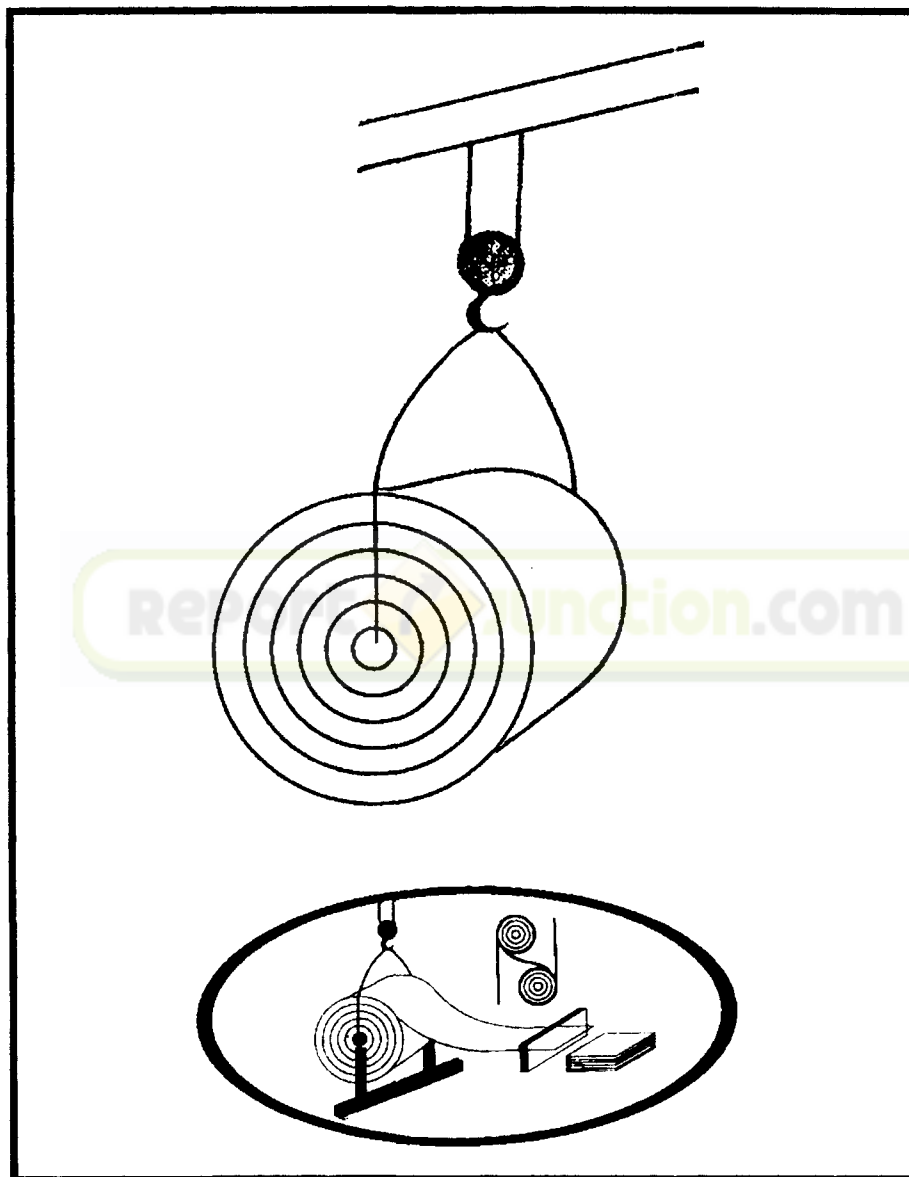


15TH ANNUAL REPORT 2005-2006



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

Mr. Kumud A.Mehta

Mr. Devanshu P.Desai
(Upto 26.09.2005)

Mr. Indrajit I.Sawant

Mr. Deepak S.Shah

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

Mr. Ashwin P.Sanghavi
(From 26.09.2005)

Mr. Mahendra D.Sanghavi
(From 30.12.2005)

REGISTERED OFFICE & WORKS

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

BANKERS

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

NOTICE

Notice is hereby given that the 15th Annual General Meeting of the members of Rishabh Digha Steel and Allied Products Ltd. will be held as detailed below:

Day : Tuesday
Date : 26th September, 2006
Venue : Registered Office at
Plot No. C-17/2, MIDC Industrial Area.
Taloja, Dist. Raigad., (Maharashtra)
Time : 10.00 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, 2006 and Profit & Loss Account for the year ended on that date, Directors' Report and Auditors Report thereon.
2. To consider payment of Final Dividend on Equity Shares of the Company.
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 a Director in place of Shri Deepak S.Shah, 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 an ordinary resolution:-

"RESOLVED THAT Shri Ashwin P.Sanghavi who was appointed as an additional director of the company pursuant to Section 260 of the Companies Act, 1956 and Articles of Association of the Company and 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".

