

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 from part of the perquisites).

Remuneration as above put together with remuneration payable on other Directors shall not exceed 10% of net profits. Remuneration as above shall be paid as minimum remuneration in the event of absence or inadequacy of profits subject to provisions of section 11 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.

1. <u>Financial Highlights</u>	For year Ended 31/03/2008	For year Ended 31/03/2007
		(Rs in Lacs)
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.

9. Directors' Responsibility Statement

Your directors confirm that:

- a) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures:
- b) The Directors had selected such accounting policies and applied them consistently and made judgements 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 this Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Annual Accounts have been prepared on a going concern basis.

10. Auditors

Shri Akshay D.Shah & Co. Chartered Accountants, Statutory Auditors retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The Company has obtained from the Auditors, a certificate to the effect that their re-appointment, if made, will be in accordance with the limits specified under section 224 (1B) of the Companies Act, 1956.

11. Auditors' Report

Auditors' Report read together with the notes given thereon are self explanatory and your directors have no comments to offer for the same.

12. Annexure to Directors' Report

- i) Requirement as per section 217 (2A) of the Companies Act, 1956 read with the companies (Particulars of employees) Rules, 1975, as amended are not applicable at present.
- ii) The Company has been taking reasonable steps to minimize the electricity consumption. Company procures electricity from the State Electricity Board. The Company has no activities relating to generation and conservation of energy or technology absorption. The Company did not have any foreign exchange earning or expenditure, during the year under report.

13. Industrial Relations

During the year under report, the relations with Staff & Workmen Continued to be cordial. The Board expresses its appreciation towards the untiring efforts in the working of the Company by employees at all levels.

14. Acknowledgement

The directors record their appreciation for the continued Co-Operation and support extended by Company's Bankers, Customers, Suppliers and Shareholders of the Company.

For and behalf of the Board

Place : Mumbai

Dated : 07th August,2008

ASHOK M.MEHTA
Chairman and Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. 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.

On account of increase in the consumption of steel the company will continue to receive job order from manufacturers, traders and local suppliers of steel.

Due to steep increase in Steel prices the turnover of the Company has fluctuated from 100% to 87%. Consequently your Company has to achieve more turnover to make good the difference.

2. Risk and Concerns

The Company is facing acute competition in obtaining job orders since the prices of steel plates have gone up. However due to specialised execution of the job orders your Company will continue to get more orders as compared to other competitors.

3. Internal Control Systems

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

4. Financial Performance –Vis-à-vis Operations

The Company has achieved profit of Rs.350.34 lacs before depreciation as against Rs.166.89 lacs during the previous year and the profit after tax has decreased from Rs.211.75 during the last year to Rs.84.46 lacs during the year under report.

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 on words.

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Report on corporate governance

1. Company's Philosophy on code of Governance:

The Company's Philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, shareholders, creditors, consumers, institutional and other terms lenders and places due emphasis on regulatory compliance.

2. Board of Directors:

The present strength of Board of Directors is EIGHT. Mr. Ashok M.Mehta is Chairman & Managing Director, Out of 8 Directors, Majority of Directors are Non-Executive and Independent. The Position of the Board of Directors thus meets with the stipulated requirements.

The Corporate Governance Compliance Report submitted herewith is for a period from 01/04/2007 to 31/03/2008.

During the financial year ended on 31/03/2008, Six Board meetings were held on 27/04/2007, 20/07/2007, 07/08/2007, 23/10/2007, 07/12/2008, and 29/01/2008.

The Company's last Annual General Meeting was held on 26/09/2007.

The Board's composition and categories as on 31/03/2008 and the attendance of each Director at Board Meeting and last Annual General Meeting are as under:-

Name of Director	Cate-gory	No. of Direc-torship In Other Cos.	No. of Board Committee For which Chair-Person	No. of Board Meetings Attended	Whether Atten- ded Last A.G.M.
Mr. Ashok M.Mehta	CMD	4	4	6	Yes
Mr. Harkisan M.Mehta	Director	1	Nil	6	Yes
Mrs. Kumud A.Mehta	Director	3	Nil	6	Yes
Mr. Indrajit L.Sawant	Director	Nil	Nil	3	No
Mr. Yash A.Mehta	Exe.Director Marketing	1	Nil	6	Yes
Shri Ashwin P.Sanghavi	Director	2	2	3	No
Mr.Mahendra D. Sanghavi	Director	Nil	Nil	3	No
Mr. Snehal S.Chinai	Director	Nil	Nil	3	Yes

