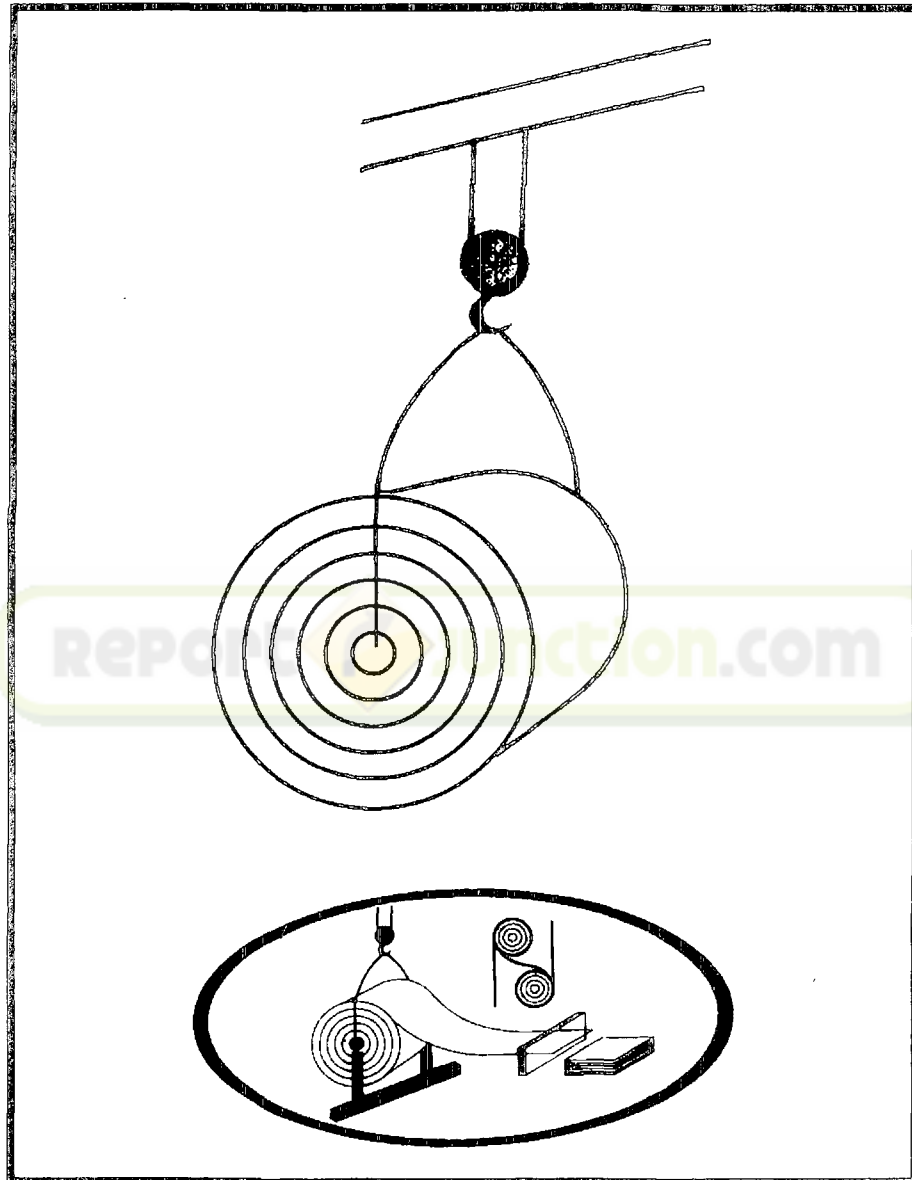


17TH ANNUAL REPORT 2007-2008



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.

Website : www.rishabhdighasteel.com • **E-mail :** info@rishabhdighasteel.com

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. Indrajit L.Sawant

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

Mr. Ashwin P.Sanghavi

Mr. Mahendra D.Sanghavi

Mr. Snehal S. Chinai

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 17th Annual General Meeting of the members of Rishabh Digha Steel and Allied Products Ltd. will be held as detailed below:

Day : Monday
 Date : 22nd September, 2008
 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, 2008 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 Harkisan M.Mehta, who retires by rotation and being eligible, offers for reappointment.
4. To appoint a Director in place of Shri Mahendra D.Sanghavi, 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 01/04/2008 on the following remuneration:-

Salary : Rs. 1,50,000/- 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.”

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 01/04/2008 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	: 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.”

Place : Mumbai

By Order of the Board

Dated : 07th August, 2008

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 15th September, 2008 to Monday the 22nd September, 2008 (Both days inclusive)
5. The Dividend if sanctioned will be paid to those members whose names appear on the register of members as on 22nd September, 2008 within a period of one month.
6. 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.

