

FORM B

Format of Covering Letter of the annual report to be filed with the Stock Exchange

1	Name of the Company	Mahamaya Steel Industries Limited
2	Annual Financial statements for the year ended	31 st March, 2014
3	Type of Audit observation	Qualified
4	Frequency of Observation	<p>A) Appeared Second time in respect of observation A) as stated in item 5 below, First time it was covered under Emphasis of Matter and this time given under Qualification.</p> <p>B) Appeared first time in respect of observation B) as stated in item 5 below.</p>
5	Draw Attention to relevant notes in the annual financial statement and management response to the qualification in the directors report	<p>Observation:</p> <p>A) Regarding Electricity duty Exemption Refer note no. 30(A) of Annual Report (Page 71) of Annual Report.</p> <p>B) Regarding Financial Fraud Refer note no. 30(B) of Annual Report (Page 71) of Annual Report.</p> <p>Management Reply: Refer Page 28 of Annual Report.</p>
6	Additional Comments from the Board/Audit Committee Chairman	<p>A) As per disclosures made in the Annual Report.</p> <p>B) As per disclosures made in the Annual Report.</p>
7	To be signed by-	
	Managing Director	<p>For, Mahamaya Steel Industries Ltd.</p> <p>Rajesh Agrawal <i>[Signature]</i> Managing Director</p>
	Audit Committee Chairman	<p>For, Mahamaya Steel Industries Ltd.</p> <p><i>[Signature]</i> Niraj Kansal Audit Committee - Chairman</p>
	Auditor of the Company	<p>For Batra Deepak & Associates Chartered Accountants Firm Reg. No. 005408C</p> <p><i>[Signature]</i> Deepak Batra Partner Membership No. 074052</p>
	<i>We don't agree with replies of management and we rely upon our statutory audit report as aforesaid.</i>	



MAHAMAYA

ISO 9001 : 2008



MAHAMAYA STEEL INDUSTRIES LIMITED

26th ANNUAL REPORT 2013-14



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COMPANY'S GENERAL INFORMATION

BOARD OF DIRECTORS:

Mr. Rajesh Agrawal

Managing Director

Mrs. Rekha Agrawal

Mr. Praveer Kumar Dey

Mr. Neeraj Kansal

Mr. Manish Kumar Agrawal

Mr. Atul Garg

COMPANY SECRETARY:

Mrs. Jaswinder Kaur Mission

REGISTERED OFFICE & WORKS:

B/8-9, Sector – C,
Urla Industrial Area,
Sarora, Raipur – 493 221 (Chhattisgarh)
Tel.: +91 771 4006666
Fax No.: +91 771 4006611
Email: csmahamaya@gmail.com
Website: www.mahamayagroup.in

COST AUDITOR:

M/s. S.C. Mohanty & Associates
Prem Poom, Pt. Dindayal Upadhyay Nagar,
Akash Gas Godown Road, P.O.: Gudiary,
Raipur – 492011 (Chhattisgarh)

REGISTRAR & SHARE TRANSFER AGENT:

System Support Services,
209, Shiva Industrial Estate,
89, Andheri Kurla Road,
Sakinaka, Andheri (E),
MUMBAI – 400072

BANKERS:

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

ANNUAL GENERAL MEETING:

Tuesday, September 30, 2014 at 11.00 am at
B/8-9, Sector – C,
Urla Industrial Complex,
Sarora, Raipur – 493 221 (Chhattisgarh)

A Request

As a measure of economy copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copy to the meeting.

Members are requested to register their email address with the
Depository Participants / Registrar & Share Transfer Agent

Managing Director's Speech



Dear Shareholders,

Across the World during last two years, the economy remained a worry. Many of the systemic vulnerabilities continued. Among these were fiscal fragility, hidden and unknown risks of financial derivative instruments and the problems of the weaker economies. In India slow growth, investor diffidence, the rupee falling to an all time low, power outages, high commodity prices and supply constraints of critical raw material, such as Coal, Iron-Ore, Petroleum products further compounded the problem. Your Company has entered to its 26th years of successful running in this scenario. As like the globe, your Company has also got affected by the above facts which have

narrowed our overall performance in the recent time.

But, there are good signs, as we moved into fiscal 2014 – 2015. There have been some positive policy developments in recent months. Also the stable Government at centre has given a confidence to Industries. We expect the projects to come that will not only boost the business of present Industries but will also open space for new comers.

To fight with the situation that, we are passing through since two years, your Company has taken effective steps to reduce the production cost by

installation of Gasi-Fire, Hot Charging etc. Apart from the above, the Company has developed new products to increase the sale. This year has also started well on business such as:

Your Company is the only manufacturing unit in secondary manufacturing steel sector to get registered with NTPC. The Company has also registered with all companies of Maharashtra State Electricity Board as an approved supplier. This will increase the sale of the Company as there is a positive sign of growth in Power Sector.

Once again, due to weak economical state in the Country, your Company's turnover is comparatively less. But Board & Senor Management is confident to doing much better in the coming year, as we expect that the new stable Government in the Centre will create business opportunities in the coming years.

“ The future belongs to those who believe in the beauty of their dreams because when you affirm big, believe big & pray big, big thing happens”

I extend my sincere thanks to the Board of Directors, Management and each & every person of Mahamaya Group.

To Shareholders, on behalf of Board I thank you for your continued support and look forward to a positive 2014-15 and beyond.

With best regards:

Rajesh Agrawal

Managing Director

FINANCIAL HIGHLIGHTS

PROFITABILITY (₹ In Lacs)	2013-14	2012-13	2011-12
Gross Sales	33007.28	38307.42	60813.55
Excise Duty	3431.69	3984.01	5508.52
Sales Tax and VAT	712.14	990.59	1324.88
Net Sales	28863.45	33332.82	53980.15
EBIDTA	1511.44	1295.99	2454.48
Depreciation	527.86	527.22	542.46
Interest	542.35	618.78	795.79
Profit Before Tax and Prior Period Adjustment	327.08	149.98	1116.23
Prior Period Adjustment	114.16	139.30	3.04
Profit Before Tax	441.24	289.27	1119.27
Provision for Current Tax	137.54	69.41	272.3
Income Tax Pertaining to Earlier Year	0.00	7.73	-0.02
Provision for Deferred Tax	7.00	30.43	86.66
Net Profit	296.71	181.70	760.33
Earning Per Share	2.19	1.34	5.60

NOTICE

Mahamaya Steel Industries Limited

(CIN: L27107CT1988PLC004607)

Regd. Office:

B/8-9, Sector - C,

Urla Industrial Area, Sarora,

Raipur - 493 221, Chhattisgarh.

Tel : +91 771 4006666

Fax : +91 771 4006611

E-mail : csmahamaya@gmail.com

Web : www.mahamayagroup.in

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of the Mahamaya Steel Industries Ltd will be held on 30th September, 2014 at 11.00 am at Registered Office at Plot B/8-9, Sector - C, Urla Industrial Area, Sarora, Raipur - 493 221 (Chhattisgarh) to transact the following business:

Ordinary Business:

1. To consider and adopt the statement of Profit & Loss for the year ended 31st March, 2014, the Balance Sheet as at that date and the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Manish Kumar Agrawal (DIN: 02822174) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Atul Garg (DIN: 02822051) who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, M/s R.K. Singhania & Associates, Chartered Accountants (Firm Registration No. 004435C) be and are hereby appointed as Auditors of the Company in place of the retiring Auditors M/s Batra Deepak & Associates, Chartered Accountants, (Firm Registration No. 005408C) who have expressed their unwillingness to continue as Auditors, to hold office from the conclusion of 26th Annual General Meeting until the conclusion of the 30th Annual General Meeting, subject to ratification of the appointment by the members at every Annual General Meeting held after this meeting, on such remuneration as shall be fixed by the Board of Directors or Committee thereof."

Special Business:

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

"RESOLVED THAT pursuant to the provisions of section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. Niraj Kansal (DIN: 02513034),

Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be appointed as an Independent Director of the Company to hold office for a term of 5 (Five) years commencing from 30th September, 2014."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

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

"RESOLVED THAT pursuant to the provisions of section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr, Manish Kumar Agrawal (DIN: 02822174), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be appointed as an Independent Director of the Company to hold office for a term of 5 (Five) years commencing from 30th September, 2014."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

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

"RESOLVED THAT pursuant to the provisions of section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr, Atul Garg (DIN: 02822051), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and whose period of office was liable to determination by retirement of Directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be appointed as an Independent Director of the Company to hold office for a term of 5 (Five) years commencing from 30th September, 2014."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

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

"RESOLVED THAT pursuant to the provisions of section 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Praveer Kumar Dey (DIN: 06755802), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 29th November, 2013 and who holds office up to the date of this Annual General Meeting of the Company in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

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

"RESOLVED THAT pursuant to the provisions of section 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Rekha Agrawal (DIN: 00597156), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 19th June, 2014 and who holds office upto the date of this Annual General Meeting of the Company in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company, be appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the Act and the Rules made thereunder, as amended from time to time, the Company hereby approves of the appointment and terms of remuneration of Mrs. Rekha Agrawal as an Executive Director of the Company w.e.f 19th June, 2014 as set out in the Explanatory

Statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors and Mrs. Rekha Agrawal.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

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

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the recommendation of the Audit Committee of the Board of Directors, M/s. S.C. Mohanty & Associates, Cost Accountants (Firm Registration Number 00114) appointed as Cost Auditors of the Company for audit of the cost accounting records of the Company for the financial year ending 31st March, 2015, be paid remuneration of ₹ 25,000/- including out of pocket expenses, if any) plus service tax as applicable."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) re-enactment thereof for the time being in force) subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to borrow monies in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of ₹ 250 Crore (Two Hundred and Fifty Crore only)."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

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

"RESOLVED THAT pursuant to Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/ bonds/other instrument to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or nonconvertible and/or securities linked to equity shares and/or rupee/ foreign currency convertible bonds and/ or bonds with share warrants attached (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans, shall not, at any time exceed ₹ 250 Crore (Rupees Two Hundred Fifty Crore only)."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or any Committee thereof be and is hereby authorized to finalize, settle and execute such documents /deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage / charge as aforesaid."

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company."

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

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

"RESOLVED THAT pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013 and any other applicable rules and regulations thereto, consent of the Company be and is hereby accorded, for entering in to the related party transactions with Abhishek Steel Industries Limited, Shree Shyam Sponge & Power Limited, Devi Iron & Power Private Limited and Rajesh Agrawal HUF as given below and such other transactions as required in connection to efficiently carry out the operations of the Company from April 1, 2014 till September 30, 2015.

(A)Purchase & Services to be received (Limit of ₹ 500 Crore from April 1, 2014 till September 30, 2015)

- a) Purchase of Blooms, Billets, Sponge Iron, Pig Iron, Consumables or any other goods.
- b) Conversion of Blooms and Billets in to Steel Structures.
- c) All other types of services to be received in connection with the business of the Company.

(B)Sales & Services to be rendered (Limit of ₹ 500 Crore from April 1, 2014 till September 30, 2015)

- a) Sale of Steel Structures, Sponge Iron, End Cutting, Coal, Gas, Consumables or any other raw material or goods.
- b) All other types of services to be rendered in connection with the business of the Company.

"RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

Place : Raipur
Date : 25th August, 2014

By Order of the Board

Rajesh Agrawal
Managing Director

NOTES:

1. The Explanatory Statement as required under section 102 of the Companies Act, 2013 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

A Person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies etc, must be supported by an appropriate resolution/authority as applicable.
3. The Members/Proxies/Representatives are requested to bring the duly filled and signed Attendance Slip enclosed in the Annual Report for attending the Meeting.
4. In case of Joint holders, the signature of any one holder on proxy form will be sufficient, but names of all the joint holders should be stated.
5. Bodies corporate whether a company or not, who are members, may attend through their authorized representatives appointed under section 113 of the Companies Act, 2013. A copy of authorization letter should be deposited with the Company.
6. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are M/s System Support Services having their Registered Office at 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai -400 072.
7. The Register of Members and Transfer Books of the Company will be closed from 24th September, 2014 to 30th September, 2014 (both days inclusive).
8. The Ministry of Corporate Affairs, Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued Circulars allowing companies to send official documents to their Members electronically.

In support of the Green Initiative, the electronic copy of the Notice of the 26th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Annual Report, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for only a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 26th Annual General Meeting along with Annual Report of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Also the Notice of the 26th Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website at www.mahamayagroup.in.

In case if any Member does not wish to avail the service of documents through electronic mode, such Member may send a request for obtaining the Notice and Annual Report from the Company, in physical mode, by sending a request to the Company at its Registered Office address or through email at: csmahamaya@gmail.com, accordingly the company will send the same, free of cost, upon receipt of a request from such member.

Members are requested to support this Green Initiative by registering / updating their email addresses, with the Depository Participant (in case of shares held in dematerialized form) or with System Support Services (in case of shares held in physical form).

9. Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years are required to be transferred to The Investor Education and Protection Fund (IEPF) administrated by the Central Government. An amount of ₹ 1,69,315/-being unclaimed dividend (for FY ended on 31st March 2007) will be transferred on 31st October, 2014.

Below are the last due dates for claiming the unclaimed and unpaid dividends declared by the Company for the year 2006-07 and thereafter to IEPF:

Financial Year	Date of declaration of Dividend	Last date for claiming unpaid dividend	Due date for transfer to the IEPF	Amount of Unclaimed Dividend (As on 31.03.2014) ₹
2006-07	28.09.2007	30.10.2014	31.10.2014	1,69,315
2007-08	11.08.2008	10.09.2015	11.09.2015	2,67,810
2008-09	29.09.2009	29.10.2016	30.10.2016	2,62,915
2009-10	28.09.2010	28.10.2017	29.10.2017	1,99,100

10. Members can avail right of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to System Support Services at the above mentioned address. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.

11. Appointment/Re-appointment of Directors and their Shareholding in the Company.

Mr. Manish Kumar Agrawal, Mr. Atul Garg, Mr. Niraj Kansal and Mr Praveer Kumar Dey seeking re-appointment / Appointment do not hold any shares of the Company.

Mrs. Rekha Agrawal, seeking re-appointment / Appointment, hold 7,77,400 shares of the Company.

For the information to be provided under Clause 49 of the Listing Agreement pertaining to the Directors being appointed, the members are requested to refer the annexure to the Notice in the Annual Report.

12. Members are requested to:

- a) Intimate to the Company's Registrar and Transfer Agents, System Support Services at the abovementioned address, changes, if any, in their registered addresses at an early date, in case of Shares held in physical form.
- b) Intimate to the respective Depository Participant, changes, if any, in their registered addresses, mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s) at an early date, in case of Shares held in dematerialized form.
- c) Quote their folio numbers/Client ID/DP ID in all correspondence, and
- d) Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.

13. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 and the revised Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in this Notice convening the 26th Annual General Meeting (AGM). The Company has engaged the services of **Central Depository Services (India) Limited (CDSL)**.

1. Process and manner for members opting for E-voting.

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).
- II. Similarly, members opting to vote physically can do the same by remaining present at the meeting and should exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.
- III. **The instructions for e-voting are as under:**
 - (i) The e-voting period begins on the "Wednesday" 24.09.2014 from 9.00 A.M. and ends on the "Friday" 26.09.2014 till 6.00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on Cut-Off Date (Record Date) of 29th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
 - (iii) Click on "Shareholders" tab.
 - (iv) Now, select the "Mahamaya Steel Industries Limited" from the drop down menu

and click on "SUBMIT"

- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB	Members who have not updated their PAN with the Company / Depository Participant are requested to enter default PAN No SYSSS1234G
	Enter the Date of Birth as recorded in your demat account maintained with the DP registered with CDSL. Physical shareholders and demat shareholders with NSDL DP will enter date of Birth as 01/01/1990

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the relevant EVSN for "**Mahamaya Steel Industries Limited**" on which you choose to vote.
- (xiii) On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (ix) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
2. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Cut-Off Date (Record Date) of 29th August, 2014.
 3. Mr. Brajesh R. Agrawal, A Practicing Company Secretary, C.P. No. 5649, Membership No. 5771 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 4. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

14. Postal Ballot Form :

In terms of Clause 35 B of the Listing Agreement, those members, who do not have access to e-voting facility, may send their assent or dissent in writing on the Postal Ballot Form attached with this AGM Notice in the enclosed self-addressed postage pre-paid envelope so as to reach the Scrutinizer at the address mentioned below:

Mr. Brajesh R. Agrawal
Practicing Company Secretary,
T-305, Dolphin Chambers,
Opp. Bank of Baroda,
Cloth Market, Pandri,
Raipur – 492 001 (C.G.)
Ph. 0771-4061914

on or before September 26, 2014. Any Postal Ballot Form received after this date will be treated as if the reply from the member has not been received.

If any member exercises both e-voting and postal ballot, then the Scrutiniser will consider only the e-voting.

Members are requested to read the instructions given below:

- (i) The postal ballot form should be completed and signed by the sole / first named member. In case of joint holding, this Form should be completed and signed (by the first named member and in his absence, by the next named joint holder. The signature of the member on this Postal Ballot Form should be as per the specimen signature registered with the Company or furnished by National Securities Depository Limited / Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialised form, respectively.
- (ii) In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution / Authorisation together with attached specimen signature(s) of the duly authorised signatories.
- (iii) Members holding shares in dematerialized form are advised, in their own interest, to get their signatures verified by their Banker / Depository Participant (DP). Signatures should be verified by the Manager of the concerned Bank / DP by affixing a rubber stamp / seal mentioning name and address of the Bank / DP and name, stamp and signature of the Manager.
- (iv) Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope as all such envelopes will be sent to the Scrutiniser and any other paper found in such envelope, the same would not be considered and would be destroyed by the Scrutiniser.
- (v) The votes should be cast in favour of or against the Resolution by putting the tick mark (3) in the column provided for assent or dissent. Postal Ballot Form bearing (3) in both the column will render the form invalid. Incomplete, unsigned, incorrectly filed or bearing more than one Postal Ballot Forms will be subject to rejection by the Scrutiniser.

- (vi) There will be one Postal Ballot Form for every Folio / Client ID irrespective of the number of joint holder.
 - (vii) The Postal Ballot shall not be exercised by a Proxy.
 - (viii) Postal Ballot Form - Votes will be considered invalid on the following grounds.
 - a) If the member's signature does not tally.
 - b) If the member has marked all his shares both in favour and also against the resolutions.
 - c) If the Ballot paper is unsigned.
 - d) If the Ballot paper is filed in pencil or signed in pencil.
 - e) If the Ballot paper is received torn or defaced or mutilated to an extent that it is difficult for the Scrutiniser to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or one or more of the above grounds.
 - (ix) The Scrutiniser's decision on the validity of the Postal Ballot will be final.
- 15.** The Results shall be declared on or after the Annual General Meeting (AGM) of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting (AGM) of the Company on 30th September, 2014 and communicated to the Stock Exchange(s).
- 16.** All documents referred in the accompanying notice and the statement pursuant to Section 102(1) of the Companies Act 2013, will be available for inspection at the registered office of the Company during business hours on all working days up to the date of 26th Annual General Meeting of the Company.

Annexure to the Notice

**Details of the directors seeking re-appointment in forthcoming
Annual General Meeting
(Pursuant to Clause 49 of the Listing Agreement)**

Name of the Director	Manish Agrawal	Atul Garg	Niraj Kansal	Praveer Dey	Rekha Agrawal
Date of Birth	01.03.1974	09.01.1985	28.05.1970	09.07.1967	22.03.1973
Date of Appointment	30.01.2010	30.01.2010	27.09.2003	29.11.2013	19.06.2014
Qualification	B.Com	MBA	B.Com	M.Sc., MBA	B.Sc.
Nature of Expertise	Having an experience of more than 14 years in the field of Management, Accounts, Finance and Administration	Having an experience of more than 6 years in the field of Business Administration	Having an experience of more than 20 years in Business and Industrial Sector	Having an experience of more than 25 years in the field of Liasioning, Sales & Marketing, Quality Control	Having an experience of more than 10 years in General Administration
Directoship in other Companies as on 31.03.2014	NIL	NIL	NIL	NIL	1. Abhishek Steel Industries Limited 2. Escort Finvest Private Limited 3. JSR Networks Private Limited 4. Callidora Traders Private Limited
Name of Committees of other Companies in which the director is a Member as on 31.03.2014	NIL	NIL	NIL	NIL	Abhishek Steel Industries Limited Audit Committee - Member
No. of Shares held in the Company	NIL	NIL	NIL	NIL	7,77,400

Committees for the above purpose only Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee is considered

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Mr. Niraj Kansal is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in September, 2003. Mr. Niraj Kansal is the Chairman of Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of the Board of Directors of the Company and Member of Corporate Social Responsibility Committee of the Board.

Mr. Niraj Kansal is a Commerce graduate and having an experience of more than 20 years in Business and Industrial Sector. Mr. Niraj Kansal is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Niraj Kansal being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years commencing from 30th September, 2014 not liable to retire by rotation. A notice has been received from a member along with a deposit of ₹ 1,00,000/- proposing Mr. Niraj Kansal as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Niraj Kansal fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr. Niraj Kansal as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Niraj Kansal as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Niraj Kansal as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Niraj Kansal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

Item No. 6

Mr. Manish Kumar Agrawal is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2010. Mr. Manish Kumar Agrawal is the Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the Board.

Mr. Manish Kumar Agrawal is a Commerce Graduate, having an experience of more than 14 years in the field of Management, Accounts, Finance and Administration. Mr. Manish Kumar Agrawal is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Manish Kumar Agrawal being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years commencing from 30th September, 2014 not liable to retire by rotation. A notice has been received from a member along with a deposit of ₹ 1,00,000/- proposing Mr. Manish Kumar Agrawal as a

candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Manish Kumar Agrawal fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr. Manish Kumar Agrawal as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Manish Kumar Agrawal as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Manish Kumar Agrawal as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Manish Kumar Agrawal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

Item No. 7

Mr. Atul Garg is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2010. Mr. Atul Garg is the Member of Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of the Board.

Mr. Atul Garg is MBA, having an experience of more than 6 years in the field of Business Administration. Mr. Atul Garg is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Atul Garg being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years commencing from 30th September, 2014 not liable to retire by rotation. A notice has been received from a member along with a deposit of ₹ 1,00,000/- proposing Mr. Atul Garg as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Atul Garg fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr. Atul Garg as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Atul Garg as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Atul Garg as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Atul Garg, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

Item No. 8

The Board of Directors at its Meeting held on 29th November, 2013, has appointed Mr. Praveer Kumar Dey as an Additional Director of the Company with effect from 29th November, 2013. He holds office upto the date of the forthcoming Annual General Meeting of the Company pursuant to section 161 of the Companies Act, 2013 ("the Act") and Articles of the Articles of Association of the Company. The Company has received a Notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of Director of the Company.

Mr. Praveer Kumar Dey does not hold any Equity Share in the Company.

The Board is of the view that Mr. Praveer Kumar Dey's knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends his appointment to the Members.

A brief about Mr. Praveer Kumar Dey, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the annexure to the notice forming part of the Annual Report.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Except Mr. Praveer Kumar Dey, being an appointee, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

Item No. 9 & 10

The Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, at their meeting held on 19th June, 2014 appointed Mrs. Rekha Agrawal (relative of the Company's Director Mr. Rajesh Agrawal) as an Additional Director of the Company with effect from 19th June, 2014. She holds office upto the date of the forthcoming Annual General Meeting of the Company pursuant to section 161 of the Companies Act, 2013 ("the Act") and Articles of the Articles of Association of the Company. The Company has received a Notice in writing from a Member under section 160 of the Act, proposing her candidature for the office of Director of the Company.

The Board also appointed Mrs. Rekha Agrawal as an Executive Director of the Company with effect from 19th June, 2014.

The Company has received from Mrs. Rekha Agrawal, requisite disclosures; consent to act as a Director, declaration and other undertakings as may be required under provisions the Companies Act, 2013 and rules made thereunder.

The Principal terms of remuneration of Mrs. Rekha Agrawal as an Executive Director (hereinafter referred to as Executive Director) are as follows:

- a) **Remuneration:** The Executive Director shall be entitled to basic salary upto a maximum of ₹ 1,50,000 per month, with annual increments as will be decided by the Board and will be merit-based and take into account the Company's performance, incentive remuneration and/or commission based on certain performance criteria to be laid down by the Board, benefits, perquisites and allowances, as may be determined by the Board

from time to time.

- b) **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay to the Executive Director remuneration by way of Salary, Benefits, Perquisites and Allowances, and Incentive Remuneration as specified above.

Mrs. Rekha Agrawal holds 7,77,400 Shares in the Company.

The Board is of the view that Mrs. Rekha Agrawal's knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends her appointment to the Members.

A brief about Mrs. Rekha Agrawal, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the annexure to the notice forming part of the Annual Report.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Except Mrs. Rekha Agrawal, Mr. Rajesh Agrawal and their relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 9 & 10.

Item No. 11

The Board of Directors at its meeting held on May, 30 2014 appointed M/s. S.C. Mohanty & Associates, Cost Accountants (Firm Registration No. 00114), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2015, at a remuneration amounting to ₹ 25,000/- including out of pocket expenses, if any) plus service tax as applicable. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the shareholders of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 11.

Item No. 12

Section 180(1)(c) of the Companies Act, 2013 effective from September 12, 2013 requires that the Board of Directors shall not borrow monies in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained / to be obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution. It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1) (c) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as set out at Item No. 11 of the Notice, to enable the Board of Directors to borrow monies not exceeding ₹ 250 Crore.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 12.

Item No. 13

Under the erstwhile Section 293 (1) (a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

In the normal course of business, the Company from time to time is required to avail Term Loans, Working Capital, External Borrowings or any other financial accommodation. A charge on the assets/properties of the Company, both present and future, is normally given as security for such borrowings. As the documents to be executed for the creation of such charge/mortgages from time to time to secure such borrowings, may contain the power to take over the management of the Company in certain events, it is necessary for the shareholders to pass a resolution under section 180(1)(a) of the Companies Act, 2013 for the creation of the mortgage/charge as set out in this resolution.

Under the provisions of Section 180 (1) (a) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (a) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). As the documents to be executed between the Company and the lenders may contain the power to take over the management of the Company in certain events, it is necessary to obtain Members' approval under Section 180 (1) (a) of the Companies Act, 2013, by way of a Special Resolution. Your directors recommend the resolution for approval of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 13.

Item No. 14

The Articles of Association (AOA) of the Company as currently in force was originally adopted as per the provisions of the Companies Act, 1956 and further amendments were adopted pursuant to the provisions under the Companies Act, 1956, from time to time. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013. The new Companies Act, 2013 is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections. Considering that substantive sections of the Companies Act which deal with the general working of the companies stand notified, it is proposed to amend the existing Articles of Association to align it with the provisions of Companies Act, 2013 including the Rules framed thereunder and adoption of specific sections from Table "F" to Schedule I to the Companies Act, 2013 which sets out the

model articles of association for a company limited by shares. With the coming into force of the Act several regulation of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles. The proposed new draft AOA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 14.

Item No. 15

Pursuant to Section 188 of the Companies Act, 2013 and the rules made thereunder, every Company having Paid up Share Capital of ₹ 10 Crores or more or exceeding certain values as prescribed for making the following transactions with Related Party, requires the approval of Shareholders in General Meeting.

1. Sale , Purchase or supply of any goods or materials,
2. Selling or otherwise disposing of, or buying, property of any kind,
3. Leasing of property of any kind,
4. Availing or rendering of any services,
5. Appointment of any agent for purchase or sale of goods, materials, services or property,
6. Such related party's appointment to any office or place of profit in the Company, its subsidiary Company or associate Company and,
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

Further as per revised clause 49 of the Listing Agreement (which will come in to effect from October 1, 2014) all material Related Party Transactions would require approval of the shareholders through special resolution and the related parties shall abstain from voting on such resolutions.

The transaction with a Related Party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds five percent of the annual turnover or twenty percent of the networth of the Company as per the last audited financial statements of the Company, whichever is higher.

Purchase/Sale of Materials with related parties: The Sale of Steel Structures, Sponge Iron, End Cutting, Coal, Gas, Consumables or any other raw material or goods, Purchase of Blooms, Billets, Sponge Iron, Pig Iron, Consumables or any other goods and Supply or receiving of various services are negotiated together with the concerned Related Party.

Based on requirement, these materials are purchased / sold between the Companies.

Approval is required from the Shareholders for the following Contracts/transactions to be entered in to with Abhishek Steel Industries Limited, Shree Shyam Sponge & Power Limited, Devi Iron & Power Private Limited and Rajesh Agrawal HUF (Related Parties).

(A) Purchase & Services to be received (Limit of ₹ 500 Crore from April 1, 2014 till September 30, 2015)

- a) Purchase of Blooms, Billets, Sponge Iron, Pig Iron, Consumables or any other goods.
- b) Conversion of Blooms and Billets in to Steel Structures.
- c) All other types of services to be received in connection with the business of the Company.

(B) Sales & Services to be rendered (Limit of ₹ 500 Crore from April 1, 2014 till September 30, 2015)

- a) Sale of Steel Structures, Sponge Iron, End Cutting, Coal, Gas, Consumables or any other raw material or goods.
- b) All other types of services to be rendered in connection with the business of the Company.

