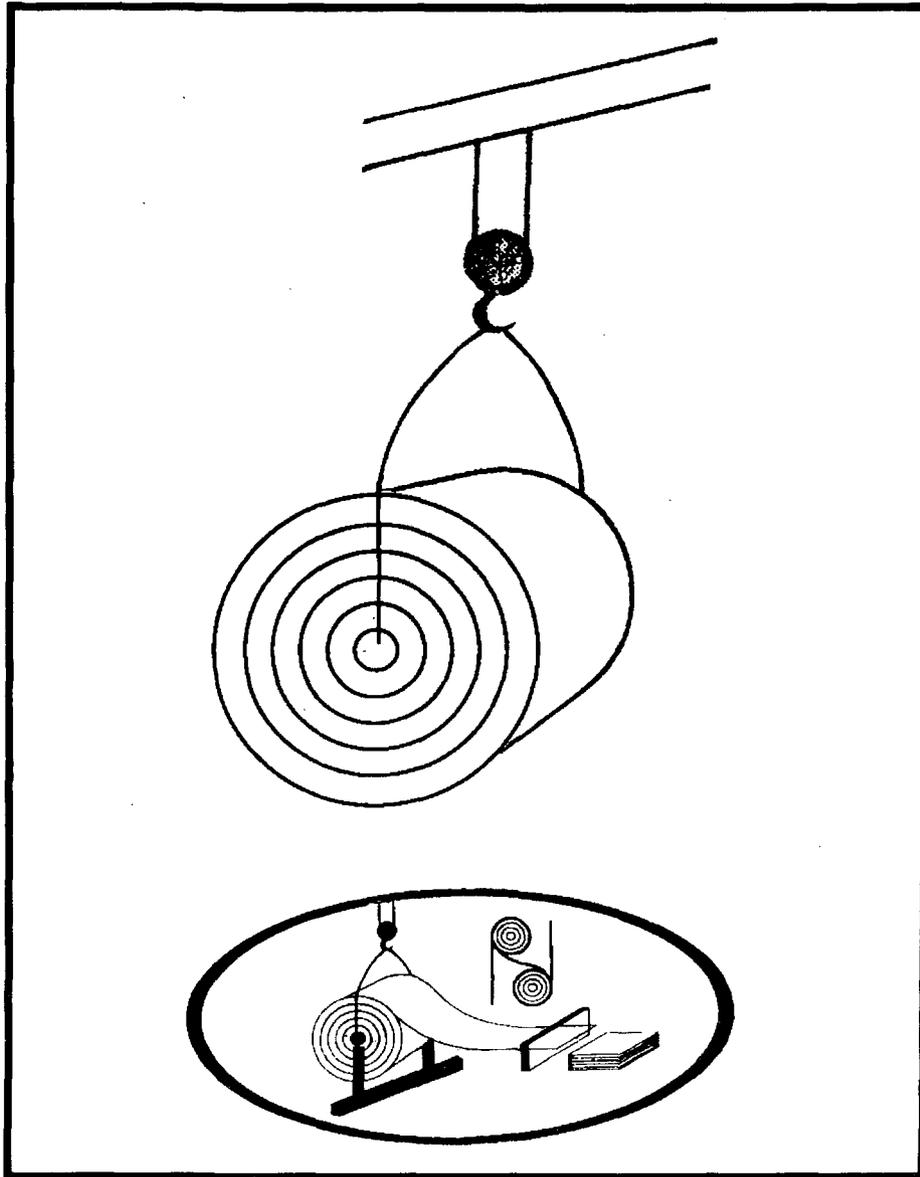


18TH ANNUAL REPORT 2008-2009



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.

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

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

BOARD OF DIRECTORS

CHAIRMAN & MG. DIRECTOR:	SHRI. ASHOK M. MEHTA
DIRECTORS	: SHRI. ASHOK M. MEHTA SHRI. YASH A. MEHTA SHRI. ASHWIN P. SANGHAVI SMT. SNEHAL S. CHINAI SMT. KUMUD A. MEHTA (Resigned w.e.f. 17/03/2009) SHRI. MAHENDRA D. SANGHAVI (Resigned w.e.f. 17/03/2009) SHRI. HARKISAN M. MEHTA (Resigned w.e.f. 17/03/2009) SHRI. INDRAJIT L. SAWANT (Resigned w.e.f. 17/03/2009)
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 Bldg, Ground Floor, Iron Market, Sant Tukaram Road, Mumbai-400009

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 18TH ANNUAL GENERAL MEETING OF THE MEMBERS OF 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, 24TH SEPTEMBER, 2009, AT 10.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS :

- 1.) To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st March, 2009 and Balance Sheet as at that date, Cash Flow statement for the year ended 31st March, 2009 and Report of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Shri Yash A. Mehta who retires by rotation and being eligible, offers himself for re – appointment.
- 3) To declare dividend on Equity Shares for the financial year ended 31st March, 2009.
- 4) To 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. The Register of Members and the Share Transfer Book of the Company will remain closed from 17th September, 2009 to 24th September, 2009 (both days inclusive).
3. Members are requested to notify immediately any change in their addresses to the Company's Registrars, M/s Mondkar Computers Private Limited., 21, Shakil Niwas, Mahakali Caves , Andheri (East), Mumbai-4000093.
4. Members who wish to attend the meeting are requested to bring duly filled attendance sheet and their copy of the Annual Report at the Meeting.
5. 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.

For and on behalf of the board

Place : Mumbai
Date : 20th August, 2009

ASHOK M. MEHTA
Chairman and Managing Director

DIRECTOR'S REPORT

The Directors have pleasure in presenting their 18th Annual Report on the business and operations of the Company for the year ended 31st March, 2009.

1. FINANCIAL RESULTS :

	(Rs. In Lacs)	
	31 st March, 2009	31 st March, 2008
Operating Income (from Job Work)	478.95	536.94
Other Income	33.56	40.03
Profit (Loss) before Depreciation	296.72	350.37
Less : Depreciation	<u>27.74</u>	<u>26.37</u>
Profit/ (Loss) after Depreciation	268.98	324.00
Less : Provision for Tax	99.06	112.28
Less: Deffered Tax	0.89	(1.61)
Less : Provision for FBT	<u>1.35</u>	<u>1.55</u>
Profit/ (Loss) after Tax	167.68	211.78
Add :Amount brought forward from Previous Year	97.72	29.14
Amount available for appropriation	265.40	240.91
<u>Appropriations</u>		
Proposed Dividend @ 1 rupee per share	54.86	54.84
Interim Dividend paid	-	54.84
Tax on proposed dividend	9.32	18.70
Transfer to General Reserve	-	14.40
Prior Period Items	<u>(0.64)</u>	<u>0.41</u>
Balance carried to Balance Sheet (Profit/ (Loss) Account)	201.86	97.72

2. **DIVIDEND :**

The Board of Directors are glad to recommend dividend at 1.00 rupee per share on 54,86,400 Equity Shares of Rs.10/- each aggregating to Rs.54,86,400 for the year ended 31st March, 2009, subject to approval of the Members of the Company at the ensuing Annual General Meeting scheduled to be held on 24th September, 2009

3. **DIRECTORS :**

Shri Yash A. Mehta, Director of the Company retire by rotation under Article 104 of Articles of Association of the Company but being eligible offers himself for re-appointment. Shri. Mahendra D. Sanghvi, Shri. Indrajit L. Sawant, Shri. Harkisan M. Mehta and Smt. Kumud A. Mehta Directors of the Company resigned w.e.f. 17th March, 2009. The Board of Directors place on record its appreciation for the valuable services rendered by them during their tenure as Directors of the Company.

