

22ND ANNUAL REPORT 2010—2011
MAGNA INDUSTRIES & EXPORTS LTD

**22nd ANNUAL
REPORT 2010-2011**

***MAGNA INDUSTRIES
& EXPORTS LTD***

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MAGNA INDUSTRIES & EXPORTS LTD

BOARD OF DIRECTORS

Satish Bhangar	:	Managing Director
Mohanlal Bhangar	:	Executive Director
Amit Bhangar	:	Executive Director
Asim saha	:	Independent director
R.B.Mokashi	:	Independent Director
Rajesh Pandey	:	Independent Director

REGISTERED OFFICE:

202, Darvesh Chambers, S.V Road,
Khar (West)
Mumbai-400 052

ANNUAL GENERAL MEETING

Day : Friday
Date : Sept.30, 2011
Time : 11.00 a.m.

AUDITORS

P ..Bohra & co
Chartered Accountants
210 ,,Commerce house
Kala ghoda
Mumbai-400021

BANKERS

CANARA BANK

BOOK CLOSURE

28.09.2011 to 30.09.2011
(both days Inclusive)

REGISTRAR AND TRANSFER AGENT

ADROIT CORPORATE SERVICES PVT LTD.
JAFFERBHOY IND.EST MAROL ANDHERI EAST
MUMBAI 400059

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NOTICE

NOTICE is hereby given that the 22ND Annual General Meeting of the members of MAGNA INDUSTRIES & EXPORTS LTD . will be held at its Registered Office of the Company at 202, DARVESH CHAMBERS, S.V.ROAD,KHAR(W) MUMBAI -400052, on FRIDAY 30th September 2011 at 11.00 a.m. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011 and the P&L a/c. for the year ended that date together with the Reports of Auditor's and Director's thereon.
2. To appoint a Director in place of Mr.MOHANLAL BHANGAR , who retires by rotation and being eligible, offers for re-appointment.
3. To appoint a Director in place of Mr.AMIT BHANGAR, who retires by rotation and being eligible, offers for re-appointment.
4. To appoint the Auditors to hold the office from the conclusion of AGM until the conclusion of next AGM of the Company and to fix their remuneration.

Place :Mumbai
Date :28-07-2011

By order of the Board
For MAGNA IND.& EXPORTS LTD
SD/-
(MOHANLAL BHANGAR)
Chairman

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. The Proxy form should be deposited at the registered office of the Company not less than forty eight hours before the meeting.
3. Share Holders are requested to intimate change in their address, if any, immediately.
4. The Register of Members and Share Transfer Book of the Company will remain closed from 28-09-2011 to 30-09-2011 (both days inclusive).

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Directors Report

To,
The Members,
Magna Ind.&Expts.ltd
Mumbai, Maharashtra

Your Directors have pleasure in presenting before you the 22ND ANNUAL REPORT of the Company together with the Audited Statement of Accounts for the year ended 31st March,11

FINANCIAL RESULTS	2010-2011	2009-2010
Turn Over	22,97,73,515	26,97,85,226
Profit (Loss) Before Tax	65,01,675	45,89,617
Provision for Taxation	20,40,000	14,20,000
Profit (Loss) After Tax	44,61,675	31,69,617

OPERATIONAL HIGHLIGHTS

Due to the depressed market conditions the performance of the Company during the year under review was not up to the mark; however Directors are confident of posting of higher growth in the operation in the coming years, thereby recovering the losses incurred in the previous years.

PUBLIC DEPOSITS

During the period under review the Company did not accept deposits in terms of Section 58A of the Companies Act, 1956 and pursuant to the provision of the Non-Banking Financial Companies (Reserve Bank) Direction 1997.

DIRECTORS

Mr.Mohanlal Bhangar and Mr.Amit Bhangar, Directors of the company retires by rotation at this Annual General Meeting and being eligible, offers themselves for re-appointment. The brief resume and other details of directors, who are to be re-appointed as stipulated under clause 49 (IV) (G) of the listing agreement, are furnished in the corporate Governance Report forming part of the Annual Report. During the year there were no changes had taken place in the constitution of the Board of Directors of the Company. During the year there were no changes had taken place in the constitution of the Board of Directors of the Company.

AUDITORS

M/s. P.Bohra & co , Chartered Accountants, Mumbai, the Auditors of the Company retire at the conclusion of this Annual General Meeting. They are eligible for reappointment and indicated

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their willingness to act as an Auditor, if appointed and the appointment shall be in the limits prescribed under the provision of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

There was no employee in the Company whose particulars are required to be furnished as per section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended upto date.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO.

The operations of the company are not energy-intensive. However adequate measures have been taken to reduce energy consumption by using energy efficient computers and equipments with the latest technologies. Your company constantly evaluates new technologies and invests in them to make its infrastructure more energy-efficient. Currently your company use

During the year under review the Company has no foreign exchange earnings and outgo.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby report that :

- (a) In the preparation of annual accounts, the applicable accounting standards have been followed;
- (b) Appropriate accounting policies have been selected and applied consistently and judgements and estimates made that are responsible and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2011
- (c) 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:
- (d) Annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE AND COMPLIANCE

A report on corporate governance along with Management Discussion and Analysis is annexed to this report. as Annexure A certificate from Statutory Auditors with regards to the compliance of the corporate governance, as stipulated in Clause 49 of the Listing Agreement, by the company is annexed to this report.

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The company has fully complied with all mandatory requirements prescribed under Clause 49 of the listing agreement. In addition, the company has also implemented some of the non mandatory provisions of Clause 49.

ACKNOWLEDGEMENT

The Board of Directors take the opportunity to thank the Bankers and Government for the Co-operations and support by them from time to time in the operation of the company during the year. The Board also place on record its deep appreciation for the contribution made by the employees at all levels.