A. Audit Committee:

Board Terms of Reference

The Audit Committee of the Board was constituted in the meeting of the Board of Directors held on 25/10/2002 in conformity with the requirements of Clause 49 of Listing Agreement, as well as Section 292A of the Companies Act, 1956. The terms of reference and the role of Audit Committee are set out in the Listing Agreement and Section 292A of the Companies Act, 1956.

The Audit Committee consisted of following members:

1. Shri Mahendra D.Sanghavi
2. Shri Harkisan M.Mehta
3. Smt. Kumud A.Mehta

The Audit Committee meeting was held on 27/04/2007, 20/07/2007, 07/08/2007, 23/10/2007, 07/12/2008, and 29/01/2008 all the member Directors of Audit Committee were present.

Quorum: Two Independent Directors.

Shri L.R.Mishra will act as Secretary of the Committee.

The terms of the reference of the Audit Committee are as under:-

1. To review quarterly, half-yearly and annual financial results of the Company before submission to the Board.
2. To hold periodic discussions with the Statutory Auditors concerning the accounts of the company, internal control systems, scope of audit and observations of the auditors.
3. To make recommendations to the Board on any other matters relating to financial management of the company including Audit Report.

Remuneration Committee:

The Board has constituted remuneration committee of Shri Mahendra D.Sanghavi, Shri Harkisan M.Mehta and Shri Indrajit L.Sawant. The remuneration committee at its meeting held on 22/04/2008 has decided to recommend to the Board of directors of the Company as well as shareholders of the Company to approve the reappointment of Shri Ashok M.Mehta for a period of 5 years from 01/04/2008 on a revised remuneration of Rs.1,50,000/- per month. Similarly the Committee recommended to the Board of Directors as well as shareholders of the Company to approve the reappointment of Shri Yash A.Mehta for a period of 5 years from 01/04/2008 on a revised remuneration of Rs.1,00,000/- per month. The recommendation of remuneration has been accepted by the board and the necessary resolution has been included in the notice convening 17th Annual General Meeting of the Company.

The sitting fees for attending each Board Meeting / Committee Meeting is Rs.500/- per meeting.

Shareholders / Investor Grievance Committee:

Function

The Board of RISHABH DIGHA STEEL AND ALLIED PRODUCTS LTD. has constituted Shareholders / Investor Grievance Committee consisting of three members, Chaired by an independent Non-Executive Director. The Committee meets at frequent intervals to approve inter-alia, transfer / transmission of shares, issue of duplicate share certificates, non receipt of declared dividend and to review of the status of investors' grievances and redressal mechanism and recommends measures to improve the level of investor services. Details of Share Transfer / transmissions approved by the committee are placed at the Board Meetings from time to time.

Composition

The composition of the Shareholders / Investor's Grievance Committee is as under:-

Sr.	Name	Chairman / Member	No. of Meeting attended
1.	Shri Indrajit L.Sawant	Member	3
2.	Shri Harkisan M.Mehta	Member	3
3.	Shri Mahendra D.Sanghavi	Member	3

Name and Designation of Compliance Officer:

Shri L.R.Mishra
M/s. Rishabh Digha Steel and Allied Products Ltd.
Giriraj, Ground Floor, Iron Market, S.T.Road,
Mumbai-400 009

Details of Shareholders Complaints Received, Not Solved and Pending Transfers

The total number of complaints received during the quarter 1/4/2007 to 31/3/2008, NIL

Annual General Meetings held:

Location and time, where the last three Annual General Meetings were held as given below:-

Financial Year	Date	Location	Time
2004-2005	26/09/2005	Plot No.C-17/2, MIDC Industrial Area, Taloja, Dist. Raigad (Maharashtra)	11.00 A.M.
2005-2006	26/09/2006	- do -	11.00 A.M.
2006-2007	26/09/2007	- do -	10.00 A.M

No special resolution was put through postal ballot at the last AGM nor is any proposed for this year as there is no notification for the same.