4. **OPERATIONS:**

During the year under Report your Company achieved a Operating Income(from Job Work) of Rs.478.95 Lacs as against Rs.536.94 Lacs in the previous year. Other Income earned during the year stood at Rs.33.56 lacs as against Rs.40.03 lacs in the previous year.The Profit before Depreciation and tax was Rs.296.72 Lacs as against Rs.350.37 Lacs in the previous year. The profit after Depreciation and Tax was Rs 167.68 lacs as against Rs.211.78 lacs in the year ended 31st March, 2008.

5. **DONATIONS:**

During the year under report donations were made to Social/ Educational Institutions amounting to Rs. 27,46,704/- (Previous year Rs. 21,52,351/-)

6. **AUDITORS:**

During the year, under report, M/s. Akshay D. Shah & Co., Chartered Accountants of the Company will retire at the conclusion of the forthcoming Annual General Meeting and as eligible offer themselves 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. **DEMATERIALISATION OF SHARES**

The trading in Rishabh Digha Steel and Allied Products Limited Shares is permitted in the dematerialized form also with effect from 10/07/2001, as per notification issue by the Securities and Exchange Board. The Equity Shares of the Company are actively traded on Bombay Stock Exchange. International Security Identification No. INE864D01015

11. **PUBLIC DEPOSITS**

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

12. **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 : 20th August, 2009

ASHOK M. MEHTA
Chairman and 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:

2008-09

A. CONSERVATION OF ENERGY

**ELECTRICITY CONSUMPTION
(FOR MANUFACTURING)**

Unit (KWH)	200399
Total Amount(Rs.)	11,31,692.34
Rate/Unit (average)	5.65

B. TECHNOLOGY ABSORBTION

Nil

**C. FOREIGN EXCHANGE EARNINGS
AND OUTGO**

Nil

For and on behalf of the board

Place : Mumbai
Date : 20th August, 2009

ASHOK M. MEHTA
Chairman and Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OUTLOOK

The Steel Industry has assumed vital importance in the Development of Indian Economy. The Infrastructure Industry, Automobile Industry and Road Development Activities are developing enormously.

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

Indian domestic steel demand is set to grow exponentially driven by massive investments in infrastructure, automobile, construction, capital goods, consumer durables industries. Expansion plans by domestic players may boost the demand for steel in the country. Besides this, factors like growing economy, availability of skilled human at cheaper rate, large consumer base may attract the new players to enter into industry. Steel production is expected to grow up to 80 mn tones on the basis of massive capacity additions, by 2011. The major threats for steel industry are rising prices of raw materials necessary for producing the steel products. In addition to this, major obstacles are inadequate availability of suitable quality of coal and high cost of energy / finance.

RISKS AND CONCERNS

In spite of growing demand and increase in production of steel products at domestic and global level during the year under review, there exists imbalance in respect of supply and demand. Rising prices of the steel products at global level and domestic market may slow down the demand for steel products. The company has been taking continuous modernization programme to maintain efficient operation of its Steel manufacturing activities. The Company is facing acute competition in obtaining job orders since the prices of steel plates have gone up. However due to specialized execution of the job orders your Company will continue to get more orders as compared to other competitors.

INTERNAL CONTROL SYSTEMS

The Company has engaged the services of expert consultant to streamline adequate internal control systems to ensure efficiency of machinery and the result is positive.

FINANCIAL PERFORMANCE

During the year under Report your Company achieved a Operating Income(from Job Work) of Rs.478.95 Lacs as against Rs.536.94 Lacs in the previous year. Other Income earned during the year stood at Rs.33.56 lacs as against Rs.40.03 lacs in the previous year. The Profit before Depreciation and tax was Rs.296.72 Lacs as against Rs.350.37 Lacs in the previous year. The profit after Depreciation and Tax was Rs 167.68 lacs as against Rs.211.78 lacs in the year ended 31st March, 2008.

Your Company has achieved the status of zero debt Company and dividend paying Company. The Company is also receiving interest on Loans to traders and suppliers. The Company has been paying Dividend from 2004 onwards.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

For and on behalf of the board

**Place : Mumbai
Date : 20th August, 2009**

**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:

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavours to review, strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

Your Board of Directors present the Corporate Governance Report for the year 2008-09 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March 2009.

2. Board of Directors:

The Board of Directors of the company is composed of committed persons with considerable experience in varied fields. The Board is properly constituted as per Clause 49 of the Listing Agreement. The Chairman of the Board is Executive Promoter Director and 1/2 of the Directors are Independent Directors.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2009 have been made by the Directors.

During the financial year ended 31st March, 2009, 6(Six) Meetings of the Board of Directors were held as on 22/04/2008, 29/07/2008, 07/08/2008, 21/10/2008, 28/01/2009, and 17/03/2009.

Name of Directors	Category of Directors	No. of Board Meetings attended during 2008-09	Whether attended last AGM	Number of other Directorship	No of membership of audit committee and Share Holders & Investors Grievance Committee in other Companies	Chairmanship of audit committee and Share Holders & Investors Grievance Committee in other Companies
Shri. Ashok M. Mehta	Executive Chairman & Managing Director	6	Yes	Nil	Nil	Nil
Shri. Harkisan M. Mehta (resigned w.e.f.17-03-09)	Non-Executive Director	5	Yes	Nil	Nil	Nil
Smt. Kumud A. Mehta (resigned w.e.f.17-03-09)	Non-Executive Director	5	Yes	Nil	Nil	Nil
Shri. Indrajit Sawant (resigned w.e.f.17-03-09)	Non-Executive Independent Director	Nil	No	Nil	Nil	Nil
Shri. Yash A. Mehta	Executive Director, Marketing	6	Yes	Nil	Nil	Nil
Shri. Ashwin P. Sanhghavi	Non-Executive Independent Director	1	No	Nil	Nil	Nil
Shri. Mahendra D. Sanghavi (resigned w.e.f.17-03-09)	Non-Executive Independent Director	5	Yes	Nil	Nil	Nil
Smt. Snehal S. Chinai	Non-Executive Independent Director	1	No	Nil	Nil	Nil

(details are as on 31st March, 2009)

- # Excludes alternate directorships and directorships in foreign companies and private companies which are neither a subsidiary nor a holding company of a public company.
- # Excludes Committees other than Audit Committee and Shareholders'/ Investors' Grievance Committee and Companies other than public limited companies.

The Board periodically reviews compliance reports of all the laws applicable to the Company and has put in place procedures to review steps to be taken by the Company to rectify instances of non-compliance, if any.

