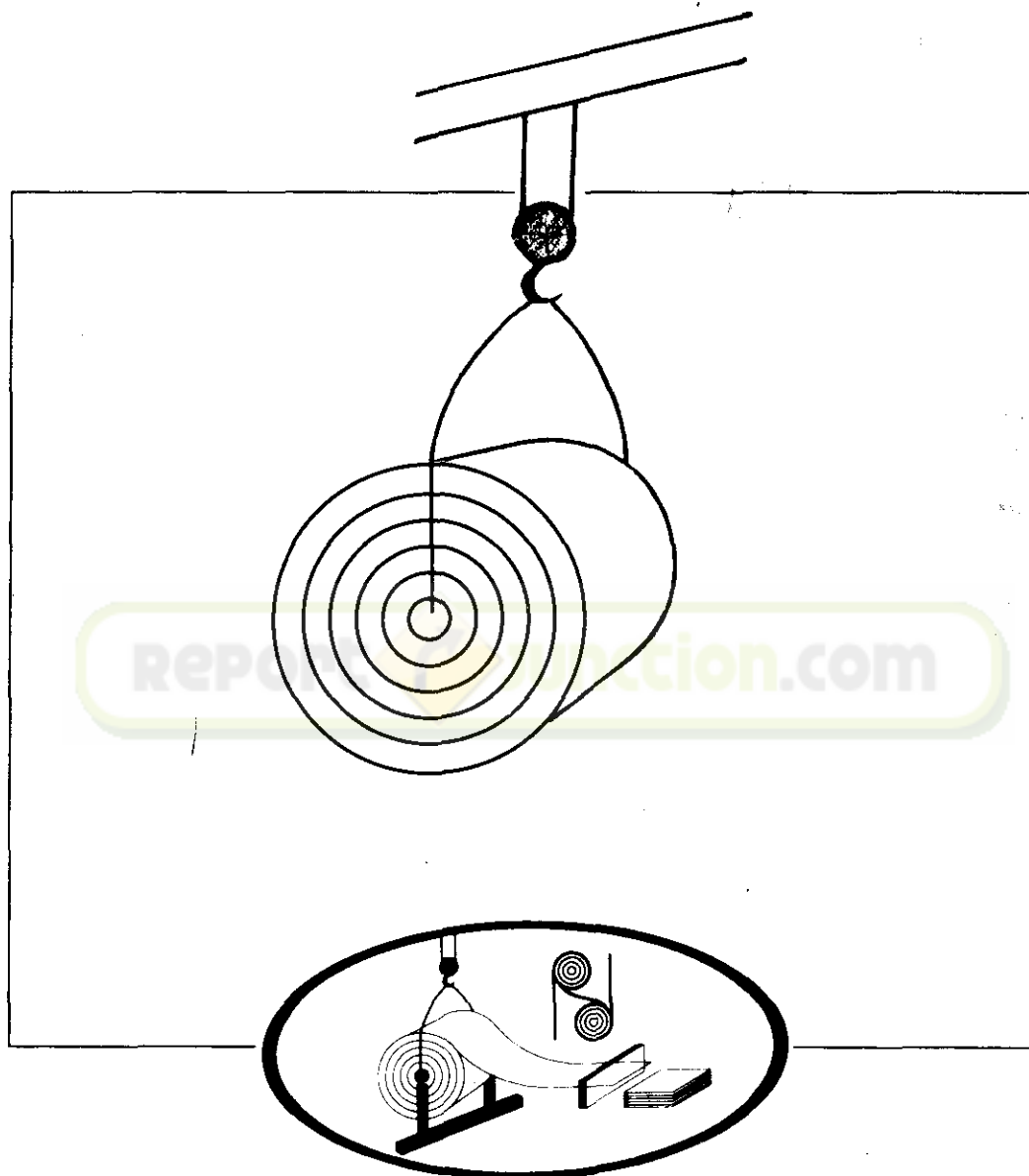


9TH ANNUAL REPORT 1999-2000



RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Regd. Office : Plot No. C-17/2, MIDC Industrial Area, Taloja, District Raigad (Maharashtra)
Head Office : Giriraj, Ground Floor, Sant Tukaram Road, Iron Market, Mumbai - 400 009.

