

Rasandik Engineering Industries India Limited



**27TH
ANNUAL REPORT
2010 - 2011**

www.rasandik.com

BOARD OF DIRECTORS	Mr. S. C. Kapoor , Chairman Mr. Rajiv Kapoor , Managing Director Mrs. Deepika Kapoor Dr. Shyam S. Sethi Mr. A. R. Halasyam
COMPANY SECRETARY	Mr. Gorav Arora
AUDITORS	M/s. Awatar & Co., Chartered Accountants 1203, Rohit House,3, Tolstoy Marg New Delhi - 110 001
BANKERS	Oriental Bank of Commerce ICICI Bank Kotak Mahindra Bank Canara Bank State Bank of India HDFC Bank
REGISTERED OFFICE	14, Roz-Ka-Meo Industrial Area Sohna, Distt. Gurgaon Haryana - 122 103
CORPORATE OFFICE	C-4 & 5, First Floor, C - Block Market, Vasant Vihar, New Delhi - 110 057

CONTENTS	
Notice of AGM	2
Directors' Report	7
Annexure to Directors Report	9
Corporate Governance Report	11
Management Discussion and Analysis	21
Auditors' Report	25
Balance Sheet	28
Profit and Loss Account	29
Schedules & Notes on Accounts	30
Cash Flow Statement	46

**Financial Highlights
Consistent Growth**

Rs. in lacs

Particulars	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
RESULTS FOR THE YEAR							
Gross Turnover	16,957.10	17,759.73	18,905.92	21,558.88	22,725.17	25,338.88	29,812.79
Net Turnover	14,059.71	14,785.25	15,834.03	18,038.96	19,766.97	23,020.02	26,777.94
Total Income	16,996.63	17,921.92	19,030.39	21,952.23	22,852.51	25,473.76	29,997.75
Profit before interest ,dep. & tax (PBDIT)	1,636.03	1,543.15	1,604.49	2,809.58	2,742.32	3,115.58	3,381.34
Depreciation	557.14	469.50	557.76	831.67	1,073.33	1,146.94	1,247.91
Profit before tax	821.79	786.92	611.39	1,243.08	269.81	678.78	435.72
Profit after tax	546.11	497.00	367.78	716.15	(72.88)	485.61	205.02
Equity Dividend %	15%	15%	10%	15%	NIL	NIL	NIL
Dividend Payout incl. Div Tax	80.82	80.82	55.28	82.92	NIL	NIL	NIL
YEAR END POSITION							
CAPITAL EMPLOYED							
Fixed Assets(Gross)	6,834.48	9,746.26	11,164.71	16,590.64	20,207.62	21,509.54	22,987.04
Fixed Assets(Net)	4,950.50	7,630.21	12,764.12	16,808.80	20,530.14	19,690.13	19,139.11
Other Assets (Net)	787.84	865.96	1,741.95	2,192.89	769.56	(321.01)	473.02
Investment	—	—	—	198.92	198.92	198.92	—
Capital Employed	5,738.34	8,496.17	14,506.07	19,200.60	21,498.62	19,568.03	19,612.13
SOURCES OF FUND							
Share Capital	472.50	472.50	472.50	472.50	472.50	472.50	472.50
Free Reserves	1,293.61	1,709.79	2,022.29	2,655.41	2,372.89	2,848.29	3,069.35
Share Application Money	—	—	—	—	—	—	—
Net Worth	1,766.11	2,182.29	2,494.79	3,127.91	2,845.39	3,320.79	3,541.85
Deferred liabilities	576.33	737.13	810.80	1,134.47	1,431.16	1,501.75	1,626.99
Borrowed Funds	3,395.90	5,538.95	11,361.60	14,938.22	17,222.07	14,745.50	14,443.29
Sources of funds	5,738.34	8,458.37	14,667.19	19,200.60	21,498.62	19,568.03	19,612.13
Key Indicators							
Face value per share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Earning per share (Rs.)	11.58	10.52	7.78	15.16	(1.54)	10.28	4.34
Cash Earning per share (Rs.)	23.35	20.46	19.59	32.76	21.17	34.55	30.75
Gross Turnover per share (Rs.)	358.88	375.87	400.13	456.27	480.96	536.27	630.96
Book Value per share (Rs)	37.38	46.19	52.80	66.20	60.22	70.28	74.96
Dividend per share (Rs)	1.50	1.50	1.00	1.50	NIL	NIL	NIL
Debt Equity Ratio	1.92	2.54	4.55	4.78	6.05	4.44	4.08
PBDIT/Gross Turnover %	9.65	8.69	8.49	13.03	12.07	12.30	11.34
Net Profit Margin %	3.22	2.80	1.95	3.32	(0.32)	1.92	0.69
RONW %	30.92	22.77	14.74	22.90	(2.56)	14.62	5.79
Assets Net Turnover ratio	2.06	1.52	1.42	1.09	0.98	1.07	1.16

**NOTICE**

To the Shareholders

Notice is hereby given that the 27th Annual General Meeting of the Shareholders of the Company will be held on Friday, the 30th September, 2011 at 10 a.m. at Conference Hall, Saras Tourist Complex, Damdama, Sohna, Haryana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S C Kapoor, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s Awatar & Co. Chartered Accountants, be and is hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as will be fixed by the Board of Directors.”

SPECIAL BUSINESS

4. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (‘Act’), as amended or re-enacted from time to time, read with Schedule XIII to the Act, the Company hereby approves of the appointment and terms of remuneration of Mr. Rajiv Kapoor as the Managing Director of the Company for a period of three (3) years with effect from 01.10.2011 to 30.09.2014 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting including the remuneration to be paid in the event of less or inadequate profit in any financial year, with liberty to the Board of Directors to alter and vary the terms of conditions of appointments in such manner as may be agreed between Board of Directors and Mr. Rajiv Kapoor.

RESOLVED FURTHER THAT pursuant to Sections 198, 309 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Rajiv Kapoor, Managing Director of the Company be and is hereby paid a

commission on the net profits, in addition to the salary and perquisites, for a period of three (3) years with effect from 01.10.2011 to 30.09.2014, subject to overall ceiling stipulated in Sections 198 and 309 of the Companies Act, 1956.”

By Order of the Board

For Rasandik Engineering Industries India Limited

Place : New Delhi

Date : 02.06.2011

Gorav Arora

Company Secretary

Registered Office:

14, Roj-ka-Meo Industrial Area,
Sohna, Gurgaon, Haryana-122103

NOTES:

1. The relevant details as stipulated under Clause 49 of the Listing Agreements with Stock Exchanges, of persons seeking re-appointment as a Director are provided in the Report on Corporate Governance forming part of the Annual Report.
2. **A member entitled to attend and vote at the above meeting is entitled to appoint a Proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. The proxy form must be lodged with the Company at its Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
3. Members are requested to bring the enclosed Attendance Slip along with their copies of Annual Report for attending Meeting.
4. Members who hold shares in dematerialised form are requested to write down their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from 26.09.2011 to 30.09.2011 (both days inclusive).
6. Members holding shares in electronic mode are requested to intimate any change of address, bank details, etc, to their respective Depository Participants (DPs) and those holding shares in physical mode are requested to intimate the above details quoting their Folio Number(s) to the Company's Registrar - Link Intime India Pvt. Ltd.
7. Members who have not yet claimed / encashed their dividend warrants for the Financial Year 2003-04, 2004-05, 2005-06, 2006-07 and 2007-08 are requested to



lodge their request with the company at its Corporate Office at C-4 & 5, C-Block Market, Vasant Vihar, New Delhi-110057 for revalidation of the Dividend warrants.

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividends which remain unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account will be transferred to the Investor Education and

Protection Fund of the Central Government. The following are the details of the Dividends paid by the Company by the shareholders:

Further the Company shall not in a position to entertain the claims of the Shareholders for the unclaimed dividends which have been transferred to the credit of IEP Fund.

Financial Year ended	Date of Declaration of Dividend	Last date for claiming unpaid Dividend	Last date for transfer to IEPF
31.03.2004	13.08.2004	12.08.2011	11.09.2011
31.03.2005	19.08.2005	18.08.2012	17.09.2012
31.03.2006	25.08.2006	24.08.2013	23.09.2013
31.03.2007	07.09.2007	06.09.2014	05.09.2014
31.03.2008	12.09.2008	11.09.2015	10.09.2015

- 8. Individual Shareholders holding shares singly or jointly in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit the details to the Company / RTA in the prescribed Form 2B for this purpose.
- 9. All documents referred to in the accompanying notice, are open for inspection at the registered office of the

Company on all working days, between 11 a.m. and 1 p.m. upto the date of meeting.

By Order of the Board
For Rasandik Engineering Industries India Limited

Place : New Delhi
Date : 02.06.2011

Gorav Arora
Company Secretary



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO- 4

Mr Rajiv Kapoor a founder promoter of the company is a technocrat turned industrialist. After graduating from IIT Delhi, Mr Rajiv Kapoor joined F. L. Smidth and company, a Copenhagen Denmark based company and worked with them for a period of about five years at their project sites. With project management skills coupled with great understanding of the auto component manufacturing and networking in automobile industry, Mr. Kapoor decided to venture in to auto component manufacturing. His drive and passion for the auto component business resulted in the formation of Rasandik Engineering Industries India Ltd in 1986. He is the key driver behind the success achieved by the Company. He is in day-to-day charge of the Company's operations and business. He, however, concentrates more on the product development, new business opportunities, technology up-gradation, and product quality and growth strategies. His continuous pursuit for timely supply of best quality products at competitive prices has made Rasandik a very dependable and preferred auto component supplier in the industry.

As the tenure of Mr Rajiv Kapoor, Managing Director will be expiring on 30th September 2011. The Board of Directors of the Company at their meeting held on 02.06.2011 have reappointed him as the Managing Director of the Company for the period of 3 years with effect from 01.10.2011 to 30.09.2014 at monthly basic salary of Rs.400,000/- in addition perquisites as per abstract given below and a commission on the net profits subject to overall ceiling stipulated in Sections 198 and 309 of the Companies Act, 1956.

A) Tenure: 01.10.2011 to 30.09.2014

B) Nature of Duties: The Managing Director shall, subject to the supervision and control of the Board of Directors, be entrusted with substantial powers of Management and shall perform such duties as may from time to time, be entrusted to him.

C) Remuneration:

- a) **Basic Salary:** Rs. 400,000/- (Rupees Four Lacs) per month
- b) **Perquisites:** Following perquisites shall not be included in computing the Salary as mentioned above:
 - (i) Contribution to provident fund, Superannuation Fund or Annuity Fund to the extent, either singly

or put together are not taxable under the Income Tax, Act, 1961.