The Particulars of the transaction pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 read with Section 188 of the Companies Act, 2013 are as under:

Related Party transaction with Abhishek Steel Industries Limited

- 1) Name of the Related Party: Abhishek Steel Industries Limited.
- 2) Name of the Director or Key Managerial Personnel who is related: Mr. Rajesh Agrawal, Managing Director and Mrs. Rekha Agrawal, Director.
- 3) Nature of Relationship: Mr. Rajesh Agrawal and Mrs. Rekha Agrawal are common Directors and shareholders in Abhishek Steel Industries Limited and the Company.

Relative

Mr. Ramanand Agrawal (relative of Mr. Rajesh Agrawal and Mrs. Rekha Agrawal) is Director in Abhishek Steel Industries Limited and common shareholder in Abhishek Steel Industries Limited and the Company.

Mrs. Gulab Bai Agrawal (relative of Mr. Rajesh Agrawal and Mrs. Rekha Agrawal) is common shareholder in Abhishek Steel Industries Limited and the Company.

- 4) Nature, Material terms, Monetary Value and particulars of the Contract or arrangement: All the Contracts/transactions are at best negotiated terms/market price.
- 5) Any other information relevant or important for the members to take decision on the proposed resolution – None.

Related Party transaction with Shree Shyam Sponge & Power Limited

- 1) Name of the Related Party: Shree Shyam Sponge & Power Limited.
- 2) Name of the Director or Key Managerial Personnel who is related: Mr. Rajesh Agrawal, Managing Director and Mrs. Rekha Agrawal, Director.
- 3) Nature of Relationship: Mr. Rajesh Agrawal is common Director and shareholder in Shree Shyam Sponge & Power Limited and the Company and Mrs. Rekha Agrawal is common shareholder in Shree Shyam Sponge & Power Limited and the Company.

Relative

Mr. Ramanand Agrawal (relative of Mr. Rajesh Agrawal and Mrs. Rekha Agrawal) is Director in Shree Shyam Sponge & Power Limited and common shareholder in Shree Shyam Sponge & Power Limited and the Company.

Mrs. Gulab Bai Agrawal (relative of Mr. Rajesh Agrawal and Mrs. Rekha Agrawal) is common shareholder in Shree Shyam Sponge & Power Limited and the Company.

- 4) Nature, Material terms, Monetary Value and particulars of the Contract or arrangement: All the Contracts/transactions are at best negotiated terms/market price.
- 5) Any other information relevant or important for the members to take decision on the proposed resolution – None.

Related Party transaction with Devi Iron & Power Private Limited

- 1) Name of the Related Party: Devi Iron & Power Private Limited.
- 2) Name of the Director or Key Managerial Personnel who is related: Mr. Rajesh Agrawal, Managing Director and Mrs. Rekha Agrawal, Director.
- 3) Nature of Relationship: Mrs Rekha Agrawal is common shareholder in Devi Iron & Power Private Limited and the Company.

Relative

Mr. Ramanand Agrawal (relative of Mr. Rajesh Agrawal and Mrs. Rekha Agrawal) is Director in Devi Iron & Power Private Limited and common shareholder in Devi Iron & Power Private Limited and the Company.

Mrs. Gulab Bai Agrawal (relative of Mr. Rajesh Agrawal and Mrs. Rekha Agrawal) is common shareholder in Devi Iron & Power Private Limited and the Company and the Company.

- 4) Nature, Material terms, Monetary Value and particulars of the Contract or arrangement: All the Contracts/transactions are at best negotiated terms/market price.
- 5) Any other information relevant or important for the members to take decision on the proposed resolution – None.

Related Party transaction with Rajesh Agrawal HUF

- 1) Name of the Related Party: Rajesh Agrawal HUF.
- 2) Name of the Director or Key Managerial Personnel who is related: Mr. Rajesh Agrawal, Managing Director and Mrs. Rekha Agrawal, Director.
- 3) Nature of Relationship: Mr. Rajesh Agrawal is Director of the Company is Karta of Rajesh Agrawal HUF and Mrs Rekha Agrawal relative of Mr. Rajesh Agrawal.
- 4) Nature, Material terms, Monetary Value and particulars of the Contract or arrangement: All the Contracts/transactions are at best negotiated terms/market price.
- 5) Any other information relevant or important for the members to take decision on the proposed resolution – None.

Place : Raipur
Date : 25th August, 2014

By Order of the Board

Rajesh Agrawal
Managing Director

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 26th Annual Report of your Company together with the statement of Audited Accounts for the year ended 31st March, 2014.

1. FINANCIAL HIGHLIGHTS

(₹ In Lacs)

Particulars	2013-14	2012-13
Sales	33007.28	38307.42
EBIDTA	1511.44	1295.99
Profit Before Tax	441.24	289.27
Provision for Income Tax	137.54	77.14
Deferred Tax Provision	7.00	30.43
Profit After Tax	296.71	181.70
Appropriations:		
Amount transferred to General Reserve	59.34	36.34
Amount transferred to Redemption Reserve	509.00	509.00
Add: Brought forward Profit (Losses)	2387.55	2751.19
Profit (Loss) carried over to Balance Sheet	2115.91	2387.55

2. OPERATIONS

Amid sluggish macroeconomic situation and weak business sentiments, combined by lower GDP growth rate of 4.6% and depreciating Indian rupee with high volatility, the year 2013-2014 proved to be a challenging year.

During this year your Company has achieved a turnover of ₹ 33007.28 lacs as against ₹ 38307.42 lacs in the previous year. The EBIDTA stands at ₹ 1511.44 lacs as compared to ₹ 1295.99 lacs in the previous year registering an increase of 16.62%. Your Company posted Profit before Tax of ₹ 441.24 lacs as against ₹ 289.27 lacs in the previous year registering an increase of 52.54%. And Profit after tax of ₹ 296.71 lacs as against ₹ 181.70 lacs in the previous year registering an increase of 63.30%.

Your Company has always emphasized on achieving operational excellence and continues to focus on customer satisfaction and delight. Backed by strong fundamentals and robust plans, your Company is fully prepared to face current challenges and benefit from expected medium and long term growth in Indian economy.

3. DIVIDEND

The Directors of your Company do not recommend any dividend for the financial year ended 31st March, 2014 in order to plough back the resources for future growth.

4. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act, 1956, as amended by the

Companies (Amendment) Act, 2000 your Directors state that:

- A. The Applicable Accounting Standards have been followed in the preparation of Annual Accounts.
- B. That the accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2014.
- C. That proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and Companies Act, 2013 to the extent applicable, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- D. That the Annual Accounts have been prepared on a going concern basis.

5. CORPORATE GOVERNANCE

The Company has always strived to maintain applicable standards of good corporate governance and the commitment to good corporate governance is embodied in its vision, mission and corporate values. In compliance with the requirements of Clause 49 of the Listing Agreement, a separate Report on Corporate Governance along with the Secretarial Auditors Certificate on its compliance forms an integral part of this Report. Further, as required under Clause 49 of the Listing Agreement a Management Discussion and Analysis Report is appended to the Annual Report.

6. DIRECTORS

During the Year Mrs. Gulab Bai Agrawal, Executive Director of the Company has resigned from the Board w.e.f 29th November, 2013. The Board places on record its sincere appreciation of wise counsel and valuable guidance provided by Mrs. Gulab Bai Agrawal during her tenure on the Board and Mr. Praveer Kumar Dey has been appointed in the Board as an Additional Executive Director of the Company w.e.f. 29th November, 2013.

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. Manish Kumar Agrawal and Mr. Atul Garg, Directors of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Mr. Niraj Kansal, Mr. Manish Kumar Agrawal and Mr. Atul Garg who are Independent Directors have filed requisite declarations with the Company as per section 149 (7) of the Act to the effect that they meet the criteria of independence as specified in section 149 (6) of the Act. Accordingly, requisite resolutions are being proposed to be passed at the forthcoming Annual General Meeting to appoint them as Independent Directors for a term of 5 years as provided under section 149 (10) of the Act.

Further Mr. Ramanand Agarawal, Chairman has resigned from the Board w.e.f 13th June, 2014 and Mrs. Rekha Agrawal, has been appointed in the Board as an Additional Executive Director of the Company w.e.f. 19th June, 2014.

7. AUDITORS

M/s Batra Deepak & Associates, Chartered Accountants, (Firm Registration No. 005408C) Statutory Auditors of the Company, holds office until the conclusion of the

ensuing Annual General Meeting have expressed their unwillingness for re-appointment as Statutory Auditors at the ensuing Annual General Meeting.

Your directors recommend the appointment of M/s R.K. Singhania & Associates, Chartered Accountants (Firm Registration No. 004435C) as Statutory Auditors of the Company, subject to approval of the members at the ensuing Annual General Meeting. The Company has received letter from M/s R.K. Singhania & Associates, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under section 141 of the Companies Act, 2013 and that they are not disqualified for such appointment.

The necessary resolution seeking your approval for appointment of Statutory Auditor has been incorporated in the Notice convening the Annual General Meeting.

8. AUDITORS' OBSERVATIONS

With reference to the Qualification/Observation of the Auditor in Audit Report, Management reply is given below:

a. Point No. 1 of Basis for qualified opinion dealing with Electricity Duty Exemption:

Management's Reply:

The Company is eligible for electricity duty subsidy under the Industrial Policy of the State of Chhattisgarh. In this regard the Company has filed an application to the CGM DIC which is progressed and presently pending before Commissioner of Industries for its approval and its order is expected to be issued soon. Therefore there is a reasonable certainty regarding ultimate collection of the same. So Company has recognized it in books of account in accordance with accounting standards.

b. Point No. 2 of Basis for qualified opinion dealing with Financial Fraud

Management's Reply:

The Company has lodged the FIR with Police department and Company is making its best efforts to recover the amount of Rs. 114.51 lacs. The Company is certain for recoverability of the said amount very soon. So the treatment is in accordance with accounting standards.

c. Point No. 1(a) of Annexure to Independent Auditor's Report dealing with maintenance of records of Fixed Assets:

Management's Reply:

Company has maintained its fixed assets record in excel format which is properly updated showing quantitative detail and situation of fixed assets, and identification marks on assets are duly placed.

d. Point No. 1(b) of Annexure to Independent Auditor's Report dealing with Physical Verification of Fixed Assets:

Management's Reply:

It is Company's Policy to physically verify the Old Fixed Assets at the interval of every two year and only addition during the year is verified in that particular year. Since Company has physically verified its fixed assets during financial year 2012-13 now next verification will be done in 2014-15. Company has physically verified any

addition to the fixed assets during the year 2013-14.

- e. Point No. 2(a) of Annexure to Independent Auditor's Report dealing with Physical Verification of Inventories:

Management's Reply:

It is Company's Policy to physically verify the Inventories every year and discrepancies noted during physical verification has been accounted for in the books of accounts of the Company.

- f. Point No. 3(a) of Annexure to Independent Auditor's Report dealing with Loan granted by the Company to Party covered under Section 301 of Companies Act, 1956:

Management's Reply:

Company has allotted shares to Associate against Share Application Money of ₹ 1000 Lacs after the Auditor's Report.

- g. Point No. 3(c) of Annexure to Independent Auditor's Report dealing with terms and conditions of Loan taken from Party covered under Section 301 of Companies Act, 1956:

Management's Reply:

Such loans are repayable on demand, thus there is no overdue amount. Presently such loan taken are interest free thus are prima facie not prejudicial to the interest of the Company.

- h. Point No. 5(b) of Annexure to Independent Auditor's Report dealing with transaction in pursuance of Contract/Agreement entered in the Register maintained under section 301 of the Companies Act, 1956 are reasonable or not:

Management's Reply:

The transaction in pursuance of Contracts/Agreements, entered in the Register maintained under section 301 of the Companies Act, 1956 aggregating during the year to ₹ 5 lacs or more in respect of any party in the said financial year are made at prevailing market price at the relevant time. Statutory Auditor has been provided all the relevant documents to verify such transactions.

- i. Point No. 8 of Annexure to Independent Auditor's Report dealing with Company's Cost Accounting Records Rules 2011:

Management's Reply:

The point is self explanatory Cost Audit of such record is in progress and report will be received in due course.

- j. Point No. 21 of Annexure to Independent Auditor's Report dealing with Fraud:

Management's Reply:

The point is self explanatory. The Company has lodged the FIR with Police department and Company is making its best efforts to recover the amount of ₹ 114.51 lacs.

9. LISTING OF SECURITIES

The Company's Equity Shares are Listed on the BSE Limited (BSE). The Company has paid the applicable listing fees for the Financial Year 2014-2015 to BSE.

10. DEMAT OF SECURITIES

Nearly 93.31% of total Equity Share Capital is held in dematerialized form with NSDL/CDSL.

11. FIXED DEPOSITS

The Company has not accepted any fixed deposits during the year to which the provisions of Section 58A of Companies Act, 1956 and Section 73 of the Companies Act, 2013 are applicable.

12. INSURANCE

All the insurable interests of your Company including inventories, buildings, plant and machinery and liabilities under legislative enactments are adequately insured.

13. CREDIT RATING

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

14. SUBSIDIARY

Your Company has no subsidiary.

15. INVESTOR SERVICES

Mrs. Jaswinder Kaur Mission Compliance Officer of the Company and the Registrar M/s System Support Services are looking after the physical as well as Demat work and also shareholders correspondence, endeavored their best to service the Investors satisfactorily.

16. STATUTORY COMPLIANCE

The Company has complied with the various provisions of the Companies Act, 1956, Companies Act, 2013, the SEBI Regulations and provisions of the Listing Agreement.

17. COST AUDIT

The Company has submitted the Cost Audit Report for the year 2012-13 duly certified by a Cost Accountant to the Central Government on 1st April, 2014. M/s S.C. Mohanty & Associates, Cost Accountants, were appointed with the approval of the Central Government to carry out the cost audit in respect of the Company for the financial year 2013-14. Based on the recommendation of the Audit Committee, M/s S.C. Mohanty & Associates, Cost Accountants, being eligible have also been appointed by the Board as the Cost Auditors for the financial year 2014-15.

18. SECRETARIAL AUDITOR

Pursuant to provision of section 204 of the Companies Act 2013 read with rule no 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 M/s Brajesh R. Agrawal, Company Secretaries were appointed as Secretarial Auditor for conducting a Secretarial Audit of the Company for the financial year 2014-15.

19. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Companies Act, 2013, as introduced, vide Section 135, provides for specific provision for spending on Corporate Social Responsibility. It stipulates expenditure of 2% of the average profit of past three years on CSR activities. The Act further requires the Board Report to give a note on such activities and in the event of shortfall from the specified quantum, the reasons for the same to be explained therein. The Company is committed to the fulfillment of its social responsibility to society in general and those living in the vicinity of its facilities in particular. It regards this as a thrust activity area. Board of Directors, in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, has constituted Corporate Social Responsibility Committee (CSR Committee). It consists of the following Directors:

Name	Designation
Mr. Rajesh Agrawal	Chairman
Mr. Niraj Kansal	Member
Mr. Manish Kumar Agrawal	Member

Terms of Reference :

- Recommend to the Board, a Corporate Social Responsibility Policy of the Company, including the activities to be undertaken by the Company in conformity with Schedule VII of the Companies Act, 2013 and the Rules thereof,
- Recommend the amount of expenditure to be incurred on CSR activities on an annual basis, and
- Monitor the CSR policy of the Company from time to time.

