



**MAHAMAYA STEEL INDUSTRIES LIMITED**

An ISO 9001 : 2008 Company

**23RD ANNUAL REPORT 2010-11**

# CONTENTS

Chairman's Speech	01
Notice of Annual General Meeting	07
Director's Report	12
Auditor's Certificate on Corporate Governance	34
Auditor's Report	35
Financial Statements	40
Cashflow Statement	59

## COMPANY GENERAL INFORMATION

### Board of Directors:

Shri Ramanand Agrawal  
Shri Rajesh Agrawal  
Smt Gulab Bai Agrawal  
Shri Arvind Nath Jha  
Shri Vinod Puri Goswami  
Shri D.K. Porwal  
Shri Neeraj Kansal  
Shri Gitesh Agrawal  
Shri Manish Agrawal  
Shri Atul Garg

Chairman  
Managing Director  
Executive Director  
Executive Director  
Executive Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

### COMPANY SECRETARY:

Smt. Jaswinder Kaur Mission

### STATUTORY AUDITORS:

M/s. BATRA DEEPAK & ASSOCIATES  
Chartered Accountants,  
17/901, Guru Gobind Nagar,  
Opp. Dr. Verma's Clinic  
RAIPUR - 492 001 (Chhattisgarh)

### REGISTERED OFFICE & WORKS

B/8-9, Sector-C,  
Urla Industrial Complex,  
Sarora, Raipur - 493 221 (Chhattisgarh)  
Telephone: +91 771 4006666 (30 Lines)

E-mail: [mahamaya@rajeshstrips.com](mailto:mahamaya@rajeshstrips.com)  
Website: [www.mahamayagroup.in](http://www.mahamayagroup.in)

### BANKERS:

UCO Bank  
Mid Corporate Branch, Raipur (C.G.)  
Andhra Bank  
Fafadih Chowk, Raipur (C.G.)

### REGISTRAR & SHARE TRANSFER AGENTS:

System Support Services  
209, Shivai Industrial Estate,  
89, Andheri Kurla Road,  
Sakinaka, Andheri (E)  
MUMBAI - 400 072



# Chairman's Message



*Dear Shareholders,*

It gives me immense pleasure to share that after a very long period of 12 years Your Company's Shares have been admitted for trading in Bombay Stock Exchange after revocation of suspension on 23<sup>rd</sup> February, 2011, and the Shares of the Company has also been admitted to both the depositories i.e National Securities Depository Limited & Central Depository Services (India) Ltd.

During the year under review Sales of your Company has increased from Rs 425.50 crores to Rs 634.80 crores registering a growth of 49% as compared to last year. EBIDT has increased from Rs. 2801.08 lacs to Rs. 2919.62 lacs, because of increase in the prices of raw material and other inputs, the effect of increased sales is not reflecting in EBIDT. In the current year the steel structural sale was 1.77 lac MT as against 1.32 lac MT in previous year.

During the year under review Company has done Capital Expenditure of around 10 crores and had implemented a new furnace in Steel Melting Shop in March 2011. It had increased our production capacity from 148500 MT P. A. to 174250 MT P.A., In the coming years we will be able to avail all its benefit fully and our production capacity will increase much more than its present capacity.



A New Concaster machine for producing small sizes Blooms and Billets of size 100 mm to 250 mm, which was scheduled to be implemented up to Dec 2010, has successfully implemented in Oct 2010, with the help of which in the year under review we have produced Blooms and Billets of size 100 mm to 250 mm along with our existing setup of Blooms and Billets of size 160 mm to 320 mm, and with this now we have a range of 100 mm to 320 mm Blooms and Billets. A new Induction Furnace is also expected to be implemented up to September, 2011, which would increase production in Steel Melting Shop, and will provide in house raw material for existing Structural Mill, thereby reducing consumption cost of Raw materials and increasing Profits.

During the year Company along with its existing customers has added some new customers in Government Sector like Maharashtra State Electrical Distribution Company Ltd., Gujarat Electrical Transmission Company Ltd., South Eastern Central Railway and in Corporate Sector like GMR Infrastructure Ltd., India Bulls Power Ltd., India Bulls Realtech Ltd., Emami Biotech Ltd., FL Smidth, LANCO Infra tech Ltd. etc. Association with these new customers along with existing customers will enable the Company to generate more business and revenue in the coming years.

During the year as scheduled Company has timely redeemed 10,00,000 preference shares of Rs. 10 each.

Your Company is planning to increase its operations by adding further capacities through Greenfield, Brownfield projects as well as acquisitions. A detailed plan is under preparation however any such Mega Plan requires significant investment. The Company is planning to complete expansion in next three years. It is therefore very much necessary that the financial resources available with the company be kept intact. The expansion of activities will bring further growth to the company's operations and all stakeholders are expected to be immensely benefitted from such growth. In view of the above, your directors have taken a well thought prudent decision not to propose any dividend, for the year under review.

I am grateful to the Board of Directors for their unwavering support and guidance. I take this opportunity to express my gratitude to all our stakeholders, who have reposed trust in us and extended their constant support. I assure you, Mahamaya Steel Industries Limited is set to move to a higher growth trajectory- which would deliver better results in the future.

**With due regards,**

**Ramanand Agrawal**  
**Chairman**

# Vision



"The things we accept as normal and enjoy today were considered impossible twenty five years ago and beyond the power of man to achieve, many of miraculous, imaginative things have become realities and man is pushing onward toward new and higher goals of achievement. We are now mentally prepared for every new invention and advancement in technology, but, nevertheless, stand amazed at man's powers to create and achieve. These outstanding accomplishments, which approach the miraculous, to me are unquestioned evidence of man's divine nature."

- BELIEVE** while others are doubting.
- PLAN** while others are playing.
- STUDY** while others are sleeping.
- DECIDE** while others are delaying.
- PREPARE** while others are daydreaming.
- BEGIN** while others are procrastinating.
- WORK** while others are wishing.
- SAVE** while others are wasting.
- LISTEN** while others are talking.
- SMILE** while others are frowning.
- COMMEND** while others are criticizing.
- PERSIST** while others are quitting.

**Rajesh Agrawal**  
Managing Director



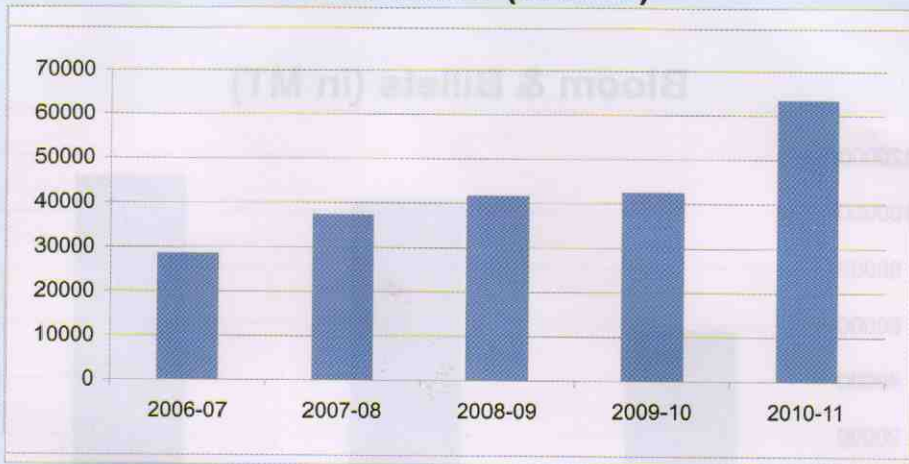
## FINANCIAL HIGHLIGHTS

<b>PROFITABILITY (Rs. In Lacs)</b>	<b>2010-11</b>	<b>2009-10</b>	<b>2008-09</b>
<b>Gross Sales</b>	63480.01	42550.05	41752.87
Excise Duty	5496.65	3026.96	4386.44
Sales Tax and VAT	1335.44	918.95	846.73
<b>Net Sales</b>	<b>56647.92</b>	<b>38604.16</b>	<b>36519.7</b>
<b>EBIDTA</b>	<b>2919.62</b>	<b>2801.09</b>	<b>2229.43</b>
Depreciation	731.81	865.2	328.26
Interest	605.06	604.46	562.34
<b>Profit Before Tax and Prior Period Adjustment</b>	<b>1582.75</b>	<b>1331.43</b>	<b>1338.83</b>
Prior Period Adjustment	-9.81	4.73	-9.57
<b>Profit Before Tax</b>	<b>1572.94</b>	<b>1336.16</b>	<b>1329.26</b>
Provision for Current Tax	357.79	228.04	137.00
Income Tax Pertaining to Earlier Year	0.18	15.00	0.87
Provision for Deferred Tax	101.2	7.13	455.36
Fringe Benefits Tax		-	1.90
<b>Net Profit</b>	<b>1113.76</b>	<b>1085.99</b>	<b>734.13</b>
<b>Earning Per Share</b>	<b>8.21</b>	<b>6.31</b>	<b>5.41</b>

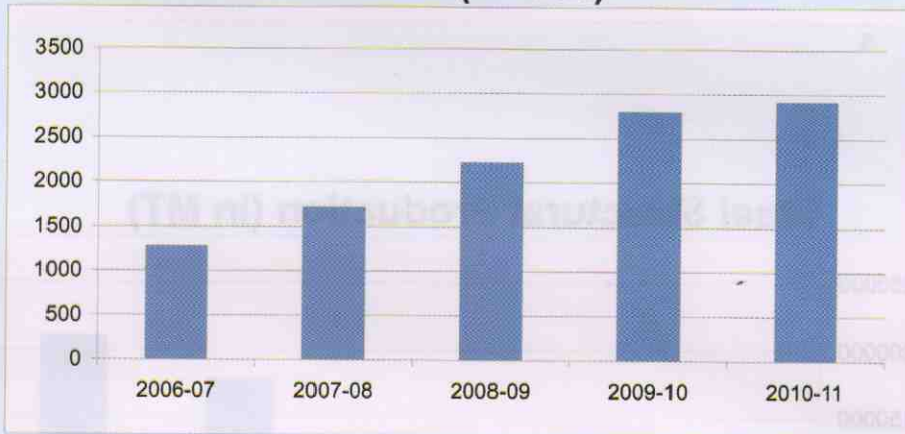
Rajesh Agrawal  
Managing Director



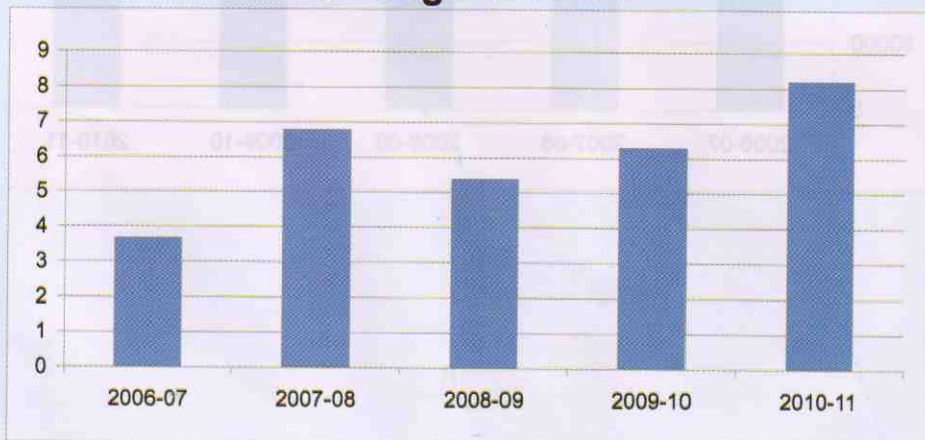
## Gross Sales (in lacs)



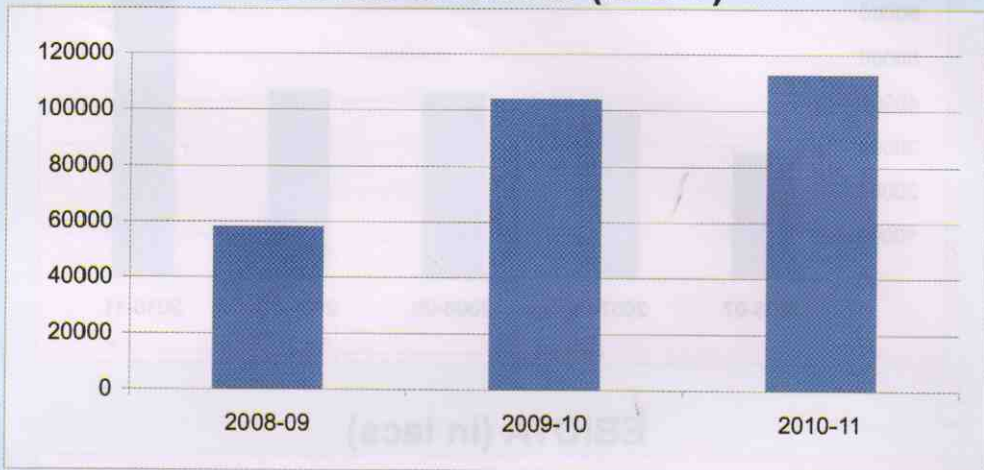
## EBIDTA (in lacs)



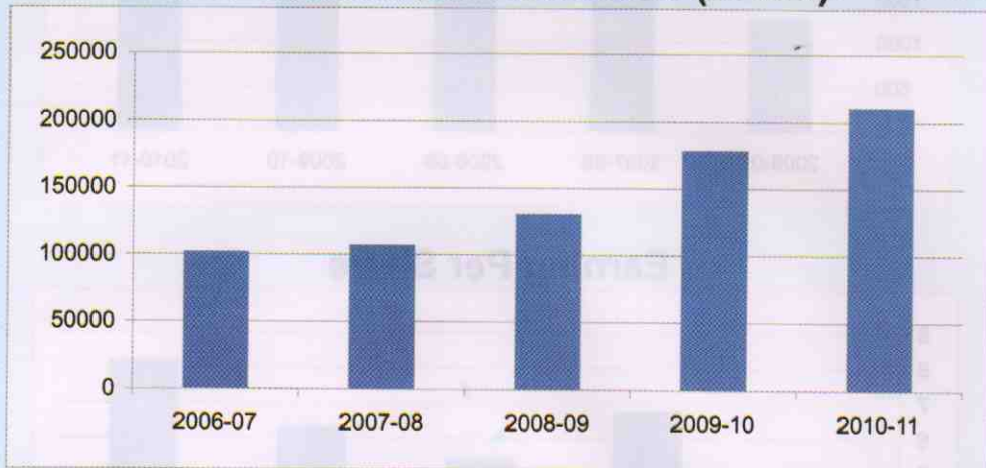
## Earning Per Share



## Bloom & Billets (in MT)



## Steel Structural Production (in MT)



## NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of Mahamaya Steel Industries Ltd will be held on 30<sup>th</sup> September, 2011 at 1.30 P.M at its registered office at Plot B-8/9, Sector - C, Urla Industrial Area, Sarora, Raipur – 493 221 (Chhattisgarh) to transact the following business: -

