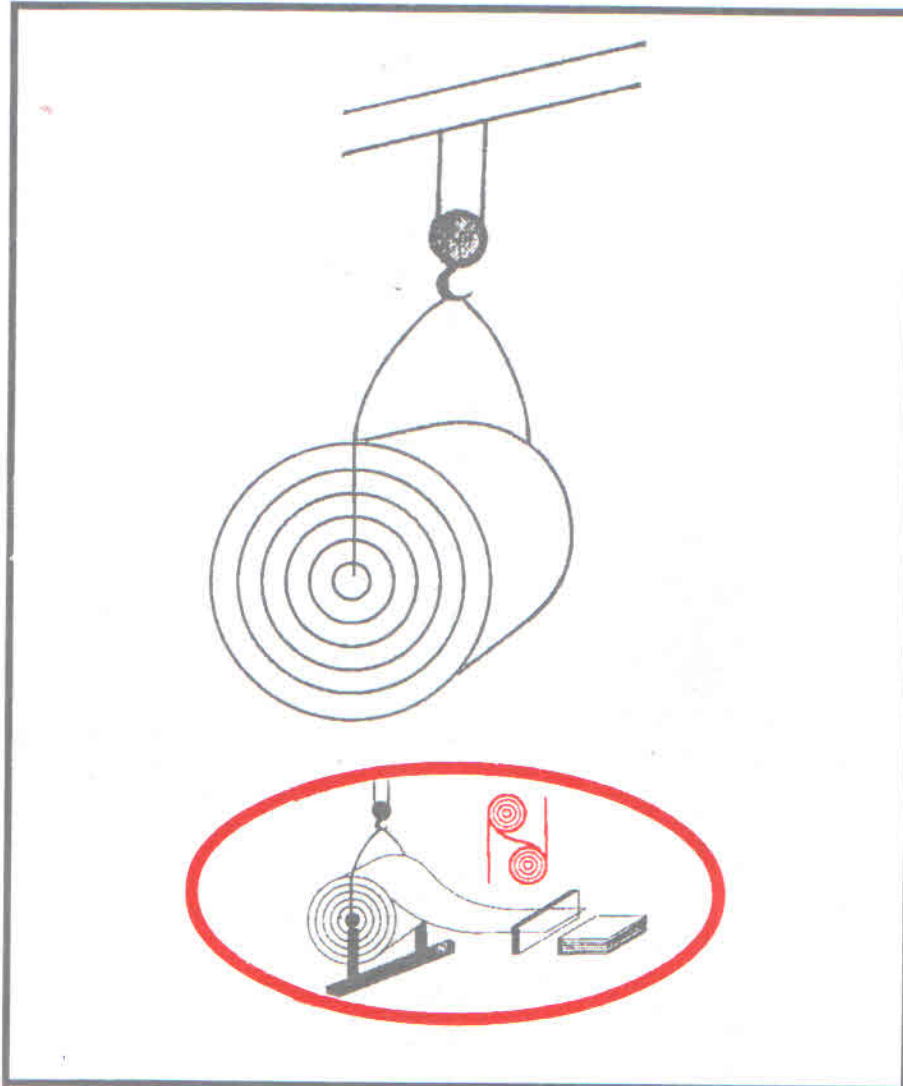


# 27TH ANNUAL REPORT 2017-2018



## RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED

Regd. Office : Plot No. C-17/2, MIDC Ind. Area, Taloja, District Raigad, (Maharashtra).

Head Office : Giriraj, Ground Floor, Sant Tukaram Road, Iron Market, Mumbai - 400 009.

Tel.: 2410 0773 • 2411 0773

Email : [info@rishabhdighasteel.com](mailto:info@rishabhdighasteel.com) • Website : [www.rishabhdighasteel.com](http://www.rishabhdighasteel.com)

CIN No.: L15310MH1991PLC064563

**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**

**BOARD OF DIRECTORS**

<b>CHAIRMAN AND MANAGING DIRECTOR</b>	<b>:</b>	<b>SHRI ASHOK M.MEHTA</b>
<b>DIRECTORS</b>	<b>:</b>	<b>SHRI YASH A.MEHTA – EXECUTIVE DIRECTOR</b> <b>SHRI ASHWIN P.SANGHAVI</b> <b>SHRI SNEHAL S.CHINAI</b> <b>SMT. KUMUD A.MEHTA</b> <b>SHRI ANOPCHAND G.PAREKH</b>
<b>COMPANY SECRETARY</b>	<b>:</b>	<b>SMT AAGVI C. BOTADRA</b>
<b>BANKERS</b>	<b>:</b>	<b>BANK OF BARODA</b>
<b>AUDITORS</b>	<b>:</b>	<b>M/S. Gada Chheda &amp; Co. LLP</b> <b>Chartered Accountants</b> <b>Mumbai</b>
<b>REGISTERED OFFICE</b>	<b>:</b>	<b>Plot No. C-17/2, MIDC Industrial Area,</b> <b>Taloja, Dist. Raigad-410208 (Maharashtra)</b>
<b>HEAD OFFICE</b>	<b>:</b>	<b>Giriraj Building, Ground Floor,</b> <b>Sant Tukaram Road, Iron Market,</b> <b>Masjid Bunder (East),</b> <b>Mumbai-400009</b>
<b>REGISTRARS &amp; TRANSFER AGENTS FOR TRANSFER AND DEMATERIALIZATION</b>	<b>:</b>	<b>M/s.Universal Capital Securities Pvt. Ltd.</b> <b>21, Shakil Niwas, Mahakali Caves Road,</b> <b>Andheri (East),</b> <b>Mumbai-400093</b>

## **NOTICE**

Notice is hereby given that the 27<sup>th</sup> Annual General Meeting of the members of Rishabh Digha Steel and Allied Products Limited will be held as detailed below:-

Day	:	Monday
Date	:	24 <sup>th</sup> September,2018
Venue	:	Registered Office at Plot No.C-17/2, MIDC Industrial Areaq, Taloja, Dist. Raigad (Maharashtra)
Time	:	11.00 A.M.

Agenda for the meeting will be as under:-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Statement of Profit and Loss of the Company for the year ended 31<sup>st</sup> March, 2018 and Balance Sheet as on that date, Cash Flow Statement for the year ended 31<sup>st</sup> March, 2018 and Report of the Directors and Auditors thereon.
2. To declare Dividend on equity shares.
3. To Re-appoint M/s.GADA CHHEDA & Co. LLP, Chartered Accountants (Membership No.146825) (FRN No.- W100059) as Statutory Auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next Annual General Meeting of the Company.

### **SPECIAL BUSINESS:**

4. To appoint a Director in the place of Shri. Ashok Mehta (DIN No. 00163206), who retires by rotation and is eligible for re-appointment
5. To Re-appoint Shri Ashok Mehta (DIN No. 00163206) as a Managing Director of the Company for further period of 3 years w.e.f. 01<sup>st</sup> November, 2018 and in this regard to consider and if thought fit, to pass the following resolution with or without modifications as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197 & 203 of the Companies Act 2013 read with Schedule V of the said Act (including any amendment, modification, variation or re-enactment thereof), (Corresponding to Section 198, 269, 309 Schedule XIII to the Companies Act, 1956) and subject to approval of the Central Government, if any, the approval of the Company be and is hereby accorded to the re-appointment of Shri Ashok Mehta (DIN No. 00163206) as the Managing Director of the Company for a period of three years effective from 1st November 2018 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting.

**The details of managerial remuneration payable to Shri Ashok M. Mehta as Managing Director are given below:**

Salary : Rs.1,50,000/- per month.

Perquisites : Subject to a ceiling of 20 % of Annual Salary per annum.

Provident Fund : Company's contribution subject to ceiling of 12 % of the salary.

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 there under.

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 block of three years.

Leave : One month's leave with pay for every eleven month's of service.

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.

Conveyance : Free use of Company's car with driver. The monetary value of the perquisite will be evaluated as per Income tax Rules, 1962.

Personal Accident : Personal Accident Insurance of an amount the premium of which does not exceed Rs.1000/- per annum.

Telephone : Free telephone facility at residence.

Club : Fee of club subject to a maximum of two club, provided that no life membership or admission fees is payable.

House Rent Allowance : Rs.50,000/- per month

Provided that the total amount of Managerial Remuneration including the above benefits and perquisites (excluding exempted Perquisites such as Provident Fund, Contribution, Gratuity and Leave Encashment as defined in Part II of Section II (B) of Chapter XIII ) shall not exceed Rs. 2,50,000/- per month.

RESOLVED FURTHER THAT the draft of the agreement incorporating the terms of appointment as placed before the Meeting duly initialed by the Chairman for the purpose of identification be and is hereby approved and Shri. Ashwin P. Sanghvi be and is hereby authorised to sign and execute the said Agreement for and on behalf of the Company

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxations by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration) within such prescribed limit or ceiling.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts things and deeds as may be necessary to give effect to the above resolution."

6. Re-appointment of Mr. Yash Ashok Mehta (DIN : 00163147) as an Executive Director, Marketing of the Company for further period of 3 years w.e.f. 1st November, 2018. And also And in this regard to consider and if thought fit, to pass, with or without modification, the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) thereof for the time being in force), the consent of the Company, be and is hereby accorded to the re-appointment and terms of remuneration, of Mr. Yash Ashok Mehta (DIN : 00163147) Whole time Director of the Company with effect from 1<sup>st</sup> November, 2018 for the further period of three years, upon the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the Explanatory Statement annexed to this Notice with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment/remuneration in such manner as may be agreed to between the Board and Mr. Yash Ashok Mehta (DIN : 00163147). The details of managerial remuneration payable to Mr. Yash Ashok Mehta (DIN : 00163147) as Executive Director, Marketing are given below:

Salary: Rs.1,00,000/- per month.

Perquisites : Subject to a ceiling of 20 % of Annual Salary per annum.

Provident Fund : Company’s contribution subject to ceiling of 12 % of the salary.

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.

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 block of three years.

Leave : One month’s leave with pay for every eleven month’s of service.

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.

Conveyance : Free use of Company’s car with driver. The monetary value of the perquisite will be evaluated as per Income tax Rules, 1962.

Personal Accident : Personal Accident Insurance of an amount the premium of which does not exceed Rs.1000/- per annum.

Telephone : Free telephone facility at residence.

Club : Fee of club subject to a maximum of two club, provided that no life membership or admission fees is payable.

House Rent Allowance : Rs.33,333/- per month.

Provided that the total amount of Managerial Remuneration including the above benefits and perquisites (excluding exempted Perquisites such as Provident Fund, Contribution, Gratuity and Leave Encashment as defined in Part II of Section II (B) of Chapter XIII ) shall not exceed Rs. 2,50,000/- per month.

RESOLVED FURTHER THAT the draft of the agreement incorporating the terms of appointment as placed before the Meeting duly initialed by the Chairman for the purpose of identification be and is hereby approved and Shri. Ashwin P. Sanghvi be and is hereby authorised to sign and execute the said agreement for and on behalf of the Company.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxations by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration) within such prescribed limit or ceiling.

RESOLVED FURTHER THAT Salary and perquisites as above will be payable to Shri. Yash Ashok Mehta as minimum remuneration

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient and to do any acts, deeds, matters and things to give effect to this resolution.”

#### **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 Statement pursuant to Section 102(1) of the Companies Act,2013 with respect to the special business set out in the Notice is annexed hereto.
3. The Dividend on Equity Shares, if any, as recommended by the Board of Directors of the Company, when approved at the Annual General Meeting of the Company will be paid on or after 10<sup>th</sup> October,2018.
4. Members are requested to notify immediately any change in their address.
5. The Register of Members and the Share Transfer Book of the Company will remain closed from 18<sup>th</sup> September, 2018 to 24<sup>th</sup> September, 2018 (both days inclusive).
6. Members desiring to submit mandates, to lodge transfer deed for shares are requested to forward the same so as to reach the Company's Registrars, M/s Universal Capital Securities Pvt. Ltd., 21, ShakilNiwas, Mahakali Caves, Andheri (East), Mumbai-400093.
7. In accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges the particulars of Directors who are proposed to be re-appointed are given here under.
8. Members are requested to send their queries to the Company, if any, on Accounts at least 10 days before the Meeting.
9. 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.
10. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
11. Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report.