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

“RESOLVED THAT Shri Mahendra D.Sanghavi who was appointed as an additional director of the company pursuant to Section 260 of the Companies Act, 1956 and Articles of Association of the company and 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”.

8. 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 01/10/2006 on the following remuneration:-

Salary	:	Rs. 1,00,000/- 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 form 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.”

9. 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 01/10/2006 on the following remuneration:-

- Salary : Rs. 25,000/- 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).

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.”

Place : Mumbai

By Order of the Board

Dated : 14th August, 2006

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 18th September,2006 to Tuesday the 26th September,2006 (Both days inclusive)
5. As required under the listing agreement, a brief write up is reproduced below in respect of the two Directors whose re-appointment is placed before this AGM. Similarly a brief write up on two Directors who were appointed as additional directors and who are proposed to be appointed as directors liable to retirement by rotation is placed before this AGM.

i)

Name	:	Shri Harkisan M.Mehta
Date of Birth	:	29.11.1950
Expertise	:	Marketing
Directorship Held in other Company	:	Digha Steel Industries Pvt.Ltd. Ashoka Sheet Processors Pvt.Ltd.
Shares Held	:	150 Equity Shares

ii)

Name	:	Shri Deepak S.Shah
Date of Birth	:	30.01.1953
Date of Appointment	:	25.03.2004
Expertise	:	Factory Management
Directorship Held in other Company	:	Nil
Shares Held	:	Nil

iii)

Name : Shri Ashwin P.Sanghavi
 Date of Birth : 02.03.1952
 Date of Appointment : 26.09.2005
 Expertise : Finance Marketing
 Directorship Held in other Company : Plata Polymer Pvt.Ltd.
 Silka Auxichem (India) Pvt.Ltd.
 Shares Held : Nil

iv)

Name : Shri Mahendra D.Sanghavi
 Date of Birth : 01.12.1953
 Date of Appointment : 30.12.2005
 Expertise : Accounts
 Directorship Held in other Company : Nil
 Shares Held : Nil

ANNEXURE TO THE NOTICE

Explanatory 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 Ashwin P.Sanghavi has been appointed as an Additional Director of the company from 26th September,2005 by the Board of Directors of the Company as per Section 260 of the Companies Act,1956 and Articles of Association of the Company. He holds office of Director until the conclusion of 15th Annual General Meeting. Notice pursuant to Section 257 of the Companies Act,1956 has been received by the company from a member signifying his intention to purpose the resolution contained in the Notice.

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

Item No.7

Shri Mahendra D.Sanghavi has appointed as an Additional Director by the Board at its Meeting held on 30/12/2005 as per Section 260 of the Companies Act,1956 and Articles of Association from the Company. He holds office of Director until the conclusion of 15th Annual General 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.

Item No. 8

In terms of the resolution passed by the shareholders at the 14th Annual General Meeting of the company held on 26th Septemebr,2005, necessary agreement was executed on 23rd December,2005 between the company and Shri Ashok M.Mehta, Chairman and Managing Director of the company.

In view of the improved performance of the company the Board of Directors at its meeting held on 14th August,2006 have decided to re-appoint Shri Ashok M.Mehta as the Chairman and Managing Director for a period of 5 years from 01/10/2006 on a remuneration of Rs.1,00,000/- per month plus perquisites. Necessary resolution is included in the notice convening 15th Annual General Meeting of the company and the same is commended for the adoption by the members.

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 provisions 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 and Shri Yash A.Mehta Directors.

Item No.9

In terms of the resolution passed by the shareholders at the 14th Annual General Meeting of the company held on 26th Septemebr,2005, necessary agreement was executed on 23rd December,2005 between the company and Shri Yash A.Mehta, Executive Director – Marketing of the company.

In view of the improved performance of the company the Board of Directors at its meeting held on 14th August, 2006 have decided to re-appoint Shri Yash A. Mehta as the Executive Director – Marketing for a period of 5 years from 01/10/2006 on a remuneration of Rs.25,000/- per month plus perquisites. Necessary resolution is included in the notice convening 15th Annual General Meeting of the company and the same is commended for the adoption by the members.

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 : 14th August, 2005

ASHOK M.MEHTA
(Chairman & Managing Director)

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