Place :Mumbai
Date :28 07-2011

By order of the Board
For Magna Ind.&.Exports Ltd
SD/-
(Mohanlal Bhangar)
Chairman

ANNEXURE -A to the Director's Report for the year ended 31st March, 2011

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders and clients of the Company and the unquestioned integrity of all personnel involved or related to the Company. To ensure transparency, fairness and objectivity in an organisation's functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, interalia, priority to clients' interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

2. BOARD OF DIRECTORS

The Board of Directors of the Company consists of 4 Directors including the Non- Executive Chairman. Out of 4, three are executive directors. Out of THREE Non-executive directors 1 director is Independent. The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

APPOINTMENT/REAPPOINTMENT OF DIRECTORS

Mr. Mohanlal Bhangar and Mr. Amit Bhangar Directors of the company retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment. The brief resume and other details of directors seeking appointment are given below.

Mr. Mohanlal Bhangar: is a Graduate in commerce Management and is the serving director of many companies. He had wide experience in foreign and international markets and various marketing customs and procedures. He is aged 81 years and is an Independent director of the Company and is the chairman of the Board of directors.

Mr. Amit Bhangar: aged round 29 years is a qualified marketing graduate and is well experienced in the field of marketing management and have more than 4 years in the field of marketing, administration and management.

Board procedure

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed;

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).
- Significant labour problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement

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Composition, Category of Directors and their other directorship and Membership / Chairmanship of Committees.

Sr. No.	Name of the Director	Category	Number of other		
			Direct or-ships	Committee Memberships	Committee Chairmanships
1	SATISH BHANGAR	EXECUTIVE	NIL	NIL	NIL
2	MOHANLAL BHANGAR	EXECUTIVE	NIL	NIL	NIL
3	AMIT BHANGAR	EXECUTIVE	NIL	NIL	NIL
4	ASIM SAHA	INDEPENDANT	NIL	NIL	NIL
5	R.B. MOKASHI	INDEPENDENT	NIL	NIL	NIL
6	RAJESH PANDEY	INDEPENDENT	NIL	NIL	NIL

During the year 5 Board Meetings were held on 30-04-10, 31-07-10, 01-09-10, 30-10-10, and on 31-01-2011. The Board was present with the relevant and necessary information. None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director. The attendance at the Board Meeting during the year and at the last Annual General Meeting was as follows:

NO.	NAME OF DIRECTORS	NO. OF BOARD MEETING ATTENDED	ATTENDANCE AT THE AGM HELD ON 30-09-2011
1	SATISH BHANGAR	5	YES
2	MOHANLAL BHANGAR	5	YES
3	AMIT BHANGAR	5	YES
4	ASIM SAHA	3	YES
5	R.B.MOKASHI	3	YES
6	RAJESH PANDEY	3	YES

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3.AUDIT COMMITTEE

The Board re-constituted the Audit Committee on 14.02.2010 and presently the audit committee consists of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee as stipulated in Clause 49 of the Listing Agreement. The Details of Audit Committee meetings held during the year April 2010 to March 2011 and the attendance of the Audit Committee Members are as under:

SR.NO	DIRECTOR NAME	CATEGORY	NO.OF MEETING HELD	ATTENDED
1	MOHANLAL BHANGAR	CHAIRMAN	5	5
2	R.B.Mokashi	Independent Director	5	5
3	Rajesh Pandey	Independent Director	5	5

Terms of Reference:-

The terms of reference for the audit committee as laid down by the Board include the following:-

- (i) Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (ii) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- (iii) Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgement by management; qualifications in draft audit report; significant adjustments arising out of audit; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements' concerning financial statements; any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
- (iv) Reviewing with the management, statutory and internal auditors, the adequacy of internal control system and ensuring compliance therewith.

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- (v) Discussions with statutory auditors before the commencement of the audit about the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- (vi) Reviewing the Company's financial and risk management policies.
- (vii) To review the functioning of the Whistle Blower Policy adopted by the Company.
- (viii) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

4. REMUNERATION COMMITTEE

This is a non-mandatory requirement. The company has constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company.

The Remuneration Committee consists of MR ASIM SAHA Independent Director, Mr. MOHANLAL BHANGAR Director and Chairman of the Committee and Mr. SATISH BHANGAR Managing Director. Two meeting of the committee held during the year under review.

5. SHARE HOLDER'S GRIEVANCE AND SHARE TRANSFER COMMITTEE

Composition:-

The said committee comprises of MR ASIM SAHA, Chairman of the said committee, Mr R.B.MOKASHI independent Director and Mr. SATISH BHANGAR Managing Director. There are 4 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

Terms of reference:-

To look into the redressal of the share holders complaints in respect of any matter including transfer of shares non receipt of annual report, non receipt of declared dividend etc.

Compliance Officer:-

The company has designated Mr. RAMNATH WARKAR as Compliance Officer.

Summary of Investors' Complaints:-

During the year, all Investor complaints have been resolved on time.

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Annual General Meeting :

The Annual General Meeting (AGMs) of the company have been held at the following places in the last three years.

YEAR	DATE	TIME	VENUE
2006 - 2007	30-09-2007	11.00 A.M	REGD. OFFICE -Mumbai-400002
2007- 2008	30-09-2008	11.00 A.M	REGD. OFFICE -Mumbai-400002
2008- 2009	30-09-2009	11.00 A.M	REGD. OFFICE -Mumbai-400002
2009-2010	30-09-2010	11.00 A.M	REGD. OFFICE -Mumbai-400052

No special resolution passed through postal ballot during the year.

No special resolution on matters requiring postal ballot are placed for share holders approval at this meeting.

6. DISCLOSURES REGARDING RELATED PARTY TRANSACTIONS:-

There were no transaction by the company of material significance with related parties i.e. its Promoters, Directors of Companies or the Management or their relatives during the year which may have potential conflict with interest of the Company at large.

7. MEANS OF COMMUNICATION:

(i) The periodical unaudited / audited financial results are published in Free Press Journal (English) and Sakal as required under the Listing Agreement. All financial and other vital information is promptly communicated to the stock exchanges on which company's shares are listed.

(ii) The Management Discussion and Analysis report prepared by the management and forming part of the Annual Report is separately attached.

