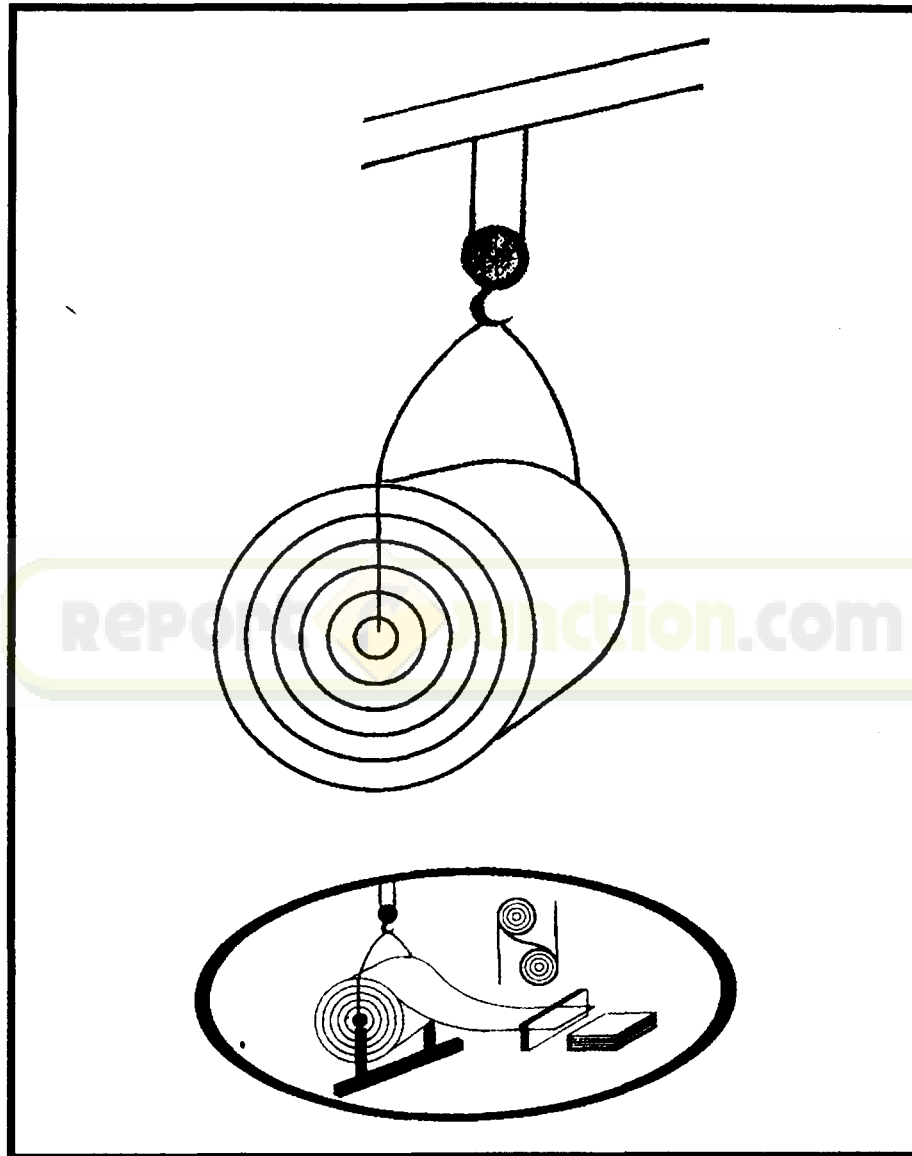


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MANAGING DIRECTOR

12TH ANNUAL REPORT 2002-2003



RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Regd. Office : Plot No. C-17/2, MIDC Ind. Area, Talaja, 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. Devanshu P.Desai

Mr. Indrajit L.Sawant

Mr. Akshay D.Shah
(From 25/10/2002)