- i)
- | | | |
|---------------------------------------|---|------------------------------|
| Name | : | Shri Harkisan M.Mehta |
| Date of Birth | : | 29.11.1950 |
| Expertise | : | Marketing |
| Directorship Held in other Companies. | : | Digha Fabricators Pvt.Ltd. . |
| Shares Held | : | Nil |
- ii)
- | | | |
|---------------------------------------|---|--------------------------|
| Name | : | Shri Mahendra D.Sanghavi |
| Date of Birth | : | 01.12.1953 |
| Date of Appointment | : | 30.12.2005 |
| Expertise | : | Accounts |
| Directorship Held in other Companies. | : | 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

In terms of the resolution passed by the shareholders at the 15th Annual General Meeting of the company held on 26th Septemebr,2006, necessary agreement was executed on 31st January,2007 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 22nd April,2008 have decided to re-appoint Shri Ashok M.Mehta as the Chairman and Managing Director for a period of 5 years from 01/04/2008 on a remuneration of Rs.1,50,000/- per month plus perquisites. Necessary resolution is included in the notice convening 17th 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.7

In terms of the resolution passed by the shareholders at the 15th Annual General Meeting of the Company held on 26th Septemebr,2006, necessary agreement was executed on 31st January,2007 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 22nd April,2008 have decided to re-appoint Shri Yash A. Mehta as the Executive Director – Marketing for a period of 5 years from 01/04/2008 on a remuneration of Rs.1,00,000/- per month plus perquisites. Necessary resolution is included in the notice convening 17th 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 : 07th August,2008

ASHOK M.MEHTA
(Chairman & Managing Director)

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

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

Yours Directors have pleasure in presenting the 17th Annual Report together with the Audited Statement of Accounts for the year ended 31st March,2008.

	(Rs in Lacs)	
1. <u>Financial Highlights</u>	For year Ended 31/03/2008	For year Ended 31/03/2007
Sales and Job Works	536.94	388.03
Other Income	40.02	16.51
Profit before Depreciation	350.34	166.89
Depreciation	26.36	26.18
Profit/Loss after Depreciation	323.98	140.71
Provision for taxation	112.28	55.38
Current		
Deffered	(1.61)	-
Profit after tax	211.75	84.46
Balance B/F from Previous Year	29.14	6.23
	-----	-----
Profit available for appropriation	240.91	90.68
	=====	=====
<u>Appropriation</u>		
Transfer to General Reserve	14.81	3.15
Interim Dividend Paid	54.84	55.00
Dividend (Proposed)	54.84	-
Corporate Dividend Tax	18.70	7.71
Balance Carried to Balance Sheet	97.72	24.82
	-----	-----
	240.91	90.68
	=====	=====

2. Dividend

The Directors have already declared and paid Interim Dividend of 10% subject to approval of members in General Body Meeting. The Directors now recommend 10% Final dividend for the Financial Year Ended 31st March,2008.

3. Operations

During the year under Report, the Company has achieved the Turnover of Rs.576.96 lacs as against Rs.404.54 lacs in the previous year. Profit before depreciation amounted to Rs.350.34 lacs. After providing for Depreciation of Rs.26.36 lacs and provision for taxation amounting to Rs.112.28 lacs and deferred provision for tax amounting Rs.(1.61) lacs, the year has ended in a profit of Rs.211.75 lacs. After adjustment of balance of Rs.29.14 lacs brought from last year, the year has ended profit of Rs.240.91 lacs which is available for appropriation. Of which Rs.54.84 lacs have already been paid as interim dividend alongwith Dividend Tax of Rs.18.70 lacs. The final dividend as recommended by the directors @10% per equity shares if sanctioned will be paid to equity shareholders and the balance amount of Rs.97.72 lacs will be carried to Balance Sheet.

Due to improved management strategies the performance of the Company has shown better results. The steps taken by the Company to improve infrastructure has resulted in the plant efficiency.

4. Current Year Working

Your Company has executed sizeable orders during the 1st Quarter ended 30/06/2008 and the achieved the Turnover of Rs.141.73 lacs during the 1st Quarter as against Rs.113.53 lacs during the Corresponding Quarter last year.

The profit during the current year is likely to be on the higher side as compared to year under report.

5. Directors

Shri Harkisan M.Mehta and Shri Mahendra D.Sanghavi Directors retire by rotation they being eligible offer themselves for re-appointment. Necessary Items has been included in 17th Annual General Meeting.

In terms of the resolution passed by the shareholders at the 15th Annual General Meeting of the Company held on 26th Septemebr,2006, necessary agreement was executed on 31/01/2007 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 22nd April,2008 have decided to re-appoint Shri Ashok M.Mehta as the Chairman and Managing Director for a period of 5 years from 01/04/2008 on a remuneration of Rs.1,50,000/- per month plus perquisites. Necessary resolution is included in the notice convening 17th Annual General Meeting of the Company and the same is commended for the adoption by the members.

In terms of the resolution passed by the shareholders at the 15th Annual General Meeting of the Company held on 26th Septemebr,2006, necessary agreement was executed on 31/01/2007 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 22nd April,2008 have decided to re-appoint Shri Yash A. Mehta as the Executive Director – Marketing for a period of 5 years from 01/04/2008 on a remuneration of Rs.1,00,000/- per month plus perquisites. Necessary resolution is included in the notice convening 17th Annual General Meeting of the Company and the same is commended for the adoption by the members.

6. Corporate Governance

Corporate Governance Report for the period 01/04/2007 to 31/03/2008 is annexed.

7. Donations

During the year under report donations were granted to Social / Educational Institutions amounting to Rs.21,52,351/- (Previous year Rs.25,84,752/--)

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.