8. GENERAL INFORMATION FOR SHAREHOLDERS:

(a) **Regd. Office:-** The Address has been given above

(b) **Date, Time, and Venue of Annual General Meeting:-**

30th September, 2011 at 11.00 A.M at the Regd. Office.

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(c) Financial Reporting for the quarter ending:-

JUNE 30	: END JULY
SEPT 30	: END OCTOBER
DEC 31	: END JANUARY
MARCH 31	: END APRIL

(d) Date of Book Closure :

28.09.2011 to 30.09.2011 (both days inclusive)

(e) Listing Details :

Company's shares are listed on Bombay stock exchange and
the scrip code is 523872

(f) Market price data:

The trading of the equity shares of the company is suspended at the end of the year 2002 and continues to be suspended during the financial year.

(g) Registrar And Transfer Agent:

The name & address of the registrar & share transfer agent has been given on the first page of the Annual Report.

(h) Share Transfer System:

The Company has a Share holders/ Investors grievance Committee who looks after share transfer job by meeting at regular intervals depending upon the receipt of the shares for transfer.

(i) Investor Services:

The Company has resolved all Investor complaints on time.

(i) DEMATERIALISATION OF SHARES AND LIQUIDITY :

The Company has appointed registrar & share transfer agent for electronic connectivity whose name & address has been given on the first page of Annual Report. The Company has also entered into MOU with CDSL & NSDL for electronic connectivity.

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DISPOSAL OF INVESTOR GRIEVANCES

The average time required by the Company for the redressal of routine investor grievances is estimated to be seven working days from the date of receipt of the complaint. In case of non-receipt routine complaints and where external agencies are involved. The Company will strive to redress these complaints as expeditiously as possible.

CERTIFICATION WITH RESPECT TO FINANCIAL STATEMENT

The Managing director of the Company has furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls and compliance of Clause 49 as required under Clause 49 of the listing agreement.

CODE OF CONDUCT

The Company's Board of Directors has adopted the code of conduct which govern the conduct of all directors /employees. All Directors and senior management personnel have affirmed compliance with respective codes for the year ended on 31st March 2011.

IMPLEMENTATION OF NON-MANDATORY CORPORATE GOVERNANCE REQUIREMENTS

The company has implemented the following non-mandatory requirements as stated in clause 49 of the listing agreement with respect to Corporate Governance:-

- (i) Remuneration Committee:- Already details have been given earlier.
- (ii) Whistler Blower policy:- Under this policy employees of the Company can report to the management about unethical behavior, actual or suspected fraud or violation of code of conduct or ethics policy. It is the company's policy to insure that the Whistler Blower are not victimized or denied direct access to the chairman of the Audit Committee. The existence of said policy mechanism has been communicated to all employees.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is in the business of Import & exports of fast moving consumer goods like personal care/healthcare/cosmetics and toiletries which is being manufactured under magna's Own private labels in germany and Turkey under strict quality control as per European FDA standards which are the Best in the world

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(a) Industry Structure and Developments

The company gets its products manufactured in the best factories in Turkey and Germany a very wide range of products under its own brand and importing the same and selling it to multi level marketing companies in India. The company has recently entered into an agreement to import 30 finished products like shampoos/conditioners/creams/perfumes etc and supply to Sahara carehouse a very large group. Magna also participated in various local and international exhibitions where the range of products have been very highly appreciated and shortly Magna would be able to create a very strong presence in the Indian markets which is fast emerging as the largest retail market in the world. During the last 2 years your company is aggressively trying to expand its business activity into the new markets in India and abroad.. Company sees a very bright future in its business activity.

(b) Strength

The strength of the company is known from its reputation which the company has earned due to its quality business and cordial relation with its manufacturers who are listed in Fortune five hundred and are presently looking at the possibility of a joint venture for joint marketing all over Asia and the Middle East markets by using India as a hub for storage for which draft agreement has already been made and the company is to formally execute the same very shortly. The company is trying to expand its business into other trans-European nations.

(c) Comment on Current year's performance

Receipts	:	The current financial year turnover is only Rs. 22,97,73,515
Operating Expenses	:	The operating Expenses are well under control.
Operating Profits	:	4,938,000
Indirect Expenses	:	The Indirect Expenses are under control.
Depreciation	:	No Depreciation is provided.
Profit before tax	:	4,938,000
Taxation	:	9,038,000
Debtor/Sales	:	Debtors are reasonable and realization period has decreased due to the policy of the Company.

d) Opportunities and Threats

Since the company is offering international quality at Indian prices the acceptance of the products is very good even when compared to International standards and since the Indian retail trade has been growing every year at a steady pace of 15-20% every year there is enough scope to grow therefore there is no threat of any sales getting effected due to the size of the Indian market .The company is also looking at International marketing to take care of any unforeseen eventualities due to any adverse govt rules /duty being levied

(e) Segment wise performance

The business of the Company falls under FMCG segment i.e. soaps/detergents/cosmetics toiletries/healthcare food supplements /babycare

(f) Outlook

The Company is making all efforts to accelerate growth of its business. It expects to improve its position in the market by focusing on technologically advanced and more profitable products/market segments and working aggressively in the areas of productivity, efficiency and cost reductions.

(g) Risk and concerns

The market penetration by new entrants in the Company's business area and the strong hold of existing Big players in the market places hurdles in the growth path of the Company. However the company is aggressively using well talented employees and personal to establish new business areas and to develop existing market.

(h) Internal control system

Internal audit and other controls have been found to be adequate. These are reviewed periodically by the Audit Committee and found the performance satisfactory.

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AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The Board of Directors,
Magna Ind.& Exports ltd
Mumbai

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the F.Y ended on 31st March 2011

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

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review to the best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said listing agreement.

On the basis of certificate issued by the company and the Minutes of meetings of the Shareholders/ Investors Grievance Committee of the Company, we state that, there were no investor grievances pending against the Company for a period exceeding one month.

