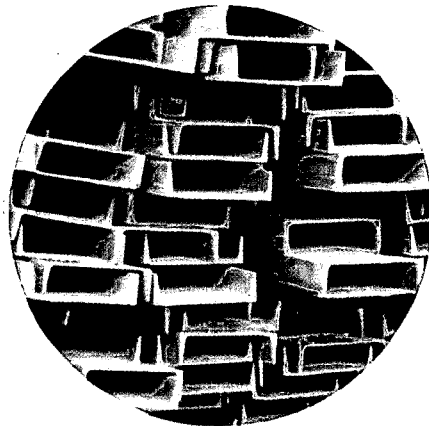
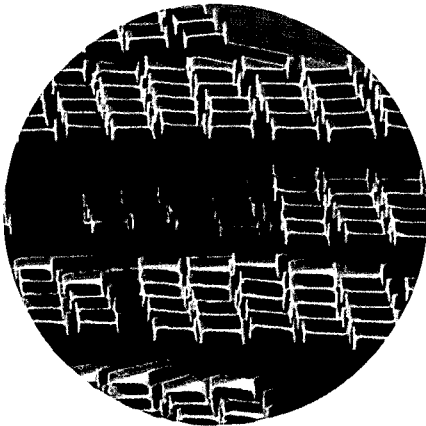
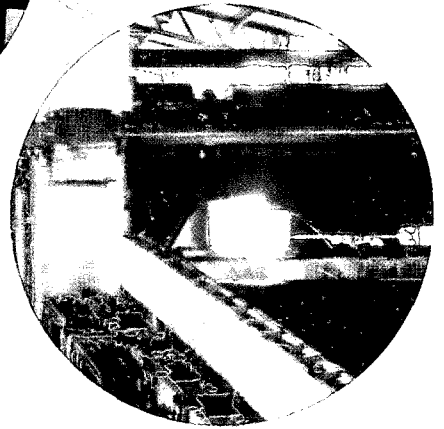
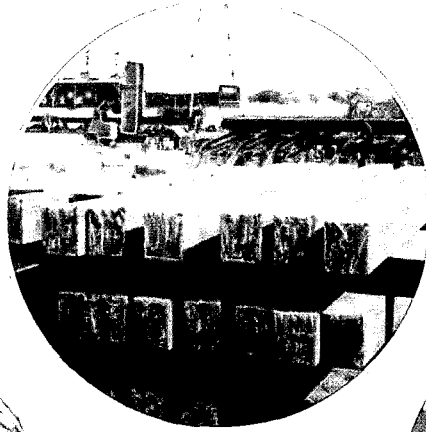


MAHAMAYA



MAHAMAYA STEEL INDUSTRIES LIMITED
(FORMERLY RAJESH STRIPS LIMITED)
21ST ANNUAL REPORT 2008-2009

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COMPANY GENERAL INFORMATION

BOARD OF DIRECTORS :

Shri Ramanand Agrawal	Chairman & Managing Director
Shri Rajesh Agrawal	Executive Director
Smt. Gulab Bai Agrawal	Executive Director
Shri D.K. Porwal	Director
Shri Neeraj Kansal	Independent Director
Shri Gitesh Agrawal	Independent Director
Shri Suryakant Sharma	Independent Director
Shri Anil Kumar Sharma	Independent Director

COMPANY SECRETARY :

Shri Prahallad Sawadia

STATUTORY AUDITORS :

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

BANKERS:

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

REGISTERED OFFICE & WORKS :

B/8-9, Sector-C, Urla Industrial Complex,
Sarora, Raipur - 493 221 (Chhattisgarh)
Telephone: +91 771 4006666 (30 Lines)
Fax: +91 771 4006611, 2324401
E-mail: mahamaya@rajeshstrips.com
Website: mahamayasteelindustries.com

REGISTRAR & SHARE TRANSFER AGENTS :

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

FROM THE CHAIRMAN'S DESK



Dear Shareholders,

I am happy to report that in spite of global economic slowdown your company was able to not only improve the performance during the year by registering 11.51% growth in the sales but also increased EBIDT margin by 29.01% during the year. Due to higher Capex of around Rs. 65 crores financial cost and depreciation have increased during the year. Further, higher provision of deferred tax has impacted on net profit but the Company was able to maintain Profit Before Tax at the same level.

The sales of the Company has increased from 374.44 crores to Rs. 417.52 crores during the year. EBIDT has increased from 17.28 cores to Rs. 22.29 crores.

As you are aware that the Company's products are marketed under the name and style of "Mahamaya Steel Industries" and therefore in order to take benefit of the goodwill of the name, the Company has changed its name from "Rajesh Strips Limited" to "Mahamaya Steel Industries Limited".

The Company has expanded its production facilities in Heavy Structural Mill and the entire Capex has been funded internally i.e. by allotment of 8% Redeemable Non Convertible Non Cumulative Preference Share of Rs 10/- each for Rs. 22 crores.

I wish to share the noteworthy happenings in your company:

- Company had entered into agreement with Steel Authority of India Limited for conversion of its structural products in the year 2007-08. During the year Company has done significant business under this contract. SAIL is one of the Navratna Companies of Government of India and it's trust on your Company for assigning conversion contract shows the competency and commitment of the Company. Association of the Company with SAIL is expected to help the Company to generate more business and revenue.
- During the year the Company has successfully completed its first phase of expansion of Heavy Structure Mill with the capacity of 1,50,000 MT PA. This along with the existing capacity of 105,000 MT p.a. will not only help the Company to generate additional revenue but will also help to improve the profitability by using large size of production facility.

I wish to thank our staff at all levels for their value based commitment and diligent discharge of their assigned functions, which has contributed collectively to our Company's success in maintaining our product quality and services. I wish them all the best and look forward to their continued, ethical, energetic and diligent application towards their responsibilities.

Before I conclude, I must thank all of you for your continued support and confidence reposed in the company. I would also like to place on record my sincere thanks to all our shareholders, customers, business associates and bankers. Needless to mention I look forward to the continued cooperation of one and all in the years to come.

With due regards,

Ramanand Agrawal
Chairman & Managing Director

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of Mahamaya Steel Industries Ltd will be held on 29th September, 2009 at 11.00 A.M. at its registered office at Plot B/8-9, Sector-C, Urla Industrial Area, Sarora, Raipur - 493 221 (Chhattisgarh) to transact the following business:

AS ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2009 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2009 on Equity Shares.
3. To appoint a director in place of Mr. Neeraj Kansal who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a director in place of Mr. Suryakant Sharma who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint M/s Batra Deepak & Associates, Chartered Accountants as Statutory auditors of the Company for the financial year 2009-2010 to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, with or without modification(s) the following Resolutions as a Special Resolution:

RESOLVED THAT pursuant to the provisions of section 94 and all other applicable provisions if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the Authorised Share Capital of the Company of Rs. 50,00,00,000 (Rupees Fifty Crore only) divided into 2,50,00,000 (Two crore Fifty Lakh only) Equity Shares of Rs. 10/- each aggregating to Rs. 25,00,00,000 (Rupees twenty five crore only) and 30,00,000 (Thirty Lakh only) Redeemable Preference Shares of Rs. 10/- each aggregating to Rs. 3,00,00,000/- (Rupees Three Crore only) (Convertible into Equity Shares as per the terms of issue) and 2,20,00,000 (Two Crore Twenty Lakh only) 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 10/- each aggregating to Rs. 22,00,00,000/- (Rupees Twenty Two Crore only) be and is hereby reclassified as Rs. 50,00,00,000 (Rupees Fifty Crore only) divided into 1,50,00,000 (One crore Fifty Lakh only) Equity Shares of Rs. 10/- each aggregating to Rs. 15,00,00,000 (Rupees Fifteen crore only) and 30,00,000 (Thirty Lakh only) Redeemable Preference Shares of Rs. 10/- each aggregating to Rs. 3,00,00,000/- (Rupees Three Crore only) (Convertible into Equity Shares as per the terms of issue) and 3,20,00,000 (Three Crore Twenty Lakh only) 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 10/- each aggregating to Rs. 32,00,00,000/- (Rupees

Thirty Two Crore only) on terms and conditions as may be decided by the Board of Directors and shall rank in priority to the Equity Shares in the event of winding up of the Company but shall not be entitled to any participation in the profits or surplus of the Company and consequently the respective capital clauses of the Memorandum and Articles of Association of the Company do stand altered accordingly and as also provided in the resolutions below.

7. To consider and if thought fit, with or without modification(s) the following Resolutions as a Special Resolution:

RESOLVED THAT pursuant to the provisions of section 16 and all other applicable provisions if any of the Companies Act, 1956 the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following Clause V:

V. The Authorised Share Capital of the Company is Rs. 50,00,00,000 (Rupees Fifty Crore only) divided into 1,50,00,000 (One crore Fifty Lakh only) Equity Shares of Rs. 10/- each aggregating to Rs. 15,00,00,000 (Rupees Fifteen crore only) and 30,00,000 (Thirty Lakh only) Redeemable Preference Shares of Rs. 10/- each aggregating to Rs. 3,00,00,000/- (Rupees Three Crore only) (Convertible into Equity Shares as per the terms of issue) and 3,20,00,000 (Three Crore Twenty Lakh only) 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 10/- each aggregating to Rs. 32,00,00,000/- (Rupees Thirty Two Crore only) on terms and conditions as may be decided by the Board of Directors and shall rank in priority to the Equity Shares in the event of winding up of the Company but shall not be entitled to any participation in the profits or surplus of the Company with power to divide the shares in the capital for the time being into Equity share capital and /or Preference share capital, with or without voting rights as may be permissible at law, and to attach thereto respectively, any preference shares, qualified or special right, privileges or conditions as may be determined by or in accordance with the provisions of the Companies Act 1956 and the regulations of the Company, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

8. To consider and if thought fit, with or without modification(s) the following Resolutions as Special Resolution:

RESOLVED THAT pursuant to the provisions of section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the existing Articles of Association of the Company be and are hereby altered by substituting the existing Article 4a with the following Article:

4A. The Authorised Share Capital of the Company is Rs. 50,00,00,000 (Rupees Fifty Crore only) divided into 1,50,00,000 (One crore Fifty Lakh only) Equity Shares of Rs. 10/- each aggregating to Rs 15,00,00,000 (Rupees Fifteen crore only) and 30,00,000 (Thirty Lakh only) Redeemable Preference Shares of Rs. 10/- each aggregating to Rs. 3,00,00,000/- (Rupees Three Crore only) (Convertible into Equity Shares as per the terms of issue) and 3,20,00,000 (Three Crore Twenty Lakh only) 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 10/- each aggregating to Rs. 32,00,00,000/- (Rupees Thirty Two Crore only) on terms and conditions as may be decided by the Board of Directors and shall rank in priority to the Equity Shares in the event of winding up of the Company but shall not be entitled to any participation in the profits or surplus of the Company with power to divide the shares in the capital for the time being into Equity share capital and/or Preference share capital, with or without voting rights as may be permissible at law, and to attach thereto respectively, any preference shares, qualified or special right, privileges or conditions as may be determined by or in accordance with the provisions of the Companies Act 1956 and the regulations of the Company, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

9. To consider and if thought fit, with or without modification(s) the following Resolutions as Special Resolutions:

RESOLVED THAT pursuant to the provisions of section 80, 80A, 81 and all other applicable provisions if any of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), and subject to all such provisions, consents, permissions or sanctions of the appropriate authorities that may be required in this connection and subject to such conditions, modification as may be prescribed while granting such approvals and which may be agreed to by the Board of Directors of the company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers including the powers conferred by this resolution) the consent of the company be and is hereby accorded to the Board to issue and offer upto 1,00,00,000 (One Crore) 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 10/- each aggregating Rs. 10,00,00,000 (Rs. Ten Crore) at a premium of Rs. 10/- per share to such persons, companies or other entities whether members of the company or not, by way of private placement from time to time in one or more tranches for meeting Capital Expenditure, Working Capital requirement and for other Corporate purposes and/or by one or more of above as the Board may deem fit, as per and terms and conditions as the Board may in its absolute discretion. The said

preference shares shall be redeemable at a premium of Rs. 10 per share.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for removal of any difficulty or doubt, the Board (which term shall be deemed to include a committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as may in its absolute discretion deem necessary, expedient, usual or proper and to settle any question or difficulty that may arise with regard to the above or any other matter incidental or consequential thereto.

