



ANNUAL REPORT 2017-18



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## Corporate Information

### Directors

Mr. Suresh Kumar Agrawal - Managing Director  
DIN : 00520769

Mr. Sunil Kumar Agrawal  
DIN : 00091784

Mr. Vineet Agrawal  
DIN : 00441223

Mr. Ajay Kumar Chakraborty  
DIN : 00133604

Dr. Kali Kumar Chaudhuri  
DIN : 00206157

Mrs. Smita Khaitan  
DIN : 01116869

### Company Secretary

Ms. Aditi Jhunjunwala  
(upto 28.02.2018)

Mr. Pradip Kumar Kandar  
(w.e.f. 01.03.2018)

### Chief Financial Officer

Mr. Rahul Bharpilania

### Auditors

M/s. S. K. Agrawal & Co.

### Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.  
59C, Chowringhee Road, Kolkata - 700 020

### Registered Office

8/1, Lal Bazar Street  
Bikaner Building, 3rd Floor  
Kolkata - 700 001

### Bankers

State Bank of India  
ICICI Bank Ltd.  
Allahabad Bank  
Yes Bank

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Thirty Fourth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2018.

### FINANCIAL RESULTS

(` in Lacs)

Particulars	STANDALONE		CONSOLIDATION	
	2017-18	2016-17	2017-18	2016-17
Total Revenue	11615.40	5272.08	108626.18	105874.47
<b>Profit Before Tax</b>	<b>6570.75</b>	1221.67	<b>12580.49</b>	11618.91
Less : Provision for Taxation	1404.04	362.93	2971.19	1502.44
Less: Share of Profit transferred to Minority Interest	–	–	122.31	56.44
<b>Profit After Tax (PAT)</b>	<b>5166.71</b>	858.74	<b>9486.99</b>	10060.03
Other Comprehensive Income (OCI)	(0.98)	3.45	(7.37)	(10.56)
<b>Total Comprehensive Income for the year</b>	<b>5165.73</b>	862.19	<b>9479.62</b>	10049.47
Balance brought forward from previous year	2004.98	1646.24	111430.50	101870.47
Adjustments	–	–	3522.23	–
<b>Total (excluding OCI)</b>	<b>7171.69</b>	2504.98	<b>124439.72</b>	111930.50
<b>Appropriations :</b>				
Dividend on Equity Shares	1966.02	–	1966.02	–
Transfer to General Reserve	731.98	500.00	731.98	500.00
<b>Surplus Carried to Balance Sheet</b>	<b>4473.69</b>	2004.98	<b>121741.72</b>	111430.50

### STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Kindly refer to 'Management Discussion and Analysis Report' which forms part of this Annual Report.

### CHANGES IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company during the year under review.

### DIVIDEND

The Board of Directors in its meeting held on 31st August, 2017, had declared Interim Dividend to the shareholders of the Company @150% i.e. Rs.3/- per share on face value of Rs.2/- per equity share for 6,55,34,050 equity shares, aggregating to Rs.1966.02 Lacs. The Board fixed Friday, the 8th September, 2017 as record date for the purpose of payment Interim Dividend to the Shareholders entitled thereto. The Board of Directors of the Company has not recommended any further dividend for the financial year 2017-18 and the Interim Dividend paid would be the final dividend for the Financial Year 2017-18.

### TRANSFER TO RESERVES

The Board in its Meeting held on 16th May, 2018 proposed to transfer Rs. 731.98 Lacs to the General Reserve.

### CHANGES IN SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31st March, 2018 stood at Rs. 1310.68 Lacs. During the year under review, the Company has not issued any further shares.

### DETAILS PERTAINING TO SHARES IN SUSPENSE ACCOUNT

Details of shares held in the demat suspense account as required under Regulation 39(4) read with Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") forms part of the Corporate Governance Report.

**DETAILS UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013 ('THE ACT, 2013') IN RESPECT OF ANY SCHEME OF PROVISIONS OF MONEY FOR PURCHASE OF OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFITS OF EMPLOYEES**

No such instance took place during the year under review.

**OPERATIONS AND BUSINESS PERFORMANCE**

The details of operation and business performance of the Company has been elaborated in the 'Management Discussion and Analysis Report', forming part of this Annual Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) read with Para B of Schedule V of the Listing Regulations forms part of this Annual Report.