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

BOARD OF DIRECTORS

Mr. Maganlal B. Mehta
(Chairman)

Mr. Ashok M. Mehta
(Managing Director)

Mr. Harkisan M. Mehta

Mrs. Kumud A. Mehta

Mr. Devanshu P. Desai

Mr. Indrajit L. Sawant

Mr. S.G. Kamath
(Nominee of SICOM Ltd.)

REGISTERED OFFICE & WORKS

Plot No. C- 17/2, MIDC Industrial Area,
Taloja, Dist. Raigad (Maharashtra)

BANKERS

Co- Operative Bank of Ahmedabad Ltd.

SOLICITORS

M/s. Manilal Kher Ambalal & Co.
Advocates, Solicitors & Notary,
Jehangir Wadia Bldg. ,
51, M. Gandhi Road, Fort,
Mumbai- 400 001.

AUDITORS

M/s. R. K. Kohna & Co.
Chartered Accountants

SHARE TRANSFER REGISTRARS

M./s. Swaran Data Systems Pvt. Ltd.
122 / 123, 1st Floor,
Kashiram Jamnadas Bldg. ,
5, P.D' Mello Road,
Mumbai- 400 009.

NOTICE

Notice is hereby given that the 9th Annual General Meeting of the members of Rishabh Digha Steel And Allied Products Ltd. will be held as detailed below:

Day : Thursday

Date : 21st September, 2000

Venue : Registered Office at
Plot No. C- 17 /2,
MIDC Industrial Area,
Taloja, Dist. Raigad,
(Maharashtra)

Time : 11 : 00 A.M.

Agenda for the meeting will be as under :-

ORDINARY BUSINESS

1. To receive consider and adopt the Audited Balance Sheet as at 31st March, 2000 and Profit & Loss Account for the year ended on that date, Directors' Report and Auditors Report thereon.
2. To appoint a Director in place of Shri Maganlal B. Mehta, who retires by rotation and being eligible, offers for reappointment.
3. To appoint a Director in place of Shri Harkisan M. Mehta , who retires by rotation and being eligible , offers for reappointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

By order of the Board

Place : Mumbai

Dated : 28th July, 2000

Registered Office:-
Plot No. C- 17 / 2,
MIDC Industrial Area,
Taloja, Dist. Raigad,
(Maharashtra)

Ashok M. Mehta
Managing Director

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 and the proxy need not be a member of the company.

2. Members are requested to immediately notify the Company , Change, if any, in their address for communication.
- 3 M/s. Swaran Data Systems Pvt. Ltd. are appointed as Transfer Agents of the Company, Members are requested to utilise their services as and when required. Their address is as follows.

122 / 123, 1st Floor, Kashiram Jamnadas Bldg.,
5, P.D' Mello Road, Mumbai- 400 009.
4. The Register of members and Share transfer Books of the Company will remain closed from Monday the 11th September, 2000 to Thursday the 21st September, 2000 (both days inclusive).

By Order of the Board

Place : Mumbai

Dated : 28th July, 2000

Ashok M. Mehta
Managing Director

Registered Office :-
Plot No. C- 17 / 2,
MIDC Industrial Area,
Taloja, Dist. Raigad,
(Maharashtra)



RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**DIRECTORS' REPORT**

Yours Directors have pleasure in presenting the 9th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2000.

1. FINANCIAL HIGHLIGHTS

	<u>Current Year</u>	<u>Previous Year</u>
	(Rs. In lakhs)	
Sales and Job Works	568-76	520-40
Other Income	8-09	8-41
Profit before Depreciation	82-48	30-33
Depreciation	22-09	25-47
Profit after Depreciation	60-39	4-86
Provision for taxation	7-30	1-74
Profit after tax	53-09	3-12
Balance B/F from Previous Year	<u>28-59</u>	<u>27-47</u>
Profit available for appropriation	<u>81-68</u>	<u>30-59</u>
<u>APPROPRIATION</u>		
Transfer to General Reserve	38-00	2-00
Balance Carried to Balance Sheet	<u>43-68</u>	<u>28-59</u>
	<u>81-68</u>	<u>30-59</u>

2. DIVIDEND

With a view to conserve the resources, your director have decided not to recommend dividend for the year ended 31st March, 2000.