12. In term of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules,2014 and Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility as an alternate to all its Members to enable them to exercise their right to vote by electronic means shortly.
13. The e-voting period commences on 21/09/2018 and ends on 23/09/2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17/09/2018, may cast their vote electronically. The e-voting module shall also be disabled by CSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
14. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17/09/2018 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
15. The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
16. The Results shall be declared on or after the 27th Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two(2) days of passing of the resolutions at the 27th Annual General Meeting of the Company on 24<sup>th</sup> September, 2018 and communicated to the BSE Limited.
17. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, (Corresponding to Section 173(2) of the Companies Act, 1956) in respect of Special Business set out in the Notice is annexed hereto.
18. Additional information pursuant to Clause 49 of the Listing Agreement with Stock Exchange regarding the Directors who are proposed to be reappointed at the Annual General Meeting are provided in the Annexure to this Notice.
19. Recently, the Ministry of Corporate Affairs (MCA) , Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in corporate Governance.

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

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

**For and on behalf of the Board**

**Place: Mumbai  
Date :22/05/2018**

**ASHOK M. MEHTA  
Din : 00163206  
Chairman & Managing Director**

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

(In pursuance of Clause 49 of the listing Agreements)

<b>Name</b>	Shri Ashok Mehta
<b>Age</b>	64 Years
<b>Date of Appointment</b>	01/11/2009
<b>Expertise in specific functional areas</b>	Expertise in Decision Making
<b>List of Limited Companies in which outside Directorship held</b>	Nil

None of the Directors other than Smt. Kumud Ashok Mehta and Shri Yash Ashok Mehta are interested in the Resolution

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT,2013.

The following statement sets out all material facts relating to the special Business mentioned in the accompanying notice.

#### ITEM NO. 5

Shri Ashok M. Mehta was appointed as Managing Director of the Company for a period of 3 years w.e.f 1st day of November, 2015 to 31st October, 2018. The Board of Directors have decided to re-appoint Shri Ashok M. Mehta as Managing Director for a further period of three years w.e.f. 1st November, 2018 on expiry of his term on 31st October, 2021 at a remuneration not exceeding Rs.2,50,000/- per month (inclusive of perquisites and benefits as per details given in the text of the Resolution) . Shri Ashok. M. Mehta will be paid basic salary of Rs.1,50,000/- per month with other benefits and perquisites. The reappointment of Shri Ashok M. Mehta is subject to approval of the Members of the Company.

The information as required in Schedule XIII Part II Section II (B) is as under:

1. Payment of basic salary at the rate of Rs. 1,50,000/- per month plus benefits and perquisites (the exempted perquisites as per Para 2 of Section II (B) shall not be considered while evaluating the monetary benefits of the Perquisites). The total amount of managerial remuneration including perquisites and benefits shall however not exceed Rs.2,50,000/- per month. The remuneration and tenure of Shri Ashok M. Mehta as Managing Director has been recommended by the remuneration committee by way of Resolution to the Board of Directors of the Company.
2. The Company has not made any default in repayment of any of its debts or interest payable thereon for a continuous period of 30 days in the preceding Financial Year before the date of appointment of Shri Ashok M. Mehta as Managing Director. The Company has not accepted any deposits nor issued any debentures.

#### I. General Information

##### a) Nature of Industry

The Company is engaged in manufacturing and trading of steel and allied products and executes orders on job work basis for decoiling, straightening, sheering and cutting of various sizes of iron and steel coils which are used by steel, automobile and other industries.

##### b) Date of commencement of commercial production

The Company commenced commercial production in the year 1996.

**c) Financial performance of the Company**

The day to day management of the affairs of the Company are being looked after by Shri Ashok M. Mehta, Managing Director and Shri Yash Ashok Mehta, Executive Director-Marketing. The financial performance of the Company is as under: Financial Performance:

**FINANCIAL RESULTS**

(Rs. In lacs)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2018</b>	<b>31<sup>st</sup> March, 2017</b>
Operating Income (from Job Work)	382.66	192.30
Other Income	58.84	55.12
Profit (Loss) before Depreciation	218.03	43.24
Less : Depreciation	18.50	3.30
Profit (Loss) after Depreciation	199.53	39.94
Less : Provision for Taxation	59.22	15.42
Less: Deferred Tax	(4.14)	(2.76)
Less : Excess Provision for Tax PY	-	-
Profit / (Loss) after Taxation	144.45	27.27
Amount brought forward from previous Year	121.27	103.20
Amount available for appropriation	265.71	130.47
<u>Appropriations</u>		
Interim Dividend paid	-	-
Proposed Dividend	82.29	NA
Dividend Distribution Tax	16.75	NA
Transfer to Reserves	-	-
Prior Period Items	-	-
Balance carried to Balance Sheet (Profit/ (Loss) Account)	329.24	283.80

II. Information about the Appointee

a) **Back ground details**

Shri Ashok M. Mehta has rich experience in trading and manufacturing of steel and allied products. During his tenure the Company has registered significant growth.

b) **Past remuneration**

Shri Ashok M. Mehta was appointed as Managing Director of the Company for a period of 3 years w.e.f. 1st November, 2015 to 31st October, 2018 at a salary of Rs. 1,50,000/- per month plus perquisites and benefits. Shri Ashok M. Mehta has been instrumental in turnaround of the Company. The Company has further diversified its business which will entail higher responsibilities on Shri Ashok M. Mehta.

c) **Recognition or awards**

During his tenure as Managing Director, the Company has not received any award.

d) **Job Profile and his suitability**

As a Managing Director, Shri Ashok M. Mehta will be responsible for management of the day to day affairs of the Company and will be discharging his responsibilities under overall control, guidance and supervision of the Board of Directors of the Company. Shri Ashok. M. Mehta possesses wide and rich experience and is best suited for steering the growth of the Company.

e) **Remuneration proposed**

The managerial remuneration of Shri Ashok M. Mehta will be basic salary at the rate of Rs.1,50,000/- per month plus benefits and perquisites (the exempted perquisites as per Para 2 of Section II (B) shall not be considered while evaluating the monetary benefits of the Perquisites). The total amount of managerial remuneration including perquisites and benefits shall however not exceed Rs.2,50,000/- per month.

f) **Comparative Remuneration profile with respect to Industry, size of the Company etc.,**

The Steel Industry comprises of organised sectors with pre-dominance of widely scattered producers in un-organised sector. Hence the comparative remuneration figures are not available.

g) **Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial personnel**

Mr. Yash Ashok Mehta, Executive Director – Marketing of the Company is Mr. Ashok Mehta's Son. And Mrs. Kumud Mehta, Director of the Company is wife of Mr. Ashok Mehta.

III. **Other information**

Under the guidance of Shri Ashok M. Mehta, the Company has taken series of measures to improve its profitability. The Company has performed well and has sound financial track record. The continuation of Shri Ashok M. Mehta as Managing Director will further stimulate the growth of the Company.

Your Directors recommend the approval of proposed Resolution by the Members.

None of the Directors other than Shri Ashok M. Mehta and Shri. Yash A. Mehta are interested in the Resolution.

**ITEM NO. 6**

Shri Yash Ashok Mehta was appointed as Executive Director - Marketing of the Company for a period of 3 years from 1st day of November, 2015 to 31st October, 2018. The Board of Directors have decided to re- appoint Shri Yash Ashok Mehta as Executive Director - Marketing for a period of three years w.e.f. 1st November, 2018 on expiry of his term at a remuneration not exceeding Rs.2,50,000/- per month (inclusive of perquisites and benefits as per details given in the text of the Resolution). Shri Yash Ashok Mehta will be paid basic salary of Rs.1,00,000/- per month and other benefits and perquisites. The reappointment of Shri Yash Ashok Mehta is subject to approval of the Members of the Company.

The information as required in Schedule XIII Part II Section II (B) is as under:

1. Payment of basic salary at the rate of Rs. 1,00,000/- per month plus benefits and perquisites ( the exempted perquisites as per Para 2 of Section II (B) shall not be considered while evaluating the monetary benefits of the Perquisites). The total amount of Managerial Remuneration including

perquisites and benefits shall however not exceed Rs.2,50,000/- per month. The remuneration and tenure of Shri Yash Ashok Mehta as Executive Director - Marketing has been recommended by the remuneration committee by way of Resolution to the Board of Directors of the Company.

2. The Company has not made any default in repayment of any of its debts or interest payable thereon for a continuous period of 30 days in the preceding Financial Year before the date of appointment of Shri Yash Ashok Mehta as Executive Director - Marketing. The Company has not accepted any deposits nor issued any debentures.

I. General Information

a) **Nature of Industry**

The Company is engaged in manufacturing and trading of steel and allied products and executes orders on job work basis for decoiling, straightening sheering and cutting of various sizes of iron and steel coils which are used by steel, automobile and other industries.

b) **Date of commencement of commercial production**

The Company commenced commercial production in the year 1996.

c) **Financial performance of the Company**

The day to day management of the affairs of the Company are being looked after by Shri Ashok M. Mehta, Managing Director and Shri Yash Ashok Mehta, Executive Director-Marketing. The financial performance of the Company is as under:

**FINANCIAL RESULTS**

Particulars	(Rs. In lacs)	
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Operating Income (from Job Work)	382.66	192.30
Other Income	58.84	55.12
Profit (Loss) before Depreciation	218.03	43.24
Less : Depreciation	18.50	3.30
Profit (Loss) after Depreciation	199.53	39.94
Less : Provision for Taxation	59.22	15.42
Less: Deferred Tax	(4.14)	(2.76)
Less : Excess Provision for Tax PY	-	-
Profit / (Loss) after Taxation	144.45	27.27
Amount brought forward from previous Year	121.27	103.20
Amount available for appropriation	265.71	130.47
<u>Appropriations</u>		
Interim Dividend paid	-	-
Proposed Dividend	82.29	NA
Dividend Distribution Tax	16.75	NA
Transfer to Reserves	-	-
Prior Period Items	-	-
Balance carried to Balance Sheet (Profit/ (Loss) Account)	329.24	283.80

## **II. Information about the Appointee**

### **i. Back ground details**

Shri Yash Ashok Mehta has rich experience in trading and manufacturing of steel and allied products. During his tenure the Company have registered significant growth.

### **ii. Past remuneration**

Shri Yash Ashok Mehta was appointed as Executive Director, Marketing of the Company for a period of 3 years from 1st November, 2015 to 31st October, 2018 at a salary of Rs. 1,00,000/- per month plus perquisites and benefits. Shri Yash Ashok Mehta has been instrumental in turnaround of the Company. The Company has further diversified its business which will entail higher responsibilities on Shri Yash Ashok Mehta.

### **iii. Recognition or awards**

During his tenure as Executive Director - Marketing, the Company has not received any award.

### **iv. Job Profile and his suitability**

As a Executive Director, Marketing, Shri Yash Ashok Mehta will be responsible for management of the day to day affairs of the Company and will be discharging his responsibilities under overall control, guidance and supervision of the Board of Directors of the Company. Shri Yash Ashok Mehta possesses wide and rich experience and is best suited for steering the growth of the Company.

### **v. Remuneration proposed**

Payment of basic salary at the rate of Rs.1,00,000/- per month plus benefits and perquisites (the exempted perquisites as per Para 2 of Section II (B) shall not be considered while evaluating the monetary benefits of the Perquisites). The total amount of Managerial Remuneration including perquisites and benefits shall however not exceed Rs.2,50,000/- per month.

### **vi. Comparative Remuneration profile with respect to Industry, size of the Company etc.,**

The Steel Industry comprises of organised sectors with pre-dominance of widely scattered producers in un-organised sector. Hence the comparative remuneration figures are not available.

### **vii. Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial personnel**

Mr. Yash Ashok Mehta, Director of the Company is Mr. Ashok Mehta's & Kumud Mehta Son.

**III. Other information**

Under the guidance of Shri Yash Ashok Mehta, the Company has taken series of measures to improve its profitability. The Company has performed well and has sound financial track record. The continuation of Shri Yash Ashok Mehta as Executive Director, Marketing will further stimulate the growth of the Company.

Your Directors recommend the approval of proposed Resolution by the Members.

None of the Directors other than Shri Ashok M. Mehta and Shri Yash Ashok Mehta and Mrs. Kumud Mehta are interested in the Resolution

**Place: Mumbai**  
**Date :22/05/2018**

**For and on behalf of the Board**

**ASHOK M. MEHTA**  
**Din : 00163206**  
**Chairman & Managing Director**

## **DIRECTOR'S REPORT**

The Directors have pleasure in presenting their 27<sup>th</sup> Annual Report on the business and operations of the Company for the year ended 31<sup>st</sup> March, 2018.

