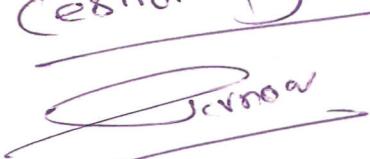


MANDSAUR FERRO ALLOYS LIMITED

Reg. Office: Botalganj, Mhow-Neemuch Road, Mandsaur, Madhya Pradesh 458001.

ANNUAL REPORT 2009-2010

<u>BOARD OF DIRECTORS</u>	Mr. Suneel Parekh Mr. Navneet Parekh Mr. Vinod .K.Jain Mr. Pankaj Jain Mr. Padamchand Dhoot Ms. Vidya Chalke Mr.Santosh Mohite Mr. Ramavtar Shekhavat Mr. Vijay Pandhere Mr. Brijesh Mourya
<u>AUDITORS</u>	M/s Pankaj Rathi & Associates
<u>REGISTERED OFFICE</u>	Botalganj, Mhow-Neemuch Road, Mandsaur, Madhya Pradesh 458001
<u>FINANCIAL YEAR</u>	2009-2010
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Certified True copy


MANDSAUR FERRO ALLOYS LIMITED

Reg. Office: Botalganj, Mhow-Neemuch Road, Mandsaur, Madhya Pradesh 458001.

NOTICE

Notice is hereby given that the **ANNUAL GENERAL MEETING** of the Members of **MANDSAUR FERRO ALLOYS LIMITED** will be held on **Saturday, 25th September 2010** at the Registered Office of the Company at 146, Botalganj, Mhow-Neemuch Road, Mandsaur, Madhya Pradesh 458001 at **11.00 a.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Accounts for the year ended 31st March, 2010 together with the Report of the Board of Directors and Auditors' thereon.

SPECIAL BUSINESS:

2. To consider and if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution

“RESOLVED THAT the vacancy caused by the retirement by rotation of Shri Vinod .K.Jain who has not sought re-appointment, be not filed in at this meeting and any adjournment thereof.”

3. To consider and if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution

“RESOLVED THAT the vacancy caused by the retirement by rotation of Shri Navneet Parikh who has not sought re-appointment, be not filed in at this meeting and any adjournment thereof.”

4. To consider and if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution

“RESOLVED THAT the vacancy caused by the retirement by rotation of Shri Suneel Parekh who has not sought re-appointment, be not filed in at this meeting and any adjournment thereof.”

5. To consider and if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution

“RESOLVED THAT the vacancy caused by the retirement by rotation of Shri Pankaj Jain who has not sought re-appointment, be not filed in at this meeting and any adjournment thereof.”

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution

“RESOLVED THAT pursuant to provisions of Regulation 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as the "Takeover Regulations") and subject to the provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities Contracts (Regulation) Act, 1956 and the Rules framed there under, Listing Agreements, and all other applicable rules, regulations, and guidelines and subject to the approval, consent, permission or sanction of the Securities and Exchange Board of India, Stock Exchanges where the shares of the Company are listed and any other appropriate authorities, institutions or regulators as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution), consent of the members be and is hereby accorded for change in control and management of the Company from the existing persons in control to Shri. Padamchand Bhanwarlal Dhoot and Smt. Vidya Chalke and Shri Santosh Mohite who will be inducted as Directors in the Board and Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be required in this connection".

"RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to dispense with the requirement of making the Public Announcement and Open Offer for Shares by the new incumbents under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 as amended, as provided in Regulation 12 of the said Regulations."

7. To consider and if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or any amendments or any substitution or re-enactment thereof for the time being in force, M/s. S.C.Agarwal & Associates, Chartered Accountants be and are hereby appointed as a Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company in place of M/s. Pankaj Rathi & Associates, Chartered Accountants, the retiring Auditors of the Company, who expressed their unwillingness to be re-appointed as a Statutory Auditors of the Company on their retirement at this Annual General Meeting, on such remuneration as may be fixed by the Board of Directors and Auditors mutually .”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Section 21 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or any amendments or any substitution or re-enactment thereof for the time being in force, and subject to approval of Central Government, the name of the Company be changed from

'MANDSAUR FERRO ALLOYS LIMITED' to 'PBD ENTERPRISE LIMITED' or any other name as may be approved by the Registrar of Companies."

"RESOLVED FURTHER THAT the name "MANDSAUR FERRO ALLOYS LIMITED" wherever it occurs in the Memorandum and Articles of Association of the Company and all other documents/papers etc. be substituted by the name "PBD ENTERPRISE LIMITED or any other name as may be approved by the Registrar of Companies"

"RESOLVED FURTHER THAT Shri. Padamchand B. Dhoot and / or Ms. Vidya Chalke, Directors, be and are hereby jointly / severally authorised, empowered and directed on behalf of the Company to sign necessary forms and documents in connection with the above change of name to be filed with Registrar of Companies, Madhya Pradesh and any other statutory authority and to do all such acts, deeds or things as may be required towards change of name and to complete all procedural formalities incidental and ancillary thereto."

"RESOLVED FURTHER THAT Shri Padamchand B. Dhoot or Ms. Vidya Chalke, Directors of the Company be and hereby are authorised to do all such formalities, affix signature, execute documents, appear before any authority, regarding change of name of the Company."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Padamchand B. Dhoot, who was appointed by Board of Directors as an Additional Director with effect from 9th June, 2010 and who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company,"

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Ms. Vidya Chalke, who was appointed by Board of Directors as an Additional Director with effect from 9th June, 2010 and who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956, proposing her candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

11. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Santosh Mohite, who was appointed by Board of Directors as an Additional Director with effect from 9th June, 2010 and who by virtue of the provisions of

Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

12. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Ramavtar Shekhavat, who was appointed by Board of Directors as an Additional Director with effect from 17th August, 2010 and who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

13. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Vijay Pandhere, who was appointed by Board of Directors as an Additional Director with effect from 17th August, 2010 and who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

14. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Brijesh Maurya, who was appointed by Board of Directors as an Additional Director with effect from 17th August, 2010 and who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

15. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 94(1)(a) and the other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or any amendments or any substitution or re-enactment thereof for the time being in force, the Authorised Share Capital of the Company be and is hereby increased from 4,25,00,000/- (Rupees Four Crores Twenty Five Lakhs only) consisting 42,50,000/-

(Forty Two Lakhs Fifty Thousand) Equity Shares of ` 10/- (Rupees Ten only) each to ` 10,00,00,000/- (Rupees Ten Crores only) consisting 1,00,00,000 (One Crore) Equity Shares of ` 10/- (Rupees Ten only) each."

16. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or any amendments or any substitution or re-enactment thereof for the time being in force, Clause V A. of Memorandum of Association of the Company be substituted as under :

V. The Authorised Share Capital of the Company is ` 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of ` 10/- (Rupees Ten only) each."

17. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or any amendments or any substitution or re-enactment thereof for the time being in force, existing Article No. 3 of Articles of Association be and is hereby deleted and substituted by the following Article numbered as 3

3. The Authorised Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crore Only) divided into divided into 1,00,00,000 (One Crore) Equity Shares of ` 10/- (Rupees Ten only) each with the power to increase or reduce the share capital with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being, in force, with the power to divide the share in the share capital of the time being into Equity Share Capital and to attach thereto any such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or statutory modification thereof or provided by the articles of Association of the Company for the time being."

18. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII of the said Act, (including any statutory modification(s), or re-enactment thereof for the time being in force), the consent of the members of the Company be & is hereby accorded to the appointment of Shri. Padamchand Bhanwarlal Dhoot as a Managing Director of the

Company for a period of 3 (Three) years with effect from 17th August, 2010 and authorized to exercise substantial powers of management subject to superintendence, control and direction of Board of directors on the following terms and conditions:

1) Remuneration:

He will draw remuneration as decided by the Board of Directors from time to time, subject to the limits as prescribed under the Companies Act, 1956 and any approval of any regulatory Authority, as may be required.

2) Termination:

Both the parties shall be entitled to terminate the above appointment by giving one month notice.

FURTHER RESOLVED THAT notwithstanding anything contained herein above where, if in any financial year during the term of employment of Shri. Padamchand Bhanwarlal Dhoot, the Company does not earn any profits or earns inadequate profits, unless otherwise approved by the Central Government, the remuneration, if any shall be paid as per the monetary ceiling prescribed in the Schedule XIII to the Companies Act, 1956 or any statutory modification or re-enactment from time to time in force.

“RESOLVED FURTHER THAT, Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters ancillary and / or incidental thereto.”

19. To declare the result in general meeting in respect of the following Special Resolution required to be transacted through Postal Ballot:

“**RESOLVED THAT** pursuant to provisions of Regulation 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as the "Takeover Regulations") and subject to the provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities Contracts (Regulation) Act, 1956 and the Rules framed there under, Listing Agreements, and all other applicable rules, regulations, and guidelines and subject to the approval, consent, permission or sanction of the Securities and Exchange Board of India, Stock Exchanges where the shares of the Company are listed and any other appropriate authorities, institutions or regulators as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution), consent of the members be and is hereby accorded for change in control and management of the Company from the existing persons in control to Shri. Padamchand Bhanwarlal Dhoot and Smt. Vidya Chalke and Shri Santosh Mohite who will be inducted as Directors in the Board and Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be required in this connection”.

"RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to dispense with the requirement of making the Public Announcement and Open Offer for Shares by the new incumbents under the SEDI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 as amended, as provided in Regulation 12 of the said Regulations."

20. To declare the result in general meeting in respect of the following Special Resolution required to be transacted through Postal Ballot:

"RESOLVED THAT pursuant to provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956 (including any rule(s), regulation(s) or re-enactment(s) thereof for the time being in force) and in accordance with the relevant provisions of Memorandum and Articles of Association of the Company and subject to the confirmation of the Hon'ble, Company Law Board, Mumbai Bench and such other necessary consents, approvals, sanctions and / or permissions, as may be required from various authorities, bodies, the consent of the Members be and is hereby accorded to shift the Registered Office of the Company from State of Madhya Pradesh to State of Maharashtra, and the existing Clause - II of the Memorandum of Association of the Company be and is hereby altered by substituting the following new Clause in the Memorandum of Association of the Company in its place and stead :

- II. The Registered Office of the Company will be situated in the State of Maharashtra, within the Jurisdiction of Registrar of Companies, Maharashtra, Mumbai.'