### AS ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31<sup>st</sup>, 2011 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. D. K. Porwal who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Neeraj Kansal who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s Batra Deepak & Associates, Chartered Accountants as Statutory auditors of the Company for the financial year 2011-2012 to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

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

**“RESOLVED THAT** Mr. Arvind Nath Jha, who was appointed as an Additional Director on 4<sup>th</sup> July, 2011 pursuant to the provisions of Section 260 of the Companies Act 1956, and who holds office up



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

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

**"RESOLVED THAT** Mr. Vinod Puri Goswami, who was appointed as an Additional Director on 4<sup>th</sup> July, 2011 pursuant to the provisions of Section 260 of the Companies Act 1956, and who holds office up to date of this Annual General Meeting of the Company and in respect of whom the Company has received notice under Section 257 of the Companies Act 1956 from a member in writing, proposing candidature for the office of the director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

**FOR AND ON BEHALF OF THE BOARD  
For, MAHAMAYA STEEL INDUSTRIES LIMITED**

**Place: Raipur**

**RAMANAND AGRAWAL**

**Date : 05<sup>th</sup> September, 2011**

**CHAIRMAN**

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the registered office of the Company, not less than 48 hours before the commencement of the Annual General Meeting i.e. by 01.00 P.M. on 28<sup>th</sup> September, 2011.
2. Corporate members are requested to send duly certified copy of the Board resolution, pursuant to section 187 of the Companies Act, 1956 authorizing their representative to attend and vote at the Annual General Meeting.
3. Members are requested to bring their admission slips along with copy of the annual report to the Annual General Meeting.
4. Members who wish to obtain information on the Company or view the accounts for the financial year ended 31<sup>st</sup> March, 2011 are requested to send their queries at least 10 days before the Annual General Meeting of the Company to the Company Secretary at the Registered Office of the Company.
5. All the documents referred to in accompanying notice are available for inspection at the Registered Office of the Company on all working days between-1.30 P.M. to 4.00 P.M. up to the date of Annual General Meeting.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September, 2011 to 30<sup>th</sup> September, 2011 (both days inclusive) for the purpose of Annual General Meeting.
7. Members are requested to intimate to the Company the changes in the address, if any, immediately to the Company's Registrar M/s System Support Services, 209, Shivali Ind. Estate, Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai – 400072.
8. Members may avail nomination facility as provided under Section 109 A of the Companies Act, 1956.
9. As per the requirement of Clause 49 of the Listing Agreement on Corporate Governance for appointment of the Directors / reappointment of the retiring Directors, a statement containing the details of the concerned Directors are given below as Annexure to Notice.

## Annexure to the Notice

### 1. Explanatory statement in pursuant to the provisions of section 173 of the Companies Act, 1956 in respect to the Special Business :

#### ITEM NO: 5

To broad base the Board of Directors and to comply with the requirements of Section 260 of the Companies Act, 1956. Mr. Arvind Nath Jha was appointed by the Board as an Additional Director in the category of Executive Director of the Company w. e. f. 4<sup>th</sup> July, 2011 to hold office till the date of the ensuing Annual General Meeting. Mr. Arvind Nath Jha has got experience of more than 35 years in the field of Furnace, Sponge Iron, and Steel Plant and with his appointment the Company will benefit in many ways.

The Company has received a notice in writing from Mrs. Asha Devi Agrawal, a member of the Company along with a deposit of Rs. 500/- proposing the candidature of Mr. Arvind Nath Jha for the office of the Director of the Company under the provision of section 257 of the Act.

Mr. Arvind Nath Jha is not disqualified from being appointed as a director in terms of section 274(1)(g) of the Act.

The Board recommends for the appointment of Mr. Arvind Nath Jha and proposes to pass the resolution as set out in item No. 5 of the Notice as an Ordinary Resolution.

Except Mr. Arvind Nath Jha none of the directors of the company are interested in the concerned resolution.

#### ITEM NO: 6

To broad base the Board of Directors and to comply with the requirements of Section 260 of the Companies Act, 1956. Mr. Vinod Puri Goswami was appointed by the Board as an Additional Director in the category of Executive Director of the Company w. e. f. 4<sup>th</sup> July, 2011 to hold office till the date of the ensuing Annual General Meeting. Mr. Vinod Puri Goswami has got experience of more than 25 years in the field of Sales & marketing and with his appointment the Company will benefit in many ways.

The Company has received a notice in writing from Mr. Anand Agrawal, a member of the Company along with a deposit of Rs. 500/- proposing the candidature of Mr. Vinod Puri Goswami for the office of the Director of the Company under the provision of section 257 of the Act.

Mr. Vinod Puri Goswami is not disqualified from being appointed as a director in terms of section 274(1)(g) of the Act.

The Board recommends for the appointment of Mr. Vinod Puri Goswami and proposes to pass the resolution as set out in item No. 6 of the Notice as an Ordinary Resolution.

Except Mr. Vinod Puri Goswami none of the directors of the company are interested in the concerned resolution.



**2. Details of the directors seeking appointment in forthcoming Annual General Meeting**

<b>Name of Director</b>	<b>Mr. D. K. Porwal</b>	<b>Mr. Neeraj Kansal</b>
Age	52 years	41 years
Date of Appointment	27.04.2003	27.09.2003
Expertise in specific functional area	Having an experience of more than 27 years in the field of Finance and Accounts.	Having an experience of more than 17 years in Business and Industrial Sector.
List of Companies in which Directorship held as on 31 <sup>st</sup> March,2011. (Other than Mahamaya Steel Industries Ltd.)	Shree Shyam Sponge & Power Ltd. Devi Iron & Power Pvt. Ltd	Nil
Chairman/Member of Committees of the Boards of Other companies on which he/she is a Director as on 31 <sup>st</sup> March,2011.	Nil	Nil

**FOR AND ON BEHALF OF THE BOARD**  
**For, MAHAMAYA STEEL INDUSTRIES LIMITED**

**Place: Raipur**

**Date: 5<sup>th</sup> September, 2011**

**RAMANAND AGRAWAL**  
**CHAIRMAN**

## DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the 23<sup>rd</sup> Annual Report of your Company together with the audited accounts for the financial year ended 31<sup>st</sup> March, 2011.

<b>Particulars</b>	<b>(Rs. In Lacs) 2010-11</b>	<b>(Rs. in lacs) 2009-10</b>
Sales	63480.02	42550.05
Profit Before Tax	1572.94	1336.16
Taxes and Deferred Tax Adjustment	459.17	250.17
Profit After tax	1113.77	1085.99
<b>Appropriations:</b>		
Proposed dividend	0	263.85
Tax on dividend	0	44.84
Amount transferred to General Reserve	222.75	217.20
Amount transferred to Redemption Reserve	539.67	365.79
Add: Brought forward profit (losses)	2314.74	2120.43
Profit (Loss) carried over to balance sheet	2666.08	2314.74

### 2. PERFORMANCE

During the Year under review the production of steel structural including conversion production increased from the level of 1.79 lacs MT to 2.10 lacs MT. The production of Blooms and Billets increased from 1.04 lacs MT to 1.12 lacs MT. The aggregate sales volume of steel structural was increased from the level of 1.32 lacs MT last year to 1.77 lacs MT in the current year. Profit after tax stood at Rs. 1113.77 lacs as compared to Rs. 1085.99 lacs after providing for depreciation Rs. 731.82 lacs as compared to Rs.865.20 lacs and tax Rs. 357.97 lacs as compared to Rs. 243.03 lacs. The EBIDTA has increased from Rs. 2801.09 lacs to Rs. 2919.62 lacs, and Profit before tax has increased from Rs.1336.16 Lacs to Rs. 1572.94 Lacs. The gross turnover of the Company stood at Rs.634.80 crores as against Rs.425.50 crores in last financial year registering a growth of 49%. However its impact is not reflecting in Profits because of increase in costs of raw materials.

In view of the above, as a whole your Company has performed well. Your Directors are very much confident that the progress would continue in coming years as well.

### 3. REDEMPTION OF PREFERENCE SHARES

During the year, your Company has redeemed 10,00,000 Preference Shares and consequently related share capital has been reduced.

### 4. DIVIDEND

The Company is planning to increase its operations by adding further capacities through

Greenfield, Brownfield projects as well as acquisitions. A detailed plan is under preparation however any such Mega Plan requires significant investment. The Company is planning to complete expansion in next three years. It is therefore very much necessary that the financial resources available with the company be kept intact. The expansion of activities will bring further growth to the company's operations and all stakeholders are expected to be immensely benefitted from such growth.

In view of the above, your directors have taken a well thought prudent decision not to propose any dividend, for the year under review.

**5. TRANSFER TO RESERVE**

The Company has transferred Rs. 222.75 lacs to the General Reserve and Rs. 539.67 lacs to Capital Redemption Reserve for the redemption of preference shares out of the amount available for appropriation and an amount of Rs. 2666.08 Lacs is retained in the Profit and Loss Account.

**6. INFORMATION ON THE STATUS OF AFFAIRS OF THE COMPANY**

Information on the operational and financial performance etc is given in the Management Discussion and Analysis Report.

**7. CREDIT RATING**

CRISIL has assigned BBB+ rating to the Company which indicates the level of Stable outlook under Bank Loan Rating.

**8. PUBLIC DEPOSIT**

Your Company did not accept public deposits during the year under review.

**9. SUBSIDIARY**

Your Company has no subsidiary.

**10. CORPORATE SOCIAL RESPONSIBILITY**

Mahamaya Steel Industries Limited has over the past many years made a conscious effort to incorporate sustainability principles in its approach to Business.

Corporate Sustainability is about sustainability of Profits, Planet and People. It is about value creation that provides lasting and enduring benefits leading to the enhancement of human, social, natural, economic and financial capital.

Our initiatives has always supported Social cause like for running of Schools, Social community center, Environment protection. During the year under review your Company has done plantation in different areas. This is expected to enhance the beauty of earth and to reduce the pollution.

During the year Company had also participated in the Incorporation of Mahamaya Charitable Foundation whose main object is to promote and to aid and assist medical, educational, housing facility and to give food and clothing for the poor, needy, handicapped and senior citizens and to afford relief to people in distress and affected by earthquake, flood, famine, pestilence and other accidents and conduct or grant help for the support of the inmates of orphanages.

All these initiatives create a socially and ethically responsible business entity and helps in long term sustainability thus ensuring value growth for all our various stakeholders.



**11. MANAGEMENT DISCUSSION & ANALYSIS**

Management Discussion and Analysis Report, as required under the Listing Agreement with Stock Exchanges, is enclosed as Annexure A

**12. STOCK EXCHANGE**

It gives us immense pleasure to inform you after a long period of 12 years your Company's Shares have been admitted for trading in Bombay Stock Exchange after revocation of suspension on 23<sup>rd</sup> February, 2011, further the Shares of the Company has been admitted to both the depositories i.e National Securities Depository Limited & Central Depository Services (India) Ltd.

The annual listing fees for the year 2011-12 has been paid. The Company is in process of complying with de-listing formalities with other Stock Exchanges.(Madhya Pradesh, Jaipur, Kolkata & Hyderabad Stock Exchange).

**13. DISCLOSURE OF PARTICULARS**

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant information is given hereunder:

• **CONSERVATION OF ENERGY**

The Manufacturing unit of the Company has been established with the latest available technology and continues to be well maintained. The Company is continuously giving emphasis on economic usage of energy. The required details are given in Form 'A' annexed herewith.

• **ABSORPTION OF TECHNOLOGY**

The technology in vogue is fully indigenous and the Company is able to fully use the technologies available. The Company is always on lookout to develop technologies to ensure still better quality and further improvement and efficiency. No specific expenditure was incurred on Research & Development activities and therefore disclosure is not considered necessary.

• **FOREIGN EXCHANGE EARNING AND OUTGO**

Foreign Exchange Earning: During the year under review material was also sold in Nepal, but the sale was under rupee trade hence separate disclosure is not required.

Foreign Exchange Outgo: For Import of Consumable Stores- \$ 142675.

**14. DIRECTOR'S RESONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956**

The Financial statements are prepared in accordance with the accounting standards issued by the Institute of Charetered Accountants of India and the requirements of the Companies Act, 1956, to the extent applicable to us. There are no material departures from prescribed accounting standards in the adoption of the accounting standards.

The Board of Directors accepts responsibility for the integrity and objectivity of these financial statements. The accounting policies used in the preparation of financial statements have been consistently applied. The estimates and judgements related to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs and profits for the year.

We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the 1956 to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

#### **15. CORPORATE GOVERNANCE**

Corporate Governance for the Company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operations. Our work force is committed towards the protection of the interest of the stakeholders including shareholders, creditors, investors, customers, employees etc. Our policies consistently undergo improvements keeping in mind our goal i.e maximization of values of all the stakeholders. The Corporate Governance Practices followed by the Company are given in the Annual Report. A certificate from M/s Batra Deepak & Associates, Statutory Auditors of the Company regarding compliances of conditions of Corporate Governance stipulated by Stock Exchange is enclosed with the "Report On Corporate Governance."

#### **16. PARTICULARS OF EMPLOYEES**

In accordance with the provisions of Section 217(2A) of the Act read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are to be set out in the Directors' Report, as an addendum thereto. However, as per the provisions of Section 219(1)(b)(iv) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company excluding the aforesaid information about the employees. Any Member, who is interested in obtaining such particulars about employees, may write to the Company Secretary at the Registered Office of your Company.

#### **17. DIRECTORS**

As per Article 95 of the Articles of Association Mr. D.K. Porwal and Mr. Neeraj Kansal retire by rotation in the forthcoming Annual General Meeting both of them being eligible, seek re-appointment.

#### **18. AUDITORS**

M/s Batra Deepak & Associates, Chartered Accountants, Raipur were appointed as Statutory Auditor of your Company from the conclusion of the previous Annual General Meeting until the conclusion of the ensuing Annual General Meeting. Being eligible they offer themselves for re-appointment as auditors of your Company.

The Board proposes the re-appointment of M/s Batra Deepak & Associates, Chartered Accountants, Raipur as Statutory Auditor of your Company based on the recommendation of the Audit Committee, to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of the next Annual General Meeting.

Resolutions seeking your approval on these items are included in the Notice convening the Annual General meeting.

#### **19. INDUSTRIAL RELATIONS**

The industrial relations continue to be peaceful and cordial. The performance of the Company during the year is the result of concerted effort of the manpower. The Company has treated its employees as the pillars of its success. There is a constant Endeavour to translate the hard work of the employees to performance. Consistent efforts and initiatives have been taken to train and upgrade the employees to make them multi-skilled, to establish cross-functional team based working and employee empowerment.