In terms of the provisions of Clause 49 of the Listing Agreement and contemporary practices of good Corporate Governance, the Board has laid down a Code of Conduct for all Board members and senior management of the Company.

Particulars of Re-appointed Directors:

Name	: Shri.Yash A. Mehta
Designation	: Executive Director, Marketing
Age	: 25Years
Qualification	: BSC with Computer Science.
Experience	: Management, Marketing and Software.
Other Directorship	: Nil

Board Committees

The Board has constituted the following Committees of Directors:

(a) Audit Committee :

i. Terms of Reference

The role and terms of reference of Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act,1956, besides other terms as may be referred by the Board of Directors.

ii. Composition

Due to resignation of Shri Mahendra D. Sanghavi (Chairman) and Shri. Harkisan M. Mehta and Smt. Kumud A. Mehta (Members) w.e.f. 17/03/2009, the Board of Directors reconstituted the Audit Committee in its Meeting held on 17/03/2009 and Shri. Ashwin P. Sanghavi. was appointed as Chairman and Shri. Yash A. Mehta and Smt. Snehal S. Chinai were appointed as Members.

During the 2008-09 under review 5(Five) meetings of the Audit Committee were held on 22/04/2008, 29/07/2008, 07/08/2008, 21/10/2008 and 28/01/2009. The attendance of members are as follows:

Name	Category	Meetings during the year 2008-09	
		Held	Attended
Shri. Mahendra D. Sangahvi, Chairman (resigned w.e.f. 17-03-2009)	Non-Executive Independent Director	5	5
Shri. Harkisan M. Mehta, Member (resigned w.e.f. 17-03-2009)	Non- Executive Director	5	5
Smt. Kumud A. Mehta, Member (resigned w.e.f. 17-03-2009)	Non- Executive Director	5	5
Shri. Ashwin P. Sanghavi, Chairman (appointed w.e.f. 17/03/2009)	Non-Executive Independent Director	5	0
Shri. Yash A. Mehta, Member (appointed w.e.f. 17/03/2009)	Executive Director, Marketing	5	0
Smt. Snehal S. Chinai, Member (appointed w.e.f. 17/03/2009)	Non-Executive Independent Director	5	0

The Constitution of the Audit Committee is not in conformity with Clause 49 (II)(A)(ii) of the Listing Agreement. The Chairman of the Audit Committee is an Independent Director and is financially literate and has accounting and related financial management expertise.

A brief description of the terms of reference of the Audit Committee is as follows:

To review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

b. Share Transfer & Shareholders' / Investors' Grievance Committee :

(i) Terms of references

a) To scrutinize and approve registration of transfer of shares / debentures / warrants issued / to be issued by the company.

- b) To exercise all power conferred on the Board of Directors under Article 43 of the Article of Association.
- c) To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- d) To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost,
- e) To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- f) To look into shareholders and investors complaints like transfer of shares, non-receipt of declared dividends, etc., and
- g) To delegate all or any of its power of Officers / Authorized Signatories of the Company.

(ii) Composition

Due to resignation of Shri Indrajit L. Sawant (Chairman) and Shri. Harkisan M. Mehta and Shri. Mahendra D. Sanghavi (Members) w.e.f. 17/03/2009, the Board of Directors reconstituted the Shareholders/Investors Grievance Committee in its Meeting held on 17/03/2009 and Shri. Ashwin P. Sanghavi was appointed as Chairman and Shri. Yash A. Mehta and Smt Snehal S. Chinai were appointed as Members.

During the 2008-09 under review 5(Five) meetings of the Shareholders/Investors Grievance Committee were held on 22/04/2008, 29/07/2008, 07/08/2008, 21/10/2008 and 28/01/2009. The attendance of members are as follows:

Name	Category	Meetings during the year 2008-09	
		Held	Attended
Shri. Indrajit L. Sawant, Chairman (resigned w.e.f. 17-03-2009)	Non-Executive Independent Director	5	0
Shri. Harkisan M. Mehta , Member (resigned w.e.f. 17-03-2009)	Non- Executive Director	5	5
Shri Mahendra D. Sanghavi, Member (resigned w.e.f. 17-03-2009)	Non- Executive Independent Director,	5	5

Shri. Ashwin P. Sanghavi, Chairman (appointed w.e.f. 17/03/2009)	Non-Executive Independent Director	5	0
Shri. Yash A. Mehta, Member (appointed w.e.f. 17/03/2009)	Executive Director, Marketing	5	0
Smt. Snehal S. Chinai, Member (appointed w.e.f. 17/03/2009)	Non-Executive Independent Director	5	0

The constitution and terms of reference of the Share Transfer & Shareholders'/ Investors' Grievance Committee is in agreement with the guidelines prescribed under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

This committee (i) approves and monitors transfers, transmission, splitting and consolidation of securities and issue of duplicate Certificates by the Company; (ii) looks into various issues relating to shareholders, including the redressal of shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, dividend etc.; and (iii) carries out the functions envisaged under the Code of Conduct for Prevention of Insider Trading adopted in terms of Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

Name and designation of Compliance officer :

- Mr. L. R. Mishra , Compliance Officer.
- No. of shareholders' complaints received during the year : Nil
- No. of complaints not resolved to the satisfaction of shareholders : Nil
- No. of pending share transfers : Nil

3. General Body Meetings:

(a) Location and time where last three Annual General Meetings were held:

Financial Year	Date	Time	Location
2007-2008	22/09/2008	10.00 A. M.	Plot No. C-17/2, MIDC, Industrial Area, Taloja, Dist. Raigad-410208 (Maharashtra)
2006-2007	26/09/2007	10.00 A. M.	Plot No. C-17/2, MIDC, Industrial Area, Taloja, Dist. Raigad-410208 (Maharashtra)
2005-2006	26/09/2006	10.00 A. M.	Plot No. C-17/2, MIDC, Industrial Area, Taloja, Dist. Raigad-410208 (Maharashtra)

(b) Whether Special Resolutions were put through postal ballot last year:

No

(c) Are votes proposed to be conducted through postal ballot this year :

No

4. Other disclosures:

(a) Related Party Transactions

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large:

None of the transactions with any of the related parties were in conflict with the interest of the Company at large.

(b) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

(c) Disclosures on Risk Management

During the year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures as required under Clause 49 of the Listing Agreement. The Company has framed the Risk Assessment and Minimization- Procedure which will be periodically reviewed by the Board.

(d) Code of Conduct

The Board of Directors has adopted the Code of Ethics and Business Principles for the Non-executive Directors as also for the employees including Executive Director. The said Code has been communicated to all the Directors. However, the Company does not have any website of its own; therefore, the Company is unable to post the Code of Conduct on a website as required under Clause 49 of the Listing Agreement.

