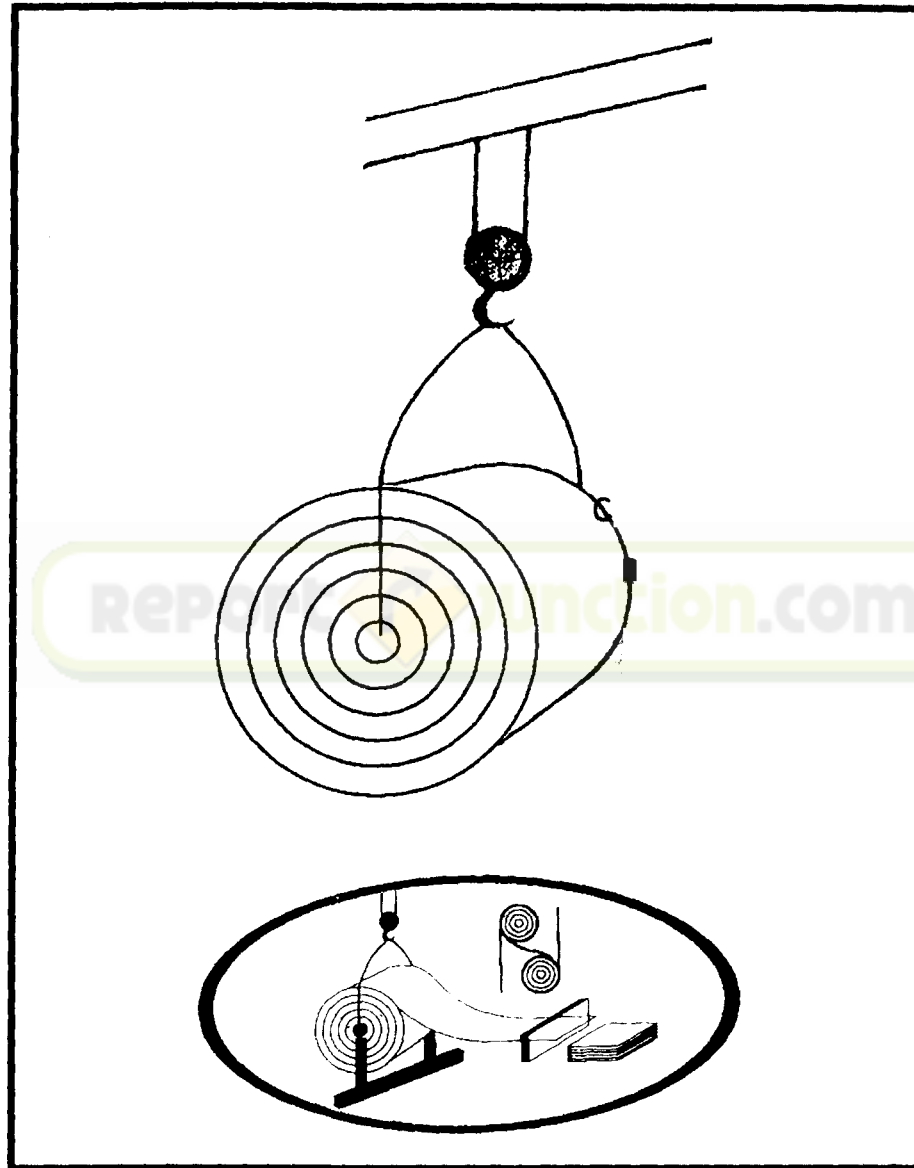


14TH ANNUAL REPORT 2004-2005



RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

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

Mr. Indrajit L. Sawant

Mr. Deepak S. Shah

Mr. Yash A. Mehta
(Executive Director – Marketing)

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

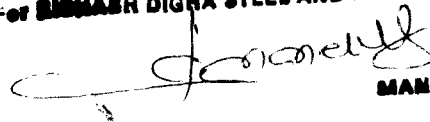
M/s. Akshay D. Shah & Co.
Chartered Accountants

**REGISTRARS & TRANSFER AGENTS FOR
TRANSFER AND DEMETERIALIZATION**

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

CERTIFIED TRUE COPY

for RISHABH DIGHA STEEL AND ALLIED PRODUCTS LTD.