20. 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 : NIL

Foreign Exchange Outgo : For Import of Consumable Stores - \$ 15,030

21. PARTICULARS OF EMPLOYEES

The Company has no employee who was in the employment of the Company throughout the financial year under review and was in receipt of remuneration of not less than ₹ 60,00,000 per annum during the financial year ended 31st March, 2014 or not less than ₹ 5,00,000 per month during any part of the said year.

22. PERSONNEL, INDUSTRIAL RELATIONS AND MARKETING

People are considered to be one of most valuable resources and the Company recognizes that working environment motivate employees to be productive and innovative. Your Company took various initiatives for human resource development and has maintained healthy and harmonious industrial relations at all locations. Our employees form the backbone, a solid foundation, of our organization. Industrial relations have remained harmonious throughout the year.

23. ENVIRONMENT AND SOCIAL OBLIGATION

The Company's plant complies with all norms set up for clean and better environment by the competent authorities. The Company undertakes regular checks / inspections including certification for the maintenance of the environment. The Company values environmental protection and safety as the major considerations in its functioning. The Company has adequate arrangements to prevent pollution. The Company is continuously endeavoring to improve the health and quality of life in the communities surrounding its industrial complex.

24. INTERNAL COMPLAINT REGARDING SEXUAL HARRASSMENT

There were no cases of sexual harassment of woman at work place. Also, there are no instances of child labour/ forced labour/ involuntary labour and discriminatory employment during the year.

25. WHISTLE BLOWER POLICY AND VIGILMECHANISM

Your Company recognizes the value of transparency and accountability in its administrative and management practices. The Company promotes the ethical behavior in all its business activities. The Company has adopted the Whistle blower Policy and Vigil Mechanism in view to provide a mechanism for the directors and employees of the Company to approach Audit Committee of the Company to report existing/probable violations of laws, rules, regulations or unethical conduct.

26. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the whole hearted and sincere co-operation the Company has received from its customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support

For and on behalf of the Board of Directors

Place: Raipur

Date : 25th August, 2014

**Rajesh Agrawal
Managing Director**

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

	Particulars	2013-14	2012-13
A	POWER & FUEL CONSUMPTION		
	ELECTRICITY PURCHASED		
	Unit (KWH) ROLLING MILL	4,103,900	5,412,619
	SMS PLANT	68,648,580	68,208,421
	TOTAL UNITS	72,752,480	73,621,040
	TOTAL AMOUNT	3,87,778,726	3,64,658,800
	RATE PER UNIT	5.33	4.95
	FURNACE OIL		
	Quantity (Kilo Litres)	6,300	1,820,200
	Total Cost	2,58,300	73,154,733.25
	Average Rate (Per Litre)	41.00	40.19
	STEAM COAL		
	Quantity (MT)	3,645.28	1,138.23
	Total Cost	14,625,793	5,825,047.37
	Average Rate (MT)	4,012.260	5,117.640
B	CONSUMPTION PER UNIT OF PRODUCTION		
	Rolling Mill Division		
	Production (MT)-For Fur. Oil	190.62	51,204.647
	Production (MT)-For Steam Coal	31,785.60	10,342.915
	Production (MT)-Direct	33,623.58	12,840.02
	Electricity (Unit)	62.56	72.76
	Furnace Oil (Ltrs)	33.05	35.55
	Steam Coal (MT)	0.115	0.110
	SMS Division		
	Production (MT)	74,714.39	76,424
	Electricity (Unit)	918.81	892.50

Note: Production does not include conversion production by outside parties of 19238.720 MT (Previous Year 17539.940 MT)

For and on behalf of the Board of Directors

Place: Raipur
Date : 25th August, 2014

Rajesh Agrawal
Managing Director

ANNEXURE 'A'**MANAGEMENT DISCUSSION & ANALYSIS REPORT:****BUSINESS ENVIRONMENT**

Fiscal 2013-14 saw the Indian economy recording its second successive year of sub five percent growth the lowest it has recorded in a decade. The business environment is passing through a critical phase with GDP on a declining trend which in turn affects the overall growth of the economy especially the manufacturing industry. The global economy in FY 2013-14 made some slow improvements but not as was anticipated in the beginning of the year. The world economies experienced recession due to high unemployment, banking fragility, fiscal tightening and slow growth.

The industrial sector was plagued by multiple issues. Inflation eroded the margins. Interest rate hikes throttled consumer spending. The depreciation of the Indian rupee against the US dollar eroded corporate profitability. Inflation continues to be the primary macroeconomics concerns of the Indian economy.

The economic slowdown has affected most industries including the steel industries. The industrial production in the country is less compared to that of last year. Reduction in demand has led to increase in competition among industries.

STEEL INDUSTRY OVERVIEW

In Calendar Year 2013, China continued to dominate the global steel industry with 46% of production and 102% of the incremental steel production. The Japanese economy, emerging out of two decades of stagnation, is on the path of production recovery. During the FY 2013-14 India has become second best in terms of growth amongst the top 10 steel producing countries in the world and a net exporter of steel. Indian steel sector grew to 73.9 million tonne during the FY 2013-14 with Flat Steel down by 2% while Longs displayed a growth of 2.6%. Impacted by inadequacy and inconsistent quality of iron ore, capacity utilization for Indian Steel declined from 81% in FY 2012-13 to 78% in FY 2013-14. Sluggish domestic demand with rising capacity and increased production resulted in growing thrust on import substitution, resulting in a sharp decline of imports by 34%. Expanding new-age Steel capacities and incorporating world-class technologies and rupee depreciation helped India to increase its steel exports by 13%. This exhibits growing global competitiveness of Indian steel industry; thus transforming India into a net steel exporter.

OPPORTUNITIES AND THREATS

A decisive mandate in the General Elections has re-kindled hopes of an economic revival. The new government has promised to focus on infrastructure development while de-bottlenecking the administrative and clearance climate in the country. Demand for steel in India is expected to increase more in 2014 as compared to 2013. But this change will not be immediate and the centers of demand may vary. Nevertheless, the steel sector is expected to gradually gain momentum as the decade unfolds with optimism about what lies ahead.

OUR STRENGTHS

We believe that the factors which contribute to our strengths are our ability to adapt to the ever-changing environment, maintaining continuous growth, creating new market opportunities, efficient leadership qualities and maintaining good customer relationship.

THREATS AND RISKS

Degrowth in coal production, crude oil, natural gas, petroleum refinery products and reduced electricity generation will severely affect the Steel Industry in future. If these economic

conditions persist then Indian steel industries will have to face a tough situation. The year ahead appears to be challenging due to increase in competition, increasing interest rates, inflation, fluctuating markets and foreign exchange as well due to occurrence of natural calamities. The company has to overcome these issues by upgrading the current technologies used and serving to demands made by the customers. Rising fuel prices and shrinkage of the margins, Availability of finance at reasonable interest costs, Stiff competition owing to surplus capacities, volatile foreign exchange rates, Slowdown in the demand, etc. are major threats.

OUTLOOK

The year 2013-14 has proved to be encouraging for Indian Steel sector as a result of improved demand and prices. We have an adequate and efficient strategy planning process at Mahamaya Steel Industries Limited through which we evaluate annually the business objectives and the strategic themes of the company. The performance of the company is examined at regular intervals. During the year the company has taken steps to ensure that there has been sufficient increase in supply and distribution of products, technology enhancement, customer engagements etc. The management strongly believes that there will be considerable improvement in the external economic environment and consistency in consumer demand in the forthcoming financial year.

While the long term fundamentals of the Indian economy remain robust, the sluggish global environment has impacted sentiments in the domestic market in the short term. But it is expected to be only a temporary phenomenon and prospects for coming times look better than last year. The rate at which there is increase in urbanization, income and consumer demand in India, the demand for steel will increase at a constant pace.

INTERNAL CONTROL AND SYSTEMS

Your Company is committed to ensuring that its operations are carried out within a well defined internal control framework. We have an efficient and well-established internal control system based on the company's size and nature of its operations. Good governance, well defined systems and processes, a vigilant finance function and an independent internal audit function are the foundation of the internal control systems.

The Company has in place adequate systems of internal controls and documented procedures covering all financial and operating function. These has been designed to provide reasonable assurance with regard to maintaining proper accounting control, monitoring economy and efficiency of the Company, protecting assets from unauthorised use or losses and ensuring reliability of financial and operational information.

HUMAN RESOURCES

Your Company recognizes the importance of human resources in realizing its growth ambitions and believes in nurturing talent within the organization to take up leadership positions. Your Company believes in investing in people development and process improvements, aligned with Company's vision and values. Number of employees as on 31st March, 2014 was 465.

CAUTIONARY STATEMENT

The purpose of this Annual Report is to provide information to the members of the company. The statements made in this report may contain certain forward looking statements regarding company's objectives, projections, estimates and expectations. As forward looking statements are statements relating to the future the actual results could differ materially from those expressed or implied. Nothing in this Annual Report should be construed as a profit forecast.

ANNEXURE 'B'**CORPORATE GOVERNANCE****I. COMPANY'S PHILOSOPHY**

Your Company recognizes that strong Corporate Governance is indispensable to resilient and vibrant capital markets and is therefore, an important instrument of investor protection. It, therefore, continues to remain committed to a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business. The Company's philosophy on Corporate Governance is to conduct business and its dealings with all stakeholders in compliance with laws and high standard of business ethics for effective control and management system in an organization, which leads to enhancement of shareholders and other stakeholders' value. The Board considers itself as a Trustee of its shareholders and acknowledges its responsibilities towards them for creating and safeguarding their wealth.

II. BOARD OF DIRECTORS

The Company believes that a Vibrant and Independent Board should be at the helm of affairs to ensure the highest levels of Corporate Governance. Accordingly, your Company has always had adequate competent and Independent Directors. For effective discharge of its functions and proper deliberations, Board has constituted various committees.

i) Composition of the Board and details of Directorship(s) in other Companies:

Your Company maintains optimum combination of Executive and Non-executive directors. As on 31st March, 2014 the Board consisted of 6 Directors with considerable experience in their respective fields. Of these 3 are Non- Executive Independent Directors. The details of the Directors with regard to their other directorship and Committee Positions in other Companies are as follows:

As on 31st March, 2014

Directors	Category	Committee Memberships in Board of other Companies	Committee Chairmanships in Board of other Companies	Directorships in other Companies
Mr. Ramanand Agrawal (DIN: 00597125)	Executive Director	1	2	8
Mr. Rajesh Agrawal (DIN: 00806417)	Executive Director	3	1	8
Mr. Praveer Kumar Dey (DIN: 06755802)	Executive Director	Nil	Nil	Nil
Mr. Niraj Kansal (DIN: 02513034)	Non Executive Independent Director	Nil	Nil	Nil
Mr. Manish Kumar Agrawal (DIN: 02822174)	Non Executive Independent Director	Nil	Nil	Nil
Mr. Atul Garg (DIN: 02822051)	Non Executive Independent Director	Nil	Nil	Nil

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement), across all the companies in which he is a Director.

Committees considered are Audit Committee, Remuneration Committee/Nomination and Remuneration Committee and Stakeholders relationship Committee or Shareholders/ Investors' Grievance Committee.

- ii) **The Board of Directors of the Company met 16 times during the Financial Year 2013-2014:** on 5th April 2013, 10th May 2013, 30th May 2013, 25th June 2013, 20th July, 2013, 14th August 2013, 18th August 2013, 30th August, 2013, 5th September 2013, 9th November 2013, 14th November 2013, 29th November 2013, 24th December 2013, 14th February 2014, 19th February 2014 and 29th March 2014.

- iii) **Attendance of each Director at the Board Meeting during the Financial Year 2013-2014 and the last Annual General Meeting (AGM) :**

Directors	No. of Board Meetings		Attendance at the last AGM
	Held	Attended	
Mr. Ramanand Agrawal	16	14	Yes
Mrs. Gulab Bai Agrawal*	12	12	Yes
Mr. Rajesh Agrawal	16	16	Yes
Mr. Praveer Kumar Dey**	4	4	No
Mr. Niraj Kansal	16	16	Yes
Mr. Manish Kumar Agrawal	16	16	Yes
Mr. Atul Garg	16	15	Yes

* Resigned on 29.11.2013

**Appointed on 29.11.2013

III. AUDIT COMMITTEE

- i) **Brief Description of Terms of Reference:**

The Committee's composition and terms of reference are in accordance with the provisions of Section 292A of the Companies Act, 1956, Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial / accounting expertise / exposure.

- ii) **During the Financial Year 2013- 2014, the Audit Committee met ten times to deliberate on various matters:** The meetings were held on 15th May 2013, 12th June 2013, 5th August 2013, 14th August 2013, 24th October 2013, 14th November 2013, 17th December 2013, 28th January 2014, 14th February 2014 and 24th March, 2014.

- iii) **The composition of Audit Committee as on date and the information on attendance at Audit Committee Meetings held during the year is as under:**

Directors	Positions Held	No. of Meetings	
		Held	Attended
Mr. Niraj Kansal	Chairman	10	10
Mr. Manish Kumar Agrawal	Member	10	10
Mr. Atul Garg	Member	10	10

MAHAMAYA

All the members of the Audit Committee are Independent Directors.

The Statutory Auditors and Internal Auditors are regular invitee.

The Cost Auditors appointed by the Company under Section 148 of the Companies Act, 2013 (earlier Section 233B of the Companies Act, 1956) attends the Audit Committee Meeting whenever Cost Audit Report is discussed.

The Company Secretary acts as the Secretary of the Committee.