(e) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

None

REMUNERATION OF DIRECTORS

Details of remuneration paid to Directors

A. Details of remuneration paid to the Company's Managing Director(s) during the year 2008-2009:

The Board of Directors of the Company, in its Meeting held on 22/04/2008, on recommendation of Remuneration Committee by way of resolution passed in its Meeting held on 21/04/2008 has appointed Shri Ashok M. Mehta, Director of the Company as Managing Director for a period of 5 years w.e.f. 01/04/2008 at a remuneration of Rs. 1,50,000 per month. The appointment of Shri. Ashok M. Mehta as Managing Director is subject to approval of the Members of the Company at the ensuing Annual General Meeting. Shri. Ashok M. Mehta has been paid a managerial remuneration of Rs. 18,00,000 during the year 2008-09.

The Board of Directors of the Company, in its Meeting held on 22/04/2008, on recommendation of Remuneration Committee by way of resolution passed in its Meeting held on 21/04/2008 has appointed Shri Yash A. Mehta, Director of the Company as Executive Director, Marketing for a period of 5 years w.e.f. 01/04/2008 at a remuneration of Rs. 1,00,000 per month. The appointment of Shri. Yash A. Mehta as Executive Director, Marketing is subject to approval of the Members of the Company at the ensuing Annual General Meeting. Shri Yash A. Mehta has been paid remuneration of Rs. 12,00,000 during the year 2008-09.

Notes: (a) The Agreement with the Company's Managing Director and Executive Director, Marketing are for a period of five years with effect from 01/04/2008.

(b) Presently the Company does not have a scheme for grant of stock options either to the working directors or employees.

B. Details of payments made to Non-Executive Directors during the financial year 2008-2009 :

The Non-Executive Directors have been paid Rs.3000 as sitting fees during the financial year 2008-2009.

5. CEO/CFO Certification

A certificate from Ashok M. Mehta in his capacity as CEO on the financial statements of the Company was placed before the Board, as required by Clause 49(V) of the Listing Agreement.

Means of communication:

(a) **Quarterly results:**

The unaudited quarterly results are announced within one month from the end of the quarter and the audited annual results within three months from the end of the last quarter, as stipulated under the listing agreement with the Bombay Stock Exchange Limited.

(b) **Newspapers wherein normally published :**

Aapla Mahanagar (Marathi)
The Asian Age (English)

Any Website, wherein displayed : No

(c) **Whether Website also displays official news releases:** No

(d) **Whether presentations made to institutional investors or to the analysts:** No

(e) **Whether Management Discussion & Analysis Report is a part of Annual Report:** Yes

6. General Shareholder information:

(a) **AGM date, time and venue:** Next Annual General Meeting will be held on Tuesday, 24th September, 2009 at 10.00 A. M. at Plot No. C-17/2, MIDC, Industrial Area, Talaja, Dist. Raigad (Maharashtra).

(b) **Financial Year:** The Financial Year is from 1st April 2009 to 31st March 2010.
Tentative Schedule

Unaudited Results for quarter ending June 30, 2009:	End of July, 2009
Unaudited Results for quarter ending September 30, 2009	:End of October, 2009
Unaudited Results for quarter ending December 31, 2009	:End of January, 2010
Unaudited Results for year ending March 31, 2010	:End of April, 2010
AGM for year ending March 31, 2010	:End of July, 2010

(c) **Book Closure period:** 17th September, 2009 to 24th September, 2009 (both days inclusive).

(d) **Dividend payment date:** The Board of Directors are glad to recommend dividend at 1.00 rupee per share for the year ended 31st March, 2009 subject to approval of Members of the Company at the ensuing Annual General Meeting scheduled to be held on 24th September, 2009

(e) **Stock Exchanges where securities are listed.**

The Company's securities are listed at: Bombay Stock Exchange

STOCK MARKET DATA:

Monthly high and low prices and trading volumes of Equity Shares of the Company at BSE for the year ended 31st March, 2009.

Date	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
April 2008	19.55	13.80	135884
May 2008	20.40	16.00	116882
June 2008	16.95	12.40	56671
July 2008	14.95	11.85	44543
August 2008	15.95	12.75	55274
September 2008	17.50	12.00	82059
October 2008	15.50	10.11	91736
November 2008	12.89	7.57	28249
December 2008	11.48	8.00	22572
January 2009	10.60	7.50	61013
February 2009	8.68	7.40	21262
March 2009	8.80	7.27	44547

- (f) **Scrip code:** 531539- Bombay Stock Exchange
- (g) **ISIN No.** : INE864D01015
- (h) **Registrar and Transfer Agent:**
M/s Mondkar Computes Private Limited
 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai-400093
- (i) **Share transfer system with number of shares transferred:**

Share transfers in physical form are registered and returned within a period of 15-20 days from the date of receipt and Demat requests are normally confirmed within an average of 7 days from the date of receipt in case documents are complete in all respects. The Share Transfer & Shareholders' / Investors' Grievance Committee meets at least every fortnight. The total number of shares transferred during the financial year under review were as below:

	<u>No. of transfers</u>	<u>No. of Shares</u>
Transfer:	7	2300
Other cases (like; deletion, transmission, transposition etc.)	-	-
Total:	7	2300

- (i) **Dematerialization of shares and liquidity:**
 The trading in Rishabh Digha Steel and Allied Products Limited Shares is permitted in the dematerialized form also with effect from 10/07/2001, as per notification issue by the Securities and Exchange Board. The Equity Shares of the Company are actively traded on Bombay Stock Exchange. International Security Identification No. INE864D01015
- (j) **Outstanding GDRs/ Warrants, Convertible Bonds, conversion date and its impact on equity.** Nil
- (k) **Distribution of Shareholding and Shareholding Pattern as on 31st March, 2009.**

(i) Distribution of Shareholding as on 31st March, 2009:

No. of Shares	No. of Shareholders	% of holding
0-500	1513	70.176
501-1000	352	16.327
1001-2000	139	6.447
2001-3000	51	2.365
3001-4000	16	0.742
4001-5000	22	1.020
5001-10000	29	1.345
10001 & Above	34	1.578
Total	2156	100.00

(ii) Shareholding pattern as at 31st March, 2009:

	No. of Shares held	% to Total Shares
Promoter Group*	3530325	64.19
Mutual Funds and UTI	Nil	Nil
Banks & Financial institutions & Insurance Companies etc.	Nil	Nil
Corporate Bodies	133077	2.42
General Public	1763008	32.05
NRIs/ OCBs	8362	0.15
Clearing Members	65228	1.19
TOTAL	5500000	100
Demat-1. N.S.D.L.	4699527	85.45
2. C.S.D.L.	731073	13.29
3. Physical	69400	1.26
TOTAL	5500000	100.00

l) **Plant Location:**

The Company's Plants are located at C-17/2, 3 & 4 MIDC Industrial Area, Taloja, Dist. Raigad-410208 (Maharashtra).

Address for correspondence:

The Company's Registered Office is situated at:
C-17/2, 3 & 4, MIDC Industrial Area, Taloja, Dist. Raigad-410208 (Maharashtra).

Correspondence by the shareholders should be addressed either to Registered Office or Registrar Share Transfer Agents or its Head Office at following address :-

Giriraj Bldg, Ground Floor, Iron Market, Sant Tukaram Road, Mumbai-400009.