10. To consider and, if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT the consent of Shareholders be and is hereby accorded pursuant to the provisions of Section 80, 80A and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company (hereinafter called "the Board" and which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) for early redemption of Redeemable Preference Shares of Rs. 1,97,23,000/- - at a suitable discounted rate as allowed by "IDBI" - the Preference Share Holder, which are due for redemption being Rs. 1,00,00,000/- on 24/08/2010 and Rs. 97,23,000/- on 24/08/2011.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for removal of any difficulty or doubt, the Board (which term shall be deemed to include a committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as may in its absolute discretion deem necessary, expedient, usual or proper and to settle any question or difficulty that may arise with regard to the above or any other matter incidental or consequential thereto.

BY ORDERS OF THE BOARD
For, MAHAMAYA STEEL INDUSTRIES LIMITED

Sd/

RAMANAND AGRAWAL
CHAIRMAN CUM MANAGING DIRECTOR

Place: Raipur

Date: 1st September, 2009

NOTES:

1. During the year the Company has changed its name from Rajesh Strips Ltd to Mahamaya Steel Industries Ltd.
2. On 25th March, 2009, the company has issued and allotted 2,20,00,000 (Two Crore Twenty Lakh) 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 10/- each with the terms and condition that no dividend will be paid for the year ended 31st March, 2009. In view of this, the Board of Directors have not recommended any dividend on Preference Shares.
3. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the registered office of the Company, not less than 48 hours before the commencement of the Annual General Meeting i.e. by 10.30 am on 27th September, 2009.
4. Corporate members are requested to send duly certified copy of the Board resolution, pursuant to section 187 of the Companies Act, 1956 authorizing their representative to attend and vote at the Annual General Meeting.
5. Members are requested to bring their admission slips alongwith copy of the annual report to the Annual General Meeting.
6. Members who wish to obtain information on the Company or view the accounts for the financial year ended 31st March, 2009 are requested to send their queries atleast 10 days before the Annual General Meeting of the Company to the Company Secretary at the Registered Office of the Company.
7. All the documents referred to in accompanying notice are available for inspection at the Registered Office of the Company on all working days between 11.00 AM to 1.00 PM upto the date of Annual General Meeting.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd September, 2009 to 29th September, 2009 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend. If the dividend as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made on or after 30th September, 2009.
9. Members are requested to intimate to the Company the changes in the address, if any, immediately to the Company's Registrar M/s. System Support Services, 209, Shivai Ind. Estate, Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072.
10. Members may avail nomination facility as provided under Section 109 A of the Companies Act, 1956.
11. As per the requirement of Clause 49 of the Listing Agreement on Corporate Governance for appointment of the Directors/reappointment of the retiring Directors,

a statement containing the details of the concerned Directors are given below as Annexure to Notice.

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

Name of Director	Mr. Neeraj Kansal	Mr. Suryakant Sharma
Age	39 years	37 years
Date of appointment	27.09.2003	17.10.2007
Expertise in specific functional area	Having experience of more than 15 years in Business and Industrial Sector.	Having experience of over 15 years in General Administration Business and Industrial Sector.
List of Companies in which Directorship held as on 31 st March, 2009. (Other than Mahamaya Steel Industries Ltd.)	3 1 NIL	NIL
Chairman/Member of Committees of the Boards of Other companies on which he/she is a Director as on 31 st March, 2009.	NIL	NIL

BY ORDERS OF THE BOARD
For, MAHAMAYA STEEL INDUSTRIES LIMITED

Sd/

RAMANAND AGRAWAL
CHAIRMAN CUM MANAGING DIRECTOR

Place: Raipur
Date: 1st September, 2009

Item Nos. 6, 7 and 8 - Reclassification in the authorised share capital

The Company has expanded its production capacities and also expanding its existing production capacity and adding other related business lines and therefore will need long term capital resources to fund its growth plan. Since the listing of Equity Shares of the Company are under suspension by BSE Ltd and the Company can not issue Equity Shares and now left with the option to raise long term resources by issuing Preference Shares. It is therefore deemed appropriate to reclassify unused Equity Capital into 8% Redeemable Non-Convertible Non-Cumulative Preference Shares and for that purpose, the Memorandum of Association and the Articles of Association of the Company are proposed to be suitably altered as set out at Item Nos. 7 and 8 of the accompanying notice.

The provisions of the Companies Act 1956 requires the Company to seek the approval of the members by way of a Special Resolution for reclassification in the authorised share capital and for alteration of the Capital Clause of the Memorandum and Articles of Association of the Company.

The Board of Directors accordingly recommends the Resolutions set out at Item Nos. 6, 7 and 8 of the accompanying notice for the approval of the members.

None of the Directors of the Company are, in any way, concerned or interested in the said resolution.

Item No. 9: Allotment of 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 10 crores

The company has expanded its production capacities and is further expanding its capacities and creating additional facilities to support the existing product line and even diversifying into related business line. This expansion, diversification and modernization requires huge amount of capital investment by way of long term funds. Since the trading of equity shares are under suspension by BSE Ltd and therefore for raising long term resources company can issue Preference Shares.

In view of this the Board of Directors of the company have decided to raise capital by issuing 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 10 crores at a premium of Rs. 10/- per share to meet the capital requirement of the company. Said shares shall be redeemable at a premium of Rs. 10/- per share. The provisions of the Companies Act 1956 require the company to seek the approval of the members by way of a special resolution for allotment of Redeemable Non-Convertible Non-Cumulative Preference Shares. The Board of Directors accordingly recommends the resolutions set out at Item No. 9 of the accompanying notice for the approval of the members.

None of the Directors of the company are, in any way, concerned or interested in the said resolution.

Item No. 10: Redemption of Preference Shares issued to IDBI Bank of Rs. 1,97,23,000/-

As on date Redeemable Preference Shares of Rs. 1,97,23,000/- are outstanding which were issued to IDBI under One Time Settlement. The company has submitted an application to IDBI seeking their confirmation for an early redemption of outstanding Redeemable Preference Shares.

The provisions of the Companies Act 1956 require the company to seek the approval of the members by way of a special resolution for early redemption of Redeemable Preference Shares. The Board of Directors accordingly recommends the resolutions set out at Item No. 10 of the accompanying notice for the approval of the members.

None of the Directors of the company are, in any way, concerned or interested in the said resolution.

BY ORDERS OF THE BOARD
For, MAHAMAYA STEEL INDUSTRIES LIMITED

Sd/

RAMANAND AGRAWAL
CHAIRMAN CUM MANAGING DIRECTOR

Place: Raipur
Date: 1st September, 2009

DIRECTOR'S REPORT

Dear Share holders,

The Directors have pleasure in presenting the Twenty First Annual Report along with the audited Balance Sheet and Profit and Loss Account of Mahamaya Steel Industries Limited for the year ended on 31st March, 2009

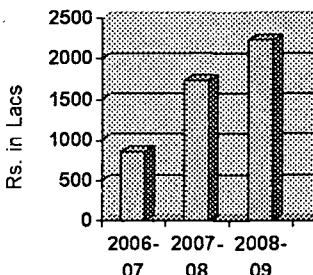
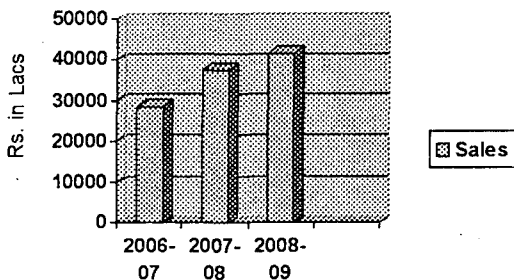
1. FINANCIAL RESULTS

(Rs. in lacs)

Particulars	2008-09	2007-08
Sales	41752.87	37444.13
Profit Before Tax	1329.26	1317.61
Taxes and Deferred Tax Adjustment	595.13	395.34
Profit After tax	734.13	922.27
Appropriations:		
Proposed dividend	67.85	101.78
Tax on dividend	11.53	17.30
Amount transferred to General Reserve	146.83	184.45
Amount transferred to Redemption Reserve	301.23	50.48
Add: Brought forward profit (losses)	1913.74	1328.09
Add: Provision of Dividend written back	0	17.39
Profit (Loss) carried over to balance sheet	2120.43	1913.74
Earning per share (Rs.)	5.41	6.80

2. PERFORMANCE

In spite of difficult economic condition and recession in steel industry across globe, the company has registered 11.51% growth in sales for the year ended 31st March 2009 over the previous year. The EBITA has increased from Rs. 1728.09 lacs to Rs. 2229.42 lacs registering a growth of 29.01% and Profit before tax has increased from Rs. 1317.61 Lacs to Rs. 1329.26 Lacs thereby maintaining the last year's level. However due to higher provision of deferred tax, net profit has shown some down trend.



3. CHANGE OF NAME

During the year, the Company has changed its name to Mahamaya Steel Industries Ltd on the basis of approvals given by the shareholders through Postal Ballot.

4. ISSUANCE OF PREFERENCE SHARES

During the year under review, on 25th March, 2009 the Company has allotted 2,20,00,000 (Two Crore Twenty Lakh) 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 10/- each on the basis of approvals given by shareholders in EGM dated 23rd March, 2009.

5. DIVIDEND

Your Directors recommend a dividend of Re. 0.50 per share on 1,35,70,400 Equity shares of the face value of Rs. 10/- each, aggregating Rs.67.85 Lakhs for the year ended 31st March, 2009.

The Register of Members and the share transfer books will remain closed from 22nd September, 2009 to 29th September, 2009 both days inclusive. The Annual General Meeting of the Company is scheduled to be held on 29th September, 2009.

Since the Preference Shares were allotted on 25th March, 2009, the directors have not recommended any dividend on the said Preference Shares.

6. TRANSFER TO RESERVE

The Company has transferred Rs. 146.83 lacs to the General Reserve and Rs. 301.23 lacs to Capital Redemption Reserve out of the amount available for appropriation and an amount of Rs. 2120.43 Lacs is retained in the Profit and Loss Account.

7. INVESTMENT IN SHARES

During the year Company has invested in equity shares of a body corporate. The investment is made as a trade investment with long term view.

8. INFORMATION ON THE STATUS OF AFFAIRS OF THE COMPANY

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

9. CREDIT RATING

CRISIL has assigned SME 2 (High) rating to the Company which indicates the level of creditworthiness, adjudged in relation to other SMEs.

10. PUBLIC DEPOSIT

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

11. SUBSIDIARY

Your Company has no subsidiary.

12. CORPORATE SOCIAL RESPONSIBILITY

Your Company is keen on its responsibility towards social obligations. Company has made contribution for running of schools for education of children in tribal and remote areas.

13. MANAGEMENT DISCUSSION & ANALYSIS

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

14. STOCK EXCHANGE

The Equity shares of the Company are listed on Bombay Stock Exchange, M.P. Stock Exchange, Jaipur, Kolkata and Hyderabad Stock Exchange. The annual listing fees for the year 2008-09 has been paid only to Bombay Stock Exchange as the Company is in process of complying with de-listing formalities with other Stock Exchanges. The Company has complied the requirements suggested by BSE for revocation of suspension and is in the process of submitting documents for issuing listing permission for 90,54,600 shares. Once, BSE revokes suspension, the company will get ISIN Number from NSDL and CDSL after execution of required agreements.

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

● ABSORPTION OF TECHNOLOGY

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

● FOREIGN EXCHANGE EARNING AND OUTGO

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

Foreign Exchange Outgo: For Import of Consumable Stores- Euro 117,800 (Rs. 80.05 Lacs)

16. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

i) The Company has, in the preparation of the annual accounts, followed the applicable accounting standards along with proper explanations relating to material departures, if any;

ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are responsible and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2009 and of the profit of the Company for the year ended March 31, 2009;

iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) The Directors have prepared the annual accounts for the year ended March 31, 2009 on a going concern basis.

17. RE-APPOINTMENT OF DIRECTORS

As per the provisions of the Companies Act, 1956 read with Articles of Association of the Company, Mr. Neeraj Kansal and Mr. Suryakant Sharma retire by rotation and being eligible offer themselves for re-appointment.

18. CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement, the report on Corporate Governance together with the Auditor's Certificate on compliance in this regard forms a part of this Annual Report.

19. AUDITORS

M/s. Batra Deepak & Associates, Chartered Accountants, who are auditors of the company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The members are requested to consider their re-appointment for the financial year 2009-10 and authorise the Board of Directors to fix their remuneration. The retiring auditor have, under Section 224 (1B) of the Companies Act, 1956, furnished certificate of their eligibility for the reappointment.

20. PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, are given in annexure appended hereto and forms part of this report. In terms of Section 219 (1) (iv) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid annexure. Any shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

21. INDUSTRIAL RELATIONS

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

22. ACKNOWLEDGEMENT

The Directors would like to express their sincere appreciation for the co-operation and assistance received from Financial Institutions, Bankers, Officers of State Government, Central Government, human resources, customers, vendors, investors and business associates of the Company. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance during the year.

BY ORDERS OF THE BOARD
For, MAHAMAYA STEEL INDUSTRIES LIMITED

Sd/

RAMANAND AGRAWAL
CHAIRMAN CUM MANAGING DIRECTOR

Place: Raipur
Date: 30th June, 2009

ANNEXURE: FORM 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	2008-2009	2007- 2008	
A. POWER & FUEL CONSUMPTION:			
Electricity Purchased			
Unit (KWH)	Rolling Mill	76,63,300	66,52,860
	SMS Plant	4,99,52,520	-----
Total Amount		19,85,00,363	2,62,83,849
Rate / Unit		3.45	3.95
FURNACE OIL:			
Quantity (Kilo Litres)		5639.86	5346.14
Total Cost		13,82,81,006	10,53,94,591
Average Rate (Per Litre)		24.52	19.71
B. CONSUMPTION PER UNIT OF PRODUCTION:			
Rolling Mill Division			
Production (MT) *		123,653.200	105,079.257
Electricity (unit)		61.97	63.31
Furnace Oil (Lts.)		45.61	50.88
SMS Division			
Production (MT)		58201.720	Nil
Electricity (unit)		858.26	N.A

Note: Production does not include conversion production by outside parties of 7087.190 MT (Previous Year 2298.875 MT)

BY ORDERS OF THE BOARD
For, MAHAMAYA STEEL INDUSTRIES LIMITED

Sd/

RAMANAND AGRAWAL
CHAIRMAN CUM MANAGING DIRECTOR

Place: Raipur
Date: 30th June, 2009

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**Global Economy**

The year 2008-09 has been an unprecedented year with extremely difficult economic condition across the globe. Growth momentum dipped significantly for economies across the world during last fiscal. Most developed countries are experiencing the deepest recession. The sub-prime crisis that erupted in the US and Western Europe impacted the global financial system, resulting in a significant cut-back in investment flows and the availability of funds.

The IMF estimates Global GDP to decline by 1.3% in 2009 - the deepest recession post World War II, with high income countries declining by 3.8% and growth in developing countries slowing down to 1.6%. The Indian economy is expected to grow between 4.5% to 5.5% in FY 2009-10.

Real GDP growth
(%)

	2007	2008	2009(F)
World	3.8	2.1	(2.5)
Advance economics	2.7	0.9	(3.8)
Developing economics	8.3	6.1	1.6

(Source: IMF)

Indian economy

India like all emerging economies has been impacted by crisis, and much than was expected earlier. GDP growth has moderated lower industrial production, negative exports, declaration in services activities, dented corporate margins and diminished business confidence.

As per estimates of RBI the Indian economy is likely to grow 6.5% in 2008-2009 as against 9% in 2007-08. In January 2009, the RBI projected growth for 2008-2009 at 7% with a downward bias. However the downside risks have since materialized and the GDP growth for 2008-09 is now projected to be in the range of 6.5% to 6.7%. The fiscal and monetary stimulus measures taken during 2008 -09 has stabilized domestic economic activity. With the assumption of normal monsoon and for policy purpose real GDP growth for 2009- 10 can be around 6%.

Contributors to GDP:

Particulars	2006-07	2007-08	2008-09
GDP of factor cost (%)	9.6	9	6.5- 7.1
Agriculture (%)	18.5	17.8	17.1
Manufacturing (%)	15.3	15.2	14.8
Industry (%)	26.7	26.5	26.9
Service (%)	54.8	50.57	57.00

Policy action:

- Reduction in Repo Rate from 5% to 4.75%
- Reduction in Reverse Repo Rate from 3.5% to 3.25%
- Keeping the CRR unchanged at 5%
- Reducing Excise Duty by 4% to 10% and then by a further 2%.
- Reducing Excise Duty to 4% on petroleum products
- Increased Infrastructure investment for ports and highways

- Concessional finance for home loans and small and medium enterprises loans
- Incentive to certain aligned centres to boost demand

Global Steel Industry:

World crude steel production has reached a level of 1329 mn tones during 2008 with the decline of 1.1% on year to year basis though in the year 2007-08 the world crude steel production has grown at a compounded annual growth rate of 7.9%. The growth in crude steel production was mainly driven by emerging countries such as China and India which registered a compounded annual growth rate of 18.7% and 10.6% respectively. With the global economic meltdown in 2008, the global crude steel production has registered a negative growth from August onwards on year to year basis. Steel industry accounts for approximately 2% of global economy and 3.5% of global merchandise rate. The industry has witnessed high demand leading to record prices which was followed by reduction in demand and reduction in prices.

Due to recession in economy, the investment activity has also reduced substantially adversely affecting the steel consumption which leads to production cut off to the extent of 25% of capacity.

Indian steel Industry:

India's finished steel production has increased from 35.4 mn tones in during 2003 to 52.8 mn tones during 2008 registering a growth of 8.3%. During the same period finished steel consumption has grown at an incremental rate of 11.9%. Demand of steel in the country has been growing at a multiplication factor of approximately 1.2 - 1.3 % of the growth rate of the economy. Construction sector is the largest consumer of steel and accounted for around 52% of total finishes steel consumption during 2008.

India is self sufficient in iron ore but for coking coal it is dependant on the imports. Iron ore production has increased from 123 mn tones during 2004 to 204 mn tones during 2008 registering growth of 13.9%. During 2008 India produced around 204 mn tones of iron ore and consumed 100 mn tones internally and balance was exported. On the other hand coal import has increased to double in last 6 years.

India has total installed capacity of 50 mn tones wherein majority part owned and controlled by public sector and large private manufacturers. The growth of steel has been at an average of 5% both in production and consumption for decades. But during 2002-2008 the growth had nearly doubled to 10% whereas steel consumption increased by 13%. The heat of global meltdown was felt by Indian Steel Industry during October 2008 to December 2008. But the trend has changed & all key factories of recovery are in witness and it is expected with good monsoon Indian Steel Industry should do well. During 2007-08 India was the net steel importing country thereby creating ample opportunities to domestic industry to meet the growing demands. The industry has seen a high demand of steel during the first half of 2008-09 with increase in the price while there was low demand in the remaining period with decrease in the price.

COMPANY'S OPERATION :

During th year the Company has completed first phase of its SMS Plant with the capacity of 1,48,500 MT PA. The Company is in the process of expanding the production capacities in the Second Phase.

The Company has Heavy Structure Mill with the capacity of 1,05,000 MT PA and during the year the Company has successfully completed first phase of expansion by adding capacity of 1,50,000 MT PA

Company had entered into agreement with Steel Authority of India Limited for conversion of its structural products in the year 2007-08. During the year Company has done significant business under this contract. SAIL is one of the Navratna Companies of Government of India and it's trust of assigning conversion contract shows the competency of the Company. Association of the Company with SAIL has helped the Company to generate more business and revenue

OUTLOOK ON OPPORTUNITY

Government's initiative on infrastructure development that includes express highways, national highways, new airports, ports, SEZ, housing for low income group and other real estate sector has been demonstrated by number of policy announcements. Construction being the major user of steel and the government emphasis on the infrastructure will certainly create opportunities for steel industries. The successful implementation of Delhi metro has encouraged implementation of metro project in other cities like Mumbai, Hyderabad etc. Since the Company is having Heavy Structure Mill and was a key supplier of Delhi Metro Project, the implementation of Mumbai and Hyderabad Metro Projects will give boost to the opportunities available in Heavy Steel Structure segment.

BUSINESS OPERATIONS

The company has achieved a turnover of Rs. 417.52 crores in comparison to last year's turnover of Rs. 374.44 crores thereby registering additional turnover of Rs. 43.08 crores in terms of amount with the growth of 11.50% which includes revenue generated from Steel Authority of India Ltd. from conversion contracts. In adverse economic condition, better utilization of resources and effective cost control has resulted into 29.01% growth in EBITA.

OUTLOOK ON THREATS, RISKS AND CONCERNS

Uncertain economic recovery position with the risk of poor monsoon may create problems in the growth of steel industry which will directly or indirectly affect the Company. The technological upgradation started in China will also have bearing on the development of the steel industry and consequently on the Company. Uncertain financial market where rate of interest are fluctuating and will have effect on the costing of the term loans obtained from banks and financial institutions.

The manufacturing of steel products involve the process which is hazardous and require due care to safeguard the health of the workforce. Frequent changes in the economic policies by the Government may also create risks for the Company.

The Company is taking steps to overcome these threats and risks and adopting latest technology in executing all expansion projects. Special care is taken to spend money on the research and development to find out the new markets and products and utilize available resources to meet the demand of new market and to produce new products. In order to meet economic risks, the Company has issued preference shares which has a fixed cost to avoid any fluctuation in the interest component of the secured and un-secured loans. Facilities are created at the factory premises to assist the workforce from any unfortunate event.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has an adequate internal audit and control system across all departments. All operational activities are subject to internal audits at frequent intervals. The reports of the internal audit are being reviewed by the Audit Committee and corrective actions are being taken by the Company as and when required.

FINANCIAL PERFORMANCE

The company has registered 11.51% growth in sales for the year ended 31st March 2009 over the previous year by registering sales of Rs. 417.52 Crores as compared to Rs. 374.44 crores. The EBITA has increased from Rs. 1728.09 lacs to Rs. 2229.42 lacs registering a growth of 29.01%.

HUMAN RESOURCES

The Company's human resource continues to be the biggest asset of the Company. The team has remained as committed as ever and produced results that are considered significant. Quality, quick delivery and focus on resolving customer issues are the hallmark of the team performance. There is a strong focus on teamwork and team building and during the year, many events were conducted to achieve this objective. Employee relations continue to be cordial.

CAUTIONARY STATEMENT

Statement made in this Management's Discussion and Analysis contains certain forward looking statements based on various assumptions on the Company's present and future business strategies and environment in which it operate. Actual results may differ materially from those expressed or implied due to risk and uncertainty. These risks and uncertainty includes the effect of economic and political condition in India and abroad, new regulations and Government policies.

ANNEXURE 'B'
CORPORATE GOVERNANCE

Corporate Governance essentially is a system by which companies are directed and controlled by the management in the best interest of stake holders and others. Corporate Governance ensures fairness, transparency, accountability and integrity of the management. Corporate Governance is a way of life, rather than a mere legal compulsion.

In compliance with the disclosure requirements of Clause 49 of the Listing Agreement executed with the stock exchanges, the details are set out below:

BOARD OF DIRECTORS:
COMPOSITION:

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors and is in conformity with Clause 49 of the Listing Agreements entered into with Stock Exchanges. All Independent Non-Executive Directors comply with the legal requirements of being "Independent".

Category of Directors	No. of Directors	% to the Board
Promoters, Executive (including CMD)	3	37.5%
Non-Promoters, Executive	1	12.5%
Independent, Non-Executive	4	50%

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees (as per Clause 49 (I) (C) (ii)) across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2009 have been made by the Directors.

MEETINGS HELD:

The Board met Thirteen (13) times on the following dates during the financial year 2008-2009.

28th Apr. 2008, 10th May 2008, 28th June 2008, 30th July 2008, 11th Aug. 2008, 28th Aug. 2008, 26th Sept. 2008, 20th Oct. 2008, 6th Nov. 2008, 20th Nov., 2008, 15th Jan. 2009, 30th Jan. 2009, 25th March 2009

BOARD PROCEDURE:

The Annual calendar of the Board meeting is agreed upon at the beginning of the year.

The agenda is circulated well in advance to the Board members. The items in the agenda are backed by comprehensive background information to enable the board to take appropriate decisions. In addition to the information required under Annexure 1A to Clause 49 of the Listing Agreement, the Board is also kept informed of major events/ items and approvals taken wherever necessary. The Chairman and Managing Director at the Board meetings keep the board apprised of the overall performance of the company.

CODE OF CONDUCT:

The company has adopted Code of Conduct for all the Directors and Senior Management personnel, which is in compliance with the requirements of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. The Code has been posted on the company's website.