**DETAILS RELATING TO MATERIAL VARIATIONS**

The Company has not issued any prospectus or letter of offer during the last five years and as such the requirement for providing the details relating to material variation is not applicable upon the Company for the year under review.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no material changes and commitments of the company during the period between the end of the financial year 2017-18 and the date of this report which can affect the financial position of the Company for the year under review.

**TRANSITION TO INDIAN ACCOUNTING STANDARDS**

The Indian Accounting Standards (IndAS) has been applicable to the Company for the first time during the Financial Year 2017-2018 and accordingly, with effect from 1st April 2016, your Company was required to align its accounting policies and disclosures in accordance with the IndAS. Necessary adjustments in the previous year figures and in the format of presentation in compliance with the requirement of IndAS have made in the accounts.

**EXTRACT OF ANNUAL RETRUN**

The extract of Annual Return as on 31st March, 2018 in the prescribed Form MGT-9, pursuant to section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 forms part of this Directors' Report and marked as **Annexure-"A"**.

**CORPORATE GOVERNANCE REPORT**

The Company follows the corporate governance guidelines and best practices sincerely, and discloses timely and accurately information regarding the operations and performance of the Company.

Pursuant to Regulation 34 read with Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on the Corporate Governance along with a certificate from the Statutory Auditors of the Company confirming compliance with the conditions of the Corporate Governance is forming part of this report and marked as **Annexure-"B"**.

**NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

The details of number of meeting of Board of the Directors of the Company held during the year have been provided in the Corporate Governance Report forming part of this Directors' Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost auditors, secretarial auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Control were adequate and effective during Financial year 2017-18.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year 2017-18 and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts had been prepared on a going concern basis;
- e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively;
- f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS**

The Company has appointed Mr. Ajay Kumar Chakraborty [DIN: 00133604], Dr. Kali Kumar Chaudhuri [DIN: 00206157] and Mrs. Smita Khaitan [DIN: 01116869], as Independent Directors of the Company for a fixed term of 5 (five) years in the Annual General Meeting (AGM) of the Company held on 26th September, 2014.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under section 149(6) of the Act, and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of section 152(6) of the Act and the Articles of Association of the Company, Mr. Sunil Kumar Agrawal [DIN: 00091784], Non-Executive Director of the Company, is liable to retire by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

During the year under review, Ms. Aditi Jhunjhunwala was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 18th September, 2017 and has resigned from the office with effect from the close of working hours on 28th February, 2018. Mr. Pradip Kumar Kandar has been appointed as Company Secretary & Compliance Officer of the Company w.e.f. 1st March, 2018.

The brief resume/profile of the Director recommended by the Board for appointment/re-appointment has been provided in the Notice convening the Thirty Fourth Annual General Meeting.

#### **SECRETARIAL STANDARDS**

The Institute of Company Secretaries of India has issued Secretarial Standard -1 (SS-1) on 'Meeting of the Board of Directors' and Secretarial Standard - 2 (SS-2) on 'General Meeting' and both the Secretarial Standards have been approved by the Central Government under section 118(10) of the Companies Act, 2013. Pursuant to the provisions of section 118(10) of the Companies Act, 2013, it is mandatory for the company to observe the secretarial standards with respect to Board Meeting and General Meeting. The Company has adopted and followed the set of principles prescribed in the respective Secretarial Standards for convening and conducting Meetings of Board of Directors, General Meeting and matters related thereto. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

#### **STATUTORY AUDITORS & AUDITORS' REPORT**

M/s. S. K. Agrawal & Co., Chartered Accountants, (Firm Registration No. 306033E), had been appointed as statutory auditors of the Company at the 33rd Annual General Meeting of the Company held on 22nd September 2017 for a term of 5(five) consecutive years, to hold office from the conclusion of the 33rd Annual General Meeting till the conclusion of 38th Annual General Meeting of the Company to be held for the Financial Year 2021-22, subject to the ratification by the members of the Company at every subsequent Annual general Meeting, on such remuneration as may be determined by the Board of Directors based on the recommendation of the Audit Committee and mutually agreed by the Statutory Auditors, in addition to the reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

The First Proviso of the Section 139(1) of the Companies Act, 2013 has been omitted pursuant to the Companies (Amendment) Act, 2017 and therefore the requirement of placing the matter relating to appointment of auditor for ratification by members at every Annual General Meeting has been done away. As authorized by the shareholders at the last AGM, the Board of Directors on the recommendation of the Audit Committee has approved the remuneration payable to M/s. S. K. Agrawal & Co., Chartered Accountants, for the financial year 2018-19.

