

MAURIA UDYOG LIMITED

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Members of MAURIA UDYOG LIMITED will be held on Friday, the 29th July, 2011 at 2.00 P.M. at the Registered Office of the Company at Room No.107, 1st Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700 001 to transact the following business:-

ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the Accounts and Balance Sheet for the year ended 31st March, 2011 and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Shri Mohan Lal , who retires under Article 134 of the Articles of Association of the Company and, being eligible, offers himself for re-appointment.
3. To appoint Auditors for the current year and fix their remuneration.
4. To declare dividend on the equity shares.

SPECIAL BUSINESS :

A) To consider and, if thought fit, to pass with or without modifications, if any, the following Ordinary Resolutions :-

As an Ordinary Resolution .(i)

“Resolved that Shri Karkala Manjunath Pai ,who vacates office as an Additional Director under Section 260 of the Companies Act,1956 at this meeting, be and is hereby appointed as a Director of the company whose period of office will be liable to determination by retirement of directors by rotation”.

As an Ordinary Resolution (ii)

“Resolved that Shri Hemant Venkataramani Lalithraj,who vacates office as an Additional Director under Section 260 of the Companies Act,1956 at this meeting, be and is hereby appointed as a Director of the company whose period of office will be liable to determination by retirement of directors by rotation”.

As an Ordinary Resolution (iii)

“Resolved that the appointment of Shri Karkala Manjunath Pai as Director (Marketing) of the company made by the Board of Directors w.e.f. 14.05.2011, on a remuneration and perquisites not exceeding the limits prescribed under Part-II of Schedule XIII of the Companies Act, 1956 on the terms and conditions given here-in-below, be and is hereby considered and approved:-

- | | |
|--------------------------|---|
| 1. Period of appointment | : Three years w.e.f. 14.05.2011 |
| 2. Salary i) Basic | : Rs.36,000/- per month
(Scale : 36,000-41,500-46,500) |

ii) H.R.A.

: Rs.18,000/- per month
(Slab: 18,000-20,500-23,500)

iii) Perquisites

: a) Contribution to Provident Fund as applicable under the Provident Fund Act.

b) Gratuity, Earned Leaves etc. as per the prevailing rules of the company.

B) To consider and, if thought fit, to pass with or without modifications, if any, the following Special Resolutions :-

As a Special Resolution (i)

“Resolved that the consent of the members under Section 314 of the Companies Act, 1956 in respect of the appointment of Smt. Anuradha Pai W/o Shri K. M. Pai, as an Assistant Manager of the company w.e.f. 14.05.2011 on a monthly remuneration of Rs.28,500/- (Rupees twenty-eight thousand and five hundred) subject to revision from time to time as recommended by the Board of Directors, which would not exceed the maximum limit as provided for under the aforesaid Section of the Companies Act, 1956, be and is hereby accorded”.

As a Special Resolution (ii)

“Resolved that the consent of the members under Section 314 of the Companies Act, 1956 in respect of the appointment of Smt. Ratna Pai mother of Shri K. M. Pai, as an Assistant Manager of the company w.e.f. 14.05.2011 on a monthly remuneration of Rs.17,100/- (Rupees seventeen thousand and one hundred) subject to revision from time to time as recommended by the Board of Directors, which would not exceed the maximum limit as provided for under the aforesaid Section of the Companies Act, 1956, be and is hereby accorded”.

By Order of the Board of Directors
MAURIA UDYOG LIMITED


(V. K. SUREKA)
MANAGING DIRECTOR

ROOM NO. 107, 1ST FLOOR,
ANAND JYOTI BUILDING,
41, NETAJI SUBHAS ROAD,
KOLKATA-700001
(WEST BENGAL)

Date : 24.06.2011

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself. The proxy need not be a member of the Company. A Proxy form is attached herewith.

2. The Register of members and share transfer books of the Company will remain closed from Monday, the 25th July, 2011 to Friday, the 29th July, 2011 (both days inclusive).
3. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956, is attached.
4. Payment of dividend on shares, if declared at the meeting, will be made to those members whose names appear on the Company's Register of Members on 25th July, 2011 and as per the list of Beneficial Ownership furnished by the Depositories for this purpose in case of shares held in Electronic form.
5. In terms of Notification issued by the Securities and Exchange Board of India, equity shares of the Company are under compulsory demat trading by all investors w.e.f. 21st March, 2000. Members are, therefore, advised to dematerialize their shareholding to avoid inconvenience, in future.
6. Since the Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the companies through electronic mode, companies are now permitted to send various notices/documents to their shareholders through electronic mode to the registered e-mail address of the shareholders. The company, therefore, proposes to send all the documents to be sent to the shareholders including the General Meeting notices alongwith Audited Accounts and requisite reports thereon through electronic mode to all the shareholders on the e-mail address provided by them to the company through the Depositories in case of shares held in Demat Mode and in case of shares held in Physical Mode to the Transfer Agent of the company. Please note that these documents will also be available on the Company's Website www.mauria.com for download by the shareholders.