Further all the Board Members and Senior Management personnel have affirmed compliances with the Code. The declaration to this effect signed by the Chairman and Managing Director forms part of this report.

Details of Directors seeking re-appointment at the ensuing Annual General Meeting, pursuant to Clause 49 of the Listing Agreement, have been given alongwith the notice of Annual General Meeting.

CATEGORY AND ATTENDANCE OF DIRECTORS:

The names and categories of the Directors on the Board, their attendance at the Board meetings held during the year and the number of directorships and Committee Chairmanships/Memberships held by them in other Companies as on 31st March 2009 is given below.

Name	Category	No. of Board Meetings attended	Whether attended last AGM.	Directorships in other companies	Chairmanship in Committees of Boards of other Companies	Membership in Committees of Boards of other Companies
Ramanand Agrawal	Executive	13	Yes	Five	Nil	Two
Gulab Devi Agarwal	Executive	10	Yes	Nil	Nil	Nil
Rajesh Agrawal	Executive	12	Yes	Three	Nil	One
D.K. Porwal	Executive	13	Yes	Nil	Nil	Nil
Neeraj Kansal	Non Executive	11	Yes	Nil	Nil	Nil
Gitesh Agrawal	Non-Executive	9	Yes	One	Nil	Nil
Suryakant Sharma	Non-Executive	10	Yes	Nil	Nil	Nil
Anil Kumar Sharma	Non-Executive	11	Yes	Nil	Nil	Nil

Notes:

1. Mr. Neeraj Kansal retires by rotation and offers himself for reappointment.
2. Mr. Suryakant Sharma retires by rotation and offers himself for reappointment.

AUDIT COMMITTEE:

(A) COMPOSITION AS ON 31ST MARCH, 2009

Shri Neeraj Kansal	Chairman
Shri D.K. Porwal	Member
Shri Suryakant Sharma	Member

All the members of the Committee are having requisite knowledge of Finance and Accounts. The constitution and Terms of Reference of the Committee are in compliance with the requirements of Section 292 A of the Companies Act 1956 and Clause 49(II) (A) of the Listing Agreement.

(B) MEETINGS HELD:

The Committee met five times during the financial year ended 31st March, 2009 on 23th April, 2008, 26th June, 2008, 26th July, 2008, 17th October, 2008 and 24th January, 2009.

Meetings are scheduled well in advance. The Audit Committee considers and recommends the financial results for approval of Board.

Name	Category	No. of meetings during the year	
		Held	Attended
Shri Neeraj Kansal (Chairman)	Non Executive	Five	Five
Shri D.K. Porwal	Executive	Five	Five
Shri Suryakant Sharma	Non Executive	Five	Four

(C) POWERS OF AUDIT COMMITTEE

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

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

(D) ROLE OF AUDIT COMMITTEE

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

- (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
- (b) Changes, if any, in accounting policies and practices and reasons for the same.
- (c) Major accounting entries involving estimates based on the exercise of judgment by management.
- (d) Significant adjustments made in the financial statements arising out of audit findings.
- (e) Compliance with listing and other legal requirements relating to financial statements.
- (f) Disclosure of related party transactions.
- (g) Qualification in the draft audit report.

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

(E) REVIEW OF INFORMATION BY AUDIT COMMITTEE

The Audit Committee reviews inter alia, following matters:

- a. Management Discussion and Analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

REMUNERATION COMMITTEE:

COMPOSITION AS ON 31ST MARCH 2009

Shri Suryakant Sharma	Chairman
Shri Anil Kumar Sharma	Member
Shri Gitesh Agrawal	Member

MEETINGS HELD:

During the financial year 2008-2009, Two meetings were held as detailed below:

Name of the Member	Date of meetings		No. of meetings attended
	1 st June, 2008	8 th Jan., 2009	
Shri Suryakant Sharma	Yes	Yes	Two
Shri Anil Kumar Sharma	Yes	Yes	Two
Shri Gitesh Agrawal	Yes	Yes	Two

TERMS OF REFERENCE:

- To appraise the performance of Managing and Executive Director.
- To determine and recommend to the Board compensation payable to Managing and Executive Director.

REMUNERATION TO DIRECTORS:

- (a) Details Of Remuneration for the Year 2008-09:

(Rs. In Lacs)

Sr. No.	Name	Salary For the year	Perquisites (Computed under IT Act)
1	Shri Ramanand Agrawal	60.00	NIL
2	Shri Rajesh Agrawal	54.00	NIL
3	Smt. Gulab Bai Agrawal	36.00	NIL
4	Shri D.K. Porwal	5.30	NIL

- (b) Non-Executive Director

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

NO. OF SHARES HELD BY DIRECTORS:

The shareholding of the Directors as on 31st March, 2009 is as under:

Directors	No. of shares	% of the paid-up Capital
Shri Ramanand Agrawal	2,139,788	15.77
Smt. Gulab Bai Agrawal	1,082,082	7.97
Shri Rajesh Agrawal	899,510	6.63
Shri D.K. Porwal	Nil	-----
Shri Neeraj Kansal	Nil	-----
Shri Gitesh Agrawal	Nil	-----
Shri Suryakant Sharma	Nil	-----
Shri Anil Kumar Sharma	Nil	-----

INVESTORS' GRIEVANCE COMMITTEE:

COMPOSITION AS ON 31ST MARCH, 2009

Shri Neeraj Kansal	Chairman
Shri Rajesh Agrawal	Member
Shri Gitesh Agrawal	Member

MEETINGS HELD:

During the financial year 2008-2009, Three meetings were held as detailed below:

Name of the Member	Date of meetings			No. of meetings attended
	25th Aug. 2008	24th Nov. 2008	19th Jan. 2009	
Shri Neeraj Kansal	Yes	Yes	Yes	Three
Shri Rajesh Agrawal	Yes	Yes	Yes	Three
Shri Gitesh Agrawal	Yes	No	Yes	Two

TERMS OF REFERENCE:

To look into redressal of Investors' complaints and requests such as transfer of shares, non-receipt of dividend, Annual Report etc.

Based on the report received from the company's Registrar, number of complaints received from shareholders, comprises of correspondence identified as complaints i.e. letter received through statutory/regulatory bodies.

Status of Investors' complaints as on 31st March 2009 and reported under Clause 41 of the Listing Agreement are as under:

Complaints as on 1st April 2008	Nil
Received during the year	1
Resolved during the year	1
Pending as on 31st March 2009	Nil

Name, Designation and Address of Compliance Officer:

Mr. Prahallad Sawadia
 Company Secretary
 Mahamaya Steel Industries Limited
 B/8-9, Sector C, Urla Industrial Area
 Sarora, Raipur - 493 221 (C.G.)

ANNUAL GENERAL MEETING:

Date	Venue	Time	No. of Special Resolutions
19th Aug. 2006	B/8-9, Sector-C Urla Industrial Area Sarora, Raipur (C.G.)	3.00 pm	Nil
28th Sep. 2007	B - 8/9, Sector-C Urla Industrial Area Sarora, Raipur (C.G.)	11.00 am	Nil
11th Aug. 2008	B - 8/9, Sector-C Urla Industrial Area Sarora, Raipur (C.G.)	11.00 am	ONE

POSTAL BALLOT:

Resolution passed through Postal Ballot on 31st December, 2008.

- i) A Special Resolution was passed on 31st December, 2008 through postal ballot, pursuant to section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, for Change of Name of the Company from Rajesh Strips Limited to Mahamaya Steel Industries Limited.
- ii) A Special Resolution was passed on 31st December 2008 through postal ballot, pursuant to section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001 for alteration in existing Article 4a of the Articles of Association for increase in Authorized Share Capital of the Company from Rs. 18,00,00,000/- (Eighteen Crores) to Rs. 50,00,00,000/- (Fifty Crores).
- iii) An Ordinary Resolution was passed on 31st December, 2008 through postal ballot, pursuant to section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, for increase in Authorized Share Capital of the Company from Rs. 18,00,00,000/- (Eighteen Crores) to Rs. 50,00,00,000/- (Fifty Crores).
- iv) An Ordinary Resolution was passed on 31st December, 2008 through postal ballot, pursuant to section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, for alteration in Clause V of Memorandum of Association for increase in Authorized Share Capital of the Company from Rs. 18,00,00,000/- (Eighteen Crore) to Rs. 50,00,00,000/- (Fifty Crore).

Dr. S.K. Jain, a practicing Company Secretary was appointed as a Scrutinizer to conduct the Postal Ballot process. The

notice dated 20th November, 2008 was sent to the members and the last date for receipt of Postal Ballot form was 24th December, 2008. Till then 97 forms were received. According to the Scrutinizer's Report the resolution was passed by majority of 99.98%. The result of the Postal Ballot was declared on 31st December, 2008 and published on 2nd January, in one English daily and one Hindi daily for the information of members.

EXTRA - ORDINARY GENERAL MEETING:

The notice dated 23rd February, 2009 was sent to the members of the company for holding an Extra Ordinary General Meeting of the Company on 23rd March, 2009. The meeting was convened and the shareholders have passed a Special Resolution unanimously and authorised the Board of Directors to allot upto 2,20,00,000 (Two Crore Twenty Lakh) 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs. 10/- each.

DISCLOSURES:

1. The company did not have any material significant related party transactions having a potential conflict with the interest of the company at large. Transactions with related parties are disclosed in the notes to the accounts forming part of the Annual Report.
2. The financial statements have been prepared in accordance with the Accounting Standards and policies generally accepted in India.
3. There were no instances of non-compliance by the company on any matter related to the capital markets, resulting in disciplinary action against the company by the Stock Exchanges of SEBI or any other statutory authority, during the last 3 years.
4. The company has implemented the mandatory requirements of Corporate Governance as set out in the Listing agreement. In respect of compliances with the non-mandatory requirements, the company has constituted a Remuneration Committee. The details whereof are given under the heading "Remuneration Committee".
5. The company has a risk management policy framework for risk identification, assessment and control to effectively manage risks associated with the business of the company.
6. CEO Certification:
As required by Clause 49(V) of the Listing Agreement, the Chairman and Managing Director has given his certificate to the Board.
7. Compliance Certificate:
As required by Clause 49 of the Listing Agreement, a certificate from the Statutory Auditor of the Company, certifying the compliance by the company with the provisions of the Corporate Governance of the Listing Agreement is given as an Annexure to this Report.

MEANS OF COMMUNICATION:

1. The quarterly / annual financial results are regularly sub-

mitted to the Stock Exchanges in accordance with the Listing Agreement. The quarterly/annual results are also uploaded on the website of the company www.mahamayasteelindustries.com soon after the declaration.

- The Management Discussion and Analysis Report, in compliance with the requirements of Clause 49 of the Listing Agreement is annexed to the Directors Report and forms part of this Annual Report being sent to all the members of the company.

GENERAL SHAREHOLDERS INFORMATION:

- AGM: Date, Time and Venue:
29th September, 2009 at 11.00 am at its registered office at Plot B/8-9, Sector C, Urla Industrial Area, Sarora, Raipur - 493 221 (Chhattisgarh).
- Financial year: April to March
- Date of Book Closure:
22nd September, 2009 to 29th September, 2009 (both days inclusive)
- Dividend payment date:
On or after 30th September, 2009
- Listing on the stock exchange:

Equity Shares
Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 023
Madhya Pradesh Stock Exchange 201, Palika Plaza, Phase-2 M.T.H. Compound, Indore - 452 001 (M.P.)
Hyderabad Stock Exchange Limited 3-6-275, Himayatnagar Hyderabad - 500 029
Jaipur Stock Exchange Limited Stock Exchange Building, JLN Marg Malviya Nagar, Jaipur - 302 017
The Calcutta Stock Exchange 7, Lyons Range Kolkata - 700 001

(The applications for de-listing of shares are pending with Madhya Pradesh Stock Exchange, Hyderabad Stock Exchange Limited, Jaipur Stock Exchange Limited and The Calcutta Stock Exchange.)

The company has paid Annual Listing fees to Bombay Stock Exchange Ltd. for the year 2008-2009.

STOCKCODE:

Stock Exchange	Code
Bombay Stock Exchange Ltd.	13554
M.P. Stock Exchange	2024
Others	Awaited

STOCK MARKET DATA RELATING TO EQUITY SHARE LISTED IN INDIA:

There was no trading in the shares of the Company during last year as BSE had suspended the trading the company and hence quotations are not available. However, the Company is taking effective steps and complying with the requirements suggested by BSE for revocation of suspension and are hopeful that trading in the shares of the company will resume soon.

