



Chairman's Letter to Shareholders

"You are doing your best only when you are trying to improve what you are doing."

-Christopher Holliday

Dear Shareholders,

It is my immense pleasure to present before you the 17th Annual Report of your Company. In this short span the company has achieved many milestones like listing of the company on BSE, diversification from Textile to Pre-Engineered Buildings, setting up of various units and offices in the different parts of the country and many more. But it is not an end in itself, we still have a very long way to travel.

In the current fiscal, Indian economy grew at a faster rate as compared to last year with a majority of the sectors growing at more than 10 percent. While many global economies are reeling under various types of shocks and stresses, the Indian Economy has been swifter to grow, thanks to its strong fundamentals. Prudent financial management has been one of the primary reasons for achieving a GDP growth rate of 8.6% in the current fiscal 2010-2011.

I am happy to share with you that your Company too has scripted its own growth much on the same lines as the Indian Economy did. Learned from the stern lessons that the recession taught in the past few years, your Company has emerged as more stronger, more professional and more future-ready.

In the current competitive and rapidly evolving environment, it is not easy even to endure. But Richa, in view of its promises made to you, is continuously striving to serve you in the best possible manner, it can. During the year, your company has earned total revenues of Rs. 23877.64 Lac as compared to Rs. 17867.66 Lac of the previous year i.e. an increase of 33.64 %. The profit after tax of the company during the current fiscal has increased from Rs.566.29 Lac in 2009-10 to Rs. 844.82 Lac, an increase of 49.19 %.

It gives me immense pleasure that the Board of Richa has recommended a final dividend of 5% on the paid up value of the shares. The dividend is payable to the equity shareholders whose names appear in the records of our Registrar and Share Transfer Agent i.e. Link Intime India Private Limited as on the date of Book Closure. The payment of dividend is subject to approval by the shareholders on the Annual General Meeting.

Indeed, it was a satisfactory year for Richa operationally. Its key businesses namely, textile and PEB demonstrated significant improvement benefiting from a turnaround in the economy and aggressive marketing, brand promotion efforts.

Our strategy of investing in capacity building, Research & Development and the new markets collectively brought about the robust performance of fiscal 2010-11. Appreciation and accolades from our customers, industry bodies and the media always corroborate the confidence we have in our strengths and capabilities.

The Board of Richa consists of six well qualified, indomitable and experienced professionals. All of them are fully devoted to the growth and well being of the Company. All Board members are ambitious to take Richa up to the heights of sky. Each and every member of the Board of Richa is responsible for the good governance, transparency, growth and profitability of the Company. In short your Richa is in safe and sound hands.

I would like to express my sincere appreciation to our employees who deliver the value experience to our customers and stakeholders each day. Their dedication and hard work are invaluable contribution to the company's performance.

I would also like to thank our management team, who will continue to play critical roles in executing Richa's comprehensive growth strategy. I would like to thank our Board of Directors including our independent Directors for their support and inputs. At the same time, I would like to pay my heartfelt thanks to our Bankers whose unstinted faith and cooperation helps us to climb the stairs of success.

The fundamentals of our Company have not changed. We are confident that year 2011-12 will be another year of growth and a time for Richa to demonstrate its unique advantages and show its potential. We are excited about what lies ahead for us this year and for the long term.

Thank you once again for your time and continued patronage to Richa.

Warm regards,

Sushil Gupta

Chairman & Managing Director

Important Communication to Members

The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliance by the companies and has issued circulars stating that the service of notice/documents including Annual Report can be sent to the members through electronic way via e-mail. In furtherance of support of this green initiative a request to register your e-mail with **richaindustriesgogreen@linkintime.co.in** and those who hold their shares in physical form are requested to fill the appropriate column in the members feedback form, refer in the last page.

Company Information

Board of Directors

Sh. Sushil Gupta	Chairman & Managing Director
Sh. Sandeep Gupta	Joint Managing Director
Sh. Manish Gupta	Whole-Time Director
Sh. Neeraj Bajaj	Non-Executive Director
Sh. Nitin Agarwal	Non-Executive Director
Sh. J. P. Malhotra	Non-Executive Director

Company Secretary

CS. Monika Jain

Statutory Auditors

Tayal & Company, Chartered Accountants
BP-49, First Floor, Neelam Bata Road,
Near Syndicate Bank, Faridabad
Phone : 0129-2412737

Secretarial Auditors

AGB & Associates, Company Secretaries
970, Sector 21D, Faridabad-121001
Phone : 0129-4080970

Bankers

Indian Overseas Bank
Corporation Bank
State Bank of India

Board Committees:

Audit Committee

Sh. Neeraj Bajaj	Chairman
Sh. J. P. Malhotra	Member
Sh. Sandeep Gupta	Member

Shareholders' / Investors' Grievance Committee

Sh. Neeraj Bajaj	Chairman
Sh. J. P. Malhotra	Member
Sh. Nitin Agarwal	Member

Remuneration Committee

Sh. Neeraj Bajaj	Chairman
Sh. J. P. Malhotra	Member
Sh. Nitin Agarwal	Member

Registered Office

VPO Kawnra
Old Faridabad to Kheri-Jasana Road,
Near Lingayas Inst. of Mgmt. & Tech.
Faridabad- 121101, Haryana, India

Corporate Office

Plot No. 57, Sector-27C,
13/1, Mathura Road,
Faridabad - 121 003, Haryana, India

Textile Division

- (1) VPO Kawnra
Old Faridabad to Kheri-Jasana Road,
Near Lingayas Inst. of Mgmt. & Tech.
Faridabad- 121101, Haryana, India
- (2) Plot No. 5, Sector-7, IMT Manesar,
Gurgaon-122050, Haryana, India

PEB Division

8th Km. Stone, Ramnagar Road
NH-121, Kashipur,
Udam Singh Nagar
Uttarakhand – 244713, India

Registrar & Transfer Agent

Link Intime India Private Limited
A-40, 2nd Floor, Naraina Indl. Area
Phase-II, Near Batra Banquet Hall,
New Delhi-110028

**Stock Exchange Where
Company's Securities are listed**
Bombay Stock Exchange

E-mail

cs@richa.in

Web site

www.richa.in

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NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the members of Richa Industries Limited will be held on Tuesday, 13th September, 2011 at 10.00 am at Hotel Delight, 17-18 Neelam Bata Road, N.I.T. Faridabad -121001, (Haryana), Phone No. 0129-2427672, 2427673 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended 31st March, 2011 together with the reports of the Board of Directors and Auditors thereon.
2. To declare final dividend at the rate of 5% (Rs. 0.50) per Equity Share of face value of Rs. 10/- each.
3. To appoint a director in place of Mr. Jai Prakash Malhotra who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint M/s Tayal and Co., Chartered Accountants as Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

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

“RESOLVED THAT Mr. Nitin Agarwal, who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company subject to retirement by rotation under the Articles of Association of the Company.”

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (“the meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. In order to be effective, the instrument appointing proxy should be duly completed, stamped and signed and must be deposited at the registered office of the Company not less than forty eight hours before the commencement of the meeting. The proxy so appointed shall not have any right to speak at the meeting.

2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. Members attending the meeting are requested to bring with them the attendance slip attached to the notice duly filled in and signed and handover the same at the entrance place of the meeting. Proxy / Representative of a member should mark on the Attendance Slip as “Proxy” or “Representative” as the case may be. Members holding shares in electronic form and desirous of attending the meeting are required to bring along with them their Client ID and DP ID Numbers for easy identification.
4. Members are requested to notify their change of address, if any, to the Share Transfer Agent, M/s Link Intime India Private Limited.
5. Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 8th September, 2011 to Monday, 12th September, 2011. (Both days inclusive).
6. Members desirous of having any information regarding accounts are requested to address their queries to the Manager-F & A at the Corporate Office of the Company at least seven days before the date of the meeting, so that the requisite information can be made available at the meeting.
7. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring with them their copies of the Annual Report at the meeting.
8. An Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business is annexed herewith.
9. Pursuant to the requirement of Corporate Governance under clause 49 of Listing Agreement, entered into with Bombay Stock Exchange, the information about the directors proposed to be appointed/ reappointed forms part to the Notice.
10. All documents (except Register of Members and Share Transfer Register) will be available for inspection by the members at the Corporate Office of the company between 10.30 A.M and 12.30 P.M on all working days from the date hereof up to the date of the meeting.

By Order of the Board of Directors
For Richa Industries Limited

Place: Faridabad
Date: 08.08.2011

(CS Monika Jain)
Company Secretary
& Compliance Officer

Registered Office:
VPO Kanwara, Old Faridabad to Kheri-Jasana Road,
Near Lingayas Institute of Management & Technology,
Faridabad- 121101

Pursuant to Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange, the information about the Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting is as follows:

Name of Director	Jai Prakash Malhotra	Nitin Agarwal
Date of Birth	19.03.1949	14.05.1977
Relationships with other Directors inter-se	None	None
Date of appointment	16.06.2008	10.02.2011
Expertise in specific functional areas	Manufacturing of valves and related activities	Matters relating to Company Law, IPO's etc.
Qualifications	B.E (Mechanical)	LLB
No. of Equity Shares held in the Company	NIL	NIL
List of Public Companies (other than Richa Industries Limited) in which Directorship held as on 31 st March, 2011	NIL	NIL
Chairman / Member of the Committees of the Board of Public Companies in which he is a Director as on 31st March, 2011	Membership 1. Remuneration Committee (Richa Industries Ltd.) 2. Shareholder / Investor Grievance Committee (Richa Industries Ltd.) 3. Audit Committee (Richa Industries Ltd.)	Membership 1. Remuneration Committee (Richa Industries Ltd.) 2. Shareholder / Investor Grievance Committee (Richa Industries Ltd.)