Postal Ballot

No special resolution was put through postal ballot during the previous year.

Compliance Certificate:

The Certificate / Comments regarding compliance of conditions of Clause 49 of the Listing Agreement from the Auditors of the Company is annexed hereto.

Shareholders Information

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

Annual General Meeting: Date & Time : 22nd September,2008
 Venue : Registered Office at
 Plot No.C-17/2,
 MIDC Industrial Area,
 Taloja, Dist. Raigad (Maharashtra))

Financial Calender:

Financial Reporting for the quarter ending June,2007 : On or before July,2007
 Financial Reporting for quarter/half year ending Sept,2007 : On or before October. 2007
 Financial Reporting for the quarter ending Dec.,2007 : On or before January,2008
 Financial Reporting for the quarter/year ending March,2008 : On or before April,2008

Date of Book Closure : Monday, 15/09/2008 to Monday, 22/09/2008
 (both days inclusive)

Listing on Stock Exchange : Mumbai Stock Exchange
 Code No. : 531539

Registrar for Share Registry work and Dematerialisation Work:

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

Share Transfer System:

Share transfer requests received in physical form are registered within 15 days from the date of receipt and Demat requests are normally confirmed within an average of 7 days from the date of receipt.

Share Transfer Record:

31/03/2006		31/03/2007		31/03/2008	
No. of Transfers	Shares Transferred	No. of Transfers	Shares Transferred	No. of Transfers	Shares Transferred
168	102900	16	2400	10	5500

Shareholder Services, Enquiries, Complaints:

It has been our endeavor to provide prompt, efficient and satisfactory services to our esteemed Shareholders. We have taken special care in answering the queries of shareholders within the shortest possible time frame. We provide shareholder services in the following time frame.

Sr.No.	Nature of Query	No. of days for disposal
1.	Share Transfers	15 days
2.	Demat of Shares	7 days
3.	Dividend Revalidation	7 days
4.	Issue of New Shares on Surrender of Old	7 days
5.	Change of Address / Bank Mandate	7 days
6.	General Queries	7 days

Categories of Shareholders as on 31st March, 2008

Category	No. of Shares held	% of Shareholding
Promoters	* 3317300	60.31
Other Directors	Nil	Nil
Financial Institutions, Mutual Funds and Bank	Nil	Nil
Private Corporate Bodies	240431	4.38
Non-resident, OOCBs,	8362	0.15
Indian Public	1873381	34.06
Any Other-Clearing Members	60526	1.10
Total	5500000	100.00
Demat – 1. N.S.D.L.	4709077	85.62
2. C.D.S.L.	715323	13.00
3. Physical	75600	1.38
Total	5500000	100.00

*** Note:**

Including Shares held by Associate Companies of the Promoters.

Correspondence:

For any assistance regarding dematerialisation of shares, share transfers, change of address, non-receipt of dividend or any query relating to the shares of the Company, please write to:-

Registrar for Share Transfers and Dematerialisation

Mondkar Computers Private Ltd.

21, Shakil Niwas, Mahakali Caves Road, Andheri (East)

Mumbai-400 093

Distribution of Share Holding as on 31st March,2008

Share Holdings		Shares Holders		Shares Amount	
Shares	-	Shares	Number	Rs.	
Upto	-	500	1581	69.617	3930990.00
501	-	1000	376	16.557	3375680.00
1001	-	2000	151	6.649	2429110.00
2001	-	3000	54	2.378	1422790.00
3001	-	4000	22	0.969	789990.00
4001	-	5000	19	0.837	895270.00
5001	-	10,000	34	1.497	2602120.00
10,001	and Above		34	1.497	39654050.00
Total		2271	100.000		55000000.00

Dematerialisation of Shares and Liquidity:

Trading in Rishabh Digha Steel and Allied Products Ltd. 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 Mumbai Stock Exchange. International Security Identification No. INE864D01015

Plant Locations:

Plot No. C-17/2,3 & 4, MIDC Industrial Area, Taloja, Dist. Raigad (Maharashtra)

DECLARATION

As stipulated under the provisions of sub-clause I(D)(ii) of Clause 49 of the Listing Agreement with the Stock Exchanges, all the Directors and the designated Personnel in the Senior Management of the Company have affirmed compliance with their respective Code for the financial year ended 31st March,2008.