**Acknowledgements**

We thank our customers, vendors, investors, bankers Central and State Governments for their continued support during the year. We placed on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

**FOR AND ON BEHALF OF THE BOARD**  
**For, MAHAMAYA STEEL INDUSTRIES LIMITED**

**Place: Raipur**  
**Date: 28<sup>th</sup> May, 2011**

**RAMANAND AGRAWAL**  
**CHAIRMAN**



**ANNEXURE: FORM 'A'**
**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

A.	Particulars	2010-2011	2009-2010
	<b>POWER &amp; FUEL CONSUMPTION</b>		
	ELECTRICITY PURCHASED		
	Unit (KWH) ROLLING MILL	12,068,176	12,044,000
	SMS PLANT	99,057,024	90,887,640
	TOTAL UNITS	111,125,200	102,931,640
	TOTAL AMOUNT	365,206,260	325,488,200
	RATE PER UNIT	3.29	3.16
	<b>FURNACE OIL</b>		
	Quantity (Kilo Litres)	8591.500	8004.000
	Total Cost	233,243,670	189,046,130
	Average Rate (Per Litre)	27.15	23.61
B.	<b>CONSUMPTION PER UNIT OF PRODUCTION</b>		
	<b>Rolling Mill Division</b>		
	Production (MT)	179783.370	162228.020
	Electricity (Unit)	67.12	74.24
	Furnace Oil (Ltrs)	47.79	49.45
	<b>SMS Division</b>		
	Production (MT)	112879.344	104067.485
	Electricity (Unit)	877.55	989.09

Note: Production does not include conversion production by outside parties of 30658.235 MT (Previous Year 16242.880 MT)

**BY ORDERS OF THE BOARD**  
**For, MAHAMAYA STEEL INDUSTRIES LIMITED**

RAIPUR  
 Date: 28<sup>TH</sup> MAY 2011

**RAMANAND AGRAWAL**  
**CHAIRMAN**

ANNEXURE 'A'

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

**Global Economy**

This year has turned out to be a surprisingly good one for the world economy. Global output has probably risen by close to 5%, well above its trend rate and a lot faster than forecasters were expecting 12 months ago. Most of the dangers that frightened financial markets during the year have failed to materialize. China's economy has not suffered a hard landing. America's mid-year slowdown did not become a double-dip recession. Granted, the troubles of the euro area's peripheral economies have proved all too real. Yet the euro zone as a whole has grown at a decent rate for an ageing continent, thanks to oomph from Germany, the fastest-growing big rich economy in 2010.

Earlier this year investors were too pessimistic. Now their breezy confidence seems misplaced. To oversimplify a little, the performance of the world economy in 2011 depends on what happens in three places: the big emerging markets, the euro area and America. These big three are heading in very different directions, with very different growth prospects and contradictory policy choices. Some of this divergence is inevitable: even to the casual observer, India's economy has always been rather different from America's. But new splits are opening up, especially in the rich world, and with them come ever more chances for friction.

**Indian Economy**

The overall growth of Gross Domestic Product (GDP) at factor cost at constant prices, as per Advance Estimates, was 8.6 per cent in 2010-11 representing an increase from the revised growth of 8.0 per cent during 2009-10, according to the Advance Estimate (AE) of Central Statistics Office (CSO). Overall growth in the Index of Industrial Production (IIP) was 3.6 per cent during February 2011. During April-February 2010-11, IIP growth was 7.8 per cent.

The six core industries (comprising crude oil, petroleum refinery products, coal, electricity, cement and finished carbon steel) grew by 6.8 per cent in February 2011 as compared to the growth of 4.2 per cent in February 2010. During April-February 2010-11, these sectors grew by 5.7 per cent as compared to 5.4 per cent during April-February 2009-10. In addition, exports, in US dollar terms increased by 49.7 per cent and imports increased by 21.2 per cent, during February 2011.

The domestic environment is conducive for growth and private final consumption expenditure is projected to grow by a healthy 7.5 per cent and gross fixed capital formation by 14.6 per cent, the Centre for Monitoring Indian Economy (CMIE) said in its latest monthly review of the country's economy. On the back of such facts, India's GDP is projected to continue to grow at a brisk pace of 8.8 per cent in 2011-12.

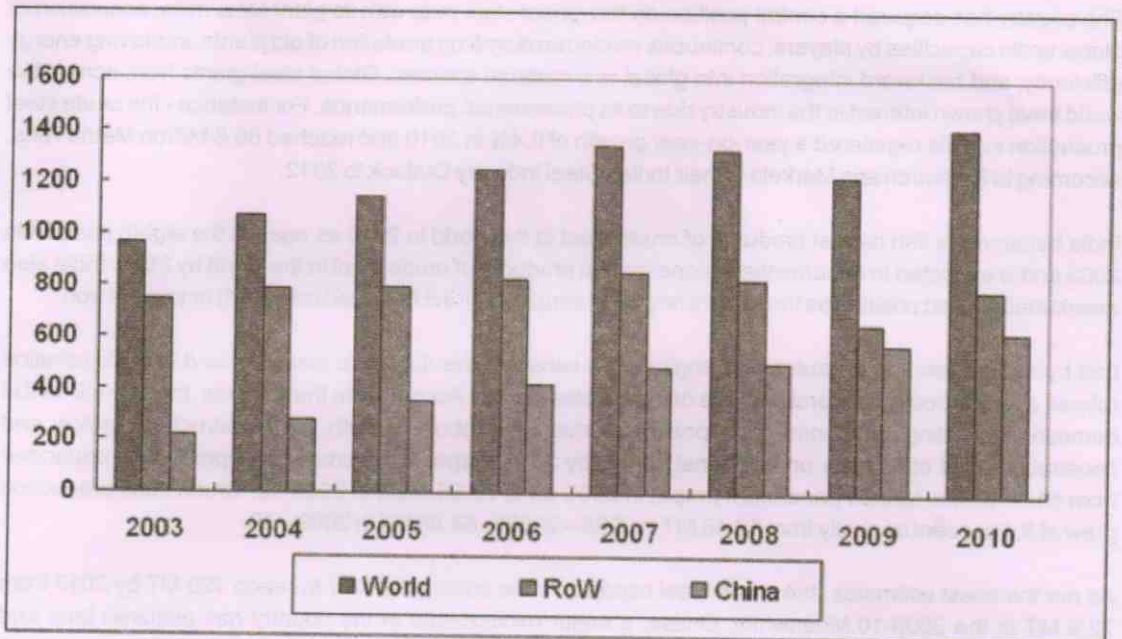
**Global Steel Industry**

World crude steel production reached 1,414 million metric tons (mmt) for the year of 2010. This is an increase of 15% compared to 2009 and is a new record for global crude steel production.

All the major steel-producing countries and regions showed double-digit growth in 2010. The EU and North America had higher growth rates due to the lower base effect from 2009 while Asia and the CIS recorded relatively lower growth.

In December 2010, world crude steel production for the 66 countries reporting to the World Steel Association (worldsteel) was 116.2 mmt, an increase of 7.8% compared to December 2009. The crude steel capacity utilisation ratio of the 66 countries in December 2010 declined slightly to 73.8% compared to 75.2% in November 2010. Compared to December 2009, the utilisation ratio in December 2010 is 1.1 percentage point higher.

**Annual crude steel production**



**Top 10 steel-producing countries**

Rank	Country	2010	2009	Increase in % (2010 over 2009)
1	China	626.7	573.6	9.3
2	Japan	109.6	87.5	25.2
3	US	80.6	58.2	38.5
4	Russia	67.0	60.0	11.7
5	India	66.8	62.8	6.4
6	South Korea	58.5	48.6	20.3
7	Germany	43.8	32.7	34.1
8	Ukraine	33.6	29.9	12.4
9	Brazil	32.8	26.5	23.8
10	Turkey	29.0	25.3	14.6



### Indian Steel Industry :

The country has acquired a central position on the global steel map with its giant steel mills, acquisition of global scale capacities by players, continuous modernization & up gradation of old plants, improving energy efficiency, and backward integration into global raw material sources. Global steel giants from across the world have shown interest in the industry due to its phenomenal performance. For instance - the crude steel production in India registered a year-on-year growth of 6.4% in 2010 and reached 66.8 Million Metric Tons, according to Research and Markets in their Indian Steel Industry Outlook to 2012.

India became the fifth largest producer of crude steel in the world in 2010 as against the eighth position in 2003 and is expected to become the second largest producer of crude steel in the world by 2015. India also maintained its lead position as the world's largest producer of direct Reduced iron (DRI) or sponge iron.

Led by strong demand for autos and engineering services, the domestic steel demand in India remains robust, as per Moody's sectoral analysis on Asia's steel sector. According to the analysis, the outlook for the domestic operating environment is positive, driven by robust growth in infrastructure, autos and construction and constrains on additional supply by 2011. Capacity for crude steel production expanded from 51.17 million tonnes per annum (mtpa) in 2005-06 to 72.96 mtpa in 2009-10. Crude steel production grew at 8.4 per cent annually from 46.46 MT in 2005 - 2006 to 64.88 MT in 2009 - 10.

As per the latest estimates, the crude steel capacity in the country is likely to reach 120 MT by 2012 from 72.9 MT in the 2009-10. Meanwhile, Orissa, a major mining state in the country has acquired land and allotted 20684.06 acres of land to steel companies that have signed Memorandum of Understanding (MoU) with the state, the Orissa Government announced in March.

### Company's Operation :

During the year under review Company has done Capital Expenditure of around 10 crores and had implemented a new furnace in Steel Melting Shop, though we were unable to avail its full benefit then also it had increased our production capacity from 148500 MT P.A. to 174250 MT P.A., In the coming years we will be able to avail all its benefit fully and our production capacity will increase much more than its present capacity.

A New Concaster machine for producing small sizes blooms and billets of size 100 mm to 250 mm, which was scheduled to be implemented up to Dec 2010, has successfully implemented in Oct 2010, with the help of which in the year under review we have produced blooms and billets of size 100 mm to 250 mm along with our existing setup of blooms and billets of size 160 mm to 320 mm, and with this now we have a range of 100 mm to 320 mm blooms and billets.

A new Induction Furnace is also expected to be implemented up to September, 2011, which would increase production in Steel Melting Shop, and will provide in house raw material for existing Structural Mill, thereby reducing consumption cost of Raw materials and increasing Profits.

During the year Company along with its existing customers has added some new customers in Government Sector like Maharashtra State Electrical Distribution Company Ltd., Gujarat Electrical Transmission Company Ltd., South Eastern Central Railway and in Corporate Sector like GMR Infrastructure Ltd., India Bulls Power Ltd., India Bulls Realtech Ltd., Emami Biotech Ltd., FL Smidth, LANCO Infra tech Ltd. etc.

Association with these new customers along with existing customers will enable the Company to generate more business and revenue in the coming years.

**Business Operation Highlights:**

- **Production:**

The Company has achieved the production of 2.10 lacs tonne of steel structural and 1.13 lac tones of Billets. The production of Steel Structural increased by 18% and of Blooms and Billets by 8%.

- **Revenues:**

Your Company's Gross Revenue is increased by 47.82% at Rs. 56613.06 lacs as compared to Rs. 38298.53 lacs in the Previous year.

- **EBIDT:**

EBIDT stood at Rs. 2919.62 lacs for the year ended 31<sup>st</sup> March, 2011 as compared to Rs. 2801.08 lacs for the previous year.

- **Profit Before Tax:**

PBT stood at Rs. 1572.94 lacs for the year ended 31<sup>st</sup> March, 2011 as compared to Rs. 1336.16 lacs for the previous year.

**Profit After Tax:**

PAT stood at Rs. 1113.77 lacs for the year ended 31<sup>st</sup> March, 2011 as compared to Rs. 1085.99 lacs for the same period last year.

- **Financial Cost:**

Financial cost was Rs. 605.06 Lacs for the year which is almost same to the level of Rs. 604.46 lacs in the previous year.

- **Fixed Assets:**

There was a Capitalisation of Rs. 1214.67 Lakhs in Fixed Assets which comprises the commissioning of New Caster and one new furnace in SMS Plant. Further Company also Acquired some commercial vehicles to reduce the cost to transportation of raw materials.

**Opportunities and threats :**

The Indian steel Industry has huge scopes in the future with massive scale of infrastructural development happening all across the country. This upward trend is expected to be continued on account of favorable conditions like competitive prices, increase in consumption of steel owing to upcoming infrastructure and Greenfield projects, highly skilled and low cost workforce etc. The major threats for the industry is higher cost of inputs and lower realizations which may put pressure on the profitability and operating margins of the international as well as domestic steel companies. In addition to this, major obstacles are current economic turmoil, technological change, inadequate availability of suitable quality of raw material, increasing prices of raw materials, high cost of energy / capital etc.

**Outlook :**

Indian crude steel production will grow at a CAGR of around 10% during 2010-2013. Moreover, with the government proactive incentive plans to boost economic growth by injecting funds in various industries, such as construction, infrastructure, automobile, and power will drive the steel industry in future. The report also reveals that, steel consumption in India is expected to grow significantly in coming years as per capita finished steel consumption is far less than its regional counterparts.



### **Risks and Concerns :**

Although recovery has been uneven, the world steel industry is recovering at a faster pace than many expected at the onset of the financial and economic crisis in late 2008. After a strong rebound in 2010, the recovery in global steel demand will slow this year, in line with slower growth in the world economy.

Demand recovery in many advanced economies in particular remains lacklustre. In contrast, demand in many emerging economies continues to increase steadily, supported by infrastructure investments, industrialisation and further urbanisation. This development is expected to continue with estimated demand increases of about 6% in both 2011 and 2012.

However, this trend could be called into question if prices for steel raw materials, which are available in sufficient quantities and account for around 80% of overall production costs, continue to rise. Governments and industry will have to explore policy means to ensure secure, predictable and accessible supply of steel raw materials for all steel producers.

Other global risk factors include concerns regarding financial systems of many economies, remaining sovereign risks due to high levels of public debt, sluggish growth in advanced economies and high oil prices linked to geopolitical risks in the Middle East.

### **Human Resources:**

Your Company's biggest assets are its employees. We are continuously working on innovative initiatives to attract, train, retain, and motivate our employees. Our endeavors are driven by a strong set of values imbibed in us and policies that we abide by. Our constant goal, and indeed our biggest strength, is a healthy, happy and prosperous work environment for all our employees.

### **Internal Control Systems and Adequacy:**

The Company has sound internal control system to monitor internal business process, financial reporting and compliances with applicable laws. The company periodically reviews the adequacy and effectiveness of the control systems. The Audit Committee at their meetings regularly reviews the significant observations of the compliances and other monitoring reports.

### **Cautionary Statement:**

*The Management Discussion and Analysis Report contains forward looking statements based on the data available with the Company, assumptions with regard to global economic conditions, the government policies etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Therefore, it is captioned that the actual result may materially differ from those expresses or implied in the report.*



**ANNEXURE 'B'****CORPORATE GOVERNANCE****I. Company's Philosophy**

Corporate Governance is a value based framework to manage our Company affairs in a fair and transparent manner. As a responsible corporation, we use this framework to maintain accountability in all our affairs, and employ democratic and open processes. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, leadership and governance of the Company.