IV. REMUNERATION COMMITTEE/NOMINATION AND REMUNERATION COMMITTEE

- i) During the Financial Year 2013- 2014, the Remuneration Committee met two times on: 16th May, 2013 and 20th December, 2013.
- ii) In order to comply with the provisions of Section 178 of the Companies Act, 2013 effective from 1st April, 2014 and amended Clause 49 of the Listing Agreement, the Board of Directors of the Company at its meeting held on 30th May, 2014 renamed the Remuneration Committee as "Nomination and Remuneration Committee" and also expanded the terms of reference of the Committee as provided in Companies Act, 2013 and Clause 49 of Listing Agreement.
- iii) The composition of Nomination and Remuneration Committee as on date and the information on attendance at Remuneration Committee Meetings held during the year is as under:

Directors	Positions Held	No. of Meetings	
		Held	Attended
Mr. Niraj Kansal	Chairman	2	2
Mr. Manish Kumar Agrawal	Member	2	2
Mr. Atul Garg	Member	2	2

All the members of the Nomination and Remuneration Committee are Independent Directors.

iv) Remuneration to Directors:

(a) Details of Remuneration for the Year 2013-14

(₹ In Lacs)

Director	Salary for the year	Perquisites (Computed under IT Act)
Mr. Ramanand Agrawal	0	Nil
Mr. Rajesh Agrawal	36	Nil
Mrs. Gulab Bai Agrawal*	0	Nil
Mr. Praveer Kumar Dey**	4.4	Nil

* Resigned on 29.11.2013

**Appointed on 29.11.2013

(b) Non-Executive Director

Non-Executive Director have not been paid any sitting fess for attending the Board Meeting.

v) Remuneration Policy:

The Remuneration Committee recommends the remuneration package of the Executive Directors of the Board. In framing the remuneration policy, it takes in to consideration the remuneration practices of the Company of similar size, status and Industry Standards, which clearly relates remuneration to the performance. It also recommends and monitors the level and structure of pay for senior management which meets appropriate performance benchmarks.

The Director's compensation is based on their individual goals which are linked to the organizational goals. Executive Directors (ED) are paid subject to the approval of the Board and the Company in the General Meeting, on such terms and conditions as per agreements entered in to between them and the Company, which reflects a balance between fixed and incentive pay reflecting short and long- term performance objectives appropriate to the working of the Company and its goals.

V. INVESTOR GRIEVANCES COMMITTEE/STAKEHOLDERS RELATIONSHIP COMMITTEE

- i) **During the Financial Year 2013- 2014, the Investor Grievance Committee met four times on:** 6th April 2013, 5th July 2013, 5th October 2013 and 4th January 2014.
- ii) In order to comply with the provisions of Section 178 of the Companies Act, 2013 effective from 1st April, 2014 and amended Clause 49 of the Listing Agreement, the Board of Directors of the Company at its meeting held on 30th May, 2014 renamed the renamed the Investor Grievances Committee as "Stakeholders Relationship Committee"
- iii) **The composition of Stakeholders Relationship Committee as on date and the information on attendance at Investor Grievances Committee Meetings held during the year is as under:**

Directors	Positions Held	No. of Meetings	
		Held	Attended
Mr. Niraj Kansal	Chairman	4	4
Mr. Rajesh Agrawal	Member	4	4
Mr. Atul Garg	Member	4	4

The Committee specifically look into the redressal of grievances of Shareholders. The committee considers and resolves the grievances of the Shareholders of the Company including complaints related to Transfer of shares, Non-receipt of Balance Sheet, Non-receipt of declared Dividends etc.

- iv) **Name of Non Executive Director heading the committee:** Mr. Niraj Kansal.
- v) **Name & Designation of Compliance Officer:** Mrs. Jaswinder Kaur Mission, Company Secretary.
- vi) **Number of Shareholder's queries received during the year:** Three.
- vii) **Number of pending complaints:** Nil.

VI. SUBSIDIARY COMPANIES

Your Company does not have any Subsidiary Company.

VII. EQUITY SHARES IN THE SUSPENSE ACCOUNT

In terms of Clause 5A(I) of the Listing Agreement, the Company reports that there are no Equity Shares lying in the Suspense Account.

VIII. GENERAL BODY MEETINGS

i) **Location, date and time when the Last three Annual General Meeting(s) held:** The details of the Annual General Meeting held in last three years are as under:

Year	Location	Date	Time
2010-2011	At the Regd. Office of the Company located at Plot B/8-9, Sector-C, Urla Industrial Area, Sarora, Raipur-493221 (C.G.)	30 th Sep. 2011	1.30 pm
2011-2012	At the Regd. Office of the Company located at Plot B/8-9, Sector-C, Urla Industrial Area, Sarora, Raipur-493221 (C.G.)	29 th Sep. 2012	1.30 pm
2012-2013	At the Regd. Office of the Company located at Plot B/8-9, Sector-C, Urla Industrial Area, Sarora, Raipur-493221 (C.G.)	30 th Sep. 2013	1.30 pm

ii) **Special Resolution passed in previous three Annual General Meetings:**

Year	Special Resolutions Passed
2010-11	No Special Resolution was passed.
2011-12	Special Resolution passed for altered the Articles of Association of the Company regarding insertion of new definitions & new Articles for dematerialization of Securities of the Company.
2012-13	No Special Resolution was passed.

iii) **During the last year the Company has not passed any Special/ Ordinary Resolution through Postal Ballot.**

NOTE: All the Resolutions set out in the respective Notices for the above Meetings were duly passed by the Shareholders with the requisite majority in each case.

IX. DISCLOSURES

i) **Disclosure of Accounting Treatment:**

In the preparation of Financial Statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accounts of India (ICAI).

ii) **Disclosure on Risk Management:**

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.

iii) **Disclosure on Related Party Transactions:**

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.

iv) Disclosure on Requirements of the Listing Agreement:

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during last three years.

v) It is confirmed that no personnel has been denied access to the Audit Committee.

X. MEANS OF COMMUNICATION

i) Quarterly Results:

The Quarterly, Half-yearly and Yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.

ii) News papers wherein results normally published:

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.

iii) Website:

For the financial results and other relevant information, shareholders may log on to the website of the Company www.mahamayagroup.in

iv) Email id: csmahamaya@gmail.com, sysss72@yahoo.com

XI. GENERAL SHAREHOLDERS' INFORMATION

Twenty Sixth Annual General Meeting

- i) **Date, Time & Venue:** 30th September, 2014 at 11.00 am at the registered office of the Company located at Plot B/8-9, Sector – C, Urla Industrial Area, Sarora, Raipur 493 221 (C.G.).
- ii) **Financial Year:** 1st April 2013 to 31st March, 2014.
- iii) **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 30th September, 2014.
- iv) **Book Closure Date:** 24th September, 2014 to 30th September, 2014 (both days inclusive).
- v) **Financial Calender Period (tentative):**

For the Half year ending 30 th September, 2014	Middle of Nov, 2014
For the Quarter ending 31 st December, 2014	Middle of Feb, 2015
For the Year ending 31 st March, 2015	End May, 2015

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vi) Listing of Equity Shares on Stock Exchanges:

Bombay Stock Exchange Ltd.

Note:

The Shares of the Company are also listed on Kolkata, Hyderabad Stock Exchanges.

vii) Stock Code

Bombay Stock Exchange Ltd.:

513554

viii) 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 were as under

Month	Open Price	High Price	Low Price	Close Price
Apr-13	19.50	36.25	19.50	34.65
May-13	36.35	54.35	34.55	49.50
Jun-13	47.05	58.45	43.00	46.25
Jul-13	48.00	61.75	43.95	58.70
Aug-13	56.60	70.35	50.50	68.95
Sep-13	69.00	131.00	69.00	125.70
Oct-13	131.80	131.80	60.60	60.60
Nov-13	59.40	62.80	46.70	46.70
Dec-13	47.60	64.10	45.85	61.65
Jan-14	60.50	66.90	48.75	62.65
Feb-14	59.60	82.90	51.35	81.35
Mar-14	85.40	85.40	51.60	59.75

ix) ISIN No.:

INE451L01014.

x) Annual Listing fee:

The annual listing fees for the year 2014-15 has been paid.

xi) Share Transfer System:

System Support Services, the Registrars of the Company register the transfers, transmission of shares, issue of duplicate share certificates and allied matters, subject to the transfer instrument being valid and complete in all respects. In compliance with the Listing Agreement, a Company Secretary in Practice audits the system of share transfer every six months and a Certificate to that effect is issued.

xii) Registrar and Share Transfer Agent:

System Support Services
209, Shival Industrial Estate,
89, Andheri Kurla Road,
Sakinaka, Andheri (E)
Mumbai - 400 072
Tel. No.: 022 - 2850 0835
Fax No.: 022 - 2850 1438

xiii) Distribution of Shareholding:

Category	As on March 31, 2014											
	No. of Shares			% of Shares			No. of Holders			% of Holders		
	Demat	Physical	Total	Demat	Physical	Total	Demat	Physical	Total	Demat	Physical	Total
001-500	59092	412760	471852	0.435	3.042	3.477	301	1950	2251	10.894	70.575	81.469
501-1,000	51970	186750	238720	0.383	1.376	1.759	64	204	268	2.316	7.383	9.700
1,001-2,000	59713	113900	173613	0.440	0.839	1.279	40	69	109	1.445	2.497	3.945
2,001-3,000	64307	48800	113107	0.474	0.360	0.833	26	18	44	0.941	0.651	1.592
3,001-4,000	44390	11300	55690	0.327	0.083	0.410	13	3	16	0.471	0.109	0.579
4,001-5,000	44116	38900	83016	0.325	0.267	0.612	9	8	17	0.326	0.290	0.615
5,001-10,000	133152	50400	183552	0.981	0.371	1.353	18	6	24	0.651	0.217	0.869
10,001-100,000	427129	51400	478529	3.148	0.379	3.526	18	2	20	0.651	0.072	0.724
100,001 & above	11772301	0	11772301	86.750	0.000	86.750	14	0	14	0.507	0.000	0.507
Total	12656170	914230	13570400	93.263	6.737	100	503	2260	2763	18.205	81.795	100

xiv) Dematerialization of Shares and Liquidity as on 31st March, 2014:

As per SEBI requirement, the Company enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The Company's ISIN no. is INE451L01014.

Details of shares held in dematerialized and physical form as on 31st March, 2014

Particulars	No. of Shares	Percentage	Liquidity (No. of Shareholders)	Percentage
NSDL	1,21,90,023	89.83%	268	9.75%
CDSL	4,66,147	3.43%	235	8.50%
PHYSICAL	9,14,230	6.74%	2260	81.80%
TOTAL	1,35,70,400	100%	2763	100%

xv) Address for Correspondence:

Mahamaya Steel Industries Ltd.
B/8-9, Sector-C, Urfa Industrial Area,
Sarora, Raipur – 493 221 (C.G.) INDIA
Tel. : 0771 4006666
Fax : 0771 4006611
Email : csmahamaya@gmail.com

xvi) Code of Conduct:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company which is posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

xvii) Code of Conduct for Prevention of Insider Trading:

As per SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has a code of conduct for prevention of Insider trading in the shares of the Company. The Code inter alia, prohibits purchase/sale of shares of the Company by employees while in possession of unpublished price sensitive information in relation to Company.

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xviii) CEO Certification:

The Managing Director 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, 2014 which is annexed hereto.

xix) Compliance:

Certificate from the Practicing Company Secretary 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.

xx) Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary carried out the Share Capital Reconciliation Audit to reconcile the total issued and paid up capital with National Depository Services Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the total number of Shares in the physical form and the total number of dematerialized shares held with NSDL and CDSL.

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

xxii) Shareholding Pattern as on 31st March, 2014:

Category	31 st March, 2014	
	No. of shares held	% of Holding
Promoter in his individual capacity	30,39,298	22.39
Promoter in his Body Corporate Capacity	28,83,047	21.25
Promoter Director's Relatives	37,38,525	27.54
Banks, Financial Institutions, Insurance Companies (Central/ State Government Institutions / Non Government Institutions)	100	0.00
Private Corporate Bodies	24,81,640	18.29
Indian Public	14,27,790	10.53
Total	1,35,70,400	100.00

CODE OF CONDUCT

Declaration

To
The Members of Mahamaya Steel Industries Limited

In accordance with Clause 49 sub clause I (D) I, Rajesh Agrawal, Managing Director 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 31st March, 2014.

Place : Raipur
Date : 25th August, 2014

Rajesh Agrawal
Managing Director
(DIN: 00806417)

CEO CERTIFICATION

The Board of Directors
Mahamaya Steel Industries Limited

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 further declare that all Board members and senior managerial personnel have affirmed compliance with the Code of Conduct for the current year.

Place : Raipur
Date : 25th August, 2014

Rajesh Agrawal
Managing Director
(DIN: 00806417)

Secretarial Auditors' Certificate

(On Corporate Governance)

To
The Members of
Mahamaya Steel Industries Limited
Raipur - Chhattisgarh

We have examined the compliance of conditions of Corporate Governance of M/s. Mahamaya Steel Industries Limited, for the year ended on 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and 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 the above mentioned Listing Agreement.

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

Place : Raipur
Date : 23rd May, 2014

For, Brajesh R. Agrawal
Company Secretaries
sd/-
(Brajesh R. Agrawal)
Practicing Company Secretary
Membership No: FCS 5771
Certificate P.No. 5649

INDEPENDENT AUDITORS' REPORT

**To The Members of
MAHAMAYA STEEL INDUSTRIES LIMITED**

Report on the Financial Statements:

We have audited the accompanying financial statements of Mahamaya Steel Industries Limited ("the Company"), which comprises of the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss account and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company, in accordance with the accounting standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes valuating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion.

Basis for qualified opinion:

- (1) Reference is invited to note 30 (a) dealing with electricity duty exemption. The Company paid power charges during the year and out of the total amount has reduced an amount of ₹ 254.35 lacs from it. This amount instead of being treated as expenditure has been recognized as an asset under the head electricity duty receivable. It is claimed by the

Company that under the industrial policy of the State of Chhattisgarh this amount is reimbursable to the company as electricity duty subsidy. The same treatment was also done in the earlier years and aggregate amount, which stood receivable as on the start of the financial year under review was ₹ 301.34 lacs. We have not been provided with copies of any sanction letter from the competent authority of the Government or any other document in support of the recoverability of the said amount of subsidy. Therefore in the absence of reasonable certainty, as regards ultimate collection of the same, even after passage of significant time the above recognition is not in accordance with accounting Standard. The profit for the year and long term advances is overstated to the extent of ₹ 254.35 lacs. The cumulative effect on reserves and surplus and assets is ₹ 555.69 lacs.

- (2) Reference is invited to note number 30 (b) dealing with a financial fraud reported by the Company. It has been informed to us that after end of the financial year 2012-13, the management came to know that during 2008 to 2013 one of the employees working in Accounts Department of the Company had committed fraud by fabrication of bills and Goods Receipt Notes in respect of Store purchases. The quantum aggregated to ₹ 114.51 lacs. The company has lodged first information report with Police Department. The company in view of its hope for recovery of the said amount has treated the amount of ₹ 114.51 lacs as amount recoverable (asset) from the said person. The corresponding effect has reduced current year expenses and thereby has the effect of overstatement of profit as well as current assets for the year by ₹ 114.51 lacs. This treatment, in our opinion is not in accordance with accounting standard as the reasonable certainty of recoverability of amount in question is not fully established.