EXPLANATORY STATEMENT

(Pursuant to Section 173 (2) of the Companies Act, 1956, attached to the Notice dated 24.06.2011 convening the 31st Annual General Meeting)

Special Business :

Ordinary Resolution (i)

Shri Karkala Manjunath Pai was appointed an Additional Director of the company on 14.05.2011 under Section 260 of the Companies Act, 1956 and he holds office till this Annual General Meeting but is eligible for re-appointment. The company has received a notice alongwith a deposit of Rs.500.00 as required under Section 257 of the Companies Act, 1956 from a member notifying his intention proposing candidature of Shri Karkala Manjunath Pai for the office of a director.

Shri Karkala Manjunath Pai

He is B. E. (Mech.) having 22 years working experience in Gas Plant and joined the Board as an independent director w.e.f. 14.05.2011. Therefore, the Directors recommend the appointment of Shri Karkala Manjunath Pai as a Director of the company. Except Shri Karkala Manjunath Pai, no other Director is interested or concerned in the Resolution.

Ordinary Resolution (ii)

Shri Hemant Venkataramani Lalithraj was appointed an Additional Director of the company on 14.05.2011 under Section 260 of the Companies Act, 1956 and he holds office till this Annual General Meeting but is eligible for re-appointment. The company has received a notice alongwith a deposit of Rs.500.00 as required under Section 257 of the Companies Act, 1956 from a member notifying his intention proposing candidature of Shri Hemant Venkataramani Lalithraj for the office of a director.

Shri Hemant Venkataramani Lalithraj

He is B. Com. & Masters in Management Studies having 17 years working experience in the Financial Services Industry and joined the Board as an independent director w.e.f. 14.05.2011. Therefore, the Directors recommend the appointment of Shri Hemant Venkataramani Lalithraj as a Director of the company. Except Shri Hemant Venkataramani Lalithraj, no other Director is interested or concerned in the Resolution.

Ordinary Resolution (iii)

Your Board of Directors appointed Shri Karkala Manjunath Pai as Director (Marketing) of the company w.e.f. 14.05.2011, for a period of three years on the remuneration and perquisites as enumerated here-in-above in the Ordinary Resolution subject to the approval of the shareholders in their meeting and as such the shareholders are requested to consider and pass the above resolution. Except Shri Karkala Manjunath Pai since the resolution relates to him, no other director is interested or concerned in the resolution under reference.

Special Resolution (i)

Your directors made appointment of Smt. Anuradha Pai W/o Shri K. M. Pai, as an Assistant Manager of the company w.e.f. 14.05.2011 on a monthly remuneration of Rs.28,500/- (Rupees twenty eight thousand and five hundred) subject to revision from time to time upto a maximum limit of total remuneration as provided for under Section 314 of the Companies Act, 1956.

In order to comply with the requirements of the aforesaid Section of the Companies Act, 1956 in this case because of her being related to a director, a Special Resolution as set here-in-above, is placed before the members for their consideration and passing the same.

Except Shri K. M. Pai being the husband of Smt. Anuradha Pai, no other director is interested or concerned in the Special Resolution referred to above.

Special Resolution (ii)

Your directors made appointment of Smt. Ratna Pai mother of Shri K.M. Pai, as an Assistant Manager of the company w.e.f. 14.05.2011 on a monthly remuneration of Rs.17,100/- (Rupees seventeen

2. The Register of members and share transfer books of the Company will remain closed from Monday, the 25th July, 2011 to Friday, the 29th July, 2011 (both days inclusive).
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5. In terms of Notification issued by the Securities and Exchange Board of India, equity shares of the Company are under compulsory demat trading by all investors w.e.f. 21st March, 2000. Members are, therefore, advised to dematerialize their shareholding to avoid inconvenience, in future.
6. Since the Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the companies through electronic mode, companies are now permitted to send various notices/documents to their shareholders through electronic mode to the registered e-mail address of the shareholders. The company, therefore, proposes to send all the documents to be sent to the shareholders including the General Meeting notices alongwith Audited Accounts and requisite reports thereon through electronic mode to all the shareholders on the e-mail address provided by them to the company through the Depositories in case of shares held in Demat Mode and in case of shares held in Physical Mode to the Transfer Agent of the company. Please note that these documents will also be available on the Company's Website www.mauria.com for download by the shareholders.