Our Corporate Governance philosophy is based on the following principles :

- Satisfy the spirit of law and not just the letter of the law. Corporate Governance stands should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose
- Make a clear distinction between personal conveniences and Corporate resources.
- Communicate externally, in a truthful manner, about how the Company is run internally.
- Comply with all the laws of the Country.
- Have a simple and transparent Corporate Structure driven solely by business needs.
- The Management is the trustee of the Shareholder's Capital and not the owner.

The Board of Directors is at the core of our Corporate Governance Practice and oversees how the management serves and protects the long term interests of all our stakeholders. We believe that an active, well informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

**II. Board of Directors**

Company's management team is effectively structured to achieve long term strategic objectives. The Company's directors have expertise in the field of business planning, strategy, human resources management and finance. The designation of Board includes Chairman, Managing Director, Executive Directors and Non Executive Directors.

The composition of the Board is in conformity with Clause 49 of the Listing Agreement. The Chairman of the Board is an Executive Director and half of the Board comprises Independent directors. The Management is headed by Chairman who operates under the supervision and control of the Board. The Board reviews and approves strategy and oversees the actions and results of the Management to ensure that the long term objectives of enhancing stakeholders values are met.

**Composition of the Board**

The Board of Directors of your Company comprises of eight Directors. The names and categories of Directors, the number of directorships and Committee positions held by them in Companies are given below. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which they are directors.

As on 31<sup>st</sup> March, 2011

Directors	Category	Committee Memberships in Board of other Companies	Committee Chairmanships in Board of other Companies	Directorships in other Companies.
Mr. Ramanand Agrawal	Executive Director	Nil	Nil	7
Mrs. Gulab Devi Agrawal	Executive Director	Nil	Nil	1
Mr. Rajesh Agrawal	Executive Director	1	1	5
Mr. D.K. Porwal	Executive Director	Nil	Nil	Nil
Mr. Niraj Kansal	Non Executive Director	Nil	Nil	Nil
Mr. Gitesh Agrawal	Non Executive Director	Nil	Nil	1
Mr. Manish Kumar Agrawal	Non Executive Director	Nil	Nil	Nil
Mr. Atul Garg	Non Executive Director	Nil	Nil	Nil

### Board Meetings and Attendance

During the financial Year 2010-11, The Board met 13 times on 8<sup>th</sup> April 2010, 15<sup>th</sup> May 2010, 15<sup>th</sup> June 2010, 10<sup>th</sup> August 2010, 14<sup>th</sup> August 2010, 27<sup>th</sup> August 2010, 22<sup>nd</sup> September 2010, 28<sup>th</sup> September 2010, 1<sup>st</sup> October 2010, 12<sup>th</sup> November 2010, 4<sup>th</sup> January 2011, 12<sup>th</sup> February 2011, 30<sup>th</sup> March 2011. The gap between two Board Meetings did not exceed 4 months as stipulated in Companies Act, 1956, the maximum interval between two Board meetings was well within the prescribed limit of Clause 49. The Twenty Second Annual General Meeting (AGM) of the Company was held on 28<sup>th</sup> September, 2010. The Board has unfettered right to obtain and access to any information within the company and to any of the Company's employees. As a practice of good Corporate Governance the Board discussed about the issues pertaining to the Company's business prospects and other significant issues occurred during the year.

Directors	Number of Board Meetings		Attendance at the last AGM
	Held	Attended	
Mr. Ramanand Agrawal	13	12	Yes
Mrs. Gulab Bai Agrawal	13	12	Yes
Mr. Rajesh Agrawal	13	13	Yes
Mr. D.K. Porwal	13	13	Yes
Mr. Neeraj Kansal	13	10	Yes
Mr. Gitesh Agrawal	13	11	Yes
Mr. Manish Kumar Agrawal	13	11	Yes
Mr. Atul Garg	13	8	Yes

### III. Audit Committee

Composition, meetings, attendance during the year.



As on 31<sup>st</sup> March, 2011

Directors	Category	Committee Memberships in Board of other Companies	Committee Chairmanships in Board of other Companies	Directorships in other Companies.
Mr. Ramanand Agrawal	Executive Director	Nil	Nil	7
Mrs. Gulab Devi Agrawal	Executive Director	Nil	Nil	1
Mr. Rajesh Agrawal	Executive Director	1	1	5
Mr. D.K. Porwal	Executive Director	Nil	Nil	Nil
Mr. Niraj Kansal	Non Executive Director	Nil	Nil	Nil
Mr. Gitesh Agrawal	Non Executive Director	Nil	Nil	1
Mr. Manish Kumar Agrawal	Non Executive Director	Nil	Nil	Nil
Mr. Atul Garg	Non Executive Director	Nil	Nil	Nil

### Board Meetings and Attendance

During the financial Year 2010-11, The Board met 13 times on 8<sup>th</sup> April 2010, 15<sup>th</sup> May 2010, 15<sup>th</sup> June 2010, 10<sup>th</sup> August 2010, 14<sup>th</sup> August 2010, 27<sup>th</sup> August 2010, 22<sup>nd</sup> September 2010, 28<sup>th</sup> September 2010, 1<sup>st</sup> October 2010, 12<sup>th</sup> November 2010, 4<sup>th</sup> January 2011, 12<sup>th</sup> February 2011, 30<sup>th</sup> March 2011. The gap between two Board Meetings did not exceed 4 months as stipulated in Companies Act, 1956, the maximum interval between two Board meetings was well within the prescribed limit of Clause 49. The Twenty Second Annual General Meeting (AGM) of the Company was held on 28<sup>th</sup> September, 2010. The Board has unfettered right to obtain and access to any information within the company and to any of the Company's employees. As a practice of good Corporate Governance the Board discussed about the issues pertaining to the Company's business prospects and other significant issues occurred during the year.

Directors	Number of Board Meetings		Attendance at the last AGM
	Held	Attended	
Mr. Ramanand Agrawal	13	12	Yes
Mrs. Gulab Bai Agrawal	13	12	Yes
Mr. Rajesh Agrawal	13	13	Yes
Mr. D.K. Porwal	13	13	Yes
Mr. Neeraj Kansal	13	10	Yes
Mr. Gitesh Agrawal	13	11	Yes
Mr. Manish Kumar Agrawal	13	11	Yes
Mr. Atul Garg	13	8	Yes

### iii. Audit Committee

Composition, meetings, attendance during the year.



The Audit Committee of the Board comprises three Directors, two of them are Non- Executive Independent. All the members of the Audit Committee are financially literate as per the provisions of Clause 49 of the Listing Agreement. The Composition of the Audit Committee meets the requirement of section 292A of the Act and Clause 49 of the Listing Agreement.

During the year, the Audit Committee met Six times to deliberate on various matters. The meetings were held on 10<sup>th</sup> May 2010, 02<sup>nd</sup> August 2010, 10<sup>th</sup> August 2010, 27<sup>th</sup> October 2010, 29<sup>th</sup> December 2010, 31<sup>st</sup> January, 2011.

**The composition and attendance are as follows:**

Name of the Member	No. of Meetings	
	Held	Attended
Mr. Neeraj Kansal	2	2
Mr. Rajesh Agrawal	2	2
Mr. Gitesh Agrawal	2	2

Shri Neeraj Kansal is the Chairman of the Committee.

Shri D.K. Porwal and Shri. Manish Kumar Agrawal are the members of the Committee.

The Company Secretary acts as the Secretary to the Committee.

The object of the Audit Committee is to monitor and effectively supervise your Company's financial reporting process with a view to provide accurate, timely and proper disclosure and the integrity and quality of the financial reporting.

#### **Powers of Audit Committee**

The Audit Committee has been vested with the following powers: -

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **Role of Audit Committee**

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
  - (b) Changes, if any, in accounting policies and practices and reasons for the same.
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - (d) Significant adjustments made in the financial statements arising out of audit findings.
  - (e) Compliance with listing and other legal requirements relating to financial statements.

- (f) Disclosure of related party transactions.
  - (g) Qualification in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
  6. Reviewing, with the management, the performance of Statutory and Internal Auditors and adequacy of the internal control systems.
  7. Reviewing the adequacy or internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
  8. Discussion with internal auditors about any significant findings and follow up thereon.
  9. Reviewing the findings of any internal investigations by the internal Auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  10. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  11. To look in to the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
  12. Such other functions as may be decided by the Board of Directors from time to time.

#### **Review of information by Audit Committee**

The Audit Committee reviews inter alia, following matters:

- a. Management Discussion and Analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

During the year, the Committee has reviewed the internal controls put in place to ensure that the accounts of your company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of your Company.

The Committee has also reviewed the procedures laid down by your Company for assessing and managing risks.

#### **IV. Remuneration Committee:**

##### **Composition, Meetings, attendance during the year**

A Remuneration Committee has been constituted by the Board of Directors to review and / or determine the remuneration package of the Executive Directors of the Company in accordance with the guidelines laid out by the statute and the Listing Agreement with the Stock Exchanges.

During the year, the Remuneration Committee met two times to deliberate on various matters. The meetings were held on 27<sup>th</sup> August 2010, 15<sup>th</sup> October, 2010.



The composition and attendance are as follows:

Name of the Member	No. of Meetings	
	Held	Attended
Mr. Gitesh Agrawal	2	2
Mr. Atul Garg	2	2
Mr. Manish Kumar Agrawal	2	2

Mr. Gitesh Agrawal is the Chairman of the Committee

Mr. Atul Garg and Mr. Manish Kumar Agrawal are the members of the Committee.

**Remuneration to Directors:**

(a) Details of Remuneration for the Year 2010-11. (Rs. In Lacs)

Director	Salary for the year	Perquisites (Computed under IT Act)
Mr. Ramanand Agrawal	54.00	Nil
Mr. Rajesh Agrawal	51.00	Nil
Mrs. Gulab Bai Agrawal	36.00	Nil
Mr. D.K. Porwal	5.00	Nil

(b) Non-Executive Director

Non-Executive Directors have not been paid any sitting fess for attending the Board Meeting. No Sitting Fees was paid for attending Committee Meetings to the Non-Executive Directors.

**V. Investor Grievance Committee:**

**Composition, Meetings, attendance during the year**

The Investors' Grievance Committee was constituted to specifically look in to the redressal of Investors' complaints relating to the transfer of shares, non receipt of Annual Reports and non receipt of dividends declared by the Company. etc.

During the year, the Investor Grievance Committee meet two times to deliberate on various matters. The meetings were held on 06<sup>th</sup> August 2010, 1<sup>st</sup> January 2011.

The composition and attendance are as follows:

Name of the Member	No. of Meetings	
	Held	Attended
Mr. Neeraj Kansal	2	2
Mr. Rajesh Agrawal	2	2
Mr. Gitesh Agrawal	2	2

Mr. Neeraj Kansal is the Chairman of the Committee

Mr. Rajesh Agrawal and Mr. Gitesh Agrawal are the members of the Committee.

**VI. Number of shareholder complaints received, number solved to the satisfaction of the shareholder and number of pending transfers:**



**Investor grievances received and attended during the year 2010-11 and pending as on 31.03.2011.**

Complaints as on 1 <sup>st</sup> April 2010	Nil
Received during the Year	6
Resolved during the Year	6
Pending as on 31 <sup>st</sup> March, 2011	Nil

The Company generally attends to all queries of investors within a period of fortnight from the date of receipt.

The Compliance Officer for the said Committee was Mr. Prahallad Sawadia, Company Secretary, of the Company but after his resignation from the post of Company Secretary on 4<sup>th</sup> January 2011 and appointment of Mrs. Jaswinder Kaur Mission as the Company Secretary of the Company on 4<sup>th</sup> January 2011 act as the Compliance Officer for the said Committee.

**VII. No. of Shares held by Directors:**

The shareholding of the Directors as on 31<sup>st</sup> March 2011 is as under:

Directors	No. of shares	% of the paid-up Capital
Ramanand Agrawal	2,139,788	15.77
Gulab Bai Agarwal	1,082,082	7.97
Rajesh Agrawal	899,510	6.63
D. K. Porwal	Nil	-----
Neeraj Kansal	Nil	-----
Gitesh Agrawal	Nil	-----
Manish Kumar Agrawal	Nil	-----
Atul Garg	Nil	-----

**VIII. Means of Communication**

**Print**

The Company publishes unaudited quarterly accounts and half-yearly accounts reviewed by auditors and audited financial results in one national newspaper and one regional language newspaper. Generally, these are published in Free Press Journal, Nav Shakti, and Amrit Sandesh. Besides, notice of the Board Meetings fixed for the purpose of approving these results is also published in the same newspaper.

**Internet**

For the financial results and other relevant information, shareholders may log on to the websites of the company [www.mahamayagroup.in](http://www.mahamayagroup.in)

**IX. Particulars of the past three Annual General Meetings**

a) Location, date and time of Annual General Meetings held during the last 3 years:

Year	Location	Date	Time
2007 – 2008	At the registered Office of the Company located at Plot B/8-9, Sector – C, Urla Industrial Area, Sarora, Raipur – 493 221 (C.G.)	11 <sup>th</sup> Aug. 2008	11.00 a.m.
2008 – 2009	At the registered Office of the Company located at Plot B/8-9, Sector – C, Urla Industrial Area, Sarora, Raipur – 493 221 (C.G.)	29 <sup>th</sup> Sep. 2009	11.00 a.m.
2009 – 2010	At the registered Office of the Company located at Plot B/8-9, Sector – C, Urla Industrial Area, Sarora, Raipur – 493 221 (C.G.)	28 <sup>th</sup> Sep. 2010	11.00 a.m.

- b) No Extra-Ordinary General Meeting of the Shareholders was held during the year.
- c) No Postal Ballot was conducted during the financial year 2010-11. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

**Details of Special Resolutions passed in the last three Annual General Meeting.**

Year	Special Resolutions Passed
2007-08	1) Special resolution passed u/s 372 A of the Companies Act, 1956 for investment of surplus funds of the Company in Shares, debentures and like instruments.
2008-09	<ul style="list-style-type: none"> <li>1) Special Resolution passed u/s 94 and other applicable provisions of the Companies Act 1956, regarding reclassification of authorized capital structure.</li> <li>2) Special Resolution passed u/s 16 and other applicable provisions of the Companies Act 1956 regarding alteration of Clause V of Memorandum of Association of the Company.</li> <li>3) Special Resolution passed u/s 31 and other applicable provisions of the Companies Act 1956 regarding alteration of article 4A of Article of Association of the Company.</li> <li>4) Special Resolution passed u/s 80, 80A, 81 and other applicable provisions of the Companies Act 1956 regarding issue and offer up to 1,00,000,00 (one crore) 8% Redeemable Non Convertible, Non Cumulative Preference Shares of Rs. 10/- each. Aggregating Rs. 10,00,000,00 (Ten Crore) at a premium of Rs. 10/- per share.</li> <li>5) Special Resolution passed u/s 80, 80A, and other applicable provisions of the Companies Act 1956 regarding earlier redemption of redeemable preference shares of Rs. 19723000 at a suitable discount rate as allowed by IDBI.- the preference Shareholder, which are due for redemption being Rs. 10000000 on 24<sup>th</sup> August 2010 and 9723000 on 24<sup>th</sup> August 2011.</li> </ul>
2009-10	<ul style="list-style-type: none"> <li>1) Special Resolution passed u/s 198,269,309,310 Schedule XIII and other applicable provisions of the Companies Act 1956 regarding the appointment of Shri. Rajesh Agrawal, Executive Director of the Company as Managing Director of the Company 1<sup>st</sup> October,2010 to 1<sup>st</sup> October 2015.</li> <li>2) Special Resolution passed for altered the 'Clause V' of the Memorandum of Association regarding increased the authorized share capital from 50 crores to 60 crores.</li> <li>3) Special Resolution passed for altered the 'Article 4a' of the Article of Association regarding increased the authorized share capital from 50 crores to 60 crores.</li> <li>4) Special Resolution passed under Securities Contracts (Regulation) Act,1956, and the rules framed there under, listing agreement, SEBI (Delisting of Securities ) Guidelines,2003, for delist the Equity shares of the company Jaipur, Calcutta, Madhya Pradesh, Hyderabad Stock Exchange.</li> </ul>

**X. Disclosures**

There have been no materially significant related party transactions, pecuniary transaction or relationships between the Companies and its directors for the year ended 31<sup>st</sup> March, 2011 that may have a potential conflict with the interests of the Company at large.