RESOLVED FURTHER THAT on obtaining confirmation from the Hon'ble Company Law Board, Registered Office of the Company be shifted from the State of Madhya Pradesh to State of Maharashtra.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take necessary steps to obtain confirmation of the Company Law Board in respect of aforesaid alteration of Clause II of the Memorandum of Association of the Company and to agree to such modification, terms and conditions with reference thereto as may be directed by the Company Law Board and to do such acts and deeds as may be required for the same purpose."

21. To declare the result in general meeting in respect of the following Special Resolution required to be transacted through Postal Ballot:

"RESOLVED THAT pursuant to the provisions of Sections 17, 192A and other applicable provisions, if any, of the Companies Act, 1956 (including the statutory modifications or re-enactments thereto for the time being in force), and in accordance with the relevant provisions of Memorandum and Articles of Association of the Company, and subject to the such approvals, consents, sanctions, permissions and / or confirmations, if any, as may be necessary in this regard from appropriate authorities, the Clause III the Memorandum of Association of the Company pertaining to the objects of the Company be altered as follows :

➤ The existing clauses numbering 1 and 2 be deleted and in its place the following clauses be inserted :

1. To carry on in India or elsewhere the business of buying, selling, reselling importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing and to act as broker, trader, agent, C & F agent, shipper, commission agent, distributor, representative, franchiser, consultant, collaborator, stockist, liasioner, job worker, export house of goods, merchandise and services of all grades, specifications, descriptions, applications, modalities, fashions, including by-products, spares or accessories thereof, on retail as well as on wholesale basis.

2. To erect, build, construct, maintain, alter, extend, enlarge, purchase and sell, pull, down remove or replace, improve or develop and to work, manage and controls any buildings, chawls, offices, factories, mills, foundaries, refineries, furnaces, godowns, warehouses, shops machineries, engines, roadways or other means of transport, sidings bridges, tanks, water courses, water systems wharves, electrical works, gas works or works operated by any other kind of power and also such other machinery equipment conveyances works and conveniences to subsidise, contribute to or otherwise assist or take part in doing any of these things and / or to join with any other person or Company or with any Government or Governmental Authority in doing of these.

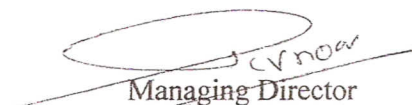
RESOLVED FURTHER THAT pursuant to the provisions of Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the relevant provisions of Memorandum and Articles of Association of the Company and subject to such approvals, consents, sanctions and/or permissions as may be necessary from the appropriate authorities, the approval of the members of the Company be and is hereby accorded for the commencement and carrying on all or any of the new business and activities as included in the Object Clause of the Company as amended above, at such time or times as the Board may deem fit and proper.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take necessary steps in respect of aforesaid alteration of Clause III of the Memorandum of Association of the Company and to agree to such modification, terms and conditions with reference thereto as may be directed by the prescribed authorities and to do such acts and deeds as may be required or considered necessary or incidental thereto to give effect to this resolution as it may, in its absolute discretion deem necessary or desirable.”

By Order of the Board

For **MANDSAUR FERRO ALLOYS LIMITED**

Place : Mumbai
Date: 17th August, 2010


Managing Director

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- b) Proxies in order to be effective, should reach duly completed, stamped and must be deposited at the registered office of the Company not less than 48 hours before the meeting.
- c) Explanatory Statement pursuant to the provisions of the Section 173 (2) of the Companies Act, 1956 in respect of special business under Item no. 2 to 18 is annexed herewith.
- d) All the documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company during the office hours on all working days upto the last date of receipt of postal ballot / Annual General Meeting as the case may be between 11.00 a.m. and 1.00 p.m.
- e) As per the requirements of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot), Rules, 2001, in respect of item No. 19 to 21 of the Notice, the Company seeks approval of its members by way of Postal Ballot notice, and forms for which are dispatched separately to all the members entitled to receive the same. The members are requested to send their assent / dissent within time specified.
- f) The Register of Members and transfer register will remain closed from 19th September, 2010 to 24th September, 2010 (both days inclusive).
- g) Details required under Clause 49 of the Listing Agreement entered with the Stock Exchanges in respect of Directors seeking appointment / re-appointment at the Annual General Meeting, are given in the relevant section of the Corporate Governance Report included in the Annual Report.
- h) Members are hereby informed that in terms of the provisions of Section 205A of the Companies Act, 1956, dividend not encashed or claimed within seven years from the date of its transfer to the unpaid dividend account, will be transferred to Investor Education & Protection Fund established by the Central Government. In terms of the provisions of Section 205C of the Companies Act, 1956, no claim shall lie against the Company or said fund after the said transfer.
- i) Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the Office.
- j) Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to send their requests in Form 2B to the Registrar and Transfer Agent of the Company. The Nomination Form with instructions will be available at the Registered Office of the Company.
- k) Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
- l) Information required under Clause 49 IV G of the Listing Agreements (relating to Corporate Governance) with respect to the Directors who are retiring by rotation and being eligible seeking re-appointment and Director seeking appointment is covered in the Corporate Governance Chapter.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF THE SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No. 2 to 5:

In view of change in Control of Management from old Directors to the new Board of Directors, the old Director Mr. Suneel Parekh, Mr. Navneet Parikh, Mr. V.K.Jain and Mr. Pankaj Jain retires and does not offer there re-appointment. The Company does not propose to fill these vacancies at this meeting or any adjournment thereof. Hence, as required under section 256 of the Companies Act, 1956, a resolution is proposed not to fill up the vacancies caused by the retirement of aforesaid Director at this meeting or any adjournment thereof.

None of the directors other than Mr. Shantilal Jain, Mr. Navneet Parikh, Mr. V.K.Jain and Mr. Pankaj Jain are concerned or interested in the passing of this resolution. The Board recommend resolution at item no. 2 to 5 for approval of members.

Item No. 6:

The existing promoters were unable to chalk out suitable plans for restarting the commercial operations of the Company.

Shri. Padamchand Bhanwarlal Dhoot, Shri. Santosh Mohite and Smt. Vidya Chalke have come out with various new options for re-starting of the Commercial Operations and has offered the existing promoters to sell their stake and resign from the board of directors in order to have control in the management.

In the best interest of the investors of the Company, the existing promoters have decided to sell their stake to the persons as stated above and to resign from the Board of the Company.

Pursuant to Regulation 12 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations - 1997, any such Change in Management of the company requires the approval of members of the Company by way of a Special Resolution at a General Meeting and also by way of Special Resolution through Postal Ballot as provided under Companies (passing of Resolution by Postal Ballot) Amendment Rules, 2001, approving such change in Management. Hence, the same is recommended for your approval.

The Board of Directors recommends the resolution for the approval of the members.

The Directors of the company may be deemed to be concerned or interested in the resolution as set out at item no. 6 of the above Notice, to the extent of shares held by them in the Company.

Item No. 7:

M/s. Pankaj Rathi & Associates, the present auditors who retire at this Annual General Meeting, have informed the Company that they do not wish to seek re-appointment as a Statutory Auditors of the Company for the financial year 2010-11 at the forthcoming Annual General Meeting.

In view of the above, your Directors recommend appointment of M/s. S.C.Agarwal & Co., Chartered Accountants, as a Statutory Auditors for the financial year 2010-11.

The Company has received a special notice from a Member of the Company, in terms of the provisions of the Companies Act, 1956, signifying the intention to propose the appointment of M/s. S.C.Agarwal & Co., Chartered Accountants as a Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. M/s. S.C.Agarwal & Co., Chartered Accountants expressed their willingness to act as a Statutory Auditors of the Company, if appointed and have further confirmed that the said appointment, if made, would be in conformity with the provisions of Section 224(1B) of the Act.

The Members' approval is being sought to the appointment of M/s. S.C.Agarwal & Co., Chartered Accountants as a Statutory Auditors and to authorize the Board of Directors, to determine the remuneration payable to the Auditors.

The Board recommends this resolution for your approval. No director is concerned or interested in the passing of this resolution.

Item No. 8:

The Company proposes to enter into new business sector such as Trading, Infrastructure. It requires to change the existing name of the Company to such name which reflect the new proposed object of the company. The Board propose to change the name of the Company from "MANDSAUR FERRO ALLOYS LIMITED" to "PBD ENTERPRISE LIMITED" or any other name as may be approved by the Registrar of Companies.

Pursuant to Provisions of the Companies Act, 1956 including any statutory modifications or any amendments or any substitution or re-enactment thereof for the time being in force, members approval is required for Change of name of the Company.

A copy of the Memorandum and Articles of Association of the Company showing proposed alterations is available for inspection at the Registered Office of the Company between 11.00 a.m. to 01.00 p.m. on any working day prior to the date of the meeting during the working hours and at the venue of the Annual General Meeting on the date of the meeting during the meeting hours.

The Board recommends this resolution for your approval. No director is concerned or interested in the passing of this resolution.

Item No. 9 to 14:

Mr. Padamchand Dhoot, Mr. Santosh Mohite, Ms. Vidya Chalke, are appointed as Additional Director of the Company with effect from 9th June, 2010 and Mr. Ramavatar Shekhawat, Mr. Vijay Pandhere at and Mr. Brijesh Maurya are appointed as an Additional Director w.e.f 17th August, 2010. The Company has received a notice under Section 257 of the Companies Act, 1956 from member signifying his intention to propose appointment of the above Directors as a Director of the Company. A copy of the above notice is available for inspection at the registered office of the Company between 11.00 a.m. to 1.00 p.m. on any day except on Sundays and Public Holidays.

The Board recommends appointment of the above said person as Director of the Company.

The Directors of the company may be deemed to be concerned or interested in the resolution as set out at item no. 9 to 14 of the above Notice, to the extent of shares held by them in the Company.

Item No. 15 to 17:

The present Authorized Share Capital of the Company is 4,25,00,000/- (Rupees Four Crores and Twenty Five Lakhs only) divided into 42,50,000 (Forty Two Lakhs fifty Thousand) Equity Shares of ` 10/- (Rupees ten only) each. The Company proposes to raise further equity for its expansion programme and hence it is required to increase the Authorised Share Capital, in order to enable the Company to issue fresh new Shares.