MANAGING DIRECTOR

NOTICE

Notice is hereby given that the 14th Annual General Meeting of the members of Rishabh Digha Steel and Allied Products Ltd. will be held as detailed below:

Day : Monday
 Date : 26th September, 2005
 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, 2005 and Profit & Loss Account for the year ended on that date, Directors' Report and Auditors Report thereon.
2. To consider payment of Dividend on Equity Shares of the Company.
3. To appoint a Director in place of Shri Indrajit L. Sawant, who retires by rotation and being eligible, offers for reappointment.
4. To appoint a Director in place of Shri Devanshu P. Desai, who retires by rotation and being eligible, offers for reappointment.
5. 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

6. To consider and if thought fit, to pass, with or without modifications, the following resolution as Ordinary Resolution:-

"RESOLVED THAT pursuant to Section 198, 269, 309 and other applicable provisions if any of the Companies Act, 1956 sanction and consent be and is hereby accorded to the re-appointment of Shri Ashok M. Mehta as Managing Director of the Company for a period of five years with effect from 01/05/2005 on the following remuneration:-

Salary	: Rs. 40,000/- per month.
Perquisites	: Subject to a ceiling of 20% of Annual Salary per annum.
i) Provident Fund	: Company's contribution subject to ceiling of 12% of the salary.
ii) Gratuity	: Not to exceed half month's salary for each completed year of service as may be permissible under the income-tax Act, 1961 or the Rules framed thereunder.
iii) Medical Benefit	: For self and family reimbursement of expenses actually incurred the total cost of which to the company shall not exceed one month's salary in a year or three months salary in a block of three years.
iv) Leave	: One month's leave with pay for every eleven months service.
v) Leave Travel	: For self, wife and dependent children to and from any place in India once in a year, subject to the condition that only actual fares will be paid and no hotel expenses etc. will be allowed.
vi) Conveyance	: Free use of Company's car with driver. The monetary value of the perquisite will be evaluated as per the income-tax Rule, 1962.
vii) Personal Accident	: Personal Accident Insurance of an amount the premium of which does not exceed Rs.1,000/- per annum.
viii) Telephone	: Free Telephone facility at residence.
ix) Club	: Fee of club subject to a maximum of two club, provided that no life membership or admission fees is payable.

(Item I, ii, vi and viii – above will not from part of the perquisites).

Remuneration as above put together with remuneration payable on other Directors shall not exceed 10% of net profits. Remuneration as above shall be paid as minimum remuneration in the event of absence or inadequacy of profits subject to provisions of section II of part II of schedule XIII of the Companies Act, 1956.

"RESOLVED FURTHER THAT the Draft of the agreement incorporating the terms of appointment as placed before the Meeting be and is hereby approved and after obtaining necessary approvals, the engrossment of the said Draft be executed in terms of provisions of Articles of Association of the company under the Common Seal of the Company."

7. To consider and if thought fit, to pass, with or without modifications, the following resolution as Ordinary Resolution:-

"RESOLVED THAT pursuant to Section 198, 269, 309 and other applicable provisions if any of the Companies Act, 1956 sanction and consent be and is hereby accorded to the appointment of Shri Yash A.Mehta as Executive Director - Marketing of the Company for a period of five years with effect from 01/05/2005 on the following remuneration:-

Salary	:	Rs. 20,000/- per month .
Perquisites	:	Subject to a ceiling of 20% of Annual Salary per annum.
i) Provident Fund	:	Company's contribution subject to ceiling of 12% of the salary.
ii) Gratuity	:	Not to exceed half month's salary for each completed year of service as may be permissible under the income-tax Act,1961 or the Rules framed thereunder.
iii) Medical Benefit	:	For self and family reimbursement of expenses actually incurred the total cost of which to the company shall not exceed one month's salary in a year or three months salary in a block of three years.
iv) Leave	:	One month's leave with pay for every eleven months service.
v) Leave Travel	:	To and from any place in India once in a year, subject to the condition that only actual fares will be paid and no hotel expenses etc. will be allowed.
vi) Conveyance	:	Free use of Company's car with driver. The monetary value of the perquisite will be evaluated as per the income-tax Rule,1962.
vii) Personal Accident	:	Personal Accident Insurance of an amount the premium of which does not exceed Rs.1,000/- per annum.
viii) Telephone	:	Free Telephone facility at residence.

- ix) Club : Fee of club subject to a maximum of two club, provided that no life membership or admission fees is payable.

(Item I, ii, vi and viii – above will not from part of the perquisites).