There are no observations (including any qualification, reservation, adverse remarks or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. The specific notes forming part of the accounts referred to in Auditor's Report are self-explanatory and give complete information.

#### **SECRETARIAL AUDITORS**

Pursuant to the provisions of section 204 of the Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Vinod Kothari & Company, Practising Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year 2017-18.

#### **SECRETARIAL AUDIT REPORT**

The Secretarial Audit Report in Form MR-3 as given by the Secretarial Auditor for the financial year ended 31st March, 2018, forms part of the Directors' Report and annexed as '**Annexure-C**'.

The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, regulations, and Guidelines and that there were no deviations or non-compliances.

There are no observations (including any qualification, reservation, adverse remarks or disclaimer) of the Secretarial Auditors in their Audit Report that may call for any explanation from the Directors. The Company has transferred the shares in respect of which the dividend remained unclaimed for a period of seven or more consecutive years to IEPF Authorities and prior intimation to that effect was given to the shareholders by publishing newspaper advertisements by the Company. The details of shareholders whose shares are transferred alongwith their share holding has been published in the official website of the Company i.e. [www.manaksia.com](http://www.manaksia.com) and also in the official website of the IEPF Authorities i.e. [www.iepf.gov.in](http://www.iepf.gov.in). However, the Secretarial Auditors has also emphasized for sending individual notice to those shareholders whose shares are lying unclaimed for past seven consecutive years or more prior to transferring those shares to IEPF Authorities. The Board has taken note of the same and will take necessary steps in this regard.

#### **COST AUDITORS**

The provisions of section 148 of Act, 2013 and the relevant rules made thereunder are not applicable to your Company and hence there is no requirement for appointing Cost Auditors for the Financial Year 2017-18.

#### **FRAUD REPORTING**

There was no fraud reported by the Auditors of the Company under section 143(12) of the Companies Act, 2013 to the Audit Committee or the Board of Directors during the Financial Year under review.

#### **DISCLOSURE ON EMPLOYEE STOCK OPTION/ PURCHASE SCHEME**

During the year under review, your Company has not provided any employee stock option / purchase scheme.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS MADE UNDER SECTION 186 OF COMPANIES ACT, 2013**

The full particulars of the loans given, investments made, guarantees given or security provided – and the purpose for which the loan or guarantee or security is proposed to be utilised as per the provisions of Section 186 of the Act are provided in the notes to the Financial Statements (Refer note no. 4, 5, 8 and 12).

#### **PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES**

All contracts/arrangements/transactions entered by the Company with related parties for the year under review were on arm's length basis and in the ordinary course of business reviewed by the Audit Committee and hence the provisions of Section 188(1) of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 were not attracted. All the related party transactions of your Company are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. There are no materially significant transactions entered into by your Company with Promoters, Directors or Key Managerial Personnel (KMPs), which have potential conflict with the interest of your Company at large. Since all related party transactions entered into by your Company were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to your Company. Thus, disclosure in Form AOC-2 is not required.

All Related Party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of unforeseen nature. The transactions entered into pursuant to the omnibus approval so granted are reviewed by the Audit Committee and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their noting on a quarterly basis.

During the year under review, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Company's policy on Materiality of Related Party Transactions.

The policy on Related Party Transactions as approved by the Board of Directors of the Company may be accessed on the Company's website [www.manaksia.com](http://www.manaksia.com) and the weblink thereto [http://www.manaksia.com/images/pdf/Related\\_Party\\_Policy\\_Manaksia.pdf](http://www.manaksia.com/images/pdf/Related_Party_Policy_Manaksia.pdf)

#### **PARTICULARS OF LOANS/ADVANCES/INVESTMENTS OUTSTANDING DURING THE FINANCIAL YEAR AS REQUIRED UNDER SCHEDULE V OF THE LISTING REGULATIONS**

The details of related party disclosures with respect to loans/advances/ investments at the year end and maximum outstanding amount thereof during the year as required under Part A of Schedule V of the Listing Regulations have been provided in the notes to the Financial Statements of the Company.

#### **DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

The details required pursuant to the provisions of section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo forms part of this Directors Report and marked as **Annexure-'D'**.