- (ii) Gratuity payable at a rate of not exceeding half of month's Salary for each completed year of service.
- (iii) Leave: One month's leave on full pay and allowances for every eleven months service. Encashment of leave as per Rules of the Company.
- (iv) A Car with a driver for official use. A telephone at residence for official use. Personal long distance calls of telephone and usage of office car for personal purpose shall be billed by the Company to the Managing Director.
- (v) Reimbursement of entertainment, hotel and other expenses actually and properly incurred for legitimate business of the Company.

D) Commission: Such remuneration by way of Commission, in addition to salary, perquisites and allowances calculated with reference to the net profits of the Company in a particular financial year as may be determined by the Remuneration Committee and/or the Board of Directors of the Company at the end of each financial year, subject to overall ceiling stipulated in Sections 198 and 309 of the Companies Act, 1956.

E) Minimum Remuneration: Notwithstanding anything herein contained, where in any financial year during the currency of the tenure of Managing Director, the Company has no profits or profits are inadequate, the Company may pay him remuneration by way of salary, perquisites and allowances as specified above, as per the applicable provisions of law including Schedule XIII to the Companies Act, 1956.

F) Memorandum of Concern or Interest: Mr. Rajiv Kapoor being an appointee is interested in the resolution. Mr. S.C. Kapoor, Chairman and Mrs Deepika Kapoor, Director being relatives of Mr. Rajiv Kapoor are also deemed to be interested in the resolution.

The Board of Directors recommended the resolution for approval of the members.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Name	Mr. Suresh Chandra Kapoor
Date of Birth	10 th June 1929
Date of Appointment	13 th June 1992
Educational Qualification	Engineering Graduate
Expertise in specific functional area	Mr. S. C. Kapoor, a brilliant science graduate with a gold medal achieved the same feat as an Engineering graduate from University of Roorkee. Till 1980 he worked with various reputed companies/ corporate such as CPWD, Engineering Projects India Limited, Delhi Development Authority etc. He became the Chairman and Managing Director of National Building Const. Corporation Limited in 1981 and continued till 1987.
List of other Companies in which Directorship held	Kapoor Associates Private Limited Kapoor & Budhwar Associates Private Limited
Chairman / Member of the Committees of Board of Directors of Other Companies	None
No of Shares Held in the Company	146,900

Name	Mr. Rajiv Kapoor
Date of Birth	4 th November 1955
Date of Appointment	10 th January 1984
Educational Qualification	B.Tech. (Mechanical) IIT-Delhi, Graduated in 1977
Expertise in specific functional area	Industrialist with rich business experience in general
List of other Companies in which Directorship held	None
Chairman / Member of the Committees of Board of Directors of Other Companies	None
No of Shares Held in the Company	809,447

By Order of the Board
For Rasandik Engineering Industries India Limited

Place : New Delhi
Date : 02.06.2011

Gorav Arora
Company Secretary



RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED
14, Roz-Ka-Meo Industrial Area, Sohna, Distt. Gurgaon, Haryana 122103.

To,
The Members of Rasandik Engineering Industries India Limited

Sub: Abstract of the Terms of Appointment, Remuneration and Memorandum of Interest under Section 302 of the Companies Act, 1956

The Board of Directors of the Company at their Meeting held on 02.06.2011, reappointed, Mr. Rajiv Kapoor as Managing Director of the Company for a term of Three Years, from 01.10.2011 to 30.09.2014 on the remuneration and perquisites subject to approval of the members at the forthcoming Annual General Meeting and central government, if any required.

An abstract of the said appointment and the Memorandum specifying the nature of the concern or interest of the directors in the appointment of Mr. Rajiv Kapoor as Managing Director of the Company is being circulated in accordance with the provisions of Section 302 of the Companies Act, 1956.

Abstract of the Appointment

- A. Tenure:** 01.10.2011 to 30.09.2014
- B. Nature of Duties:** The Managing Director shall, subject to the supervision and control of the Board of Directors, be entrusted with substantial powers of Management and shall perform such duties as may from time to time, be entrusted to him.
- C. Remuneration:**
- a) **Basic Salary:** Rs. 400,000/- (Rupees Four Lacs) per month
 - b) **Perquisites:** Following perquisites shall not be included in computing the Salary as mentioned above:
 - (i) Contribution to provident fund, Superannuation Fund or Annuity Fund to the extent, either singly or put together are not taxable under the Income Tax, Act, 1961.
 - (ii) Gratuity payable at a rate of not exceeding half of month's Salary for each completed year of service.

- (iii) Leave: One month's leave on full pay and allowances for every eleven months service. Encashment of leave as per Rules of the Company.
- (iv) A Car with a driver for official use. A telephone at residence for official use. Personal long distance calls of telephone and usage of office car for personal purpose shall be billed by the Company to the Managing Director.
- (v) Reimbursement of entertainment, hotel and other expenses actually and properly incurred for legitimate business of the Company.

D. Commission: Such remuneration by way of Commission, in addition to salary, perquisites and allowances calculated with reference to the net profits of the Company in a particular financial year as may be determined by the Remuneration Committee and/or the Board of Directors of the Company at the end of each financial year, subject to overall ceiling stipulated in Sections 198 and 309 of the Companies Act, 1956.

E. Minimum Remuneration: Notwithstanding anything herein contained, where in any financial year during the currency of the tenure of Managing Director, the Company has no profits or profits are inadequate, the Company may pay him remuneration by way of salary, perquisites and allowances as specified above, as per the applicable provisions of law including Schedule XIII to the Companies Act, 1956.

F. Memorandum of Concern or Interest: Mr. Rajiv Kapoor being an appointee is interested in the resolution. Mr. S.C Kapoor, Chairman and Mrs Deepika Kapoor, Director being relatives of Mr. Rajiv Kapoor are also deemed to be interested in the resolution.

By Order of the Board

For Rasandik Engineering Industries India Limited

Place : New Delhi
Date : 02.06.2011

Gorav Arora
Company Secretary

**DIRECTORS' REPORT****To The Members,**

Your Directors have pleasure in presenting the 27th Annual Report of your Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2011.

FINANCIAL RESULTS (Rs in millions)

PARTICULARS	2010-11	2009-10
Total Income (Gross)	2999.01	2547.38
Profit Before Finance Charges,		
Depreciation and Taxation	338.13	311.56
Finance Charges	169.77	128.99
Depreciation	124.79	114.69
Profit Before Tax	43.57	67.88
LESS:		
Tax expense	21.22	19.32
Prior Period Adjustment	1.85	—
Profit/Loss After Tax (Loss)	20.50	48.56
ADD:		
Balance in Profit and Loss Account	201.35	152.79
Amount Available for Appropriation	221.85	201.35

OPERATING RESULTS

During the year under review, the overall performance of the Company showed an improvement as compared to the previous year. The total income (gross) of the company for the year ended 31st March, 2011 was Rs. 2999.01 millions as compared to Rs. 2547.38 millions in the previous year. The profit before depreciation, interest, taxation is increased to Rs. 338.13 millions from Rs. 311.56 millions in the previous year. The net profit after depreciation and interest is Rs. 43.57 millions as compared to Rs. 67.88 millions in the previous year. The profit after tax is Rs. 20.50 millions in comparison to loss of Rs. 48.56 millions in previous year.

DIVIDEND

The Board of Directors has not recommended any dividend for the financial year 2010-11.

PROSPECTS FOR THE CURRENT YEAR

Your Company is expecting a growth of 10% for the coming financial year 2011-12. The prospect for the current year seems bright, as your company has received number of orders in the areas of Component Manufacturing.

FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBS):

The USD 10 Millions 3% Foreign Currency Convertible Bonds issue of the Company was matured on 8 April 2009 and is due for payment.

SUBSIDIARY COMPANY

The Company has on March 15, 2011 divested its 100 percent stake in its wholly owned subsidiary i.e. M/s. Rasandik Auto Components Private Limited (RACPL)

at Rs. 16 per share. The Book Value of RACPL as on 31st March 2010 (as per last Audited Balance Sheet) was Rs. 15.27 per Share. The investment in shares of RACPL was made on September 29, 2006 at Rs. 10 per share.

HUMAN RESOURCES

The human resource profile of your Company is an optimal mix of industry experience and fresh blood from engineering and business institutions. During the year under review, your company had taken several steps in further reinforcing a performance driven working environment that encourages innovation.

CORPORATE GOVERNANCE

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms the part of the Annual Report.

A Certificate from the Auditors of the Company, M/s. Awatar & Co, Chartered Accountant confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement is annexed hereto, forming part of this report.

LISTING

The shares of your Company continued to be listed at Mumbai Stock Exchanges. The listing fee has already been paid for the Financial Year 2011-12. The application for Voluntary delisting application is still pending at the Calcutta Stock Exchange; the company is continuously following up the same. Further annual custody fee has been paid to NSDL and CDSL.

CASH FLOW STATEMENT

As required by Clause 32 of the Listing Agreement with Stock Exchanges, a Cash Flow Statement is annexed.

DIRECTORS

As per the provisions of the Companies Act, 1956, Mr. S C Kapoor, Director is liable to retire by rotation at the ensuing Annual General Meeting of the Company, and being eligible, offers himself for re-appointment.

A brief resume of the Director being reappointed, nature of his expertise in specific functional areas and names of companies in which they hold Directorship and Membership/ Chairmanship of Committees of the Board, as stipulated under Clause 49 of the listing agreement, are given in the statement of Corporate Governance elsewhere in the Annual Report.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956 as amended, your Directors state that:

- a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed with proper explanations relating to material departures, if any;
- b) The accounting policies adopted in preparation of the annual accounts have been applied consistently and reasonable and prudent judgements and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2010-11 and of the profit for the period ended March 31, 2011;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a 'going concern' basis.

AUDITORS

The Statutory Auditors of the Company, M/s Awatar & Co., Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

FIXED DEPOSITS

The Company has not accepted any fixed deposits from public during the year.

INSURANCE

All the properties of the Company including Buildings, Plant and Machinery and Stocks have been adequately insured.

PARTICULARS OF EMPLOYEES

Information as required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended, regarding particulars of employees are set out in the Annexure A to this report.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The particulars relating to energy conservation, technology absorption, foreign exchange earning and outgo, as required

to be disclosed under Section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, forming part of the Directors' Report is enclosed as per Annexure B to this report.

QUALITY SYSTEM

Your Company has been certified as an ISO/TS 16949-2002 version Quality System Company by AIB Vincotte Inter Belgium and also an ISO 14001 - Environment Management System Company by British International Standard (BIS).

AUDITORS' REPORT

The observations made in the Auditors Report are self-explanatory and therefore do not call for any further comment under Section 217 (3) of the Companies Act, 1956.

TRANSFER TO INVESTORS EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, The declared dividends which remain unclaimed for a period of 7 years have been transferred by the company to the Investor Education and Protection Fund of the Central Government pursuant to section 205C of the said Act.