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

PLACE : MUMBAI
DATE : 28-07-2011

For P.Bohra & co
CHARTERED ACCOUNTANTS
Sd/-
PROPRIETOR
(PRAKASH BOHRA)
Membership no. : 72366

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DECLARATION UNDER CLAUSE 49(I)(D) OF THE LISTING AGREEMENT FOR COMPLIANCE WITH THE CODE OF CONDUCT

As per the requirements of clause 49 of the listing agreement with the stock exchanges, the company has laid down a code of conduct for its Board of directors and senior management.

I, SATISH BHANGAR Managing Director of the company confirm the compliance of this code of conduct by myself and other members of the Board of directors and senior management personnel as affirmed by them individually.

Place: Mumbai
Date: 28-07-2011

For Magna Industries & Exports Ltd
Sd/-
(SATISH BHANGAR)
Managing Director

CEO/CFO Certification

I, Mr. Satish Bhangar, Managing Director, certify to the Board that :

- a) We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2011 and that to the best of their knowledge and belief :
 - i. These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
 - ii. These statements together present a true and fair view of the company's affairs and comply with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee
 - i. Significant changes in internal control during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

For Magna Industries and Exports Limited

Sd/-

Satish Bhangar
Director

P. BOHRA & COMPANY

Chartered Accountants

AUDITOR'S REPORT

TO
THE MEMBERS,
MAGNA INDUSTRIES AND EXPORTS LIMITED

1. We have audited the attached Balance Sheet of MAGNA INDUSTRIES & EXPORTS LIMITED as at 31st March, 2011 and the attached Profit and Loss Account of the Company for the year ended on that date annexed thereto, both of which have been signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these statements based on our audit.

A. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

B. As required by the Companies (Auditor's Report) order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 of India (hereinafter referred to as the "Act") and on the basis of such checks as considered appropriate and as per the information and explanations given to us, we set out in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order

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2. In view of peculiar nature of business , the raw material consumption figure has been arrived at as a balancing figure and stocks lying with third parties are subject to confirmations and reconciliation's, if any (Refer Note No. 6 in Schedule 11).
3. Confirmations have not been called for in respect of few balances of Sundry Debtors, Sundry Creditors, Loans and Advances and Deposits given and the same are subject to reconciliation's/adjustments, if any (Refer Note No. 8 in Schedule 11).
4. Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
 - a.) Subject to the matters referred to in paragraphs 2 and 3 above, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b.) In our opinion, proper books of account as required by Law have been kept by the Company so far as it appears from our examination of the books;
 - c.) The Balance Sheet and profit and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d.) In our opinion, the Balance Sheet and Profit and Loss Account Comply with the Accounting Standards referred to in sub-section (3c) of section 211 of the Companies Act, 1956
 - e.) As per information and explanations given to us, none of the directors of the Company is disqualified from being appointed as a director under clause (d) of section 274 of the Companies Act, 1956.
 - f.) Subject to the matters referred to in paragraphs 2 & 3 above, and consequential impact thereof on the profit for the year; Reserves and Surplus and Assets and Liabilities as on the closing date, amount presently not determinable, in our opinion and to the best of our information and according to the explanations given to us, the said

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accounts read together with Significant Accounting Policies and other Notes appearing in Schedule 11 and elsewhere in the accounts given a true and fair view:

- i). In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011 and
- ii). In the case of Profit and Loss Account, of the Profit of the Company for the year ended on that date.
- iii). In the case of cash flow statement, of the cash flows for the year ended on that date.

For P. BOHRA & COMPANY
CHARTERED ACCOUNTANTS

F.R.No: 003264C

PLACE: MUMBAI

DATE: 31.08.2011

(PRAKASH BOHRA)

PROPRIETOR

Membership No: 72366

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 1 (b) of our Report to the members of Magna Industries & Exports Limited on the Financial Statement for the year ended 31st March 2011.

1. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. According to the information and explanations given to us, the management has physically verified all the Fixed Assets as at the year end, which is reasonable having regard to the size of the Company and nature of such assets and no material discrepancies have been noticed on such verification.
2. The Fixed Assets of the Company have not been revalued during the year.
3. As informed to us, the stocks of finished goods, packing materials and raw materials have been physically verified during the year by the management at reasonable intervals. Confirmations for stocks in possession and custody of third parties have not been received.
4. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on verification between physical stocks and books records were not material and have been properly dealt with in the books of account.

MAGNA INDUSTRIES & EXPORTS LTD

6. In our opinion, valuation of stocks is fair and proper in accordance with normally accepted accounting principles and is on the same basis as in the preceding year.
7. In our opinion, the rate of interest and other terms and conditions on which unsecured loans have been taken from a company, listed in the register (to be updated) maintained under Section 301 of the Act, are not, prima-facie, prejudicial to the interest of the Company. As explained, there are no companies under the same management as defined under Section 370 (IB) of the Act.
8. The Company has not granted any loans to a Company listed in the register maintained under Section 301 of the Act. As explained, there are no companies under the same management as defined under Section 370 (IB) of the Act.
9. Loans and Advances in the nature of loans have been given as to without any stipulation/recoverable on demand. The principal and interest (wherever applicable) amounts are generally recovered.
10. In our opinion, internal control procedures need to be strengthened to make them commensurate with the size of the Company and nature of its business with regard to purchase of stores, raw materials, plant and machinery, equipment and other assets and for the sale of goods.
11. During the year, the Company has not entered into any transactions for purchase of goods and materials and for sale of goods, materials and services made in pursuance of contracts entered in the register maintained under Section 301 of the Act, and aggregating to Rs. 50,000 or more during the year in respect of each party.
12. As explained to us, the Company has a regular procedure for determination of unserviceable or damaged packing materials, raw materials and finished goods. There were, however, no such stocks requiring any provision.