Hence, your Directors proposes to increase the Authorized Share Capital of the Company from 4,25,00,000/- (Rupees Four Crores Twenty Five Lakhs only) consisting 42,50,000/- (Forty Two Lakhs Fifty Thousand) Equity Shares of ` 10/- (Rupees Ten only) each to ` 10,00,00,000/- (Rupees Ten Crores only) consisting 1,00,00,000 (One Crore) Equity Shares of ` 10/- (Rupees Ten only) each in the Company. The proposed increase of the Authorised Capital requires the approval of members in the General Meeting.

Subsequent to the increase in the Authorised Share Capital, the necessary alterations have to be made in Clause V of Memorandum of Association and respective clause of Article of Articles of Association of the Company which consequential to increase in Authorised Share Capital. Section 16 and Section 31 of the Companies Act, 1956 requires members consent for the said alterations in the Memorandum and Articles of Association of the Company.

A copy of the Memorandum and Articles of Association of the Company showing proposed alterations is available for inspection at the Registered Office of the Company between 11.00 a.m. to 01.00 p.m. on any working day prior to the date of the meeting during the working hours and at the venue of the Annual General Meeting on the date of the meeting during the meeting hours.

The Board recommends the resolutions proposed at item no. 15 to 17 for your approval. No director is concerned or interested in the passing of this resolution.

None of the Directors is interested in the resolution.

Item No. 18:

Subject to necessary approval by the members in the general meeting, the Board of Directors of the Company in its meeting held on 17th August, 2010, appointed Shri Padamchand Dhoot as the Managing Director of the Company with effect from 17th August, 2010. Shri Padamchand Dhoot has rich experience in the line of Company's business & Finance. He also provides guidance for the development of the Company.

The Board of Directors of the Company has subject to provisions of Sections 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII of the said Act, appointed Shri 17th August, 2010 as the Managing Director for a period of 3 (three) years w.e.f. 17th August, 2010 on the following terms and conditions:

1) Remuneration:

He will draw remuneration as decided by the Board of Directors from time to time, subject to the limits as prescribed under the Companies Act, 1956 and any approval of any regulatory Authority, as may be required.

2) Termination:

Both the parties shall be entitled to terminate the above appointment by giving one month notice.

During the term of employment of the Managing Director, if in any financial year, the Company does not earn any profits or earns inadequate profits, unless otherwise approved by the Central Government, the remuneration, if any shall be paid as per the monetary ceiling prescribed in the Schedule XIII to the Companies Act, 1956 or any statutory modification or re-enactment from time to time in force.

In compliance with the applicable provisions of the Companies Act, 1956, Ordinary Resolution as per the terms set out in item no. 18 of the accompanying notice is being placed before the members in the Annual General Meeting.

This may be treated as an abstract as required under Section 302 of the Companies Act, 1956.

None of the Directors except Shri Padamchand Dhoot, is interested in the above resolution.

The Board of Directors recommends the passing of the Resolution at Item No. 18 of the accompanying Notice.

Item No. 19

The existing promoters were unable to chalk out suitable plans for restarting the commercial operations of the Company.

Shri. Padamchand Bhanwarlal Dhoot, Shri. Santosh Mohite and Smt. Vidya Chalke have come out with various new options for re-starting of the Commercial Operations and has offered the existing promoters to sell their stake and resign from the board of directors in order to have control in the management.

In the best interest of the investors of the Company, the existing promoters have decided to sell their stake to the persons as stated above

Pursuant to Regulation 12 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations - 1997, any such Change in Management of the company requires the approval of members of the Company by way of a Special Resolution at a General Meeting and also by way of Special Resolution through Postal Ballot as provided under Companies (passing of Resolution by Postal Ballot) Amendment Rules, 2001, approving such change in Management. Hence, the same is recommended for your approval in the Postal Ballot Notice dated 17th August, 2010.

The result of the Postal Ballot will be announced by the Chairman of the Company at the ensuing Annual General Meeting on 25th September, 2010.

Item No. 20

The Registered Office of the Company is presently situated at Mandsaur in State of Madhya Pradesh. The Corporate Office of the Company is situated at Mumbai. All the major activities of the Company are carried out from Mumbai. The Directors of the Company are based in Mumbai and the decision making centre is at Mumbai. However, the Registered Office of the Company is at Mandsaur and due to distance from controlling centre there is co-ordination difficulty. For administrative convenience and also as a measure of rationalization, it is proposed, subject to the confirmation of the Company Law Board, to shift the Registered Office of the Company from State of Madhya Pradesh to State of Maharashtra.

The proposed shifting of Registered Office will save time and ensure economy in operations of the Company.

Section 146 of the Companies Act, 1956, provides that for the shifting of the Registered Office of the Company outside the local limits of the city where the Registered Office is currently situated, approval of the Members by way of Special Resolution is required. Further Section 17 of the Act, requires confirmation by the Company Law Board for shifting of Registered Office from one State to another State in addition to the Special Resolution.

As required under Section 192A of the Act read with the Companies (Passing of the Resolution by way of Postal Ballot) Rules, 2001, such Special Resolution is required to be passed by means of a Postal Ballot. Accordingly, the approval of the members is being sought through Postal Ballot. After obtaining approval of the Members by the Postal Ballot, the petition will be presented to the Company Law Board, Mumbai region Bench, for its approval as required under the Companies Act, 1956. The result of the Postal Ballot will be announced by the Chairman of the Company at the ensuing Annual General Meeting on 25th September, 2010.

The Board of Directors considers the Change of Registered Office of the Company in the best interest of the Company and recommends the Special Resolution for the approval of the members.

A draft copy of the Memorandum of Association of the Company depicting the proposed changes in the Memorandum of Association is available for inspection at the Registered Office of the Company during office hours on all working days except, Sundays and Public holidays between 11.00 a.m. to 1.00 p.m. up to the date of declaration of the results of the Postal Ballot.

Item No. 21

The Board of Directors of the Company intend to diversify the activities of the Company either on its own or in joint venture with others especially in the areas of trading and infrastructure and other areas of business interest such as commissioning which can be ideally combined with the proposed new business. It is therefore considered desirable and prudent to alter the Object Clause of Memorandum of Association of the Company so as to make it contemporary and inclusive in order to enable the Company to embark upon all or any of the activities as mentioned in Special Resolution at Item No.2, as and when considered appropriate by the Board of Directors of the Company in the interest of the Company.

Pursuant to the provisions of Sections 17, 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, any alteration in the Object Clause of the Memorandum of Association of the Company shall be made only after obtaining the consent / approval of the members by passing a Special Resolution through Postal Ballot.

Hence, in terms of the provisions of Section 17 of the Companies Act, 1956, the approval of shareholders is sought for Change / Alteration in Object Clause of Memorandum of Association, as resolution set out in the notice of Postal Ballot.

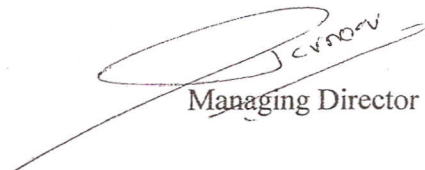
As required under Section 192A of the Act read with the Companies (Passing of the Resolution by way of Postal Ballot) Rules, 2001, the proposed Special Resolution for alteration in the Objects Clause is required to be passed through Postal Ballot. Accordingly, the approval of this proposed Special Resolution is being sought by way of Postal Ballot. The result of the Postal Ballot will be announced by the Chairman of the Company at the ensuing Annual General Meeting on 25th September, 2010 at 148, Mhow-Neemach Road, Mandasaur, Madhya Pradesh 458001 at 11.30 a.m.

A draft copy of the Memorandum of Association of the Company showing proposed alterations is available for inspection at the Registered Office of the Company during office hours on all working days except Sundays and Public holidays between 11.00 a.m. to 1.00 p.m upto the date of declaration of the results of the Postal Ballot.

By Order of the Board

For **MANDSAUR FERRO ALLOYS LIMITED**

Place : Mumbai
Date: 17th August, 2010


Managing Director

ADDITIONAL INFORMATION

Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd., following information is furnished of Director proposed to be appointed

Name of Director	Padamchand Dhoot
Date of Birth	8 th February, 1992
Qualification	Expertise in Commercial Field
Date of Appointment	9 th June, 2010
Profile & Expertise	Expertise in Management , Finance, Public Relation, Costing
Directorship held in other Companies & Members of Committees	Dhoot Industries Ltd Total Investment Ltd Zenu Infotech Ltd Cosboard Industries Ltd

Name of Director	Vidya Chalke
Date of Birth	20 th March, 1968
Qualification	B.com Graduate, Mumbai
Date of Appointment	9 th June, 2010
Profile & Expertise	Expertise in Finance, Costing, HRD
Directorship held in other Companies & Members of Committees	Fax Computers & Finance Pvt Ltd Shiv Shivan Developers Ltd

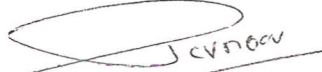
Name of Director	Santosh Mohite
Date of Birth	21 st July, 1976
Qualification	B.com Graduate, Mumbai
Date of Appointment	9 th June, 2010
Profile & Expertise	Construction Industries, Land Development, Liasioning
Directorship held in other Companies & Members of Committees	Fax Computers & Finance Pvt Ltd

Name of Director	Ramavtar Shekhavat
Date of Birth	28 th August, 1953
Qualification	B.E. Civil
Date of Appointment	17 th August, 2010
Profile & Expertise	Building Construction, Engineering, Finance & Costing, vide spread traveling, Forex.
Directorship held in other Companies & Members of Committees	Gurukripa Realtors Pvt. Ltd Zenu Infotech Ltd Gurukrupa Buildcon Pvt Ltd

Name of Director	Vijay Pandhere
Date of Birth	15 th July, 1968
Qualification	H.S.C
Date of Appointment	17 th August, 2010
Profile & Expertise	Administration and Labour Welfare activities
Directorship held in other Companies & Members of Committees	NIL

Name of Director	Brijesh Mourya
Date of Birth	1 st December, 1984
Qualification	H.S.C
Date of Appointment	17 th August, 2010
Profile & Expertise	Site Management & Administration
Directorship held in other Companies & Members of Committees	NIL

For and On Behalf of the Board of Directors


Padamchand Dhoot
Managing Director
Place: Mumbai
Dated: 17th August, 2010

DIRECTOR'S REPORT

To,
The Members,
Mandsaur Ferro Alloys Limited
Madhya Pradesh – 458 001

Your Directors present herewith their Annual Report of the Company together with the Audited Annual Accounts of the Company for the year ended 31st March, 2010.

