

MAHAMAYA

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MAHAMAYA STEEL INDUSTRIES LIMITED

30th ANNUAL REPORT 2017-18



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COMPANY'S GENERAL INFORMATION

BOARD OF DIRECTORS :

Mr. Rajesh Agrawal
Mr. Rajesh Agrawal
Mrs. Rekha Agrawal
Mr. Suresh Raman
Mr. Manish Kumar Agrawal
Mr. Atul Garg
Mr. Suresh Prasad Agrawal

Managing Director
Managing Director
Executive Director
Executive Director & Chief Financial Officer
Independent Director
Independent Director
Additional Independent Director

COMPANY SECRETARY :

Mrs. Jaswinder Kaur Mission

REGISTERED OFFICE & WORKS :

B/8-9, Sector - C,
Urla Industrial Area,
Sarora, Raipur - 493 221 (Chhattisgarh)
Telephone: +91 771 4910058
Fax No.: +91 771 4006611
Email: cs@mahamayagroup.in
Website: www.mahamayagroup.in

STATUTORY AUDITOR:

M/s RDNA AND CO LLP
(Originally R.K. Singhania & Associates)

BANKERS:

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

Andhra Bank
Fafadih Chowk, Raipur (C.G.)

REGISTRAR & SHARE TRANSFER AGENT:

M/s Link Intime India Private Limited,
C-101, 247 Park,

L.B.S. Marg, Vikhroli (W)
Vikhroli (W),
MUMBAI - 400 083 (M.H.)
Contact : 022-49186000
Email: dematremat@linkintime.co.in,
rnt.helpdesk@linkintime.co.in

ANNUAL GENERAL MEETING:

Monday, August 13, 2018 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,

The steel industry has always held a position of significant importance in the context of economic development and the government's policy space. Although the industry accounts for roughly 1.04% of the country's GDP. The Indian government has always believed that steel is the backbone of industrialization.

India's finished steel consumption grew at a CAGR of 5.69 per cent during FY08-FY18 to reach 90.68 million tonnes (MT). India's crude steel and finished steel production increased to 102.34 million tonnes (MT) and 104.98 million tonnes (MT) in 2017-18, respectively.

In 2017-18, the country's finished steel exports increased 17 per cent year-on-year to 9.62 million tonnes (MT), as compared to 8.24 million tonnes (MT) in 2016-17. Exports and imports of finished steel stood at 0.99 million tonnes (MT) and 1.22 million tonnes (MT), during Apr-May 2018.

Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel. The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030. The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 30 million).

India is expected to overtake Japan to become the world's second largest steel producer soon, and has envisaged achieving 300 million tonnes (MT) of annual steel production



capacity by 2030. Steel consumption is expected to grow 5.7 per cent year-on-year to 92.1 million tonnes (MT) in 2018. India is expected to become the second largest steel producer in the world by 2018, based on increased capacity addition in anticipation of upcoming demand, and the new steel policy, that has been approved by the Union Cabinet in May 2017, is expected to boost India's steel production. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Meanwhile, during the year under review your company has posted Profit Before Tax at Rs. 438.41 Lacs against Rs. 286.68 Lacs in the previous year.

With the current market scenario, the company has already improved our production quantity, in Structural Rolling, from 6500 Metric Ton per month approx last year to achieve 8500 Metric Ton per month approx in current year thereby increase in production by 30% approx and in SMS division as compared to last half year in which we produced 3600 Metric Ton per month approx, in the month of May, 2018 itself we have already crossed 6000 Metric Ton, if the market conditions will be favourable it is expected to achieve 8000 Metric Ton or more per month..

We are glad to inform you that as compared to the last year's first quarter (2017-18) in which we have declared profit of Rs. 14.95 Lacs, now during current financial year with the boom in Steel Market Industry, your company will surely book good profits as we have good margins in blooms and billets and had also increased its production, and it seems if the present scenario continues your Company will capture the opportunity which can directly affect our profit ratio.

Further we are looking at various options to utilize the freehold land which is located at the back side of our Plant in Raipur like either into renewable energy segment with joint development option or in warehousing projects or in some viable projects. Various options are being contemplated but thing has been finalized as of now.

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 2018-19 and beyond.

