

MAHAMAYA STEEL INDUSTRIES LIMITED

An ISO 9001 : 2008 Company



24TH ANNUAL REPORT 2011-12

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COMPANY'S GENERAL INFORMATION

BOARD OF DIRECTORS:

Mr. Ramanand Agrawal

Mr. Rajesh Agrawal

Mrs. Gulabbai Agrawal

Mr. Vinod Puri Goswami

Mr. Neeraj Kansal

Mr. Gitesh Agrawal

Mr. Manish Kumar Agrawal

Mr. Atul Garg

Chairman

Managing Director

Executive Director

Executive Director

Independent Director

Independent Director

Independent Director

Independent Director

COMPANY SECRETARY:

Mrs. Jaswinder Kaur Mission

STATUTORY AUDITOR:

M/s Batra Deepak & Associates

Chartered Accountants,

Ashoka Plaza Complex,

Shop No. 28, 2nd Floor,

Vidhan Sabha Road,

Raipur-492 001 (Chhattisgarh)

REGISTERED OFFICE & WORKS:

B/8-9, Sector-C,

Uda Industrial Area,

Sarora, Raipur-493 221 (Chhattisgarh)

Telephone: +91 771 4006666 (30 Lines)

Fax No.: +91 771 4006611

E-mail: rsiryp@satyam.net.in

Website: www.mahamayagroup.in

COST AUDITOR:

M/s. S.C. Mohanty & Associates

Prem Poon, Pt. Dindayal Upadhyay Nagar,

Akash Gas Godown Road, P.O.: Gudiary,

Raipur-492 011 (Chhattisgarh)

REGISTRAR & SHARE TRANSFER AGENT:

System Support Services,

209, Shiva Industrial Estate,

89, Andheri Kurla Road,

Sakinaka, Andheri (E),

MUMBAI-400 072

BANKERS:

- UCO Bank

Mid Corporate Branch,
Raipur (C.G.)

- Andhra Bank

Fafadih Chowk, Raipur (C.G.)

From the Chairman's Desk



Dear Shareholders,

It gives me immense pleasure to inform you that “Mahamaya Group” since coming to its existence has developed indigenous technologies in secondary manufacturing to produce Structural steels that were earlier produced by primary/main producers only. We are first in the country to produce MB-600, MB-500 & MC-400 in Private Sector.

During the year under review the direct sales of your Company is Rs.608.13 Crores which seems to be less than last year's total sales of Rs.634.80 Crores. As a matter of fact, last year we had the conversion contract with SAIL and that contributed nearly 5% of the total turnover, which we don't have this year. Thus, your Company has done better this year, while considering the direct sales.

During the year under review the Company has commissioned a new Induction Furnace with capital expenditure of about Rs.3 crores. This will help in coming years to increase the steel production in steel melting shop. This in-house raw materials will cater the requirement of existing Structural Rolling Mill, thereby reducing the consumption cost on raw materials and will result in increased profit.

We are planning to install Ladle Refining Furnace in Steel Melting Shop within a year to overcome the scarcity of quality raw-material and to produce better quality materials. After this, Company will go for approval with organizations like Power Grid Corporation of India Ltd, Railways and many other organizations in public & private sector for supply of billets, blooms and Structural Steels.

During this year the Company has added new customers in its existing list of clientele like Central Organization for Railway Electrification, Chhattisgarh State Power Distribution/Generation and Transmission Company Ltd, Reliance Group of Companies, ACC-AMBUJA Group, Ultratech Cement, TRF Ltd, NTPC Ltd, L&TMHI Boilers Pvt. Ltd. In association with these new customers along with existing customers, the Company will do better business and will generate more revenue in coming years.

At present we are having orders of many companies and MOU with BHEL for the 2nd quarter of the year which may be extended for further period of 2 years.

During the year as scheduled, Company has timely redeemed the last installment of 0% Optionally Convertible Redeemable Preference Shares of Rs.97.23 lacs and consequently related share capital has been reduced.

As discussed in our last Annual General Meeting, during the year under review your Company has added new Continuous Casting Machine to increase the production capacity of Steel Melting Shop, subsequently fulfill the requirement of Rolling Mill and in turn will increase the production of end product. We also got affected due to global recession. The payment which earlier, we used to get in 30 days was prolonged to 60 & 90 days resulting in an interest burden on us and it also affected on our working capital. However as far as production is concerned, the Company is capable enough to fulfill its commitment.