REGISTRAR AND SHARE TRANSFER AGENT:

The company has appointed Registrar and Share Transfer Agent for processing share transfer related work. Their complete address is as follows:

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

DISTRIBUTION OF SHAREHOLDING:

As on March 31, 2009				
Category	No. of shareholders	% of shareholders	No. of shares	% total equity
1-500	2339	81.53	516480	3.81
501-1000	304	10.60	277050	2.04
1001-2000	119	4.15	200200	1.47
2001-3000	32	1.11	84400	0.62
3001-4000	8	0.28	28700	0.21
4001-5000	27	0.94	132700	0.98
5001-10000	12	0.42	102100	0.75
10001-100000	12	0.42	400668	2.95
100001 & above	16	0.55	11828102	87.17
Total	2869	100.00	13570400	100.00

SHAREHOLDING PATTERN

Category	March 31, 2009		March 31, 2008	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Promoters in their individual capacity	4121380	30.37	4121380	30.37
Promoter Director's Relatives	2656433	19.58	2656433	19.58
Banks, Financial Institutions, Insurance Companies (Central/ State Government Institutions/ Non Government Institutions)	100	0.00	100	0.00
Private Corporate Bodies	5448047	40.15	5457347	40.21
Indian Public	1344430	9.91	1335130	9.84
Total	13570400	100.00	13570400	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY:

All shares are in physical mode. The Company is in the process of entering into agreement with NSDL and CDSL to avail dematerialization facility.

OUTSTANDING CONVERTIBLE INSTRUMENTS:

As of March 31 2009, Optionally Convertible Redeemable Preference Shares of Rs. 2,97,23,000/- allotted to IDBI Ltd. under a settlement scheme are outstanding and same are redeemable in three installment annually. However, in the event of default of redemption, shares have conversion option.

ADDRESS OF CORRESPONDENCE:

Mahamaya Steel Industries Limited
B/8-9, Sector-C, Urla Industrial Complex
Sarora, Raipur (Chhattisgarh)
Tel. No. : 0771 - 4006666
Fax : 0771-4006611
E-mail : mahamaya@rajeshstrips.com

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

Name	Telephone No.	Email ID	Fax No.
Shri Prahallad Sawdia	0771-4006666	psawdia@yahoo.co.in	0771-4006611

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2009.

For: Mahamaya Steel Industries Limited

Ramanand Agrawal
Chairman & Managing Director
Date: 30th June, 2009

To
The Members,

Mahamaya Steel Industries Limited
(Formerly known as Rajesh Strips Limited)

We have examined the compliance of conditions of Corporate Governance by **Mahamaya Steel Industries Limited (Formerly known as Rajesh Strips Limited)** for the year ended 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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 Corporate Governance. **It is neither an audit nor an expression of opinion on the financial statements of the Company.**

As informed to us and on the basis of review of records we state that no investor grievance is pending for a period exceeding one month against the Company.

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.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges have been complied with by the Company **except the following:-**

- The Company could not get the revocation of suspension from the Stock Exchange, as a result no transaction for sale/purchase of shares through Stock Exchange has taken place.
- The quarterly results and Code of Business conduct and ethics for directors and senior management were not put on website.

For, **BATRA DEEPAK & ASSOCIATES**
CHARTERED ACCOUNTANTS

PLACE: RAIPUR [DEEPAK BATRA]
DATE: 30th JUNE, 2009 PARTNER

AUDITOR'S REPORT

BATRA DEEPAK & ASSOCIATES

CHARTERED ACCOUNTANTS

17/901, First Floor, Guru Gobind Nagar,
Opp. Dr. Verma's Clinic, RAIPUR - 492 001 [Chhattisgarh]
Phone : 0771-2424657, 2423757, 4055537

Fax: 0771-2426091

E-mail: deepakca@airtelmail.in, deepakca@hotmail.com

AUDITORS' REPORT

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

We have audited the attached Balance Sheet of MAHAMAYA STEEL INDUSTRIES LIMITED, (the Company) as at 31st March, 2009, the Profit & Loss Account and the cash flow statement (financial statements) of the Company for the year ended on that date annexed thereto signed by us under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements, based on our audit.

1. We conducted our audit in accordance with Auditing and Assurance Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors Report) Order, 2003 (as amended) issued by the Government of India, in terms of section 227(4A), of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to information and explanation given to us, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
3. Further to our comments in the annexure referred to in paragraph 2 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.

- d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report, read together with Significant Accounting Policies and Notes on Accounts given in Schedule 'T' comply with the Accounting Standard referred to in Section 211 (3C) of the Companies Act 1956.
- e) We draw attention that audit is not intended, designed nor performed to identify or detect problems that may result from the Computer software or hardware.
- f) Based on representations made by all the Directors of the Company and the information and explanations made available to us, we report that none of the director is prima facie disqualified as on March 31, 2009 from being appointed as a director in terms of sec. 274(1)(g) of the Companies Act, 1956.
- g) In our opinion and as per information and according to the explanations given to us, the accounts read together with Significant Accounting Policies and Notes on Accounts, given in Schedule-"T" give the information required by the Companies Act 1956 in the manner so required, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - (ii) In the case of Profit & Loss Account, of the Profit for the year ended on that date; and
 - (iii) In case of Cash Flow Statement, of the cash flows for the year ended on that date.

For, BATRA DEEPAK & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: RAIPUR
DATE: JUNE 30, 2009

[DEEPAK BATRA]
PARTNER
M.No.74052

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

**REFERRED TO IN PARAGRAPH 2 OF OUR REPORT
OF EVEN DATE:**

1. In respect of its fixed assets: -
 - a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. As explained to us, fixed assets have been physically verified by the management under a phased programme of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.
 - c. The Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year. The frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. As informed to us, Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. However, in respect of unsecured loan taken from the companies covered in the register maintained under Section 301 of the Companies Act, 1956, we state that :
 - a. The Company has taken loan of Rs. 530.50 lacs during the year from one Company. The balance outstanding including opening balance of another Company as at 31 March 2009 was Rs. 1765.00 lacs.
 - b. In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - c. There is no overdue amount in respect of loans taken by the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchases of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control systems.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - a. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or agreements, that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - b. In our opinion and according to the information and explanations given to us, transactions in pursuance of contracts or agreements, entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- (Rupees Five Lacs) or more in respect of any party in the said financial year are reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore the provisions of clause (vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. As informed to us, maintenance of cost records as prescribed under Section 209(1) (d) of the Companies Act, 1956 are stated to be under preparation.
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, 2009 for a period of more than six months from the date of becoming payable.

- b. The disputed statutory dues aggregating to Rs. 110.45 Lacs, that have not been deposited on account of matters pending before appropriate authorities as under:-

Sl. No.	Name of the Statute	Nature of the Dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where dispute is pending
01.	Sales Tax statute of the State	Sales/ Commercial Tax	20.13	From 2002-2003 to 2003-2004	Deputy Commissioner (Appeals), Raipur and Revenue Board, Gwalior
02.	Sales Tax statute of the State	Sales/ Commercial Tax	38.27	From 1990-1991 to 1992-1993	Before High Court of Chhattisgarh State
03.	Central Sales Tax statute of the Central Govt.	Central Sales Tax	30.13	2003-2004.	Deputy Commissioner (Appeals), Raipur
04.	Central Excise Act, 1944	Excise Duty	21.92	1999-2000 & 2005-2006	High Court, Bilaspur
		TOTAL	110.45		

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, 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.
12. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 (as amended) is not applicable to the Company.
13. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
14. As informed to us, the Company has given guarantees for loan taken by a body corporate from banks or financial institutions. The terms and conditions of guarantees aforesaid are not prima facie prejudicial to the interest of the Company.
15. As informed to us, the Company has raised new term loans from bank during the year. The term loan has been applied for the purposes for which it was raised.
16. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized any money from short-term

sources towards repayment of long-term borrowings and acquisition of fixed assets.

17. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
18. As informed to us, the Company has not issued any debentures.
19. The company has not raised money by way of public issue during the year.
20. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

For, BATRA DEEPAK & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: RAIPUR
DATE: JUNE 30, 2009

[DEEPAK BATRA]
PARTNER
M.No.74052

BALANCE SHEET AS ON 31st March, 2009

	SCHEDULE	AS AT 31.03.2009 (Rs. in lacs)	AS AT 31.03.2008 (Rs. in lacs)
SOURCES OF FUNDS :			
SHAREHOLDER'S FUND :			
Share Capital	"A"	3854.27	1654.27
Reserves & Surplus	"B"	3637.59	2982.85
Share Application Money		230.00	0.00
LOAN FUNDS :			
Secured Loans	"C"	5579.57	2335.93
Unsecured Loans	"D"	1765.00	4044.52
DEFERRED TAX LIABILITY		458.05	2.70
	TOTAL (Rs.)	15624.48	11020.27
APPLICATION OF FUNDS :			
FIXED ASSETS :			
Gross Block	"E"	10647.47	5148.53
Less : Depreciation		2059.10	2182.09
Net Block		8588.37	2966.44
Capital work in progress and Pre operative exp.		84.19	3295.90
		8672.56	6262.34
INVESTMENTS	"F"	230.01	30.01
CURRENT ASSETS, LOANS & ADVANCES:			
Inventories	"G"	4355.75	3027.97
Sundry Debtors	"H"	2234.60	2264.76
Cash & Bank Balances	"I"	424.03	603.73
Loans and Advances	"J"	1504.62	2181.83
		8519.00	8078.28
LESS: CURRENT LIABILITIES & PROVISIONS:			
Current Liabilities	"K"	1897.09	3350.36
NET CURRENT ASSETS		6621.91	4727.92
	TOTAL (Rs.)	15624.48	11020.27

Significant Accounting Policies & Notes on Account Schedule "T"

FOR AND ON BEHALF OF THE BOARD

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, BATRA DEEPAK & ASSOCIATES
CHARTERED ACCOUNTANTS

[RAMANAND AGRAWAL]
MANAGING DIRECTOR

[RAJESH AGRAWAL]
DIRECTOR

[DEEPAK BATRA]
PARTNER
M.No.74052

[PRAHALLAD SAWADIA]
COMPANY SECRETARY

PLACE: RAIPUR
DATE: 30th JUNE, 2009

PLACE: RAIPUR
DATE: 30th JUNE, 2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st March, 2009

	SCHEDULE	For the year ended	
		31.03.2009 (Rs. in lacs)	31.03.2009 (Rs. in lacs)
INCOME:			
Sales	"L"	41752.87	37444.13
Less: Excise Duty		4386.44	4857.42
Sales Tax & Value Added Tax		846.73	789.88
Net Sales		36519.70	31796.84
Other Business Income	"M"	88.87	20.72
Increase/(decrease) in stocks	"N"	740.96	1077.56
		37349.53	32896.11
EXPENDITURE :			
Consumption of Raw Material	"O"	29005.50	26538.98
Trading Purchase (Pig Iron)		6.15	1544.98
Manufacturing Expenses	"P"	5478.71	2656.33
Payments to and provisions for Employees	"Q"	327.54	243.96
Selling,Administrative and other Expenses	"R"	302.20	182.76
		35120.10	31161.02
PROFIT BEFORE INTEREST, DEPRECIATION AND TAX		2229.43	1728.09
Financial Cost	"S"	562.34	212.66
Depreciation	"E"	328.26	197.82
PROFIT BEFORE TAX and prior period adjustment		1338.83	1317.61
Less: Prior Period Adjustment		9.57	0.00
PROFIT BEFORE TAX		1329.26	1317.61
PROVISION FOR TAX			
Current Income Tax		137.00	152.22
Income Tax Related to Previous Year		0.87	34.36
Fringe Benefit Tax		1.90	1.35
Deferred Tax Adjustment		455.36	207.41
PROFIT AFTER TAX		734.13	922.27
Add: Profit brought forward from previous year		1913.74	1328.09
Add: Proposed Dividend of Previous Year Written back		0.00	17.39
AMOUNT AVAILABLE FOR APPROPRIATION		2647.87	2267.75
APPROPRIATIONS			
Proposed Dividend		67.85	101.78
Tax on Dividend		11.53	17.30
Transfer to General Reserve		146.83	184.45
Transfer to Redemption Reserve		301.23	50.48
PROFIT(LOSS) CARRIED TO BALANCE SHEET		2120.43	1913.74
Earning per share (Basic and Diluted) [Rs.] (Please Refer note 11 of Notes on accounts)		5.41	6.80