REGISTERED OFFICE & WORKS

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

BANKERS

Co-Operative Bank of Ahmedabad Ltd.
Bank of Baroda

AUDITORS

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

REGISTRARS & TRANSFER AGENT FOR TRANSFER AND DEMETERIALIZATION

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

NOTICE

Notice is hereby given that the 12th Annual General Meeting of the members of Rishabh Digha Steel and Allied Products Ltd. will be held as detailed below:

Day : Tuesday
Date : 30th September, 2003
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, 2003 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 Indrajit L.Sawant, who retires by rotation and being eligible, offers for reappointment.
3. To appoint a Director in place of Shri Devanshu P.Desai, 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.

Special Business

5. To consider and if thought fit, to pass with or without modifications the following resolution as an ordinary resolution:-

"RESOLVED THAT Shri Akshay D.Shah who was appointed as an additional director of the company pursuant to Section 260 of the Companies Act, 1956, and who holds office until the conclusion of this Annual General Meeting be and is hereby appointed as a Director of the company liable to retirement by rotation".

Place : Mumbai

By Order of the Board

Dated : 18th August, 2003

Registered Office:-
Plot No.C-17/2,
MIDC Industrial Area,
Taloja, 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 and Dematerialisation 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 Wednesday the 24th September,2003 to Tuesday the 30th September,2003 (Both days inclusive)

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act,1956

The following explanatory statement relating to Item No. 5 of the accompanying Notice set out all Material facts as required under section 173 of the Act:

Item No. 5

Shri Akshay D.Shah was appointed as an Additional Director by the Board on 25th October,2002 as per section 260 of the Companies Act,1956. He holds office until the conclusion of this meeting. Notice pursuant to Section 257 of the Companies Act,1956 has been received by the company from a member signifying his intention to propose the resolution contained in the Notice.

None of the directors is interested in the resolution. The resolution is commended for adoption by the members.

Place : Mumbai

By Order of the Board

Dated : 18th August,2003

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

ASHOK M.MEHTA
(Chairman & Managing Director)

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

DIRECTORS' REPORT

Yours Directors have pleasure in presenting the 12th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2003.

1. Financial Highlights

(Rs. In Lacs)

	For Year Ended 31/03/2003	For Year Ended 31/03/2002
Sales and Job Works	267.33	268.65
Other Income	0.86	5.79
Profit before Depreciation	13.69	24.33
Depreciation	21.77	21.97
Profit/Loss after Depreciation	(8.08)	2.36
Provision for taxation	0.24	0.28
Profit after tax	(7.84)	2.10
Balance B/F from Previous Year	<u>51.18</u>	<u>49.08</u>
Profit available for appropriation	43.34	51.18
	=====	=====

Appropriation

Transfer to General Reserve	-	-
Balance Carried to Balance Sheet	<u>43.34</u>	<u>51.18</u>
	43.34	51.18
	=====	=====

2. Dividend

In view of loss sustained by the company, your directors have decided not to recommended dividend for the year ended 31st March, 2003.

3. Operations

During the year under Report, the Company has achieved the Turnover of Rs.268.19 lacs as against Rs.274.44 lacs in the previous year. Profit before depreciation amounted to Rs.13.69 lacs. After providing for Depreciation of Rs.21.77 lacs and provision for taxation amounting to Rs.0.24 lacs, the year has ended in a loss of Rs.7.84 lacs. After adjustment of balance of Rs.51.18 lacs brought from last year. The balance of Rs.43.34 lacs is carried to Balance Sheet.

The Economy measures taken by the Management have resulted in improvement in performance of the Company. During the year company has purchased two additional machines with a view to serve customers of the company with better quality. This will result in better standing for the company in competitive market.

ISO-9002 Certificate

Your company continues to hold ISO-9002 Registration and continues to maintain system to the applicable standards which are being monitored during periodical surveillance audit. This recognition has given advantageous position over competitors in securing job orders.

