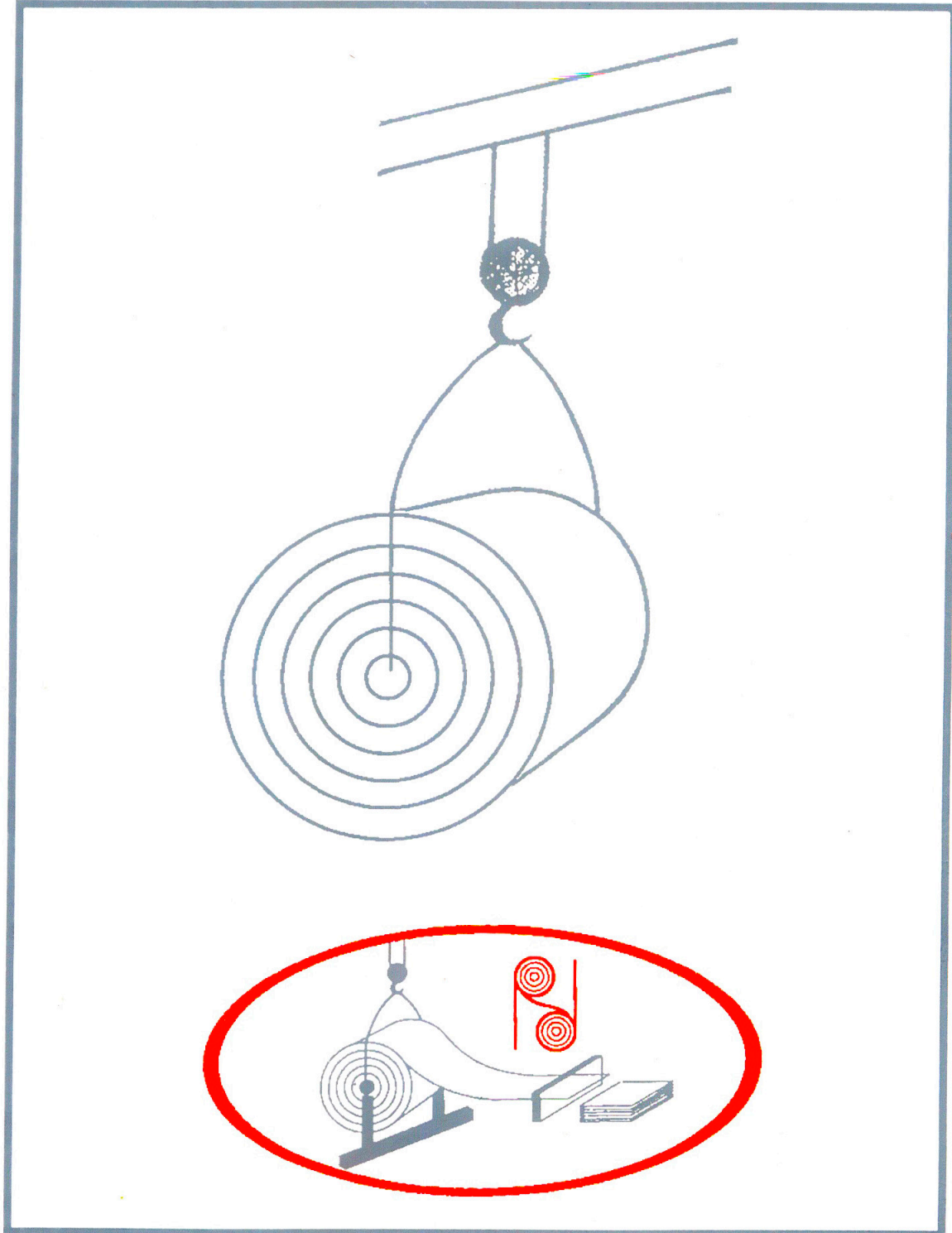


22ND ANNUAL REPORT 2012-2013



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.

Tel.: 2348 1267, 2348 1268 • Telefax : 2348 1267

Email : info@rishabhdighasteel.com • Website : www.rishabhdighasteel.com

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

BOARD OF DIRECTORS

CHAIRMAN AND MANAGING DIRECTOR	:	SHRI ASHOK M. MEHTA
DIRECTORS	:	SHRI YASH A. MEHTA – EXECUTIVE DIRECTOR SHRI ASHWIN P. SANGHAVI SHRI SNEHAL S. CHINAI
BANKERS	:	BANK OF BARODA
AUDITORS	:	M/S AKSHAY D. SHAH & CO. Chartered Accountants Mumbai
REGISTERED OFFICE	:	Plot No. C-17/2, MIDC Industrial Area, Taloja, Dist. Raigad-410208 (Maharashtra)
HEAD OFFICE	:	Giriraj Building, Ground Floor, Sant Tukaram Road, Iron Market, Mumbai-400009
REGISTRARS & TRANSFER AGENTS FOR TRANSFER AND DEMATERIALIZATION	:	M/s. Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai – 400 093