Non-Mandatory Requirements:

The Company is not yet implementing the non – mandatory requirements under Clause 49 of the Listing Agreement. However, adoption of other non-mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

DECLARATION

ANNUAL DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO) PURSUANT TO CLAUSE 49 (i) (d) (ii) OF THE LISTING AGREEMENT

As the Chief Executive Officer of Rishabh Digha Steel & Allied Products Limited and as required by Clause 49 (i) (d) (ii) of the Listing Agreement, I hereby declare that all the Board Members and the Senior Management personnel of the Company have affirmed Compliance with the Company's Code of Business Conduct and Ethics, for the Financial Year 2008 -09

For and on behalf of the board

**Place : Mumbai
Date : 20th August, 2009**

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

CEO/ CFO CERTIFICATE

I (i) Ashok M. Mehta, Managing Director in my capacity as CEO of Rishabh Digha Steel and Allied Products Limited (" the Company"), to the best of our knowledge and belief certify that :

I have reviewed the balance sheet and profit and loss account and all its schedules and notes to accounts, as well as the cash flow statement.

Based on my knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made.

Based on my knowledge, information and belief, the financial statements and other financial information included in this report present a true and fair view of the company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations and full explanation has been given for any material departure in compliance of Accounting Standards.

To the best of my knowledge, information and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.

I am responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.

I have disclosed, based on my most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps taken or proposed to be to rectify the deficiencies;

I have indicated to the Auditors and the Audit Committee:

Significant changes in the Company's internal control over the financial reporting during the year;

All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;

c)Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : 20th August, 2009

ASHOK M. MEHTA
Managing Director & CEO

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of :

Rishabh Digha Steel and Allied Products Limited

C-17/2, MIDC Industrial Area,
Taloja, Dist. Raigad (Maharashtra)

We have examined the compliance of conditions of Corporate Governance by **RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED** for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing Agreement(s) except the following requirements :

- (i.) The Audit Committee has not been constituted as per Clause 49 (II) (A)(ii) of the Listing Agreement which requires all the Members of the Audit Committee to be financially literate.
- (ii.) The certificate of corporate governance is given only by CEO of the Company as the Company has not appointed a CFO.

We state that no investor grievance is pending for a period exceeding one month against the Company as per records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S.K.JAIN & CO.
Company Secretary

Place : Mumbai
Date : 20th August, 2009

(S. K. JAIN)
Partner, M. No. 3076

Auditors' Certificate on Corporate Governance

To,
The Board of Directors,
M/s. RISHABH DIGHA STEEL AND ALLIED PRODUCTS LTD.
Mumbai-400009

Dear Sir,

We have examined the compliance of conditions of Corporate Governance by M/s. RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED for the year ended 31st March 2009 as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of condition of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporation Governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2009 no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For M/S. AKSHAY D SHAH AND CO.
Chartered Accountants

Place : Mumbai
Date : 20/08/2009.

AKSHAY D. SHAH
(Proprietor)
Membership No.110775

The Members of RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED.

1. We have audited the attached balance sheet of **Rishabh Digha Steel And Allied Products Limited**, as at 31st March 2009, the profit and loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Manufacturing and other Companies (Auditor's Report) order, 1988 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and as per the information and explanations furnished to us and the books and records examined by us in the normal course of audit. We enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii) In our opinion, proper books of account as are required by law have been kept by the Company so far as appears from our examination of those books.
 - iii) The Balance Sheet, Profit and Loss account dealt with by this report are in agreement with the Books of accounts.
 - iv) In our opinion, the Balance Sheet, Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the balance sheet, of the state of affairs of the company as at 31st March 2009;
- b) in the case of the profit and loss account, of the profit/loss for the year ended on that date; and
- c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

For M/S. AKSHAY D SHAH AND CO.
Chartered Accountants

Place : Mumbai
Date : 20/08/2009.

AKSHAY D. SHAH
(Proprietor)
Membership No.110775

ANNEXURE TO THE AUDITOR'S REPORT

Re: RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED
(Referred to in paragraph 3 of our report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) During the year, the company has not disposed off a major part of the plant and machinery. This is according to the information and explanations given to us.
- (ii) (a) The inventory held on behalf of the customers has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper manual records of inventory held on behalf of customers. Company by itself does not hold any inventory.
- (iii) (a) There are two companies and one member covered in the register maintained under section 301 of the Companies Act, 1956 to which the company has given loan. The maximum amount involved during the year was Rs. 431000/- and the year-end balance of loans given to parties is Rs. NIL

(b) In our opinion, the interest free loans and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.

(c) The company is regular in repaying the principal amounts as stipulated. The parties have repaid the principal amounts.

(d) There is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956.
- (vi) In our opinion and according to the information and explanations given to us, company has not accepted deposit thus the compliance with the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public is not required. The Company Law Board has passed no order.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) Maintenance of Cost Records has not been prescribed. Rules made by the Central Government for the maintenance of cost record under section 209 (1) (d) of the Companies Act, 1956. Accordingly provisions of this clause are not applicable to the company.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31/03/2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) We are of the opinion that the company has granted advances to Employees. As informed to us there is no stipulation as to rate of interest and schedule of the repayment.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.

- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. The Company has invested surplus funds in marketable securities and mutual funds. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The marketable securities and mutual funds have been held by the Company, in its own name.
- (xv) In our opinion, the company has not given guarantees for loans taken by others from banks or financial institution.
- (xvi) In our opinion, no terms loans have been taken neither they have been outstanding for the previous years.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued any debentures.
- (xx) According to the information and explanations given to us during the period covered by our audit report the company has not raised any money by public issues.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For M/S. AKSHAY D SHAH AND CO.
Chartered Accountants

Place : Mumbai
Date : 20/08/2009.

AKSHAY D. SHAH
(Proprietor)
Membership No.110775

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2009

		As Per Schedule	31/03/2009 Rs.	31/03/2008 Rs.
1 Source of Fund				
1.Shareholder's Fund				
1	Share Capital	A	54,926,500.00	54,926,500.00
2	Reserves & Surplus	B	33,379,577.53	22,980,267.79
			88,306,077.53	77,906,767.79
			88,306,077.53	77,906,767.79
2 Application of Fund				
1	Fixed Assets			
	Gross Block	C	69,742,811.79	68,906,863.79
	Depreciation to Date		30,294,719.38	27,520,745.63
	Net Block		39,448,092.41	41,386,118.16
2	Investments	D	44,791,869.77	12,896,697.59
3	Current Assets			
	Receivables	E	8,271,688.00	32,103,791.64
	Cash & Bank Balance	F	1,739,766.43	2,361,665.84
	Loans & Advances	G	12,509,284.75	10,265,981.57
			22,520,739.18	44,731,439.05
4	Less: Current Liabilities			
	Current Liabilities	H	12,968,223.83	15,623,187.01
	Proposed Dividend		5,486,400.00	5,484,300.00
			4,066,115.35	23,623,952.04
Total			88,306,077.53	77,906,767.79

Schedule 'A' to 'H' forms the integral part of the Balance Sheet

Notes forming part of Accounts as per Schedule "M"