FINANCIAL PERFORMANCE:

During the year the Company has suffered a loss of Rs. 18,25,324.

DIVIDEND

The Directors do not recommend any dividend for the year ended 31st March, 2010.

PROSPECTS IN THE COMING YEAR:

With the induction of new Directors on the Board, the Company is proposing to enter into new areas of business such as Trading in various goods and commodities, entering into Infrastructure ventures with the associate companies. The existing market is prospective in the Trading and Infrastructure activities and the Company will take the benefit by utilizing its resources in optimum level.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of Annual Accounts for the financial year ended 31st March 2010, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) that the directors had taken proper and sufficient care 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 fraud and other irregularities;
- (iv) that the directors had prepared the accounts on a going concern basis.

DIRECTORS

During the year, the Board had appointed Shri. Padamchand Dhoot, Shri. Santosh Mohite, Smt. Vidya Chalke, Shri. Ramavtar Shekhawat, Shri. Vijay Pandhere and Shri. Brijesh Mourya as an Additional Directors on the Board.

During the year, the Company had appointed Shri. Padamchand Dhoot as a Managing Director w.e.f. 17th August, 2010 subject to the approval of the members and such other authorities as may be required.

Retirement of Director :

Mr. Suneel Parikh, Mr. Navneet Parikh, Mr. Vinod.K.Jain and Mr. Pankaj Jain, who retires by rotation and in respect of change in control of management of the Company, they does not offer themselves for re-appointment.

AUDITOR'S OBSERVATIONS/QUALIFICATIONS:

The report of the Auditors of the Company for the year under reference is self explanatory and do not call for any comments from Director.

DEPOSITS:

During the year under review, the Company did not accept any deposit from the public within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rule, 1975 as amended.

AUDITORS:

In terms of provisions of the Companies Act, 1956, members are requested to appoint the Auditors of the Company.

PARTICULAR OF EMPLOYEES:

Pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, your Company has no person in its employment drawing salary within the monetary ceiling prescribed under section 217 (2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

There is no manufacturing or trading activities of the company. Your directors have noting to report under this head.

CORPORATE GOVERNANCE:

The disclosures as required under the Corporate Governance standards have been furnished as a part of this report. The Company has been practicing the principles of good corporate governance. In addition to basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.


LISTING OF SHARES:

The shares of the Company are listed at The Bombay Stock Exchange Limited, Mumbai and applicable listing fees have been paid within the prescribed time limits.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the continued support from the Shareholders, Investors, Customers, Suppliers and Bankers. Your Directors place on record their appreciation of the consistent contribution made by employees at all levels through their hard work, dedication, solidarity cooperation and acknowledge that their supports had enabled the Company to achieve new heights of success.

For and on behalf of the Board



Managing Director

Place: Mumbai
Date: 17th August, 2010

COMPLIANCE CERTIFICATE

Name of the Company : MANDSAUR FERRO ALLOYS LIMITED
CIN No. of the Company : U27106MP1989PLC005049
Nominal Capital : Rs. 41,400,000

To,

The Members

I have examined the registers, records, books and papers of **MANDSAUR FERRO ALLOYS LIMITED**, as required to be maintained under the Companies Act, 1956, and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010, in my opinion and to the best of my information and according to the examination carried out by me and explanation furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities under the Act and the rules made thereunder.
3. The company is a public limited company.
4. The Board of Directors duly met Five (5) times during the year on 25th April, 2009, 10th June, 2009, 26th September, 2009, 28th October, 2009, and 29th January, 2010 and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March, 2009 was held on 30th September, 2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. The Company has, as certified to us, not advanced any loans to its Directors or persons or firms or Companies referred to under section 295 of the Act.
9. The Company has, as certified to us, not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has not made necessary entries in the register maintained under Section 301 of the Companies Act.

11. As there were no instances falling within the purview of section 314 of the Act, the Company not obtained any approvals from the Board of Directors, members or Central Government.
12. As explained to us by the Management, the Company has not issued any shares, debentures or other securities during the financial year.
13. As explained to us by the Management, the Company has not issued any duplicate share certificates during the financial year.
14. During the Year :
 - (i) As explained to us by the Management and on the base of the records available with the Company, there was no allotment/transmission/transfer of securities during the financial year.
 - (ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - (iv) The Company duly complied with the requirements of section 217 of the Act.
15. The Board of Directors of the Company is duly constituted. There were no appointments of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made during the financial year.
16. The Company has not appointed any Managing Director/Whole time Director/Manager during the financial year.
17. The Company has not appointed any sole selling agents during the financial year.
18. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Companies Act, 1956 during the financial year.
19. The concerned Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.

24. As explained to us by the Management of the Company the amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March, 2010 does not exceed the borrowing limits of the Company.
25. The Company as explained to us has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to the share capital of the Company during the year.
30. The Company has not altered its Articles of Association during the year.
31. As informed by the Management, there was no prosecution initiated against or show-cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated U/s 418 of the Act.

Amit R. Dadheech & Associates

Place : Mumbai
Date : 17th August, 2010

Sd/-
Amit. R. Dadheech
Proprietor

Annexure A

Registers as maintained by the company

Statutory Registers

1. Register of Members under Section 150
2. Minutes of Board Meetings and General Meetings under section 193
3. Register of Directors' Disclosures under section 303
4. Register of Share Transfers
6. Register of Directors' shareholding under section 307
7. Register of Application and Allotment
8. Register of Contracts under section 301
9. Register of Charges under section 143

Annexure B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending 31st March, 2010.

Sr. No.	Form No.	Filed under Section	For filing	Date of filing	Whether filed within prescribed time Yes / No.	If delay in filing whether requisite additional fee paid Yes / No.
		NIL				

MANDSAUR FERRO ALLOYS LIMITED
REGD OFF. : BOTALGANJ, MHOW-NEEMUCH ROAD,
MANDSAUR (M.P.)

CORPORATE GOVERNANCE REPORT

The detailed report on implementation by the company of the Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with Stock Exchanges is set out below:

1. Corporate Governance Philosophy

The management believes that corporate growth, goals, transparency and enhanced stakeholder value are to be achieved only through good corporate governance.

2. Board of Directors

The Board of Directors of Mandsaur Ferro Alloys Limited (the Company) comprised of Non Executive Chairman Three Promoter Non Executive Non-Independent Directors. During the period under review the Board maintained the composition as above.

The composition and category of the Board of Directors as on March 31, 2010 was as follows:

Category Name of Director

Promoter Chairman (non executive Non independent Promoter Non executive non Independent Directors	Mr. Vinod Jain Mr. Sunil Parekh Mr. Navneet Parikh Mr. Pankaj Jain
--	---

No remuneration is being paid to any directors. **Mr. Vinod Jain** is liable for retirement by rotation and eligible for re-appointment.

The Board of Directors met **5 times** during the period under review on 25.04.2009, 10.6.2009, 26.7.2009, 28.10.2009, 29.01.2010. The Attendance of each Director at the meeting of the Board of Director held during the year and the last Annual General Meeting and also the number of Board of Directors or Committee meetings of which he is a member/ chairman is as under:

Name of Director	Attendance Particulars		No of Directorships in domestic public limited companies (including this Company)		No of Committee Memberships* in domestic public limited companies (including this company)	
	Board Meetings	Last AGM	As Chairman	As Director	As Chairman	As Member
Mr. Vinod Jain	5	Yes	1	-	-	2
Mr. Sunil Parikh	5	Yes	-	1	-	2
Mr. Pankaj Jain	5	Yes	-	1	-	2
Mr. Navneet Das Parikh	5	Yes	-	1	2	-

None of the directors is a member of more than ten committees or acting as Chairman of more than five committees across all companies in which he is a director.

3. Audit Committee

The Company has complied with the requirements of Clause 49 of the Listing Agreement relating to the composition and terms of reference of the Audit Committee. The Committee comprised of three non-Independent Non Executive Directors (one as the Chairman). The responsibilities of the Audit Committee include financial reporting, standards compliances and review financial policies of the Company and also to recommend the appointment of Statutory Auditors and Internal Auditors and to fix their fees. The Audit Committee evaluates audit policies, plans and procedures and reviews other functions through various internal audit reports. The committee also reviews all the unaudited and audited financial results before the submission to the Board. The Audit Committee met three times during the year on 11/06/2009, 29/10/2008 and 29/01/2010. The members of the Audit Committee and their attendance are given below:

Name of the Member	No. of meetings attended	Whether attended AGM
Mr. Vinod Jain	3	Yes
Mr. Sunil Parikh	3	Yes
Mr. Navneet Das Parikh	3	Yes

Representative of the Statutory Auditors are invited to attend the meetings.

4. Remuneration Committee

As there is no executive director hence no remuneration committee constituted /re constituted during the year. The Non Executive Directors are remunerated by way of sitting fees only which is decided by the Board of Directors from time to time.

5. Shareholders/ Investors Grievances Committee

The Shareholders/ Investors Grievances Committee comprised of one non Independent Non Executive Directors as the Chairman and two non independent and non executive Directors as members. The committee apart from the ensuring timely share transfers also looks into any investors complaints. The committee has designated Compliance Officer as the officer in-charge of all investor complaints. The matters unresolved for more than 15 days are reported to the committee. The committee met three times during the year. The attendance of the committee is as under:

Name of the Member	No. of meetings attended
Mr. Vinod Jain	3
Mr. Sunil Parikh	3
Mr. Navneet Das Parikh	3

6. Code of Conduct

As required by the amended Clause 49 of the Listing Agreement, the Board of Directors of the Company has adopted a Code of Conduct for all Board Members and Management of the Company. The members of the Board and Senior Management of the Company have affirmed compliance of the said Code of Conduct during the year under review.

7. Disclosure

a. Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

As required by the amended Clause 49, a statement in summary form of transaction with related parties are being periodically placed before the audit committee. There were no transactions of the Company of material significance with its Promoters, Directors or the Management or Relatives during the year, which may have potential conflict with the interest of the Company at large. Transactions with related parties as per the requirements of Accounting Standard (AS-18) Related Party Disclosures disclosed in the Notes to the Accounts are nil for the financial year.

b. Disclosure of Accounting Treatment

In the preparation of the financial statements, the company has followed the Accounting Standards referred to in Section 211 (3) (c) of the Companies Act, 1956. The significant accounting policies which are consistently applied are set out in the Annexure to the Notes to the Accounts.

c. Risk Management

The Company has laid down the procedures to inform the Board members about the risk assessment and minimization procedures of the material and they are being reviewed periodically.

d. Details of non-compliance by the Company, Penalties & Strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has not complied with the requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of the SEBI. No penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non compliance of any matter related to the capital markets during the last three years. The shares of the company are not traded in any stock exchange. The Company has paid the requisite listing fees to the Bombay Stock Exchange.