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 22nd ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED WILL BE HELD AT PLOT NO. C-17/2, MIDC INDUSTRIAL AREA, TALOJA, DIST. RAIGAD-410208 (MAHARASHTRA) ON THURSDAY, 26TH SEPTEMBER, 2013 AT 11 A.M. TO TRANSACT THE FOLLOWING BUSINESS

ORDINARY BUSINESS:

- 1.) To receive, consider and adopt the Statement of Profit and Loss of the Company for the year ended 31st March, 2013 and Balance Sheet as on that date, Cash Flow Statement for the year ended 31st March, 2013 and Report of the Directors and Auditors thereon.
- 2.) To declare Final Dividend for the year ended 31st March, 2013.
- 3.) To appoint a Director in place of Shri Ashwin P. Sanghavi who retires by rotation and being eligible, offers himself for re – appointment.
- 4.) To re-appoint M/s. Akshay D. Shah, Chartered Accountants, as Statutory Auditor of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and to vote on a poll instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not later 48 hours before the meeting.
2. Members are requested to notify immediately any change in their address.
3. The Register of Members and the Share Transfer Book of the Company will remain closed from 19th September, 2013 to 26th September, 2013 (both days inclusive).
4. Members desiring to submit mandates, to lodge transfer deed for shares are requested to forward the same so as to reach the Company's Registrars, M/s Universal Capital Securities Pvt. Ltd., 21, Shakil Niwas, Mahakali Caves, Andheri (East), Mumbai-400093.
5. In accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges the particulars of Directors who are proposed to be re-appointed are given in the Corporate Governance Section.
6. Members are requested to send their queries to the Company, if any, on Accounts at least 10 days before the Meeting.

7. In case of physical shares, the instrument of Share Transfer complete in all respect should be sent so as to reach to the Registered Office of the Company or at the office of R & T Agent prior to closure of the Register of Members as stated above.
8. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
9. Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report.
10. Recently, the Ministry of Corporate Affairs (MCA) , Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in corporate Governance.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send Documents like the Notice convening the general meetings, Financial Statements, Directors', Auditors' Report, etc to the email address provided by you with your depositories.

We request you to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email.

11. Members can avail of the Nomination facility by filing Form 2B with the Company or its Registrar. Blank forms will be supplied on request. In case of shares held in demat form, the nomination has to be lodged with their DP.
12. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to System Support Services.

For and on behalf of the Board

Place: Mumbai
Date: 01/08/2013

ASHOK M. MEHTA
Chairman & Managing Director

Details of Directors seeking appointment/ re-appointment in forthcoming Annual General Meeting

(In pursuance of Clause 49 of the listing Agreements)

Name	Shri Ashwin P Sanghavi
Date of Birth	02/03/1952
Date of Appointment	26/09/2005
Expertise in specific functional areas	Finance Marketing
Qualifications	B.com and LLB
List of Limited Companies in which outside Directorship held	Nil

DIRECTOR'S REPORT

The Directors have pleasure in presenting their 22nd Annual Report on the business and operations of the Company for the year ended 31st March, 2013.

1. FINANCIAL RESULTS:

	(Rs. In Lacs)	
	31st March, 2013	31st March, 2012
Operating Income (from Job Work)	202.06	461.25
Other Income	65.10	51.78
Profit (Loss) before Depreciation	106.51	313.22
Less : Depreciation	27.98	28.98
Profit/ (Loss) after Depreciation	78.53	284.24
Less : Provision for Tax	27.67	99.77
Less: Deffered Tax	(4.19)	(4.26)
Less : Excess Provision for Tax PY	-	1.35
Profit/ (Loss) after Tax	55.04	187.39
Add :Amount brought forward from Previous Year	245.31	160.88
Amount available for appropriation	300.35	348.27
<u>Appropriations</u>		
Interim Dividend paid		
Proposed Dividend	-	-
Dividend Distribution Tax	54.86	82.30
Transfer to Reserves	9.32	13.99
Prior Period Items	-	9.37
Balance carried to Balance Sheet (Profit/ (Loss) Account)	0.15	2.69
	236.31	245.31

2. DIVIDEND:

The Board of Directors are glad to recommend Final Dividend @ Re 1.00 per share on 54,86,400 Equity Shares of Rs.10/- each aggregating to Rs.54,86,400/- for the year ended 31st March, 2013, subject to approval of the Members of the Company at the ensuing Annual General Meeting scheduled to be held on 26th September, 2013.

3. DIRECTORS:

Shri Ashwin P Sanghavi, Non-Executive independent Director of the Company retires by rotation under Article 104 of Articles of Association of the Company but being eligible offers himself for re-appointment.