MAGNA INDUSTRIES & EXPORTS LTD

13. The Company has not accepted any deposits from the public and accordingly, the provisions of Section 58A of the Act and the Companies (Acceptance of Deposit) Rules, 1975 are not applicable.
14. In our opinion, reasonable records have been maintained by the Company for the sale and disposal of realisable scraps. As explained to us, the Company's operations do not generate any realizable by-products.
15. No formal internal audit was carried out during the year.
16. The Central Government has not prescribed for the maintenance of cost records under Section 209(1) (d) of the Act for any of the products of the Company.
17. As per legal opinion taken by the Company, the provisions of Employees State Insurance Scheme and Employees provident Funds and Miscellaneous Provisions Act, 1952 are not applicable to the Company.
18. There were no undisputed amounts payable in respect of Income-Tax, Wealth-Tax, Sales-Tax, Customs Duty and Excise Duty outstanding as at 31st March, 2011, for a period of more than six months from the date they become payable.
19. According to the information and explanations given to us and on the basis of records of the Company examined by us, no personal expenses have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practices.
20. The Company has no accumulated losses as at the end of the financial year, which is in excess of 50% of the Networth of the company.
21. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.

MAGNA INDUSTRIES & EXPORTS LTD

22. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
23. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
24. In our opinion, the Company is not a regular dealer or trader in shares, securities, debentures and other investments.
25. In our opinion, and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
26. The Company has not taken any term loans during the current year.
27. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. And there are no Long term funds raised during the year.
28. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act during the year.
29. The Company has not issued any debentures during the year.
30. The Company has not raised any money by public issue during the year.
31. The Company is not a Sick Industrial Company within the meaning of clause (O) of the sub-section (i) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

32. The respect of the service activities of the Company, according to the information and explanations given to us and considering the nature of services rendered by it, no stores, other materials or man-hours are consumed in the process of rendering the services. Hence, necessity of maintaining records for the same does not arise.

33. In respect of trading activities, there were no damaged goods during the year.

34. In our opinion and according to the information and explanations given to us, no fraud by the Company and no significant fraud on the Company has been noticed or reported by the Management during the year, that ultimately causes the financial statements to be materially misstated.

For P. BOHRA & COMPANY
CHARTERED ACCOUNTANTS
F.R.No: 003264C

(PRAKASH BOHRA)
PROPRIETOR
Membership No: 72366

PLACE: MUMBAI

DATE: 31.08.2011

22ND ANNUAL REPORT 2010—2011
MAGNA INDUSTRIES & EXPORTS LTD

MAGNA INDUSTRIES AND EXPORTS LIMITED
BALANCE SHEET AS AT 31ST MARCH-2011

	SCH.	31.03.2011		31.03.2010	
		RS.	RS.	RS.	RS.
SOURCES OF FUND					
Shareholder's Fund: Share Capital	1	113,553,785		113,553,785	
			113,553,785		113,553,785
Reserves and Surplus Profit and Loss Account			6,297,263		1,835,488
Loan Funds:					
Secured Loans	2		208,590		323,953
Unsecured Loans	3		302,075		1,418,840
			120,361,553		117,132,066
APPLICATION OF FUNDS					
Fixed Assets:					
Gross Block	4	4,679,501		4,679,501	
Less: Depreciation		3,043,077		2,772,681	
Net Block			1,636,424		1,936,820
Pre-operative Expenses (Pending Allocation)	5		845,520		845,520
Current Assets, Loans and Advances:					
Investments	6	15,600,000		15,600,000	
Inventories		30,356,750		23,265,630	
Sundry Debtors		24,211,424		20,261,081	
Capital Advances & Deposits		103,862,660		53,240,745	
Cash and Bank Balances		20,532,936		12,138,029	
		194,563,770		124,505,485	
Less: Current Liabilities and Provisions	7	76,684,161		10,175,759	
Net Current Assets					
Miscellaneous Expenditure (To the extent not written off or adjusted)		Nil	117,879,609	Nil	114,325,726
PROFIT & LOSS ACCOUNT					
TOTAL:-			120,361,553		117,132,066

Significant Accounting Policies
and Notes on Accounts

Schedules referred to above form an integral part of the accounts.

As per our attached report of even date.

For P. BOHRA & COMPANY
 CHARTERED ACCOUNTANTS
 F.R.No: 003264C

SATISH BHANGAR
 MANAGING DIRECTOR

(PRAKASH BOHRA)
 PROPRIETOR

Membership No: 52366

PLACE: MUMBAI

DATED: 31.08.2011

M. L. BHANGAR
 DIRECTOR

22ND ANNUAL REPORT 2010—2011
MAGNA INDUSTRIES & EXPORTS LTD

MAGNA INDUSTRIES AND EXPORTS LIMITED
PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31ST MARCH 2011

<u>INCOME</u>	<u>SCHEDULE</u>	<u>FOR THE YEAR</u> <u>31ST MARCH 2011</u>	<u>FOR THE YEAR</u> <u>31ST MARCH 2010</u>
Sales & Other Income		222,682,395	295,240,504
Increase/ (Decrease) in stocks	8	7,091,120	(25,455,278)
TOTAL		229,773,515	269,785,226
<u>EXPENDITURE</u>			
Cost of Material Consumed/Sold Manufacturing, Administrative And Other Expenses	9	218,579,314	260,877,782
Interest	10	4,217,565	3,494,718
Depreciation		154,565	502,713
TOTAL		320,396	320,396
		223,271,840	265,195,609
Profit before Taxation		6,501,675	4,589,617
Provision for Taxation		2,040,000	1,420,000
Profit after Taxation		4,461,675	3,169,617
Balance of Profit brought Forward From Previous year		1,835,488	(1,334,129)
Balance Profit Carried Over to Balance Sheet	11	6,297,163	1,835,488
Significant Accounting Policies And Notes on Accounts			

Schedules referred to above form an integral part of the accounts.