8. Annual General Meetings (AGM)

The details of last three Annual General Meetings are as under:

Year Venue Day/Date Time

Year	Venue	Day/Date	Time
17 th	Mhow Neemuch Road Botalganj, Mandsaur	30/09/2007	3.00 PM
18 th	Mhow Neemuch Road Botalganj, Mandsaur	30/09/2008	3.00 PM
19 th	Mhow Neemuch Road Botalganj, Mandsaur	30/09/2009	3.00 PM

No postal ballots were used for voting at these meetings. At the ensuing Annual General Meeting, there is no item on the agenda that needs approval by postal ballot. However the Company has issued Notice on 17th August, 2010 to the shareholders for the Postal Ballot for the respective agenda to be approved by them for which the results will be declare at the ensuing Annual General Meeting by the Chairman.

9. Means of Communications

10. General Shareholders Information

Registered Office: Botalganj, Mhow-Neemuch Road, Dist Mandsaur (M.P.) Pin 458001

Compliance Officer: Mr. Padamchand Dhoot who has been appointed as Additional Director w.e.f. 9th June, 2010 will be the Compliance Officer henceforth.

Annual General Meeting: The 20th Annual General Meeting of the company will be held on Saturday, the 25th day of September, 2010 at the 148, Mhow Neemuch Road, Botalganj, Mandsaur (M.P.) Pin 458001 of the Company at 11.30 a.m

Financial Year: 01st April to 31st March

Date of Book Closure: 19th September, 2010 to 24th September, 2010 book closure for the year. (Record date was taken for AGM purpose)

Dividend Payment Date: No dividend for the year hence Not Applicable

Listing on Stock Exchanges: Bombay Stock Exchange Limited

Listing Fees: Due to financial constraints the Company has not paid listing fees to any stock exchange.

Market Price Data: Since trading is suspended in stock exchange the market price data are not available.

Registrar & Transfer Agent: All the shares of the company are in physical form. The company In-house undertake the share transfer activities.

Distribution of Shareholding

As of March 31, 2010 the distribution of the equity shareholding of the Company was as follows:

	No. of share holders	%	No. of shares held	%
Upto 5000	18278	96.781	2213300	53.46
5001-10000	309	1.636	273000	6.59
10001-20000	160	0.847	255600	6.17
20001-30000	39	0.207	99200	2.39
30001-40000	24	0.127	86600	2.09
40001-50000	23	0.122	112800	2.72
50001-100000	27	0.143	216600	5.23
100001 & Above	26	0.138	882900	21.32
TOTAL		100.000		100.00

Categories of Shareholding as on 31st March, 2010 are as follows:

Category	No. of shares held	%
Resident Individuals	3601800	87.00
Body Corporates	36500	0.8816
NRIs/ OCBs	2400	0.06
Nationalised Banks	1100	0.03
Promoter Group	498400	12.03
TOTAL	4140000	100.00

Dematerialization of Shares and Liquidity:

As on March 31, 2010, nil equity shares representing 0% of the paid up share capital of the Company has been dematerialized. The shares of the Company are not traded.

Outstanding Convertible Instruments:

As on date, the Company has no outstanding convertible instruments.

Manufacturing Units:

The company do not have any manufacturing unit.

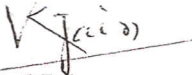
Secretarial Audit for Reconciliation of Capital:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit. This audit is carried out every quarter but the report thereon is pending to be submitted to the Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total shares held in physical form.

11. Declaration

All Board Members and Senior Management Personnel have, for the year ended 31st March, 2010 affirmed compliance with the Code of Conduct as far as possible as laid down by the Board of Directors in terms of Clause 49 (1) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges.

FOR MANDSAUR FERRO ALLOYS LIMITED



**Mr. Vinod Jain,
Director**

Place: BotalGanj, Mhow-Neemuch Road, Mandasaur (M.P.)


Date: 17th August, 2010

DECLARATION

**Annual Declaration by Chief Executive Officer (CEO) /Chairman / Managing Director (MD)
pursuant to Clause 49(i)(d)(ii) of the Listing Agreement**

As the Chief Executive Officer (CEO) /Chairman / Managing Director (MD) of **MANDSAUR FERRO ALLOYS LIMITED** provided under Clause 49 (i)(d)(ii) of the Listing Agreement. I hereby declare that all the Board members and Senior Management personnel of the company have confirmed compliance with the code of conduct for the financial year ended 31 March 2010.

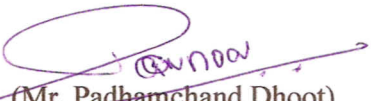
FOR MANDSAUR FERRO ALLOYS LIMITED


Managing Director
Place : Mumbai

To
The Board of Directors
Mandsaur Ferro Alloys Limited,
BotalGanj, Mhow-Neemuch Road,
Mandsaur (M.P.)

I have reviewed the financial results and the cash flow statement of Mandsaur Ferro Alloys Limited for the financial year ended 31 March, 2010 and certify that:

- (a) These results and statements, to the best of my knowledge and belief:
 - (i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls of which I am aware, and the steps taken and proposed to be taken to rectify these deficiencies.
- (d) I have also indicated to the Auditors and the Audit committee:
 - (i) Significant changes in the internal controls with respect to financial reporting 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) To the best of my knowledge and belief, there are no instances of fraud involving either the Management or employees having a significant Role in the Company's internal control systems with respect to financial reporting.


(Mr. Padhamchand Dhoot)
Managing Director
Place: Mumbai
Date: 17th August, 2010

MANAGEMENT DISCUSSION AND ANALYSIS

a) Overview:

The company is diversifying into trading and infrastructure activities.

b) Industry

In spite of the effects of the Global Financial crisis and economic recession, your company is overcoming from the effects of the same.

c) Financial performance:

During the year the Company has suffered a loss of Rs. 18,25,324.

d) Opportunities and Threats

Your Company has strengthened its infrastructure, technical skills, strategic alliances and positioned itself to reap the benefits of the potential economic growth of the country. With the induction of the new Directors, the Company is in a much stronger position in the market both financially and in terms of access to the latest opportunities. The new Director has rich experience in Trading and Infrastructure field and with the help of the new Directors your company has opportunities to explore markets for these products in India.

e) Internal Controls

The Audit Committee of the Board of Directors meets on a regular basis to review the control systems and to take stock of the situation. Any significant findings are reviewed by the Audit Committee.

The Company is in process to set up internal systems and control mechanisms to ensure:

- On going risk assessment, identification of new risks and implementation of effective mitigation processes to safeguard the Company's interests.
- Transparency and efficiency of operations and resource management.
- Accuracy in financial reporting by implementation of systems framework for detection of errors and frauds.
- Law and regulatory compliance.

f) Risk Management

The Company has realized the need to ensure that it has a proper and continuous risk identification and management process.

ATTENDANCE SLIP

MANDSAUR FERRO ALLOYS LIMITED

Registered Office: BOTALGANJ, MHOW-NEEMUCH ROAD, MANDSAUR (M.P.)

PLEASE COMPLETE AND HANDOVER THE SLIP AT THE ENTRANCE OF THE VENUE. I/WE HEREBY RECORD MY/OUT PRESENCE AT THE ANNUAL GENERAL MEETING HELD 148, MHOW-NEEMUCH ROAD, MANDSAUR, MADHYA PRADESH 458 001 ON SATURDAY THE 25TH SEPTEMBER 2010, AT 11.30 P.M.

NAME /S OF THE MEMBER/S OR PROXY /PROXIES

NAME/S AND ADDRESS/ES OF THE MEMBER/S (INCAPITAL)

Reference Folio No. _____ Signature

Jointly with

PROXY FORM

MANDSAUR FERRO ALLOYS LIMITED

Registered Office: BOTALGANJ, MHOW-NEEMUCH ROAD, MANDSAUR (M.P.)

I/WE.....Of.....

.....being a member/s

Members of the above named company hereby appoint.....of

.....in the district of or failing him/her,.....of

.....in the district ofas my/our proxy to vote for me/us on my behalf at the 25th ANNUAL GENERAL MEETING of the company to be held on SATURDAY THE 25th SEPTEMBER, 2010 and at any adjournment thereof.

Signed thisday of2010 Folio

Nos of Shares SignatureAffix Stamp

M/S PANKAJ RATHI & ASSOCIATES
CHARTERED ACCOUNTANTS
155, DAWA BAZAR, II FLOOR
13-14, R.N.T. MARG INDORE
PH.4045279, MOBILE NO. 98260-73925
E-mail: pankaj_rathi_ca@rediffmail.com

To,
The Board of Directors
MANDSAUR FERRO ALLOYS LTD.
MANDSAUR (M.P.)

Re: AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of Corporate Governance by M/S MANDSAUR FERRO ALLOYS LIMITED, MANDSAUR, for the year ended 31st March 2010, as stipulated in clause 49 of the listing Agreement of the said company with the stock exchange.

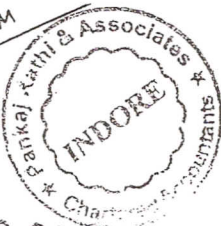
The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedure and implementation thereof, adopted by the company to ensure compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our Opinion and to the best of our information and according to the explanations given to us by the company, we certify that the company has not complied with the conditions of Corporate Governance as stipulated in the Listing Agreement with stock exchange.

We enable to state the position of Investor grievances because no records available to us for inspection. We further state that such Compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Pankaj Rathi & Associates
Chartered Accountants

Proprietor
M. No. 78622
Place: Indore
Dated:



17 AUG 2010

M/S PANKAJ RATHI & ASSOCIATES
CHARTERED ACCOUNTANTS
155, DAWA BAZAR, II FLOOR
13-14, R.N.T. MARG INDORE
PH.4045279, MOBILE NO. 98260-73925
E-mail: pankaj_rathi_ca@rediffmail.com

REPORT OF THE AUDITORS TO THE SHARE HOLDERS

TO
The SHAREHOLDERS,
MANDSAUR FERRO ALLOYS LTD.
MANDSAUR (M.P.)