#### **RISK MANAGEMENT SYSTEM**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate the probability and/or impact of unfortunate events or to maximize the realisation of opportunities.

The Company has structured Risk Management Policy, designed to safeguard the organization from various risks through adequate and timely actions. The Company manages; monitors and reports on its risks and uncertainties that can impact its ability to achieve its objectives. The major risks have been identified by the Company and its mitigation process/measures have been formulated.

#### **AUDIT COMMITTEE**

The Company, pursuant to the requirement of the provisions of section 177 of the Act, 2013 read with the Regulation 18 of the Listing Regulations has in place Audit Committee and the Audit Committee as on 31st March, 2018 comprising of 4 (four) members, Mr. Ajay Kumar Chakraborty – Independent Director (Chairman) [DIN: 00133604], Dr. Kali Kumar Chaudhuri – Independent Director [DIN: 00206157], Mrs. Smita Khaitan – Independent Woman Director [DIN: 01116869] and Mr. Sunil Kumar Agrawal – Non-executive Director [DIN: 00091784]. The Board of Directors has revised the composition of the Audit Committee at its meeting held on 7th May, 2018 and 16th May, 2018 and as on the date of this report the Audit Committee is comprised of Dr. Kali Kumar Chaudhuri (Independent Director), Mrs. Smita Khaitan (Independent Woman Director) and Mr. Sunil Kumar Agrawal (Non-Executive Director). The Committee focuses on certain specific areas and make informed decisions in line with the delegated authority and function according to the roles and defined scope. The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

There were no such instances wherein the Board had not accepted recommendation of the Audit Committee.

#### **NOMINATION & REMUNERATION COMMITTEE**

The Company pursuant to the requirement of provisions of section 178(1) of the Act, 2013 read with the Regulation 19 of the Listing Regulations, has in place the Nomination & Remuneration Committee and the Committee as on 31st March, 2018 comprising of 4 (four) members, Dr. Kali Kumar Chaudhuri– Independent Director (Chairman) [DIN: 00206157], Mr. Ajay Kumar Chakraborty - Independent Director [DIN: 00133604], Mrs. Smita Khaitan – Independent Woman Director [DIN: 01116869] and Mr. Sunil Kumar Agrawal – Non-executive Director [DIN: 00091784]. The Board of Directors at its meeting held on 7th May, 2018 has revised the composition of the Nomination and Remuneration Committee and as on the date of this report the revised composition of the Nomination and Remuneration Committee is comprised of Dr. Kali Kumar Chaudhuri (Independent Director), Mrs. Smita Khaitan (Independent Woman Director) and Mr. Vineet Agrawal (Non-Executive Director). The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

The Company pursuant to provisions of section 178 of the Act, 2013 and Regulation 19 read with Para A of Part D of Schedule II, upon recommendation of Nomination & Remuneration Committee has devised a Remuneration Policy applicable to all Executive of the Company i.e. Directors, Key Managerial Personnel and Senior Management. The said policy forms part of the this Report and marked as **'Annexure E'**.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

As required by the provisions of section 178(5) of the Act, 2013 read with Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company has in place the Stakeholders Relationship Committee and the Committee as on 31st March, 2018 comprising of 3 (three) members, Mrs. Smita Khaitan – Independent Woman Director (Chairman) [DIN: 01116869], Mr. Suresh Kumar

Agrawal – Managing Director [DIN: 00520769] and Mr. Vineet Agrawal – Non-executive Director [DIN: 00441223]. The Board of Directors at its meeting held on 7th May, 2018 has revised the composition of the Stakeholders Relationship Committee and as on the date of this report the Stakeholders Relationship Committee is comprised of Mrs. Smita Khaitan (Independent Woman Director), Mr. Sunil Kumar Agrawal (Non-Executive Director) and Mr. Vineet Agrawal (Non-Executive Director). The details of composition, terms of reference and number of meetings held for the Committee is provided in the Corporate Governance Report.