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Shri Karkala Manjunath Pai

He is B. E. (Mech.) having 22 years working experience in Gas Plant and joined the Board as an independent director w.e.f. 14.05.2011. Therefore, the Directors recommend the appointment of Shri Karkala Manjunath Pai as a Director of the company. Except Shri Karkala Manjunath Pai, no other Director is interested or concerned in the Resolution.

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In order to comply with the requirements of the aforesaid Section of the Companies Act, 1956 in this case because of her being related to a director, a Special Resolution as set here-in-above, is placed before the members for their consideration and passing the same.

Except Shri K. M. Pai being the son of Smt. Ratna Pai, no other director is interested or concerned in the Special Resolution referred to above.

By Order of the Board of Directors
MAURIA UDYOG LIMITED


(V. K. SUREKA)
MANAGING DIRECTOR

ROOM NO. 107, 1ST FLOOR,
ANAND JYOTI BUILDING,
41, NETAJI SUBHAS ROAD,
KOLKATA-700001
(WEST BENGAL)

Date : 24.06.2011

REPORT OF DIRECTORS TO THE SHAREHOLDERS OF THE COMPANY**TO THE MEMBERS**

Your Directors have the pleasure in presenting the 31st Annual Report together with the Audited Accounts of the company for the year ended 31st March, 2011.

FINANCIAL RESULTS

The Financial Results for the year ended 31st March, 2011 are as under :-

Rs. in Lacs

	2010 – 11	2009 – 10
Gross Sales and Other Income	80266.01	59929.43
Gross Profit before Depreciation	1454.33	885.78
Less : Depreciation	267.26	235.08
Profit before Tax	1187.07	650.70
Provision for Tax	400.39	271.20
Profit after Tax	786.68	379.49
Excess Provision for Income Tax W/back	-	2.76
Adjustment for Deferred Tax Assets/(Liabilities)	(38.29)	(20.47)
Net Profit for the year	748.39	361.78
Balance Brought Forward from Previous year	3205.81	2895.28
Amount available for appropriation :	3954.20	3257.06
Transferred to General Reserve	17.00	-
Proposed Dividend	55.50	44.40
Provision for Dividend Distribution Tax	8.57	6.86
Balance Carried Forward to Balance Sheet	3873.13	3205.80

DIVIDEND

Your Directors are pleased to recommend payment of Dividend @ 12.50% (Rs.1.25 per equity share) to the Equity Shareholders of the company for the financial year 2010-11.

FIXED DEPOSITS

The company has not accepted any deposits from public during the financial year under report and as such there were no fixed deposits outstanding as on 31st March,2011.

CORPORATE GOVERNANCE

A detailed Report on Corporate Governance is given in “Annexure-A” to this report. The Auditors’ Certificate relating to compliance of the conditions of Corporate Governance, as stipulated in clause 49 of the listing agreement with the Calcutta Stock Exchange where the shares of the company are listed is also enclosed.

DIRECTORS

In pursuance of Article 134 of the Articles of Association of the Company, Shri Mohan Lal retires by rotation and, being eligible, offers himself for re-appointment.

After the conclusion of 30th Annual General Meeting, Sh. A.K. Sureka and Sh. O.P.Bhardwaj resigned from the directorship of the company and the Board of Directors do place on record their appreciation for the valuable services rendered by both of them during their tenure as directors of the company. Sh. K.M.Pai and Sh. Hemant Venkataramani Lalithraj were appointed as Additional Directors who would act as Additional Directors till the ensuing Annual General Meeting wherein two resolutions for their appointment as directors would be placed for which two notices from two shareholders have been received indicating their intention to place the aforesaid two resolutions.

DIRECTORS’ RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956(here-in-after known the “Act”), it is hereby affirmed that :-

- a) in preparation of annual accounts, all applicable accounting standards have been followed.
- b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under report and of the profit and loss of the Company for that period.
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the Directors have prepared the annual accounts on a going concern basis.

MANAGEMENT DISCUSSION & ANALYSIS

OVERVIEW

Mauria Udyog Limited (MUL), is India’s largest manufacturer & exporters of LPG cylinders, Valves & Regulators and also the Terry Towels. Inspired by Innovation and driven by vision, MUL is an ISO 9001:2000 company certified by BSI, accredited by UKAS & RVA and also HSE company and certified by OHSAS:18001-1999 & ISO 14001:1996 by BVQI, India. The manufacturing activities of MUL are

spread over in an area covering 150,000 sq. ft. and the Works are situated at Faridabad, a suburb of Delhi, capital of India.