All details relating to financial and commercial transactions where directors may have a pecuniary interest are provided to the Board and the interested directors neither participate in the discussion, nor do they vote on such matters.

Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed elsewhere in this Annual Report and they are not in conflict with the interest of the Company.

Business risk evaluation and managing such risk is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risks.

The Company's code of conduct has clearly laid down procedures for reporting unethical behavior, actual or suspected fraud or violation of the ethics policies. No employee of the company was denied access to the Audit Committee.



## 23rd Annual Report 2010-11

Adoption of non-mandatory requirements under clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

### CEO Certification:

The Chairman have certified to the Board in accordance with Clause 49 (V) of the listing Agreement pertaining to the CEO certification for the financial year ended March 31, 2011 which is annexed hereto.

### Compliance

Certificate from the Statutory Auditors confirming compliance with all the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is annexed to the Report and forms part of the Annual Report.

### Secretarial Audit

Pursuant to the Clause 47 (C) of the Listing Agreement with the stock exchange, certificates on quarterly basis have been issued by the a Company Secretary in practice for due compliances of share transfer formalities by the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

## XI. General Shareholder's Information

### Twenty Third Annual General Meeting

Date:	30 <sup>th</sup> September, 2011
Time:	01:30 P.M.
Venue:	At the registered office of the Company located at Plot B/8-9, Sector – C, Urla Industrial Area, Sarora, Raipur 493 221 (C.G.)
Financial Year:	1 <sup>st</sup> April 2010 to 31 <sup>st</sup> March, 2011
Directors seeking appointment / Reappointment:	As required under Clause 49(IV)(G), particulars of Directors seeking appointment / reappointment are given in the Explanatory statement annexed to the Notice of the Annual General Meeting to be held on 30 <sup>th</sup> September, 2011.
Book Closure Date:	22 <sup>nd</sup> September, 2011 to 30 <sup>th</sup> September, 2011 (both days inclusive).

### Financial Calender Period (tentative)

For the Half year ending 30 <sup>th</sup> September, 2011	Middle of Nov 2011
For the Quarter ending 31 <sup>st</sup> December, 2011	Middle of Feb, 2012
For the Year ending 31 <sup>st</sup> March, 2012	End May 2012

Registered Office: At Plot B/8-9, Sector – C, Urla Industrial Area, Sarora, Raipur – 493 221 (C.G.)

Listing of Equity Shares on Stock Exchanges: Bombay Stock Exchange Ltd.

Note: The Share of the Company are also listed on Jaipur, Calcutta, Madhya Pradesh, Hyderabad Stock Exchanges, and it is in under process for delisting.



**Listing Fees:**

Listing fees for the year 2011-12 has been paid to the Bombay Stock Exchange.

Stock Code  
Bombay Stock Exchange Ltd.

513554

Stock Market data relating to  
Equity shares listed in India:

It gives us immense pleasure to inform you after a long period of 12 years Your Company's Shares have been admitted for trading in Bombay Stock Exchange after revocation of suspension on 23<sup>rd</sup> February, 2011.

**MARKET PRICE DATA:** Monthly high / low of market price of the Company's Equity Shares traded on the Bombay Stock Exchange Limited (BSE) during the last financial year was as under: From 23<sup>rd</sup> February, 2011.

Month	Open Price	High Price	Low Price	Close Price
Feb-11	49.00	50.00	40.00	45.00
Mar-11	47.00	47.25	32.80	41.55

ISIN No.:

INE451L01014.

Annual Listing fee:

The annual listing fees for the year 2011-12 has been paid and the Company is in process of complying with de-listing formalities with other Stock Exchanges. (Madhya Pradesh, Jaipur, Kolkata & Hyderabad Stock Exchange).

Registrar and Share Transfer Agent:

System Support Services  
209, Shivai Industrial Estate,  
89, Andheri Kurla Road,  
Sakinaka, Andheri (E)  
Mumbai – 400 072  
Tel. No. :022 – 2850 0835  
Fax No. :022 – 2850 1438  
Email :sysss72@yahoo.com

**Distribution of Shareholding:**

Category	No. of Shares			% of Shares			No. of Holders			As on March 31, 2011 % of Holders		
	Demat	Physical	Total	Demat	Physical	Total	Demat	Physical	Total	Demat	Physical	Total
	1-500	14700	498680	513380	.108	3.675	3.783	52	2275	2327	1.833	80.190
501-1000	14400	249050	263450	.106	1.835	1.941	16	274	290	.564	9.658	10.222
1001-2000	21400	155800	177200	.158	1.148	1.306	13	94	107	.458	3.313	3.772
2001-3000	12500	76500	89000	.092	.564	.656	5	29	34	.176	1.022	1.198
3001-4000	4000	21400	25400	.029	.158	.187	1	6	7	.035	.211	.247
4001-5000	5000	97700	102700	.037	.720	.757	1	20	21	.035	.705	.740
5001-10000	39200	99800	139000	.289	.735	1.024	6	12	18	.211	.423	.634
10001-100000	37100	395068	432168	.273	2.911	3.185	2	12	14	.070	.423	.493
100001 & above	0	11828102	11828102	0.000	87.161	87.161	0	19	19	.000	.670	.670
<b>Total</b>	<b>148300</b>	<b>13422100</b>	<b>13570400</b>	<b>1.093</b>	<b>98.907</b>	<b>100</b>	<b>96</b>	<b>2741</b>	<b>2837</b>	<b>3.384</b>	<b>96.616</b>	<b>100</b>

## 23rd Annual Report 2010-11

### Shareholding Pattern as on 31<sup>st</sup> March, 2011.

Category	March 31, 2011	
	No. of shares held	% of Holding
Promoter in his individual capacity	4121380	30.37
Promoter in his Body Corporate Capacity	1652047	12.17
Promoter Director's Relatives	2656443	19.58
Banks, Financial Institutions, Insurance Companies (Central / State Government Institutions / Non Government Institutions)	100	0.00
Private Corporate Bodies	3653000	26.92
Indian Public	1487430	10.96
Total	13570400	100.00

### Dematerialization of Shares and Liquidity as on 31<sup>st</sup> March, 2011.

The Equity Shares of the Company are compulsorily traded in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

The Company has arrangement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility.

Particulars	No. of Shares	Percentage	Liquidity (No. of Shareholders)	Percentage
NSDL	90100	0.664%	57	2.009%
CDSL	58200	0.429%	39	1.375%
PHYSICAL	13422100	98.907%	2741	96.616%
TOTAL	13570400	100%	2837	100%

### Outstanding Convertible Instruments:

As on March 31, 2011, Optionally Convertible Redeemable Preference Shares of Rs. 9723000/- are Outstanding as it was under a settlement scheme of being redeemed in three installment annually, the last installment will be redeemed on 24<sup>th</sup> August, 2011.

### Address for Correspondence:

Mahamaya Steel Industries Ltd.  
B 8&9, Sector C, Urla Industrial Complex  
Sarora, Raipur (Chhattisgarh)  
Telephone: 0771 - 4006666  
Fax: 0771-4006611  
Email: mahamaya@rajeshstrips.com

Shareholders can contact the following officials for secretarial matters related to the company:

Name	Telephone No.	Email ID	Fax No.
Smt. Jaswinder Kaur Mission	0771- 4228067	Jaswinder_kh@yahoo.com	0771-4228066

**CODE OF CONDUCT****DECLARATION**

To  
**The Members of Mahamaya Steel Industries Limited**

In accordance with Clause 49 sub clause I (D) I, Ramanand Agrawal, Chairman of Mahamaya Steel Industries Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance to their respective Code of Conduct as applicable to them for the financial year ended 31<sup>st</sup> March, 2011.

**Raipur: 28th May , 2011**

**Ramanand Agrawal  
Chairman**

**CEO CERTIFICATION**

The Board of Directors  
Mahamaya Steel Industries Limited  
Raipur.

I certify that:

1. I had reviewed the Balance Sheet and Profit and Loss Account, and all the schedules and notes on accounts, as well as the Cash Flow statements, and the Directors' report.
2. Based on my knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made.
3. Based on my knowledge and information, the financial statements, and other financial information included in this report, present in all material respects true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. To the best of my knowledge and belief, no transactions entered in to by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
5. I affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
6. I further declare that all Board members and senior managerial personnel have affirmed compliance with the Code of Conduct for the current year.

**Raipur : 28th May , 2011**

**Ramanand Agrawal  
Chairman**



**Auditors' Certificate on Corporate Governance**

**To the Members,  
Mahamaya Steel Industries Limited**

We have examined the compliances of conditions of Corporate Governance by Mahamaya Steel Industries Limited, for the year ended on March 31<sup>st</sup>, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to best of our knowledge and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement. We state that such condition is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with the management has conducted the affairs of the Company.

**For, Batra Deepak and Associates**

Sd/-

Deepak Batra and Associates

Partner

Membership No: 74052

Place: Raipur

Date : 28th May 2011

**Batra Deepak & Associates**  
Chartered Accountants

17/901, First Floor, Guru Gobind Nagar,  
Opp. Dr. Verma's Clinic, **RAIPUR** [Chhattisgarh] 492001  
Phone: 0771-2424657, 2423757, 4055537 Fax: 0771-2436091  
E-mail: deepakca@airtelmail.in, deepakca@hotmail.com

**AUDITORS' REPORT**

To,  
The Members of,  
**MAHAMAYA STEEL INDUSTRIES LIMITED**  
(Formerly Rajesh Strips Limited)

We have audited the attached Balance Sheet of MAHAMAYA STEEL INDUSTRIES LIMITED, (the Company) as at 31<sup>st</sup> March, 2011, the Profit & Loss Account and the Cash Flow Statement (financial statements) of the Company for the year ended on that date annexed thereto signed by us under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements, based on our audit.

1. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors Report) Order, 2003 (as amended) issued by the Government of India, in terms of section 227(4A), of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to information and explanation given to us, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
3. Further to our comments in the annexure referred to in paragraph 2 above, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report, read together with Significant Accounting Policies and Notes on Accounts given in Schedule 'T' comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act 1956;
  - e) Based on written representations made by Directors of the Company, taken on record by the

Board of Directors, and the information and explanations made available to us, we report that none of the director is prima facie disqualified as on March 31, 2011 from being appointed as a director in terms of sec. 274(1)(g) of the Companies Act, 1956.

- f) In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with Significant Accounting Policies and Notes on Accounts, given in Schedule-"T" give the information required by the Companies Act 1956, in the manner so required, give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2011;
  - (ii) in the case of Profit & Loss Account, of the Profit for the year ended on that date; and
  - (iii) in case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For, BATRA DEEPAK & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Registration No.005408C)**

**PLACE : RAIPUR  
DATE : 28<sup>TH</sup> MAY, 2011**

**[DEEPAK BATRA]  
PARTNER  
M.No.74052**



**ANNEXURE TO AUDITORS' REPORT****RE : MAHAMAYA STEEL INDUSTRIES LIMITED\  
(Formerly known as Rajesh Strips Limited)****REFERRED TO IN PARAGRAPH 2 OF OUR REPORT OF EVEN DATE:**

1. In respect of its fixed assets: -
  - a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. As explained to us, fixed assets have been physically verified by the management under a phased programme of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.
  - c. The Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
  - a. As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. As informed to us, Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. However, in respect of unsecured loan taken from the companies covered in the register maintained under Section 301 of the Companies Act, 1956, we state that:
  - a. The Company has taken loan of Rs. 220.00 lacs during the year from a Company. The balance outstanding as at 31 March 2011 was Rs. 220.00 lacs.
  - b. In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
  - c. There is no overdue amount in respect of loans taken by the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchases of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control systems.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:

## 23rd Annual Report 2010-11

- a. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or agreements, that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- b. In our opinion and according to the information and explanations given to us, transactions in pursuance of contracts or agreements, entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- (Rupees Five Lacs) or more in respect of any party in the said financial year are prima facie reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore the provisions of clause 4 (vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. We have broadly reviewed the books of accounts maintained by the company pursuant to rules made by the Central Government, for the maintenance of cost records under section 209(1)(d) of the Companies Act 1956 in respect of its SMS Plant and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.
9. a. According to the records of the Company and based on information and explanations made available to us, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund (if any), Employees' State Insurance, Income-Tax, Sales-Tax, Commercial Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities (if any). According to the information and explanations given to us, no undisputed amounts of nature mentioned above payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2011 for a period of more than six months from the date of becoming payable.
- b. The disputed statutory dues aggregating to Rs. 78.35 Lacs, that have not been deposited on account of matters pending before the appropriate authorities are as under:-

Sl. No.	Name of the Statute	Nature of the Dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where dispute is pending
01.	Sales Tax statute of the State	Sales/Commercial Tax	38.27	From 1990-1991 to 1992-1993	Before the High Court of Chhattisgarh, Bilaspur
02.	Central Sales Tax statute of the Central Govt.	Central Sales Tax	10.07	2002-2003	Deputy Commissioner (Appeals), Raipur
03.	Central Excise Act, 1944	Excise Duty	3.65	2006-2007	Central Excise and Service Tax Appellate Tribunal
04.	Central Excise Act, 1944	Excise Duty	26.36	2005-2006 2006-07 & 2007-08	Asstt. Commissioner (Appeals)
TOTAL			78.35		



10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any Financial Institution or Bank.
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 (as amended) is not applicable to the Company.
14. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares have been held by the Company in its own name.
15. As informed to us, the Company has given guarantees for loan taken by a body corporate from a bank. The terms and conditions of said guarantee are not prima facie prejudicial to the interest of the Company.
16. As informed to us, the Company has not raised any new term loans from banks during the year. The term loans earlier availed have been applied for the purposes for which these were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized any money from short-term sources towards repayment of long-term borrowings acquisition of fixed assets and for long term investments.
18. During the year, the Company has not made preferential allotment of preference shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. According to the information and explanation given to us, during the year covered by our audit report, the company has not issued any debentures.
20. During the year covered by our audit report, the company has not raised money by way of public issue.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