ACKNOWLEDGEMENTS

Your Directors would like to thank the employees, shareholders, customers, suppliers and bankers for their continued support and for their continued support and confidence in the management.

Your Company is grateful for the co-operation and continued support extended by Maruti Suzuki Motors Ltd, Tata Motors Ltd, New Holland Tractors, Honda Sael, Fiat India, General Motors, Mahindra, Renault, Swaraj Mazda, Honda Motorcycles & Scooters, Ashok Leyland, Force Motors and all other Customers. Your Directors look forward to receive their continued confidence, support and encouragement.

For and on Behalf of the Board

Place : New Delhi

Date : 02.06.2011

(S. C. KAPOOR)

CHAIRMAN



ANNEXURE TO DIRECTORS' REPORT

ANNEXURE-A

INFORMATION AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 & FORMING PART OF DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2011.

Details of employee(s) who draw an aggregate remuneration of Rs. 60,00,000/- or more per annum or Rs. 500,000/- or more per month

None

ANNEXURE-B

INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2011.

A. CONSERVATION OF ENERGY

Your Company is not an industry listed in Schedule to Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. It has given top priority to energy consumption by putting continuous efforts towards optimization of operating and processing parameters, up-gradation of plant equipments, ensuring that scarce energy resources are utilized in the most efficient manner etc. It has been continuously thriving to optimize energy consumption levels by selecting energy efficient and environment friendly technologies for its plants.

(i) Statement of Power & Fuel Consumption

SI No.	Particulars	2010-11	2009-10
a.	Purchased of Electricity		
	Units Purchased	8,564,413	8,256,730
	Total Amount (Rs.)	45,923,898	38,281,675
	Average rate / unit (Rs.)	5.36	4.64
b.	Own Generation of Electricity		
	DG Set Generated Units	2,899,437	2,554,460
	Total Amount (Rs.)	35,577,943	27,742,406
	Average rate / unit (Rs.)	12.27	10.86

(ii) Energy Conservation Measures taken

Your company has given utmost importance to the Energy conservation by adopting the most modern technology and has implemented many Energy conservation measures through small group activities and suggestion schemes. It is taking various steps for optimizing operations in use of power and energy and also reduction in energy consumption. These are as follows:

- To reduce electrical energy consumption by enhancing use of natural light.
- To conserve energy by reducing compressed air consumption.
- To conserve energy by using energy efficient Welding Guns.

In addition to the above, constant energy monitoring is being done in various sections of the plant for which energy meters have been installed in each Press Machines as well as in various Shops. Statistical analysis will be carried out and energy consumption and reduction plans will be worked out.

(iii) Additional investment and proposal, if any, being implemented for reduction of energy

NIL

(iv) Impact of measures of (i) & (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods

NIL

B. RESEARCH AND DEVELOPMENT & TECHNOLOGY ABSORPTION

The Company's Research and Development (R&D) activities include up-gradation of technology and cost reduction by Value Engineering. As there is no separate R&D Department, the amount incurred on R&D is difficult to estimate. Your company believes in employing the most modern technologies to derive the best possible results.



C. FOREIGN EXCHANGE EARNINGS & OUTGO

Your company continues to maintain its focus on and avail of export opportunities based on economic considerations. Strong initiatives have been taken to interact with a variety of overseas customers with the focus on identification of new customers and procuring contracts from them.

The company is continuing with its vigorous efforts to increase its exports by broadening its customer profile, concentrating on formulation sales, exploring possibilities of entering into new and expanding markets etc.

a. Activities relating to export:

The company has identified products and potential customers for Export. The Company have number of export orders in hand and the product development is under process.

b. Foreign Exchange Earnings:

(In Rs)

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
F.O.B. Value of Exports	18,887,396	30,127,717

c. Foreign Exchange Outgo:

(In Rs)

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
Raw Material & Component (CIF Value of Imports)	81,521,414	104,560,713
Store & Spares (CIF Value of Imports)	1,193,599	791,855
Plant & Machinery	14,506,575	72,044,946
Traveling	2,155,115	176,754
Professional Charges	669,192	1,239,919
Interest	—	2,436,842
Others	453,262	—

ANNEXURE - C

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2010-11

(As required under Clause 49 of the Listing Agreements entered with Stock Exchange)

1. Company's philosophy on Code of Governance

We believe that Corporate Governance is a voluntary and self discipline code which means not only ensuring compliance with regulatory requirements but also being responsive to our stakeholders needs. Focus of the Company has always been to ensure continuing value creation for each of its stakeholders and above all to achieve business excellence with the goal of long-term sustainable development.

2. BOARD OF DIRECTORS

The present strength of Directors on the Board is five of which two are independent and non-executive, two are non-independent and non-executive and one is non-independent and executive who is responsible for the management of Company's business.

The Board Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman may bring up any matter for the consideration of the Board. All major issues included in the Agenda are backed by comprehensive information being circulated in advance of each meeting of the Board to enable the Board to take informed decisions.

Meetings and Attendance:

During the year Five (5) Board meetings were held on 05.06.2010, 10.08.2010, 30.10.2010, 20.01.2011 and 15.03.2011. The maximum time gap between any two consecutive meetings was not more than four months. The Composition of Board of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting and other directorships and chairmanships/memberships of the Committees of each Director held in various companies, as at 31st March, 2011, is given below:

Name	Designation	Promoter/ Independent Director	Meetings attended	Directorships in other companies (Indian)	Attendance in last AGM	Share- holding (Nos.)
Mr. S. C. Kapoor	Chairman	Non-Independent	5	0	Yes	809,447
Mr. Rajiv Kapoor	Managing Director	Promoter	5	0	Yes	146,900
Mrs. Deepika Kapoor	Director	Promoter	5	0	No	34,300
Dr. Shyam S. Sethi	Director	Independent	5	0	No	Nil
Mr. A. R. Halasyam	Director	Independent	4	0	No	23,000

* Excludes Directorships in Private Limited Companies

**Mr. Rajiv Kapoor is related to Mr. S. C. Kapoor, Chairman and Mrs. Deepika Kapoor, Director

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49) across all Companies in which he/she is a Director. The necessary disclosures in this regard have been made by all the Directors.

Directors with Material Pecuniary or Business Relationship with the Company

Disclosures to be made to the Board by the Directors of the company relating to all material, financial and commercial transactions in which they have personal interest, which may have a potential conflict with the interest of the Company at large. None of the Directors has any pecuniary relationship or transaction with the company.

Code of Conduct:

The Board of Directors has laid down Code of Conduct for all Board members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company.

A declaration signed by the Chief Executive Officer is attached and forms part of the Annual Report of the Company.



COMMITTEES OF THE BOARD

The Board of Directors has constituted three Committees of the Board - Audit Committee, Investor Grievance Committee and Share Transfer Committee. The terms of reference of the Board Committees are determined by the Board from time to time. The role and composition of these Committees, including the number of meetings held and the related attendance is as follows:

3. AUDIT COMMITTEE

- (i) The role & term of reference of the audit committee are in conformity with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges.
- (ii) The terms of reference of the Audit Committee of the Company are broadly as under:
 - Overview of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - Recommending to the Board, the appointment, re-appointment and if required, replacement or removal of the statutory auditor and the fixation of audit fees and also approval for payment for any other services.
 - Reviewing, the financial statements and draft audit report, including quarterly/ financial statements before submission to the Board for approved.
 - Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - ◆ Matters required to be included in the Director's Responsibility Statements to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
 - ◆ Changes, if any, in accounting policies and practices and reason for the same;
 - ◆ Major accounting entries involving estimates based on the exercise of judgment by management;
 - ◆ Qualifications in the draft audit report;
 - ◆ Significant adjustments in made in the financial statement arising out of audit findings;
 - ◆ The going concern assumptions;
 - ◆ Compliance with Accounting Standard;
 - ◆ Compliance with listing and other legal requirements relating to financial statements;
 - ◆ Any related party transactions as per Accounting Standard 18.
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 - Reviewing the Company's financial and risk management policies.
 - Disclosure of contingent liabilities.
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - Discussion with internal auditors any significant findings and follow up there on.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - To look into the reasons for substantial defaults in payment to the shareholders (in case of non payment of declared dividends) and creditors, if any.
 - Reviewing functioning of the Company's Whistle Blower Mechanism. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.



- (iii) In its meeting, the Audit Committee considered audit reports covering operational, financial and other business areas and the quarterly results of the Company. The Audit Committee meetings are usually held at Corporate Office of the Company and are attended by members, Chief Financial Officer, representatives of Statutory Auditors and representatives of Internal Auditors. The Operational Heads are invited to the meetings, as required. The Company Secretary is the Secretary to the Committee. The Audit Committee (AC) comprises of three Non-Executive Directors, with a majority of them being Independent Directors.
- (iv) Four Audit Committee meetings were held during the year. The dates on which the said meetings were held are as follows: 05.06.2010, 10.08.2010, 30.10.2010 and 20.01.2011. The necessary quorum was present at all the meetings.
- (v) The Composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Sl. No.	Name of the Directors	Designation	No. of Meetings Attended
1	Dr. Shyam S. Sethi	Member	4
2	Mr. S. C. Kapoor	Member	4
3	Mr. A. R. Halasyam	Member	3

4. SHAREHOLDER’S GRIEVANCE COMMITTEE

Composition: The Shareholders Grievance Committee consists of three Non-Executive Directors, with a majority of them being Independent Directors. The Chairman of the Committee is a Non-Executive Independent Director and the Company Secretary is the Secretary to the Committee.

Terms of Reference: The functioning and terms of reference of the committee are to oversee various matters relating to redressal of shareholders grievances like:

- Delay in Transfer/Transmission of shares
- Review of shares dematerialized and all other related matters
- Monitoring expeditious redressal of investors grievance
- Non-receipt of Annual Report and Dividend
- All other matters related to shares

Besides the Committee oversees the Shareholders Grievance, formulates redressal mechanism and recommends measures to improve the level of service to Shareholders.

Meetings & Attendance: Four Shareholders Grievance Committee meetings were held during the year. The dates on which the said meetings were held are as follows: 05.06.2010, 10.08.2010, 30.10.2010 and 20.01.2011. The necessary quorum was present at all the meetings.