## **FINANCIAL RESULTS:**

<b>Particulars</b>	<b>(Rs. In lacs)</b>	
	<b>31<sup>st</sup> March, 2018</b>	<b>31<sup>st</sup> March, 2017</b>
Operating Income (from Job Work)	382.66	192.30
Other Income	58.84	55.12
Profit (Loss) before Depreciation	218.03	43.24
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Profit / (Loss) after Taxation	144.45	27.27
Amount brought forward from previous Year	121.27	103.20
Amount available for appropriation	265.71	130.47
<u>Appropriations</u>		
Interim Dividend paid	-	-
Proposed Dividend	82.29	NA
Dividend Distribution Tax	16.75	NA
Transfer to Reserves	-	-
Prior Period Items	-	-
Balance carried to Balance Sheet (Profit/ (Loss) Account)	329.24	283.80

## **DIVIDEND:**

The Board of Directors are glad to recommend Dividend @ Re 2.00 per share on 54,86,400 Equity Shares of Rs.10/- each aggregating to Rs.5,48,64,000/- and Dividend amounting to Rs. 1,09,72,800/- for the year ended 31<sup>st</sup> March, 2018, subject to approval of the Members of the Company at the ensuing Annual General Meeting scheduled to be held on 24<sup>th</sup> September, 2018.

## **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND ( IEPF )**

The company send letters to all shareholders, whose dividend are unclaimed so as to ensure that they receive their rightful dues. Efforts are also made in co-ordination with registrar to locate the shareholders who have not claimed their dues.

During the year the company has transferred a sum of Rs.32,354/- on 29<sup>th</sup> May, 2017 & Rs. 65,691 on 10<sup>th</sup> November, 2017 to IEPF the amount which was due and payable and remain unclaimed and unpaid for a period of seven years as provided in of the Companies Act, 2013

## **FINANCIAL SITUATION**

### **Reserves & Surplus**

As at March 31, 2018 Reserves and Surplus amounted to Rs.329.24 as compared to Rs. 283.80 lacs of previous year.

### **Fixed Asset**

Net Fixed Assets as at March 31, 2018 have decreased to Rs.195.19 lacs as compared to Rs.177.35 lacs in the previous year.

### **Operations:**

During the year under Report your Company achieved an Operating Income (from Job Work) of Rs.382.66 Lacs as against Rs. 192.30 Lacs in the previous year. Other Income earned during the year stood at Rs . 58.84 lacs as against Rs. 55.12 lacs in the previous year. The Profit before Depreciation was Rs.218.03 Lacs as against Rs. 43.24 Lacs in the previous year. The profit after Depreciation and Tax was Rs. 199.53 Lacs as against Rs. 39.94 Lacs in the year ended 31<sup>st</sup> March, 2017.

## **SHARES CAPITAL**

### **Authorised Capital**

The current Authorised Share Capital of the Company is Rs. 9,00,00,000 (Rupees Nine Crores) divided into 90,00,000 (Ninety lacs) Equity shares of Rs.10/- each.

### **Equity Shares**

The paid up Equity share capital of the Company as on March 31, 2018 was Rs. 5,48,64,000/- comprising of 54,86,400 equity shares of Rs. 10/- each.

## **BOARD OF DIRECTORS:**

The Board normally meets once in a quarter and additional meetings are held as and when required During the financial year ended 31st March, 2018 , 5 (Five) Meetings of the Board of Directors were held as on 23/05/2017, 4/08/2017, 7/11/2017, 06/02/2018,17/3/2018.The dates of Board Meetings were decided in advance with adequate notice to all Board Members.

### **Appointment / Resignation of Directors [Section 168(1) & Section 152 of the Companies act, 2013] and Key Managerial Personnel (KMP):**

During the year:

- 1) Shri Ashok Mehta, Director of the Company, is liable to retire by rotation and being eligible, offers himself for re-appointment.
- 2) Re-appointment Shri Ashok Mehta (DIN No. 00163206) as a Managing Director of the Company for further period of 3 years
- 3) Re-appointment of Mr. Yash Ashok Mehta (DIN : 00163147) as an Executive Director, Marketing of the Company for further period of 3 years

## **DECLARATION BY INDEPENDENT DIRECTORS**

Pursuant to Section 149(7) of the Companies Act, 2013, the Company has received declarations from Shri Ashwin P. Sanghvi, Shri Anopchand G. Parekh and Shri Snehal S. Chinai Independent Directors confirming that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

## **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION PURSUANT TO SECTION 178(3) OF THE COMPANIES ACT, 2013**

The Board of Directors of your Company in consultation with Nomination and Remuneration Committee had formulated and adopted Code for Independent Directors and which contains policy on director's appointment and remuneration including criteria for determining qualification, positive attributes and independence of directors.

Board of Directors of the Company duly consider appointment of the Directors in adherence with the policy prescribed under the code of independent directors and provisions of section 178(3) of the Companies Act, 2013.

## **EVALUATION OF PERFORMANCE OF BOARD**

In terms of requirements under Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, during the year a separate Meeting of Independent Directors of the Company was held on 6th February, 2018, which was attended by all the Independent Directors to discuss and review the self-assessment of Directors, Board and Committees thereof and also assess the quality, content and timeliness of flow of information between the Management and the Board.

The Independent Directors at the Meeting reviewed the following:-

- Performance of non-independent Directors and Board as a whole.
- Performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors.
- Assess the quality, quantity and timelessness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **AUDIT COMMITTEE**

The Company has an Independent Audit Committee comprising of 2 (two) Independent Directors and 1 (one) Executive Director. Where Mr. Ashwin P. Sanghvi, Independent Director, is a Chairman of the Audit Committee and Mr. Snehal Chenai, Independent Director, and Mr. Yash Ashok Mehta Executive Director of the Company are Members of the Committee. All the members of the Audit Committee are financially literate. In view of their professional qualification and experience in finance, all are considered to have financial management and accounting related expertise. Terms of reference of the Audit committee are elaborated in the Corporate Governance report which forms the part of this Annual Report.

## **DEPOSITS**

During the year under review, your Company did not accept deposits covered under Chapter V of the Companies Act 2013.

## **CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of business of your Company during the year under review.

## **AUDITORS:**

M/s. Ronak Gada & Associates., Chartered Accountants of the Company have been re-appointed by the Board but the Auditors decided to dissolve the firm and they reconstituted the firm in the name of M/s. GADA CHHEDA & Co. LLP hence the Company appointed M/s. Gada Chheda & Co. LLP as their Auditor in casual vacancy in the Extra Ordinary General Meeting and necessary resolution will be moved at the ensuing Annual General Meeting of the Company. And M/s. GADA CHHEDA & Co. LLP have been re-appointed as Auditors of the Company up till next Annual General Meeting.

### **AUDITOR'S REPORT:**

The comments on statement of accounts referred to in the report of the auditors are self explanatory. There are no adverse observations in the Auditor's Report.

### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

As required by Section 134 (3)(c) of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts **for the financial year ended March 31, 2018**, 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 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 and 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 safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating

### **MATERIAL CHANGES AND COMMITMENTS**

There were no material changes and commitments has been done my management affecting the financial position of the Company between the end of the financial year of the company to which the financial statements relates and the date of the report.

### **CONSOLIDATED FINANCIAL STATEMENT**

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements, the audited consolidated financial statement is not required to be provided as the company has no subsidiary.

### **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Still During the year under report donations were made by the Company to Social/ Educational Institutions amounting to Rs. 13,22,000 (Previous year Rs. 16,500/-)

### **VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES (SECTION 177(10))**

The Board of directors of the Company believes in conducting all its affairs in a fair and transparent manner, by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The directors are committed to comply with the laws and regulations to which it is subject. For this, it has put in place systems, policies and procedures to interpret and apply these laws and regulations in the organizational environment. In consonance with the object of transparency and good governance, the

board of directors of the company formulated and adopted “Whistle Blower Policy and Vigil Mechanism”

The organization’s internal controls and operating procedures are intended to detect and prevent improper activities. In this regard, the Company believes in developing a culture where it is safe for all the Directors/Employees to raise concerns about any poor or unacceptable practice and any event of misconduct. These help to strengthen and promote ethical practices and ethical treatment of all those who work in and with the organization.

The main objective of this Policy is to provide a platform to Directors and Employees to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the group which have a negative bearing on the organization either financially or otherwise.

### **RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES REMUNERATION (SECTION 197(12))**

The Company has no employee in the category specified under section 197(12) of the Companies act, 2013 read with rule 5(1) of the companies (appointment and Remuneration of managerial personnel) rules, 2014.

### **MANAGERIAL REMUNERATION AND RELATED DISCLOSURES**

Disclosures pertaining to remuneration to directors and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

Pertaining the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board of directors do hereby declare that:

- (i) No any employee throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;
- (ii) No any employee for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;
- (iii) No any employee throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

### **MANAGEMENT’S DISCUSSION AND ANALYSIS REPORT**

Management’s Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

### **HUMAN RESOURCES**

Company considers its employees as most valuable resource and ensures strategic alignment of Human Resource practices to business priorities and objectives. The Company has a dedicated team of employees at various locations across our corporate office and branch offices (including Subsidiary companies) spread across the country. The Company strives to inculcate the culture where its employees are motivated and their performance is aligned with values. Company has achieved this present level of excellence through the commitment and dedication exhibited by its employees. The focus on improving productivity and adoption of best practices in every area are being pursued

relentlessly. Efforts for active participation, nurturing creativity and innovation and ensuring a climate of synergy and enthusiasm has been at the core of Human Resource initiatives and interventions.

### **INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your Company has adequate internal financial control and adopted Internal Financial Control Policy in order to maintain confidentiality of price sensitive information and internal financial control.

### **RISK MANAGEMENT**

The Company has mechanisms to inform the Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risk through means of a properly identified framework. Risk management is an ongoing process and the Audit Committee will periodically review risk mitigation measures. The Board of Directors has not constituted a Risk Management Committee as is not mandatory to the company vide circular bearing number CIR/CFD/POLICY CELL/7/2014 issued by SEBI dated September 15, 2014.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network.

Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

### **CONTRACTS OR ARRANGEMENTS**

There are no transactions made in pursuance of contracts or arrangements which falls under Section 188 (2) of the Companies Act, 2013. Hence the Company is not required to file eForm AOC - 2 in accordance with Rule 8(2) Companies (Accounts) Rules, 2014 also)

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS INFUTURE**

There were no significant and material orders passed by the regulators and/or courts or tribunals during the year.

### **SECRETARIAL AUDITOR**

Pursuant to provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment & Remuneration of Managerial Personnel) Rule, 2014, your Company has appointed CS Shravan Gupta, Practicing Company Secretary as Secretarial Auditor of the Company for FY17-18 to undertake Secretarial Audit of the Company.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. Secretarial Audit Report given by Secretarial Auditors is annexed with the report.

### **POLICY FOR SEXUAL HARRASMENT**

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

## **EXTRACT OF THE ANNUAL RETURN**

The extract of the annual return in Form MGT-9 is enclosed herewith, forming part of this report.

## **ACKNOWLEDGEMENTS**

Your Directors take this opportunity to thank all investors, clients, vendors, banks, regulatory, Government authorities and Stock Exchanges for their continued support and cooperation. The Directors also wish to place on record their appreciation of the contribution made by the business partners / associates at all levels

**Place: Mumbai**  
**Date :22/05/2018**

**For and on behalf of the Board**

**ASHOK M. MEHTA**  
**Chairman & Managing Director**  
**DIN No.00163206**

**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**

**ANNEXURE 'A' TO DIRECTORS' REPORT**

The particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as under:

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

	2017-18	2016-17
<b>A. CONSERVATION OF ENERGY</b>		
<b>ELECTRICITY CONSUMPTION</b>		
<b>(FOR MANUFACTURING)</b>		
Unit (KWH)	163682	152084
Total Amount (Rs.)	1629040	1503420
Rate/Unit (average)	9.95	9.89
<b>B. TECHNOLOGY ABSORPTION</b>	Nil	Nil
<b>C. FOREIGN EXCHANGE EARNINGS AND OUTGO</b>	Nil	Nil

Place: Mumbai  
Date :22/05/2018

For and on behalf of the Board

**ASHOK M. MEHTA**  
DIN No.00163206  
Chairman & Managing Director

Annexure II  
FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

<b>i.</b>	CIN	L15310MH1991PLC064563
<b>ii.</b>	Registration Date	19/12/1991
<b>iii.</b>	Name of the Company	RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED
<b>iv.</b>	Category/Sub-Category of the Company	Public Company Limited by Shares/ Indian Non- Govt Company
<b>v.</b>	Address of the Registered office and contact details	Plot No. C-17/2, MIDC Ind. Area, Taloja, District Raigad- 410208. (Maharashtra)
<b>vi.</b>	Whether listed company	Yes
<b>vii.</b>	Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>Universal Capital Securities Pvt Ltd. 21, ShakilNiwas, Opp. SatyaSaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 93. Contact No: +91 22 2820 7207</b>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Iron & Steel/Interm.Products	24109	<b>100</b>

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	N. A.	N. A.	N. A.	N. A.	N. A.