4. OPERATIONS:

During the year under Report your Company achieved an Operating Income (from Job Work) of Rs.202.06 Lacs as against Rs. 461.25 Lacs in the previous year. Other Income earned during the year stood at Rs.65.10 lacs as against Rs. 51.78 lacs in the previous year. The Profit before Depreciation was Rs. 106.51 Lacs as against Rs. 313.22 Lacs in the previous year. The profit after Depreciation and Tax was Rs.78.53 Lacs as against Rs. 284.24 Lacs in the year ended 31st March, 2012.

5. DONATIONS:

During the year under report donations were made to Social/ Educational Institutions amounting to Rs. 9,11,000/- (Previous year Rs. 26,17,406/-)

6. AUDITORS:

M/s. Akshay D. Shah & Co., Chartered Accountants of the Company will retire at the conclusion of the forthcoming Annual General Meeting and being eligible offers himself for reappointment as Statutory Auditors of the Company.

7. AUDITOR'S REPORT:

There are no adverse observations in the Auditor's Report.

8. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, The Directors confirm that:

- a) in the presentation of the Annual Accounts, the applicable Accounting Standards except revised AS 15 applicable for Accounting Treatment for Gratuity, Leave Encashment and other Retirement Benefits have been followed and that no material departures except to the extent disclosed have been made from the same;

- b) the Directors had selected such Accounting policies and applied them consistently and judgments 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 the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and,
- d) the Directors had prepared the Annual Accounts on a going concern basis.

9. STATEMENTS OF PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:

Information in accordance with the provisions of Section 217(1)(e) of the Act read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given in Annexure "A".

10. PUBLIC DEPOSITS:

The Company has not accepted any Public Deposits during the year under report.

11. PARTICULARS OF EMPLOYEES:

The Company has no employee in the category specified under Section 217(2A) of the Companies Act, 1956.

For and on behalf of the Board

**Place: Mumbai
Date: 01/08/2013**

**ASHOK M. MEHTA
Chairman & Managing Director**

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

ANNEXURE 'A' TO DIRECTORS' REPORT

As required under Section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as under:

TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER FORM – A IS GIVEN HEREUNDER:

	2012-13	2011-12
A. CONSERVATION OF ENERGY		
ELECTRICITY CONSUMPTION (FOR MANUFACTURING)		
Unit (KWH)	128389	175081
Total Amount (Rs.)	1061710	1224390
Rate/Unit (average)	8.27	6.99
B. TECHNOLOGY ABSORBTION	Nil	Nil
C. FOREIGN EXCHANGE EARNINGS AND OUTGO	Nil	Nil

Place: Mumbai
Date: 01/08/2013

For and on behalf of the Board

ASHOK M. MEHTA
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OUTLOOK

While global industrial production in 2012 dropped to its lowest level since 2009, global steel production reached a record high of 1.55 billion tones, by 1.2% as compared to 2011. The demand for steel from automobile, while goods and capital goods will remain muted throughout 2013, given the continued slowdown of Indian economy. Subdued steel prices and a slowdown in demand growth from china continued to weigh on the global steel sector in the past year. The past year proved to be a challenge for the steel industry with apparent steel usage increasing at the slowest rate since 2009. India Ratings expects profit margins in 2013 to remain broadly similar to 2012 levels. This is due to the persistent high cost of steel production and steel producers' limited ability to pass on higher costs due to subdued demand from end-user industries. The margin pressure will be higher on the producers with no captive raw material linkages.

Your Company has a vital role to play in the developing Economy, as the job orders of de-coiling, straightening, shearing and cutting of varies sizes of Iron and Steel Coils are on the increase during last couple of years.

Due to thrust on infrastructure development by the government of India the Company will continue to get orders on job work.

OPPORTUNITIES AND THREATS

The demand for steel in India is expected to rise 7% in the next financial year beginning April1 as compared to the sluggish 5.5% projected growth in 2012-13. The overall outlook for the steel sector is positive and the demand was likely to pick up in the next financial year on the back of revival in economic growth and the government's measures to ease infrastructure investment rule. In fiscal 2012-13, growth in domestic steel demand is expected to be around 5.5%. Total demand is expected to be around 75million tones, up from 71 million tons in 2011-12. In 2013 14, demand is expected to be higher at around seven percent. The steel production is expected to reach 200 million tons by 2020 as compared to 71 million tones recorded last year. In steel production, India is expected to leave behind USA and Japan in a couple of years. In 2013, it is forecast that world steel demand will grow further by 4.5% to around 1486 Mt. China's apparent steel use in 2012 and 2013 is to increase by 4% in both the years. For India, growth in apparent steel use is expected to grow by 6.9% in 2012 and by 9.4% in 2013. The WSA has projected that global apparent steel use will increase by 3.6% to 1422 MT in 2012, following growth of 5.6% in 2011.