As discussed in previous year, the Company is planning stage wise expansion through various Greenfield, Brownfield projects. But in view of current market scenario, significant progress has not taken place in these expansion activities. But management is of the view that as and when the markets improve the working on expansion projects can expedite. Currently, Company is also working on technology development to reduce the cost of production which will immensely benefit the Company in long run. Such expansion and technology improvement activities will require capital investment. Taking the prudent view, management wants to keep the outside debt at minimum. In view of lesser distributable profit in the year under review, management's view is to keep the available resources intact to strengthen the Company Operations. Hence, your directors have taken a prudent decision to not to propose any dividend for the financial year under review.

Last but not a bit least, I place on record my sincere appreciation to the Board of Directors, Executive Management and each and every member of Mahamaya Group including our extended family of customers, suppliers, bankers, advisors, and consultants for their valuable contributions made.

With due Regards,

Ramanand Agrawal

Chairman

VISION



Let nothing hold you back from exploring your wildest fantasies, wishes, and aspirations. Don't be afraid to dream big and to follow your dreams wherever they may lead you. Open your eyes to their beauty; Open your mind to their magic; Open your heart to their possibilities.

Dare to dream. Whether they are in color or in black and white, Whether they are big or small, easily attainable or almost impossible, look to your dreams, and make them become reality. Wishes and hopes are nothing until you take the first step towards making them something!

Dare to dream, because only by dreaming will you ever discover who you are, what you want, and what you can do. Don't be afraid to take risks, to become involved, to make a commitment. Do whatever it takes to make your dreams come true. Always believe in miracles and always believe in you!

I take this opportunity to acknowledge the efforts of all those who contributed to our growth-our shareholders, customers, employees, suppliers & community members. The Company will continue to enhance value for all those who depend on us, work with us and invest in us.

With warm Regards,

Rajesh Agrawal
Managing Director

FINANCIAL HIGHLIGHTS

PROFITABILITY (Rs. In Lacs)	2011-12	2010-11	2009-10
Gross Sales	60,813.55	63,480.01	42,550.05
Excise Duty	5,508.52	5,496.65	3,026.96
Sales Tax and VAT	1,324.88	1,335.44	918.95
Net Sales	53,980.15	56,647.92	38,604.16
EBIDTA	2,454.46	2,919.62	2,801.09
Depreciation	542.46	731.82	865.20
Interest	795.79	605.06	604.46
Profit Before Tax and Prior Period Adjustment	1,116.21	1,582.75	1,331.43
Prior Period Adjustment	3.04	-9.81	4.73
Profit Before Tax	1,119.25	1,572.94	1,336.16
Provision for Current Tax	272.30	357.79	228.04
Income Tax Pertaining to Earlier Year	-0.02	0.18	15.00
Provision for Deferred Tax	86.66	101.20	7.13
Net Profit	760.31	1,113.76	1,085.99
Earning Per Share	5.60	8.21	6.31





NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of Mahamaya Steel Industries Ltd will be held on 29th September, 2012 at 1.30 pm at its Registered Office at Plot B/8-9, Sector-C, Urla Industrial Area, Sarora, Raipur-493 221 (Chhattisgarh) to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2012 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Manish Kumar Agrawal who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Atul Garg who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. Batra Deepak & Associates, Chartered Accountants as Statutory auditors of the Company for the financial year 2012-2013 to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

AS SPECIAL BUSINESS:

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

Alteration of the Articles of Association of the Company

"RESOLVED THAT pursuant to provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof for the time being in force), the Articles of Association of the Company be and is hereby accorded for alteration of the Articles of Association in the following manner:-

- I. Insertion of new Definitions in Article 1 i.e. Interpretation Clause after existing definition "In writing and written" which are as under:

'Beneficial Owner' means a person or persons whose name is recorded as such with a depository;

'SEBI' means the Securities and Exchange Board of India;

'Depositories Act' means the Depositories Act 1996 and shall include any statutory modification(s) or reenactment thereof for the time being in force

'Depository' means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992.

- II. Insertion of new Articles 17 and 18 in the Articles of Association of Company after the