With best regards:

Rajesh Agrawal
Managing Director

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 4910058

Fax No. : +91 771 4006611

Email : cs@mahamayagroup.in

Web. : www.mahamayagroup.in

Notice is hereby given that the Thirtieth Annual General Meeting of the Members of the Mahamaya Steel Industries Ltd. will be held on Monday 13th August, 2018 at 11.00 am at Registered Office at Plot B/8-9, Sector - C, Urla Industrial Area, Sarora, Raipur - 493 221 (C.G.) to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements (including audited Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Suresh Raman (DIN: 07562480), who retires by rotation and being eligible, offers himself for re-appointment.
3. **To appoint Statutory Auditors and to authorize the Board of Directors to determine their remuneration.**

To consider and, if thought fit, to give your assent or dissent to the following Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions to Section 139, 142 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(s) thereof for the time being in force, M/s KPRK and Associates Chartered Accountants, Nagpur (Firm Registration No. 103051W) be and are hereby appointed as the Statutory Auditors of the Company in place of retiring Statutory Auditors M/s. M/s RDNA AND CO LLP originally M/s R.K. Singhania & Associates, Chartered Accountants, Raipur (Firm Registration No. 004435C) to hold office from the conclusion of this Annual General Meeting until the conclusion of 33rd Annual General Meeting on a remuneration to be fixed by the Board of Directors in consultation with them."

Special Business:

4. To appoint Mr. Suresh Prasad Agrawal (DIN: 01052928) as a Non-Executive Independent Director of the Company.

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

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"RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act"), and the Rules made there under read with Schedule IV to the Companies Act, 2013, including any statutory modifications and amendments thereof, Mr. Suresh Prasad Agrawal (DIN-01052928), who was appointed as an Additional Director (Non Executive category) of the Company with effect from 20th November, 2017, entitled to hold office up to the conclusion of the ensuing Annual General Meeting and whose term expires at this Annual General Meeting, and who has submitted a declaration to the effect that she meets the criteria of independence as provided under section 149(6) of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Suresh Prasad Agrawal (DIN-01052928), as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years from 20th November, 2017 to 19th November, 2022 or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines thereto.

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."

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 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 30,000/- (Rupees Thirty Thousand Only) including out of pocket expenses if any plus service tax as applicable, to be paid to M/s Sanat Joshi & Associates, Cost Accountants (Firm Registration no. 000506), Cost Auditors of the Company, for the financial year 2018-19, as approved by the Board of Directors of the Company, be and is hereby ratified.

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 a Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 ("the Act") and SEBI (LODR) Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded to the Audit Committee and the Board of Directors to authorize the management of the Company to enter into below mentioned transactions, with Abhishek Steel Industries Limited, Shree Shyam Sponge &

Power Limited, Devi Iron & Power Private Limited, and Rajesh Agrawal HUF 'Related Parties' as defined under Section 2(76) of the Act and SEBI (LODR) Regulations 2015 and such other transactions as required in connection to efficiently carry out the operations of the Company from 30th September, 2018 till 30th September, 2019.

- (A) Sale, Purchase & Services to be received from Abhishek Steel Industries Limited (Limit of Rs. 250 Crore from 30th September, 2018 till 30th September, 2019)
- a) Purchase and Sale of Blooms, Billets, Sponge Iron, Pig Iron, End Cutting, Joist, Channel, M.S. Angle, Scrap, Coal 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) Sale and Purchases to be done with Devi Iron & Power Private Limited (Limit of Rs. 150 Crore from 30th September, 2018 till 30th September, 2019)
- a) Purchase of Blooms, Billets, Sponge Iron, Pig Iron, End Cutting, Scrap, Coal or any other goods.
 - b) Sale of Coal or any other goods
- (C) Sale and Purchases to be done with Shree Shyam Sponge & Power Limited (Limit of Rs. 100 Crore from 30th September, 2018 till 30th September, 2019)
- a) Purchase of Blooms, Billets, Sponge Iron, Pig Iron, End Cutting, Scrap, Coal or any other goods.
 - b) Sale of Coal or any other goods.
- (D) Transportation Services to be received from Rajesh Agrawal HUF (Limit of Rs. 5 Crore 30th September, 2018 till 30th September, 2019)

Transportation Services to be received from Rajesh Agrawal HUF

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: 18th July, 2018

By Order of the Board

Rajesh Agrawal
Managing Director

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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. Details of Directors retiring by rotation / seeking re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice.
7. The Company's Registrar and Transfer Agent for its Share Registry Work (Physical and Electronic) is M/s Link Intime India Private Limited having its Registered Office at C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai – 400 083 (M.H.).
8. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books will remain closed from 7th August, 2018 to 13th August, 2018 (both days inclusive).
9. 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 30th 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 30th Annual General Meeting along with Annual Report of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and