Ladies and Gentleman,

1. We have audited the attached Balance Sheet of M/S MANDSAUR FERRO ALLOYS LIMITED As At 31st March 2010 and also the Profit and Loss account and cash flow statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management; our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standard generally accepted in india. Those standards require that we plan and perform the audit to obtain the reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes examining on a test basis, evidence supporting the amount 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.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of section 227(4-A) of the Companies Act, 1956, we enclosed in the annexure a statement on the matters specified in the paragraph 4 and 5 of the said order.
4. Further to our comment in the Annexure referred to above, we report that;
 - i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) In our opinion, proper books of account, as required by law, have been kept by the company, so far as appears from our examination of those books.



M/S PANKAJ RATHI & ASSOCIATES
CHARTERED ACCOUNTANTS
155, DAWA BAZAR, II FLOOR
13-14, R.N.T. MARG INDORE
PH.4045279, MOBILE NO. 98260-73925
E-mail: pankaj_rathi_ca@rediffmail.com

- iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
- iv) In our opinion the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 as prescribed by the ICAI.
- v) On the basis of written representation received from the directors, as on 31st March, 2010 and taken on records by the Board of directors, We report that none of the directors are disqualified as on 31st March 2010 from being appointed as director in term of clause (g) of Sub-section (1) of section 274 of the Companies Act 1956.
- vi) In our opinion and to the best of our information and according to the explanation given to us, the said Accounts reads with the notes there on and subject to :-
1. The non obtaining of confirmation of Balances from the Creditors and Debtors.
 2. Non provision for Income Tax under dispute.
 3. Non provision of interest at the rate of 18 % per annum on allotment money amounting to Rs. 25000/- not paid on the investment in shares on due date i.e. 30/11/1996.
 4. Non provision for Doubtful Debts of Rs. 38.69 Lacs. In our opinion considered as Irrecoverable.
 5. No provision has been made for Annual Listing Fees since F.Y. 1998-99 for which company has been listed with various stock exchanges.
 6. Investment in shares which are unquoted is made at cost. No provision is made for any diminution in the value of shares if any, as the shares are not quoted in the market.
 7. No provision has been made for the extent of Rs. 8,26,506/- to Madhya Pradesh State Electricity Board which is under dispute.
 8. Non Provision of Loans to Employees, which are, in our opinion not recoverable.



Give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view subject to point no. F (1) to F (7) above in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of state of affairs of the company as at 31st March 2010,
And
- b) In the case of the Profit and Loss Account, of the Loss for the year ended on that date.
And
- c) In case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Pankaj Rathi & Associates
Chartered Accountants



(PANKAJ RATHI)
Proprietor
(M. No. 078622)

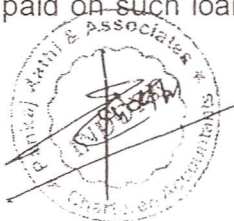
Place: Indore

Dated: 17 AUG 2010

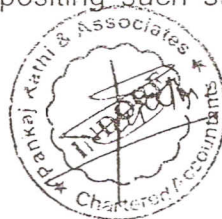
M/S PANKAJ RATHI & ASSOCIATES
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E-mail: pankaj_rathi_ca@rediffmail.com

ANNEXURE REFERRED TO IN PARAGRAPH (3) OF THE AUDITORS REPORT OF EVEN DATE TO THE MEMBERS OF M/S MANDSAUR FERRO ALLOYS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH 2010.

1. (a) The Company has not maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
(b). Physically verification of the fixed assets has not been conducted by the management during the year as all the assets have been auctioned by the M.P.S.E.B. and these assets are no in the possession of the company.
(c). We draw attention to note no. 8 to the notes of accounts. The Company's assets have been disposed off in an auction against the power dues of MPSEB of Rs. 90.00 Lacs. The company has so far no plan to replace the auctioned assets. As a result, based on the information and expiations given by the management and on the basis of audit procedures performed by us, we are of the opinion, that these factors raise substantial doubt the company's ability to continue as a going concern in the foreseeable future.
2. (a) As the company has not purchased sold goods during the year nor there is any opening stock, requirement of reporting on physical verification of stocks or maintenance of inventory records, in our opinion, does not arise.
3. (a) The company has taken loan from one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was 5,900/- and the year end balance of loan taken from such party was also Rs. 5900/-. The Company has not granted any loans to the Companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
(b). In our opinion, so far as loans taken from the party covered in the register maintained u/s 301 of the companies' act 1956. The rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company as no interest has been paid on such loan. And no repayment period has been stipulated.



- (c) As informed to us, no loans agreements were executed in respect of loan taken from the party covered u/s 301 of the companies act, 1956. Therefore, no repayment schedule has been fixed. Also as per the books of account there seems no regularity in the payment of principal amount in respect of loan taken as the company has not given any loans to Companies, firms or other parties covered in section 301 of the companies act, 1956. Therefore, we offer no comments on the question on of regular payment of the principal amount and interest thereon.
- (d) In absence of any agreement and stipulation regarding repayment of such loans, we are unable to offer our comments, whether there is any over due amount of loan taken from party covered u/s 301 of the companies act, 1956 requiring the company to initiate any reasonable steps for payment of the principal amount.
4. Having regard to the nature of the company's business and based on our scrutiny of the company's records and information and explanations received by us, we report that the company's activities do not include purchase of inventory, fixed assets and sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. Based on the Audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there were no transactions during the year that need to be entered into the register maintained u/s 301 of the companies Act, 1956.
6. Based on our scrutiny of the company's records and according to the information and explanations provided by the management, in our opinion, the company has not accepted any deposit from the public as referred to in provision of section 58A and 58AA of the Companies Act, 1956 to be read with Rule 2 (b) of the Companies (Acceptance of Deposit's) Rule 1975.
7. The company has no internal audit system during the year covered by our report, as there was no activity.
8. According to information and explanations provided by the management though, the Central Government has not prescribed the maintenance of cost records by the Company under section 209 (1) (d) of the Companies Act, 1956, in respect of the products being manufactured by the company, but in absence of any manufacturing activities carried out by the company we therefore offer no comments on maintenance of cost records.
9. (a) According to the records of the Company and information and explanations provided by the management, we are of opinion that the company was not required to deposit any statutory dues during the year covered by our report, we therefore offer no comments about the regularity of depositing such statutory dues with appropriate authorities.



- (b) Undisputed statutory dues including central sales tax, has not been regularly deposited with the appropriate authorities and there is delay in following cases

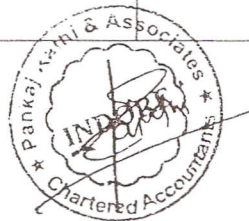
The Statement of arrears of statutory dues outstanding for more than six months is as under:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Central Sales Tax Act	Quarterly Demand	Rs. 9832/-	F.Y. 1999-2000	January 2000	Not deposited till the date of the Audit Report.
Income Tax	Regular Demand	Rs. 1.36 Lacs	F.Y. 1991-92 (i.e. Assessment Year 1992-93)	April 1999	Not deposited till the date of the Audit Report.

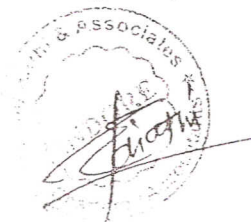
(C) According to the information and explanations given to us, there are following dues of Income tax which has not been deposited on account of disputes as at 31st March, 2010 for a period of more than six months from the date they become payable.

The statement of disputed dues is as under:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Interest U/s 234	Rs. 1.93 Lacs	F.Y. 1991-92 (i.e. Assessment Year 1992-93)	Department's appeal before Income Tax Appellate Tribunal
Income Tax	Regular Demand	Rs. 22.88 Lacs	F.Y. 1992-93 (i.e. Assessment Year 1993-94)	Department's & Company's appeals before Income Tax Appellate Tribunal

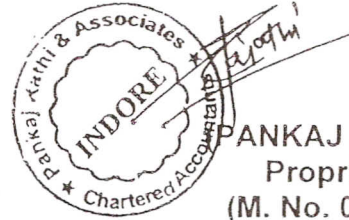


10. The accumulated losses of the company have exceeded fifty percent of its net worth as at 31.03.2010 the company has incurred a cash loss of Rs. 1825324/- in the current financial year covered by our audit and Rs. 5165/- in the immediately preceding financial year.
11. According to the records of the Company, the company has not borrowed from the financial institutions or bank or issued debentures till 31st March, 2010 Hence in our opinion the question of dues to the financial institutions or bank or debentures does not arise.
12. According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and to the best of our information and explanations provided by the management, we are of the opinion that the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4 (xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. As per records of the company and the information and explanations provided to us by the management the Company is not dealing / trading in shares, securities, debentures and other investments. Therefore in our opinion the requirements of para 4 (xiv) of the companies (Auditor's Report) order, 2003 do not apply to the company.
15. According the records of the company and the information & explanations provided by the management, the Company has not given any guarantee for loans taken by the others from bank or financial institutions.
16. According to records of the company and the information & explanations given to us, the company has not raised any amount by way of term loans during the financial year under audit; therefore comments under the clause are not called for.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, We report that no funds raised on short-term basis have been used for long-term investment by the company. No long-term funds raised have been used to finance short-term assets.
18. According to records of the company and the information & explanations provided by the management, 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.
19. According to records of the company and the information and explanations given to us, the company has not issued debentures during the year and also in earlier years.



20. The Company has not raised any money through a public issue during the year
21. According to the information & explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Pankaj Rathi & Associates
Chartered Accountants



PANKAJ RATHI)
Proprietor
(M. No. 078622)

Place: Indore
Dated: 17 AUG 2010

BALANCE SHEET AS AT 31ST MARCH-2010

PARTICULAR	SCH.	31.03.2010 (Rupees)	31.03.2009 (Rupees)
(I) SOURCES OF FUNDS :			
Shareholders' Fund:			
Share Capital	1	41400000.00	41400000.00
Reserve & Surplus	2	150000.00	150000.00
(I) LOAN FUNDS :			
Unsecured Loans	3	5900.00	5900.00
	TOTAL	<u>41555900.00</u>	<u>41555900.00</u>
(II) APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	4	70000.00	70000.00
Less: Depreciation		70000.00	70000.00
Net Block		<u>0.00</u>	<u>0.00</u>
INVESTMENTS :			
	5	25000.00	2051080.00
Current Assets , Loans & Advances :			
Sundry Debtors	6	3869014.00	3869014.00
Cash & Bank Balance		149972.00	12536.00
Loans and Advances & Deposits		1265113.00	1265113.00
	TOTAL	<u>5284099.00</u>	<u>5146663.00</u>
Less: Current Liabilities & Provision :	7	7768687.00	7832007.00
Net Current Assets	TOTAL	<u>-2484588.00</u>	<u>-2685344.00</u>
MISCELLANEOUS EXPENDITURE :			
(To the extent not written off)	8	44015488.00	42190164.00
	TOTAL	<u>41555900.00</u>	<u>41555900.00</u>
Significant Accounting Policies & Notes to the Accounts			
	10		

Schedules referred to above and notes attached thereto form an integral part of Balance Sheet
This is the Balance Sheet referred to in our report of even date.