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/HUF	1450591	0	1450591	26.44	1450591	0	1450591	26.44	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	2594178	0	2594178	47.28	2594178	0	2594178	47.28	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A)(1):-	<b>4044769</b>	<b>0</b>	<b>4044769</b>	<b>73.72</b>	<b>4044769</b>	<b>0</b>	<b>4044769</b>	<b>73.72</b>	<b>0</b>
<b>2) Foreign</b>									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0

g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(1)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non Institutions</b>									
a) Bodies Corp. (i) Indian (ii) Overseas	55614	4300	59914	1.09	50875	4300	55175	0.01	<b>(1.85)</b>
b) Individuals									
(i) Individual shareholders holding nominal share capital uptoRs. 2 lakh	618771	33815	652586	<b>11.89</b>	601046	35715	636761	11.61	<b>(0.28)</b>
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	650916	0	650916	11.86	723911	0	723911	13.20	<b>(1.34)</b>
c) Others(Spec ify)									
d) NRI (Repat& Non)	4601	0	4601	0.08	4880	0	4880	0.09	<b>(0.01)</b>
e) HUF	9195	0	9195	0.17	9195	0	9195	0.17	<b>0</b>
f) Clearing Members	64419	0	64419	1.17	630	0	630	<b>0.01</b>	<b>0.16</b>
Sub-total(B)(2)	<b>1403516</b>	<b>38115</b>	<b>1441631</b>	<b>26.28</b>	<b>1401616</b>	<b>40015</b>	<b>1441631</b>	<b>26.28</b>	<b>0</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	<b>1403516</b>	<b>38115</b>	<b>1441631</b>	<b>26.28</b>	<b>1401616</b>	<b>40015</b>	<b>1441631</b>	<b>26.28</b>	<b>0</b>
C. Shares held by Custodian for GDRs&ADRs									
GrandTotal (A+B+C)	<b>5448285</b>	<b>38115</b>	<b>5486400</b>	<b>100</b>	<b>5446385</b>	<b>40015</b>	<b>5486400</b>	<b>100</b>	<b>0</b>

## ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		*No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Ashok Maganlal Mehta HUF	262189	4.78	0	262189	4.78	0	0
2.	Ashok Maganlal Mehta	328044	5.98	0	328044	5.98	0	0
3.	Dhan Financial Services	1263304	23.03	0	1263304	23.03	0	0
4.	Digha Steel Industries	1288724	23.49	0	1288724	23.49	0	0
5.	Kumud Ashok Mehta	316493	5.77	0	316493	5.77	0	0
6.	Namrata Ashok Mehta	145036	2.64	0	145036	2.64	0	0
7.	Surabh Bharat Mehta	147393	2.69	0	147393	2.69	0	0
8.	Yash Ashok Mehta	251436	4.58	0	251436	4.58	0	0
9.	Ashoka Sheet	42150	0.77	0	42150	0.77	0	0

## iii. Change in Promoters' Shareholding (please specify, if there is no change)

There is no Change in Promoters' Shareholding

### i. Shareholding of top ten Shareholders

(other than Directors, promoters, and Holders of GDRs & ADRs)

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Bhavin Hasmukhrai Batavia	274203	5.00	0	274203	5.00	0	0
2.	Kunal Balvant Doshi	151461	2.76	0	151461	2.76	0	0
3.	Beena Mehul Khokhani	138024	2.52	0	138024	2.52	0	0
4.	Manju Kunal Doshi	89179	1.63	0	89179	1.63	0	0
5.	KM V Venkatasalam	14000	0.26	0	14000	0.26	0	0
6.	Jayantilal	13169	0.24	0	0	0	0	(-0.24)
7.	Snehlata Singhi	12171	0.22	0	0	0	0	(-0.22)
8.	Sukanraj Pukharaj Porwal	12078	0.22	0	13800	0.25	0	0.03
9.	Priti Dinesh Khokhani	12000	0.22	0	12000	0.22	0	0
10	Tushar Jhaveri	11875	0.21	0	0	0	0	0

**(v) Shareholding of Directors & key managerial Personnel**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Ashwin P. Sanghvi	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	Snehal Surendra Chinai	250	0.004	NA	250	0.004	0	0.004
3	Anupchand Parekh	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4	Aagvi Botadra	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment  
(Amt in Rs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	N.A	N.A	N.A	N.A
i) Principal Amount	0			
ii) Interest due but not paid	0			
iii) Interest accrued but not	0			
Total (i+ii+iii)	N.A	N.A	N.A	N.A
Change in Indebtedness during the financial year		N.A	N.A	
- Addition	0			
- Reduction	0			
Net Change		N.A	N.A	
Indebtedness at the end of the financial year		N.A	N.A	
i) Principal Amount				
ii) Interest due but not paid	0			
iii) Interest accrued but not due	0			
Total (i+ii+iii)	-	N.A	N.A	

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and / or Manager

Sl. No.	ParticularsofRemuneration	Name ofMD/WTD/ Manager		Total Amount
1.	Gross salary  (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961  (b)Value of perquisites u/s 17(2)Income-tax Act, 1961  (c)Profit s in lieu of salary undersection17(3)Income-taxAct,1961	Ashok Mehta Yash Mehta Aagvi Botadra		18,00,000/- 12,00,000/- 2,64,000
2.	Stock Option	N.A	N.A	N.A
3.	Sweat Equity	N.A	N.A	N.A
4.	Commission - as% of profit - others, specify...	N.A	N.A	N.A
5.	Others, please specify ( House Rent Allowance )	Ashok Mehta Yash Mehta Aagvi Botadra	N.A N.A N.A	6,00,000/- 3,99,996/- N.A.
6.	Total(A)	N.A	N.A	42,63,996/-
	Ceiling as per the Act	N.A	N.A	N.A

**C. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Name of MD/WTD/ Manager	Total Amount
	<u>Independent Directors</u> - Fee for attending board committee meetings - Commission - Others, please specify	N.A	N.A	N.A
	Total(1)			
	<u>Other Non-Executive Directors</u> - Fee for attending board committee meetings - Commission - Others, please specify	N.A	N.A	N.A
	Total(2)			
	Total(B)=(1+2)			
	Total Managerial Remuneration	N.A	N.A	N.A
	Overall Ceiling as per the Act			

**D. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites/ s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A	2,64,000	N.A	2,64,000
2.	Stock Option	N.A	N.A	N.A	N.A
3.	Sweat Equity	N.A	N.A	N.A	N.A
4.	Commission - as % of profit - others, specify ...	N.A	N.A	N.A	N.A
5.	Others, please specify	N.A	N.A	N.A	N.A
6.	Total	N.A	N.A	N.A	N.A

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment /Compounding fees imposed	Authority[ RD /NCLT/Court]	Appeal made. If any(give details)
<b>A.Company</b>					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
<b>B.Directors</b>					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
<b>C.OtherOfficersInDefault</b>					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2017  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule*  
*No.9 of the Companies (Appointment and Remuneration Personnel)*  
*Rules, 2014]*

To

The Board of Directors

**M/s. RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**

**CIN:L16310MH1991PLC064563**

Giriraj, Ground Flour, Sant Tukaram Road, Iron Market, Musjid Bunder (E).

Mumbai- 400 009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Rishabh Digha Steel And Allied Products Limited**. (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act 2013 and the Rules made thereunder ;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the applicable rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not Applicable**
- (vi) The laws as are applicable specifically to the Company are as under:

- a) The Bombay Rent Act, 1947
- b) The Companies Act, 2013
- c) The Payment of Bonus Act, 1965
- d) The Payment of Gratuity Act, 1987
- e) The SEBI Act, 1992
- f) Listing Agreement
- g) The Payment of Wages Act, 1936
- h) The Employees Provident Funds and Miscellaneous Provisions Act, 1952
- i) The Shop & Establishment Act, 1948
- j) The Foreign Exchange Management Act, 1999
- k) The Negotiable Instrument Act, 1881
- l) The SEBI (Prohibition of insider trading ) Regulations,2015
- m) The Information technology Act, 2000
- n) The Contract Act, 1872
- o) The Indian Penal Code 1860
- p) The Civil Procedure Code 1908
- q) The Income Tax Act, 1961
- r) The Central Sales Tax 1956
- s) Service Tax (Chapter V of finance Act, 1994)
- t) The Custom Act 1962
- u) LBT ac per Maharashtra Municipal Corporation Act, 1949
- v) The Employee State Insurance Act,1948
- w) The Legal Metrology Act, 2009

**We have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with BSE Limited,
- (iii) The Company doesnot have any subsidiary companies.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

**We Further report that, during the year under review:**

The status of the Company during the financial year has been that of a Listed Public Company.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the

Board of Directors and all other Compliances were carried out in compliance with the provisions of the Companies Act, 2013.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** the Company has complied with the provisions of the Act and Rules made under that Act in carrying out the following changes:

- (a) Promoters
- (b) Directors
- (c) Managerial Remuneration
- (d) Share Capital (paid-up, conversion, reclassification).
- (e) The changes in the provisions of the Articles of Association.

**We Further Report that :**

- a) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.
- b) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.
- c) The company has not advanced loans, or given guarantees and has not provided securities to directors and/or persons or firms or companies in which directors were interested, and has complied with the provisions of the Companies Act, 2013.
- d) The Company has made loans and investments; or given guarantees or provided securities to other business entities and has complied with the provisions of the Companies Act, 2013 and any other statutes as may be applicable.
- e) The amount borrowed by the Company from its directors, members, bank(s)/ financial institution(s) and others were within the borrowing limits of the Company. Such borrowings were made by the Company in compliance with applicable laws.
- f) The Company has not defaulted in the repayment of public deposits, unsecured loans and debentures, facilities granted by bank(s)/financial institution(s) and non-banking financial companies.
- g) The Company has created, modified or satisfied charges on the assets of the company and complied with the applicable laws.
- h) All registrations under the various state and local laws as applicable to the company are valid as on the date of report.

- i) The Company has issued and allotted the securities to the persons-entitled thereto and has also issued letters and certificates thereof as applicable to the concerned persons its shares within the stipulated time in compliance with the provisions of the Companies Act, 2013 and other relevant statutes during the period under review.
- j) The Company has not declared dividends to its shareholders due to loss during the period under review
- k) The Company has credited and paid to the Investor Education and Protection Fund within the stipulated time, all the unpaid dividends, repayment of principal and interest on debentures, repayment of principal and interest on fixed deposits as required to be so credited to the Fund during the period under review
- l) The Company has paid all its Statutory dues.
- m) The Company has complied with the provisions of the Listing Agreement during the period under review.

**CS Shravan Gupta**  
**Practicing Company Secretary**  
**ACS:** A27484, **CP:** 9990  
Place: Mumbai  
Date: 22/05/2018

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INDUSTRY OUTLOOK**

The continued slowdown of Indian economy affected the market for steel industries and due to persistent high cost of steel production and limited ability of steel producers to pass on higher cost due to subdued demand from end-user industries. The margin pressure will be higher on the producers will no captive raw material linkages.

The results of the company are affected due to less work during the year. Some of the government projects have been stopped for last two years. The demand for the company's job work has been affected due to increase in the competitors in Pune and Nasik area and Government projects have been competitive.

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 decreasing.

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

### **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 an Operating Income (from Job Work) of Rs.382.66 Lacs as against Rs. 192.30 Lacs in the previous year. Other Income earned during the year stood at Rs . 58.84 lacs as against Rs. 55.12 lacs in the previous year. The Profit before Depreciation was Rs.218.03 Lacs as against Rs. 43.24 Lacs in the previous year. The profit after Depreciation and Tax was Rs. 199.53 Lacs as against Rs. 39.94 Lacs in the year ended 31<sup>st</sup> March, 2017. Our Company continuous to be a dividend paying Company. 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 :22/05/2018**

**ASHOK M.MEHTA**  
**DIN No.00163206**  
**Chairman & 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 endeavors 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 2016-17 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31<sup>st</sup> March 2017.

The Board of Directors of the Company is comprised of committed persons with considerable experience in varied fields. The Board is properly constituted as per Clause 49 of the Listing Agreement. There are Six Directors of which One is Executive Chairman & Managing Director, One is Executive Director & Marketing, and One is from promoters group and Three are Non Executive Independent Director.

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, 2015 have been made by the Directors.

