*Press Release*

November 24, 2010

# CARE ASSIGNS 'PR1+' RATING TO THE PROPOSED STD PROGRAMME AND REAFFIRMS THE EXISTING , INSTRUMENT & BANK FACILITIES RATINGS OF MANAKSIA LTD.

**Ratings**

| Facilities/Instruments | Amount (Rs. crore) | Ratings[1] | Remarks |
|---|---|---|---|
| Issuer Rating | - | **'CARE AA (Is)' [Double A (Issuer rating)]** | Reaffirmed |
| ***Instruments*** | | | |
| CP/STD (standalone) | 50.00 | **'PR1+' (PR One plus)** | Assigned |
| Outstanding NCD | 60.00 | **'CARE AA' (Double A)** | Reaffirmed |
| CP/STD (carved out of working capital limit) | 160.00 | **'PR1+' (PR One plus)** | Reaffirmed |
| **Total Instruments** | **270.0** | | |
| ***Facilities*** | | | |
| Long term facilities | 206.67 | **'CARE AA' (Double A)** | Retained |
| Short term facilities | 283.00 | **'PR1+' (PR One plus)** | Retained |
| **Total** | **489.67** | | |

***Rating Rationale***

The ratings continue to draw strength from ML's long & established track record, considerable experience of promoters, diversified lines of business with strong focus in the high margin metal products in the steel & aluminum segments, strong presence in the overseas market with stable demand outlook, widespread manufacturing facilities, satisfactory client profile with long association and comfortable financial position. The ratings, however, remain constrained by company's witnessing wide fluctuation in input prices due to lack of backward integration, cyclicality in metal industry, growing business concentration risk in Nigeria and sensitiveness of sales prices to exchange fluctuation. Ability to maintain margin in the metals business in the wake of volatility in sales price realisation & key raw material prices, containment of foreign exchange fluctuation risk and ability to innovate & develop quality products will remain the key rating sensitivities.

**Company Profile**

ML, a Kolkata based company, is a multi product and a multi location company engaged in manufacturing of aluminum & steel sheets, mosquito coils & stands, ROPP caps, crown closures and metal containers at 17 locations across the country.

ML earned PBILDT of Rs.90.7 crore (Rs.98.1 crore in FY09) and PAT (after defd. tax) of Rs.25.5 crore (Rs.25.9 crore) on net sales of Rs.835.5 crore (Rs.814.3 crore in FY09) in FY10. Both long term debt equity and overall gearing ratios as on Mar.31, 2010 were comfortable.

[1]*Complete definition of the ratings assigned are available at www.careratings.com and in other CARE publications.*

The unaudited working results for the quarter ended June 30, 2010 (Q1FY11) showed satisfactory performance with significant improvement in net sales & PAT (after defd. tax) level vis-à-vis Q1FY10

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***CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries /regulators or others are welcome to write to care@careratings.com for any clarifications.***

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