Attendance:

Sl. No.	Name of the Directors	Designation	No. of Meetings Attended
1	Mr. S. C. Kapoor	Member	4
2	Dr. Shyam S. Sethi	Member	4
3	Mr. A R Halasyam	Member	3

Compliance Officer:

The company has appointed Mr. Gorav Arora, Company Secretary of the company, as the Compliance Officer of the company. The contact address is as follows:

Mr. Gorav Arora, Compliance Officer & Company Secretary
 C-4 & 5, C-Block Market Vasant Vihar, New Delhi -110057
 email: cs@rasandik.com

Shareholders can also contact

Mr. Pradeep C. Nayak, Asst. Company Secretary
 C-4 & 5, C-Block Market Vasant Vihar, New Delhi -110057
 email: acs@rasandik.com

**SHAREHOLDERS' QUERIES / COMPLAINTS**

The Company ensures that Shareholder's grievances are minimal and the same are redressed promptly to their satisfaction. The status of queries/complaints received, resolved and pending during 1st April, 2010 to 31st March, 2011 is as follows:

Opening Balance	Received during the year	Resolved during the year	Pending
Nil	5	5	Nil

Pursuant to SEBI Circular, the Company has created an email ID exclusively for redressal of investors' grievances. The investors can post their grievance on cs@rasandik.com and acs@rasandik.com.

4. SHARE TRANSFER COMMITTEE

The Committee meets regularly to consider the allotment, transfer, transmission, split, issue of duplicate share certificates, etc. and take note of Demat Reports. Details of share transfers / transmissions etc. approved by the Committee are placed at the Board Meeting from time to time.

The Committee consists of two members. The Chairman of the Committee is a Non-Executive Director and the Company Secretary is the Secretary to the Committee.

5. GENERAL BODY MEETINGS

Year	Type	Date of Meeting	Venue of Meeting	Time	No. of Directors Present
2008-09	AGM	12.09.2008	Conference Hall, Saras Tourist Complex, Damdama, Sohna Haryana – 122103	10 a.m.	2
2009-10	AGM	11.09.2009	Conference Hall, Saras Tourist Complex, Damdama, Sohna Haryana – 122103	10 a.m.	2
2010-11	AGM	03.09.2010	Conference Hall, Saras Tourist Complex, Damdama, Sohna Haryana – 122103	10 a.m.	2

The shareholders passed all the resolutions set out in the respective notices. No Special Resolutions passed during 2009-10 and 2010-11. Special Resolutions of Re-appointment and Remuneration of Mr. Rajiv Kapoor, Managing Director was passed during 2008-09. There was no occasion to pass any Special Resolutions through Postal Ballot on any of the matters specified under Clause 35 of the listing agreement. No resolution is proposed through postal ballot this year.

6. REMUNERATION TO DIRECTORS

None of the Directors except the Managing Director of the Company is in receipt of any kind of remuneration. The non-executive directors are paid only sitting fees for attending the meetings. As the constitution of Remuneration Committee is a non-mandatory item under Clause 49 of the listing agreement, the Company has not yet formed the Remuneration Committee.

NON-EXECUTIVE DIRECTORS

Non-executive Directors are paid only sitting fees for attending meetings of the Board of Directors within the limits prescribed under the Companies Act, 1956. The details are as follows:

DETAILS OF SITTING FEES PAID TO THE NON EXECUTIVE DIRECTORS

Sr. No.	Name of the Director	No. of Meeting Attended	Sitting Fee Per Meeting (Rs.)	Sitting Fee Paid During 2010-11 (Rs.)
1	Mr. S. C. Kapoor	5	5000	25000
2	Mrs. Deepika Kapoor	5	5000	25000
3	Dr. Shyam S. Sethi	5	5000	25000
4	Mr. A. R. Halasyam	4	5000	20000



MANAGING DIRECTOR

The details of the remuneration paid to Mr. Rajiv Kapoor, Managing Director (re-appointed as Managing Director w.e.f. 01.10.2008) during the financial year 2010-11, are as follows: (Rs.)

Basic	Contribution to Provident and Other Funds	Perquisites	Commission	Total
4,800,000	576,000	—	—	5,376,000

7. DISCLOSURES

There were no transactions of material nature with the promoters, directors or the management or relatives, etc. that may have potential conflict with the interests of the Company. There are no instances of non-compliances nor have any penalties/strictures been imposed by any Stock Exchange or SEBI or any other statutory authority during the last three years on any matter related to capital market.

8. REAPPOINTMENT OF DIRECTORS

Mr. S C Kapoor, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

9. MEANS OF COMMUNICATION

The Quarterly results of the Company were announced within a month of the end of each quarter of the financial year 2010-11 and the Audited Annual results of the financial year 2010-11 were announced on 2nd June 2011; such results were published, inter alia, in the following newspapers 'The Financial Express' and 'Veer Arjun'.

Quarterly Disclosures	The results of the Company are Published in the newspapers.
Quarterly results and in which newspaper normally published in.	Results of the Company are normally Published in the Financial Express and Veer Arjun
Website	www.rasandik.com
Designated Exclusive Email ID	The Company has designated the following email id exclusively for investors servicing:cs@rasandik.com & acs@rasandik.com
Annual Report	Annual Report containing, inter alia, Directors Report, Auditors Report, Audited Annual Accounts and other important information is circulated to Members and others entitled thereto. The Management's Discussion and Analysis Report forms part of the Annual Report.

The Financial Statements, Corporate Governance Reports, Shareholding Pattern etc. have also been filed EDIFAR Website. This electronically filing of data is in addition to the filing of the data in the physical form with the Stock Exchanges.

10. GENERAL SHAREHOLDER INFORMATION

Registered Office	: 14, Roz-Ka-Meo Industrial Area, Sohna, Distt. Gurgaon, Haryana-122103
Annual General Meeting Date & Time Venue	: Friday, September 30, 2011 at 10.00 a.m. Conference Hall, Saras Tourist Complex, Damdama, Sohna, Haryana
Financial Calendar	: Tentative and subject to change
Financial Reporting	: Financial Year 2011-12 (April to March)
First Quarter Results	: Within 45 days from the end of quarter
Second Quarter Results	: Within 45 days from the end of quarter
Third Quarter Results	: Within 45 days from the end of quarter
Results for the Year ending 31st March, 2011	: Within 60 days from the end of financial year

Book Closure Date	: 26.09.2011 to 30.09.2011 (Both days inclusive)
Listing on Stock Exchanges	: At present the Equity Shares of the Company are listed at The Bombay Stock Exchange Ltd. (BSE), P.J. Towers, Dalal Street, Mumbai – 400 001. The Annual Listing fees as prescribed for the year 2011-12 has already been paid to BSE within the prescribed time and th annual custodian fee has been paid to NSDL and CDSL for the financial year 2011-12. The application for voluntary delisting of Equity Shares made to the Stock Exchange at Kolkata is pending.
Stock Code of BSE	: 522207
ISIN for NSDL & CDSL	: INE682D01011
ISIN for FCCB	: XS0245101075

11. SHAREHOLDER'S REFERENCE

Unclaimed Dividends of the Company for previous years: The dividends remaining unclaimed for 7 years from the date they become due for payment will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205A/205C of the Companies Act, 1956 after completion of above said period.

Unclaimed Dividend Amounts:

Financial Year	Dividend Identification No.	Rate of Dividend	Date of Declaration of Dividend	Unpaid Dividend as on 31.03.2011	Last date for claiming unpaid Dividend
2003-04	5 th	12%	13.08.2004	195,835.60	12.08.2011
2004-05	6 th	15%	19.08.2005	182,136.00	18.08.2012
2005-06	7 th	15%	25.08.2006	154,087.50	24.08.2013
2006-07	8 th	10%	07.09.2007	114,583.00	06.09.2014
2007-08	9 th	15%	12.09.2008	150,190.50	11.09.2015

Registrar & Transfer Agent:

The company has appointed Link Intime India Pvt. Ltd. as its RTA to carry on all work related to share registry (both physical and electronic). All the transfers received are processed by the Registrar and Transfer Agent is approved by the Share Transfer Committee of the Company constituted in this behalf.

Link Intime India Pvt. Ltd.

A-40, 2nd Floor, Naraina Industrial Area, Phase-II

New Delhi – 110 028

Phone: (011) 41410592–94

Fax : (011) 41410591

Share Transfer System:

Share transfers in physical form are generally registered within a fortnight from the date of receipt provided the documents are found to be in order. Share transfer Committee considers and approves the transfer proposal.

All requests for dematerialization of shares, which are found to be in order, are generally processed within twenty one days and the confirmation is given to the respective depositories i.e., National Security Depository Limited and Central Depository Services (India) Limited



MARKET PRICE INFORMATION

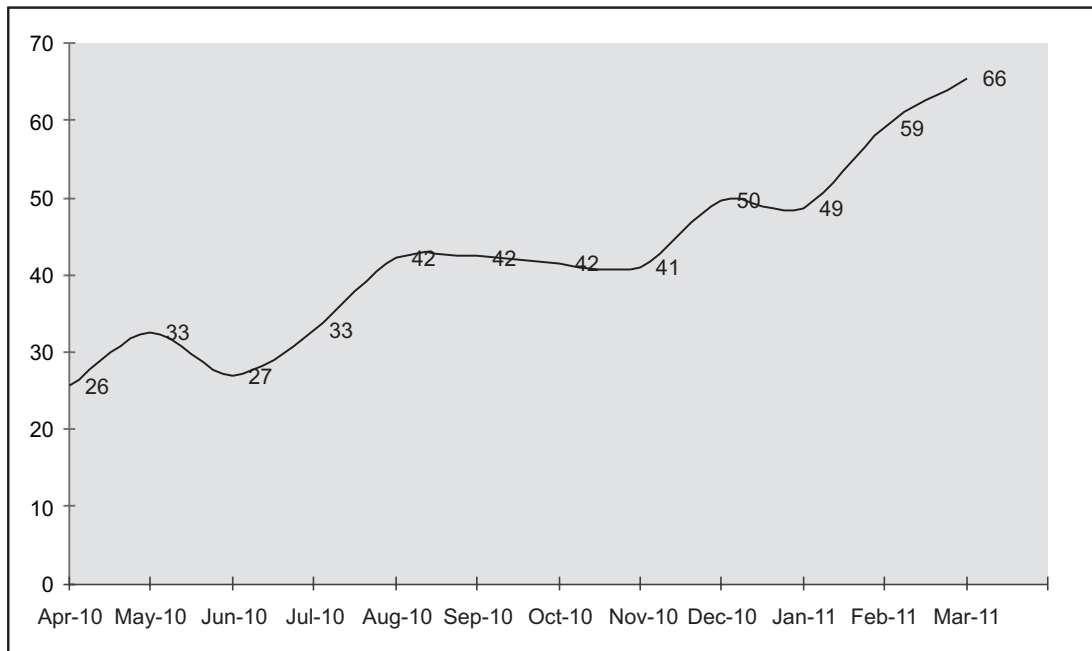
The monthly high and low quotation of equity shares at the Bombay Stock Exchange is listed below:

(Face Value Rs. 10/-)