As per our Report of Even Date
For: AKSHAY D. SHAH & CO.
Chartered Accountants

For and on Behalf of the Board

AKSHAY D. SHAH
Proprietor

ASHOK M MEHTA
Chairman & Managing Director

Place: Mumbai
Dated: 20/08/2009

YASH A MEHTA
Executive Director- Marketing

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED
PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH,2009

	<u>As Per</u> <u>Sch.</u>	<u>31/03/2009</u> <u>Rs.</u>	<u>31/03/2008</u> <u>Rs.</u>
<u>Income</u>			
Sales & Other Income	I	51,251,204.76	57,696,976.48
		51,251,204.76	57,696,976.48
<u>Expenses</u>			
Manufacturing Expenses	J	5,131,747.76	8,616,908.03
Administrative Expenses	K	16,447,930.68	14,043,532.87
Depreciation		2,773,973.75	2,636,640.91
	Total	24,353,652.19	25,297,081.81
Profit/Loss Before taxation		26,897,552.57	32,399,894.67
Less; Provision for taxation		9,920,230.00	11,227,886.00
Less: Deffered Tax		88,629.48	(160,685.80)
Less: Freing Benefit Tax Paid		135,000.00	155,000.00
Profit/Loss After taxation		16,753,693.09	21,177,694.47
Add: Surplus of Last Year		9,772,082.24	2,913,645.62
<u>Appropriation</u>		26,525,775.33	24,091,340.09
Interim Dividend Paid		-	5,484,300.00
Proposed Dividend		5,486,400.00	5,484,300.00
Corporate Dividend Tax		932,413.68	1,869,725.00
Transfer to Reserves		-	1,440,160.00
Prior Period Items		(64,430.33)	40,772.85
Balance Carried to Balance Sheet		20,171,391.98	9,772,082.24

Schedule 'J' to 'L' forms the integral part of the Profit & Loss Account

Notes on Accounts as per Schedule "M"

As per our Report of Even Date
For: AKSHAY D. SHAH & CO.
Chartered Accountants

For and on Behalf of the Board

AKSHAY D. SHAH
Proprietor

ASHOK M MEHTA
Chairman & Managing Director

Place : Mumbai
Dated : 20/08/2009

YASH A MEHTA
Executive Director-Marketing

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

**SCHEDULES ATTACHED TO AND FORMING PART OF THE
BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2009**

	<u>31/03/2009</u>	<u>31/03/2008</u>
	<u>Rs.</u>	<u>Rs.</u>
<u>Schedule "A" : Share Capital</u>		
<u>Authorised Share Capital</u>		
90,00,000(90,00,000) Equity Shares of Rs.10/-each	90,000,000.00	90,000,000.00
<u>Issued & Subscribed Capital</u>		
55,00,000 (55,00,000) Equity Shares of Rs.10/-each At Par	55,000,000.00	55,000,000.00
<u>Paid-Up-Capital</u>		
55,00,000(55,00,000) Equity Shares of Rs.10/- Each At Par	55,000,000.00	55,000,000.00
Less : Share Forfeiture A/c	73,500.00	73,500.00
	<u>54,926,500.00</u>	<u>54,926,500.00</u>
<u>Schedule "B": Reserves And Surplus</u>		
1. General Reserve	13,208,185.55	13,208,185.55
2. Profit & Loss Account	20,171,391.98	9,772,082.24
	<u>33,379,577.53</u>	<u>22,980,267.79</u>
<u>Schedule "D ": Investment</u>		
(Unquoted, At Cost)		
DSPML World Gold Fund	500,000.00	500,000.00
FD with Bank of Baroda	10,000,000.00	2,100,000.00
FD with Canara Bank	3,500,000.00	-
FD with Indian Bank	2,500,000.00	-
Franklin India Smaller Companies Fund	500,000.00	500,000.00
HDFC Bank Ltd.	7,700,000.00	-
HDFC Cash Management Fund- Savings Plus	-	50,000.00
HDFC long term equity fund	300,000.00	300,000.00
HDFC Prudence fund	175,000.00	175,000.00
Reliance Equity fund	500,000.00	500,000.00
Reliance Banking Fund	200,000.00	200,000.00
Share Purchase	10,380,176.77	8,571,697.59
Templeton Fixed Horizon Series LX Plant D	1,500,000.00	-
Loans Given	7,036,693.00	18,382,840.50
	<u>44,791,869.77</u>	<u>31,279,538.09</u>

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Schedule 'C' : Fixed Assets

Sr. Particulars	Gross Block			Depreciation					Net Blocks	
	As At 01/04/2008	Addition	Deduction	As At 31/03/2009	As At 01/04/2008	For the Year	W/Back During Year	As At 31/03/2009	As At 31/03/2009	As At 31/03/2008
1. Leasehold Land	4,911,330.00	-	-	4,911,330.00	-	-	-	-	4,911,330.00	4,911,330.00
2. Factory Building	30,804,419.73	-	-	30,804,419.73	12,676,073.93	1,028,867.62	-	13,704,941.55	17,099,478.18	18,128,345.80
3. Plant & Machinery	29,336,345.40	153,322.00	-	29,489,667.40	13,540,114.77	1,399,601.94	-	14,939,716.71	14,549,950.69	15,796,230.63
4. Office Equipment	381,386.76	95,279.00	-	476,665.76	173,403.09	21,114.38	-	194,517.47	282,148.29	207,983.67
5. Furniture & Fixture	1,103,549.90	-	-	1,103,549.90	794,784.34	69,854.71	-	864,639.05	238,910.85	308,765.56
6. Vehicles	2,369,832.00	587,347.00	-	2,957,179.00	336,369.50	254,535.10	-	590,904.60	2,366,274.40	2,033,462.50
Total	68,906,863.79	835,948.00	-	69,742,811.79	27,520,745.63	2,773,973.75	-	30,294,719.38	39,448,092.41	41,386,118.16
Previous Year	67,462,168.79	1,444,695.00	-	68,906,863.79	24,884,104.72	2,636,640.91	455,881.80	27,520,745.63	41,386,118.16	42,578,064.07

Schedule "E": Receivables**(Unsecured, Considered Goods)****Sundry Debtors**

Outstanding for more than 6 Months	666,149.40	905,483.00
Outstanding for less than 6 Months	7,605,538.60	12,738,144.14
	<u>8,271,688.00</u>	<u>13,643,627.14</u>

Schedule "F": Cash & Bank Balance

Cash on Hand	116,907.03	106,068.59
In Current Account with Banks	1,622,859.40	2,255,597.25
	<u>1,739,766.43</u>	<u>2,361,665.84</u>

Schedule "G": Loans & Advances & Other Current Assets**(Unsecured, Considered Goods)**

Deposit Given	172,735.00	108,304.67
Advance Tax paid	9,000,000.00	7,250,000.00
Interest accrued on FDR	65,570.00	-
TDS on FD Interest 08-09	127,736.00	43,027.00
TDS on Interest on Loan 08-09	456,019.50	414,233.00
Taxes of Other Years 08-09	761,871.90	488,324.45
TDS on Job Work 08-09	1,046,636.55	1,007,156.45
Prepaid Expenses	878,715.80	864,068.00
	<u>12,509,284.75</u>	<u>10,265,981.57</u>