Significant Accounting Policies & Notes on Account Schedule "T"

FOR AND ON BEHALF OF THE BOARD

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, BATRA DEEPAK & ASSOCIATES
CHARTERED ACCOUNTANTS

[RAMANAND AGRAWAL]
MANAGING DIRECTOR

[RAJESH AGRAWAL]
DIRECTOR

[DEEPAK BATRA]
PARTNER
M.No.74052

[PRAHALLAD SAWADIA]
COMPANY SECRETARY

PLACE: RAIPUR
DATE: 30th JUNE, 2009

PLACE: RAIPUR
DATE: 30th JUNE, 2009

**SCHEDULE "A" TO "T" ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON
31st March 2009 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	AS AT 31.03.2009 (Rs. in lacs)	AS AT 31.03.2008 (Rs. in lacs)
SCHEDULE - "A":		
SHARE CAPITAL:		
AUTHORISED SHARE CAPITAL:		
2,50,00,000 (P.Y.150,00,000) Equity Shares of Rs.10/- each	2500.00	1500.00
30,00,000 (P.Y. 30,00,000) Preference Shares of Rs. 10/- each	300.00	300.00
2,20,00,000 (P.Y. -NIL) 8% Redeemable Non Convertible Non Cumulative Preference Share of Rs. 10/- each	2200.00	0.00
TOTAL(Rs.)	5000.00	1800.00
ISSUED, SUBSCRIBED & PAID UP:		
135,70,400 (P.Y. 135,70,400) Equity Shares of Rs.10/- each fully paid up	1357.04	1357.04
29,72,300 (P.Y. 29,72,300) Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs.10/-each fully paid up.	297.23	297.23
2,20,00,000 (P.Y. -NIL) 8% Redeemable Non Convertible Non Cumulative Preference Share of Rs. 10/- each	2200.00	0.00
TOTAL(Rs.)	3854.27	1654.27
SCHEDULE "B":		
RESERVES & SURPLUS:		
General Reserve	1059.21	912.38
Redemption Reserve	452.67	151.45
Capital Investment Subsidy	5.00	5.00
Share Forfeiture Account 5600 Equity Shares of Rs. 10/- each partly paid Rs. 5/-each	0.28	0.28
Profit & Loss Account	2120.43	1913.74
TOTAL(Rs.)	3637.59	2982.85
SCHEDULE - "C":		
SECURED LOANS:		
Term Loan from Bank (Please Refer Note 1 below)	3040.89	935.63
Working Capital Facility from Banks (Please Refer Note 1 below)	2535.78	994.42
LC Facility from Bank (Please Refer Note 1 below)	0.00	398.26
Hire Purchase Finance from ICICI Bank (Please Refer Note 2 below)	2.90	7.62
TOTAL(Rs.)	5679.57	2335.93
Note:		
1. Secured by way of first pari passu charge on Current and Fixed Assets of the Company and personal guarantee of some of directors.		
2. Secured by way of hypothecation of vehicles.		
SCHEDULE - "D":		
UNSECURED LOANS:		
Inter Corporate Loans (To be considered for conversion into Preference Capital)	1765.00	4044.52
TOTAL(Rs.)	1765.00	4044.52

**SCHEDULE "A" TO "T" ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON
31st March 2009 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

SCHEDULE "E" : FIXED ASSETS

FIXED ASSETS AS ON 31ST MARCH 2009

(Rs. in lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NETBLOCK	
	ASON 01.04.2008	Addition During the year	Adjus- tment (-)	Total Ason 31.03.2009	As on 01.04.2008	For the year	Adjus- tment	Total Upto 31.03.2009	As on 31.03.2009	As on 31.03.2008
1. LEASEHOLD LAND & SITE DEVELOPMENT	35.03	0.00	0.00	35.03	0.00	0.00	0.00	0.00	35.03	35.03
2. FREE HOLD LAND	409.08	270.63	0.00	679.71	0.00	0.00	0.00	0.00	679.71	409.08
3. BUILDING	290.00	991.29	91.08	1190.21	78.15	31.39	26.80	82.74	1107.47	211.85
4. PLANT & MACHINERY	4290.55	5022.37	838.14	8474.78	2063.92	277.82	418.59	1923.15	6551.63	2226.83
5. FURNITURE & FIXTURES	45.35	19.17	4.16	60.36	21.91	4.78	4.16	22.53	37.83	23.44
6. VEHICLES	78.52	130.56	1.70	207.38	18.11	14.27	1.70	30.68	176.70	60.42
TOTAL Rs.	5148.53	6434.02	935.08	10647.47	2182.09	328.26	451.25	2059.10	8588.37	2966.44
7. CAPITAL WORK IN PROGRESS	3194.06	839.48	3949.36	84.19	0.00	0.00	0.00	0.00	84.19	3194.06
8. PREOPERATIVE EXPENSES	101.84	151.65	253.48	0.00	0.00	0.00	0.00	0.00	0.00	101.84
TOTAL Rs.	3295.90	991.13	4202.84	84.19	0.00	0.00	0.00	0.00	84.19	3295.90
GRAND TOTAL (Rs.)	8444.43	7425.15	5137.92	10731.66	2182.09	328.26	451.25	2059.10	8672.56	6262.34
PREVIOUS YEAR RS.	5341.11	3112.25	8.94	8444.43	1984.28	197.82	0.00	2182.09	6262.34	3356.84

	ASAT 31.03.2009 (Rs. in lacs)	ASAT 31.03.2008 (Rs. in lacs)
SCHEDULE - "F": INVESTMENTS:		
<u>Long Term (Unquoted):</u>		
1200300 (P.Y. 1200300) Equity Shares of Rs. 10 each in Shree Shyam Sponge and Power Limited purchased @ Rs. 2.50 each share	30.01	30.01
20,00,000/- (NIL) Equity Shares of Rs. 10/- each in Devi Iron and Power Private Limited stated at cost	200.00	0.00
TOTAL (Rs.)	230.01	30.01
SCHEDULE - "G": INVENTORIES:		
(As taken, valued & certified by the Directors)		
Raw Materials	1607.23	1211.46
Finished Goods	2440.51	1503.83
Trading stock of Pig Iron	0.00	195.72
Stores & Consumables	308.01	116.96
TOTAL (Rs.)	4355.75	3027.97
SCHEDULE - "H": SUNDRY DEBTORS:		
(Un-Secured, Considered Good)		
Out-standing for more than Six months	414.29	95.19
Others	1820.31	2169.57
TOTAL (Rs.)	2234.60	2264.76
SCHEDULE - "I": CASH AND BANK BALANCES:		
Cash in Hand	20.75	13.91
<u>Balances with Scheduled Banks :</u>		
In Current Accounts	189.67	529.54
On Deposit Account	213.61	60.28
TOTAL (Rs.)	424.03	603.73

**SCHEDULE "A" TO "T" ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON
31st March 2009 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	AS AT 31.03.2009 (Rs. in lacs)	AS AT 31.03.2008 (Rs. in lacs)
SCHEDULE - "J":		
LOANS & ADVANCES:		
(Un-Secured, Considered Good)		
<u>Advances recoverable in Cash or in kind or for value to be received</u>		
Advances for :		
Raw Material Purchase	152.82	146.56
Stores, Consumables & Expenses	30.78	96.94
Capital Goods	133.55	402.09
Others	58.88	224.01
Deposits with :		
Govt. Authorities	376.79	377.76
Suppliers	29.88	60.04
Commercial Tax Authorities	390.17	290.31
Income Tax Authorities	140.38	155.02
Central Excise Authorities	191.37	429.10
TOTAL (Rs.)	1504.62	2181.83
SCHEDULE - "K":		
CURRENT LIABILITIES AND PROVISIONS		
<u>Sundry Creditors for:</u>		
Expenses and Stores	649.22	1300.37
Services	13.85	10.47
Capital goods	161.51	84.05
Advance From Customers	358.42	1081.29
Temporary Overdraft in Current Account	0.00	2.36
Other Liabilities	10.61	260.76
Provisions	703.48	611.06
TOTAL (Rs.)	1897.09	3350.36
SCHEDULE - "L":		
SALES:		
Manufactured Goods Sales	39728.47	35032.41
Captive Consumption	54.80	186.84
Scrap (End Cutting)	45.32	469.87
Pig Iron trading sale	238.02	1630.73
Conversion Charges Received	1686.26	124.29
TOTAL (Rs.)	41752.87	37444.13
SCHEDULE - "M":		
OTHER BUSINESS INCOME:		
Insurance Claim	3.84	3.06
Interest Received	61.83	10.43
Profit on Sale of Fixed Asset	0.14	0.00
Miscellaneous Income	23.06	7.23
TOTAL (Rs.)	88.87	20.72
SCHEDULE - "N":		
INCREASE/(DECREASE) IN STOCKS:		
<u>Closing Stock</u>		
Finished Goods	2440.51	1503.83
Trading stock of Pig Iron	0.00	195.72
Total (A)	2440.51	1699.55
<u>Less: Opening Stock</u>		
Finished Goods	1503.83	621.99
Trading stock of Pig Iron	195.72	0.00
Total (B)	1699.55	621.99
Increase/(Decrease) in Stock	740.96	1077.56

**SCHEDULE "A" TO "T" ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON
31st March 2009 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	AS AT 31.03.2009 (Rs. in lacs)	AS AT 31.03.2008 (Rs. in lacs)
SCHEDULE - "O":		
CONSUMPTION OF RAW MATERIALS:		
Opening Stock	1211.46	698.17
Add: Purchases	29401.27	27052.27
Less: Closing Stock	30612.73 1607.23	27750.44 1211.46
TOTAL(Rs.)	29005.50	26539.98
SCHEDULE - "P":		
MANUFACTURING EXPENSES:		
Consumption of Stores & Consumables	1658.37	995.27
Power & Fuel Charges	3310.30	1316.77
Conversion charges	354.37	92.81
Payment to Workers	221.43	105.27
<u>Repairs & maintenance to:</u>		
Others	6.31	5.81
Plant & Machinery	13.78	6.79
Variation in Excise Duty on Closing Stock	(85.85)	133.59
TOTAL(Rs.)	5478.71	2656.33
SCHEDULE - "Q":		
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES:		
Salary & Bonus	119.30	77.18
Employer's Contribution to E.S.I./E.P.F.	20.82	15.14
Gratuity	15.02	15.76
Staff welfare Expenses	17.10	11.78
Directors' Remuneration	155.30	124.10
TOTAL(Rs.)	327.54	243.96
SCHEDULE - "R":		
SELLING , ADMINISTRATIVE & OTHER EXPENSES:		
Rent, Rates & Taxes	1.54	4.59
Legal & Professional Charges	9.11	12.28
Travelling & Conveyance	12.55	5.64
Telephone Expenses	7.08	4.78
Auditors Remuneration	3.00	3.00
Other Administrative Expenses	88.22	29.80
Selling & Distribution Expenses	180.70	122.67
TOTAL(Rs.)	302.20	182.76
SCHEDULE - "S":		
FINANCIAL COST		
<u>Interest:</u>		
Banks	519.56	43.67
Others	0.00	144.87
Bank charges & Commission	42.78	24.12
TOTAL(Rs.)	562.34	212.66

**SCHEDULE "A" TO "T" ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON
31st March 2005 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

**SCHEDULE " T " :
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON
ACCOUNTS:**

A. SIGNIFICANT ACCOUNTING POLICIES:

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

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

2. USE OF ESTIMATES:

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

3. FIXED ASSETS:

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

4. CAPITAL WORK-IN-PROGRESS:

It is stated at cost.

5. DEPRECIATION & AMORTISATION:

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

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

6. IMPAIRMENT OF ASSETS:

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

7. FOREIGN CURRENCY TRANSACTIONS:

(a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

(b) Monetary items denominated in foreign currencies at the year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts has been recognized over the life of the contract.

(c) Non monetary foreign currency items are carried at cost.

(d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

8. INVESTMENTS:

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

9. INVENTORY VALUATION:

Finished goods are measured at lower of cost or net realizable value. Cost includes 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. TURNOVER:

Turnover includes sale of goods including steel scrap and broken rolls, services, sales tax, excise duty adjusted for discounts (net) and gain/ loss on corresponding hedge contracts. Captive consumption of Rs. 75.70 lacs is included in turnover.