During the financial year ended 31<sup>st</sup> March, 2018, 5 (Five) Meetings of the Board of Directors were held as on 23/05/2017, 4/08/2017, 7/11/2017, 06/02/2018,17/3/2018

Name of Directors	Category of Directors	No. of Board Meetings attended during 2017-18	Whether attended last AGM	Number of Directorship in other Public Limited Companies	No of membership of audit committee and Share Holders & Investors Grievance Committee in other Limited Companies	Chairman ship of audit committee and Share Holders & Investors Grievance Committee in other Limited Companies
Shri. Ashok M. Mehta	Chairman & Managing Director	5	Yes	Nil	Nil	Nil
Shri. Yash Ashok Mehta	Executive Director, Marketing	5	Yes	Nil	Nil	Nil
Shri. Ashwin P. Sanghavi	Non-Executive Independent Director	5	Yes	Nil	Nil	Nil
Shri. Snehal S. Chinai	Non-Executive Independent Director	5	Yes	Nil	Nil	Nil
Shri Anopchand G. Parekh	Non-Executive Independent Director	5	Yes	Nil	Nil	Nil
Smt. Kumud A. Mehta	Non-Executive Woman Director	5	Yes	Nil	Nil	Nil

(details are as on 31st March, 2018)

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.

Mr. Yash Mehta, Executive Director of the Company, is a son of Mr. Ashok Mehta, Managing Director of the Company and Mrs. Kumud Mehta, Director of the Company.

Mr. Ashok Mehta, As the Chairperson & Managing Director of the Company, is the chief architect of the Company's vision and value driven business strategy. Under his able leadership, the company became professionally managed. As a visionary entrepreneur, he plays a critical role in the articulation of Company's business philosophy.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

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.

#### **Remuneration to the Managing Director and Executive Director-Marketing.**

Director	Salary, Perquisites & Allowances (Rs. In Lacs)	Company's contribution Provident Funds (Rs. In lacs)	Total (Rs. In Lacs)
Shri Ashok M. Mehta Chairman & Managing Director	21.84	2.16	24.00
Shri Yash Ashok Mehta Executive Director – Marketing	14.56	1.44	16.00

#### **Board Committees**

The Board has constituted the following Committees of Directors:

##### **(a) Audit Committee:**

##### **i. Terms of Reference**

The committee acts as a link between the board, the statutory auditors. The role of the Audit Committee includes overseeing the financial reporting process and disclosure of financial information, review of financial statements, adequacy of internal financial controls and risk management systems, findings of whistle blower policy, monitoring the usage of funds from issue proceeds, to grant approval for related party transactions which are in ordinary course of business and on an arm's length basis, scrutiny of inter corporate loans and investments, besides recommending the appointment/removal of statutory auditors, fixing their remuneration and review of their effectiveness of audit process.

##### **ii. Composition**

The Audit Committee comprises of Shri. Ashwin P. Sanghavi as Chairman and Shri. Yash Ashok Mehta and Shri. Snehal S. Chinai as Members.

During the 2017-18 under review 5(Five) meetings of the Audit Committee were held on 23/05/2017, 4/08/2017, 7/11/2017, 06/02/2018, 17/3/2018

The attendances of Members are as follows:

Name	Category	Meetings during the year 2017-18	
		Held	Attended
Shri. Ashwin P. Sanghavi, Chairman	Non-Executive Independent Director	5	5
Shri. Yash Ashok Mehta, Member	Executive Director, Marketing	5	5
Shri. Snehal S. Chinai, Member	Non-Executive Independent Director	5	5

The Constitution of the Audit Committee is 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 Statutory Auditors' Report on the financial statements, to generally interact with the 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 and 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 177 of the Companies Act, 2013.

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

**(i) Terms of references**

- a) To scrutinize and approve registration of transfer of shares / dividend 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 / dividend warrants issued / to be issued by the Company.
- d) To approve and issue duplicate share certificates / dividend warrants in lieu of those reported lost.
- e) To refer to the Board and any proposal of refusal of registration of transfer of shares / dividend 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**

The Shareholders/Investors Grievance Committee comprises of Shri. Ashwin P. Sanghavi as Chairman and Shri. Yash Ashok Mehta and Shri. Snehal S. Chinai as Members.

During the 2017-18 under review 5(Five) meetings of the Shareholders/Investors Grievance Committee were held on 23/05/2017, 4/08/2017, 7/11/2017, 06/02/2018,17/3/2018

The attendances of Members are as follows:

Name	Category	Meetings during the year 2017-18	
		Held	Attended
Shri. Ashwin P. Sanghavi, Chairman	Non-Executive Independent Director	5	5
Shri. Yash Ashok Mehta, Member	Executive Director-Marketing	5	5
Shri. Snehal S. Chinai, Member	Non-Executive Independent Director	5	5

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:**

- Mrs. Aagvi Botadra, 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

**c. Remuneration Committee**

The Remuneration Committee comprises of Mr. Ashwin A. Mehta (Chairman), Mr. Snehal S. Chinai (Member) & Mr. Yash Ashok Mehta (Member)

The remunerations paid to the Executive Directors are in accordance with the provisions of the Companies Act, 2013.

**The Composition of the Remuneration Committee and the details of meetings attended by the members of the Remuneration Committee are given below:**

Name	Category	No. of Meetings held	During the year 2016-17 Attended
Mr. Ashwin P. Sanghavi	Independent, Non-Executive	1	1
Mr. Snehal S. Chinai	Independent, Non-Executive	1	1
Mr. Yash Mehta	Executive Director	1	1

### **Details of Remuneration for the year ended 31<sup>st</sup> March,2018**

Mr. Ashok M. Mehta, Managing Director of the Company was paid Managerial Remuneration @ Rs.18,00,000/- p.a. and Rs. 6,00,000/ as HRA and Mr. Yash Ashok Mehta, Executive Director - Marketing of the Company was paid Managerial Remuneration @ Rs.12,00,000/- p.a. and Rs. 3,99,996/- as HRA

### **Non-Executive Director:**

Non-Executive Directors have not been paid any amount during the financial year 2017-2018.

## **2. General Body Meetings:**

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

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Location</b>
2017-18 (EGM)	10/04/2018	10.30 A.M.	Plot No.C-17/2, MIDC Industrial Area, Taloja, Dist.Raigad-410208 (Maharashtra)
2016-17 (AGM)	26/09/2017	10.30 A.M.	Plot No.C-17/2, MIDC Industrial Area, Taloja, Dist.Raigad-410208 (Maharashtra)
2015-16 (AGM)	26/09/2016	10.30 A.M.	Plot No.C-17/2, MIDC Industrial Area, Taloja, Dist.Raigad-410208 (Maharashtra)
2014-15 (AGM)	26/09/2015	10.30 A.M.	Plot No.C-17/2, MIDC Industrial Area, Taloja, Dist.Raigad-410208 (Maharashtra)

(b) **Whether any Resolutions passed in three Previous Annual General Meeting regarding appointment of Managing Directors / Executive Directors.**

1. Shri Ashok M. Mehta had re-appointed as Managing Director of the Company for a further period of three years w.e.f. 1<sup>st</sup> November, 2018 on expiry of his term on 31<sup>st</sup> October, 2021 at a remuneration not exceeding Rs.2,50,000/- per month (inclusive of perquisites and benefits as per details given in the text of the Resolution) in the Annual General Meeting of the Company held on 24<sup>th</sup> September, 2018.
2. Shri Yash Ashok Mehta had re-appointed as Executive Director, Marketing of the Company for a further period of 3 years w.e.f. 01<sup>st</sup> November, 2018 at a remuneration not exceeding Rs.2,50,000/- per month (excluding exempted Perquisites such as Provident Fund, Contribution, Gratuity and Leave Encashment in the Annual General Meeting of the Company held on 24<sup>th</sup> September, 2018

(c) **Whether Special Resolutions were put through postal ballot last year:**  
No

(d) **Are votes proposed to be conducted through postal ballot this year :**  
No

## **3. Other disclosures:**

(a) **Related Party Transactions**

The details of related party transactions are duly disclosed in the Notes to Account of the Company for the year ended 31<sup>st</sup> March, 2018.

- (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 Members of Board of Directors and Senior Management Personnel Director. The said Code has been communicated to all the Directors. However, the Company has not posted Code of Conduct on its website.
- (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:
- (f) **Compliance with Mandatory Requirements**  
The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance.  
The company has materially complied with the requirements of the Stock exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or any other statutory authorities relating to the above. The Company has developed an integrated compliance dashboard which provides reasonable assurance to the management of the Board of Directors regarding effectiveness of timely compliances.
- (g) **Means of communication:**
- (a) **Quarterly Results:**  
The unaudited quarterly results are announced within Forty Five Days from the end of the quarter and the audited annual results within two 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)
- (c) Website, wherein displayed: [www.rishabhdighasteel.com](http://www.rishabhdighasteel.com)  
Whether Website also displays official news releases: Yes
- (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

#### 4. 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.

#### 5. General Shareholder information:

(a) **AGM date, time and venue:** Next Annual General Meeting will be held on Saturday, 24<sup>th</sup> September, 2018 at 11.00 A. M. at Plot No. C-17/2, MIDC, Industrial Area, Talaja, Dist. Raigad (Maharashtra).

(b) **Financial Year:** The Financial Year is from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018.

#### **Tentative Financial Calendar Financial Reporting and Limited Review Report**

#### **Date of submission to Stock Exchanges latest by**

For quarter ending June 30, 2018	: upto 14 <sup>th</sup> August, 2017
For quarter ending September 30, 2018	: upto 14 <sup>th</sup> November, 2017
For quarter ending December 31, 2018	: upto 14 <sup>th</sup> February, 2018
For year ending March 31, 2018	: upto 30 <sup>th</sup> May, 2018
AGM for year ending March 31, 2018	: 24 <sup>th</sup> September, 2018

(c) **Book Closure period:** 18<sup>th</sup> September, 2018 to 24<sup>th</sup> September, 2018 (both days inclusive).

(e) The Board of Directors are glad to recommend Final Dividend @Rs.2.00 per share on 54,86,400 Equity Shares of Rs.10/- each aggregating to Rs.54,86,400/- and Dividend amounting to Rs. 1,09,72,800 for the year ended 31<sup>st</sup> March, 2018, subject to approval of the Members of the Company at the ensuing Annual General Meeting scheduled to be held on 24<sup>th</sup> September, 2018.

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 31<sup>st</sup> March, 2018.

Date	High (Rs)	Low(Rs)	No. Of Shares
Apr-17	22.05	18.85	4268
May-17	21.40	19.00	10918
Jun-17	22.95	21.90	6
Jul-17	35.80	18.50	50403
Aug-17	43.00	24.40	254277
Sep-17	42.70	32.00	79059
Oct-17	43.00	28.10	44876
Nov-17	42.10	32.55	60303
Dec-17	46.00	35.00	50873
Jan-18	71.00	40.10	532799
Feb-18	54.50	42.45	42281
Mar-18	47.85	41.00	11885

(f) **Scrip code:** 531539 - Bombay Stock Exchange

(g) **ISIN No.** : INE864D01015

(h) **Registrar and Transfer Agent:**

**M/s. Universal Capital Securities Pvt. Ltd.**

21, ShakilNiwas, Mahakali Caves Road, Andheri( East),  
Mumbai-400093

(i) **Share transfer system:**

The Share transfers which are received in physical form are processed and the Share Certificates returned within the stipulated period of from the date of receipt, subject to the documents being valid and complete in all respects.

(i) **Dematerialization of shares and liquidity:**

The trading in Rishabh Digha Steel and Allied Products Limited Shares is permitted in the dematerialized form, 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) **ECS Mandate:**

All shareholders are requested to update their bank account details with their respective depositories urgently. This would facilitate transfer of dividend directly to the bank account of the shareholders.

(k) **E-Voting:**

To widen the participation of shareholders in Company decision pursuant to provisions of section 108 of Companies Act, 2013 read with Rule 20 of the Companies (Management and administration) Rules, 2014, the Company has provided e-voting facility to its shareholders, in respect of all shareholder's resolutions to be passed at general meetings.