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 4

Mr. Nitin Agarwal, was appointed as an Additional Director of the Company w.e.f. 10.02.2011 and holds the office upto the date of this Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956 and Articles of Association of the Company.

Notice under Section 257 of the said Act has been received from a member signifying his intention to propose the name of Mr. Nitin Agarwal, for appointment as a Director of the Company.

Mr. Nitin Agarwal, has already filed his consent, to act as a Director, with the Company. Mr. Nitin Agarwal aged about 34 years, has an experience of over 9 years in the field of law. He is an Advocate practicing in Supreme Court of India. He mainly deals in matters relating to Company Law, IPO's etc. He is a Non-Executive, Independent Director.

The Resolution as set out in item No. 4 of the Notice will be placed before the meeting for the approval of the members. Your Directors recommend the approval of proposed resolution by the Members.

None of the Directors of the Company is interested except Mr. Nitin Agarwal, in the resolution.

By Order of the Board of Directors
For Richa Industries Limited

Place: Faridabad
 Date: 08.08.2011

(CS Monika Jain)
 Company Secretary &
 Compliance Officer

Management Discussion and Analysis

Forward Looking Statements

This report contains forward-looking statements, which may be identified by the use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar connotation. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company can not guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent developments, information or events.

Corporate Overview

Richa Industries Limited was incorporated in 1993 under the dynamic leadership of Mr. Sushil Gupta (M.Tech – IIT Delhi) with the vision to work as a catalyst in the growth of the industry, company to be identified as synonymous with quality & fashion and to be Numero Uno in the Industry.

Today Richa is a trusted name in the Indian textile industry for knitting, processing, dyeing and special finishing of fabrics thereby providing all services under one roof. Company has grown manifold in the last one decade.

Richa Industries has entered in the field of Pre-engineered buildings to give economical pre-engineered building solution to SME sector in India. Richa Industries aims to become the most manageable, customer friendly and having the best technology in pre-engineered steel buildings.

Richa Industries realizes that the Indian economy has great need of quality improvement in pre engineered steel buildings. There is a huge gap between economical pre-engineered steel buildings and best quality pre-engineered building. Richa Industries intent to bridge the gap by innovating design and systems in pre engineered steel buildings. The most aesthetical PEB can also be the most economical solution to PEB requirement in India.

Richa has employed the most efficient and competitive professional team to give a technological edge to pre engineered steel buildings in India. This will give the most competitive edge for small medium enterprises requirement for pre-engineered building needs with perfection in personalized and professionalized service.

Overview of the Economy

Growth of the economy in the year 2010-11 was swift and broad-based. The economy is back to its pre-crisis growth trajectory. The Indian economy has manifested the growth rate of 8.6% in the current fiscal as the western and other economies are reeling under various types of shocks and stresses. In 2010-11 agriculture is estimated to have grown at 5.4 per cent, industry at 8.1 per cent and services at 9.6 per cent. All three sectors are contributing to the consolidation of growth. More importantly, the economy has shown remarkable resilience to both external and domestic shocks.

The developments in the India's external sector in the current financial year were encouraging. Even as the recovery in developed countries is gradually taking root, our trade performance had improved. Exports had grown at 37.5 per cent to reach US Dollar 246 billion, while imports at US Dollar 350.3 billion had recorded a growth of 21.5 per cent during the year 2010-11, over the corresponding period last year.

Textile

Industry Overview

Indian Textile Industry is one of the leading textile industries in the world. Though was predominantly unorganized industry even a few years back, but the scenario started changing after the economic liberalization of Indian economy in 1991. The opening up of economy gave the much-needed thrust to the Indian textile industry, which has now successfully become one of the largest in the world.

Indian textile industry largely depends upon the textile manufacturing and export. It also plays a major role in the economy of the country. India earns about 27% of its total foreign exchange through textile exports. Further, the textile industry of India also contributes nearly 14% of the total industrial production of the country. It also contributes around 3% to the GDP of the country. Indian textile industry is also the largest in the country in terms of employment generation. It not only generates jobs in its own industry, but also opens up scopes for the other ancillary sectors. Indian textile industry currently generates employment to more than 35 million people.

Opportunities and Threats

In order to seize the opportunities expected to arise out of lifting of quota restrictions and other trade barriers, Indian Textiles industry is moving towards modernization and expansion as encouraged by the Textile Up gradation Fund Scheme (TUFS) set up by the Government of India.