Month Price	Open Price	High Price	Low Price	Close Shares	No. of Trades	No. of (Rs.)	Total Turnover	* Spread (Rs.)	
								H-L	C-O
Apr-10	64.05	80.6	64.05	75	1,30,576	1,073	98,45,377	16.55	10.95
May-10	76	76.5	62.5	64.3	52,995	593	37,53,192	14	-11.7
Jun-10	64.05	69.8	56.05	59.55	1,08,482	720	65,10,280	13.75	-4.5
July-10	60	64.35	57.1	63.25	61,392	636	37,30,595	7.25	3.25
Aug-10	63.4	68	57.65	59.05	1,07,522	1,053	67,14,321	10.35	-4.35
Sep-10	62	64	55.6	63.4	81,072	662	49,60,414	8.4	1.4
Oct-10	64.85	75	61.45	65.55	87,821	919	60,56,525	13.55	0.7
Nov-10	69	70.9	49	60.05	33,430	341	21,05,899	21.9	-8.95
Dec-10	64.5	64.5	49.15	57.75	24,256	311	13,85,362	15.35	-6.75
Jan-11	59.95	59.95	49.6	50	11,965	209	6,43,580	10.35	-9.95
Feb-11	48.75	54	40	49	33,409	211	15,70,139	14	0.25
Mar-11	45.5	52.15	41.15	49	58,730	220	27,76,639	11	3.5

(Source: www.bseindia.com)

SHARE PRICE MOVEMENT GRAPH ON MUMBAI STOCK EXCHANGE 2010-11



(Source: www.bseindia.com)



Shareholding:

Distribution of Shareholding as on March 31, 2011:

No. of Shares	No. of Shareholders	%	Holding in Nos	%	As on 31.03.2011		As on 31.03.2010	
					No. of Shareholders	%	Holding in Nos	%
Up to 250	4,162	82.66	408,284	8.64	4,319	82.44	424,038	8.97
251-500	424	8.42	171,838	3.64	464	8.86	188,809	4.00
501-1000	192	3.81	157,759	3.34	206	3.93	172,987	3.66
1001-2000	101	2.00	149,150	3.16	94	1.79	139,620	2.96
2001-3000	47	0.93	119,183	2.52	47	0.90	118,188	2.50
3001-4000	29	0.58	99,327	2.10	24	0.46	82,601	1.75
4001-5000	16	0.32	74,522	1.58	19	0.36	87,564	1.85
5001-10000	26	0.52	199,577	4.22	27	0.52	201,361	4.26
10001 & Above	38	0.76	3,345,360	70.80	39	0.74	3,309,832	70.05
Total	5,035	100	4,725,000	100	5,239	100	4,725,000	100

Categories of Shareholders as on March 31, 2011:

Category	2010-11		2009-10	
	No. of Shares	Percentage	No. of Shares	Percentage
Promoters and Promoters Group	2,554,746	54.07	2,552,523	54.02
Mutual Funds	3,100	0.07	3,100	0.07
Private Corporate Bodies	388,819	8.23	462,280	9.78
Indian Public	1,670,644	34.09	1,610,645	34.09
NRIs	107,691	2.28	96,452	2.04
Total	4,725,000	100.00	4,725,000	100.00

Top ten shareholders as on March 31, 2011:

Category	Name	No. of shares	%
Promoter Group	Rajiv Kapoor	809,447	17.13
Promoter Group	Radhika Securities Pvt. Ltd.	651,459	13.79
Promoter Group	Ganesha Securities Pvt. Ltd.	616,740	13.05
Promoter Group	Kapoor & Budhwar Associates Pvt. Ltd.	197,200	4.17
Promoter Group	S C Kapoor	146,900	3.11
Private Corporate Bodies	Mackertich Consultancy Services Pvt. Ltd.	143,500	3.04
Indian Public	S Sangeetha	86,580	1.83
Private Corporate Bodies	Mars Associates Private Limited	77,490	1.64
Promoter Group	Krishna Kumari Kapoor	67,000	1.42
Indian Public	Harsha Hitesh Javeri	60,001	1.27



Dematerialisation of Shares

As on 31st March, 2011, 88.51 % of the Company's total ordinary shares representing 41,82,278 nos of shares were in dematerialised forms, out of which, 66.05% is held by NSDL and 22.46 % is held by CDSL. The Equity shares of the Company are actively traded in BSE.

Plant location:

The Company has the following manufacturing & operation divisions:

Plant I	Tool Shop II	Plant III	Plant IV
13,14 Roz-Ka-Meo Industrial Area, Sohna, District- Gurgaon, Haryana - 122103	1, Roz-Ka-Meo Industrial Area Sohna, District- Gurgaon Haryana - 122103	A-1/2-2 & A-1/2-3 Surajpur Industrial Area, Site - B, Greater Noida Uttar Pradesh -201306	E-82 & 83, MIDC, Ranjangaon, Pune Maharashtra

Outstanding GDRs/ADRs/Warrants/ or any convertible instruments, conversion date and likely impact on equity:

The USD Ten Millions Foreign Currency Convertible Bonds (FCCBs) issue of the Company (details given below) was matured on 8 April 2009 and is due for payment.

Number of FCCBs issued & Face Value	10,000 No of FCCBs of US\$1,000 face Value Total value of the issue US\$ 10,000,000 (US\$ 10 million)
Tenor/ Period	7 April 2006 to 8 April 2009 (3 years 1 days)
Redemption Date	On or before 8 April 2009

12. SECRETARY'S RESPONSIBILITY STATEMENT

The Company Secretary confirms that the Company has:

- Maintained all Books of Accounts and Statutory registers required to be maintained under the Companies Act, 1956, and the rules made there under and as prescribed by SEBI.
- Filed all the forms and returns and furnished all necessary particulars in time to the Registrar of Companies, Reserve Bank of India and other authorities prescribed under various laws governing the functioning of the Company.
- Issued all notices required to be given for Board Meetings and AGM.
- Conducted the Board Meetings, Committee Meetings and Annual General Meeting in accordance with the Companies Act, 1956, SEBI Guidelines and Stock Exchange regulations as applicable.
- Complied with the requirements relating to the minutes of the proceeding of the meeting of the Board of Directors, Committee Meetings and General Body Meetings.
- Obtained necessary approvals of Directors, Shareholders, and other Authorities as per the statutory requirements.
- Not exceeded its borrowing powers.
- Complied with the requirements of the Listing Agreements entered into with Stock Exchanges.



13. NON-MANDATORY REQUIREMENTS

Audit Qualifications	During the year under review, there were no audit qualifications on the Company's financial statements.
Whistle Blower Policy	The Company has put in place a 'Whistle Blower Policy' for employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
Chairman of the Board	No separate office is maintained for Non-Executive Chairman. Only sitting fee is paid to the Chairman.
Remuneration Committee	The Company has not as yet set up a Remuneration Committee
Shareholder's Right	The Company's financial results are published in English and Hindi newspapers. Hence, same are not sent to Shareholders. The financial results are put on the Company's website.
Training of Board Members	All the members of the Board are well qualified senior industrialists/professionals actively engaged in their respective fields of specialization on a day to day basis. The Company will address the requirement of training of Board Members as and when considered necessary.

DECLARATION UNDER CLAUSE 49 I(D) OF THE LISTING AGREEMENT REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to certify that the Company has laid down Code of Conduct for all Board Members and senior Management of the Company and the copies of the same are uploaded on the website of the Company-www.rasandik.com.

Further certified that the Members of the Board of Directors and senior Management personnel have affirmed having complied with the Code applicable to them for the financial year ended 31st March 2011.

For Rasandik Engineering Industries India Ltd

Rajiv Kapoor

Managing Director

New Delhi, 2nd June 2011

AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Shareholders of,

Rasandik Engineering Industries India Ltd.

We have examined the compliance of conditions of Corporate Governance by Rasandik Engineering Industries India Limited, for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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, and based on the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

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

for **AWATAR & CO.**
Chartered Accountants

(Brijendra Agrawal)
Partner

Membership No: 87787

Place : New Delhi

Date : 2nd June, 2011

**MANAGEMENT DISCUSSION AND ANALYSIS**

Driven by global competition and the recent shift in focus of global automobile manufacturers, business rules are changing and liberalisation has had sweeping ramifications for the Indian Auto industry. The Indian auto component sector has been growing at 20% per annum since 2000 and is projected to maintain the high-growth phase of 15-20% till 2015.

Indian Auto Industry

The automotive sector is one of the key segments of the economy having extensive forward and backward linkages with other key segments of the economy. It contributes about 4 per cent in India's Gross Domestic Product (GDP) and 5 per cent in India's industrial production. This sector has generated about 4.5 lakh of direct employment and about one crore of indirect employment. India holds huge potential in the automobile sector including the automobile component sector owing to its technological, cost and manpower advantage. India has a well developed, globally competitive Auto Ancillary Industry and established automobile testing and R&D centers. India enjoys natural advantage and is among the lowest cost producers of steel in the world.

Indian Auto Industry is the

- Largest Three Wheeler Market in the World
- Second largest Two Wheeler Market in the World
- Fourth largest Passenger Vehicle Market in Asia
- Fourth largest Tractor Market in the World
- Fifth largest Commercial Vehicle Market in the World
- India is the second Largest Producer of Motorcycles in the world (5.2 Millions) after China which has a production volume of 12 Millions.

Domestic Market Share for 2010-11

Vehicles	%
Passenger Vehicles	16.25
Commercial Vehicles	4.36
Three Wheelers	3.39
Two Wheelers	76.00

Automobile Production Trends**(Number of Vehicles)**

Category	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Passenger Vehicles	1,209,876	1,309,300	1,545,223	1,777,583	1,838,593	2,357,411	2,987,296
Commercial Vehicles	353,703	391,083	519,982	549,006	416,870	567,556	752,735
Three Wheelers	374,445	434,423	556,126	500,660	497,020	619,194	799,553
Two Wheelers	6,529,829	7,608,697	8,466,666	8,026,681	8,419,792	10,512,903	13,376,451

Automobile Domestic Sales Trends**(Number of Vehicles)**

Category	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Passenger Vehicles	1,061,572	1,143,076	1,379,979	1,549,882	1,552,703	1,951,333	2,520,421
Commercial Vehicles	318,430	351,041	467,765	490,494	384,194	532,721	676,408
Three Wheelers	307,862	359,920	403,910	364,781	349,727	440,392	526,022
Two Wheelers	6,209,765	7,052,391	7,872,334	7,249,278	7,437,619	9,370,951	11,790,305

**The Future Growth Drivers**

- Higher GDP Growth
- India's huge geographic spread- Mass Transport System
- Increasing Road Development
- Increasing disposable Income with the service sector
- Cheaper (declining interest rates) & easier finance Schemes
- Replacement of aging four wheelers
- Graduating from two wheelers to four wheelers
- Increasing dispensable ncome of rural agri sector
- Growing Concept of Second Vehicle in Urban Areas

Cost Advantage in Manpower

There is huge opportunity for Indian automobile and auto ancillary manufacturers due to low cost advantage primarily because of vast availability of low cost high skilled manpower.