For RISHABH DIGHA STEEL AND ALLEID PRODUCTS LTD.

Dated: 07th August,2008

ASHOK M.MEHTA
Chairman & Managing Director

Auditors' Certificate on Corporate Governance

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

Dear Sirs,

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 2008 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, 2008 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 & CO.
Chartered Accountants

Place : Mumbai

Dated : 07/08/2008

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 2008, 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 2008 and taken on record by the Board of directors, we report that none of the directors is disqualified as on 31st March 2008 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 2008;
- 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 & CO.
Chartered Accountants

Place : Mumbai

Dated : 07/08/2008

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) The company had taken interest free loan from one member covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 200000/- and the year-end balance of loans taken from such parties was NIL. There is one company covered in the register maintained under section 301 of the Companies Act, 1956 from which the company has taken loan. The maximum amount involved during the year was Rs. 510000/- and the year-end balance of loans taken from 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 31/03/2008 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 nidhil 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 : 07/08/2008.

AKSHAY D SHAH
(Proprietor)
Membership No.110775

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2008

		<u>As Per</u> <u>Schedule</u>	<u>31/03/2008</u> <u>Rs.</u>	<u>31/03/2007</u> <u>Rs.</u>
1 Source of Fund				
1.Shareholder's Fund				
1	Share Capital	A	54,926,500.00	54,926,500.00
2	Reserves & Surplus	B	22,980,267.79	14,681,671.17
			77,906,767.79	69,608,171.17
			77,906,767.79	69,608,171.17
2 Application of Fund				
1	Fixed Assets			
	Gross Block	C	68,906,863.79	67,462,168.79
	Depreciation to Date		27,520,745.63	24,884,104.72
	Net Block		41,386,118.16	42,578,064.07
2	Investments	D	12,896,697.59	7,615,399.41
3	Current Assets			
	Receivables	E	32,103,791.64	19,962,449.76
	Cash & Bank Balance	F	2,361,665.84	816,592.77
	Loans & Advances	G	10,265,981.57	7,110,330.12
			44,731,439.05	27,889,372.65
4	Less: Current Liabilities			
	Current Liabilities	H	15,623,187.01	8,474,664.96
	Proposed Dividend		5,484,300.00	-
			23,623,952.04	19,414,707.69
			23,623,952.04	19,414,707.69
Total			77,906,767.79	69,608,171.17

Schedule 'A' to 'I' 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 M/s. AKSHAY D. SHAH & CO.
Chartered Accountants**

**AKSHAY D. SHAH
Proprietor**

For and on Behalf of the Board

**ASHOK M MEHTA
Chairman & Managing Director**

**HARKISAN M MEHTA
Director**

**KUMUD A. MEHTA
Director**

Place: Mumbai

Dated: 07/08/2008

**YASH A MEHTA
Executive Director - Marketing**

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED
PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH,2008

	<u>As Per</u> <u>Schedule</u>	<u>31/03/2008</u> <u>Rs.</u>	<u>31/03/2007</u> <u>Rs.</u>
<u>Income</u>			
Sales & Other Income	J	57,696,976.48	40,812,451.75
		57,696,976.48	40,812,451.75
<u>Expenses</u>			
Manufacturing Expenses	K	8,616,908.03	8,598,844.82
Administrative Expenses	L	14,043,532.87	15,163,403.74
Depreciation		2,636,640.91	2,645,818.80
	Total	25,297,081.81	26,408,067.36
Profit/Loss Before taxation		32,399,894.67	14,404,384.39
Less; Provision for taxation		11,227,886.00	5,537,613.00
Less: Deffered Tax		(160,685.80)	(102,774.64)
Less: Freing Benefit Tax Paid		155,000.00	88,000.00
Profit/Loss After taxation		21,177,694.47	8,881,546.03
Add: Surplus of Last Year		2,913,645.62	622,735.82
<u>Appropriation</u>		24,091,340.09	9,504,281.85
Interim Dividend Paid		5,484,300.00	5,500,000.00
Proposed Dividend		5,484,300.00	-
Corporate Dividend Tax		1,869,725.00	771,375.00
Transfer to Reserves		1,440,160.00	-
Prior Period Items		40,772.85	319,261.23
Balance Carried to Balance Sheet		9,772,082.24	2,913,645.62