**For, BATRA DEEPAK & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Registration No.005408C)**

**PLACE : RAIPUR  
DATE : 28<sup>TH</sup> MAY, 2011**

**[DEEPAK BATRA]  
PARTNER  
M.No.74052**

**MAHAMAYA STEEL INDUSTRIES LIMITED  
(FORMERLY, RAJESH STRIPS LIMITED)  
BALANCE SHEET AS ON 31ST MARCH 2011**

PARTICULARS	SCHEDULE	AS AT 31.03.11 (RS. IN LACS)	AS AT 31.03.10 (RS. IN LACS)
<b>SOURCES OF FUNDS:</b>			
<b>SHAREHOLDERS' FUND:</b>			
Share Capital	"A"	4654.27	4754.27
Reserves & Surplus	"B"	6528.65	5414.89
Share Application Money		1645.00	1645.00
<b>LOAN FUNDS:</b>			
Secured Loans	"C"	5228.47	5342.60
Unsecured Loans	"D"	355.00	0.00
DEFERRED TAX LIABILITY		566.38	465.18
	<b>TOTAL(Rs.)</b>	<b>18977.78</b>	<b>17621.94</b>
<b>APPLICATION OF FUNDS:</b>			
<b>FIXED ASSETS:</b>			
Gross Block	"E"	12534.54	11319.87
Less : Depreciation		3647.20	2916.89
Net Block		<b>8887.34</b>	<b>8402.97</b>
Capital work in progress and Pre operative exp.		81.71	331.16
		<b>8969.06</b>	<b>8734.13</b>
INVESTMENTS	"F"	240.01	230.01
<b>CURRENT ASSETS, LOANS &amp; ADVANCES:</b>			
Inventories	"G"	5745.74	5758.87
Sundry Debtors	"H"	3765.07	3938.41
Cash & Bank Balances	"I"	463.07	354.46
Loans and Advances	"J"	2172.16	1664.29
		12146.04	11716.02
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS:</b>			
Current Liabilities	"K"	2377.32	3058.23
<b>NET CURRENT ASSETS:</b>		9768.72	8657.80
	<b>TOTAL(Rs.)</b>	<b>18977.78</b>	<b>17621.94</b>

**Significant Accounting Policies & Notes on Accounts Schedule "T"**

FOR AND ON BEHALF OF THE BOARD

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, **BATRA DEEPAK & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 005408C

[RAMANAND AGRAWAL]  
CHAIRMAN

[RAJESH AGRAWAL]  
MANAGING DIRECTOR

[DEEPAK BATRA]  
PARTNER  
M. NO. 74052

[JASWINDER KAUR MISSION]  
COMPANY SECRETARY

PLACE : RAIPUR  
DATE : 28TH MAY 2011

PLACE : RAIPUR  
DATE : 28TH MAY 2011

**MAHAMAYA STEEL INDUSTRIES LIMITED  
(FORMERLY, RAJESH STRIPS LIMITED)  
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011**

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2011 (RS. IN LACS)	FOR THE YEAR ENDED 31.03.2010 (RS. IN LACS)
<b>INCOME:</b>			
Sales	"L"	63480.02	42550.05
Less: Excise Duty		5496.65	3026.96
Sales Tax & Value Added Tax		1335.44	918.94
Net Sales		56647.92	38604.16
Other Business Income	"M"	53.96	61.99
Increase/(decrease) in stocks	"N"	(88.83)	(367.62)
		<b>56613.06</b>	<b>38298.53</b>
<b>EXPENDITURE:</b>			
Consumption of Materials	"O"	42480.32	26341.06
Manufacturing Expenses	"P"	10451.79	8615.84
Payment to and provisions for Employees	"Q"	241.24	221.62
Selling, Administrative and other Expenses	"R"	520.09	318.92
		<b>53693.44</b>	<b>35497.44</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>2919.62</b>	<b>2801.09</b>
Financial Cost	"S"	605.06	604.46
Depreciation	"E"	731.82	865.20
<b>Profit Before Tax and Prior Period Adjustment</b>		<b>1582.75</b>	<b>1331.43</b>
Prior Period Adjustment		(9.81)	4.73
<b>Profit Before Tax</b>		<b>1572.94</b>	<b>1336.16</b>
<b>Provision for Tax:</b>			
Current Income Tax		357.79	228.04
Income Tax related to Previous Year		0.18	15.00
Deferred Tax Adjustment		101.20	7.13
<b>Profit After Tax</b>		<b>1113.76</b>	<b>1085.99</b>
Add: Profit brought forward from previous year		2314.74	2120.43
<b>AMOUNT AVAILABLE FOR APPROPRIATION</b>		<b>3428.50</b>	<b>3206.42</b>
<b>Appropriations</b>			
Proposed Dividend on Equity Shares		0.00	67.85
Proposed Dividend on 8% Redeemable Preference Shares		0.00	196.00
Tax on Dividend		0.00	44.84
Transfer to General Reserve		222.75	217.20
Transfer to Redemption Reserve		539.67	365.79
<b>PROFIT(LOSS) CARRIED TO BALANCE SHEET</b>		<b>2666.08</b>	<b>2314.74</b>
Earning Per Share (Basic and Diluted)		8.21	6.31
No. of Equity Shares		13570400	13570400

Significant Accounting Policies & Notes on Accounts Schedule "T"

FOR AND ON BEHALF OF THE BOARD

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, BATRA DEEPAK & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 005408C

[RAMANAND AGRAWAL]  
CHAIRMAN

[RAJESH AGRAWAL]  
MANAGING DIRECTOR

[DEEPAK BATRA]  
PARTNER  
M. NO. 74052

[JASWINDER KAUR MISSION]  
COMPANY SECRETARY

PLACE : RAIPUR  
DATE : 28TH MAY 2011

PLACE : RAIPUR  
DATE : 28TH MAY 2011



**MAHAMAYA STEEL INDUSTRIES LIMITED**  
**(FORMERLY, RAJESH STRIPS LIMITED)**  
**SCHEDULE "A" TO "T" ANNEXED TO AND FORMING PART OF THE B/S AS ON 31ST MARCH 2011**  
**AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	AS AT 31.03.11 (RS. IN LACS)	AS AT 31.03.10 (RS. IN LACS)
<b>SCHEDULE - "A":</b>		
<b>SHARE CAPITAL:</b>		
<b>AUTHORISED SHARE CAPITAL:</b>		
1,50,00,000 (P.Y.1, 50,00,000) Equity Shares of Rs.10/- each	1500.00	1500.00
30,00,000 (P.Y. 30,00,000) Preference Shares of Rs. 10/- each	300.00	300.00
4,20,00,000 (P.Y. 3,20,00,000) 8% Redeemable Non Convertible Non Cumulative Preference Share of Rs 10/- each	4200.00	3200.00
<b>TOTAL(Rs.)</b>	<b>6000.00</b>	<b>5000.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP:</b>		
135,70,400 (P.Y. 135,70,400) Equity Shares of Rs.10/- each fully paid up	1357.04	1357.04
972,300 (P.Y. 19,72,300 ) Optionally Convertible Redeemable Preference Shares.	97.23	197.23
3,20,00,000 (P.Y. 3,20,00,000) 8% Redeemable Non Convertible Non Cumulative Preference Share of Rs 10/- each	3200.00	3200.00
<b>TOTAL(Rs.)</b>	<b>4654.27</b>	<b>4754.27</b>
<b>SCHEDULE " B":</b>		
<b>RESERVES &amp; SURPLUS:</b>		
General Reserve	1699.16	1376.40
Capital Redemption Reserve	1158.13	718.47
Capital Investment Subsidy	5.00	5.00
Share Forfeiture Account 5600 Equity Shares of Rs. 10/- each partly paid Rs. 5/-each	0.28	0.28
Securities Premium Account	1000.00	1000.00
Profit & Loss Account	2666.08	2314.74
<b>TOTAL(Rs.)</b>	<b>6528.65</b>	<b>5414.89</b>
<b>SCHEDULE - "C":</b>		
<b>SECURED LOANS:</b>		
Term Loan from Bank (Please Refer Note 1 below)	1683.67	2302.98
Working Capital Facility from Banks (Please Refer Note 1 below)	2300.69	2565.42
LC Facility from Bank (Please Refer Note 1 below)	1244.11	474.19
<b>TOTAL(Rs.)</b>	<b>5228.47</b>	<b>5342.60</b>
Note:		
1. Secured by way of First Pari passu charge on Current and Fixed Assets of the Company and Personal guarantee of some of directors.		
<b>SCHEDULE - "D":</b>		
<b>UNSECURED LOANS:</b>		
Inter Corporate Loans	355.00	0.00
<b>TOTAL(Rs.)</b>	<b>355.00</b>	<b>0.00</b>

**MAHAMAYA STEEL INDUSTRIES LIMITED  
(FORMERLY, RAJESH STRIPS LIMITED)  
SCHEDULE "E" : FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS ON 01.04.2010	Addition During the year	Adj- stment (-)	Total As on 31.03.2011	As on 01.04.2010	For the period	Adj- stment (-)	Total Depreciation upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
1. LEASEHOLD LAND & SITE DEVELOPMENT	35.29	0.00	0.00	35.29	0.00	0.00	0.00	0.00	35.29	35.29
2. FREE HOLD LAND	717.85	54.27	0.00	772.11	0.00	0.00	0.00	0.00	772.11	717.85
3. BUILDING	1199.06	156.56	0.00	1355.62	121.93	41.11	0.00	163.04	1192.58	1077.13
4. PLANT & MACHINERY	8991.33	957.72	0.00	9949.04	2710.79	649.51	0.00	3360.30	6588.74	6280.54
5. FURNITURE & FIXTURES	63.47	13.28	0.00	76.74	28.17	6.65	0.00	34.82	41.92	35.30
6. VEHICLES	312.88	45.13	12.27	345.74	56.00	34.54	1.51	89.03	256.70	256.88
<b>TOTAL RS.</b>	<b>11319.87</b>	<b>1226.94</b>	<b>12.27</b>	<b>12534.54</b>	<b>2916.89</b>	<b>731.82</b>	<b>1.51</b>	<b>3647.20</b>	<b>8887.34</b>	<b>8402.97</b>
7. CAPITAL WORK IN PROGRESS	331.16	663.71	913.15	81.71	0.00	0.00	0.00	0.00	81.71	331.16
8. PREOPERATIVE EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL RS.</b>	<b>331.16</b>	<b>663.71</b>	<b>913.15</b>	<b>81.71</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>81.71</b>	<b>331.16</b>
<b>GRAND TOTAL (Rs.)</b>	<b>11651.03</b>	<b>1890.65</b>	<b>925.42</b>	<b>12616.26</b>	<b>2916.89</b>	<b>731.82</b>	<b>1.51</b>	<b>3647.20</b>	<b>8969.06</b>	<b>8734.13</b>
<b>PREVIOUS YEAR RS.</b>	<b>10731.65</b>	<b>946.32</b>	<b>26.94</b>	<b>11651.03</b>	<b>2059.10</b>	<b>865.20</b>	<b>7.40</b>	<b>2916.89</b>	<b>8734.13</b>	<b>8672.55</b>



**MAHAMAYA STEEL INDUSTRIES LIMITED  
(FORMERLY, RAJESH STRIPS LIMITED)**

**SCHEDULE "A" TO "T" ANNEXED TO AND FORMING PART OF THE B/S AS ON 31ST MARCH 2011  
AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	AS AT 31.03.11 (RS. IN LACS)	AS AT 31.03.10 (RS. IN LACS)
<b>SCHEDULE - "F":</b>		
<b>INVESTMENTS:</b>		
Long Term (Unquoted):		
1200300 Equity Shares of Rs. 10 each in Shree Shyam Sponge and Power Limited	30.01	30.01
2000000 Equity Shares of Rs.10/- each in Devi Iron and Power Private Limited	200.00	200.00
100000 Equity Shares of Rs.10/- each in Mahamaya Charitable Foundation	10.00	0.00
<b>TOTAL(Rs.)</b>	<b>240.01</b>	<b>230.01</b>
<b>SCHEDULE - "G":</b>		
<b>INVENTORIES:</b>		
(As taken, valued & certified by the Management)		
Raw Materials	2754.01	2793.18
Finished Goods	1984.06	2072.89
Stores & Consumables	1007.67	892.81
<b>TOTAL(Rs.)</b>	<b>5745.74</b>	<b>5758.87</b>
<b>SCHEDULE - "H":</b>		
<b>SUNDRY DEBTORS:</b>		
(Un-Secured, Considered Good)		
Outstanding for more than 6 months	435.11	578.13
Others	3329.96	3360.28
<b>TOTAL(Rs.)</b>	<b>3765.07</b>	<b>3938.41</b>
<b>SCHEDULE - "I":</b>		
<b>CASH AND BANK BALANCES:</b>		
Cash in Hand	33.40	22.98
Balances with Scheduled Banks :		
In Current Accounts	158.40	123.96
On Deposit Account	271.27	207.51
<b>TOTAL(Rs.)</b>	<b>463.07</b>	<b>354.46</b>
<b>SCHEDULE - "J":</b>		
<b>LOANS &amp; ADVANCES:</b>		
(Un-Secured, Considered Good)		
Advances recoverable in Cash or in kind or for value to be received		
<b>Advances for :</b>		
Raw Material Purchase	728.35	186.97
Stores, Consumables & Expenses	98.42	206.19
Capital Goods	68.68	89.39
Others	55.39	64.00
<b>Deposits with :</b>		
Govt. Authorities	482.26	462.70
Suppliers	50.94	36.88
Commercial Tax Authorities	184.53	284.87
Income Tax Authorities	360.58	215.51
Central Excise Authorities	143.01	117.77
<b>TOTAL(Rs.)</b>	<b>2172.16</b>	<b>1664.29</b>

**MAHAMAYA STEEL INDUSTRIES LIMITED  
(FORMERLY, RAJESH STRIPS LIMITED)  
SCHEDULE "A" TO "T" ANNEXED TO AND FORMING PART OF THE B/S AS ON 31ST MARCH 2011  
AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	AS AT 31.03.11 (RS. IN LACS)	AS AT 31.03.10 (RS. IN LACS)
<b>SCHEDULE - "K": CURRENT LIABILITIES AND PROVISIONS</b>		
Sundry Creditors for :		
Expenses and Stores	474.86	1089.80
Services	20.16	8.55
Capital goods	52.67	83.45
Advance From Customers	771.77	659.52
Other Liabilities	22.02	31.21
Provisions	1035.85	1185.70
<b>TOTAL(Rs.)</b>	<b>2377.32</b>	<b>3058.23</b>
<b>SCHEDULE - "L": SALES:</b>		
Manufactured Goods Sales	60407.38	39242.54
Scrap (End Cutting)	1404.40	1033.87
Sale of Waste and Scrap	4.71	5.75
Conversion Charges Received	1663.53	2267.89
<b>TOTAL(Rs.)</b>	<b>63480.02</b>	<b>42550.05</b>
<b>SCHEDULE - "M": OTHER BUSINESS INCOME:</b>		
Insurance Claim	4.56	4.37
Interest Received	48.22	49.64
Miscellaneous Income	1.18	7.97
<b>TOTAL(Rs.)</b>	<b>53.96</b>	<b>61.99</b>
<b>SCHEDULE - "N": INCREASE/(DECREASE) IN STOCKS:</b>		
Closing Stock		
Finished Goods	1984.06	2072.89
<b>Total (A)</b>	<b>1984.06</b>	<b>2072.89</b>
Less: Opening Stock		
Finished Goods	2072.89	2440.51
<b>Total (B)</b>	<b>2072.89</b>	<b>2440.51</b>
Increase/(Decrease) in Stock	<b>Total (A - B)</b>	<b>(88.83)</b>
		<b>(367.62)</b>



