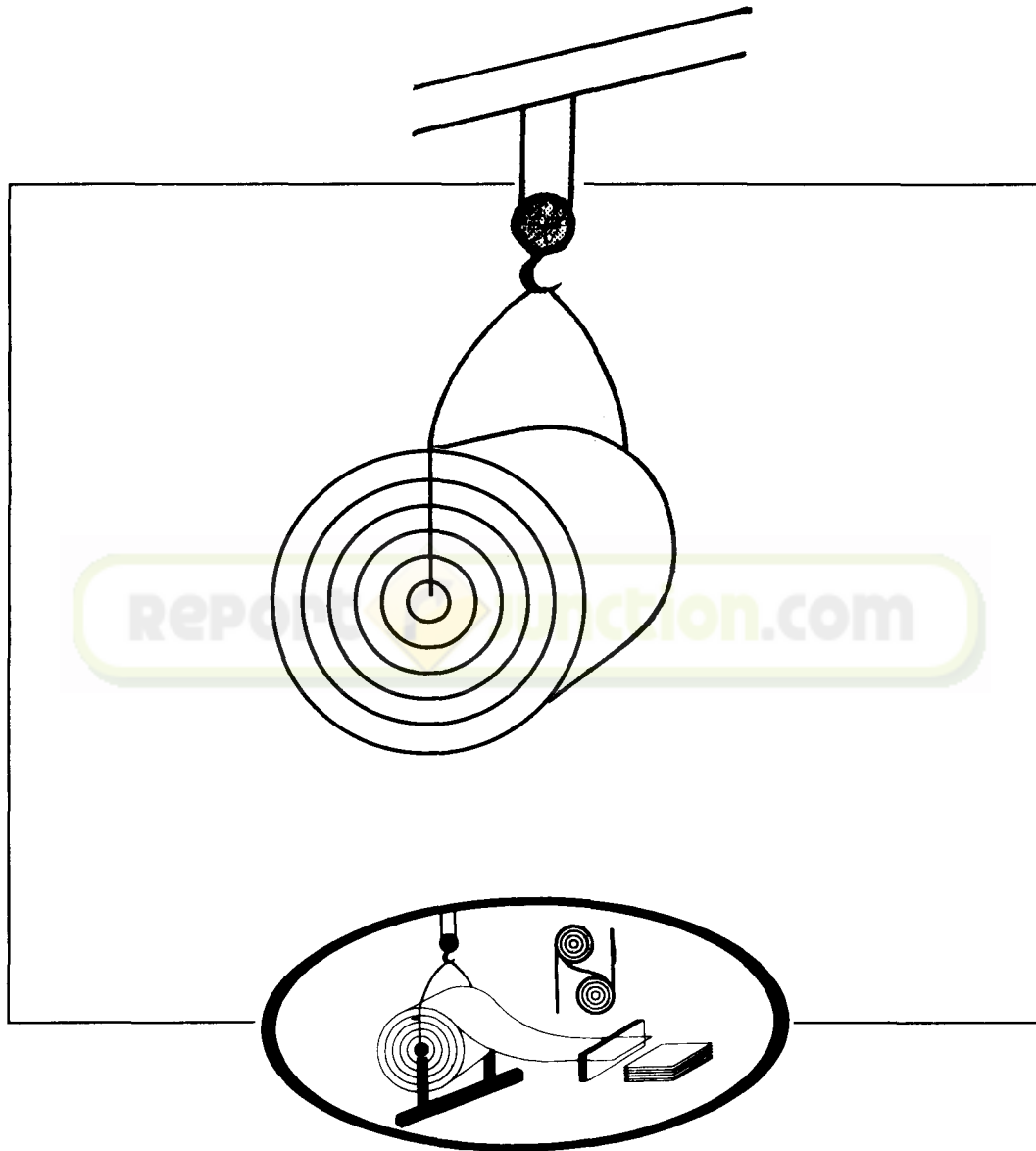


# 11TH ANNUAL REPORT 2001-2002



## 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. Ashok M. Mehta**  
**(Chairman & Managing Director)**

**Mr. Harkisan M. Mehta**

**Mrs. Kumud A. Mehta**

**Mr. Devaneshu P. Desai**

**Mr. Indrajit L. Sawant**

**Mr. Sudeesh G. Kamath**  
**(Nominee of SICOM Ltd.)**

**REGISTERED OFFICE & WORKS**

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

**BANKERS**

**Co- Operative Bank of Ahmedabad Ltd.**

**AUDITORS**

**M/s. R. K. Khona & Co.**  
**Chartered Accountants**

**REGISTRARS & TRANSFER AGENT FOR  
TRANSFER AND DEMETERIALIZATION**

**M/s. Mondkar Computer Pvt.Ltd.**  
**21, Shakil Niwas,**  
**Mahakali Caves Road,**  
**Andheri (East),**  
**Mumbai- 400 093.**

## **NOTICE**

Notice is hereby given that the 11<sup>th</sup> Annual General Meeting of the members of Rishabh Digha Steel And Allied Products Ltd. will be held as detailed below:

Day : Thursday  
Date : 26<sup>th</sup> September, 2002  
Venue : Registered Office at  
Plot No. C- 17 /2,  
MIDC Industrial Area,  
Talaja, 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 31<sup>st</sup> March, 2002 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 Harkisan M.Mehta, who retires by rotation and being eligible, offers for reappointment.
3. To appoint a Director in place of Smt. Kumud A.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 : 12<sup>th</sup> August, 2002

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

Ashok M. Mehta  
Chairman & 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. Mondkar Computers 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.**  
  
**21, Shakil Niwas, Mahakali Caves Road,  
Andheri (East), Mumbai-400 093.**
4. **The Register of Members and Share Transfer Books of the Company will remain closed from Thursday the 19<sup>th</sup> September, 2002 to Thursday the 26<sup>th</sup> September, 2002 (both days inclusive).**

**By Order of the Board**

**Place : Mumbai**

**Dated : 12<sup>th</sup> August, 2002**

**Ashok M. Mehta  
Chairman & Managing Director**

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

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

Yours Directors have pleasure in presenting the 11<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2002.