(l) **Shareholding Pattern as on 31<sup>st</sup> March, 2018.**

	No. of Shares held	% to Total Shares
<b>Promoter Group*</b>	4044769	73.72
<b>Mutual Funds and UTI</b>	0	0
<b>Banks &amp; Financial institutions &amp; Insurance Companies etc.</b>	0	0
<b>Corporate Bodies</b>	59914	1.09
<b>General Public</b>	1441631	26.28
<b>NRIs/ OCBs</b>	4601	0.08
<b>Clearing Members</b>	64419	1.17
<b>TOTAL</b>	<b>5486400</b>	<b>100.00</b>
<b>Demat-1. N.S.D.L.</b>	815060	14.86
<b>2. C.S.D.L.</b>	4633225	84.44
<b>3. Physical</b>	38115	0.70
<b>TOTAL</b>	<b>5486400</b>	<b>100.00</b>

(ii) **Plant Location:**

The Company's Plants are located at Plot No. 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, Sant Tukaram Road, Iron Market, Masjid Bunder (East), Mumbai-400009 &
- 514/B, Amarkunj Building, 2<sup>nd</sup> Floor, R.P. Masani Road. Matunga (CR). Mumbai - 400019

**6. RECONCILIATION OF SHARE CAPITAL AUDIT**

As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL & CDSL and the total issued and listed capital of the Company.

The Company Secretary in Practice conducts such audit in every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such audit report is submitted to the stock exchange, where the Company's shares are listed and is also placed before the Board.

**7. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

In compliance with the SEBI regulations on prevention of insider trading, the Company has formulated a comprehensive Code of Conduct for 'prevention of Insider Trading' in the securities of the Company. This Code of Conduct is applicable to Promoters, Directors, Chiefs, Group heads, Heads and such other employees of the Company and others who are expected to have access to unpublished price sensitive information.

The Board at its meeting held on 22<sup>nd</sup> May, 2018 has approved the revised Code of Conduct for Prevention of Insider Trading, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from May 15, 2015.

**(P) CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT**

The Board of Directors of the Company has laid down a code of business conduct called "The Code of Conduct for Directors and Senior Management". The Code envisages that Board of Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and keep themselves informed about the development in the industry in which the Company is involved and the legal requirements to be fulfilled.

The Code is applicable to all the Directors and Senior Management of the Company.

**(Q) WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

The Company believes in the conduct of its business affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. In order to inculcate accountability and transparency in its business conduct, the Company has been constantly reviewing its existing systems and procedures. Your Company has approved a whistle blower policy which will enable all employees,

Directors and other stakeholders to raise their genuine concerns internally in a responsible and effective manner if and when they discover information which they believe shows serious malpractice or irregularity within the Company and/or to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's code of conduct or ethics policy. To the best of my knowledge and belief, I hereby affirm that no personnel of the Company has been denied access to the Audit committee during FY15.

**(R) CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE**

The Board at its meeting held in 22<sup>nd</sup> May, 2018 has approved the Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from May 15, 2015.

The Code lays down broad standards of compliance and ethics, as required by the listing agreements and other applicable SEBI regulations. The Code is required to be complied in respect of all corporate disclosures in respect of the Company and/or its subsidiary companies, including overseas subsidiaries.

**(S) POLICY TO PREVENT AND DEAL WITH SEXUAL HARASSMENT**

The Company is an equal employment opportunity employer and is committed to creating a healthy and productive work environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company believes that an act of sexual harassment results in the violation of the fundamental rights of the woman. In keeping with its belief and in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rule thereof, the Company adopts the policy to prevent and deal with sexual harassment of women at the workplace. The Company is committed to provide to all women, who are present at the workplace, a work environment free from sexual harassment, intimidation and exploitation.

**(T) DECLARATION BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149 & CLAUSE 49 OF THE LISTING AGREEMENT**

During FY 16-17 the Company received declaration in terms of the provisions of Section 149(6) & 149(7) of the Companies Act, 2013 and Clause 49(I)(C) of the Listing agreement of Stock Exchange from the following Independent Directors viz. Mr. Ashwin Sanghvi, Mr. Anopchand Parekh & Mr. Snehal Chinnai.

**For and on behalf of the Board**

**Place: Mumbai  
Date :22/05/2018**

**ASHOK M.MEHTA  
DIN No.00163206  
Chairman & Managing Director**

**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 2017 -18

**For and on behalf of the Board**

**Place: Mumbai**  
**Date :22/05/2018**

**ASHOK M.MEHTA**  
**DIN No.00163206**  
**Chairman & Managing Director**

**CEO/ CFO CERTIFICATE**  
**(UNDER CLAUSE 49 OF THE LISTING AGREEMENT)**

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:

- a) Significant changes in the Company’s internal control over the financial reporting during the year;
- b) 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.

**For and on behalf of the Board**

**Place: Mumbai**

**Date: 22/05/2018**

**ASHOK M.MEHTA**  
**DIN No.00163206**  
**Chairman & Managing Director**

## **AUDITORS' 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, 2017 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)

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

**For M/s. Gada Chheda & Co. LLP**  
**Chartered Accountants**

**Ronak Gada**  
**Membership No.:146825**  
**FRN : W100059**  
**Place: Mumbai**  
**Date: 22/05/2018**

## **Auditors' Certificate on Corporate Governance**

To,  
The Board of Directors,  
**M/s. RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
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 31<sup>st</sup> March 2016 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 31<sup>st</sup> March, 2016 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. Gada Chheda & Co. LLP**  
**Chartered Accountants**

**Ronak Gada**  
**Membership No.:146825**  
**FRN : W100059**  
**Place: Mumbai**  
**Date: 22/05/2018**

## **Auditors Report**

### **TO THE MEMBERS OF RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**

#### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements **Rishabh Digha Steel And Allied Products Limited** (the Company), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss for the year ended, and a summary of significant accounting policies and other explanatory information.

#### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act 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 March 31, 2018;
- (b) In the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and

## **EMPHASIS OF MATTERS**

There are no matters to be emphasized as there are no litigations and no events after the balance sheet date which will affect the going concern of the company.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

As required by the Companies(Auditor's Report)Order, 2017 ("the Order")issued by the Central Government of India in term of sub section (11) of section 143 of the Act, as the same is not applicable we do not give statement on matters specified in Paragraph 3 and 4 of the Order.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The financial statements are prepared on the going concern basis and there are no material events that have occurred, in our opinion, which may have an adverse effect on the functioning of the Company.
- f) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the other matters included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rule,2014,in our opinion and to our best of our information and according to the explanations given to us :
  - i. The Company does not have any pending litigation which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there can be any material foreseeable losses.
  - iii.
  - iv. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

**For M/s. Gada Chheda & Co LLP**  
**Chartered Accountants**

**Mr. Ronak P. Gada**  
**(Designated Partner)**

**M.N. 146825**  
**FRN.W100059**

**Place: Mumbai**  
**Date: 22/05/2018**

## **“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Rishabh Digha Steel And Allied Products Limited**

### **Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Rishabh Digha Steel And Allied Products Limited** as of March 31, 2016 in Conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

**The Company’s management is responsible for establishing and maintaining internal financial controls.** The internal control over financial reporting criteria established by the company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both, issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance

regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting effectively as at March 31, 2016. The internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Reporting issued by the Institute of Chartered Accountants of India.

**For M/s. Gada Chheda & Co LLP**  
**Chartered Accountants**  
**Mr. Ronak P. Gada**

**(Designated Partner)**  
**M.N. 146825**  
**FRN. W100059**

**Place: Mumbai**  
**Date: 22/05/2018**

## Annexure to the Auditors' Report

The Annexure referred to in our report to the members of **Rishabh Digha Steel And Allied Products Limited** for the year Ended on 31<sup>st</sup> March, 2018. We report that:

Sr.No	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	All the assets have not been physically verified by the management during the year but there is a regular programmed 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) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	All the assets are in the name of Company.
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	The Company by itself does not hold any inventory as company is basically engaged in Job work activity .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.
(iii)	whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.If so,	The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	N.A.
	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	N.A.
	(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	N.A.
(iv)	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	N.A.
(v)	in case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections	The company has not accepted deposits so the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any

	73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	other relevant provisions of the Companies Act and the rules framed there under is not applicable. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
(vi)	where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, whether such accounts and records have been made and maintained;	The maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act is not applicable.
(vii)	(a) is the company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	According to the information and explanation given to us, company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
(vii)	(b) in case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not constitute a dispute).	According to the information and explanation given to us there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
(viii)	whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported;	According to the information and explanation given to us, company has taken Overdraft Facility from their bankers Bank of Baroda and has not defaulted in repayment of dues to a financial institution or bank.
(ix)	whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	In our opinion and according to the information and explanations to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments).
(x)	whether any fraud on or by the company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.	According to the information and explanation given to us no fraud on or by the company has been noticed or reported during the year.

(xi)	whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	Sec197 deals with Managerial remuneration which is not applicable to Private Company. Therefore, the provision of clause xi of the Companies (Auditors Report)Order,2003 is not applicable.
(xii)	whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	In our opinion,the Company is not Nidhi Company. Therefore, the provision of clause xii of the Companies (Auditors Report)Order,2003 is not applicable.
(xiii)	whether all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
(xiv)	whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year
(xv)	whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	In our opinion and according to the information and explanations to us the company has not entered into any non-cash transactions with directors or persons connected with him.
(xvi)	whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For M/s. Gada Chheda & Co LLP  
Chartered Accountants**

**Mr. Ronak P. Gada  
(Designated Partner)**

**M.N. 146825  
FRN.W100059**

**Place: Mumbai  
Date: 22/05/2018**

**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
**BALANCE SHEET AS ON 31st MARCH, 2018**

Particulars	Note No.	As At March 31, 2018	As At March 31, 2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
- Share capital	1	5,48,64,000	5,48,64,000
- Reserves and surplus	2	3,29,24,949	2,83,80,281
Sub-Total (A)		<b>8,77,88,949</b>	<b>8,32,44,281</b>
<b>2. NON-CURRENT LIABILITIES</b>			
- Long-term Borrowings	3	3,33,331	-
- Long-term Provisions		-	-
- Deferred Tax Liability (net)		-	-
Sub-Total (B)		<b>3,33,331</b>	-
<b>3. CURRENT LIABILITIES</b>			
- Short-Term Borrowings	4	10,00,000	-
- Trade Payables	5	48,400	(65,000)
- Other Current Liabilities	6	8,88,815	4,97,000
- Short-term Provisions	7	83,21,152	21,11,444
Sub-Total (C)		<b>1,02,58,367</b>	<b>25,43,444</b>
<b>Total</b>		<b>9,83,80,646</b>	<b>8,57,87,724</b>
<b>II. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
- Fixed Assets			
Tangible Assets	8	1,95,19,055	1,77,35,465
Intangible Assets		-	-
Capital work-in-progress		-	-
- Non-Current Investments	9	4,63,01,536	5,03,01,558
- Long Term Loans and Advances	10	1,78,486	1,77,186
- Deferred Tax Assets (net)	11	15,79,968	11,66,360
Sub-Total (D)		<b>6,75,79,044</b>	<b>6,93,80,569</b>
<b>2. CURRENT ASSETS</b>			
- Inventories		-	-
- Trade Receivables	12	74,11,593	53,62,387
- Cash and Cash Equivalents	13	13,58,640	88,867
- Short-term Loans and Advances	14	2,20,31,369	1,09,55,902
Sub-Total (E)		<b>3,08,01,602</b>	<b>1,64,07,156</b>
<b>Total</b>		<b>9,83,80,646</b>	<b>8,57,87,724</b>
<b>Summary of Significant Accounting Policies</b>	<b>2</b>		

The Accompanying Notes are an integral part of Financial Statements.

This is the Balance Sheet referred to our report of even date.

For Gada Chheda & Co. LLP  
Chartered Accountants  
Firm Registration No : W100059

For and on behalf of the Board of Directors

(Mr. Ronak P. Gada)  
Designated Partner  
Membership No.: 146825  
Place : Mumbai  
Date : 22/05/2018

Mr. Ashok M Mehta  
Chairman & Managing Director  
DIN: 00163206

Mr. Yash A Mehta  
Executive Director-Marketing  
DIN: 00163147

**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017**

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Revenue from Operations</b>	15	3,82,65,829.50	1,92,29,727.35
- Other Income	16	58,84,165.98	55,12,122.25
<b>Total Revenue</b>		<b>4,41,49,995.48</b>	<b>2,47,41,849.60</b>
<b>Expenses</b>			
- Cost of Material Consumed		-	-
- Purchase of Stock-in-Trade	17	50,22,894.87	42,23,135.00
- Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		-	-
- Employee benefit expenses	18	89,66,855.16	74,82,687.83
- Finance Cost	19	65,472.37	3,35,058.75
- Depreciation and amortisation expense		18,49,876.00	17,70,329.00
- Other Expenses	20	82,91,745.08	69,37,272.57
<b>Total Expenses</b>		<b>2,41,96,843.48</b>	<b>2,07,48,483.15</b>
<b>Profit before exceptional and extra-ordinary items and Tax</b>		<b>1,99,53,152.00</b>	<b>39,93,366.45</b>
Exceptional items		-	-
<b>Profit before extra-ordinary items and Tax</b>		<b>1,99,53,152.00</b>	<b>39,93,366.45</b>
Extra-ordinary items		-	-
<b>Profit Before Tax</b>		<b>1,99,53,152.00</b>	<b>39,93,366.45</b>
- Tax Expense			
Current Tax		59,22,000.00	15,42,000.00
Short / (Excess) provision for tax of earlier year(s)		-	-
Deferred Tax Liability / (asset)		(4,13,608.10)	(2,76,537.00)
Total Tax		<b>55,08,391.90</b>	<b>12,65,463.00</b>
<b>Profit after tax</b>		<b>1,44,44,760.10</b>	<b>27,27,903.45</b>
<b>Equity Share of par value Rs. 10 each</b>			
Basic and Diluted		2.63	0.50
<b>Summary of Significant Accounting Policies</b>	<b>2</b>		

The Accompanying Notes are an integral part of Financial Statements.