Qualified Opinion:

In our opinion and to the best of our information and according to the explanations given to us, ***except for the effects of the matter described in paragraph above i.e Basis of qualified opinion*** the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter:

- (a) Your attention is invited towards Note Number 30 (c) dealing with charging of interest from outstanding debtors. The total impact on the profitability during the year under review is ₹ 82.33 lacs.
- (b) Your attention is invited to Note Number 30 (l) where it is stated that the Company is of the opinion that 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 revenue of ₹ 1951.50 lacs from sale of Blooms/ Billets to outside parties.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, 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 purpose of our audit.
 - (b) Except for the effect of matter described in paragraph: 'basis of qualified opinion, 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the effect of matter described in paragraph: 'basis of qualified opinion', In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report, read together with Significant Accounting Policies and Notes there on, are in compliance with the Accounting Standards referred to in section 211(3C) of the Act.
 - (e) On the basis of written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1) (g) of the Act.

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

Place : Raipur
Date : 30th May, 2014

[DEEPAK BATRA]
PARTNER
Membership No.74052

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

RE: MAHAMAYA STEEL INDUSTRIES LIMITED

REFERRED TO IN PARAGRAPH 2 OF REPORT ON OTHER LEGAL & LEGAL REQUIREMENTS PARA OF OUR REPORT OF EVEN DATE:

1. In respect of its fixed assets:

- a. The company is in the process of computerization of its manually maintained records of fixed assets. The process has not been fully completed during the year under review. Therefore records showing particulars including quantitative details and situation of fixed assets are not fully maintained. The identification marks on assets have also not been fully completed.
- b. Although it has been explained to us, that all fixed assets have been physically verified by the management during the year, in a phased periodical manner, however in the absence of supporting documents particularly identification marks we are unable to state on the reasonableness of such verification, 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. In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

2. In respect of its inventories:

- a. Although it has been explained to us that the management at regular intervals, during the year, has physically verified inventories. However in the absence of supporting documents we are unable to form an opinion on the reasonableness of frequency, procedure and adequacy thereof of verification.
- b. Based on our scrutiny of records maintained by the company we are of the opinion that the company has maintained proper records in respect of its inventories. It has been informed to us that the company has carried out physical verification of inventory from time to time and discrepancies noted during physical verification have been accounted for in the books of accounts of the company.

3. In respect of the loans, secured or unsecured, granted or taken by the company to / from companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:

- a. The Company has not granted loan during the year to any party covered under section 301. Therefore our reporting on terms and conditions and overdue amount is not called for. However the Company, in the past had advanced a sum of ₹ 1000 lacs to associates as share application money. The said company has not so far allotted shares against the said sum.
- b. The company has not taken loan during the year from any party covered under section 301. The outstanding balance in respect of loan taken in earlier period as at 31 March 2014 was ₹ 966.00 Lacs.

- c. The terms and conditions for the said loan have not been communicated to us and thus we are unable to opine on whether terms are prima facie prejudicial to the interest or not ? and whether any amount is overdue or not ? . The company has neither paid nor provided any interest on the said loan.
4. In our opinion and according to the information and explanations given to us, through reports of Internal Auditors conveying that there are adequate internal controls procedures commensurate with the size of the company and nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weakness in internal control.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
- 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. We have not been provided with all necessary information on the subject and therefore we are unable to state whether 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 ₹ 5,00,000/- (Rupees Five Lacs) or more in respect of any party in the said financial year are prima facie reasonable or not, 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, and based on information and explanation given to us, M/s Rajesh J Agarwal & Co, Chartered Accountants Raipur conducted internal audit function of the company. They were given the responsibility of making verification of all transactions and to report on monthly basis. We have gone through their reports and we have been informed that all the shortcomings observed by them have been rectified. Hence, we have relied upon the internal audit report.
8. The cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1) (d) of the Companies Act 1956 have not been seen by us. We have been informed that applicable cost audit of such records is still in progress.
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 31st March, 2014 for a period of more than six months from the date of becoming payable.

B. The disputed statutory dues aggregating to ₹ 2291.00 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 (₹ In Lacs)	Period to which the amount relates	Forum where dispute is pending
01.	Sales Tax Statute of the State	Sales/Commercial Tax	4.98	1990-1991	Before the High Court of Chhattisgarh, Bilaspur
02.	Central Excise Act, 1944	Excise Duty	18.39	2011-2012	Commissioner (Appeal)
03.	Central Excise Act, 1944	Excise Duty	18.92	2010-2011	CESTAT
04.	Central Excise Act, 1944	Excise Duty	116.67	2012-2013	CESTAT
05.	Income Tax Act	Tax and interest Demand	2132.04	2005-06 to 2011-12	CIT (Appeal)
		TOTAL	2291.00		

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
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 and according to the information & explanations given to us, 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. According to the information and explanation given to us, the Company has maintained proper records of investments made by it but has not entered in to transactions and contracts in respect of dealing or trading in shares, securities, debentures. The Company in its own name has held all investments.
15. As informed to us, the Company has not given any guarantees for loan taken by a body corporate from banks or any other financial institutions.
16. As informed to us, the Company has not raised new term loans from banks during the year. The term loans outstanding at the beginning of the year have been applied for the purposes for which they 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 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 shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. According to the information and explanations 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. As disclosed by the management in note number 30 (b) a fraud by one of the employee was reported during the year under review. It has been informed to us that after end of the financial year 2012-13, the management came to know that during 2008 to 2013 one of the employees working in Accounts Department of the Company had committed fraud by fabrication of bills and Goods Receipt Notes in respect of Store purchases. The quantum aggregated to ₹ 114.51 lacs. The company has lodged first information report with Police Department. We have been informed by the management and to the best of our knowledge and belief and according to the information and explanation given to us no other material fraud noticed or reported during the year.

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

Place : Raipur
Date : 30th May, 2014

[DEEPAK BATRA]
PARTNER
Membership No.74052

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars		Note No.	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
I	EQUITY AND LIABILITIES			
(1)	Shareholder's Funds			
	(a) Share Capital	2	4,557.04	4,557.32
	(b) Reserves and Surplus	3	7,767.38	7,470.40
(2)	Non-Current Liabilities			
	(a) Long-term borrowings	4	244.13	638.55
	(b) Deferred tax liabilities (Net)	5	690.47	683.47
	(c) Long term provisions	6	40.77	51.74
(3)	Current Liabilities			
	(a) Short-term borrowings	7	5,287.77	5,954.50
	(b) Trade payables	8	406.77	965.35
	(c) Other current liabilities	9	537.52	845.20
	(d) Short-term provisions	10	872.84	667.24
	Total		20,404.69	21,833.77
II	ASSETS			
(1)	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	11	7,966.56	8,435.36
	(ii) Capital work-in-progress		6.99	93.97
	(b) Non-current investments	12	522.01	522.01
	(c) Long term loans and advances	13	2,156.99	1,939.06
(2)	Current assets			
	(a) Inventories	14	4,744.88	6,827.60
	(b) Trade receivables	15	2,604.67	2,490.60
	(c) Cash and Cash Equivalents	16	454.13	373.89
	(d) Short-term loans and advances	17	1,659.16	1,036.65
	(e) Other current assets	18	289.30	114.63
	Total		20,404.69	21,833.77

See Accompanying Notes (1 to 30) to the Financials Statements.

In terms of our report attached
For Batra Deepak & Associates
Chartered Accountants
Firm Reg. No. 005408C

Deepak Batra
Partner
Membersip No. 074052

Place : Raipur
Date : 30th May, 2014

For and on behalf of the Board

Ramanand Agrawal
Chairman

Rajesh Agrawal
Managing Director

Jaswinder Kaur Mission
Company Secretary

Place : Raipur
Date : 30th May, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2014

Particulars	Note No.	For the Year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
I. Revenue from operations	19	28,973.20	33,336.29
II. Other Income	20	97.88	64.61
III. Total Revenue (I +II)		29,071.08	33,400.90
IV. Expenses:			
Cost of materials consumed	21	20,985.81	27,282.17
Changes in inventories of finished goods	22	1,583.50	(1,020.86)
Employee benefit expense	23	87.55	94.84
Finance costs	24	542.35	618.78
Depreciation	11	527.85	527.22
Other expenses	25	5,059.97	5,747.47
Total Expenses		28,787.04	33,249.62
V. Profit before exceptional and extraordinary items and tax		284.04	151.28
VI. Exceptional Items	26	157.20	137.99
VII. Profit before tax		441.24	289.27
VIII. Tax expense:			
(1) Current tax		137.54	69.41
(2) Tax related to earlier year		-	7.73
(3) Deferred tax		7.00	30.43
IX. Profit(Loss) for the period from continuing operations		296.71	181.70
X. Profit/(Loss) for the period		296.71	181.70
XI. Earning per equity share:			
(1) Basic		2.19	1.34
(2) Diluted		2.19	1.34

See Accompanying Note (1 to 30) to the Financials Statements.

In terms of our report attached
For Batra Deepak & Associates
Chartered Accountants
Firm Reg. No. 005408C

Deepak Batra
Partner
Membersip No. 074052

Place : Raipur
Date : 30th May, 2013

For and on behalf of the Board

Ramanand Agrawal
Chairman

Rajesh Agrawal
Managing Director

Jaswinder Kaur Mission
Company Secretary

Place : Raipur
Date : 30th May, 2013

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR YEAR 2013-14

Particulars	2013-14 (₹ in Lacs)	2012-13 (₹ in Lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
i. Net Profit before Tax	441.24	289.29
Adjustment for:		
Depreciation	527.85	527.22
Interest charged to Profit and Loss Account	542.35	618.78
Provision for Income Tax	(137.54)	(77.14)
(Profit)/ Loss on sale of Fixed Assets	(26.83)	12.86
ii. Operating Profit before Working Capital changes	1,347.07	1,371.00
Adjustment for:		
(Increase) / Decrease in Trade Receivables	(114.07)	534.82
(Increase) / Decrease in Inventories	2,082.72	(473.46)
(Increase)/decrease in Other Receivable	(1,015.11)	(210.52)
Increase/ (decrease) in Trade Payables and Other liabilities	(671.63)	46.72
CASH FLOW FROM OPERATING ACTIVITIES	1,628.99	1,268.56
TOTAL CASH AVAILABLE FROM OPERATING ACTIVITIES (A)	1,628.99	1,268.56
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets and capital WIP and pre operative exp.	(107.52)	(359.39)
Sale of Fixed Assets	162.27	17.43
Investment in Shares / Share Application Money	-	(282.00)
NET CASH USED IN INVESTING ACTIVITIES (B)	54.75	(623.96)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/(Repayment) of Long Term bank Borrowings	(394.42)	(513.96)
Increase/ (decrease) in Short- Term bank borrowings	(216.23)	495.28
Interest and Bank charges Paid	(542.35)	(618.78)
Unsecured Loan Received / (Repaid)	(450.50)	1,416.50
Redemption of Preference Shares	-	-
Share application money refunded	-	(1,445.00)
NET CASH USED IN FINANCING ACTIVITIES (C)	(1,603.50)	(665.96)
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	80.24	(21.36)
OPENING BALANCE OF CASH & CASH EQUIVALENTS	373.89	395.25
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	454.13	373.89

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.

In terms of our report attached
For Batra Deepak & Associates
Chartered Accountants
Firm Reg. No. 005408C

Deepak Batra
Partner
Membersip No. 074052

Place : Raipur
Date : 30th May, 2014

For and on behalf of the Board

Ramanand Agrawal
Chairman

Rajesh Agrawal
Managing Director

Jaswinder Kaur Mission
Company Secretary

Place : Raipur
Date : 30th May, 2014

NOTE 1 : 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 and Amortisation

- i) 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.
- ii) Amortization is not being made on leasehold land being insignificant amount. At net realisable value.

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

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- ii) 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.

- iii) Non monetary foreign currency items are carried at cost.
- iv) 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 and 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) Employee's Retirement Benefits

difference and the premium paid on forward contracts has been recognized over the life of the contract.

- i) 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.
- ii) 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) Provisions, 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.

NOTE 2 SHARE CAPITAL

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Authorised:		
1,50,00,000 (P.Y.1, 50,00,000) Equity Shares of Rs. 10/- (Ten) each	1,500.00	1,500.00
30,00,000 (P.Y. 30,00,000) Preference Shares of Rs. 10/- (Ten) each	300.00	300.00
4,20,00,000 (P.Y. 4,20,00,000) 8% Redeemable Non Convertible Non Cumulative Preference shares of Rs. 10/- (Ten) each	4,200.00	4,200.00
	6,000.00	6,000.00
Issued:		
1,35,76,000 (P.Y.1, 35,76,000) Equity Shares of Rs. 10/- (Ten) each	1,357.60	1,357.60
3,20,00,000 (P.Y. 3,20,00,000) 8% Redeemable Non Convertible Non Cumulative Preference shares of Rs. 10/- (Ten) each	3,200.00	3,200.00
	4,557.60	4,557.60
Subscribed:		
1,35,70,400 (P.Y.1, 35,70,400) Equity Shares of Rs. 10/- (Ten) each	1,357.04	1,357.04
3,20,00,000 (P.Y. 3,20,00,000) 8% Redeemable Non Convertible Preference shares of Rs. 10/- (Ten) each	3,200.00	3,200.00
	4,557.04	4,557.04
Add: 5600 Forfeited Equity Shares of Rs 10/- (Ten) each partly paid Rs 5/- (Five) each	-	0.28
Total	4,557.04	4,557.32

NOTE 2a : RECONCILIATION OF THE NUMBER OF EQUITY AND PREFERENCE SHARE

Reconciliation of the number of shares outstanding at the beginning and at the end of the year:		
(a) Equity Shares:		
No of shares outstanding at the beginning of the year	13,570,400	13,570,400
No of shares outstanding at the end of the year	13,570,400	13,570,400
(b) Optionally Convertible Redeemable Preference Shares:		
No of shares outstanding at the beginning of the year	-	-
No of shares redeemed during the year	-	-
No of shares outstanding at the end of the year	-	-
(c) 8% Redeemable Non Cumulative Non Convertible:		
Preference Shares:		
No of shares outstanding at the beginning of the year	32,000,000	32,000,000
No of shares outstanding at the end of the year	32,000,000	32,000,000

NOTE 2b : NUMBER OF SHARES HELD BY EACH SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

Particulars	Number of shares as at 31 st March, 2014	Number of shares as at 31 st March, 2013
Equity Shares:		
Abhishek Steel Industries Ltd.	1,349,000	1,349,000
Gulab Bai Agrawal	1,082,082	1,082,082
Rajesh Agrawal	899,510	899,510
Ramanand Agrawal	2,139,788	2,139,788
Ramanand Agrawal (HUF)	797,300	797,300
Rekha Agrawal	777,400	777,400
Mahalaxmi Techno Cast Limited	1,624,731	1,759,423
Preference Shares:		
Escort Finvest Private Limited	23,175,000	23,175,000
Antriksh Commerce Private Limited	8,825,000	8,825,000