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 M/s. AKSHAY D. SHAH & CO.
Chartered Accountants

AKSHAY D. SHAH
Proprietor

For and on Behalf of the Board

ASHOK M MEHTA
Chairman & Managing Director

HARKISAN M MEHTA
Director

KUMUD A. MEHTA
Director

Place: Mumbai

Dated: 07/08/2008

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,2008**

	<u>31/03/2008</u>	<u>31/03/2007</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: Call in Arrears	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	11,768,025.55
2. Profit & Loss Account	9,772,082.24	2,913,645.62
	<u>22,980,267.79</u>	<u>14,681,671.17</u>
<u>Schedule "D ": Investment</u>		
(Unquoted, At Cost)		
DSPML World Gold Fund	500,000.00	-
FD with Bank of Baroda	2,100,000.00	1,700,000.00
Franklin India Smaller Companies Fund	500,000.00	500,000.00
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	-
Share Purchase	8,571,697.59	4,440,399.41
	<u>12,896,697.59</u>	<u>7,615,399.41</u>

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Schedule 'C' : Fixed Assets

Sr. Particulars	Gross Block			Depreciation			Net Blocks		
	As At 01/04/2007	Addition	Deduction	As At 3/31/2008	As At 01/04/2007	For the Year	W/Back During Year	As At 3/31/2008	As At 3/31/2007
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	11,644,387.50	1,031,686.43	-	18,128,345.80	19,160,032.23
3. Plant & Machinery	29,210,345.40	126,000.00	-	29,336,345.40	12,143,230.55	1,396,834.22	-	15,796,230.63	17,067,114.85
4. Office Equipment	347,586.76	33,800.00	-	381,386.76	155,597.42	17,605.67	-	207,983.67	191,989.34
5. Furniture & Fixture	1,103,549.90	-	-	1,103,549.90	724,738.25	70,046.09	-	308,765.56	378,811.65
6. Vehicles	1,084,937.00	1,284,895.00	-	2,369,832.00	216,151.00	120,218.50	-	2,033,462.50	868,786.00
Total:	67,462,168.79	1,444,695.00	-	68,906,863.79	24,884,104.72	2,636,640.91	-	41,386,118.16	42,578,064.07
Previous Year	67,232,560.79	1,424,527.00	-	67,462,168.79	22,694,167.72	2,645,818.80	455,881.80	42,578,064.07	44,538,393.07

Schedule "E": Receivables

(Unsecured, Considered Goods)

Sundry Debtors	32,103,791.64	19,962,792.26
Other receivables	-	(342.50)
	<u>32,103,791.64</u>	<u>19,962,449.76</u>

Schedule "F": Cash & Bank Balance

Cash on Hand	106,068.59	75,061.12
In Fixed Deposit with Bank	-	51,533.85
In Current Account with Banks	2,255,597.25	689,997.80
	<u>2,361,665.84</u>	<u>816,592.77</u>

Schedule "G": Loans & Advances & Other Current Assets

(Unsecured, Considered Goods)

Loans Given	90,868.00	347,053.00
Deposit Given	108,304.67	108,304.67
Advance Tax paid	7,250,000.00	4,200,000.00
TDS on FD Interest with Bank	43,027.00	23,964.00
TDS on Interest on Loan	414,233.00	364,733.00
TDS of Other Years	488,324.45	259,246.45
TDS on Job Work	1,007,156.45	959,392.00
Prepaid Expenses	864,068.00	847,637.00
	<u>10,265,981.57</u>	<u>7,110,330.12</u>

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

For Purchase	974,720.15	684,916.00
For Expenses	153,300.76	239,929.26
Other Liabilities	-	300,081.00
Unclaimed Dividend	553,865.00	488,915.00
Corporate Dividend Tax Payable	935,000.00	-
Duties & Taxes	1,583,175.43	869,740.23
	<u>4,200,061.34</u>	<u>2,583,581.49</u>