4. Current Year Working

Your company continues to grapple with efforts to procure equity participation for uplift the working of the company and for that purpose the Managing Director visited USA for preliminary discussions with prospective parties for collaboration. Necessary arrangements have been made to advertise in local Newspapers in USA. During discussion a few parties have agreed in principle to visit company's plant in December, 2003 to assess the possibilities of collaboration as well as equity participation to utilize plant capacity to its maximum level.

5. Directors

During the year under review, Shri Akshay D. Shah Chartered Accountant has been inducted in the Board of Directors of the Company in the month of October, 2002 so as to fall in line with Corporate Governance Policy. Shri Akshay D. Shah holds office upto the date of 12th Annual General Meeting. The company has received Notice under section 257 of the Companies Act, 1956 from a member notifying the intention to propose necessary resolution at ensuing Annual General Meeting for the appointment of Shri Akshay D. Shah as a Director of the company. Necessary item has been included in Notice convening the 12th Annual General Meeting and the appointment of Shri Akshay D. Shah as a Director of the company is recommended for adoption by the members.

6. Corporate Governance

Your company has fallen in line with SEBI Guidelines as enumerated in the Circular dated 11th April, 2000 received from Stock Exchange – Mumbai and was required to take necessary steps in the matter of Corporate Governance in the financial year 2002-03 but not later than 31/03/2003. Accordingly, necessary steps have been taken to implement Corporate Governance Guidelines in the month of December, 2002 and first report on Corporate Governance has been submitted to Stock Exchange-Mumbai for the Quarter ended 31/03/2003. A copy of report on Corporate Governance is annexed herewith being Steps taken by the Company as per guideline issued by Stock Exchange as per its circular dated 14/03/2003.

7. Donations

During the year under report donations were granted to Social / Educational Institutions amounting to Rs. 1,852/- (Previous year Rs. 2,301/-)

8. 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.

9. Dematerialisation 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 dematerialisation 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 dematerialisation as also for transfer of the shares of the company.

10. 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 Director 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 safe guarding 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.

11. 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.

12. 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.

13. 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 as been taking reasonable steps to minimize 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.

14. 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.

15. Acknowledgement

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

For and behalf of the Board

Place : Mumbai

Dated : 18th August,2003

ASHOK M.MEHTA
Chairman and Managing Director

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Report on corporate governance

1. Company's Philosophy on code of Governance:

The company's Philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, shareholders, creditors, consumers, institutional and other terms lenders and places due emphasis on regulatory compliance.

2. Board of Directors:

The present strength of Board of Directors is SIX. Mr. Ashok M.Mehta is Chairman & Managing Director, Out of 6 Directors, 5 Directors are Non-Executive and Independent. The Position of the Board of Directors thus meets with the stipulated requirements.

The Company has initially undertaken the compliance of Corporative Governance from 1st January,2003 i.e. during the last quarter of the year.

During the financial year ended on 31/03/2003, five Board meetings were held on 29/4/2002, 26/07/2002, 12/08/2002, 25/10/2002 and 31/01/2003.

The Company's last Annual General Meeting was held on 26/09/2002.

The Board's composition and categories as on 31/03/2003 and the attendance of each Director at Board Meeting and last Annual General Meeting are as under:-

Name of Director	Category	No. of Directorship in Other Cos.	No. of Board Committee For which Chairperson	No. of Board Meetings Attended	Whether Attended Last A.G.M.
Shri Ashok M.Mehta	Chairman & Mg. Director	4	4	5	Yes
Shri Harkisan M.Mehta	Director	1	Nil	5	Yes
Smt. Kumud A.Mehta	Director	3	Nil	5	Yes
Shri Devanshu P.Desai	Director	Nil	Nil	2	No
Shri Indrajit L.Sawant	Director	Nil	Nil	4	No
Shri Akshay D.Shah	Director	Nil	Nil	1	No

3. Committees of the Board:

A. Audit Committee:

Board Terms of Reference

The Audit Committee of the Board was constituted in the meeting of the Board of Directors held on 25/10/2002 in conformity with the requirements of Clause 49 of Listing Agreement, as well as Section 292A of the Companies Act, 1956. The terms of reference and the role of Audit Committee are set out in the Listing Agreement and Section 292A of the Companies Act, 1956.