This is the Statement of Profit and Loss referred to our report of even date.

For Gada Chheda & Co. LLP  
Chartered Accountants  
Firm Registration No : W100059

For and on behalf of the Board of Directors

(Mr. Ronak P. Gada)  
Designated Partner  
Membership No.: 146825  
Place : Mumbai  
Date : 22/05/2018

Mr. Ashok M Mehta  
Chairman & Managing Director  
DIN: 00163206

Mr. Yash A Mehta  
Executive Director-Marketing  
DIN: 00163147

## **1 COMPANY OBJECTIVE:**

RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED is a private limited Company incorporated under the Companies Act, 1956. The Company is engaged in the Job Works.

## **2 SIGNIFICANT ACCOUNTING POLICIES**

### **A. Basis of Preparation of Financial Statements:**

1 These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP). Pursuant to S. 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014 till the standards of accounting or any addendum thereto are prescribed by central government in consultation and recommendation of the National Financial reporting Authority, the existing accounting standards notified under Companies Act, 1956 shall continue to apply. Consequently these financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under Sec 211(3C) [Companies (Accounting Standard) Rules, 2006 as amended] of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013.

### **B. Use of Estimates:**

Estimates and assumptions used in the preparation of the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the Financial Statements, which may differ from the actual results at a subsequent date. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

### **C. Basis of Accounting:**

- i) The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- ii) The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses during the year of account. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable.
- iii) The accounting policies applied by the Company is consistent with that of the previous year except otherwise expressly stated.

### **D. Fixed Assets:**

#### **Tangible assets:**

- i) The fixed assets are stated at historical cost less the accumulated depreciation. Historic cost comprise of the acquisition price or construction price and all direct and indirect costs attributable to bring the assets to their working condition for their intended use.
- ii) All expenses till commissioning of the asset are allocated to the respective assets proportionately. Interest / Financing costs till commencement of commercial production / use are capitalised in accordance with the requirements of Accounting Standard 16 (AS 16).

### **E. Depreciation/Amortisation:**

- i) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly, the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives.
- ii) In respect of additions to fixed assets and assets sold, discarded or demolished during the year, depreciation is calculated on pro-rata basis considering the number of days for which the fixed asset is used in the current financial year as per the useful life of the assets as estimated by the management.

### **F. Revenue Recognition**

- i. The Company recognizes revenues on the sale of products when the products are delivered to the customer or when delivered to the carrier for exports sales, which is when risks and rewards of ownership pass to the customer. Sales are net of taxes on sales and sales returns.
- ii. Other income is accounted for on accrual basis when it is reasonably certain that the ultimate collection will be made.
- iii. Interest is accrued over the period of loan/ investment.

### **G. Taxation:**

Tax Expenses are the aggregate of current tax and deferred tax charged or credited in the statement of Profit and Loss for the year.

- i) Deferred tax is recognised on timing difference between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantially enacted at the Balance Sheet date. Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

- ii) In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised as an asset ( MAT Credit Entitlement) only if there is convincing evidence for realisation of such asset during the specified period, MAT credit entitlement is reviewed at each Balance Sheet date.

**H. Borrowing Costs:**

- i) Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of such assets till such time as the assets are ready for its intended use or sale.
- ii) A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

**I. Provisions and Contingencies**

Provisions are recognized when the company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

**J. Contingencies and Event Occuring after the Balance Sheet Date**

There are no contingencies and events after the Balance Sheet dates that affect the financial position of the Company.

**K. Employment Retirement Benefits**

- i. Benefits in the form of Provident Fund whether in pursuance of law or otherwise which are defined contributions is accounted on accrual basis and charged to Statement of Profit And Loss of the year.
- ii. Long term employee benefits under defined benefit scheme such as contribution to gratuity are determined at the close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gains and losses are recognized in the year when they arise.
- iii Short-term employee benefits including employees leave entitlements are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

**L. Cash Flow Statements**

The Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31st March 2018 and the related Statement of Profit and Loss for the year ended on that date. The cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the ICAI.

**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

<b>1 Share Capital</b>				
Particulars		March 31, 2018	March 31, 2017	
<b>Authorised</b>				
90,00,000 (9000000) Equity Shares of Rs. 10/- each		9,00,00,000	9,00,00,000	
		9,00,00,000	9,00,00,000	
<b>Issued, Subscribed and fully Paid-up :</b>				
<b>EQUITY SHARE CAPITAL</b>				
55,00,000 Equity Shares of Rs.10/-each At Par		5,50,00,000	5,50,00,000	
<b>Paid-Up-Capital</b>				
54,86,400 Equity Shares of Rs.10/- Each At Par		5,48,64,000	5,48,64,000	
<b>Total</b>		<b>10,98,64,000</b>	<b>10,98,64,000</b>	
<b>I Details of Shareholding as at March 31, 2018</b>				
<b>i. Shareholders holding more than 5 % of Equity Shares</b>				
<b>Equity Shares held by various shareholders holding more than 5%</b>				
Name of entity	March 31, 2018		March 31, 2017	
	Shares Held	%	Shares Held	%
Ashok M Mehta	328044	5.98%	328044	5.98%
Kumud Mehta	316493	5.77%	316493	5.77%
Dhan Financial Services Pvt Ltd	1263304	23.03%	1263304	23.03%
Digha Steel Industries Pvt Ltd	1288724	23.49%	1288724	23.49%
<b>II Reconciliation of the number of Equity Shares outstanding</b>				
Particulars		March 31, 2018	March 31, 2017	
		No. of Shares	No. of Shares	
Number of shares at the beginning of the year		54,86,400	54,86,400	
Add: Shares issued				
Less: Shares forfeited		-	-	
Number of shares at the end of year		54,86,400	54,86,400	

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

IV Each equity share is entitled to one voting right only.

V In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets remaining,

<b>2 Reserves and Surplus</b>		
Particulars	March 31, 2018	March 31, 2017
<b>General Reserve</b>	1,62,53,049.20	1,62,53,049.20
<b>Reserves &amp; Surplus</b>		
Balance at the beginning of the year	1,21,27,231.62	1,03,20,023.03
Add : Profit for the year	1,44,44,760.10	27,27,903.45
Add : Provision for Tax	4,890.00	0.00
Less: Proposed Dividend	(82,29,600.00)	0.00
Less: Dividend Distribution Tax	(16,75,382.00)	0.00
Less: Balances Written off	0.00	(9,20,694.86)
	1,66,71,899.72	1,21,27,231.62
<b>Total</b>	<b>3,29,24,948.92</b>	<b>2,83,80,280.82</b>

<b>3 Long Term Borrowings</b>		
Particulars	March 31, 2018	March 31, 2017
<b>Unsecured Borrowings:</b>		
Term Loan		
- from Non- Banking Financial Institutions	3,33,331	0
<b>Total Long Term Borrowings</b>	<b>3,33,331</b>	<b>0</b>

**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

<b>Additional information to Secured &amp; Unsecured Long Term Borrowings:</b>				
SN	Name of the Bank/ Financial Institutions	Current Position	Non-Current Position	Security, Interest Rate and Repayment terms
1	Daimler Financial Services India Pvt Ltd	3,33,331	3,33,331	Vehicle Loan of - Rs 8.00 Lac 12 equal monthly installments of Rs 66,667/- commencing from 01/09/2017, last installment will fall due on 31/08/2018.
<b>4 Short term Borrowings</b>				
Particulars		March 31, 2018	March 31, 2017	
<b>Secured Borrowings:</b>				
Cash Credit		10,00,000		0
<b>Total</b>		<b>10,00,000</b>		<b>0</b>
<b>Bank Overdraft Facility</b>				
The Company has availed the Cash Credit facility from Bank of Baroda which is secured by way of charge created by hypothecation of fixed deposit				
<b>5 Trade Payables</b>				
Particulars		March 31, 2018	March 31, 2017	
<b>Trade Payables</b>				
<b>Dues To Micro and Small Enterprises*</b>				
a. Principal and interest amount remaining unpaid		-		-
b. Interest due thereon remaining unpaid		-		-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day		-		-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006		-		-
e. Interest accrued and remaining unpaid		-		-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as		-		-
<b>Due to others</b>				
Raw Material & Finished Goods		0.00		0.00
Expenses		48,400.00		-65,000.00
<b>Total</b>		<b>48,400.00</b>		<b>-65,000.00</b>
* Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2018.				

**For Gada Chheda & Co. LLP**  
**Chartered Accountants**  
**Firm Registration No : W100059**

**For and on behalf of the Board of Directors**

**(Mr. Ronak P. Gada)**  
**Designated Partner**  
**Membership No.: 146825**  
**Place : Mumbai**  
**Date : 22/05/2018**

**Mr. Ashok M Mehta**  
**Chairman & Managing Director**  
**DIN: 00163206**

**Mr. Yash A Mehta**  
**Executive Director-Marketing**  
**DIN: 00163147**

**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**6 Other Current Liabilities**

Particulars	March 31, 2018	March 31, 2017
Statutory Dues	3,86,520.72	12,417.86
Unclaimed Dividend	5,02,294.00	4,84,582.00
<b>Total</b>	<b>8,88,814.72</b>	<b>4,96,999.86</b>

**7 Short Term Provisions**

Particulars	March 31, 2018	March 31, 2017
<b>Provision for Employee Benefits</b>		
- Provision for Leave Encashment	92,095.00	88,095.00
- Provision for Bonus	1,84,188.00	1,76,188.00
- Provision for ESIC	10,858.00	9,095.00
- Provision for PF	97,034.00	93,515.00
- Provision for Profession Tax	2,975.00	2,575.00
<b>Others</b>		
- Provision for Audit fees	67,500.00	67,500.00
- Credit Card Outstanding	9,063.81	18,109.64
- Provision for Income Tax	74,64,000.00	15,42,000.00
- TDS Payable	2,48,388.00	1,06,472.00
- Expenses Payable	1,45,050.00	7,894.00
<b>Total</b>	<b>83,21,151.81</b>	<b>21,11,443.64</b>

**9 Non Current Investments**

*Amount in Rupees*

Particulars	March 31, 2018	March 31, 2017
<b>Fixed Deposits</b>		
<b>(Unquoted, At Cost)</b>		
FD with Bank of Baroda	25800000.00	25800000.00
FD with HDFC Bank	7400000.00	11300000.00
F.D. with State Bank of Bikaner & Jaipur	9000000.00	9000000.00
FD with Canara Bank	2800000.00	2800000.00
<b>(Quoted, At Cost)</b>		
Investments in Equity Instruments	13,01,535.67	14,01,558.27
<b>Total</b>	<b>4,63,01,535.67</b>	<b>5,03,01,558.27</b>

**10 Long Term Advances**

Particulars	March 31, 2018	March 31, 2017
<b>Deposit Given</b>		
Bharati Airtel Ltd	1000.00	1000.00
MSEB Security Deposits	143500.00	142200.00
National Gas & Chemicals	1000.00	1000.00
Nikita Oxygen (Deposit)	5000.00	5000.00
Security Deposits	426.62	426.62
Shri Sairam Gas Agency	4524.00	4524.00
Telephone Deposits	4000.00	4000.00
Water Deposits	19035.00	19035.00
<b>Total</b>	<b>1,78,485.62</b>	<b>1,77,185.62</b>

**11 Deferred Tax Asset**

*Amount in Rupees*

SN.	Particulars	March 31, 2018	March 31, 2017
1	<b>Deferred Tax Liability</b>		
	- Depreciation	15,79,968.00	11,66,359.90
	<b>Total</b>	<b>15,79,968.00</b>	<b>11,66,359.90</b>