B. Provisions

Deffered Tax-04	456,245.11	456,245.11
Deferred Tax	(263,460.44)	(102,774.64)
Provision For Tax	11,227,886.00	5,537,613.00
Staff Professional Tax Payable	2,455.00	-

Total	<u>11,423,125.67</u>	<u>5,891,083.47</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,2008**

	Current Year <u>31/3/2008</u>	Previous Year <u>31/03/2007</u>
<u>Schedule 'J': Sales and Other Income</u>		
Income from Jobwork	53,694,079.45	38,803,988.62
Interest	2,420,600.52	1,801,061.77
Dividend	107,420.42	86,313.42
Long Term Profit	31,060.00	-
Short Term Profit/Loss	1,443,816.09	121087.94
Total	<u>57,696,976.48</u>	<u>40,812,451.75</u>
 <u>Schedule 'K': Manufacturing Expenses</u>		
Material, Stores & Spares	2,654,347.42	3,892,291.95
Labour Charges	505,395.25	323,003.42
Gas & Lubricants Expenses	272,516.18	296,343.45
Cutting Charges	3,628,655.00	2,798,016.00
Electricity Charges	1,457,738.00	1,166,497.00
Water Charges	83,785.00	62,330.00
Transportation	14,471.18	60,363.00
Total	<u>8,616,908.03</u>	<u>8,598,844.82</u>

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Schedule 'L' : Administrative & Other Expenses

	Current Year	Previous Year
	<u>31/03/2008</u>	<u>31/03/2007</u>
Account Writing Charges	120,000.00	120,000.00
Advertisement & Promotions	34,871.50	27,788.00
Audit Fee	50,000.00	50,000.00
Bank Charges	13,114.63	5,605.00
Bonus Paid	105,740.00	100,640.00
Brokerage & Commission	1,061,215.40	783,344.01
Capital Loss On Sale of Car	-	373,037.20
Computer Expenses	600.00	6,373.00
Conveyance	5,077.00	9,265.00
Demat Charges	35,266.50	181.49
Directors Remuneration	1,500,000.00	1,110,000.00
Directors Sitting Fee	1,000.00	3,500.00
Discount & Rebates	216,195.24	371,840.47
Diwali Expenses	153,504.00	399,553.00
Donation	2,152,351.00	2,584,752.00
Entertainment Expenses	141,000.00	130,473.66
Fees & Subscription	-	37,448.00
Foreign Travelling	-	581,785.00
Grampanchayat Taxes	116,547.00	116,547.00
Gratuity	33,595.00	51,019.00
Insurance	2,801,958.00	2,788,769.00
Interest on Car Loan	-	10,506.26
Leave Salary	52,674.00	50,724.00
Legal & Professional fees	108,000.00	106,700.00
Long Term Loss	191,767.38	-
Maharashtra Labour Welfare	3,328.00	-
Medical Expenses	38,168.41	(1,203.50)
Mobile Charges	27,975.80	52,323.46
Motor Car Expenses	68,820.15	65,305.69
Machinery, Office Rent	1,090,500.00	1,082,500.00
MIDC Pollution Tax	4,968.00	-
Office Expenses	62,646.67	65,197.00
Overtime Salary	87,806.00	96,293.00
P F Employers Contribution	307,677.00	251,858.00
Post & Courier Expenses	16,155.00	11,503.31
Printing & Stationery	84,268.00	33,959.50
Round Off	(22.98)	46.03
Repairs & Maintenance	607,153.11	1,806,399.32
Roc Fees	-	4,900.00
Salary & Wages	2,267,200.00	1,363,441.00
Sales Tax Paid	273,305.74	305,308.91
Staff Welfare expenses	60,214.50	74,594.60
Short Term Loss	7,664.53	-
Telephone expenses	141,228.29	131,126.33
Total	<u>14,043,532.87</u>	<u>15,163,403.74</u>

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Schedule 'M' :

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2008

1. Significant Accounting Policies:
 - a) 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.
 - b) 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.
 - c) Valuation of Inventory

The finished goods are valued at lower of the cost or market value. The stores and spares are valued at cost.
 - d) Employee Retirement Benefits

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

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

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

Accounts are prepared on the Historical Cost Concept 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.
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 consists 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. Current Year Deferred Tax Liability of Rs (160685.80) /- has been provided in accordance with AS-22 & the same 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 extent 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. 5,36,94,079.45 (Previous year Rs. 3,88,03,988.62) 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. 26,54,347.42 (Previous Year Rs. 38,92,291.95)

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. Nil (Previous Year Rs. 581785)

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 'M' forming integral part of Balance Sheet and Profit and Loss Account.

