development of characterization techniques, analytical test methods and application techniques essential for product development, quality improvement, Cost benefits, supply chain flexibility and crisis management.
 - Value engineering and improving formulation efficiency of existing products.
- Benefits derived:
 - Process improvements being continued for improving productivity and energy efficiencies.
 - Improvement in quality and environment:
- Future plan of action:
 - To enhance technical capabilities to sustain its competitive position in the market:
 - To reduce process loss.
- Expenditure on Research and development:
 - Research & development is an integrated and ongoing business activity for which no separate business expenditure is allocated and identified.

Technology Absorption, Adaptation & Innovation

All developments were done indigenously.

FOREIGN EXCHANGE EARNING AND OUTGO

₹ in Lakhs

| Particulars | 2011-12 | 2010-11 |
|---|-----------------|---------|
| a) Foreign Exchange Earnings (FOB Value of Exports) | 825.91 | 754.74 |
| b) Foreign Exchange Outgo | 1,305.74 | 523.61 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

MACRO-ECONOMIC SCENARIO AND OPPORTUNITIES

The domestic primary aluminium industry is around 5% of the Global Aluminium Industry. The Indian aluminium extrusion market has an installed capacity of approx 5,20,000 MT per annum which is likely to see double digit growth over next few years owing to consistently growing demand from architectural, building, construction and automobile sectors. The per capita consumption of aluminium metal in developed countries is about 20 to 30 Kgs. However, in India, the per capita consumption of aluminium is only 1.3 Kgs. Thus there is a vast scope for the industry to develop under the current scenario.

THREATS

The aluminium industry is affected to a large extent by the volatility in the aluminium raw material prices, foreign exchange fluctuations and low quality aluminium products being dumped by neighboring countries.

BUSINESS REVIEW

This year Company has obtained permission for expansion from M.P. Trade and Investment Facilitation Corporation Limited. According to this approval, the capacity has been increased from existing level to 9000 MT p.a. Accordingly Company has geared-up marketing activities and production, so as to achieve Production and sale of 9000 MT in 2 years time.

FUTURE OUTLOOK

The future for Aluminium and Aluminium extrusion in India is very promising with the low per capita consumption in the country coupled with high and good quality reserves of Bauxite. Awareness of the utility of aluminium in various industrial sectors is growing and it provides a lower cost option as to use of various metals in different sectors.

RISK AND CONCERN

The Company identifies all type of risk at an early stage which helps it to control them better. The risks are normally perceived from Price fluctuation, government policies, market competition and retention of manpower.

QUALITY CONTROL

To produce good quality of Aluminium extrusion by and large there are 23 parameters to check. On account of quality, your Company is enjoying good Brand image and the Brand Leadership is maintained. All parameter checks on Quality Control are adhered to. This year the Quality Control Staff have been augmented from 6 to 14 No. which shows the commitment of your Company in achieving high quality norms.

REVIEW OF COMPANY'S OPERATION

The turnover during the year was ₹ 12061.67 Lakhs as compared with ₹ 13340.31 Lakhs in the previous year which was due to lower trading sales.

The net profit after tax is ₹ 40.23 Lakhs which is lower compared with ₹ 84.32 Lakhs in the previous year. The profitability was lower due to volatility in market.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has internal control system commensurate with its size and nature of business, to ensure that all assets are safeguarded and protected against unauthorized use and that all transactions are authorized, recorded and correctly reported. The internal risks are identified which in turn are allocated to respective designated owners to manage and control the risks. Assets are fully insured against all threats to mitigate risks against unforeseen events.