The company has invested an amount of nearly US\$ 12 million in its modern manufacturing plant, employing a team of about 400 qualified, experienced, dedicated skilled and unskilled workers. The products are being regularly inspected and certified by reputed International Inspection agencies, such as Bureau Veritas Industrial Services Pvt. Ltd. (BVIS), SGS and Bureau of Indian Standards.

EXPOSURE TO EXPORTS OF LPG CYLINDERS

The company has also become level two Vendor for Shell and Global Vendor for BP (British Petroleum). Apart from the above, it has also been granted Cylinder Manufacture Approval for DOT 4BA and DOT 39 Cylinders from US Department of Transportation.

MISSION

We are committed to satisfy our customers by providing Quality Product which gives highest value for money.

We believe that employees are our most important asset through which we can reach the top in each category of our products and services. Therefore, we will emphasize on their continuous improvement through upgradation of relevant knowledge and training.

We commit ourselves to continuous growth, so as to fulfil the aspirations of our customers, employees and shareholders.

COMMITTED TO QUALITY

We don't just manufacture products, we create satisfaction. Eurospa has deployed extensive resources to ensure the optimum quality of its products. The reiterative tests, the microscopic adherence to quality and inspection, all ensures that all Eurospa products are of world-class quality. We treat each and every product as a challenge, and every achievement a reason to set new goals.

MUL apart from manufacturing of LPG Cylinders, Valves, Regulators, Disposable Cylinders, Mathyl Bromide Cylinders & Refilable Cylinders, being its main activity, has also undertaken the following :-

I. TERRY TOWEL DIVISION

The company undertakes manufacturing of terry towels in addition to cylinders. MUL has a top-of-the-line manufacturing facility to manufacture world-class terry towels as per the prevailing international standards.

Spread over 30,000 sq.ft., this unit boasts of an in-house and completely integrated infrastructure alongwith a talented pool of professionals from the textile industry.

The unit comprises of a modern facility and a weaving plant equipped with all the relevant machines. The ultra-modren Terry Towel Manufacturing Unit has the state-of-the-art technology sourced from Switzerland, Germany and Italy.

During the year under review, the Terry Towel Division has upgraded its plant & machinery by making additional investment amounting to Rs.5.30 crores so to have better quality products.

ZERO DEFECT PRODUCTION IN TERRY TOWEL

Automatic Fabric Inspection machine has been installed to ensure that only zero defect fabric goes for production. To lend smooth velvet finish to the products, specialized shearing machines have been imported. The end product is also inspected by the finishing team for even minor defects, if any. The objective is to ship only those products which reflect MUL's unflinching commitment to quality.

II. CONSIGNMENT AGENCY

As reported earlier, the company has completed its 4th year as a consignment agent of Rashtriya Ispat Nigam Limited, a Govt. of India Undertaking.

III. READYMADE GARMENTS

Mauria Merchandise has apparel retail of Levis Signature through its show-rooms in NCR cities viz. Delhi, Gurgaon & Mumbai.

Mauria Merchandise has also made arrangements with Reliance trends Limited to market the above mentioned brand through their show-rooms situated in a number of towns in the States of Andhra Pradesh, Chhatisgarh, Delhi, Gujarat, Haryana, Jharkhand, Kerala, Karnataka, Maharashtra, Madhya Pradesh, Punjab, Rajasthan, Tamil Nadu & Visakhapatnam.

Mauria Merchandise has also commenced its own manufacturing of readymade garments during the year under review and has manufactured 20,786 pcs. of garments. The management is hopeful to have a substantial increase in the manufacture of readymade garments in the days to come.

IV. INTERNATIONAL TRADING & MERCHANDISING

The company has carried on with domestic trading in agro- commodities such as soyabean meal & oil and international & domestic trading in metals such as steel, brass, zinc, copper, ferrous and non-ferrous scrap and is hopeful to do better in the near future.

V. LPG CYLINDER ACCESSORIES

The company also manufactures various other LPG Cylinder Accessories such as Cylinder Guards, Neck Rings, Burner Set, Cooker Ring & Adopter.

RECOGNITION & AWARDS

The company is the recipient of FIEO's Niryat Shree Bronze Trophy Award for its excellence in exports.

EEPC INDIA, Eastern Region awarded the company on 25.02.2011 Export Excellence for Star Performer as large enterprise in the product group of other fabricated metal products, exel machinery & equipment for its outstanding contribution to engineering exports during the year 2008-09.

The Indian Council of Small & Medium Exporters (ICSME) has awarded Niryat Shiromani Puraskar to Shri N. K. Sureka, a director of the company and Gold Medal to the company for export performance on 23.03.2007.