Schedule "H": Current Liabilities & Provisions**A. Current Liabilities****Sundry Creditors**

For Purchase	49,470.00	974,720.15
For Expenses	139,392.00	153,300.76
Unclaimed Dividend	553,865.00	553,865.00
Corporate Dividend Tax Payable	935,356.68	935,000.00
Duties & Taxes	998,627.51	1,583,175.43
	<u>2,676,711.19</u>	<u>4,200,061.34</u>

B. Provisions

Deffered Tax	281,414.15	192,784.67
Provision for tax Current Year	9,920,230.00	11,227,886.00
Staff Professional Tax Payable	-	2,455.00
TDS Payable	89,868.49	-

Total	<u>10,291,512.64</u>	<u>11,423,125.67</u>
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RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

**SCHEDULES ATTACHED TO AND FORMING PART OF THE
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

	Current Year <u>31/03/2009</u>	Previous Year <u>31/03/2008</u>
<u>Schedule 'I': Sales and Other Income</u>		
Income from Jobwork	47,895,266.41	53,694,079.45
Interest	2,993,461.77	2,420,600.52
Dividend	323,670.58	107,420.42
Long Term Profit	-	31,060.00
Short Term Profit/Loss	38,806.00	1,443,816.09
Total	<u>51,251,204.76</u>	<u>57,696,976.48</u>
 <u>Schedule 'J': Manufacturing Expenses</u>		
Material, Stores & Spares	788,029.19	2,654,347.42
Labour Charges	314,578.19	505,395.25
Gas & Lubricants Expenses	279,977.12	272,516.18
Cutting Charges	2,535,336.00	3,628,655.00
Electricity Charges	1,131,692.34	1,457,738.00
Water Charges	77,068.00	83,785.00
Transportation	5,066.92	14,471.18
Total	<u>5,131,747.76</u>	<u>8,616,908.03</u>

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Schedule 'K' : Administrative & Other Expenses

	<u>Current Year</u> <u>31/03/2009</u>	<u>Previous Year</u> <u>31/03/2008</u>
Account Writing Charges	120,000.00	120,000.00
Advertisement & Promotions	49,744.00	34,871.50
Audit Fee	50,000.00	50,000.00
Bank Charges	8,860.43	13,114.63
Bonus Paid	102,340.00	105,740.00
Brokerage & Commission	843,345.00	1,061,215.40
Computer Expenses	3,600.00	600.00
Conveyance	28,354.58	5,077.00
Demat Charges	3,507.00	35,266.50
Directors Remuneration	3,000,000.00	1,500,000.00
Directors Sitting Fee	3,000.00	1,000.00
Discount & Rebates	373,862.14	216,195.24
Diwali Expenses	-	153,504.00
Donation	2,746,704.00	2,152,351.00
Entertainment Expenses	181,409.53	141,000.00
Foreign Travel Expenses	763,007.65	-
Grampanchayat Taxes	116,547.00	116,547.00
Gratuity	3,025.00	33,595.00
Insurance	2,788,627.54	2,801,958.00
Interest on Taxes	326,032.00	-
Leave Salary	52,574.00	52,674.00
Legal & Professional fees	115,019.00	108,000.00
Long Term loss	-	191,767.38
Maharashtra Labour Welfare	2,982.00	3,328.00
Medical Expenses	6,392.75	38,168.41
Motor Car Expenses	20,637.98	68,820.15
Machinery, Office Rent	1,080,000.00	1,090,500.00
MIDC Pollution Tax	6,666.66	4,968.00
Office Expenses	67,964.05	62,646.67
Overtime Salary	71,129.00	87,806.00
P F Employers Contribution	515,244.00	307,677.00
Post & Courier Expenses	31,558.43	16,155.00
Printing & Stationery	56,046.88	84,268.00
Repairs & Maintenance	275,962.00	607,153.11
Salary & Wages	1,264,852.00	2,267,200.00
Sales Promotion Expenses	744,728.00	-
Sales Tax Paid	103,394.71	273,305.74
Staff Welfare expenses	93,173.00	60,214.50
Short Term Loss	141,146.82	7,664.53
Sundry Balances W/off	(6,357.74)	(22.98)
Telephone expenses	133,296.27	169,204.09
Travelling Expenses	159,555.00	-
Total	<u>16,447,930.68</u>	<u>14,043,532.87</u>

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Schedule 'L' :

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

1. Significant Accounting Policies:
 - a) Basis of preparation of financial statements

The financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted principles in India, provisions of the Companies Act, 1956 and comply in material aspects with the accounting standards notified under Section 211(3C) of the Act, read with Companies (Accounting Standards) Rules, 2006.
 - b) Fixed Assets

Fixed Assets are valued at cost of acquisition inclusive of freight, duties, taxes, cost of financing during construction period and expenses related to acquisition, installation, Erection and commissioning.
 - c) Depreciation

Depreciation is provided on straight line basis at the rates specified in Schedule XIV to the Companies Act, 1956 from the date on which the assets is put to use.
 - d) Valuation of Inventory

There are no finished goods. The stores and spares are negligible in value.
 - e) Preliminary Expenses

Preliminary Expenses are amortized as per section 35D of the Income Tax Act, 1961.
 - f) Employee Retirement Benefits

Provision for payment of Gratuity to employees is not made. The same is accounted in the year in which it is paid.
 - g) Revenue Recognition

Revenue on the job work is recognized on the basis of completion of work.
 - h) Investment

Investments are valued at cost. Any temporary dilution has not been provided for as they are meant for long term.
 - i) General

Accounts are prepared on the Mercantile method and as per the Accounting standards and in accordance with the normally accepted Accounting Principles. The company adopts the Accrual concept in the preparation of the accounts.
 - j) Retirement Benefits

Contributions to defined contribution schemes such as gratuity are charged to Profit and Loss account as incurred. The Company also provides for retirement benefits in the form of gratuity and leave encashment.
 - k) Accounting for Taxes on Income

Provision for current tax is made after taking into consideration of benefits admissible under the provisions of Income Tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted as on the balance sheet date. The deferred tax liability is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

2. Estimated amount of contracts remaining to be executed on Capital Account (Net of Advance) and not provided for Rs. Nil (Previous Year Rs. Nil)
3. In the opinion of the Board of Directors, the value on realization of current Assets. Loans and Advances and Receivables if realized in the ordinary course of business, shall not be less than the amount at which they are stated in the Balance Sheet and Receivables and Loans and Advances including Capital Advances are considered goods and recoverable on an ongoing basis.
4. The balances of Sundry Creditors, Deposits Given, Loans and Advances and Receivables are subject to confirmation. There was no stock at close of accounting year.
5. The Trading activity is as such stopped by the company. Thus the sales mainly consist of job work income. The income from Job work mainly includes recoveries for Decoiling, straightening, Cutting, shearing and warehousing and other small recoveries on account of loading and unloading, transportation charges.
6. Deferred Tax Liability of Rs.(88629.48)/- since incorporation has been provided in accordance with AS-22 & the same has been charged to General Reserves. Current years Deferred Tax Liability has been charged to Profit & Loss A/c.