NOTE 3 : RESERVES AND SURPLUS

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Capital Redemption Reserve:		
As per last Balance Sheet	2,093.05	1,584.05
Additions during the year	509.00	509.00
Less: Transfer to General Reserve	-	-
	2,602.05	2,093.05
Securities Premium Account:		
As per last Balance Sheet	1,000.00	1,000.00
	1,000.00	1,000.00
Capital Investment Subsidy		
As per last Balance Sheet	5.00	5.00
	5.00	5.00
General Reserve:		
As per last Balance Sheet	1,984.79	1,948.45
Add: Transfer from Capital Redemption Reserve	-	-
Add: Transfer from Profit & Loss Account (Surplus)	59.34	36.34
Add: 5600 Forfeited Equity Shares of ₹ 10/- (Ten) each partly paid ₹ 5/- (Five) each	0.28	
	2,044.41	1,984.79
Surplus:		
As per last Balance Sheet	2,387.55	2,751.19
Add: Profit/(Loss) for the period	296.70	181.70
Less: Appropriations		
Transfer to General Reserve	59.34	36.34
Transfer to Capital Redemption Reserve	509.00	509.00
	2,115.91	2,387.55
Total	7,767.38	7,470.40

NOTE 4 : LONG TERM BORROWINGS

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Secured: Term Loans from banks, Secured (Secured by way of First pari passu charge on assets of the Company and personal guarantee of some of the directors)	244.13	638.55
Total	244.13	638.55

NOTE 4a : DETAILS OF REPAYMENT OF TERM LOAN

Lender	Nature of facility	Terms of repayment
Uco Bank, Mid Corporate Branch, Raipur (Term Loan-2)	Term Loan	Quarterly Instalments of ₹ 27.50 Lacs
Andhra Bank, Raipur (Term Loan-1)	Term Loan	Monthly Instalments of ₹ 23.18 Lacs
Andhra Bank, Raipur (Term Loan-2)	Term Loan	Quarterly Instalments of ₹ 22.50 Lacs
Axis Bank Car Loan	Vehicle Loan	36 Monthly Installment of ₹ 0.76 Lacs

NOTE 5 : DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Opening Deferred Tax Liability (Net)	683.47	653.04
Add: Deferred Tax liability	-	33.46
Less: Deferred Tax Assets Disallowances under the Income Tax Act	4.44	9.83
	679.03	676.67
Add: Reversal of Deferred Tax Assets	11.44	6.80
Total	690.47	683.47

NOTE 6 : LONG- TERM PROVISIONS

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Provision for Gratuity	40.77	51.74
Total	40.77	51.74

NOTE 7 : SHORT TERM BORROWINGS

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Secured		
Working Capital facilities from Banks		
Cash Credit facilities	1,553.04	3,146.16
Letter of Credit facilities	2,768.73	1,391.84
(Secured by way of First pari passu charge on current assets of the Company and personal guarantee of some of the directors.)		
Unsecured		
From related parties	966.00	1,020.00
From other	-	396.50
Total	5,287.77	5,954.50

NOTE 8 : TRADE PAYABLES

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Raw Materials		
- Related Parties	-	441.71
- Others	194.71	296.28
Stores and Expenses	212.06	227.36
Total	406.77	965.35

NOTE 9 : OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Current maturities of long-term debt	150.38	242.76
Security Deposits	9.94	5.42
Advances from Customers		
- Related Parties	-	23.91
- Others	351.90	512.70
- Transportation Charges	4.17	7.91
Creditor for Capital Items	12.14	43.51
Unclaimed Dividends	8.99	8.99
Total	537.52	845.20

NOTE 10 : SHORT-TERM PROVISIONS

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Provision for Employees' Salary & Related Expenses	80.07	59.87
Provision for Statutory dues	324.85	315.64
Provision for Power charges	430.73	255.98
Other Provisions	57.39	15.55
Total	872.84	667.24

NOTE 11 : FIXED ASSETS

(₹ In Lacs)

PARTICULARS	COST			DEPRECIATION			NETBLOCK			
	AS AT 01.04.2013	Addition During the Period	Deductions During the Period	AS AT 31.03.2014	Upto 31.03.2013	For the year	On deductions (-)	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
1. LEASEHOLD LAND & SITE DEVELOPMENT	37.18	-	-	37.18	-	-	-	-	37.18	37.18
2. FREE HOLD LAND	782.41	-	4.80	777.61	-	-	-	-	777.61	782.41
3. BUILDING	1,411.43	29.27	-	1,440.70	253.60	46.74	-	300.34	1,140.36	1,157.83
4. PLANT & MACHINERY	10,429.89	54.94	38.47	10,446.36	4,245.37	447.39	10.71	4,882.05	5,764.31	6,184.52
5. FURNITURE & FIXTURES	108.31	2.84	-	111.15	51.24	6.63	-	57.87	53.28	57.07
6. VEHICLES	371.90	15.27	-	387.17	155.55	37.80	-	193.35	193.82	216.35
TOTAL	13,141.12	102.32	43.27	13,200.17	4,705.76	538.56	10.71	5,233.61	7,966.56	8,435.36
7. CAPITAL WORK IN PROGRESS	93.97	5.19	92.17	6.99	-	-	-	-	6.99	93.97
TOTAL	93.97	5.19	92.17	6.99	-	-	-	-	6.99	93.97
GRAND TOTAL	13,235.09	107.51	135.44	13,207.16	4,705.76	538.56	10.71	5,233.61	7,973.55	8,529.33
PREVIOUS YEAR	12,916.13	359.39	40.43	13,235.09	4,188.68	527.22	10.14	4,705.76	8,529.33	8,727.45

NOTE 12 : NON CURRENT INVESTMENTS

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Unquoted Equity Shares (at cost)		
In Enterprises controlled by Key Managerial Person:		
12,00,300 Equity Shares of ₹ 10 each in Shree Shyam Sponge and Power Limited	30.01	30.01
In Associate Concerns:		
20,00,000 Equity Shares of ₹ 10/- each in Devi Iron and Power Private Limited	482.00	482.00
100,000 Equity Shares of ₹ 10/- each in Mahamaya Charitable Foundation	10.00	10.00
Total	522.01	522.01

NOTE 13 : LONG TERM LOANS AND ADVANCES

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
(Unsecured, considered good unless otherwise stated)		
Capital Advances:	40.97	31.51
Security deposits	560.33	606.21
Electricity duty receivable	555.69	301.34
Transaction With Associate Concern:		
- Investment - Share Application (Pending allotment)	1,000.00	1,000.00
Total	2,156.99	1,939.06

NOTE 14 : INVENTORIES

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
(As taken, valued and certified by the management)		
Raw materials	754.15	1,337.10
Finished Goods	2,381.46	3,964.96
Stores and spares	1,609.27	1,525.54
Total	4,744.88	6,827.60

NOTE 15 : TRADE RECEIVABLES

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
(Unsecured, considered good unless otherwise stated)		
1) Debts due for a period exceeding six months	1,063.84	749.90
2) Other Debts	1,540.83	1,740.70
Total	2,604.67	2,490.60

NOTE 16 : CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Balances with banks in -		
Fixed Deposits	403.84	337.02
Current Accounts	39.32	24.58
Unclaimed Dividend Accounts	8.99	8.99
Cash on hand	1.98	3.29
Total	454.13	373.89

NOTE 17 : SHORT TERM LOANS AND ADVANCES

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
(Unsecured, considered good unless otherwise stated)		
Advances for Raw Materials		
Related Parties	1,069.80	593.85
Others	204.97	72.97
Advances for Stores, Consumables and Expenses	87.01	30.48
Taxes paid in advance less provisions	37.22	35.16
Balances with Commercial Tax Authorities	8.32	141.95
Balances with Central Excise Authorities	228.06	138.59
Staff , Tour & Imprest advances	23.78	23.64
Total	1,659.16	1,036.65

NOTE 18 : OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Earnest Money deposits with customers	102.07	70.22
Prepaid Expenses	22.66	10.39
Other Receivable from employee	114.51	-
Incomes accrued but not due	50.05	34.02
Total	289.29	114.63

NOTE 19 : REVENUE FROM OPERATIONS

Particulars	For the year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
Sale of products	33,007.28	38,307.42
Sale of services	94.09	2.58
Other operating revenues	15.66	0.89
Less:		
Excise duty	3,431.69	3,984.01
Sales Tax and VAT	712.14	990.59
Total	28,973.20	33,336.29

NOTE 19a : EARNINGS IN FOREIGN EXCHANGE

Particulars	For the year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
FOB Value of exports	-	69.77
Total	-	69.77

NOTE 20 : OTHER INCOME

Particulars	For the year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
Interest Income	97.88	64.77
Income on Foreign Exchange Fluctuation	-	(0.16)
Total	97.88	64.61

NOTE 21 : VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED

Particulars	For the year ended on 31 st March, 2014		For the year ended on 31 st March, 2013	
	Value (₹ In Lacs)	%	Value (₹ In Lacs)	%
Raw Materials Consumed				
Imported*	-	-	713.42	3
Indigenously obtained	19,677.10	100	25,177.79	97
Sub-Total	19,677.10		25,891.21	
Spare Parts and Components Used				
Imported*	10.36	1	20.63	1
Indigenously obtained	1,298.35	99	1,370.33	99
Sub-Total	1,308.71		1,390.96	
Total	20,985.81		27,282.17	

* Value includes full landed cost.

NOTE 21a : CIF Value of Imports

Particulars	For the year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
Raw materials*	-	698.98
Components and Spare Parts*	9.73	20.52
Total	9.73	719.50

* Value includes expenses incurred up to the port.

NOTE 21b : On Raw Materials, Goods Purchased and Work in Progress

(₹ In Lacs)

Particulars	Blooms & Billets (Rolling Mill Division)		Sponge Iron/ Pig Iron and Scrap (SMS Division)	
	As at 31 st March, 2013	As at 31 st March, 2012	As at 31 st March, 2013	As at 31 st March, 2012
Raw Material Op. Stock	567.50	972.87	769.54	1,207.43
Purchases during the year	3,761.12	7,554.17	15,333.04	17,493.83
Consumption	3,964.82	7,959.49	15,712.28	17,931.72
Raw Material Cl. Stock	363.85	567.55	390.30	769.54

NOTE 22 : (INCREASE) / DECREASE STOCKS OF FINISHED GOODS

Particulars	For the year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
Stock (At Commencement) Finished goods	3,964.96	2,944.10
Stock (At End) Finished goods	2,381.46	3,964.96
Total	1,583.50	(1,020.86)

NOTE 23 : EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
Office Salaries	76.14	77.29
Contribution to provident and other funds (office)	2.13	2.60
Provision for Gratuity	(5.02)	6.00
Staff welfare expenses	14.30	8.94
Total	87.55	94.84

NOTE 24 : FINANCE COSTS

Particulars	For the year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
Interest expense	470.91	553.62
Other financial costs	71.44	65.16
Total	452.35	618.78

NOTE 25 : OTHER EXPENSES

Particulars	For the year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
A. Manufacturing Expenses		
Power and Fuel	3,817.19	4,294.84
Workers' Salaries, wages and other Benefits	453.27	561.57
Contribution to Provident Fund & ESIC (Plant)	22.99	36.74
Contractors' Payment	197.55	155.98
Conversion Charges	347.12	320.01
Repairs and maintenance -		
Machinery	4.88	6.23
Others	4.54	7.50
Variation in Excise duty on Closing stock	(45.70)	40.17
Sub-Total A	4,801.84	5,423.04
B. Administrative, Selling & Distribution Expenses		
Insurance	12.68	11.95
Rent	0.60	4.50
Rates & Taxes (excluding taxes on income)	35.05	11.85
Directors Remuneration	40.40	69.24
Legal & Professional Charges	23.60	12.75
Travelling & Conveyance	12.71	15.91
Telephone Expenses	5.66	8.93
Auditors Remuneration	5.24	7.63
Other Administrative Expenses	27.75	43.99
Selling & Distribution Expenses	94.44	137.68
Sub-Total B	258.13	324.43
Total (A+B)	5,059.97	5,747.47

NOTE 25a : PAYMENT TO AUDITORS

Particulars	For the year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
Audit fees	3.00	3.00
Taxation matters	6.10	4.36
Other services	0.45	12.10
Total	9.55	19.48

NOTE 26 : EXCEPTIONAL ITEMS

Particulars	For the year ended on 31 st March, 2014 (₹ In Lacs)	For the year ended on 31 st March, 2013 (₹ In Lacs)
Profit/ (Loss) on sale of Fixed Assets	26.83	(12.86)
Income / (Expenses) pertaining to prior periods	114.16	139.29
Sundry balances written off	16.21	11.56
Total	157.20	137.99

NOTE 27 : EARNING PER SHARE

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Profit after Tax	296.71	181.70
Weighted Average Number of equity shares outstanding during the year	135.70	135.70
Nominal Value of equity shares	10.00	10.00
Earning Per shares (Basic and diluted)	2.19	1.34

NOTE 28 : CONTINGENT LIABILITY

Particulars	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Income Tax Demand*	2,132.04	134.70
Sales Tax Demands under appeal	4.98	4.98
Excise Duty liabilities under appeal & adjudication	219.73	168.86
Estimated amount of contracts remaining to be executed on capital acc.	10.00	93.97
Outstanding Bank Guarantees	202.67	136.02

* During the year under review, income tax assessments were concluded for the financial year 2005-06 to 2011-12 and the aggregate demand of ₹ 2,132.04 lacs for the said years was raised by the Income Tax Department consequent upon search operation carried out by the Income Tax Department. The company has filed an appeal before the Commissioner of Income Tax (Appeals), Raipur during the year under review itself. No provision has been made in the books of accounts in respect of demand raised against the company as the company is hopeful to get complete relief in the appellate proceedings. Therefore, the demand has been treated as contingent liability.

NOTE 29 :RELATED PARTY DISCLOSURES

Disclosure of transactions with related parties, as required by Accounting Standard - 18 "Related Party Disclosures" has been set-out in a separate statement annexed to this schedule. Related parties as defined under Clause 3 of the Accounting Standard have been identified on the basis of representations made by Key Managerial Personnel and information available with the Company.