Average wage rates in India auto industry are around US \$ 8 per hour compared to US \$ 20 per hour in the developed markets. Indian Manufacturers spend 3-15% of sales on labour cost whereas global companies spend 20-40%. Cost of automotive design in Europe ranges as high as \$800 per hour and even higher in the US, costs are as low as \$60 per hour in India for equivalent quality.

According to the "World Competitiveness Yearbook" published by the International Institute for Management Development, India ranks first in the availability of engineers and second in the availability of skilled labour. India has the second largest pool of scientific talent in the world adding 0.14 million engineers and 1 million polytechnic diploma holders every year.

Strong Skills in Design, Manufacturing Systems and R & D

The ability to provide design services (concept and system design, engineering design and prototyping) is an important value adds to the customer and significantly enhances positioning as a solutions provider. Complex products like automobiles comprise several assemblies, sub-assemblies and components and require several engineers who may be working on different components or sub-systems in parallel. A high degree of collaboration and mechanisms for design conflict resolution are necessary to achieve compatibility between different sub-systems and overall optimization in terms of cost, quality and lead-time. The success of M&M's Scorpio and Tata Motors Indica clearly bring out India's capabilities in these areas.

Outsourcing

India is well on its way to become an outsourcing hub for global auto manufacturers and the country stands a good chance against China

Already 15 global car makers including GM, Ford, Daimler Chrysler, Mercedes-Benz, Audi, Isuzu and Nissan have set up outsourcing offices in the country, with a combined budget of approximately \$1.5 billion, industry sources say. Leading component makers like Delphi, Visteon and Caterpillar, too, have found India their best bet.

Global auto-makers are increasingly turning to India for sourcing a wide range of needs that even include designing models meant only for global markets. According to the Auto Components Association of India, outsourcing has been triggered by the overall economic slowdown and large-scale bankruptcies in the global auto sector. And as global giants continue losing money, cost pressures are forcing them to opt for sourcing bases in developing countries.

Capabilities

Indian auto companies have achieved a high level of productivity by embracing Japanese and American best practices and technology and modify them to suit Indian conditions with exceptional results. Capabilities of successful niche Component Manufacturers are as follows:

- Strong R&D focus on specific productions/technology
- Customized solution
- Innovation management
- Domestic manufacturing footprints
- Operating smaller plants efficiently
- IT systems focused mainly at product design and development
- Raising risk capital



- Cash flow management Managing risk of launching innovative products
- Innovative recruitment techniques to attract talent
- Talent retention

RISK AND CONCERNS

The key issue confronting the auto component industry in India is of building the economies of scale and another key development in the sector is raising raw material prices, which continue to put pressure on operating margins.

SWOT ANALYSIS

<p>Strengths</p>	<p>Opportunities</p>
<ul style="list-style-type: none"> • Automation • Use of latest technology • Lean manufacturing system • State-of-the-art Tool room • Scaling up capacities, products and processes • Cost competitiveness • Adheres to strict quality controls 	<ul style="list-style-type: none"> • Massive growth Prospect in Auto Sector • Sourcing hub for global automobile majors • Export opportunities • Low cost advantage primarily because of vast availability of low cost high skilled manpower • Rising Per capita income and easy finance scheme • Rising working population
<p>Weakness</p>	<p>Threats</p>
<ul style="list-style-type: none"> • Highly competitive area • Cyclical downturns in the automotive industry • Volatility in the prices of metals and other inputs could erode the industry's cost competitiveness • Intense competition from counterparts in other emerging economies may add pressure on margins of manufacturers • Low level of research and development capability • The rejection rate for Indian auto components is 2900 parts per million, which is more than 12 times the world level of 240 ppm • Indian per capita incomes are still way below Asian peers. 	<ul style="list-style-type: none"> • Trained man-power shortage in the Tool Room Segment • Indian auto component industry faces direct threat from China and Thailand. • Raising steel and other raw material prices • Cost Cutting is putting pressures component maker • Pricing pressure is an industry norm globally and the same trend is continued in India • The presence of a large counterfeit components market poses a significant threat • Shorter product life cycle • Rapidly changing technology • Looming inflation and sharp rise in input costs

OUTLOOK:

There is a perceptive exuberance in the industry and growth estimates indicate a booming industry. The factors that will drive growth for the auto component industry are:

<p>Short Term</p>	<p>Long Term</p>
<p>Infrastructure development (\$500 billion in the next 5-6 years)</p> <p>Low penetration rate of vehicles (8/1000)</p> <p>Easy access to capital although interest rate is high</p>	<p>According to McKinsey, the middle class will grow from 50 million to 550 million by 2025</p> <p>Continuously Improving Quality resulting in Export of Automobiles and Auto components</p> <p>Low cost of Skilled Manpower & Rapidly growing Design Capability</p>

**PRODUCT ANALYSIS & REVIEW**

Your company caters to the following Product Sectors:

- | | |
|----------------|-----------------|
| ◆ Cars | ◆ Three Wheeler |
| ◆ Trucks | ◆ White Goods |
| ◆ Tractors | ◆ Die & Tools |
| ◆ Two Wheelers | ◆ TWB |

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly.

The Company has established the internal control system by standardising and documenting policies and procedures for all the major processes and associated key controls, for credible reporting of the financial and operating results.

OPERATING RESULTS AND PROFITS

Strong economic growth, low interest rates and continued focus on several measures undertaken by the Company like new product introductions, cost cutting and quality and process improvements have all resulted in the Company achieving a satisfactory performance.

Finance Charges: The Finance Charges were Rs.169.77 millions in the year 2010-11 as against Rs.128.99 millions in the year 2009-10.

Depreciation: Depreciation was at Rs.124.79 millions in comparison to Rs. 114.69 millions in previous year.

Tax: Provision for current year taxation is Rs. 21.22 millions as compared to Rs. 19.32 millions in the previous year.

Net Profit: Net profit after tax for the year 2010-11 is increased to Rs. 43.57 millions as compared to profit of Rs. 48.56 millions in the previous year.

PERSONNEL

Industrial Relations at all the plants remained cordial and peaceful throughout the year. The focus of the previous year was continuous organizational development and various training programmes introduced for skill up-gradation. The Company's focus during the year has been to improve productivity and information sharing.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis that describe the Company's objectives, expectations and 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. Important factors could make a difference to the Company's operations include raw material availability and price, demand and pricing by the Company's major customers, change in the Government regulations, tax regimes, economic development and other incidental factors.



AUDITOR'S REPORT

**TO THE SHAREHOLDERS OF
RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED**

1. We have audited the attached Balance Sheet of **RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED** ("the Company") as at 31st March, 2011 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed hereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Amended Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is qualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts *subject to Note No. 5 regarding non-payment of Foreign Currency Convertible Bonds on their maturity and non provision of interest thereon (Rs. 1,35,42,000/-) and Note No. 13 regarding non-ascertainment and charging of losses due to relocation of assets from Singur in West Bengal to Sanand in Gujarat and apportionment of pre-operative expenses thereon and their consequential effect on Profit, Assets and Liabilities and read together with the significant accounting policies and notes thereon* give the information required by the Companies Act, 1956, in the manner so required and gives 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, 2011;
 - (b) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **AWATAR & CO.**
Chartered Accountants
Registration Number 000726N

Sd/-
BRIJENDRA AGRAWAL
Partner
Membership No. : 087787

Place : New Delhi
Date : June 02, 2011



ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets. Additions and deletions made during the year as per Company's practice will be entered in the said records during the current year (i.e. 2011-12).
- (b) According to the information and explanations given to us, the fixed assets were physically verified by the management in accordance with the programme of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. As per the information given to us by the management, no material discrepancies as compared to book records were noticed in respect of fixed assets verified.
- (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off any substantial part of its fixed assets during the year and as such has not affected the going concern status of the Company.
- (ii) (a) The management has conducted physical verification of stock of inventories at the end of the year.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of Inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (b), (c) and (d) of clause 4(iii) of the Order are not applicable to the Company.
- (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (f) and (g) of clause 4(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing major weakness in such internal controls.
- (v) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts and arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section: and
- (b) Transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public during the year. Therefore, the provisions of clause 4(vi) of the Order are not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the products manufactured by the Company. We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the Company pursuant to aforesaid section and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records.
- (ix) (a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Excise Duty, Service Tax, Cess and other statutory dues. We have been informed that there is no liability towards Investor Education and Protection Fund.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Excise Duty, Service Tax and Cess were in arrears, as at March 31, 2011 for a period of more than six months from the date they became payable. *However, Rs. 11,36,573/- (excluding interest) on account of tax deducted at source and Rs. 1,96,04,887/- on account of Sales Tax are outstanding for more than six months as at March 31, 2011.*



- (c) According to the information and explanations given to us, details of dues of Income Tax which have not been deposited on account of any dispute are given below:-

Particulars	Period to which the amount related	Forum where the dispute is pending	Amount (Rs. in Crore)
Income Tax	AY 2007-08	Income Tax Appellate Tribunal.	0.55

- (x) The company does not have accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holder. *However, the Foreign Currency Convertible Bonds aggregating to US\$ 10 Million (Rs. 45.79 crores at issue) that matured for repayment on 8th April, 2009 and the interest accruing thereon have not been repaid by the Company.*
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from the banks or financial institutions. Therefore, provisions of clause 4(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xvii) In our opinion and according to the Cash Flow Statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have not prima facie, been used during the year for long-term investment and vice versa.
- (xviii) According to the information and explanations given to us, during the period covered by our audit report, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the Company has not issued debentures during the year. *However, 10,000 3% Foreign Currency Convertible Bonds (FCCBs) of US\$ 1,000 each aggregating to US\$ 10 million (Rs. 45.79 crores at issue) matured for repayment on 8th April, 2009 and are outstanding.*
- (xx) During the year covered by our audit report, the Company has not raised any money by way of public issue.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **AWATAR & CO.**
Chartered Accountants
Registration Number 000726N

Sd/-
BRIJENDRA AGRAWAL
Partner
Membership No. : 087787

Place : New Delhi
Date : June 02, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
SOURCES OF FUNDS			
1. Shareholders' Funds			
Share Capital	1	47,250,000	47,250,000
Reserves & Surplus	2	<u>309,195,137</u>	<u>288,693,472</u>
		356,445,137	335,943,472
2. Loan Funds			
Secured	3	856,874,212	864,677,189
Unsecured	4	587,454,667	609,490,280
Deferred Credits against Leasehold Land		<u>-</u>	<u>382,055</u>
		1,444,328,879	1,474,549,524
3. Deferred Tax Liability (Net) (Refer Note-8 , Schedule-21)		<u>162,699,267</u>	<u>150,174,567</u>
TOTAL		<u>1,963,473,283</u>	<u>1,960,667,563</u>
APPLICATION OF FUNDS			
4. Fixed Assets	5		
Gross Block		2,298,704,287	2,150,953,872
Less: Depreciation		<u>752,215,020</u>	<u>631,443,986</u>
Net Block		1,546,489,268	1,519,509,886
Capital Work in Progress		<u>367,422,210</u>	<u>449,502,654</u>
		1,913,911,477	1,969,012,540
5. Investments	6	-	19,892,000
6. Current Assets, Loans and Advances			
Inventories	7	317,627,209	375,659,647
Sundry Debtors	8	264,217,363	230,375,433
Cash and Bank Balances	9	89,487,195	44,617,999
Other Current Assets	10	21,784,574	33,623,468
Loans and Advances	11	<u>130,617,944</u>	<u>174,485,240</u>
		823,734,285	858,761,787
7. Less: Current Liabilities and Provisions			
Current Liabilities	12	752,322,022	864,292,221
Provisions	13	<u>24,110,745</u>	<u>26,570,900</u>
		776,432,767	890,863,121
Net Current Assets		47,301,518	(32,101,334)
Miscellaneous Expenditure (To the extent not written off or adjusted)	14	<u>2,260,288</u>	<u>3,864,357</u>
TOTAL		<u>1,963,473,283</u>	<u>1,960,667,563</u>
Significant Accounting Policies	20		
Notes to Accounts	21		

Schedules referred to above form an integral part of the Accounts.