7. Pursuant to the agreements of Leave and License entered in to by the company, the following related parties have been paid rental charges for Machinery & Office Premises.

	<u>Current Year</u>	<u>Previous Year</u>
1. Digha Steel industries Pvt.Ltd.	Rs 7,20,000	Rs.7,20,000
2. Ashok Maganlal Mehta (HUF)	Rs 3,60,000	Rs.3,60,000

8. The additional information pursuant to the provisions of paragraphs 3,4C and 4D of part II of the schedule VI of the Companies Act, 1956 to the extend they are applicable are given below.

I. Company is mainly engaged in the job work of Decoiling, Straightening, Cutting, Shearing of Hr. CR and MS Coils / Sheets. It has no precise licensed capacities and installed capacities as such.

II. Company has earned gross receipt of Rs. 47895266.41(Previous year Rs. 53694079.45) on account of job work in respect of Decoiling, straightening and warehousing.

III. Details as regards trading Activities in finished goods.
As there was no trading activity done during the year the below mentioned figures for current year would be NIL.

B. The consumption of Materials, Stores and Spares is in the nature of small tools and accessories, which are required to be replaced on account of wear and tear in the ordinary course of business. The same does not admit for the quantitative details.

C. Value of imported and indigenous Material Stores and Spares consumed during the year.
All indigenous Rs. NIL (Rs. 2654347.42)

D. C.I.F. Value of Import made Rs. Nil (Nil).

E. Expenses incurred and remittance made in Foreign Currency during the year
Foreign Travels Rs.763007.65 (Rs. NIL)

F. Details of Foreign shareholdings and details of dividend remitted thereon are not applicable.

G. Earning in Foreign Exchange Rs. Nil (Nil).

9. Figures have been regrouped and rearranged wherever found necessary.

10. Figures in brackets represent figures of previous year.

Signature to schedules 'A' to 'L' forming integral part of Balance Sheet and Profit and Loss Account.

As per our report of even date
For: AKSHAY D. SHAH & CO.
Chartered Accountants

For and on behalf of the Board

AKSHAY D. SHAH
Proprietor

ASHOK M. MEHTA
Chairman & Managing Director

Place : Mumbai
Date : 20/08/2009

YASH A MEHTA
Executive Director-Marketing

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

BALANCE SHEET EXTRACT AND COMPANY'S GENERAL BUSINESS PROFIT

I. <u>Registration Details</u>			
Registration No.	64563	State Code	11
Balance Sheet Date	31/03/2009		
II. <u>Capital Raised during the Year</u>			
Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
III. <u>Position of Mobilization and Deployment of Fund</u>			
Total Liabilities	88,306,077.53	Total Assets	88,306,077.53
Sources of Funds			
Paid-Up Capital	54,926,500.00	Reserves & Surplus	33,379,577.53
Secured Loans	-	Unsecured Loans	NIL
Deffered Tax			
Application of Funds			
Net Fixed Asstes	39,448,092.41	Investments	44,791,869.77
Net Current Assets	4,066,115.35	Misc.Expenditure	NIL
Accumulated Losses	NIL		
IV. <u>Performance of Company</u>			
Turn Over	51,251,204.76	Total Expenditure	24,353,652.19
Profit Before Tax	26,897,552.57	Profit After Tax & Provisions	16,753,693.09
Earning per Share	N.A	Dividend	5,486,400.00
V. <u>Generic Names of Three Principal Products of Company</u>			

Not Applicable

For: AKSHAY D. SHAH & CO.
Chartered Accountants

For and on Behalf of the Board

AKSHAY D. SHAH
Proprietor

ASHOK M MEHTA
Chairman & Managing Director

Place: Mumbai
Dated: 20/08/2009

YASH A MEHTA
Executive Director-Marketing

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	<u>31/03/2009</u>	<u>31/03/2008</u>
A. <u>Cash Flow from Operating Activities</u>		
Profit/Loss Before Tax and Extra Ordinary		
Adjustment for:		
Depreciation	23,682,761.04	28,596,429.55
Taxes Paid during the year	2,773,973.75	2,636,640.91
Operating Profit Before Working Capital	(12,010,237.61)	(7,632,830.00)
Changes Adjustment for:		
Current Assets	14,446,497.18	23,600,240.46
Current Liabilities	5,136,411.74	(13,343,560.33)
Cash generated from Operations	(2,654,963.18)	681,479.85
	(a) 16,927,945.74	10,938,159.98
B. <u>Cash Flow Investing Activities</u>		
Purchase of Fixed Assets (Net)	(835,948.00)	(1,444,695.00)
Interest Dividend Income	3,214,791.53	3,751,931.27
Investment Made during the year	(13,512,331.68)	(5,281,298.18)
Loans & Deposits	11,281,717.17	-
Net Cash Used in Investing Activities	(b) (11,133,488.15)	(2,974,061.91)
C. <u>Cash From Financial Activities</u>		
Long-term borrowings (Net)		
Corporate Dividend Tax	932,057.00	934,725.00
Dividend Paid	5,484,300.00	5,484,300.00
Net Cash Used in Financing Activities	(c) (6,416,357.00)	(6,419,025.00)
Net Increase/Decrease in Cash and Cash Equivalent [a-(b+c)]	(621,899.41)	1,545,073.07
Cash and Cash Equivalent-Opening Balance	2,361,665.84	816,592.77
Cash and Cash Equivalent-Closing Balance	1,739,766.43	2,361,665.84
	621,899.41	(1,545,073.07)

AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED derived from the audited financial statements for the year ended 31st March 2009 and 31st March 2008 and found the same to be drawn in accordance therewith and also with the requirement of clause 2 of the listing agreement with the Stock Exchange.

For M/S. AKSHAY D. SHAH & CO.
Chartered Accountants

Place : Mumbai

Dated : 20/08/2009

AKSHAY D. SHAH
(Proprietor)
Membership No.110775

PROXY FORMS

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

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

Folio No. _____

I / We _____ of _____ being the member / members of the above named company hereby appoint _____ of _____ or failing him / her _____ of _____ as my / our proxy to attend and vote on my / our behalf as the 18th Annual General Meeting of the Company to be held on Thursday, the 20th September, 2009 and at any adjournment thereof.

Signed this _____ day of _____ 2009.

Revenue Stamp of Rs.1/-

Signature

Note: This Instrument of proxy shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting. Please affix One Rupee Revenue Stamp while making signature.

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED
Registered Office: Plot No.C-17/2, MIDC Industrial Area, Taloja, Dist.Raigad (Maharashtra)

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND
HAND OVER AT THE ENTRANCE OF THE MEETING

1. Name of the attending Member _____
(in Block Letter)

2. Members Folio No. _____

3. Name of the Proxy _____
(To be filled in Block Letters if the proxy attends instead of Member)

No. of Share Held _____

I hereby record my presence at the 18th Annual General Meeting of the Company on Thursday, the 20th September, 2009.

Member's / Proxy's Signature

Note: The copy of the Annual Report may please be brought at the time of meeting.