**MAHAMAYA STEEL INDUSTRIES LIMITED  
(FORMERLY, RAJESH STRIPS LIMITED)**

**SCHEDULE "A" TO "T" ANNEXED TO AND FORMING PART OF THE B/S AS ON 31ST MARCH 2011  
AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	AS AT 31.03.11 (RS. IN LACS)	AS AT 31.03.10 (RS. IN LACS)
<b>SCHEDULE - "O":</b>		
<b>CONSUMPTION OF MATERIALS:</b>		
Opening Stock	2793.18	1607.23
Add: Purchases	42441.15	27527.01
	45234.33	29134.24
Less: Closing Stock	2754.01	2793.18
<b>TOTAL(Rs.)</b>	<b>42480.32</b>	<b>26341.06</b>
<b>SCHEDULE - "P":</b>		
<b>MANUFACTURING EXPENSES:</b>		
Consumption of Stores & Consumables	3221.43	2341.48
Power & Fuel Charges	5985.98	5186.21
Conversion charges	535.44	451.69
Payment to Workers	684.26	544.96
Employer's Contribution to E.S.I./E.P.F.	40.94	29.78
Repairs & maintenance to:		
Others	12.84	5.48
Plant & Machinery	8.72	6.48
Variation in Excise Duty on Closing Stock	(37.83)	49.75
<b>TOTAL(Rs.)</b>	<b>10451.79</b>	<b>8615.84</b>
<b>SCHEDULE - "Q":</b>		
<b>PAYMENT TO AND PROVISIONS FOR EMPLOYEES:</b>		
Salary & Bonus	59.56	36.76
Employer's Contribution to E.S.I./E.P.F.	2.78	1.94
Gratuity	0.00	3.63
Staff welfare Expenses	32.91	23.29
Directors' Remuneration	146.00	156.00
<b>TOTAL(Rs.)</b>	<b>241.24</b>	<b>221.62</b>
<b>SCHEDULE - "R":</b>		
<b>SELLING , ADMINISTRATIVE &amp; OTHER EXPENSES:</b>		
Rent, Rates & Taxes	6.90	7.21
Legal & Professional Charges	28.38	8.41
Travelling & Conveyance	16.44	10.34
Telephone Expenses	8.46	6.29
Auditors Remuneration	3.00	3.00
Other Administrative Expenses	118.40	82.77
Selling & Distribution Expenses	337.15	193.21
Loss on Sale of Fixed Assets	1.36	7.69
<b>TOTAL(Rs.)</b>	<b>520.09</b>	<b>318.92</b>
<b>SCHEDULE - "S":</b>		
<b>FINANCIAL COST</b>		
Interest:		
Banks	562.00	565.27
Bank charges & Commission	43.06	39.19
<b>TOTAL(Rs.)</b>	<b>605.06</b>	<b>604.46</b>

**MAHAMAYA STEEL INDUSTRIES LIMITED**  
**(Formerly known as Rajesh Strips Limited)**

**SCHEDULE " T " :**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:**

**A. SIGNIFICANT ACCOUNTING POLICIES:**

**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The Financial Statement have been prepared under the historical cost convention, on the basis of a going concern, with revenues recognized and expenses accounted on their accrual, including provisions / adjustments for committed obligations and amount determined as payable or receivable during the year. The financial statements have been prepared in accordance with the generally accepted accounting principles and provisions of the statute have been followed.

**2. USE OF ESTIMATES:**

The preparation of financial statements require estimates & assumptions to be made that affect the reported amount of asset and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known / materialized.

**3. FIXED ASSETS:**

Fixed Assets are stated at cost of acquisition inclusive of duties (net of credit under Cenvat / VAT schemes), taxes, incidental expenses, erection / commissioning expenses, including financing cost till commencement and regularization of commercial production, net charges on foreign exchange contracts and adjustments (if any) arising from exchange rate variation relating to borrowings attributable to the fixed assets are capitalized, less accumulated depreciation.

**4. CAPITAL WORK-IN-PROGRESS:**

It is stated at cost.

**5. DEPRECIATION & AMORTISATION:**

(a) Depreciation on fixed assets is provided on straight-line method at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation on additions/deletions to fixed assets is being provided on pro-rata basis from/to the month of acquisition/disposal. Fixed assets of like nature have been clubbed under broad descriptions given in the Balance Sheet.

(B) Amortization is not being made on leasehold land being insignificant amount.

**6. IMPAIRMENT OF ASSETS:**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is normally charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



**7. FOREIGN CURRENCY TRANSACTIONS:**

- (a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts has been recognized over the life of the contract.
- (c) Non monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

**8. INVESTMENTS:**

Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

**9. INVENTORY VALUATION:**

Inventories are valued at lower of cost or net realizable value. Cost of Finished goods is determined by including direct materials, labour, other expenses and a proportion of overheads based on normal operating capacity. Cost of finished goods has been determined on weighted average and includes excise duty. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. Cost of raw materials stores and spares, are determined on FIFO basis. By products are valued at net realizable value.

**10. REVENUE RECOGNITION:**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Turnover includes sale of goods, services, sales tax, service tax, excise duty and sales during trial run period, adjusted for discounts (net), Value Added Tax (VAT) and gain / loss on corresponding hedge contracts. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**11. EXCISE DUTY:**

Excise Duty is accounted on the basis of, both, payments made in respect of goods cleared as also provision made for finished goods in stock.

**12. RECOGNITION OF INCOME & EXPENDITURE:**

Mercantile method of accounting is employed unless otherwise specifically stated elsewhere in this schedule. However, where the amount is immaterial/negligible and/or establishment of Accrual/determination of amount is not possible, no entries are made for the accruals.

**13. EMPLOYEES' RETIREMENT BENEFITS:**

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.



- b) Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

**14. BORROWING COSTS:**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets (if any). A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as expenses in the period in which they are incurred.

**15. PROVISION FOR CURRENT AND DEFERRED TAX:**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carry forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

**16. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are generally not provided for in books of account and separate disclosure is made in 'Notes on Accounts'. Contingent Assets are neither recognized nor disclosed in the financial statements.

**B. NOTES ON ACCOUNTS:**

**1. CONTINGENT LIABILITIES:**

Sl. No.	Particulars	31.3.2011 (Rs. In lacs)	31.3.2010 (Rs. In lacs)
(i)	Outstanding Bank guarantees	150.00	350.00
(ii)	Sales Tax demand under appeal	38.27	38.27
(iii)	Central Sales Tax demand under appeal	10.07	10.07
(iv)	Excise Duty liabilities under appeal	55.92	34.21
(v)	Estimated amount of contracts remaining to be executed on capital account ( net of advances)	200.00	300.00
(vi)	Entry tax not paid on account of exemption from Govt. of Chhattisgarh. However certificate of exemption yet not received.	57.46	57.46
(vii)	Corporate guarantee given for a loan of a body corporate	910.00	3025.00

2. Parties' accounts are subject to confirmation. Consequential effects adjustment, presently unascertainable, will be provided as and when confirmed.
3. Sundry Debtors, Loans & Advances and Deposits include certain over due accounts. Balances in the accounts of certain debtors, loans and advances required to be confirmed / reconciled. However, in the opinion of the Board, all current assets, loans and advances would be realized in ordinary course of

## 23rd Annual Report 2010-11

the business at the value as stated.

4. In the opinion of the Board, the provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably necessary.
5. The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. There are no over dues to parties on account of principal amount and / or interest and accordingly no additional disclosures have been made.
6. The breakup of Deferred Tax liabilities/(assets) at the year end in two major components of the respective balances are as follows:

Sl. No.	Particulars	AS AT 31.03.2011 (Rs. in Lacs)	AS AT 31.03.2010 (Rs. in Lacs)
(a)	Opening Deferred Tax liability / (Deferred Tax Assets )	465.18	458.06
(b)	Add : Deferred Tax liability Tax impact due to difference between Tax Depreciation & Book Depreciation on Fixed Assets and allowances under the Income Tax Act.	102.97	78.01
(c)	Less : Deferred Tax Assets Unabsorbed depreciation, unabsorbed loss and disallowances under the Income Tax Act.	8.61	76.00
(d)	Add : Reversal of Deferred Tax liability / (Deferred Tax Assets )	6.84	5.12
(e)	Debit to Profit and Loss account	101.20	7.13
(f)	Deferred tax liability (net) (closing)	566.38	465.18

7. Figures of the previous year have been reworked, rearranged/regrouped and reclassified wherever considered necessary. Accordingly, the amount and other disclosures for preceding year are included as an integral part of current year's financial statement and are to be read in relation to the amount and other disclosures relating to current year. The figures in financial statements are rounded off to the nearest lacs rupees.
8. The turnover of the company, during the year includes 258.020 MT, of finished goods of Rs.92.20 lacs (excluding VAT) sent to the consignment agent in the fag end of March 2011 but remained unsold to the third party. The amount has been included in the turnover to reflect correct position as the arrangement with the consignment agent is such that the consignment goods sent on consignment, if remained unsold would get converted into sale to the agent itself after stipulated period. The company has received confirmation from its consignment agent that the entire stock has been subsequently sold by the agent in the month of April 2011. Had this been not done, the turnover and profit for the year would have been lower by Rs.92.20 lacs and Rs. 15.01 lacs respectively

**9. DIRECTORS' REMUNERATION :**

(Rs in Lacs)

Particulars	F.Y. 2010 -11	F.Y. 2009 -10
Director's Remuneration	146.00	156.00

Computation of Net Profit in accordance with Section 198 read with Section 309(5)

Particulars	Rs. In lacs	Rs. in lacs
	F.Y. 2010 -2011	F.Y. 2009 -2010
Profit before Tax	1572.94	1336.16
Add: Managerial Remuneration	146.00	156.00
<b>Total</b>	<b>1718.94</b>	<b>1492.16</b>

**10. AUDITORS' REMUNERATION :**

(Rs. in Lacs)

Sl. No.	Particulars	F.Y. 2010 -11	F.Y. 2009 -10
(i)	Audit Fees	3.00	2.50
(ii)	Other Services	0.50	0.50
	<b>TOTAL</b>	<b>3.50</b>	<b>3.00</b>

11. (a) Imported Raw Material, Stores and spares consumed – Rs. 64.32 lacs (Rs. 21.46 lacs)  
 (b) FOB value of Exports to Nepal was Rs. 30.88 lacs in INR(including Excise Duty)-  
 (Rs.151.03 lacs)  
 (c) Expenditure in foreign currency – Rs. 64.32 lacs - (Rs. 21.46 Lacs)  
 (d) Earning in foreign currency – NIL- (NIL)  
 (e) Value of Imports calculated on CIF basis – Rs. 64.32 lacs - (Rs. 21.46 Lacs)  
 (Bracket represent previous year)

**12. EARNING PER SHARE (E.P.S.):**

(Rs. in Lacs)

PARTICULARS	F.Y. 2010 -11	F.Y. 2009 -10
Profit after Tax (A)	1113.76	1085.99
Less : Preference Dividend (Including Dividend Tax)	Nil	229.31
Amount available for Equity Shareholders	1113.76	856.68
Weighted Average of Equity Shares outstanding during the year (Nos.)(B)	13570400	13570400
Nominal Value of Equity Share (Rs.)	10.00	10.00
Basic/ Diluted E.P.S. (Rs.) (A/B)	8.21	6.31



13. Separate segment wise reporting is not called for in view of the fact that entire revenue of the Company is from structural manufacturing and all business activities are in India only. The operations of Gas Plant and SMS are mainly for captive use barring insignificant gross receipts of Rs. 43.76 lacs from sale of gas and Rs. 167.98 lacs from sale of Blooms/ Billets to outside parties.
14. Related party disclosure as required by Accounting Standard – 18 issued by the Institute of Chartered Accountants of India:

**A. List of Related Parties and Relationships:-**

**a) Associate concerns:**

1. Raipur Ferro Alloys Limited (Under merger with another Company)
2. Rajesh Re-rollers Limited (Under merger with another Company)
3. Devi Iron and Power Pvt. Ltd.
4. Mahamaya Charitable Foundation

**b) Key Management Personnel**

1. Shri Ramanand Agrawal
2. Shri Rajesh Agrawal
3. Smt. Gulab Bai Agrawal
4. Shri D. K. Porwal

**c) Relative of key management personnel**

1. Rajesh Agrawal (HUF)
2. Shri Anand Agrawal
3. Ramanand Agrawal (HUF)
4. Smt. Asha Devi Agrawal
5. Smt. Rekha Agrawal

**d) Enterprises over which key Management Personnel and their relatives exercise significant influence with whom transactions have taken place during the year:**

1. Abhishek Steel Industries Limited
2. Shree Shyam Sponge & Power Limited
3. Antriksh Commerce Pvt. Ltd.
4. Callidora Traders Private Limited
5. Mark Vision Multi Services Pvt. Ltd.
6. Escort Finvest Pvt. Ltd.

**B. Transactions with related parties:**

Description	(Rs. In Lacs)							
	Key Management Personnel		Relative of Key Management Personnel		Associate Concern		Enterprises Controlled by Key Management personnel & their relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Investment	--	--	--	--	10.00	--	--	--
Director Remuneration	146.00	156.00	--	--	--	--	--	--
Office Rent	--	--	--	--	--	--	--	--
Sales	--	--	7646.48	1392.56	73.43	397.42	1781.97	1062.14
Purchase	--	--	--	--	2204.79	385.55	12604.12	6054.03
Hire Charges	--	--	30.00	32.60	--	--	--	--
Transfer of Assets & Liabilities	--	--	--	--	--	--	--	--
Assets Purchased			10.35	--		1.50		0.01
Transportation expenses			--	--		2.81	--	--
Unsecured Loan Received	--	--	--	--	--	--	220.00	--
Conversion Charges paid	--	--	--	--	--	--	535.44	451.69
<b>Outstanding Balance as on 31.03.2011</b>								
Debtors	--	--	325.10	0.45	--	--	--	--
Loans & Advances	--	--	--	--	134.70	--	--	--
Creditors	--	9.04	--	2.67	--	--	73.74	391.54
Unsecured loan including intt.	--	--	--	--	--	--	220.00	--
Investment	--	--	--	--	210.00	200.00	30.01	30.01
Share Application Money	--	--	--	--	--	--	345.00	345.00

NOTE: Reimbursement of expenses to Related Party have not been shown above (if any).

15. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 3, 4, & 4B OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956 TO THE EXTENT APPLICABLE (As certified by the Management).

1. CAPACITY & PRODUCTION :

Sl.No.	Particulars	F.Y. 2010 -11	F.Y. 2009 -10
(a)	Licensed & Registered (Capacity )		
	(i) Steel structural (M.T./PA)	355000	355000
	(ii) Steel Melting Shop	200000	200000
	(iii) Gas Plant ( Cubic Meter)	900000	900000
	(iv) Power (M.W.)	50	50
	(v) Pig Iron (M.T./P.A.)	180000	180000
(b)	Installed Capacity (M.T./PA)		
	(i) Steel Structural	255000	255000
	(ii) Steel Melting Shop	174250	148500
	(iii) Gas Plant ( Cubic Meter)	900000	900000
(c)	Production (MT)		
	(i) Steel Structural	179783.370	162228.020
	(ii) Conversion Production (by others for us)	30658.235	16363.435
		<b>210441.605</b>	<b>178591.455</b>
	(iii) Oxygen Gas Cylinders	102903 NOS or 720321 Cubic Meter	112730 NOS or 789110 Cubic Meter
	(iv) Nitrogen Gas Cylinders	2705 NOS or 18935 Cubic Meter	NIL
	(v) Blooms and Billets	112879.344	104067.485



**2. TURNOVER:**

Particulars		QUANTITY (IN MT)	AMOUNT (RS. IN LACS)
(i)	(a) Steel structural, end cutting and scrap (net of sales return)	177217.706 (132206.655)	61604.75 (39458.28)
	(b) Conversion of Steel Structural for others	28093.219 (40754.730)	1663.53 (2267.89)
	(c) Blooms & Billets	620.240 (3270.550)	167.98 (769.98)
(ii)	Oxygen Gas Cylinders	40821 Nos or 285747 Cubic meter (52254 Nos or 365778 Cubic Meter)	41.64 (53.90)
(iii)	Nitrogen Gas Cylinders	873 Cylinders or 6111 Cubic meter (NIL)	2.12 (NIL)
(iv)	Internal Consumption of end cutting	7591.160 (5620.770)	1584.30 (983.17)
(v)	Internal Consumption of Oxygen Gas Cylinders	62431 Nos or 437017 Cubic Meter (60454 Nos or 423178 Cubic Meter)	53.02 (46.57)
(vi)	Internal consumption of Nitrogen Gas Cylinders	1832 Nos or 12824 Cubic Meter (NIL)	3.85 (NIL)

Note : Figures in the bracket indicate figures for the previous year

3. STOCK:

Sl. No.	Particulars	QUANTITY (IN MT)	AMOUNT (RS. IN LACS)
a)	<b>OPENING STOCK</b>		
	(i) Finished Goods	6374.949 (6729.700)	1819.59 (1855.95)
	(a) Steel structural (including end cuttings)		
	(b) Blooms	1195.515 (2170.745)	253.15 (442.78)
	(iii) Oxygen Gas Cylinders	176 Nos or 1232 Cubic Meter (154 Nos or 1078 Cubic Meter)	0.15 (0.13)
b)	<b>CLOSING STOCK</b>		
	(i) Finished Goods	4458.212* (6374.949*)	1478.70* (1819.59*)
	(a) Steel Structural (including end cuttings)		
	(b) Blooms	1986.979 (1195.515)	505.21 (253.15)
	(ii) Oxygen Gas Cylinders	178 Nos or 1246 Cubic Meter (176 Nos or 1232 Cubic Meter)	0.15 (0.15)

\* It does not include Nil (P.Y. 555.456 MT) stock held on account of conversion supply to be made.

Note : Figures in the bracket indicate figures for the previous year.

4.CONSUMPTION ( ALL INDIGENOUS):

Sl.No.	Particulars	QUANTITY (IN MT)	AMOUNT (RS. IN LACS)
(a)	Raw Material for Steel Structures (Blooms and Billets )	226278.378 (176950.850) (Refer Note 1)	21457.86* (10126.44*)
(b)	Raw Material for SMS Plant (Sponge Iron, Pig Iron and Scrap etc.)	131533.030 (123190.240) (Refer Note 2)	21022.45* (16214.62*)
(c)	Trading item purchased	NIL (NIL)	NIL (NIL)
(d)	Stores & Spare parts	---	3221.43 (2341.48)

Figures in the bracket indicate figures for the previous year.

Note:

- (1) It includes captive consumption of blooms of 111467.640 MT (P.Y. 101772.165 MT) and conversion material 28998.185 MT (P.Y. 43880.880 MT)

- (2) It includes captive consumption of 8392.260 MT (P.Y. 5620.77 MT) end cutting and scrap transferred from Rolling Mill.

\* Amount does not include any notional value for stock transfer from SMS and of conversion stock.

**SIGNATURES TO SCHEDULES "A" TO "T"****FOR AND ON BEHALF OF THE BOARD****For, BATRA DEEPAK & ASSOCIATES  
CHARTERED ACCOUNTANTS  
[FIRM REG. NO. 005408C]****[RAMANAND AGRAWAL]  
CHAIRMAN****[RAJESH AGRAWAL]  
MANAGING DIRECTOR****[DEEPAK BATRA]  
PARTNER  
M.No. 74052****JASWINDER KAUR MISSION  
[COMPANY SECRETARY]****PLACE: RAIPUR  
DATE: 28<sup>TH</sup> MAY 2011****PLACE: RAIPUR  
DATE: 28<sup>TH</sup> MAY 2011**



**MAHAMAYA STEEL INDUSTRIES LIMITED**

**Balance Sheet Abstract and Company's General Business Profile**

1.	Registration Details		
	Registration No.	4607	
	State Code	10	
	Balance Sheet Date	31.03.2011	

2.	Capital raised during the year (Amount in lacs)				
	Public Issue	NIL	:	Right issue	NIL
	Bonus Issue	NIL	:	Private Placement	NIL
3.	Position of Mobilization and Deployment of Funds (Amount in lacs)				
	TOTAL LIABILITIES	21355.10	:	TOTAL ASSETS	21355.10
	<b>SOURCES OF FUNDS</b>		:	<b>APPLICATION OF FUNDS</b>	
	Paid-up Capital	4654.27	:	Net Fixed Assets	8969.06
	Share Application Money	1645.00	:	Investments	240.00
	Reserves & Surplus	6528.65	:	Net Current Assets	9768.71
	Secured Loans	5228.47	:	Misc. Expenditure	Nil
	Unsecured Loans	355.00	:	Accumulated Losses	Nil
	Deferred Tax Liability	566.38	:		
4.	Performance of Company (Amount in lacs)				
	Turnover (Total Income)	56613.06	:	Total Expenditure	55030.31
	Net Profit before tax and prior period adjustment	1582.75	:	Net Profit after tax	1113.76
	Earning per share (Rs.)	8.21	:	Dividend and Dividend tax	

5.	Generic name of the principle products of the Company		
	Item Code No.	72081201	
	Product description	Steel Structural & Strips	
	Item Code No.	72071190	
	Product description	Blooms and Billets	

FOR AND ON BEHALF OF THE BOARD

[RAMANAND AGRAWAL]  
CHAIRMAN

[RAJESH AGRAWAL]  
MANAGING DIRECTOR

JASWINDER KAUR MISSION  
[COMPANY SECRETARY]

PLACE: RAIPUR  
DATE : 28<sup>TH</sup> MAY 2011

**MAHAMAYA STEEL INDUSTRIES LIMITED  
FORMERLY RAJESH STRIPS LIMITED  
CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET  
FOR THE FINANCIAL YEAR 2010-11**

	2010-11 (Rs. in Lacs)	2009-10 (Rs. in Lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
i. Net Profit before Tax	1572.94	1336.16
<b>Adjustment for :-</b>		
Depreciation	731.82	865.20
Interest charged to Profit and Loss Account	605.06	604.46
Provision for Income Tax	(459.17)	(250.16)
Loss on sale of Fixed Assets	1.35	0.00
<b>ii. Operating Profit before Working Capital changes</b>	<b>2451.99</b>	<b>2555.65</b>
<b>Adjustment for :-</b>		
(Increase) / Decrease in Trade & other Receivables	173.34	(1703.81)
(Increase) / Decrease in Inventories	13.13	(1403.12)
Increase/ (decrease) in Trade Payables	(579.70)	1168.28
(Increase)/decrease in other Receivable	(507.87)	(159.67)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>1550.89</b>	<b>457.32</b>
<b>TOTAL CASH AVAILABLE FROM OPERATING ACTIVITIES (A)</b>	<b>1550.89</b>	<b>457.32</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets and capital WIP and pre operative exp.	(977.49)	(946.32)
Sale of Fixed Assets	9.40	19.54
Investment in Shares	(10.00)	0.00
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(978.09)</b>	<b>(926.78)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds/(Repayment) of Long Term Borrowings	(114.13)	(236.97)
Interest an Bank charges Paid	(605.06)	(604.46)
Unsecured Loan Received / (Repaid)	355.00	(1765.00)
Security Premium	0.00	1000.00
Provision for dividend	0.00	(263.85)
Provision for dividend tax	0.00	(44.84)
Issue of Redeemable preference share capital	0.00	1000.00
Redemption of Preference Shares	(100.00)	(100.00)
Share Application money received	0.00	1415.00
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>(464.19)</b>	<b>399.88</b>
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	108.61	(69.57)
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	354.46	424.03
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>463.07</b>	<b>354.46</b>

NOTES: 1) Figures in the brackets represent outflows.  
2) Cash and cash equivalents includes cash & bank balances only.  
3) Previous years figures have been regrouped/rearranged wherever necessary.

**FOR AND ON BEHALF OF THE BOARD**

**AS PER OUR REPORT OF EVEN DATE  
ATTACHED  
FOR, BATRA DEEPAK & ASSOCIATES  
CHARTERED ACCOUNTANTS  
[ FIRM REG. NO. 005408C ]**

[RAMANAND AGRAWAL]  
CHAIRMAN

[RAJESH AGRAWAL]  
MANAGING DIRECTOR

[DEEPAK BATRA]  
PARTNER  
M.No. 74052

[JASWINDER KAUR MISSION]  
COMPANY SECRETARY

PLACE : RAIPUR  
DATE : 28TH MAY 2011

PLACE : RAIPUR  
DATE : 28TH MAY 2011



# MAHAMAYA STEEL INDUSTRIES LIMITED

Regd. Office: B-8/9, Sector C, Urla Industrial Area, Sarora, Raipur- 493221 (C.G.)

## ATTENDANCE SLIP

Members Attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the **TWENTY THIRD ANNUAL GENERAL MEETING** of the Company at Plot B-8/9, Sector C, Urla Industrial Area, Sarora, Raipur – 493221 (Chhattisgarh), at 1:30 P.M. on 30<sup>th</sup> September, 2011

Full name of the Member  
(in block letters)

Signature

Folio No.: \_\_\_\_\_

DPID/ Client ID.: \_\_\_\_\_

Full name of the Proxy  
(in block letters)

Signature

**NOTES:** (i) Member/Proxy-holder wishing to attend the meeting must bring the Attendance Slip to the meeting. Member/Proxy-holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.



# MAHAMAYA STEEL INDUSTRIES LIMITED

Regd. Office: B-8/9, Sector C, Urla Industrial Area, Sarora, Raipur- 493221 (C.G.)

## PROXY

I/We \_\_\_\_\_ being a Member/Members of the above named Company, hereby appoint \_\_\_\_\_ or failing him \_\_\_\_\_ as my/our Proxy to attend and vote for me/us and on my/our behalf at the Twenty Third Annual General Meeting of the Company, to be held on Friday, 30<sup>th</sup> September, 2011 at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Folio No.: \_\_\_\_\_

DPID/ Client ID.: \_\_\_\_\_

No. of Shares

Signature

(Affix Revenue Stamp)

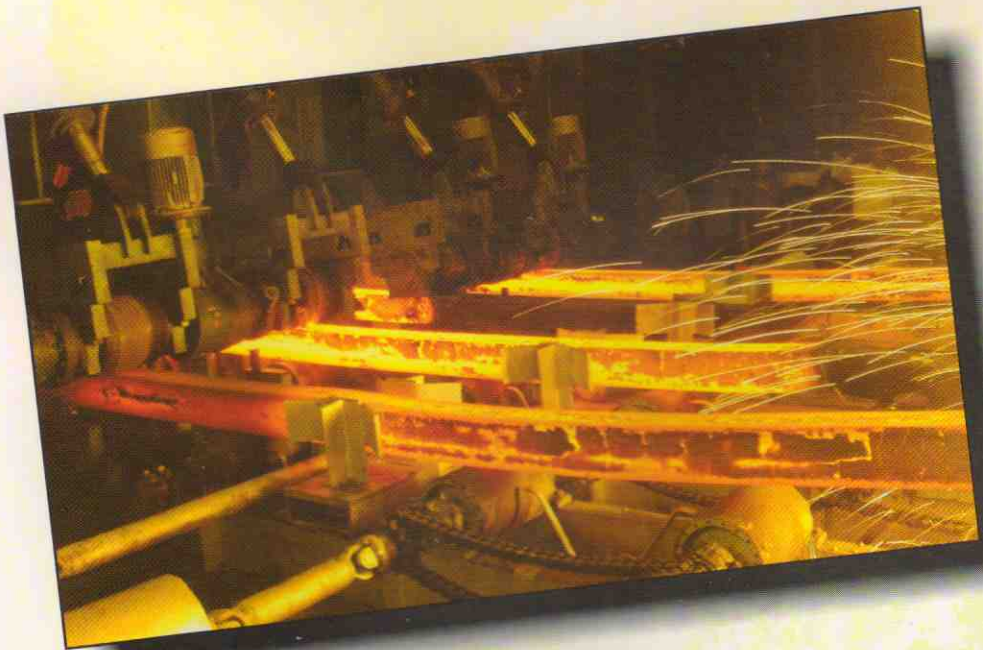
This form is to be used **\*\*in Favour** of the resolution. Unless otherwise instructed, the Proxy will act as he thinks fit.  
**\*\* against**

**\*\* Strike out whichever is not desired.**

### NOTES:

- (i) The Proxy must be returned so as to reach the Registered Office of the Company, Plot B-8/9, Sector C, Urla Industrial Area, Sarora, Raipur– 493221 (Chhattisgarh), not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.
- (ii) Those members who have multiple folio with different joint-holders may use copies of this Attendance Slip/ Proxy.





# MAHAMAYA



Book-Post

If undelivered please return to :

**MAHAMAYA STEEL INDUSTRIES LIMITED**

B/8-9, Sector-C, Urla Industrial Complex,  
Sarora, Raipur-493 221 (Chhattisgarh)  
Telephone: + 91 771 4006666 (30 Lines)  
Fax : +91 771 4006611, 2324401