As per our report of even date

for and behalf of the Board

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

ASHOK M. MEHTA
Chairman & Managing Director

AKSHAY D. SHAH
Proprietor

HARKISAN M. MEHTA
Director

Place: Mumbai

KUMUD A. MEHTA
Director

Date: 07/08/2008

YASH A MEHTA
Executive Director-Marketing

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFIT

I. <u>Registration Details</u>			
Registration No.	64563	State Code	11
Balance Sheet Date	31/03/2008		
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	77,906,767.79	Total Assets	77,906,767.79
Sources of Funds			
Paid-Up Capital	54,926,500.00	Reserves & Surplus	22,980,267.79
Secured Loans	-	Unsecured Loans	NIL
Deffered Tax			
Application of Funds			
Net Fixed Asstes	41,386,118.16	Investments	12,896,697.59
Net Current Assets	23,623,952.04	Misc.Expenditure	NIL
Accumulated Losses			
IV. <u>Performance of Company</u>			
Turn Over	57,696,976.48	Total Expenditure	25,297,081.81
Profit Before Tax	32,399,894.67	Profit After Tax & Provisions	21,177,694.47
Earning per Share		N.A Dividend	5,484,300.00
V. <u>Generic Names of Three Principal Products of Company</u>			
Not Applicable			

For and on behalf of the Board

ASHOK M. MEHTA
Chairman & Managing Director

HARKISAN M. MEHTA
Director

KUMUD A. MEHTA
Director

Place; Mumbai

Dated: 07/08/2008

YASH A MEHTA
Executive Director - Marketing

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2008

	<u>31/03/2008</u>	<u>31/03/2007</u>
A. <u>Cash Flow from Operating Activities</u>		
Profit/Loss Before Tax and Extra Ordinary		
Adjustment for:		
Depreciation	28,596,429.55	12,419,932.42
Taxes Paid during the year	2,636,640.91	2,617,838.64
Operating Profit Before Working Capital	<u>(7,632,830.00)</u>	<u>(5,895,064.71)</u>
Charges Adjustment for:		
Current Assets	23,600,240.46	9,142,706.35
Current Liabilities	(13,343,560.33)	3,559,889.89
Cash generated from Operations	<u>681,479.85</u>	<u>11,252.41</u>
	(a) <u>10,938,159.98</u>	<u>12,713,848.65</u>
B. <u>Cash Flow Investing Activities</u>		
Purchase of Fixed Assets (Net)	(1,444,695.00)	1,372,326.00
Interest Dividend Income	3,803,465.12	(1,651,202.53)
Investment Made during the year	(5,281,298.18)	6,240,399.41
Loans & Deposits		2,801.00
Net Cash Used in Investing Activities	(b) <u>(2,922,528.06)</u>	<u>5,964,323.88</u>
C. <u>Cash From Financial Activities</u>		
Long-term borrowings (Net)		76,818.74
Corporate Dividend Tax	934,725.00	1,156,650.00
Dividend Paid	5,484,300.00	8,250,000.00
Net Cash Used in Financing Activities	(c) <u>(6,419,025.00)</u>	<u>9,483,468.74</u>
Net Increase/Decrease in Cash and Cash Equivalent [a-(b+c)]	1,596,606.92	2,733,943.97
Cash and Cash Equivalent-Opening Balance	816,592.77	3,550,536.74
Cash and Cash Equivalent-Closing Balance	<u>2,413,199.69</u>	<u>816,592.77</u>
	<u>(1,596,606.92)</u>	<u>2,733,943.97</u>

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 2008 and 31st March 2007 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 : 07/08/2008

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 17th Annual General Meeting of the Company to be held on Monday, the 22nd September, 2008 and at any adjournment thereof.

Signed this _____ day of _____ 2008.

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 17th Annual General Meeting of the Company on Monday, the 22nd September, 2008.

Member's / Proxy's Signature

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