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"RESOLVED FURTHER THAT the Draft of the agreement incorporating the terms of appointment as placed before the Meeting be and is hereby approved and after obtaining necessary approvals, the engrossment of the said Draft be executed in terms of provisions of Articles of Association of the company under the Common Seal of the Company."

Place : Mumbai

By Order of the Board

Dated : 12th August, 2005

ASHOK M. MEHTA
(Chairman & Managing Director)

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

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 Monday the 19th September, 2005 to Monday the 26th September, 2005 (Both days inclusive)

CERTIFIED TRUE COPY
of RISHABH DIGHA STEEL AND ALLIED PRODUCTS LTD.

5


MANAGING DIRECTOR

ANNEXURE TO THE NOTICEExplanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

The following explanatory statement relating to Item No.6 & 7 of the accompanying Notice set out all Material facts as required under section 173 of the Act:

Item No. 6

Shri Ashok M.Mehta has been re-appointed as Chairman and Managing Director of the company as per resolution passed by the shareholders at the General Meeting of the Company held on 27th September, 2004 on a remuneration of Rs.30,000/- per month plus perquisites. The resolution provided the grade of 30,000 – 2,000 – 40,000. The performance of the Company during the year 2004-2005 has been encouraging and the Company was likely to declare the dividend for the year ended 31st March, 2005. It is proposed to enter into fresh agreement with Shri Ashok M.Mehta, Chairman and Managing Director for a period of 5 years from 01/05/2005 to 30/04/2010 on increased Remuneration of Rs.40,000/- plus perquisites on the terms and conditions set out in the resolution contained in the notice.

The Board of directors at its meeting held on 29th April, 2005 have approved the reappointment of Shri Ashok M.Mehta as Chairman and Managing Director of the company on the terms and conditions set out in the notice subject to approval of Shareholders.

The remuneration payable to Shri Ashok M.Mehta, Chairman and Managing Director is in consonance with section 269, 198 & 309 read with schedule XIII of the companies Act, 1956. The Draft of Agreement between the Company and Shri Ashok M. Mehta as Chairman and Managing Director is available for inspection of the Members during the office hours on all working days except Sunday between 3.00 pm. to 5.00 pm. upto the date of Annual General Meeting.

In accordance with the provision of schedule XIII of the companies Act, 1956 the appointment of Shri Ashok M.Mehta, Chairman and Managing Director and remuneration payable to him are subject to approval of shareholders and hence the resolution as contained in the notice is commended for adoption by the members.

This may be treated as an abstract of the Draft Agreement between the Company and Shri Ashok M.Mehta, pursuant to Section 302 of the Companies Act, 1956.

None of the directors is interested in the resolution except Smt. Kumud A.Mehta, Director.

Item No. 7

Shri Yash A.Mehta was taken as a Trainee in the Company from April, 2003 on part time basis. He was co-opted as Director of the Company from 30/07/2004 as an Additional Director. The Shareholders approved his appointment as a Director of the Company at the 13th Annual General Meeting of the Company held on 27th September, 2004.

The Board of Directors of the Company decided to appoint him as an Executive Director – Marketing with effect from 01/05/2005 on a Remuneration detailed in the Resolution, subject to approval of Shareholders in General Meeting.

Shri Yash A. Mehta is B.Sc with Computer Science. He intends to complete M.B.A.

The remuneration payable to Shri Yash A.Mehta, Executive Director – Marketing is in consonance with section 269, 198 & 309 read with schedule XIII of the companies Act,1956. The Draft of Agreement between the Company and Shri Yash A.Mehta as Executive Director - Marketing is available for Inspection of the Members during the office hours on all working days except Sunday between 3.00 pm. to 5.00 pm. upto the date of Annual General Meeting.

In accordance with the provision of schedule XIII of the companies Act,1956 the appointment of Shri Yash A.Mehta Executive Director - Marketing and remuneration payable to him are subject to approval of shareholders and hence the resolution as contained in the notice is commended for adoption by the members.

This may be treated as an abstract of the Draft Agreement between the Company and Shri Yash A.Mehta, pursuant to Section 302 of the Companies Act,1956.

None of the directors is interested in the resolution except Shri Ashok M.Mehta and Smt. Kumud A.Mehta, Directors.