A) Name of the related party and nature of relationship where control exists:

Nature of Relationship	Name of Related Party
A. Associate Concerns	<ol style="list-style-type: none"> 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 Private Limited 4. Mahamaya Charitable Foundation
B. Key Managerial Persons	<ol style="list-style-type: none"> 1. Shri Ramanand Agrawal 2. Shri Rajesh Agrawal
C. Relatives of Key Managerial Persons	<ol style="list-style-type: none"> 1. Rajesh Agrawal HUF 2. Shri Anand Agrawal 3. Smt. Rekha Agrawal 4. Smt. Asha Devi Agrawal
D. Enterprise over which Key management and their relatives exercise significant influence with whom transactions have taken place during the year	<ol style="list-style-type: none"> 1. Abhishek Steel Industries Limited 2. Shree Shyam Sponge & Power Limited 3. Antriksh Commerce Private Limited 4. Callidora Traders Private Limited 5. Mark Vision Multi Services Private Ltd 6. Escort Finvest Private Limited 7. Adept IT solutions (P) ltd. 8. Tirupati Steel Traders (Prop: Mahamaya Mines (P) Ltd) 9. JSR Network Private Limited

B) Related Party Transactions :			
Nature of Relationship	Nature of Transactions/ Balances	Amount (₹ In Lacs)	
		Current Year	Previous Year
1. Associates	Sale of Finished Goods	885.48	30.75
	Purchase of Raw Materials	4,255.29	4,788.05
	Share application money given	-	1,000.00
	Conversion Charges Paid	347.12	-
	<u>Outstanding balances at year end:</u>		
	Advance for Raw Materials	699.71	59.33
2. Key Managerial Person	Investment-Share application money	-	282.00
	Investment-Share application money	1,000.00	1,000.00
	Managerial Remuneration	40.40	69.24
3. Relatives of Key Managerial Person	Transportation Charges	30.00	30.00
	Sale of Finished Goods	870.19	599.82
	<u>Outstanding balances at year end:</u>		
4. Enterprise over which Key management and their relatives exercise significant influence with whom transactions have taken place during the year	Creditor for Expenses	2.48	-
	Trade Receivables	8.69	-
	Purchase of Raw Materials	3,324.42	2,700.39
	Sale of Finished Goods	11.45	742.25
	Unsecured Loan Received	-	1,021.00
	Unsecured loan Repaid	54.00	1.00
<u>Outstanding balances at year end:</u>	Conversion Charges paid	-	300.72
	Share Application Money repaid	-	345.00
	Creditors for Raw Materials	-	465.61
	Unsecured loan	966.00	1,020.00
	Advance for Raw Materials	370.08	534.52

NOTE 30 : NOTES ON ACCOUNTS

(A) Electricity Duty exemption:

During the Financial year 2012-13 the company had applied for exemption from electricity duty in respect of electricity consumed in its SMS Plant. The company had been advised that under the Industrial Policy of State of Chhattisgarh, it is entitled to get electricity duty exemption. The company has so far recorded ₹ 555.69 lacs towards electricity duty receivable. Out of this amount, an amount of ₹ 254.35 lacs pertains to accounting year under review i.e. 2013-14 and the remaining amount i.e. ₹ 301.34 lacs pertains to accounting year 2011-12 (159.79 lacs) and 2012-13 (141.55 lacs). As in earlier years during the year under review also entire amount of ₹ 254.35 lacs pertaining to financial year 13-14 has been accounted for as reduction from expenses.

(B) Fraud:

After end of the financial year 2012-13, the management had come to know that during 2008 to 2013 one of the employee working in Accounts Department of the Company, had committed fraud by fabricated bills and Good Receipt Note in respect of Stores aggregating ₹ 114.51 lacs. The company has lodged first information report with Police Department. The company is hopeful for recovery of the amount. In view of which the management has decided to treat this ₹ 114.51 lacs as amount recoverable from the said person. During the year under review the expenses so booked in earlier years have been reversed and corresponding amount has been reflected as receivables.

- (C) During the year under review, the company has charged interest on all outstanding, where the payment was in arrears. The combined effect of interest so applied to the accounts of various Debtors is ₹ 82.33 lacs, recognized as amount due for a period less than 6 months as the recording of this interest has been done at the fag end of the year.
- (D) Parties' accounts are subject to confirmation. Consequential effects adjustment, presently unascertainable, will be provided as and when confirmed
- (E) Trade Receivables, 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 the business at the value as stated.
- (F) 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.
- (G) 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.
- (H) 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.
- (I) 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 ₹ 1951.50 lacs from sale of Blooms/ Billets to outside parties.
- (J) Unclaimed dividend of earlier years aggregating to ₹ 8.99 lakhs deposited in separate bank account, has been accounted for in the books of account of the current year, for better understanding of financial statement. Inclusion of the said amount does not have any impact on the profitability of the company.
- (K) The figures in the financial statement have been rounded off to nearest Rupees.

In terms of our report attached
For Batra Deepak & Associates
Chartered Accountants
Firm Reg. No. 005408C

Deepak Batra
Partner
Membersip No. 074052

Place : Raipur
Date : 30th May, 2014

For and on behalf of the Board

Ramanand Agrawal Rajesh Agrawal
Chairman Managing Director

Jaswinder Kaur Mission
Company Secretary

Place : Raipur
Date : 30th May, 2014



MAHAMAYA STEEL INDUSTRIES LIMITED

Regd. Office : B/8-9, Sector - C, Urla Industrial Area, Sarora, Raipur - 493 221, Chhattisgarh
Telephone: +91 771 4006666, Fax No.: +91 771 4006611
Email: csmahamaya@gmail.com, Website: www.mahamayagroup.in
(CIN: L27107CT1988PLC004607)

PROXY FORM Form MGT-11

[Pursuant to this Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Share holder (s) (In Block Letters).....

Registered Address.....

E-mail Id.....

Registered Folio No. / DP ID & Client ID No.....

I/We being the member(s) of shares of Mahamaya Steel Industries Limited, hereby appoint:

1) Name:..... Address.....

Email ID:..... Signature.....

or failing him/her

2) Name:..... Address.....

Email ID:..... Signature.....

or failing him/her

3) Name:..... Address.....

Email ID:..... Signature.....

or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on Tuesday, 30th September, 2014 at 11.00 am at B/8-9, Sector - C, Urla Industrial Area, Sarora, Raipur - 493 221, Chhattisgarh and at any adjournment thereof in respect of such resolutions as are indicated below:

Description	Type of Resolution	For	Against
ORDINARY BUSINESS			
1. Adoption of Annual Accounts of the Company as on March 31, 2014	Ordinary		
2. Reappointment of Mr. Manish Kumar Agrawal (DIN: 02822174), who retires by rotation as per Companies Act, 1956.	Ordinary		
3. Reappointment of Mr. Atul Garg (DIN: 02822051), who retires by rotation as per Companies Act, 1956.	Ordinary		
4. Appointment of M/s R.K. Singhania & Associates, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.	Ordinary		
SPECIAL BUSINESS			
5. Appointment of Mr. Niraj Kansal (DIN: 02513034), as an Independent Director for five consecutive years commencing from 30 th September, 2014.	Ordinary		
6. Appointment of Mr. Manish Kumar Agrawal (DIN: 02822174), as an Independent Director for five consecutive years commencing from 30 th September, 2014.	Ordinary		
7. Appointment of Mr. Atul Garg (DIN: 02822051), as an Independent Director for five consecutive years commencing from 30 th September, 2014.	Ordinary		
8. Appointment of Mr. Praveer Kumar Dey as a Director	Ordinary		
9. Appointment of Mrs. Rekha Agrawal as a Director	Ordinary		
10. Appointment of Mrs. Rekha Agrawal as an Executive Director	Special		
11. Ratification of Cost Auditors' remuneration	Ordinary		
12. Approval of borrowing limits of the Company	Special		
13. Creation of Charge on the assets of the Company	Special		
14. Adoption of New set of Articles of Association of the Company.	Special		
15. Approval for entering in to transactions with Related Parties	Special		

Signed this..... day of..... 2014

Signature of Shareholder(s)

Signature of Proxy holder(s)

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Affix
Revenue
Stamp



MAHAMAYA STEEL INDUSTRIES LIMITED

Regd. Office : B/8-9, Sector - C, Urla Industrial Area, Sarora, Raipur - 493 221, Chhattisgarh
Telephone: +91 771 4006666, Fax No.: +91 771 4006611
Email: cmahamaya@gmail.com, Website: www.mahamayagroup.in
(CIN: L27107CT1988PLC004607)

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE

Name of Shareholder(s) or Proxy (In Block Letters)

Registered Folio No./ DP ID & Client ID No.....

No. of Shares held.....

I / We, hereby record my / our attendance at the 26th Annual General Meeting of the Company being held at B/8-9, Sector - C, Urla Industrial Area, Sarora, Raipur - 493 221, Chhattisgarh on Tuesday, 30th September, 2014 at 11.00 am

Signature of Shareholder or Proxy

ELECTRONIC VOTING PARTICULARS

EVSN	User ID	Password
140905107	Please refer to Note No. 13 of Notice	



MAHAMAYA STEEL INDUSTRIES LIMITED

Regd. Office : B/8-9, Sector - C, Urla Industrial Area, Sarora, Raipur - 493 221, Chhattisgarh
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Email: cmahamaya@gmail.com, Website: www.mahamayagroup.in
(CIN: L27107CT1988PLC004607)

Registration of e-mail address for future communication

Name of Shareholder(s) (In Block Letters)

Registered Address.....

E-mail Id.....

Registered Folio No./ DP ID & Client ID No.....

Signature of Shareholder(s).....



MAHAMAYA STEEL INDUSTRIES LIMITED

Regd. Office : B/8-9, Sector - C, Urla Industrial Area, Sarora, Raipur - 493 221, Chhattisgarh
Telephone: +91 771 4006666, Fax No.: +91 771 4006611
Email: csmahamaya@gmail.com, Website: www.mahamayagroup.in
(CIN: L27107CT1988PLC004607)

POSTAL BALLOT FORM

(Read the instructions given in the notice of AGM before proceeding to fill up the form)

1. Name(s) of shareholder(s) (including jointholders, if any) in block letters	
2. Registered Address of the sole/first named shareholder	
3. Registered Folio No./DP ID No. and Client ID No.	
4. Number of Shares held	

I/We hereby exercises my/our vote in respect of the "Resolution" for the business stated in the Annual General Meeting Notice of the Company dated August 25, 2014 by sending my/our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below:

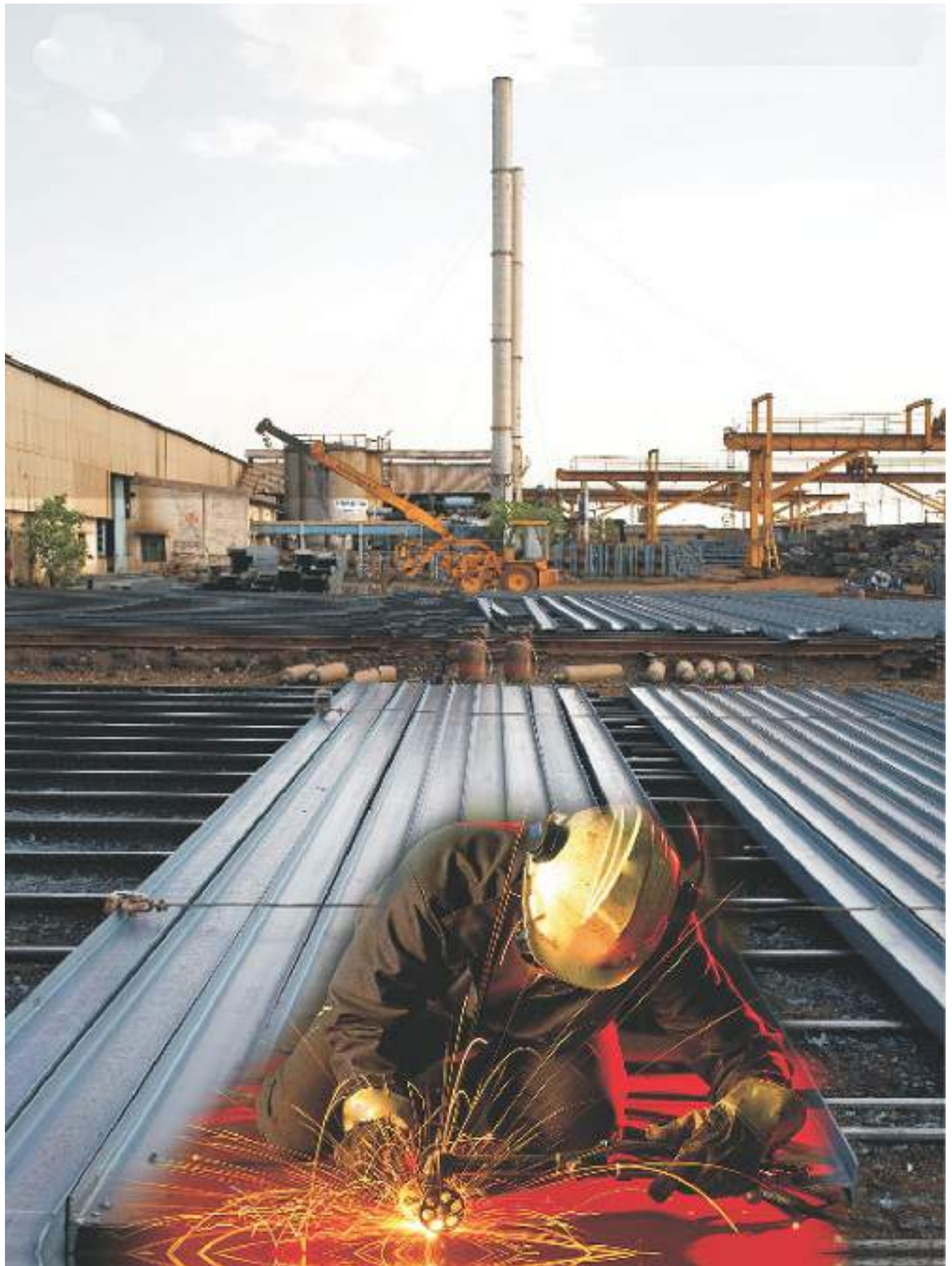
Description	Type of Resolution	I/We assent to the Resolution	I/We dissent to the Resolution
ORDINARY BUSINESS		For	Against
1. Adoption of Annual Accounts of the Company as on March 31, 2014	Ordinary		
2. Reappointment of Mr. Manish Kumar Agrawal (DIN: 02822174), who retires by rotation as per Companies Act, 1956.	Ordinary		
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10. Appointment of Mrs. Rekha Agrawal as an Executive Director	Special		
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12. Approval of borrowing limits of the Company	Special		
13. Creation of Charge on the assets of the Company	Special		
14. Adoption of New set of Articles of Association of the Company.	Special		
15. Approval for entering in to transactions with Related Parties	Special		

Place:

Date:

(Signature of Shareholder)

PLEASE FOLD THIS DULY FILLED FORM AND SEND TO THE SCRUTINIZER APPOINTED BY THE COMPANY



MAHAMAYA



Book-Post

If undelivered please return to :

MAHAMAYA STEEL INDUSTRIES LIMITED

B/8-9, Sector-C, Urla Industrial Area,
Sarora, Raipur-493 221 (C.G.) INDIA
Phone: +91 771 4006666