With the removal of quotas and similar trade barriers, the market is expecting new opportunities. China's impressive production capacity and its growing strength compelled Europe and USA markets to impose trade restrictions on Chinese products. India could do well in proposing a valuable alternative to buyers on the international scene. Visible efforts in quality improvement, innovations through R&D programmes, and other value-added features bring a whole new dimension to the Indian products. In turn this has resulted in higher profits as compared to other regional producers.

Risks & Concerns

India is somewhat lagging behind in technology in the garment manufacturing sector and this seriously hinders increase in exportable production. Labour regulations are a major concern in India causing great harm to the industry at various levels. With no clear legislation, strikes and similar issues often bring business to complete halts.

Pre Engineered Buildings

Industry Overview

PEBs, as pre-engineered buildings are known in the industry jargon, have been around for a long time, but in India they have taken off only over the last couple of years. PEB consists of a complete steel framed building system, with

components pre-designed to fit together in a vast variety of combinations to meet the unique requirements of specific end-users to provide design flexibility, cost options and time minimization. PEB construction in factory environment is considered to be much stronger than the traditional structures.

Application of PEB includes warehouses, factories, workshops, offices, aircraft hangers, schools, hospitals, railway stations, show rooms and more. The advantages of PEB are superior product quality, fast project construction, architectural flexibility, low maintenance and operating costs, relatively low design and construction costs, option of single-source responsibility for building etc.

India is fast turning out to be a fertile ground for PEB as the country is witnessing a boom in the construction sector. Though the concept of PEBs is new to India, with an approximate market share of Rs. 4,000 crore it is steadily gaining ground in the country. Since pre-engineered building system is computer assisted and designed to create a building for a specific use – warehouses, factories, workshops, offices, gas stations, vehicle parking sheds, show rooms, aircraft hangers, schools, sports and recreational facilities, hospitals, labor camps and low cost housing – it can be rightly regarded as a new trend or innovation in the construction sector. The fact that the concept of PEBs is gaining ground in India shows the country's inclination to embrace new advancements in the fast emerging construction sector.

Opportunities and Threats

Today, the traditional construction industry is much more willing to experiment and try out new products and this would increase the scope of applications of our new high tech products.

At the same time, further addition of new capacities through expansion and modernization has resulted in decrease in prices. The situation is becoming more difficult by the increase in cost of freight, power and raw material.

Risks and Concerns:

As the Pre Engineered Building industry is relatively new in India, it is not fully exploited and there is lot of scope available. It is expected that the new entrants will enter the market soon and thereby it will result in the increased competition. With aggressive marketing and state of art technology we at 'Richa' are ready for all challenges.

Internal Control Systems and their Adequacy

Richa Industries Limited has a comprehensive system of internal control to safeguard the Company's assets against loss from unauthorized use and ensure proper authorization of financial transactions.

The Company maintains a system of internal control designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls and compliance with laws and regulations as applicable in the various jurisdictions in which the Company operates.

The Company has also implemented suitable control measures to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and all applicable laws and regulations are strictly complied.

The management of the Company duly considers and takes appropriate action on the recommendations made by the Statutory Auditors, Internal Auditors and the Audit Committee of the Board of Directors.

Health Safety and Environment

Richa is fully committed to the safety, health and well-being of its employees and to minimizing the environmental impact on its business operations. A safe and healthy environment is maintained, and appropriate steps are taken with the object of minimizing the environmental impact on all processes and practices. The Company has a range of policies, including on quality, safety and health aspects to guide the employees work practices, actions and decisions. The Company strives to continuously improve the effectiveness of its policies and the employees are encouraged to contribute their mite in this direction. All employees are obliged to ensure that they fully understand all policies and do fully comply with the requirements.

Human Resource Development

One of the “Key” reasons for the exponential growth of Richa is undoubtedly its “People”. The Company has always provided an open and challenging work environment wherein the staff members get an opportunity to rapidly gain and assimilate knowledge. Creativity and dedication of all the employees represent the most precious assets of the Company. For the growth of the organization, the human resource function has an important role to play not only in identifying and recruiting suitable individuals but also in developing and rewarding its employees. As such, we have remained focused on strengthening human capital through continuous training and development and by upgrading skills of employees to meet the Company's objectives. The Company has a union free environment and the industrial relations scenario continued to be stable during the year.

Cautionary Statement

Statements in the Directors' Report & Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be “forward-looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal market, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

Appreciation

Your Directors express their warm appreciation to all the employees working at various units for their diligence and contribution. Your Directors also wish to record their appreciation for the support and co-operation received from the dealers, agents, suppliers, bankers and all other stakeholders.

By Order of the Board of Directors
For Richa Industries Limited

Place: Faridabad

Date: May 30, 2011

(Sushil Gupta)
Chairman & Managing Director