For PANKAJ RATHI & ASSOCIATES
Chartered Accountants

(PANKAJ RATHI)
Proprietor

Place : Indore

Date : 17 AUG 2010



For and on behalf of the Board

Srinivas
Director

Shankar
Director

M/S MANDSAUR FERRO ALLOYS LIMITED, MANDSAUR
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH ,2010

Particulars	SCH.	31.03.2010 (Rupees)	31.03.2009 (Rupees)
<u>INCOME</u>		NIL	NIL
	TOTAL	NIL	NIL
<u>EXPENDITURE</u>			
Administration and Other Expenses	9	290200.00	5000.00
Loss on Sale of Shares		1526080.00	0.00
Interest & Financial Charges		9044.00	165.00
	TOTAL	1825324.00	5165.00
Loss for the Year		-1825324.00	-5165.00
Less :Prior Period (Expense) / Income		0.00	0.00
Add : Loss brought forward from Previous year		-42190164.00	-42184999.00
		-44015488.00	-42190164.00
Significant Accounting Polices & Notes to the Accounts	10		

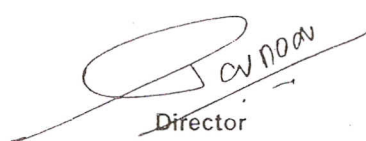
Schedules referred to above and notes attached thereto form an integral part of Profit & Loss Account this is the Profit & Loss Account referred to in our report of even date.

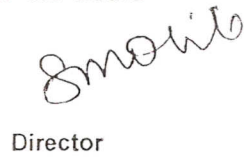
For PANKAJ RATHI & ASSOCIATES
Chartered Accountants

For and on behalf of the Board

(PANKAJ RATHI)
Proprietor
Place :Indore
Date : 17 AUG 2010




Director


Director

SCHEDULE ATTACHED TO AND FORMING PART OF BALANCE SHEET
AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON 31ST MARCH, 2010

Particulars	31.03.2010 (Rupees)	31.03.2009 (Rupees)
SCHEDULE "1"		
SHARE CAPITAL		
Authorised (42,50,000 Equity Shares of Rs. 10 /-each)	42500000.00	42500000.00
	<u>42500000.00</u>	<u>42500000.00</u>
Issued Subscribed and Paid-up (4140000 Equity Shares of Rs. 10 /-each) (Previous year 41,40,000 Equity Shares of Rs. 10/- each)	41400000.00	41400000.00
TOTAL	<u>41400000.00</u>	<u>41400000.00</u>
SCHEDULE -"2"		
RESERVE & SURPLUS		
CAPITAL SUBSIDY		
Capital subsidy Reserve	150000.00	150000.00
TOTAL	<u>150000.00</u>	<u>150000.00</u>
SCHEDULE -"3"		
UNSECURED LOAN FROM DIRECTORS		
TOTAL	<u>5900.00</u>	<u>5900.00</u>
SCHEDULE -"5"		
INVESTMENTS		
Investments in Shares 9600 Equity Shares of Rs. 100/- Each of M/s. Pooja Ferro Alloys Pvt. Ltd Previous year 9600 Unquoted	0.00	2026080.00
Investment in Shares 5000 Unquoted Equity Shares of Rs. 100/- Each of M/s. Viraj Foregins Ltd. Rs. 50/- paid per share Previous year 5000 Unquoted.	25000.00	25000.00
TOTAL(Rs.)	<u>25000.00</u>	<u>2051080.00</u>

The allotment money of Rs. 25,000/- has not been paid on Oct, 1996. The Company is liable to pay the interest on this amount @ 18% from the due date and the share are liable to be forfeited.



M/S. MANDSAUR FERRO ALLOYS LIMITED, MANDSAUR
 DEPRICIATION FOR THE YEAR 31ST MARCH-2010

SCHDULE-"4"

PARTICULAR	As On 01.04.09 Year	Gross Block			Rate of Dep.	Depriciation			Net Block	
		Addition During The Year	Deduction During The Year	As at 31.03.10 Year		Upto 31.03.09	For The Year Ended 31.03.10	Upto on 31.03.10	As on 31.03.10	As on 31.03.09
Computer	70000.00	0.00	0.00	70000.00	16.21%	70000.00	0.00	70000.00	0.00	0.00
TOTAL	70000.00	0.00	0.00	70000.00		70000.00	0.00	70000.00	0.00	0.00
Previous Year	70000.00	0.00	0.00	70000.00		70000.00	0.00	70000.00	0.00	0.00



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Particulars	31.03.2010 (Rupees)	31.03.2009 (Rupees)
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SCHEDULE -"6"

CURRENT ASSETS, LOANS AND ADVANCES

CURRENT ASSETS

Sundry debtorsMore than 6 Months

Considered Doubtful (Unrecoverable)	3869014.00	3869014.00
TOTAL(A)	3869014.00	3869014.00

Cash and Bank BalanceBalance with Scheduled Bank

Current Account

Dena Bank

Cash in Hand & Imprest

	0.00	8011.00
	2394.00	3427.00
	147578.00	1098.00
TOTAL(B)	149972.00	12536.00

LOANS, ADVANCES & DEPOSITS

Sundry Deposits

Advance to Suppliers (Doubtful)

Advance for Expenses

Advance to Employee

Advance for Capital Goods

Income Tax Demand Paid Under Dispute

Amount due against sale of Assets

	28050.00	28050.00
	21000.00	21000.00
	63552.00	63552.00
	25090.00	25090.00
	27421.00	27421.00
	1000000.00	1000000.00
	100000.00	100000.00
TOTAL(C)	1265113.00	1265113.00

TOTAL(A+B+C)	5284099.00	5146663.00
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SCHEDULE -"7"

CURRENT LIABILITIES & PROVISIONS

Sundry Creditors

Liabilities for Expenses

Liabilities for Public Issue

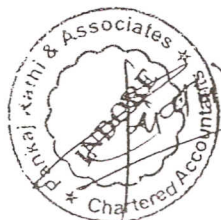
Liabilities for Capital Goods

Other Liabilities

	2200553.00	2200553.00
	30155.00	93475.00
	426422.00	426422.00
	130211.00	130211.00
	4981346.00	4981346.00

TOTAL	7768687.00	7832007.00
--------------	-------------------	-------------------

Including Rs. 360953/- due to small scale undertakings (listed below) exceeding Rs. 1 lacs each outstanding for more than 30 days and Rs. --Nil-- for less than 30 days (Previous year Rs. 360953/-). (Agrawal Metal Industries, Mumbai. Transformers & Rectifire (India).



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Particulars	31.03.2010 (Rupees)	31.03.2009 (Rupees)
SCHEDULE -"8"		
MISCELLANEOUS EXPENDITURE		
Debit Balance of Profit & Loss A/c	-44007477 00	-42190164 00
TOTAL	-44007477.00	-42190164.00

SCHEDULE-"9"
ADMINISTRATIVE ESTABLISHMENT & OTHER EXPENSES

Salary	100200.00	
Travelling Expenses	35000.00	0.00
Data Recovery Charges	150000.00	0.00
AUDITORS REMUNERATION		
Audit Fees	5000.00	5000.00
Fees in other Capacity	0.00	0.00
TOTAL	290200.00	5000.00



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SCHEDULE '12'

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2010

SIGNIFICANT ACCOUNTING POLICIES :

1. BASIS OF ACCOUNTING:

- (a) The accounts are prepared in accordance with the accounting principles generally accepted in India and are in line with the relevant laws as well as the guidelines prescribed by the Department of Company affairs and the Institute of Chartered Accountants of India
- (b) The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis those which are insignificant and uncertainties.
- (c) Financial statements are based on accounting are policies referred to otherwise are consistent with generally accepted accounting principles.
- (d) System of accounting: - The Company adopts the accrual basis in the preparation of accounts

2. FIXED ASSETS:

(a) There are no fixed assets except computer as all the assets were auctioned by Madhya Pradesh Electricity Board on 25-05-2001.

(b) There are no fixed assets hence the question of depreciation on the same does not arise.

3. INVESTMENTS:

Investment in shares which are unquoted is made at cost. No Provision is made for any diminution in the value of shares if any as the shares are not quoted in the market.

4. INVENTORY VALUATION:

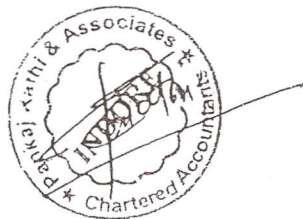
There was no closing Stock of raw material stores & spares, work in process and finished goods the question of valuation does not arise.

5. CONTINGENT LIABILITIES:

Contingent liabilities are generally not provided for in the accounts and are shown separately under the Schedule of notes on accounts.

6. IMPAIRMENT OF ASSETS :

The Company carries out a periodic review of all its assets with a view to identify any impairment, impairment to assets, if any, identified on the basis of such review is accounted for in the books as required by the Accounting Standard on Impairment of Assets (AS-28) issued by the ICAI. No impairment of assets has been identified during the review carried out in the current Year.



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A handwritten signature, possibly "P. K. Anil", written in black ink.

7. Related Parties Disclosure as required by accounting standard 18 of ICAI

(A) Relationship :

(a) Key Management Personal :

(b) Relatives of key management personal with whom transaction have taken place:

(c) Enterprises over which key management personal exercise significant influence :

(d) Transactions with related parties during the year: NIL

NOTES ON ACCOUNTS:

1) CONTINGENT LIABILITIES NOT PROVIDED FOR:

1. In respect of penalty proceedings u/s 271(1) (c) of Income tax Act, 1961 for the assessment Year 1997-98, 1999-00 & 200-01 initiated on the quantum of additions made which are under are not ascertainable.