11. EXCISE DUTY:

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

12. RECOGNITION OF INCOME & EXPENDITURE:

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

13. EMPLOYEES' RETIREMENT BENEFITS:

- (a) Company's contribution to Employees Provident Fund is charged to revenue every year.
- (b) Gratuity has been accounted for as per actuarial valuation.

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. MISCELLANEOUS EXPENDITURE:

Miscellaneous expenditure is amortized in ten equal installments.

16. 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.

17. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

B. NOTES ON ACCOUNTS:**1. CONTINGENT LIABILITIES:**

Sl. No.	Particulars	31.3.2009 (Rs. in lacs)	31.3.2008 (Rs. in lacs)
(i)	Outstanding Bank guarantees	250.00	165.91
(ii)	Sales Tax demand under appeal	58.40	58.40
(iii)	Central Sales Tax demand under appeal	30.13	30.13
	Excise Duty liabilities under appeal	26.92	89.29
(iv)	Estimated amount of contracts remaining to be executed on capital account (net of advances)	400.00	600.00

(v)	Entry tax not paid on account of exemption from Govt. of Chhattisgarh. However certificate of exemption yet not received.	57.46	0.00
(vi)	Corporate guarantee given for a loan of a body corporate.	3025.00	0.00

- Parties' accounts are subject to confirmation. Consequential effects adjustment, presently unascertainable, will be provided as and when confirmed.
- Sundry Debtors, Loans & Advances and Deposits include certain over due accounts. Balances in the accounts of certain debtors, loans and advances required to be confirmed / reconciled. However, in the opinion of the Board, all current assets, loans and advances would be realized in ordinary course of the business at the value as stated.
- 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.
- 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.
- The breakup of Deferred Tax liabilities/(assets) at the year end in two major components of the respective balances are as follows:

Sl. No.	Particulars	ASAT 31.03.2009 (Rs. in Lacs)	ASAT 31.03.2008 (Rs. in Lacs)
(a)	Deferred Tax Assets Unabsorbed depreciation, unabsorbed loss and disallowances under the Income Tax Act.	73.21	(16.94)
(b)	Deferred Tax liability Tax impact due to difference between Tax Depreciation & Book Depreciation on Fixed Assets and allowances under the Income Tax Act.	528.57	19.64
(c)	Recognition of Deferred Tax Asset/ Provision for deferred tax liability (net) / (Assets)	458.06	2.70
(d)	Debit to Profit and Loss account	455.36	207.41

- 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 inte

gral part of current year's financial statement and are to be read in relation to the amount and other disclosures relating to current year. The figures in financial statements are rounded off to the nearest lacs rupees.

8. DIRECTORS' REMUNERATION:

(Amount in Lacs)

Particulars	F.Y. 2008-09	F.Y. 2007-08
Salaries to working directors	155.30	124.10

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

Particulars	Rs. in lacs F.Y. 2008-2009	Rs. in lacs F.Y. 2007-2008
Profit before Tax	1329.26	1317.61
Add: Managerial Remuneration	155.30	124.10
Total	1484.56	1441.71

9. AUDITORS' REMUNERATION:

(Amount in Lacs)

Sl. No.	Particulars	F.Y. 2008-09	F.Y. 2007-08
(i)	Audit Fees	2.50	2.50
(ii)	Other Services	0.50	0.50
	TOTAL	3.00	3.00

10. (a) Imported Raw Material, Stores and spares consumed- Rs. 91.06 lacs - (NIL)
 (b) FOB value of Exports to Nepal was Rs. 117.83 lacs in INR.- (Rs. 193.59 lacs)
 (c) Expenditure in foreign currency - Rs. 80.05 lacs - (Rs.102.12 Lacs)
 (d) Earning in foreign currency - NIL- (NIL)
 (e) Value of Imports calculated on CIF basis - Rs. 80.05 lacs-(Rs. 102.12 Lacs)
 (Bracket represent previous year)

11. EARNING PER SHARE (E.P.S.):

(Amount in Lacs)

PARTICULARS	F.Y. 2008-09	F.Y. 2007-08
Profit after Tax attributable to the Equity Shareholders (A)	734.13	922.27
Weighted Average of Equity Shares outstanding during the year (Nos.) (B)	13570400	13570400
Nominal Value of Equity Share (Rs.)	10.00	10.00
Basic/ Diluted E.P.S. (Rs.) (A/B)	5.41	6.80

12. 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 are mainly for captive use barring insignificant gross receipts of Rs. 70.79 lacs from sale of gas to outside parties.

13. Related party disclosure as required by Accounting Standard - 18 issued by the Institute of Chartered Accountants of India:

A. List of Related Parties and Relationships:-

a) Associate concerns

1. Raipur Ferro Alloys Limited (Under merger with another Company)
2. Rajesh Re-rollers Limited (Under merger with another Company)

b) Key Management Personnel

1. Shri Ramanand Agrawal
2. Shri Rajesh Agrawal
3. Smt. Gulab Bai Agrawal
4. Shri D. K. Porwal
5. Shri Neeraj Kansal
6. Shri Gitesh Agrawal
7. Shri Suryakant Sharma
8. Shri Anil Kumar Sharma

c) Relative of key management personnel

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

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

1. Abhishek Steel Industries Limited
2. Mahalaxmi Technocast Limited
3. Shree Shyam Sponge & Power Limited
4. Antriksha Commerce Pvt. Ltd.
5. Devi Iron and Power Pvt. Ltd.

B. Transactions with related parties:

(Rs. In Lacs)

Description	Key Management Personnel		Relative of Key Management Personnel		Associate Concern		Enterprises Controlled by Key Management personnel & their relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Investment	—	—	—	—	—	—	200.00	—
Director Remuneration	155.30	124.10	—	—	—	—	—	—
Office rent	—	—	2.25	3.00	—	—	—	—
Sales	—	822.16	1026.76	1421.53	—	—	1700.42	2081.85
Advance	—	—	—	—	—	—	—	—
Purchase	—	—	—	—	—	—	12826.24	11520.87
Hire Charges	—	—	2.40	2.40	—	—	—	—
Transfer of Assets & Liabilities	—	—	—	—	—	—	483.77	8.94
Assets purchased	—	—	—	—	—	—	—	79.24
Transportation Income	—	—	—	—	—	—	—	—
Transportation expenses	—	—	30.00	27.00	—	—	—	—
Unsecured Loan Received	—	—	—	—	—	—	530.50	50.00
Interest paid on U/ loan	—	—	—	—	—	—	—	98.88
Conversion Charges paid	—	—	—	—	—	—	354.37	92.81
Outstanding Balance as on 31.03.2009								
Debtors	0.14	2.50	—	—	—	—	—	7.21
Loans & Advances	—	—	—	—	—	—	—	248.06
Creditors	—	46.59	17.63	50.67	—	—	388.89	1181.89
Unsecured loan including intt.	—	—	—	—	—	—	1765.00	3079.52
Investment	—	—	—	—	—	—	230.01	30.01

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

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

Sl. No.	Particulars	F.Y. 2008-09	F.Y. 2007-08
(a)	Licensed & Registered (Capacity)		
	(i) Steel structural (M.T./PA)	3,55,000	3,55,000
	(ii) Steel Melting Shop (M.T./PA)	2,00,000	—
	(iii) Gas Plant (Cubic Meter)	9,00,000	9,00,000
	(iv) Power (M.W.)	50	50
	(v) Pig Iron (M.T./P.A.)	1,80,000	1,80,000
(b)	Installed Capacity (M.T./PA)		
	(i) Steel Structural	2,55,000	1,65,000
	(ii) Steel Melting Shop	1,48,500	0
	(iii) Gas Plant (Cubic Meter)	9,00,000	9,00,000
(c)	Production (MT)		
	(i) Steel Structural	1,23,653.200	1,05,079.257
	(ii) Conversion Production (by others for us)	7,087.190	2,298.875
		1,30,740.385	1,07,378.132
	(iii) Oxygen Gas Cylinders	98,805 Nos or 6,91,635 Cubic Meter	1,05,814 Nos or 7,40,698 Cubic Meter
	(iv) Blooms and billets	58,201.720	----

2. TURNOVER:
(Figures in the bracket indicate figures for the previous year.)

Particulars	QUANTITY (IN MT)	AMOUNT (RS. IN LACS)
(i) (a) Steel structural, end cutting and scrap (net of sales return)	92054.420 (102069.451)	38277.76 (35502.28)
(b) Conversion of Steel Structural for others	30799.610 (2156.175)	1686.26 (124.290)
(c) Blooms and Billets	5652.95 (NIL)	1404.34 (NIL)
(ii) Pig Iron (Trading)	813.10 (7203.39)	238.02 (1630.73)
(iii) Oxygen Gas Cylinders	71099 Nos or 497693 Cubic Meter (87916 Nos or 615412 Cubic Meter)	70.79 (81.51)
(iv) Internal Consumption of Joist	195.72 (649.78)	54.80 (173.34)
(v) Internal Consumption of end cutting	5596.51 (NIL)	1166.02 (NIL)
(vi) Internal Consumption of Oxygen Gas Cylinders	27707 Nos or 193949 Cubic Meter (17984 Nos or 125888 Cubic Meter)	20.90 (13.50)

3. STOCK

Sl. No.	Particulars	QUANTITY (IN MT)	AMOUNT (RS. IN LACS)
a)	OPENING STOCK		
(i)	Finished Goods		
(a)	Steel structural & Strips (including end cuttings)	4716.085 (2324.249)	1503.83 (621.96)
(b)	Blooms	NIL (NIL)	NIL (NIL)
(ii)	Pig Iron (Trading item)	788.110 (NIL)	195.72 (NIL)
(iii)	Oxygen Gas Cylinders	155 Nos or 1085 Cubic Meter (241 Nos or 1687 Cubic Meter)	0.12 (0.22)
(b)	CLOSING STOCK		
(i)	Finished Goods		
(a)	Steel Structural & Strips (including end cuttings)	6729.700* (4716.085*)	1855.95* (1503.83*)
(b)	Blooms	2170.745 (NIL)	442.78 (NIL)
(ii)	Pig Iron (Trading item)	(NIL) 788.110	(NIL) 195.72
(ii)	Oxygen Gas Cylinders	154 Nos or 1078 Cubic Meter (155 Nos or 1085 Cubic Meter)	0.13 (0.12)

* It does not include 191.405 M.T. (P.Y. 110.890 M.T.) stock held on account of conversion supply to be made.

4. CONSUMPTION (ALL INDIGENOUS)

Sl. No.	Particulars	QUANTITY (IN MT)	AMOUNT (RS. IN LACS)
(a)	Raw Material For Steel Structures (Blooms and billets) (Refer Note 1)	62079.880 (122520.360)	18078.26 (26538.98)
(b)	Raw Material for SMS Plant (Sponge Iron, Pig Iron and Scrap etc.) (Refer Note 2)	61821.350 (NIL)	10927.25 (NIL)
(c)	Trading Item Purchased	24.99 (7991.50)	6.15 (1544.98)
(d)	Stores & Spare parts	---	1658.37 (995.27)

Note:

- (1) It does not include captive consumption of blooms 50378.025 MT (P.Y. Nil) and consumption of raw material received for conversion 32514.920 MT (P.Y. Nil)
- (2) It does not include captive consumption of 7457.645 MT (P.Y. Nil) end cutting and scrap transferred from Rolling Mill.