As per our attached report of even date

FOR P. BOHRA & COMPANY
 CHARTERED ACCOUNTANTS
 F.R.No: 003264C

SATISH BHANGAR
 MANAGING DIRECTOR

(PRAKASH BOHRA)
 PROPRIETOR
 Membership No: 72366

M. L. BHANGAR
 DIRECTOR

PLACE : MUMBAI
 DATED : 31.08.2011

MAGNA INDUSTRIES & EXPORTS LTD

MAGNA INDUSTRIES AND EXPORTS LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT
31ST MARCH 2011

	AS AT 31ST MARCH 2011 RS.	AS AT 31ST MARCH 2010 RS.
<u>SCHEDULE - 1</u>		
<u>SHARE CAPITAL</u>		
Authorised		
14000000 Equity Shares of Rs.10 each		
Issued	140,000,000	140,000,000
12500000 Equity Shares of Rs.10 each	125,000,000	125,000,000
Subscribed and Paid up		
12500000 Equity Shares of Rs.10 each	125,000,000	125,000,000
(Previous year 11685600 shares)		
Less : Calls-in-Arrears (due from other than directors	11,413,215	11,413,215
Application Money in Arrears	33,000	33,000
	113,553,785	113,553,785

SCHEDULE - 2
SECURED LOANS

From Banks:

HDFC Bank Ltd.	208,530	258,969
I. C. I. C. I. Bank Ltd.,	-	64,984
	208,530	323,953

SCHEDULE-3
UNSECURED LOANS

HDFC BANK LTD.	32,530	91,949
BARCLAYS BANK	269,545	1,326,891
	302,075	1,418,840

(BUSINESS LOAN- SECURED BY PERSONAL
 GUARANTEE BY DIRECTORS)

MAGNA INDUSTRIES & EXPORTS LTD

	AS AT 31ST MARCH 2011 RS.	AS AT 31ST MARCH 2010 RS.
SCHEDULE - 5		
PREOPERATIVE EXPENSES		
(Pending Allocation)		
Balance Brought Forward	845,520	845,520
SCHEDULE - 6		
CURRENT ASSETS, LOANS & ADVANCES		
CURRENT ASSETS		
INVESTMENT IN SHARES OF	15,600,000	15,600,000
ALLIANCE FINSTOCK LTD.		
(Unquoted 1,00,000/- Shares of Rs. 10/- each; Purchases value Rs. 1,56,00,000/- Market value; Rs. 1,56,00,000/-		
	15,600,000	15,600,000
INVENTORIES		
(As taken, valued and certified by the management, including lying with third parties for processing)		
Finished Goods	30,356,750	23,265,630
	30,356,750	23,265,630
SUNDRY DEBTORS (UNSECURED)		
Outstanding for more than six months: considered good	617,530	7,562,966
	617,530	7,562,966
Outstanding for less than Six months :- Considered good	23,593,894	12,698,115
	24,211,424	20,261,081

MAGNA INDUSTRIES & EXPORTS LTD

	AS AT MARCH 31ST MARCH 2011 RS	AS AT 31ST MARCH 2010 RS.
<u>CAPITAL ADVANCES & DEPOSITS</u> (Unsecured, Considered good)		
Sundry deposits, Capital Advances & Other Advances Recoverable in cash or in kind for value to be received	103,842,660	53,240,745
	103,842,660	53,240,745
<u>CASH AND BANK BALANCES</u>		
Cash on Hand	116,665	169,560
Balance with Scheduled Bank: in Current Accounts	20,416,271	11,968,469
	20,532,936	12,138,029
<u>SCHEDULE - 7</u>		
<u>CURRENT LIABILITIES AND PROVISIONS</u>		
<u>CURRENT LIABILITIES</u>		
Sundry Creditors & Other Advances	66,764,161	2,295,759
	66,764,161	2,295,759
<u>PROVISIONS</u>		
Provision for FBT	375,000	375,000
Provisions for taxation	9,545,000	7,505,000
	9,920,000	7,880,000
	76,684,161	10,175,759

MAGNA INDUSTRIES & EXPORTS LTD

	AS AT 31ST MARCH 2011 RS.	AS AT 31ST MARCH 2010 RS.
<u>SCHEDULE - 8</u>		
<u>INCREASE/(DECREASE) IN STOCKS</u>		
<u>FINISHED GOODS:</u>		
Closing Stock	30,356,750	23,265,630
Less: Opening Stock	23,265,630	48,720,908
Increase/Decrease in Stocks	7,091,120	(25,455,278)

SCHEDULE -9
MANUFACTURING, ADMINISTRATIVE
AND OTHER EXPENSES

Rent, Rates and Taxes	60,650	372,670
Electricity Expenses	12,670	41,730
Salaries and Wages	895,750	775,630
Staff Welfare Expenses	157,785	115,750
Bank Charges	26,575	17,065
Insurance & Guarantee Fees	8,750	1,250
Auditor's Remuneration	20,000	20,000
Tour and Travelling Expenses	538,950	142,000
Travelling and Conveyance	198,750	127,630
Legal, Professional & Consultancy Charges	98,675	76,550
Director's Remuneration	120,000	120,000
Freight and Forwarding	898,350	351,768
VAT (MST) Paid	5,000	494,200
Telephone Expenses	56,750	43,040
Printing and Stationery	127,650	98,590
Advertisement and Sales Promotion	176,975	115,630
Administrative Expenses	787,535	569,750
Repairs and Maintenance	26,750	11,465
	<u>4,217,565</u>	<u>3,494,718</u>

SCHEDULE -10

Interest	154,565	502,713
	<u>154,565</u>	<u>502,713</u>

MAGNA INDUSTRIES AND EXPORTS LIMITED
ASST. YR. 2011-2012

SCHEDULE OF FIXED ASSETS.
(AS PER COMPANIES ACT : SIM)

SCHEDULE : 4

GROSS BLOCK

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS AT 01.04.2010	ADDIT.	DED.	AS AT 31.3.2011	UP TO 01.04.2010	DEDUCTION ADJUST	FOR THE YEAR	UP TO 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
AIR CONDITIONER	760,990	NIL	NIL	760,990	140,645	NIL	36,147	176,792	584,198	620,345
PLANT & MACHINERY	1,251,261	NIL	NIL	1,251,261	1,052,969	NIL	59,435	1,112,404	138,857	198,292
ELECTRIC INSTALLATION	260,949	NIL	NIL	260,949	187,849	NIL	12,395	200,244	60,705	73,160
OFFICE EQUIPMENT	34,875	NIL	NIL	34,875	31,732	NIL	1,657	33,389	1,486	3,143
FURNITURE & FIXTURES	566,296	NIL	NIL	566,296	274,250	NIL	35,847	310,097	256,199	292,046
MOTOR VEHICLES	1,754,030	NIL	NIL	1,754,030	1,015,911	NIL	166,633	1,182,544	571,486	738,119
COMPUTERS	51,100	NIL	NIL	51,100	19,326	NIL	8,283	27,609	23,491	31,774
TOTAL:-	4,679,501	-	-	4,679,501	2,722,682	--	320,396	3,043,078	1,636,423	1,956,819
PREVIOUS YEAR	4,925,670	410,000	656,169	4,679,501	2,081,889	--	320,396	2,722,681	1,956,820	--