Place : Mumbai

By Order of the Board

Dated : 12th August,2005

ASHOK M.MEHTA

(Chairman & Managing Director)

Registered Office:-

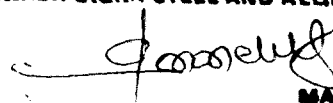
Plot No. C-17/2,

MIDC Industrial Area,

Taloja, Dsit. Raigad. (Maharashtra)

CERTIFIED TRUE COPY

of RISHABH DIGHA STEEL AND ALLIED PRODUCTS LTD.



MANAGING DIRECTOR

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

Yours Directors have pleasure in presenting the 14th Annual Report together with the Audited Statement of Accounts for the year ended 31st March,2005.

(Rs in Lacs)

<u>1. Financial Highlights</u>	<u>For year Ended 31/03/2005</u>	<u>For year Ended 31/03/2004</u>
Sales and Job Works	519.08	747.52
Other Income	1.74	-
Profit before Depreciation	106.46	70.28
Depreciation	24.30	22.79
Profit/Loss after Depreciation	82.15	47.49
Provision for taxation	Current	1.16
	Deferred	2.89
Profit after tax	51.98	44.04
Balance B/F from Previous Year	25.51	43.34
	-----	-----
Profit available for appropriation	77.49	87.38
	=====	=====
<u>Appropriation</u>		
Transfer to General Reserve	-	-
Dividend (Proposed)	55.00	55.00
Corporate Dividend Tax	6.87	6.87
Balance Carried to Balance Sheet	15.62	25.51
	-----	-----
	77.49	87.38
	=====	=====

2. Dividend

The Directors have decided to recommended dividend at 10% per share for the year ended 31st March,2005.

3. Operations

During the year under Report, the Company has achieved the Turnover of Rs.519.08 lacs as against Rs.747.52 lacs in the previous year. Profit before depreciation amounted to Rs.106.46 lacs. After providing for Depreciation of Rs.24.30 lacs and provision for taxation amounting to Rs.27.25 lacs and deferred liability for tax amounting Rs.2.92 lacs the year has ended in a profit of Rs.51.98 lacs. After adjustment of balance of Rs.25.51 lacs brought from last year, the year has ended profit of Rs.15.62 lacs which is available for appropriation. The dividend as recommended by the directors @10% per equity shares if sanctioned will be paid to equity shareholders after payment of tax amounting Rs.6.87 lacs and the balance amount of Rs. 15.62 lacs will be carried to balance sheet.

The Economy measures taken by the Management have resulted in improvement in performance of the Company. With a view to improve infrastructure, your Management has appointed Senior Consultant for up gradation of Plant / Machinery as also to advise the management and implement process of improving plant efficiency. The initial results are encouraging.

4. Current Year Working

Your company has executed sizeable orders during the 1st Quarter ended 30/06/2005 and the achieved the Turnover of Rs.47.19 lacs during the 1st Quarter as against Rs.41.79 lacs during the Corresponding Quarter last year.

Your Company has reduced Trading Activities during the last several months and the Trading Activities would be resumed shortly. The Profit margin on the job order is remunerative and as such the profit during the current year is likely to be on the higher side.

5. Directors

During the current year your Directors have decided to increase the remuneration payable to Shri Ashok M.Mehta, Chairman and Managing Director from Rs.30,000/- per month to Rs.40,000/- per month plus perquisites with effect from 01/05/2005 due to improved performance of the company during the year under report. Necessary resolution for the fresh re-appointment with increased remuneration payable to Shri Ashok M.Mehta, Chairman and Managing Director is included in the notice convening in 14th Annual General Meeting and same is commended for adoption by the members.

During the current year your Directors have decided to appoint to Shri Yash A.Mehta, Director as the Executive Director-Marketing for a period of 5 years on the remuneration of Rs.20,000/- per month plus perquisites. This appointment is made by the Board after requisite training and assessing the performance of Shri Yash A.Mehta, as a Director of the Company. Necessary resolution is included in the notice convening 14th Annual General Meeting of the Company and the same is commended for the adoption by the members.

Shri Indrajit L.Sawant and Shri Devanshu P.,Desai, Directors retire by rotation. They being eligible offer themselves for re-appointment. Necessary items have been included in the notice convening 14th Annual General Meeting of the Company and the same are commended for the adoption by the members.

6. Corporate Governance

Corporate Governance Report for the period 01/04/2004 to 31/03/2005 is annexed.

7. Donations

During the year under report donations were granted to Social / Educational Institutions amounting to Rs.35,207/- (Previous year Rs.8,427/--)

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.