**1. FINANCIAL HIGHLIGHTS**

	(Rs. In lacs)	
	For Year Ended	For Year Ended
	<u>31-03-2002</u>	<u>31-03-2001</u>
Sales and Job Works	268-65	507-62
Other Income	5-79	6-95
Profit before Depreciation	24-33	66-15
Depreciation	21-97	22-00
Profit after Depreciation	2-36	44-15
Provision for taxation	0-26	3-75
Profit after tax	2-10	40-40
Balance B/F from Previous Year	<u>49-08</u>	<u>43-68</u>
Profit available for appropriation	<u>5-18</u>	<u>84-08</u>

**APPROPRIATION**

Transfer to General Reserve	-	35-00
Balance Carried to Balance Sheet	<u>51-18</u>	<u>49-08</u>
	<u>51-18</u>	<u>84-08</u>

**2. DIVIDEND**

With a view to conserve the resources, your directors have decided not to recommend dividend for the year ended 31<sup>st</sup> March, 2002.

**3. OPERATIONS**

During the year under report, the Company has achieved a turnover of Rs.274-44 lacs as against Rs.514-57 lacs in the previous year. Profit before depreciation amounted to Rs.24-33 lacs. After providing for depreciation amounting to Rs.21-97 lacs, and provision for taxation amounting to Rs.0-26 lacs, the profit after tax amounted to Rs.2-10 lacs. After adding surplus of last year amounting to Rs.49-08 lacs, the year has ended with surplus of Rs.51-18 lacs. The balance surplus of Rs.51-18 lacs has been carried to Balance Sheet.

During the year under Review, Your Directors continued to take economy measures which resulted in satisfactory performance inspite of overall recession in the economy.

Your Company has repaid the balance Term Loan of SICOM Ltd. during July,2002. The premature Term Loan/Interest instalments amounting Rs.33/- lacs were paid even by paying penalty for early payment. Your Company now is a "Zero - debt" Company ready to take off for better working results.

During the year under review, Your Company has purchased one more machine to achieve accuracy in operations to ensure quality control. This will enable the company to serve its customers with quality work.

#### **ISO-9002 CERTIFICATE OF REGISTRATION**

You will be happy to know that the Company has been assessed and found to comply with the requirements of ISO-9002 : IS ISO 9002 : EN ISO 9002 : 1994. The Quality Management System is applicable to

- 1) Decoiling, Straightening and Cutting of Hot Rolled, Cold Rolled and Plain Galvanised Steel Coils AND
- 2) Warehousing of Steel Sheets and Coils.

The Company has to maintain the system to the applicable standards which will be monitored during periodical Surveillance Audits. This recognition will give the company sharp edge over competitors in securing job orders.

#### **4. CURRENT YEAR WORKING**

Due to increase in demand for export, the local prices of steel have increased steeply by 30% during March-May, 2002 the Local Industry therefore affected and the working has become more difficult.

With a view to diversify its activities, Your company has offered for equity participation Collaboration / Joint venture. For this purpose following new proposals are under active consideration of the Management.

- 1) To optimize present infrastructural facilities.
- 2) To Modernise the Plant with State of the art facility.
- 3) To offer infrastructural facilities of international standards.

Your Company hopes to receive favourable response to enable the company to diversify its activities.

#### **5. DIRECTORS**

Shri Harkisan M.Mehta and Smt. Kumud A.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. 2,301/- (Previous year Rs.53,701/-)

#### **7. FIXED DEPOSITS**

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

### **8. DEMATERIALIZATION OF EQUITY SHARES OF THE COMPANY**

As per the directive issued by Stock Exchange, Mumbai and to facilitate the Shareholders of the Company, your Company has made arrangements for dematerialization of the Equity Shares of the company with CDSL and NSDL. The Company has appointed M/s.Mondker Computers Pvt.Ltd. as its Registrars and Transfer Agents for the purpose of dematerialization as also for transfer of the shares of the company.

### **9. DIRECTORS' RESPONSIBILITY STATEMENT**

Your directors confirm that:

- a) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 and of the profit or 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 this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Annual Accounts have been prepared on a going concern basis.

### **10. AUDITORS**

M/s. R. K. KHONA & Co. Chartered Accountants, Statutory Auditors of the company retire at the ensuing 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.

### **11. 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.

### **12. 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, during the year under report.

**13. 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.

**14. 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.

For and on behalf of the Board

Place: Mumbai

Dated: 12<sup>th</sup> August, 2002

Ashok M. Mehta  
Chairman and Managing Director

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## **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 31<sup>st</sup> March, 2002 and the Profit and Loss Account for the year ended on that date annexed thereto. 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.

We conducted our audit in accordance with auditing 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 of material misstatement. 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.

As required by the Manufacturing and other Companies (Auditors' Report) Order, 1988 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and as per the information and explanations furnished to us and the books and records examined by us in the normal course of audit. We enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.

Further to our comments in the Annexure referred to 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 purpose of our audit.
- b) In our opinion, proper Books of Account as are required by law have been maintained by the Company so far as appears from our examination of the books.
- c) The Balance Sheet and Profit and Loss Account referred to in 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) On the basis of written representation received from the directors, and taken on record by the board of directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2002 from being appointed as director in terms of clause (q) of section 274(1)(g) of the Companies Act, 1956.