As per our report of even date.

for and on behalf of the Board

for **A W A T A R & C O.**

Chartered Accountants

S C KAPOOR
Chairman

RAJIV KAPOOR
Managing Director

DEEPIKA KAPOOR
Director
BRIJENDRA AGRAWALPartner
M.No.87787
SHYAM S.SETHI
Director

A.R. HALASYAM
Director

GORAV ARORA
Company Secretary
Place : New Delhi
Date : 02.06.2011



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	Year Ended 31st March, 2011 (Rs.)	Year Ended 31st March, 2010 (Rs.)
INCOME			
Turnover (Gross)	15	2,981,279,244	2,533,887,939
Less : Excise Duty on Sales		303,485,211	231,885,447
Turnover (Net)		2,677,794,033	2,302,002,492
Other Income	16	18,496,091	9,693,619
Exchange Fluctuation (Refer Note 6, Schedule 21)		(762,036)	3,794,055
TOTAL		2,695,528,088	2,315,490,166
EXPENDITURE			
Manufacturing & Other Expenses	17	2,318,490,361	1,972,400,621
Cost of Goods Traded		—	—
(Increase)/Decrease in Stock of finished goods and work in process	18	38,903,428	31,531,972
		2,357,393,789	2,003,932,593
Profit before Interest, Depreciation and Taxation		338,134,299	311,557,573
Interest and Finance charges	19	169,771,818	128,985,576
Depreciation		124,790,759	114,693,886
		294,562,577	243,679,462
Profit before Taxation		43,571,721	67,878,111
Provision for Taxation		—	—
Current Tax		8,694,500	12,259,000
Deferred Tax (Refer Note 8, Schedule 21)		12,524,700	7,058,000
Prior Period Adjustment		1,850,856	—
Profit after Taxation		20,501,665	48,561,111
Profit Brought Forward		201,351,185	152,790,074
Available for Appropriations		221,852,850	201,351,185
APPROPRIATIONS			
General Reserve		—	—
Proposed Dividend		—	—
Tax on Proposed Dividend		—	—
Balance carried forward to the Balance Sheet		221,852,850	201,351,185
		221,852,850	201,351,185
Basic Earning per share		4.34	10.28
Diluted Earning per share (Refer Note 9 , Schedule 21)		4.34	10.28
Cash Earning Per share		30.75	34.55
Significant Accounting Policies	20		
Notes to Accounts	21		

Schedules referred to above form an integral part of the Accounts.

As per our report of even date.

for and on behalf of the Board

for **A W A T A R & C O.**

Chartered Accountants

S C KAPOOR
Chairman

RAJIV KAPOOR
Managing Director

DEEPIKA KAPOOR
Director

BRIJENDRA AGRAWAL

Partner
M.No.87787

SHYAM S.SETHI
Director

A.R. HALASYAM
Director

GORAV ARORA
Company Secretary

Place : New Delhi

Date : 02.06.2011

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
SCHEDULE – 1		
SHARE CAPITAL		
Authorised		
10,000,000 Equity Shares of Rs.10/- each	100,000,000	100,000,000
Issued, Subscribed and Paid up		
4725000 Equity Shares of Rs. 10/- each	47,250,000	47,250,000
TOTAL	47,250,000	47,250,000
SCHEDULE – 2		
RESERVES & SURPLUS		
Share Premium	7,500,000	7,500,000
General Reserve		
As per last Balance Sheet	75,587,847	75,587,847
Capital Reserve	4,254,440	4,254,440
Balance as per Profit & Loss Account	221,852,850	201,351,185
TOTAL	309,195,137	288,693,472



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011 (Contd...)

	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
SCHEDULE – 3		
SECURED LOANS		
A. From Banks:		
Term Loan		
Foreign Currency Loans	15,917,725	48,277,230
(Payable within one year Rs.1,59,17,725/- Previous year Rs. 2,85,84,820/-)		
Rupee Loans	522,387,146	531,770,575
(Payable within one year Rs.13,81,11,269/- Previous year Rs. 7,76,44,748/-)		
Working Capital Loan	275,493,789	229,661,063
B. From Others :		
Term Loan	-	
Rupee Loans	2,807,709	3,477,073
(Payable within one year Rs.7,28,474/- Previous Year 12,38,724/-)		
Interest Free Trade Tax Loan	40,267,843	51,491,248
(Payable within one year Rs.80,76,869/- Previous year Rs. 1,12,23,405/-)		
TOTAL	856,874,212	864,677,189

Note :

- (i) Foreign Currency Term Loans include External Commercial Borrowings raised to finance Supplier's Credit, which are secured by issue of bank guarantee/Letter of Credit by an Indian Bank in favour of overseas banks.
- (ii) Rupee Term Loans from banks are secured by exclusive charge on specific equipment and unconditional & irrevocable personal guarantee of two directors.
- (iii) Rupee Term Loan from others is secured by exclusive charge on specific equipment and unconditional & irrevocable personal guarantee of Managing Director.
- (iv) Working Capital Loan from bank is secured by hypothecation of stocks of raw materials, stock-in-process, finished goods, stores and spares , packing material and book debts of the company and personal guarantee of two directors of the company. The same are also secured by way of equitable mortgage of properties at its plants at 1, 13, 14, Rojka Meo Industrial Area, Sohna and by first charge on fixed assets of the company situated at its plant at Surajpur, Gautam Budh Nagar,Uttar Pradesh
- (v) Interest Free Trade Tax Loan is secured by way of second charge on fixed assets including Plant and Machinery situated at A-1/2-2 & 2-3, Site B, Surajpur Industrial Area, Distt Gautambudh Nagar, Uttar Pradesh.

SCHEDULE – 4

UNSECURED LOANS

3% Foreign Currency Convertible Bonds	446,500,000	451,400,000
From Bodies Corporate	140,954,667	158,090,280
Deferred Payment of Trade Tax	-	-
TOTAL	587,454,667	609,490,280

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011 (Contd...)

**SCHEDULE – 5
FIXED ASSETS**

(Refer Note 2, Schedule 20)

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 31st March, 2010	* Additions (Deductions)	As At 31st March, 2011	Upto 31st March, 2010	Deletions	For The Year	Upto 31st March, 2011	As At 31st March, 2011	As At 31st March, 2010
Land - Freehold	39,046,828	—	39,046,828	—	—	—	—	39,046,828	39,046,828
Land - Leasehold	54,679,263	—	54,679,263	1,360,650	—	1,281,507	2,642,157	52,037,105	53,318,613
Factory Buildings	269,585,396	8,890,417	278,475,813	47,785,493	—	9,005,698	56,791,191	221,684,622	221,799,903
Administrative Buildings	7,102,010	—	7,102,010	1,133,813	—	115,763	1,249,576	5,852,434	5,968,197
Plant & Machinery	1,358,793,241	121,597,672 (4,567,369)	1,475,823,544	353,483,776	(4,019,725)	76,720,613	426,184,664	1,049,638,880	1,005,309,465
Dies, Jigs & Fixtures	321,482,545	4,148,796	325,631,341	167,632,513	—	26,861,482	194,493,995	131,137,346	153,850,032
Furniture & Fixtures	13,541,766	2,734,038	16,275,804	4,902,982	—	805,433	5,708,415	10,567,389	8,638,784
Computers & Other Peripherals	30,696,271	1,613,348	32,309,619	21,667,909	—	3,277,246	24,945,155	7,364,464	9,028,362
Vehicles	16,792,444	6,621,190	23,413,634	7,983,978	—	1,594,785	9,578,763	13,834,871	8,808,466
Utilities	39,234,109	6,712,323	45,946,432	25,492,871	—	5,128,232	30,621,103	15,325,329	13,741,238
	2,150,953,872	147,750,415	2,298,704,287	631,443,985	(4,019,725)	124,790,759	752,215,020	1,546,489,268	1,519,509,887
Depreciation Capitalized during the year									
Capital work in progress including Advances against Capital Expenditure								353,353,549	435,536,925
Expenditure during construction period pending allocation								14,068,660	13,965,729
Total Current Year	2,150,953,872	147,750,415	2,298,704,287	631,443,985	(4,019,725)	124,790,759	752,215,020	1,913,911,477	1,969,012,541
Previous Year	2,020,762,202	130,191,671	2,150,953,873	517,520,746	(860,315)	114,783,555	631,443,986	1,519,509,887	
Depreciation capitalised during the year						89,669			

* Refer note 6 of schedule 21 relating to effect of foreign currency fluctuation to the cost of fixed assets.

* Depreciation for the year includes prior period lease amortisation on Leasehold Land at Pune for Rs.8,59,389.00

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011 (Contd...)