**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**12 Trade Receivables**

Particulars	March 31, 2018	March 31, 2017
<b>Unsecured, Considered good</b>		
- Outstanding for a period exceeding six months from its due date	74,11,593.04	53,62,387.00
- Others	0.00	0.00
<b>Total</b>	<b>74,11,593.04</b>	<b>53,62,387.00</b>

**13 Cash and Cash Equivalents**

Particulars	March 31, 2018	March 31, 2017
<b>Cash and Cash Equivalents</b>		
- Balance with Bank	13,09,084.79	49,507.70
- Cash on hand (As certified by the management)	49,554.84	39,359.14
<b>Total</b>	<b>13,58,639.63</b>	<b>88,866.84</b>

**14 Short Term Loans and Advances**

Particulars	March 31, 2018	March 31, 2017
<b>Unsecured, Considered good</b>		
<b>Loans</b>		
- Staff Loans	1,12,504.00	1,15,604.00
<b>Other Loans and Advances</b>		
- Balance with Tax Authorities	28,04,807.71	8,42,878.88
- Advance Tax	50,00,000.00	-
- Interest Receivable	1,41,14,057.66	99,97,418.86
<b>Total</b>	<b>2,20,31,369.37</b>	<b>1,09,55,901.74</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**15 Revenue from Operations**

Particulars	March 31, 2018	March 31, 2017
<b>Revenue from Sale of Products</b>		
Income from Job Work	3,82,65,829.50	1,92,29,727.35
<b>Total Revenue from Operations</b>	<b>3,82,65,829.50</b>	<b>1,92,29,727.35</b>

**16 Other Income**

Particulars	March 31, 2018	March 31, 2017
<b>Interest Income</b>		
Long Term	50,35,125.80	54,30,069.00
Current	101.00	275.00
Dividend Received	9,600.00	18,786.14
Long Term Profit on sale of Shares	8,08,324.40	62,983.00
Profit on sale of Motor Car	30,989.00	0.00
Miscellaneous Income	25.78	9.11
<b>Total</b>	<b>58,84,165.98</b>	<b>55,12,122.25</b>

**17 Cost of Materials consumed**

Particulars	March 31, 2018	March 31, 2017
Material, Stores & Spares	16,15,717.87	10,44,637.00
Gas & Lubricants Expenses	1,24,793.50	2,70,737.00
Cutting Charges	31,43,660.00	27,98,459.00
Water Charges	1,11,238.00	1,03,482.00
Transportation	24,727.00	5,820.00
Loading Charges	2,758.50	0
<b>Total</b>	<b>50,22,894.87</b>	<b>42,23,135.00</b>

**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

<b>18 Employee Benefit Expenses</b>		
Particulars	March 31, 2018	March 31, 2017
Bonus Paid	1,84,188.00	1,76,188.00
Directors Remuneration	30,00,000.00	30,00,000.00
Gratuity expenses	5,483.00	5,487.00
Leave Salary	92,095.00	88,095.00
Medical Expenses	93,129.33	39,067.79
ESIC Employers Contribution	89,200.00	53,719.00
P F Employers Contribution	5,91,512.00	5,89,382.00
Rent Paid HRA	9,99,996.00	9,99,996.00
Salary & Wages	25,87,801.00	21,86,443.00
Maharashtra Labour Welfare Fund	7,975.00	0.00
Staff Welfare expenses	13,15,475.83	3,44,310.04
<b>Total</b>	<b>89,66,855.16</b>	<b>74,82,687.83</b>
<b>19 Finance Cost</b>		
Particulars	March 31, 2018	March 31, 2017
<b>Interest Expense</b>		
Bank Charges	5,257.59	4,707.92
<b>Other Borrowing Cost:</b>		
- Interest Paid to NSDL	647.78	0.00
- Interest on Loan	59,567.00	3,30,350.83
<b>Total</b>	<b>65,472.37</b>	<b>3,35,058.75</b>
<b>20 Other Expenses</b>		
Particulars	March 31, 2018	March 31, 2017
<b>Power and Fuel</b>		
Electricity Charges	17,35,900.00	15,77,880.00
Fuel	1,05,306.58	81,823.80
<b>Rent</b>		
Machinery, Office Rent	1,92,000.00	1,92,000.00
<b>Repairs to Machinery</b>		
Repairs & Maintenance	10,89,086.95	6,38,987.00
<b>Insurance</b>		
Insurance	1,40,673.00	1,45,715.00
<b>Miscellaneous expenses</b>		
Advertisement & Promotions	1,09,000.00	96,000.00
Audit Fee	75,000.00	75,000.00
Brokerage & Commission	10,09,109.82	8,61,647.00
Computer Expenses	3,600.00	0.00
Conveyance	95,479.00	49,107.00
Discount & Rebates	(1,24,622.57)	(5,763.30)
Donation	21,40,000.00	13,22,000.00
E Voting Charges	5,000.00	5,000.00
Factory License Renewal Fee	0.00	31,556.00
Handling Charges	2,176.00	0.00
Inspection Charges	17,700.00	17,700.00
Internet Expenses	9,550.00	9,200.00
Listing Fees	2,95,000.00	2,60,000.00
Legal & Professional fees	2,69,000.00	2,47,063.00
Long Term Loss	0.00	2,04,009.78
Motor Car Expenses	67,691.88	0.00
Membership Charges	11,000.00	5,000.00
Municipal Taxes	1,57,024.00	1,78,438.00
Office Expenses & Others	1,05,903.49	89,551.15
Packing & Forwarding Charges	3,520.00	0.00
Postage & Courier Expenses	3,618.00	3,327.00
Printing & Stationery	54,883.00	24,869.00
ROC Fees	700.00	2,400.00
Swachh Bharat Cess	1,920.62	3,096.81
Krishi Kalyan Cess	0.00	1,033.64
Telephone expenses	81,621.31	86,708.84
Travelling Expenses	6,34,904.00	7,33,922.85
<b>Total</b>	<b>82,91,745.08</b>	<b>69,37,272.57</b>



**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**21 RELATED PARTY DISCLOSURES AS REQUIRED BY ACCOUNTING STANDARD (AS) - 18 "RELATED PARTY DISCLOSURES", ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA, ARE AS PER SEPARATE ANNEXURE**

**i) Relationships:**

**(a) Key Management Personnel :**

- 1 Ashok Maganlal Mehta
- 2 Yash Ashok Mehta
- 3 Kumud Ashok Mehta

**ii) Enterprises over which key management personnel & their relatives have significant influence:**

- A. Ashoka Sheet Processors Private Limited
- B. Dhan Financial Services P. Ltd.
- C. Digha Steel Industries Private Limited
- D. Mahuva Steel Industries Private Limited
- E. Ashok M. Mehta HUF

**22 EARNINGS PER SHARE:**

Particulars	For the Year ended 31-Mar-18 Rupees	For the Year ended 31-Mar-17 Rupees
i. Profit after tax as per Profit and Loss Account	1,44,44,760	27,27,903
Add / (Less): Prior Period Adjustments	-	-
Profit attributable to equity share holders (A)	1,44,44,760	27,27,903
ii. Weighted average number of equity shares outstanding during the year (B)	54,86,400	54,86,400
iii. Earnings Per Share (A/B)	2.63	0.50
iv. Face Value of Equity Share	10	10

**23 OTHER NOTES:**

- a) Balance of sundry debtors, creditors and loans and advances are subject to confirmation, reconciliation, if any.
- b) In the opinion of board the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.
- c) In the opinion of the board, provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

**24** Previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

**25** Figures in brackets relate to the previous year

**For Gada Chheda & Co. LLP**  
**Chartered Accountants**  
**Firm Registration No : W100059**

**For and on behalf of the Board of Directors**

**(Mr. Ronak P. Gada)**  
**Designated Partner**  
**Membership No.: 146825**  
**Place : Mumbai**  
**Date : 22/05/2018**

**Mr. Ashok M Mehta**  
**Chairman & Managing Director**  
**DIN: 00163206**

**Mr. Yash A Mehta**  
**Executive Director-Marketing**  
**DIN: 00163147**

**RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**26 - RELATED PARTY DISCLOSURE ANNEXURE**

Particulars	Key Management Personnel (KMP)		Enterprise under significant Influence of KMP or their relatives	
	31/03/18	31/03/17	31/03/18	31/03/17
<b>Rent Paid</b>	-	-	<b>1,92,000</b>	<b>1,92,000</b>
Ashok M Mehta HUF	-	-	1,20,000	1,20,000
Mahuva Steel Industries Private Limited	-	-	72,000	72,000
<b>Salary and other benefits</b>	<b>39,99,996</b>	<b>39,99,996</b>	-	-
Ashok M Mehta	24,00,000	24,00,000	-	-
Yash A Mehta	15,99,996	15,99,996	-	-

For Gada Chheda & Co. LLP  
Chartered Accountants  
Firm Registration No : W100059

For and on behalf of the Board of Directors

(Mr. Ronak P. Gada)  
Designated Partner  
Membership No.: 146825  
Place : Mumbai  
Date : 22/05/2018

Mr. Ashok M Mehta  
Chairman & Managing Director  
DIN: 00163206

Mr. Yash A Mehta  
Executive Director-Marketing  
DIN: 00163147

**PROXY FORM**

**Form No. MGT-11**

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of the member(s):	
Registered Address	:
E-mail id	:
Folio No/Client Id	:
DP ID	:

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

- Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Signature: \_\_\_\_\_, or failing him
- Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Signature: \_\_\_\_\_, or failing him
- Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_  
 Signature: \_\_\_\_\_

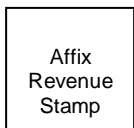
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Seventh Annual General Meeting of the Company held on Monday, September 24, 2018 at 11.00 a.m. at Plot No. C-17/2, MIDC Industrial Area, Talaja, Dist. Raigad-410208 (Maharashtra) and at any adjournment thereof in respect of such resolutions as are included below:

Resolution No.	Description	For	Against
1	To receive, consider and adopt the Statement of Profit and Loss of the Company for the year ended 31 <sup>st</sup> March, 2018 and Balance Sheet as on that date, Cash Flow Statement for the year ended 31 <sup>st</sup> March, 2018 and Report of the Directors and Auditors thereon.		
2	To declare Dividend on equity shares.		
3	To Re-appoint M/s.GADA CHHEDA & Co. LLP, Chartered Accountants (Membership No.146825) (FRN No.- 133987W) as Statutory Auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next Annual General Meeting of the Company.		
4	To appoint a Director in the place of Shri. Ashok Mehta (DIN No. 00163206), who retires by rotation and is eligible for re-appointment		
5	To Re-appoint Shri Ashok Mehta (DIN No. 00163206) as a Managing Director of the Company for further period of 3 years w.e.f. 01 <sup>st</sup> November, 2018 and in this regard to consider and if thought fit, to pass the following resolution with or without modifications as Ordinary Resolution:		
6	Re-appointment of Mr. Yash Ashok Mehta (DIN : 00163147) as an Executive Director, Marketing of the Company for further period of 3 years w.e.f. 1 <sup>st</sup> November, 2018. And also And in this regard to consider and if thought fit, to pass, with or without modification, the following as an Ordinary Resolution		

Signed this \_\_\_ day of \_\_\_\_\_ 2016

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

**M/s. RISHABH DIGHA STEEL AND ALLIED PRODUCTS LIMITED**  
Regd. Office: Plot No. C-17/2, MIDC Industrial Area, Taloja, Dist. Raigad-410208 (Maharashtra)  
CIN: [L15310MH1991PLC064563](https://www.mca21.gov.in/Ministry/portal/home)

**ATTENDANCE SLIP**

Full name of the member attending \_\_\_\_\_

Full name of the joint-holder \_\_\_\_\_  
(To be filled in if first named Joint – holder does not attend meeting)

Name of Proxy \_\_\_\_\_  
(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the **Twenty Seventh Annual General Meeting** of the Company held on Monday, September 24, 2018 at 11.00 a.m. at Plot No. C-17/2, MIDC Industrial Area, Taloja, Dist. Raigad-410208 (Maharashtra) .

Regd. Folio No. \_\_\_\_\_ \*Client ID. \_\_\_\_\_ \*D.P. ID. \_\_\_\_\_

\*Applicable for investors holding shares in electronic form

No. of Share(s) held \_\_\_\_\_

Member's/Proxy's signature \_\_\_\_\_

**Route Map – Venue of AGM**  
**Plot No. C-17/2, MIDC Industrial Area, Taloja, Dist. Raigad-410208 (Maharashtra)**  
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