MAGNA INDUSTRIES & EXPORTS LTD

MAGNA INDUSTRIES AND EXPORTS LIMITED

SCHEDULE-11

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF THE ACCOUNTS, FOR THE YEAR ENDED 31ST MARCH, 2011.

- I. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED IN THE COMPILATION OF THE ACCOUNTS.
- a. GENERAL.
The accounts have been prepared on the basis of historical cost and on the principles of going concern.
- b. SALES.
Sales returns are being accounted consistently in the year of settlement in view of the peculiar nature of the business of the Company.
- c. REVENUE RECOGNITION
Export benefit in terms of duty Drawback Incentive is accounted for on actual Receipt/realisation basis.
- d. FIXED ASSETS
1. Fixed assets are stated at cost less accumulated depreciation.
2. Lease holds lands are amortised over the period of lease.
- e. DEPRECIATION
1. Depreciation is provided on straight line method in accordance with the rates and with the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.
2. Patents and Trade mark are written off over a period of ten years from the year of their acquisition.
- f. INVENTORIES
1. The stocks of Raw Materials and Packing Materials are valued at cost.
2. Finished goods are valued at lower of cost or net realizable value.
- g. INVESTMENTS
Long Term Investments are carried at cost. Provision for diminution in the value of long terms investments is made only if such a decline is not temporary in the opinion of the management.
- h. EXPENDITURE DURING CONSTRUCTION PERIOD
1. Pre-operative expenses incurred during construction period are allocated to the respective fixed assets/deferred revenue expenditure on the completion of construction.
2. In case of completed and commissioned works, where final settlement of bills of contractors / suppliers / architects is yet to be effected, capitalization is made for provisional amount on the basis of the rates as per purchase orders / agreements and necessary adjustments are carried out in the year of settlement.

MAGNA INDUSTRIES & EXPORTS LTD

i. FOREIGN CURRENCY TRANSACTIONS

Account Receivables are revalued in the accounts at year end based on the prevailing exchange rates. If the net exchange difference on this account is loss, the same is dealt with in the Profit and Loss Account.

j. MISCELLANEOUS EXPENDITURE

1. Preliminary Expenses and Share Issue Expenses are being written off over a Period of ten years.
2. Deferred Revenue Expenditure is amortised over a period of six years.

k. PROVISION FOR TAXATION

Provision for taxation is computed as per "Total Income" returnable under the Income Tax Act 1961 after taking into account deductions and exemptions.

l. Contingencies and Events occurring after the Balance Sheet Date: - In the opinion of the Management of the Company Contingencies & events occurring after the Balance Sheet date is NIL.

m. Borrowing Cost: - The Company has not accounted any Borrowing Cost in the Books of Accounts & hence the Borrowing Cost for the year under review is NIL.

n. Leases: - There is no Leasing Expenses charged to the account for the year under review.

o. Earning Per Share: - Earning per share is 00.36 for the year under review.

II. NOTES ON ACCOUNTS

1. Provision for Taxation has been made after considering exemptions, allowances & disallowances under the Income Tax Act 1961. Provisions for deferred taxation is not considered necessary by the management in the view of the small profit & accumulated loss.

2. No provision for gratuity has been made as no employee has put in the qualifying period of service for entitlement of this benefit under the Payment of Gratuity Act, 1972.

3. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. NIL (Previous Rs. Nil.).

4. Application money in Arrears amounting to Rs. 33,000/- (Previous year Rs. 33,000/-) represent stock invest instruments returned unpaid by the Bankers.

5. Certain statutory requirements under the Companies Act, 1956 and proper maintenance of records thereof are under compliance.

6. The Company is in the process of updating the records relating to consumption of raw materials. Hence, consumption figures are arrived at as balancing figures after adjusting Opening Stock and Purchases less Closing Stock.

MAGNA INDUSTRIES & EXPORTS LTD

	Profit & loss A/c 6297.163	
Application of Funds	Net Fixed Assets 1636.42	Investments 15600
	Net Current Assets 103125.13	Misc. Expenditure
IV. Performance of the Company (Amount in Rupees)	Turnover (Inc.) 229773.51	Total Expenditure 223271.84
	Profit before Tax 6501.67	Profit after Tax 4461.67
	Earning per Share In Rs. 00.39	Dividend Rate % NIL

(On Annualized basis)

V. General name of three principal products of the Company (as per monetary terms)

Item Code No. Trading Others-0204
(ITC Code)

Product Description

12. Previous years figures have been regrouped / rearranged wherever necessary to make them comparable with current year figures.

SIGNATURES TO SCHEDULE "I" TO "II"

(SATISH BHANGAR)
MANAGING DIRECTORPLACE : MUMBAI
DATED : 31.08.2011(M.L.BHANGAR)
DIRECTOR

AUDIT REPORT UNDER SECTION 44 AB OF THE INCOME TAX, 1961.

We have to report that the statutory audit of:

M/s MAGNA INDUSTRIES & EXPORTS LIMITED

111, ATLANTA,

NARIMAN POINT,

MUMBAI - 400 021.

Permanent Account No. AAACM 5968 L

We conducted by us, auditors of the Company, in pursuance of provisions of the Companies Act, 1956, and we annex hereto a copy of our audit report dated 31.08.2011 along with a copy of each of audited profit and loss account for the year ended on 31st March 2011 and a copy of the audited balance sheet as at 31st March 2011 along with the documents declared by the relevant Act to be part or annexed to the profit and loss account and balance sheet.