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with section 135 of the Act, 2013 and Rules thereunder and as on 31st March, 2018 the Committee is comprised of Mr. Suresh Kumar Agrawal (Chairman and Executive Director) , Mr. Ajay Kumar Chajraborty (Independent Director), Mrs. Smita Khaitan (Independent Woman Director) and Mr. Sunil Kumar Agrawal (Non-Executive Director). The Board of Directors at its meeting held on 7th May, 2018 has revised the composition of the Committee and as on the date of this report the Committee comprised of Mr. Suresh Kumar Agrawal (Executive Director), Mrs. Smita Khaitan (Independent Woman Director) and Mr. Sunil Kumar Agrawal (Non-Executive Director). The composition and the detailed terms of reference of the CSR Committee are provided in the Corporate Governance Report. The CSR activities are *inter-alia*, focused on Rural Development, Livestock Development, Promotion of Education, Protecting Fauna, Health Care and Reducing Inequalities faced by socially and economically backward groups.

The report on CSR activities pursuant to clause (o) of sub-section (3) of section 134 of the Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 forms part of this report and marked as **Annexure – ‘F’**.

#### **ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Act and Regulation 25 of the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of its Committees.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Guidance Note on Board Evaluation of SEBI dated 5th January, 2017 the Nomination & Remuneration Committee has laid down the criteria for performance evaluation, in a structured questionnaire form after taking into consideration various aspects of the Board functioning, composition of the Board and its Committees, culture, execution, diligence, integrity, awareness and performance of specific laws, duties, obligations and governance, on the basis of which, the Board has carried out the annual evaluation of its own performance, the performance of Board Committee and of Directors individually, by way of individual and collective feedback from Directors. Further, pursuant to Para VII of Schedule IV of the Act, 2013 and provisions of the Listing Regulations, the Independent Directors of the Company, without the participation of Non-Independent Directors and members of management, convened a separate meeting on 8th February, 2018, to perform the following:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairman of the Company taking into account the views of executive directors and non executive directors;
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The criteria for evaluation are briefly provided below:

The review of performance of Non-Independent Directors was done, after discussing with them on various parameters, such as, skill, competence, experience, degree of engagement, ideas & planning etc. The Board performance was reviewed on various parameters, such as, adequacy of the composition of the Board, Board culture, appropriateness of qualification & expertise of Board members, process of identification and appointment of Independent Directors, inter-personal skills, ability to act proactively, managing conflicts, managing crisis situations, diversity in the knowledge and related industry expertise, roles and responsibilities of Board members, appropriate utilization of talents and skills of Board members etc. The evaluation of the Chairman of the Company was conducted on various parameters such as leadership quality, capability, availability, clarity of understanding, governance & Compliance and degree of contribution etc.

The Board of Directors of the Company expressed their satisfaction towards the process of review and evaluation of performance of Board, its Committees and of individual directors.

#### **FAMILIARIZATION PROGRAMME**

Familiarization programme undertaken for Independent Directors is provided at the following weblink:

[http://www.manaksia.com/pdf/familiarization\\_programme\\_for\\_independent\\_directors.pdf](http://www.manaksia.com/pdf/familiarization_programme_for_independent_directors.pdf)

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Pursuant to the provisions of section 129(3) of the Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the details containing salient features of the financial statement of subsidiary companies /associate companies/ joint ventures in Form AOC-1 forms part of this Annual Report.

The details of performance of the Subsidiary Companies are as follows:

**Indian Subsidiaries:****Mark Steels Limited**

The Revenue from operations of the company for FY 2017-18 stood at Rs. 13738.69 Lacs (Previous Year: Rs. 12100.26 Lacs). During the year, the company had a net profit of Rs. 407.72 Lacs (Previous Year: Rs. 188.13 Lacs).

**Manaksia Overseas Limited**

During the year under review, the company had a net loss of Rs. 0.25 Lacs in FY 2017-18 (Previous Year: net loss of Rs. 0.25 Lacs).

**Manaksia Ferro Industries Limited**

During the year under review, the company had a net loss of Rs. 0.21 Lacs in FY 2017-18 (Previous Year: net loss of Rs. 0.29 Lacs).

**Foreign Subsidiaries:****MINL Limited**

The Revenue of the company for the year ended 31st December 2017 stood at Naira 365496.69 Lacs (equivalent to Rs. 76463.74 Lacs). During the year ended 31st December 2017, the company had a net profit of Naira 22995.51 Lacs (equivalent to Rs. 4,810.78 Lacs).