2. The company has not deposited the amount due on allotment amounting to Rs. 25000/- for the investment in the shares of Viraj Foregenings. The amount is payable with interest @ 18 % per annum from 30-11-1996. The shares may be forfeited non payment of allotment money.

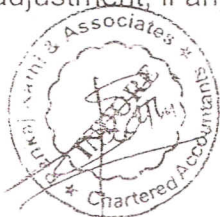
3. The income tax assessment of the company has been completed up to assessment year 2001-02. The total demand of Income Tax under Appeal and in dispute is Rs. 26, 36,137/- pertaining to A.Y. 1992-93 and 1993-94. Pending decision of the appeal a sum of Rs. 10.00 Lacs has been deposited by the company under protest. The same has been treated as advance recoverable in cash or kind.

4. There is contingent liabilities of the company to the extent of Rs. 8,26,506/- to Madhya Pradesh state Electricity Board which is under dispute and any interest if any on such outstanding dues of Rs. 49,71,514/- towards power charges payable to the board. In the absence of any speculations for the same, the quantum is not ascertainable.

5. No provision has been made for annual listing fees since F.Y. 1998-99 for which company has been listed with Indore, Mumbai, Calcutta and ahemdabad Stock exchanges.

6. No provision for gratuity has been made in respect of gratuity payable to the staff, if Gratuity Act is applicable.

7. Balance of debtors, creditors and Loans and Advances are subject to confirmations, reconciliation and adjustment, if any.



B

8

8. In absence of details from the registrar to issue, the liability for share application money could not be adjusted till date.

9. Previous Year figures have been regrouped or rearranged to make the comparable with current year figures.

10. No provision for Doubtful Debts of Rs. 38.69 Lacs has been made, out of which Rs. 2.36 Lacs are under dispute.

11. Deferred tax Assets have not been created in view of Accumulated Loss and Unabsorbed Depreciation. This is in conformity of AS-22 "Accounting for Taxes on Income" issued by ICAI.

12. Earnings in Foreign Exchange:

Export of Goods on F.O.B. basis during the year was Rs. Nil (Previous Year Rs. Nil). Foreign Exchange outgo was Rs. Nil (Previous Year Rs. Nil).

13. The commercial production of the company was suspended from the month of October, 1999 and further on account of seizure and auction of the assets of the company by Madhya Pradesh State Electricity Board.

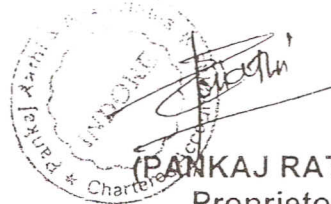
14. The Madhya Pradesh State Electricity Board, Mandsaur has auctioned the factory along with fixed assets lying in the factory for Rs. 45.00 Lacs. The balance of Rs. 49, 71,514/- excluding the claim of expenses on auction is still outstanding. The company has filed suit before District Judge, Mandsaur on 24-06-02 challenging the legality of the auction. The same is pending till the date of audit.

15. Auditor's Remuneration:	Current Year	Previous Year
Audit Fees	5000/-	5000/-

16. The figures have been rounded off to the nearest rupee.

17. Additional information pursuant to the provision of the Part II of schedule – VI to the companies Act, 1956 is as per annexure.

For Pankaj Rathi & Associates
Chartered Accountants



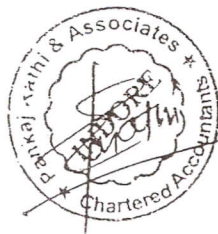
(PANKAJ RATHI)
Proprietor
(M. No. 078622)

Place: Indore

Dated: - 17 AUG 2010

ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PARAGRAPHS 3 & 4 OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956 (AS REFERRED IN POINT NO. 12 OF NOTES ON ACCOUNTS) AS PROVIDED BY THE MANAGEMENT AND RELIED BY AUDITORS BEING TECHNICAL MATTERS PERTAINING TO CAPACITY, PRODUCTION AND CONSUMPTION

PRODUCTS	CERAMIC GLAZED TILES		CERAMIC GLAZED TILES		
	2009-2010		2008-2009		
(i) A. LICENCED CAPACITY	FACTORY AUCTIONED BY M.P.E.B.		FACTORY AUCTIONED BY M.P.E.B.		
B. LICENCED CAPACITY					
ii) C PRODUCTION	TILIES	SAITARY WARES	TILES	SAITARY WARES	
	(IN M.T.)	(IN NOS.)	(IN M.T.)	(IN NOS.)	
FINISHED	-NIL-	-NIL-	-NIL-	-NIL-	
UNFINISHED (WORK IN PROGRESS)	-NIL-	-NIL-	-NIL-	-NIL-	
III) SALES (NET)	-NIL-	-NIL-	-NIL-	-NIL-	
	(--)	(--)	(--)	(--)	
IV) STOCK					
a). Opening Stock					
Finished	-NIL-	-NIL-	-NIL-	-NIL-	
	(--)	(--)	(--)	(--)	
Unfinished	-NIL-	-NIL-	-NIL-	-NIL-	
	(--)	(--)	(--)	(--)	
b). Closing Stock					
Finished	-NIL-	-NIL-	-NIL-	-NIL-	
	(--)	(--)	(--)	(--)	
Unfinished	-NIL-	-NIL-	-NIL-	-NIL-	
	(--)	(--)	(--)	(--)	
v) RAW MATERIAL CONSUMED (INDIGENEOUS)	UNIT	QTY	VALUE	QTY	VALUE
a). Body Materials	M.T.	-NIL-	-NIL-	-NIL-	-NIL-
b). Glazed, Frites & Chemicals	M.T.	-NIL-	-NIL-	-NIL-	-NIL-
	M.T.	-NIL-	-NIL-	-NIL-	-NIL-
Indigeneous	M.T.	-NIL-	-NIL-	-NIL-	-NIL-
Imported	M.T.	-NIL-	-NIL-	-NIL-	-NIL-
vi) value of Imports on CIF Basis					
Capital Goods					---NIL---
vii) Expenditure in Foreign Currency					---NIL---
viii) Eaaaarning in Foreign Currency					---NIL---



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CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2010

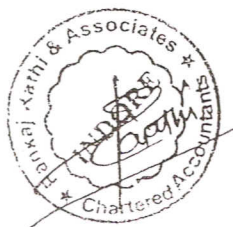
(Prepared pursuant to the Listing Agreement with Stock Exchange)

A. CASH FLOW FROM OPERATION ACTIVITIES

	31st MARCH, 2010	31st MARCH 2009
NET PROFIT BEFORE TAX & EXTRA NARY ITEMS	-1825324	5165
ADJUSTMENT FOR :		
DEPRECIATION		
FOREIGN EXCHANGE		
INVESTMENT	2026080	
INTEREST/ DIVIDEND (NET)		
PRELIMINARY EXPENSES WRITTEN OFF		
PROFIT ON SALE OF FIXED ASSETS		
LOSS ON SALE OF FIXED ASSETS (AUTION)	0	0
OPEATINT PROFIT BEFORE WORKING CAPITAL CHAGES	200756	-5165
ADJUSTMENT FOR :		
TRADE & OTHER RECEIVABLE	0	0
INVENTORIES	0	0
TRADE PAYABLES	-63320	5000
	<u>-63320</u>	<u>5000</u>
CASH GENERATED FROM OERATIONS	137436	-165
INTEREST PAID	---	
DIRECT TAXES PAID	0	0
NET CASH FLOW OPERATING ACTIVITIES	137436	-165

B. CASH FLOE FROM INVESTING ACTIVITIES

PURCHASE OF FIXED ASSETS		
DEDUTION FROM FIXED ASSETS		
ACQISITION OF COMPNIES		
PURCHASE OF INVESTMENTS		
SALE OF INVESTMENTS		
INTERST RECEIVED		
DIVIDEND RECEIVED		
NET CASH USED IN INVESTING ACTIVITIES	0	0
	137436	-165



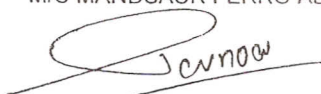
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C. CASH FLOW FROM FINANCIAL ACTIVITIES

PROCEEDS FROM CAPITAL ISSUE
PROCEEDS FROM LONG TERM BORROWINGS
REPAYMENT OF FINANCE LEASE LIABILITIES
DIVIDEND PAID

NET CASH USED IN FINANCING ACTIVITIES	0	0
NET INCREASE IN CASH & CASH EQUIVALENTS	137436	-165
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	149972	12536
OPENING BALANCE OF CASH & CASH EQUIVALENTS	12536	12701

FOR AND BEHAID OF THE BOARD OF DIRECTORES
M/S MANDSAUR FERRO ALLOYS LD, MANDSAUR.

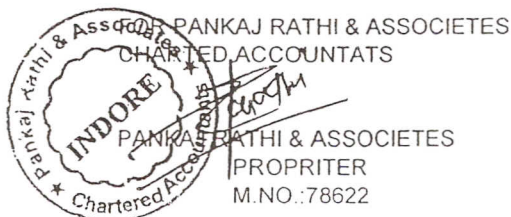


DIRECTOR

PLACE : MANDSAUR

DATED :

We have examined the above cash flow statement of Mandosaur Ferro Alloys, Mandosaur for the period ended on 31-03-2010. The statement has been prepared by the Company in accordance with the requirements of listing agreement clause No. 32 wutg stock exchange a e and based on and in agreement with the corresponding profit and loss account and balance sheet of the company covered by our report of to the members of the company.



PLACE : INDORE

DATED : 17 AUG 2010

ADDITIONAL INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE.

I. Registration Details

Reg. No. - 10-05049 Dtd. 31-01-1989

State Code

1	0
---	---

Balance Sheet Date

3	1		0	3		2	0	1	0
Date		Month			Year				

II. Capital Raised during the year (Amount In Rs. Thousand)

Public Issue

NIL

Right Issue

NIL

Bonus Issue

NIL

Private Placement

NIL

III. Position of Mobilization and Deployment of Funds (Amt. In Rs. Thousands)

Total Liabilities

41556

Total Assets

41556

Sources of Funds:

Paid up Capital

41400

Reserve & Surplus

150

Secured Loans

NIL

Unsecured Loans

6

Share Application Money

NIL

Differed Tax Liabilities

NIL



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