The company participated in the "Haryana State Safety and Welfare Awards Scheme" in the year 2006 and the Directorate of Industrial Safety & Health, Labour Department, Haryana placed on record its appreciation of the management for taking proactive steps by implementing safety, health and welfare schemes for the workers.

AUTOMATION

The company's more than 75% plant has been automized and the efforts are being made to switch over full automation in the years to come.

RESEARCH & DEVELOPMENT (R&D)

MUL has its in-house R&D facility and a fully equipped design studio that creates innovative and vibrant designs for towels in line with prevailing international trends and forecasts. The studio is equipped with CAD system and is managed by well known and talented designers. It is also fully capable of designing towels as per the buyer's designs, material and colour specifications.

The management of the company also keeps a tab on the international trends by attending various international fairs & conferences.

The company's continued focus on R&D has resulted in several approvals of its products in developed markets and significant progress in its initiative.

MUL has a complete and integrated towel manufacturing facility which makes its products internationally compatible in terms of quality and price. It also helps to reduce production lead time to a considerable extent.

It is now all set to carve a niche for itself in the competitive international market by exporting world class products.

FORGING NEW RELATIONSHIPS

Having consolidated its infrastructure and strengths, the company is planning to expand and grow its overseas market in times to come. It plans to forge mutually rewarding business associations with its potential clients. For this purpose, it has chalked out an ambitious plan. The management of the company is committed to provide its clients reliable and quality products at competitive prices and thus nurture enduring relationships with them.

The change in the international/local Govt. Policies do have its significant impact on the business of the company in the international as well as local markets, thus, effecting the volume of sales including the exports of the company.

RISK & CONCERNS

At MUL, all key functions and divisions are independently responsible to monitor risk associated within their respective areas of operations such as production, finance, insurance, shipping, legal and other issues like health, safety and environment.

Cylinders and terry towel products are globally traded commodities and their prices are subjected to international market forces of demand-supply and other factors that influence price volatility. With these two businesses presently accounting for the major proportion of MUL's revenues, changes in global price levels will have an impact on the company's performance.

As per global trend, all labour intensive manufacturing activities are being discontinued in the developed countries and are now shifting to developing countries wherein India is a preferred destination specially of products like Cylinders & Towels. The company is in an advantageous position as far as products manufactured are concerned.

AUDITORS

M/s. Salarpuria & Partners, Chartered Accountants, who retire at the conclusion of this Annual General Meeting and, being eligible, offer themselves for re-appointment. Your Directors recommend that they may be re-appointed as Auditors of the Company for the Financial Year 2011-2012 on such remuneration as is fixed by the Shareholders.

Auditors' observations are explained in various notes on the Accounts and therefore do not call for any further comments.

COMPLIANCE CERTIFICATE

Since the Paid-up Capital of your company is less than Rs.5.00 Crores and as such not required to have a whole time Company Secretary, a Compliance Certificate under Section 383-A(1) of the Companies Act, 1956 obtained from a Company Secretary in whole time practice, certifying that the company has complied with all the provisions of the aforesaid Act during the financial year under report, is annexed herewith.

FOREIGN EXCHANGE EARNINGS AND OUT GO

Rs.in Lacs

	2010 – 11	2009 – 10
a)Earning in Foreign Exchange F.O.B. Value of Exports	7793.82	9126.49
b)C.I.F Value of Imports: Materials	638.73	1103.98
Spare Parts	3.97	-
Capital Goods	552.69	9.44
c) Expenditure in Foreign Currency	857.83	898.30

CONSERVATION OF ENERGY

As the products manufactured by the Company do not fall in the list of industries announced by the Government of India, the information required to be furnished in the prescribed Form 'A' is not required to be given and as such the same is not furnished herewith.

TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT

Particulars of Technology Absorption
Research and Development in Form 'B'

Nil

EMPLOYEES

As there have been no employees during the year under review who were paid remuneration of Rs. 60.00 Lakh per annum or more, if employed through out the year or Rs. 5.00 Lakh per month and more, if employed for the part of the year, the information as required Under Section 217 (2A) of the Companies Act 1956 is thus not called for.

ACKNOWLEDGEMENT

Your Directors wish to express their gratitude to the Banks, Employees as well as Customers for their timely help in smooth functioning of your Company. Your Directors also extend their thanks to all the Shareholders of the Company for their trust and confidence in the Board of Directors of the Company.

By order of the Board of Directors
MAURIA UDYOG LIMITED



(V.K SUREKA)
MANAGING DIRECTOR



(K. M. PAI)
DIRECTOR

ROOM NO. 107, 1st FLOOR,
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