A further report as required under the proviso to section 44 AB is furnished in Form No.3 CD annexed hereto, subject to and read with notes in the said Form and in the exhibits attached there to.

In our opinion and to the best of our information and according to explanation given to us, the particulars given in Form No. 3 CD, are true and correct, subject to the qualifying remarks given in the Statutory Auditor's Report annexed herewith.

For P. BOHRA & COMPANY
CHARTERED ACCOUNTANTS

F.R.No: 003264C

PLACE: MUMBAI

DATED: 31.08.2011

(PRAKASH BOHRA)

PROPRIETOR.

Membership No: 72366

MAGNA INDUSTRIES & EXPORTS LTD

ANNEXURE "A"

CLAUSE 9 (b) of 3CD

MAGNA INDUSTRIES & EXPORTS LIMITED
PREVIOUS YEAR ENDED ON 31ST MARCH 2011

ASSESSMENT YEAR 2011-2012

LIST OF BOOKS OF ACCOUNTS MAINTAINED & EXAMINED

- 1 Cash and Bank Book
- 2 Petty Cash Book
- 3 Sales Register
- 4 Purchase Register
- 5 Journal Register
- 6 Stock Register
- 7 General Ledger
- 8 Debtor's Ledger
- 9 Creditor's Ledger
- 10 Loans & Advances Ledger
- 11 Salary & Wages Register

For MAGNA INDUSTRIES & EXPORTS LIMITED

DIRECTOR

MAGNA INDUSTRIES & EXPORTS LIMITED
 CLAUSE 14(a) TO (h) OF FORM NO. 3CD
 DEPRECIATION AS PER INCOME TAX ACT, 1961
 PREVIOUS YEAR 2010-2011 ASSESSMENT YEAR 2011 - 2012

ANNEXURE 'B'

PARTICULAR	W.D.V. AS ON 01.04.10	ADDITIONAL BEFORE 30.09.2010	ADDITIONAL AFTER 30.09.2010	DEDUCTIONS DURING THE YEAR	ADJUSTED W.D.V AS ON 31.03.2011	RATE OF DEPRECIATION	ALLOWABLE DEPRECIATION	CLOSING BALANCE AS ON 31.03.2011
COMPUTER SYSTEM	5,726	NIL	NIL	NIL	5,726	60%	3,436	2,290
PATENT & TRADEMARK	25,309	NIL	NIL	NIL	25,309	25%	6,327	18,982
FURNITURE & FIXTURE	289,187	NIL	NIL	NIL	289,187	10%	28,919	260,268
TOOLS & CASTING	23,687	NIL	NIL	NIL	23,687	15%	3,553	20,134
PLANT & MACHINERY	18,782	NIL	NIL	NIL	18,782	15%	2,817	15,965
ELECTRIC INSTALLATION	9,705	NIL	NIL	NIL	9,705	15%	1,456	8,249
AIR CONDITIONER	394,699	NIL	NIL	NIL	394,699	15%	59,205	335,494
OFFICE EQUIPMENT	560	NIL	NIL	NIL	560	15%	84	476
MOTOR CAR	849,037	NIL	NIL	NIL	839,037	15%	125,856	713,181
TOTAL	1,606,692	-	-	-	1,606,692		231,652	1,375,040

FOR MAGNA INDUSTRIES & EXPORTS LIMITED

DIRECTOR

MAGNA INDUSTRIES & EXPORTS LIMITED
PREVIOUS YEAR ENDED ON 31ST MARCH 2011

ASSESSMENT YEAR 2011-2012

ANNEXURE "C"
ACCOUNTING RATIO ANALYSIS

Name of the assessee : MAGNA INDUSTRIES & EXPORTS LTD.

Address : 111, ATLANTA, NARIMAN POINT,
MUMBAI - 400 021

Permanent Account Number : AAACM 5968 L

Status : LIMITED COMPANY

Previous year ended : 31st March,2011

Assessment year : 2011-2012

Accounting Ratios with Calculations as Follows:

1	Gross Profit / Turnover	=	$\frac{11194201*100}{229773515}$
		=	4.87%
2	Net Profit / Turnover	=	$\frac{6501675*100}{229773515}$
		=	2.82%
3	Stock-in-Trade / Turnover	=	$\frac{30356750*100}{229773515}$
		=	13.21%
4	Material consumed / Finished Goods Produced.	=	N.A

MAGNA INDUSTRIES & EXPORTS LTD

ANNEXURE
PART - A

1	Name of the assessee	:	MAGNA INDUSTRIES & EXPORTS LTD.
2	Address	:	111, ATLANTA, NARIMAN POINT, MUMBAI - 400 021
3	Permanent Account Number	:	AAACM 5968 L
4	Status	:	LIMITED COMPANY
5	Previous year ended	:	31st March, 2011
6	Assessment year	:	2011-2012

PART - B

Nature of Business	Code *
--------------------	--------

Sl. No.	Parameters	Current Year	Preceding Year	Sl. No.	Parameters	Current Year	Preceding Year
1	Paid-up share capital	113,553,785	113,553,785	9	Gross profit	N.A.	N.A.
2	Share Application Money	--	--	10	commission received	N.A.	N.A.
3	Reserves and Surplus	6,297,163	1,835,488	11	Commission paid	N.A.	N.A.
4	Secured loans	208,530	323,953	12	Interest received	N.A.	N.A.
5	Unsecured loans	302,075	1,418,810	13	Interest paid	154,565	502,713
6	Current liabilities and provisions	76,684,161	10,175,759	14	Depreciation as per books of account	320,326	320,326
7	Total of Balance Sheet	197,045,714	125,472,337	15	Net Profit (or loss) before tax	6,501,675	4,589,617
8	Gross turn over	229,773,515	269,785,226	16	Taxes on income paid / provided for in the books	2,040,000	1,420,000

Place: MUMBAI

Date: 31.08.2011

FOR MAGNA INDUSTRIES & EXPORTS LTD.

DIRECTOR