**Jebba Paper Mills Limited**

This company is subsidiary of MINL Limited. The Revenue of the company for the year ended 31st December 2017 stood at Naira 68763.90 Lacs (equivalent to Rs. 14385.75 Lacs). During the year ended 31st December 2017, the company had a net profit of Naira 21637.87 Lacs (equivalent to Rs. 4526.75 Lacs).

**Dynatech Industries Ghana Limited**

The Revenue of the company for the year ended 31st December 2017 stood at CEDI 323.93 Lacs (equivalent to Rs. 4673.39 Lacs). During the year ended 31st December 2017, the company had a net profit of CEDI 19.21 Lacs (equivalent to Rs. 278.03 Lacs).

Except as stated hereinabove, the Company does not have any joint venture or associate company during the year under review.

**MATERIAL SUBSIDIARY COMPANIES**

A subsidiary shall be considered as material if its income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. MINL Limited is the foreign material subsidiary of the Company for the Financial Year 2017-18 under review.

Policy for determining Material Subsidiaries is provided at the following weblink: [http://www.manaksia.com/pdf/POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARIES\\_amended\\_final\\_Manaksia.pdf](http://www.manaksia.com/pdf/POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARIES_amended_final_Manaksia.pdf)

**DEPOSITS**

The Company has neither accepted nor renewed any deposits during the Financial Year under review in terms of the provisions of Chapter V of the Companies Act, 2013.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which may impact its going concern status and Company's operations in future.

**STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has in place adequate internal financial controls with reference to financial statements. Your Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively. To commensurate the internal financial control with its size, scale and complexities of its operations, the Board based on the recommendation of Audit Committee in its meeting held on 19th May, 2017 has appointed M/s Namita Kedia & Associates, Chartered Accountants, as Internal Auditors of the Company for the financial year 2017-18.

The Audit Committee reviews the Report submitted by the Internal Auditors. The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems. In this regard, your Board confirms the following:

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.
2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified/ checked at reasonable intervals and appropriate action is taken with respect to differences, if any.
5. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

#### **WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

In compliance with the provisions of section 177(9) of the Act, 2013 and the Listing Regulations, the Company has framed a Whistle Blower Policy to establish a vigil mechanism for Directors and employees to report genuine concerns about actual or suspected unethical behavior, malpractice, wrongful conduct, discrimination, sexual harassment, fraud, violation of the Company policies including Code of Conduct without fear of reprisal/retaliation. The Whistle Blower Policy/Vigil Mechanism has also been uploaded on Company's website:

[http://www.manaksia.com/pdf/Whistle\\_Blower\\_Policy\\_manaksia.pdf](http://www.manaksia.com/pdf/Whistle_Blower_Policy_manaksia.pdf)

#### **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013**

No complaint has been received by the Internal Complaints Committee of the Company during the Financial Year under review.

#### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The disclosure pertaining to remuneration and other details as required under the provisions of section 197(12) of the Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Directors' Report and marked as **Annexure- 'G'**.

During the year under review, no employee of the Company drew remuneration in excess of the limits specified under the provisions of section 197(12) of the Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no disclosure is required to be made in the Annual Report.

#### **CONSOLIDATED FINANCIAL STATEMENTS**

In compliance with the provisions of the Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Consolidated Financial Statements of the Company and its subsidiaries is attached. The Consolidated Financial Statement has been prepared in accordance with the applicable accounting standards issues by the Institute of Chartered Accountants of India and shows the financial resources, assets, liabilities, income, profits and other details of the Company and its subsidiaries.

#### **ACKNOWLEDGEMENT**

Your Company continues its relentless focus on strengthening competition in all its businesses. It is the endeavor of your Company to deploy resources in a balanced manner so as to secure the interest of the shareholders in the best possible manner in the short, medium and long terms.

Your Directors convey their grateful appreciation for the valuable patronage and co-operation received and goodwill enjoyed by the Company from its esteemed customers, commercial associates, banks, financial institutions, Central Government, State Government, various Government and Local Authorities, other stakeholders and the media.

Your Directors also wish to place on record their deep sense of appreciation to all the employees at all levels for their commendable teamwork, professionalism and enthusiastic contribution towards the working of the Company.

Your Directors look forward to the future with hope and conviction.

**For and on behalf of the Board of Directors**

**Suresh Kumar Agrawal**  
Managing Director  
DIN: 00520769

**Vineet Agrawal**  
Director  
DIN: 00441223

Place : Kolkata  
Dated : 16th May, 2018