The Audit Committee consisted of following members:

1. Shri Akshay D.Shah
2. Shri Harkisan M.Mehta
3. Smt. Kumud A.Mehta

The Audit Committee meeting was held on 31/01/2003 and all the member Directors of Audit Committee were present.

Quorum: Two Independent Directors.

Shri L.R.Mishra will act as Secretary of the Committee.

Remuneration Committee:

Since Managerial remuneration had been approved by the shareholders upto 31/12/2005, the remuneration committee has not been constituted and same will be constituted as and when it is required.

The sitting fees for attending each Board Meeting / Committee Meeting is Rs.500/- per meeting.

Shareholders / Investor Grievance Committee:

Function

The Board of RISHABH DIGHA STEEL AND ALLIED PRODUCTS LTD. has constituted as Shareholders / Investor Grievance Committee consisting of three members, Chaired by an independent Non-Executive Director. The Committee meets at frequent intervals to approve inter-alia, transfer / transmission of shares, issue of duplicate share certificates, no receipt of declared dividend and to review of the status of investors' grievances and redressal mechanism and recommends measures to improve the level of investor services. Details of Share Transfer / transmissions approved by the committee are placed at the Board Meetings from time to time.

Composition

The composition of the Shareholders / Investor's Grievance Committee is as under:-

Sr.	Name	Chairman / Member	No. of Meeting attended
1.	Shri Ashok M.Mehta	Chairman	1
2.	Shri Harkisan M.Mehta	Member	1
3.	Shri Akshay D.Shah	Member	1

Name and Designation of Compliance Officer:

Shri L.R.Mishra
M/s. Rishabh Digha Steel and Allied Products Ltd.
Giriraj, Ground Floor, Iron Market, S.T.Road,
Mumbai-400 009

Details of Shareholders Complaints Received, Not Solved and Pending Transfers

The total number of complaints received during the quarter 1/1/2003 to 31/3/2003: One
This complaint was attended promptly to the satisfaction of the complainant.

Annual General Meetings held:

Location and time, where the last three Annual General Meetings were held as given below:-

Financial Year	Date	Location	Time
1999-2000	21/09/2000	Plot No.C-17/2, MIDC Industrial Area, Taloja, Dist. Raigad (Maharashtra)	11.00 A.M.
2000-2001	24/09/2001	- do -	11.00 A.M.
2001-2002	26/09/2002	- do -	11.00 A.M.

No special resolution was put through postal ballot at the last AGM nor is any proposed for this year as there is no notification for the same.

Compliance Certificate:

The Certificate / Comments regarding compliance of conditions of Clause 49 of the List Agreement from the Auditors of the Company is annexed hereto.

Shareholders Information

Regd. Office: Plot No. C-17/2, MIDC Industrial Area, Taloja, Dist. Raigad (Maharashtra)
Annual General Meeting: Date & Time : 30th September, 2003
Venue : Registered Office at
Plot No.C-17/2,
MIDC Industrial Area,
Taloja, Dist. Raigad (Maharashtra))

Financial Calender:

Financial Reporting for the quarter ending June, 2002 : On or before July, 2002
Financial Reporting for half year ending Sept, 2002 : On or before October, 2002
Financial Reporting for the quarter ending Dec., 2002 : On or before January, 2003
Financial Reporting for the year ending March, 2003 : On or before April, 2003

Date of Book Closure : Wednesday, 24/09/2003 to Tuesday, 30/09/2003
(both days inclusive)

Listing on Stock Exchange : Mumbai Stock Exchange
Code No. 31539