3. OPERATIONS

During the year under report, the Company has achieved a turnover of Rs. 576-85 lacs as against Rs. 528-81 lacs in the previous year. Profit before depreciation amounted to Rs. 82-48 lacs. After providing for depreciation amounting to Rs. 22-09 lacs, and provision for taxation amounting to Rs. 7-30 lacs the profit after tax amounted to Rs. 53-09 lacs. After adding surplus of last year amounting to Rs. 28-59 lacs, the year has ended with surplus of Rs. 81-68 lacs. Your Directors have decided to transfer Rs. 38-00 lacs to General Reserve. The balance surplus of Rs. 43-68 lacs has been carried to Balance Sheet.

During the year under Review, the Market conditions were favourable and the Company's Order Book Position was satisfactory. This has resulted in improved Turnover and net Profit during the year under review.

4. CURRENT YEAR WORKING

The first Quarter of the Current Year i.e. 30-06-2000 has shown encouraging signs as the Turnover has increased by 20% as compared to corresponding Quarter last year. Hence, the performance during the year is expected to be better during the Current Year.

With a view to utilise Spare Capacity as also spare space available with the company, Your Company has released a Web site:

www.rishabhdighastecelltd.com and the response is encouraging and enquiries for Joint Venture / Collaboration are being received.

Co- Operative Bank of Ahmedabad have reduced interest rate from 18% to 17% on Working Capital. Similarly SICOM Ltd. have also reduced interest rate from 19% to 17% on Term-Loan Instalments. This would help the company to achieve better performance during the Current Year.

5. DIRECTORS

Shri Maganlal B. Mehta and Shri Harkisan M. Mehta Directors of the Company retire by rotation at the ensuing Annual General Meeting. They being eligible have offered themselves for reappointment. Necessary items have been included in the Notice convening the ensuing Annual General Meeting and the re-appointments are commended for adoption by the members.

6. DONATIONS

During the year under report donations were granted to Social / Educational Institutions amounting to Rs. 101/- (Previous year Rs. 773/-)

7. FIXED DEPOSITS

The company has not accepted to renewed any deposits within the meaning of section 58A of the Companies Act, 1956 and the rules framed there under.

8. AUDITORS

M/s. R.K. KHONA & Co. , Chartered Accountants, Statutory Auditors of the company retire at the ensuring Annual General Meeting and being eligible, offer themselves for reappointment. The company has obtained from the Auditors, a certificate to the effect that their re-appointment, if made, will be in accordance with the limits specified under section 224 (1B) of the Companies Act, 1956.

9. AUDITORS' REPORT

Auditors' Report read together with the notes given thereon are self explanatory and your directors have no comments to offer for the same.

10. ANNEXURE TO DIRECTORS' REPORT

- i. Requirement as per section 217 (2A) of the Companies Act, 1956 read with the companies (Particulars of employees) Rules, 1975, as amended are not applicable at present.
- ii. The company has been taking reasonable steps to minimise the electricity consumption. Company procures electricity from the State Electricity Board. The company has no activities relating to generation and conservation of energy or technology absorption. The company did not have any foreign exchange earning or expenditure.

11. INDUSTRIAL RELATIONS

During the year under report, the relations with Staff & Workmen Continued to be cordial. The Board expresses its appreciation towards the untiring efforts in the working of the Company by employees at all levels.

12. ACKNOWLEDGEMENT

The directors record their appreciation for the continued Co-Operation and support extended by Company's Bankers, SICOM Ltd., Customers, Suppliers and Shareholders of the Company.

Place : Mumbai

For and on behalf of the Board

Dated : 28th July, 2000

Ashok M. Mehta
Managing Director

AUDITORS' REPORT

To,
The Members of
Rishabh Digha Steel And Allied Products Limited.

We have audited the attached Balance Sheet of Rishabh Digha Steel And Allied Products Ltd. as at 31st March, 2000 and also the annexed Profit and Loss Account for the year ended on that date and we report as under:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in the terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 the said Order.
2. Further to our comments referred to in paragraph (1) above:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 the books.
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion the Profit and Loss Account and Balance Sheet comply with the Accounting Standards referred to in sub-section 3 (C) of Section 211 of the Companies Act, 1956.
 - e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - (i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2000.
AND
 - (ii) In the case of the Profit and Loss Account of the Profit of the Company for the year ended as on that date.

For : R.K. KHONA & CO.
Chartered Accountants

Place : Mumbai

Dated : 28th July, 2000

RAJESH KHONA
Proprietor