SIGNATURES TO SCHEDULES "A" TO "T"

FOR AND ON BEHALF OF THE BOARD

FOR, BATRADEEPAK & ASSOCIATES
CHARTERED ACCOUNTANTS[RAMANAND AGRAWAL]
MANAGING DIRECTOR[RAJESH AGRAWAL]
DIRECTOR[DEEPAK BATRA]
PARTNER
M.No. 74052PRAHALLAD SAWADIA
[COMPANY SECRETARY]PLACE: RAIPUR
DATE: 30th JUNE, 2009PLACE: RAIPUR
DATE: 30th JUNE, 2009

Balance Sheet Abstract and Company's General Business Profile

1. Registration Details			
Registration No.	4607		
State Code	10		
Balance Sheet Date	31.03.2009		
2. Capital raised during the year (Amount in lacs)			
Public Issue	NIL	Right issue	NIL
Bonus Issue	NIL	Private placement	2200.00
3. Position of Mobilization and Deployment of Funds (Amount in lacs)			
TOTAL LIABILITIES	17421.57	TOTAL ASSETS	17421.57
SOURCES OF FUNDS		APPLICATION OF FUNDS	
Paid-up Capital	3854.27	Net Fixed Assets	8672.56
Share application money	230.00	Investments	230.01
Reserves & Surplus	3637.59	Net Current Assets	6621.91
Secured Loans	5579.57	Misc. Expenditure	---
Unsecured Loans	1765.00	Accumulated Losses	---
Deferred Tax Liability	458.05		
4. Performance of Company (Amount in lacs)			
Turnover (Total Income)	37349.53	Total Expenditure	36020.27
Net Profit before tax and prior adjustment	1329.26	Net Profit after tax	734.13
Earning per share (Rs.)	5.41	Dividend and Dividend tax	79.38
5. Generic name of the principle product of the Company			
Item Code No.	72081201		
Product description	Steel Structural & Strips		
Item Code No.	72071190		
Product description	Blooms and billets		

FOR AND ON BEHALF OF THE BOARD

[RAMANAND AGRAWAL]
MANAGING DIRECTOR

[RAJESH AGRAWAL]
DIRECTOR

[PRAHALLAD SAWADIA]
COMPANY SECRETARY

PLACE: RAIPUR
DATE: 30th JUNE, 2009

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE FINANCIAL YEAR 2008-09

	2008-09 (Rs. in Lacs)	2007-08 (Rs. in Lacs)
<u>A. CASH FLOW FROM OPERATING ACTIVITIES:</u>		
i. Net Profit before Tax	1329.25	1317.61
<u>Adjustment for :-</u>		
Depreciation	328.25	197.82
Interest charged to Profit and Loss Account	562.34	212.66
Provision for fringe benefit tax	(1.90)	(1.35)
Provision for income tax	(593.23)	(393.99)
Provision for dividend	(67.85)	(101.78)
Provision for dividend tax	(11.53)	(17.30)
dividend of earlier year written back	0.00	17.39
ii. Operating Profit before Working Capital changes	1545.33	1231.06
<u>Adjustment for :-</u>		
Increase (decrease) in Trade & other Receivables	-30.16	789.36
Increase (decrease) in Inventories	1327.78	1445.01
Increase(decrease) in Trade Payables	(997.92)	3245.76
Increase in other receivable	(677.21)	715.65
CASH FLOW FROM OPERATING ACTIVITIES	(73.00)	1526.80
TOTAL CASH AVAILABLE FROM OPERATING ACTIVITIES (A)	(73.00)	1526.80
<u>B. CASH FLOW FROM INVESTING ACTIVITIES:</u>		
Purchase of Fixed Assets and capital WIP and pre operative exp.	(3222.30)	(3112.25)
Sale of Fixed Assets	483.83	8.94
Investment in Shares	(200.00)	0.00
NET CASH USED IN INVESTING ACTIVITIES (B)	(2938.47)	(3103.31)
<u>C. CASH FLOW FROM FINANCING ACTIVITIES:</u>		
Unsecured Loan Received	0.00	1035.67
Proceeds/(Repayment) of Long Term Borrowings	3243.63	936.41
Interest and Bank charges Paid	(562.34)	(212.66)
Unsecured Loan Paid	(2279.52)	(25.00)
Issue of Redeemable preference share capital	2200.00	0.00
Share Application money received	230.00	0.00
NET CASH USED IN FINANCING ACTIVITIES (C)	2831.77	1734.42
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	(179.70)	157.91
OPENING BALANCE OF CASH & CASH EQUIVALENTS	603.73	445.82
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	424.03	603.73

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

FOR AND ON BEHALF OF THE BOARD

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, **BATRA DEEPAK & ASSOCIATES**
 CHARTERED ACCOUNTANTS

[RAMANAND AGRAWAL]
 MANAGING DIRECTOR

[RAJESH AGRAWAL]
 DIRECTOR

[DEEPAK BATRA]
 PARTNER
 M.No. 74052

[PRAHALLAD SAWADIA]
 COMPANY SECRETARY

PLACE: RAIPUR
 DATE: 30th JUNE, 2009

PLACE: RAIPUR
 DATE: 30th JUNE, 2009



MAHAMAYA STEEL INDUSTRIES LIMITED

Regd. Office: B/8-9, Sector-C, Urla Industrial Complex, Sarora, Raipur - 493 221 (C.G.)

ATTENDANCE SLIP

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

I hereby record my presence at the TWENTY FIRST ANNUAL GENERAL MEETING of the Company at B/8-9, Sector-C, Urla Industrial Complex, Sarora, Raipur - 493 221 (Chhattisgarh) at 11 am on 29th September, 2009.

Full name of the Member
(in block letters)

Signature

Folio No.: _____

Full name of the Proxy
(in block letters)

Signature

- NOTES: 1. Member/Proxy-holder wishing to attend the meeting must bring the Attendance Slip to the meeting.
2. Member/Proxy-holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.



MAHAMAYA STEEL INDUSTRIES LIMITED

Regd. Office: B/8-9, Sector-C, Urla Industrial Complex, Sarora, Raipur - 493 221 (C.G.)

PROXY

I/We _____ being a Member/Members of the above named Company, hereby appoint _____ or failing him _____ as my/our Proxy to attend and vote for me/us and on my/our behalf at the Twenty first Annual General Meeting of the Company, to be held on 29th September, 2009 or at any adjournment thereof.

Signed this _____ day of _____ 2009

Folio No.: _____

No. of Shares _____

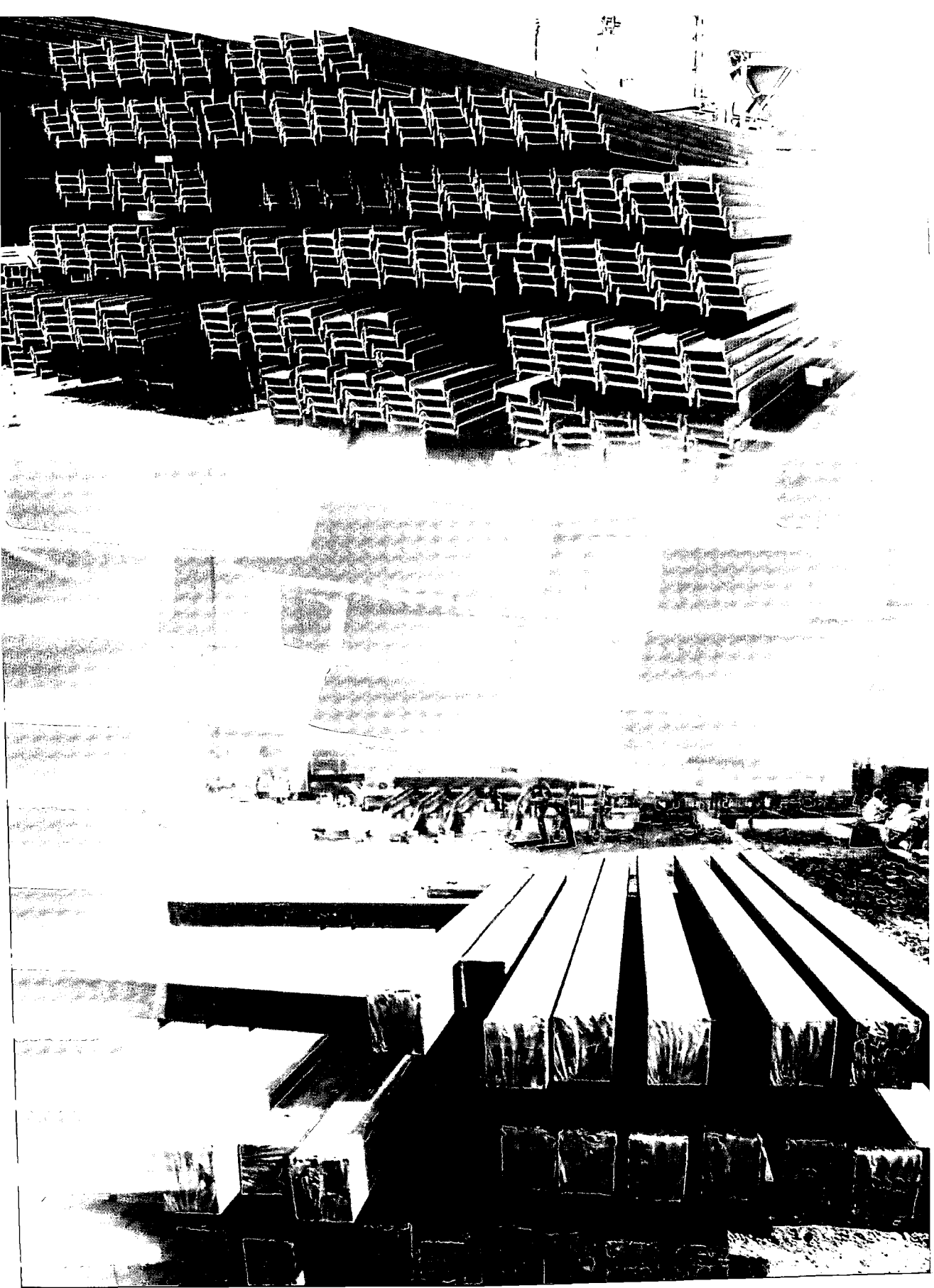
Signature
(Affix Revenue Stamp)

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

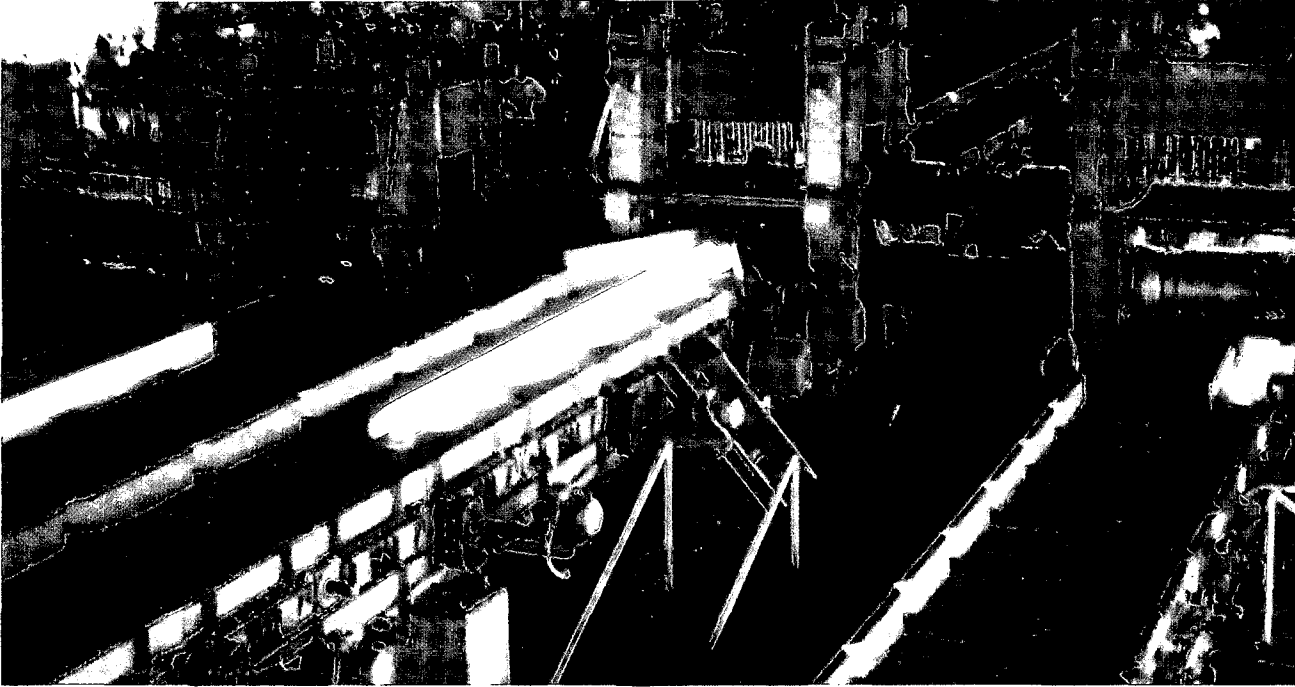
** Strike out whichever is not desired.

NOTES:

- (i) The Proxy must be returned so as to reach the Registered Office of the Company, Plot B-8/9, Urla Industrial Area, Sarora, Raipur-493 221 (Chhattisgarh), not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.
- (ii) Those members who have multiple folio with different jointholders may use copies of this Attendance Slip/Proxy.



MAHAMAYA



BOOK-POST

If undelivered please return to :

MAHAMAYA STEEL INDUSTRIES LIMITED

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