	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
SCHEDULE – 6		
INVESTMENTS (AT COST)		
LONG TERM INVESTMENTS(FULLY PAID UP)		
Trade Investment in wholly owned subsidiary		
Equity Shares (Unquoted)	–	19,892,000
Rasandik Auto Components Private Ltd.		
1989200 equity shares of Rs. 10 each fully paid up		
	<u>–</u>	<u>19,892,000</u>
SCHEDULE – 7		
INVENTORIES		
(As valued and certified by the Management)		
Raw Materials & Components	148,333,543	127,480,010
Stock in Trade	–	–
Stores & Spare Parts	31,693,056	30,804,990
Work -in -Process	97,226,177	119,039,246
Finished Goods	34,603,493	76,631,942
Goods in Transit	5,770,940	21,703,459
TOTAL	<u>317,627,209</u>	<u>375,659,647</u>
SCHEDULE – 8		
SUNDRY DEBTORS		
(Unsecured)		
A Debts considered good		
Outstanding for a period exceeding six months	32,182,712	26,150,412
Others	232,034,651	204,225,021
	<u>264,217,363</u>	<u>230,375,433</u>
B Debts considered doubtful		
Outstanding for a period exceeding six months	2,116,605	912,744
Less : Provision for doubtful debts	(2,116,605)	(912,744)
TOTAL	<u>264,217,363</u>	<u>230,375,433</u>
SCHEDULE – 9		
CASH AND BANK BALANCES		
Cash on hand	747,468	533,938
Cheques on hand	–	–
Bank Balances:		
With Scheduled Banks		
Current Accounts	3,227,125	8,141,628
Unclaimed Dividend Accounts	796,971	964,847
Margin Money Deposits	84,700,000	34,961,784
Call Money Deposits	13,084	13,227
Citi Bank ,Escrow Account	2,547	2,575
TOTAL	<u>89,487,195</u>	<u>44,617,999</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011 (Contd...)

	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
SCHEDULE – 10		
OTHER CURRENT ASSETS		
(Unsecured - considered good)		
Interest Accrued	14,707,765	15,885,737
Cenvat Claims Receivable	7,076,809	17,737,731
TOTAL	21,784,574	33,623,468
SCHEDULE – 11		
LOANS AND ADVANCES		
(Unsecured - considered good)		
Advances recoverable in cash or in kind or for value to be received	11,072,297	20,347,318
Advances to Suppliers	38,404,409	42,213,991
Advances to Others	13,955,929	21,415,008
Loans to Bodies Corporate	2,827,224	16,955,000
Security Deposit	11,889,623	12,301,753
Advance Income Tax and Tax deducted at Source	15,444,994	11,263,628
Balances with Excise Departments	37,023,468	49,988,542
TOTAL	130,617,944	174,485,240
SCHEDULE – 12		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors :		
Micro, Small and Medium Enterprises	–	–
Others	555,048,359	601,958,869
Security Deposits	1,807,028	2,278,442
Advance from Customers	127,843,225	146,842,979
Other Liabilities	66,554,691	111,524,838
Unclaimed Dividends (Refer Note- 3, Schedule 21)	796,969	964,845
Book Overdraft	–	–
Liabilities accrued; but not due	271,750	722,248
TOTAL	752,322,022	864,292,221
SCHEDULE – 13		
PROVISIONS		
Taxation	9,263,953	13,328,709
Proposed Dividend	–	–
Tax on Proposed Dividend	–	–
Gratuity	12,168,605	10,789,744
Leave Encashment	2,678,187	2,452,447
TOTAL	24,110,745	26,570,900
SCHEDULE – 14		
MISCELLANEOUS EXPENDITURE		
Deferred Revenue Expenditure	3,864,356	4,812,204
Less: 1/5 Written off	1,604,068	947,847
	2,260,288	3,864,357

**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR
THE YEAR ENDED 31ST MARCH, 2011 (Contd...)**

	Year Ended 31st March, 2011 (Rs.)	Year Ended 31st March, 2010 (Rs.)
SCHEDULE – 15		
TURNOVER		
(Refer Note 4, Schedule 20)		
Domestic Sales-Sheet Metal	2,897,906,090	2,483,032,979
Domestic Sales-Tools & Dies	53,573,400	9,332,291
Domestic Sales-Stock in trade	–	–
Export Sales-Sheet Metal	18,887,397	24,983,426
Export Sales-Tools & Dies	–	5,144,291
Job Work -Tools & Dies	10,912,357	11,394,952
Job Work -Sheet Metal		
TOTAL	2,981,279,244	2,533,887,939
SCHEDULE – 16		
OTHER INCOME		
Interest from banks (Tax deducted at source Rs.2,22,119/- previous year Rs.2,37,984/-)	1,847,486	2,321,810
Interest on Loans to Bodies Corporate (Tax deducted at source Rs.1,79,297/- previous year Rs.3,89,169/-)	1,593,920	3,719,547
Interest from others (Tax deducted at source Rs.9,024/- previous year Rs.9,024)	1,136,799	382,406
Profit on sale of Investment	11,935,200	–
Profit on Sale of Fixed Assets	156,337	26,062
Excess Liabilities and Unclaimed Balances written back	339,262	68,388
Miscellaneous Income	1,487,087	3,175,406
TOTAL	18,496,091	9,693,619
SCHEDULE – 17		
MANUFACTURING AND OTHER EXPENSES		
Raw Material Consumed		
Opening Stock	127,480,010	94,452,214
Add : Purchases	1,766,362,767	1,576,783,534
	1,893,842,777	1,671,235,748
Less: Closing Stock	148,333,543	127,480,010
	1,745,509,234	1,543,755,738
Stores & Spares Consumed	111,298,127	57,638,070
Manufacturing Expenses		
Power & Fuel	81,536,430	64,828,480
Processing Charges	16,453,209	16,895,789
Repairs to :		
Plant & Machinery	23,988,801	24,396,839
Building	2,268,064	1,672,515
Others	7,167,808	4,078,318
Lease Rentals	421,851	346,765
Excise Duty	3,613,247	(2,738)

**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR
THE YEAR ENDED 31ST MARCH, 2011 (Contd...)**

	Year Ended 31st March, 2011 (Rs.)	Year Ended 31st March, 2010 (Rs.)
Payment to and provisions for employees		
Salaries, Wages and Bonus	176,181,561	146,638,361
Contribution to Employees State Insurance Scheme, Provident Fund and Labour Welfare fund	6,563,708	5,765,169
Courtesy Expenses	19,276,852	2,887,443
	<u>202,022,121</u>	<u>155,290,973</u>
Selling Administration & Other Expenses		
Warranty Claims, Line Rejections etc.	2,354,573	1,492,544
Rent	10,937,793	8,557,440
Rates & Taxes	1,763,811	5,126,901
Insurance	9,790,221	8,437,148
Transportation and Forwarding Charges	40,725,338	32,737,381
Loss on Sale of assets	160,537	347,435
Traveling & Conveyance	17,147,654	12,025,595
Bad Debts written off	-	-
Less: Provision for doubtful debts written back	-	-
	<u>1,203,860</u>	<u>3,458,308</u>
Provision for doubtful debts Amount Written off	-	121,661
Deferred Revenue Expenditure Written off	1,604,068	947,847
Miscellaneous Expenses	38,523,614	30,247,612
	<u>2,318,490,361</u>	<u>1,972,400,621</u>
TOTAL		

SCHEDULE – 18**(INCREASE)/DECREASE IN STOCK****OPENING STOCK**

Finished Goods	76,631,942	5,401,708	
Work in process	84,401,661	161,033,603	187,163,866
	<u>161,033,603</u>	<u>187,163,866</u>	<u>192,565,574</u>

CLOSING STOCK

Finished Goods	34,603,494	76,631,942	
Work in process	87,526,681	122,130,175	84,401,660
	<u>122,130,175</u>	<u>84,401,660</u>	<u>161,033,602</u>

TOTAL	<u>38,903,428</u>	<u>31,531,972</u>	
--------------	-------------------	-------------------	--

SCHEDULE – 19**INTEREST AND FINANCE CHARGES**

Interest :			
Term Loans	71,644,731		53,763,129
Others	68,022,610		47,969,994
Finance Charges	18,648,486		15,596,187
Cash Discount	11,455,991		11,656,266
	<u>169,771,818</u>		<u>128,985,576</u>

TOTAL	<u>169,771,818</u>	<u>128,985,576</u>	
--------------	--------------------	--------------------	--



SCHEDULE – 20

SIGNIFICANT ACCOUNTING POLICIES

1) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements are prepared under the historical cost convention, on accrual basis and in accordance with the generally accepted accounting principles and applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

2) FIXED ASSETS AND DEPRECIATION

Fixed Assets are stated at cost of acquisition or construction, which comprises of purchase price (net of Modvat /Cenvat / rebate and discounts, wherever applicable) and any directly attributable cost of bringing the asset to its working condition for the intended use. Expenditure during construction period including borrowing cost, wherever applicable, is allocated on the direct cost of the relevant assets on a pro-rata basis.

Depreciation on fixed assets has been provided as under:

- a) Depreciation on fixed assets is provided on Straight Line Method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956 as amended except in the case of following assets for which depreciation has been provided at higher rates based on the useful life as determined by Management :

Additions to Communication Equipments (w.e.f. 01.04.2001)	20%
Machinery acquired after expiry of lease term	20%
Utilities	20%

- b) Depreciation on assets added /sold during the year is provided on pro rata basis with reference to the date of addition/ disposal of the respective assets.
- c) Depreciation on incremental cost arising on account of premium on forward contract of foreign currency liabilities for acquisition of fixed assets has been provided as aforesaid over the residual life of the respective assets.
- d) Individual assets costing Rs. 5,000/- or less are depreciated in full.
- e) Leasehold land is amortized equally over unexpired period of lease from the date it is put to use.

3) INVENTORIES

- a) Raw materials, components, stores & spares are valued at cost on First in First out (FIFO) basis or net realizable value whichever is lower. The cost is arrived at after deducting the cenvat credit.
- b) Finished goods and work in process are valued at lower of cost or net realizable value. Cost is arrived at by absorption costing method. Finished goods and work in process includes cost of conversion incurred in bringing the inventories to its present location and condition.
- c) Scrap is valued at net realizable value.
- d) Goods in transit are valued at cost.

4) RECOGNITION OF INCOME AND EXPENDITURE

- a) Sales are recognized, net of returns, on dispatch of goods to customers and are recorded gross of excise duty and net of sales tax and discounts.
- b) Insurance claims made by the company are accounted for at the time of their acceptance.
- c) Product warranty claims are charged to the Profit & Loss account as and when claimed by the customers on actual basis.
- d) Liability on account of customs duty on imported material in transit is accounted in the year in which the goods are cleared from the customs.
- e) Individual prior period items up to Rs. 20,000/- are treated as income/expenditure for the current year.

5) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities (monetary items) are reported at the exchange rate prevailing on the balance sheet date.



Pursuant to the notification of the Companies (Accounting Standards) Amendment Rules 2006 on 31 March 2009, this amended Accounting Standard 11 on the Effects of changes arising during the year, in so far as they relate to the acquisition of a depreciable capital asset are added to/deducted from the cost of the asset and depreciated over the balance life of the asset.

6) EMPLOYEE BENEFITS

Employee benefits have been recognized in accordance with revised AS-15. Accordingly,

- i) Long term compensated absences are provided for based on actuarial valuation at the end of each financial year.
- ii) Provident Fund is a defined contribution scheme and the same is administered through Regional Employees Provident Fund Organisation. Contribution to the said Organisation paid/ payable during the year is recognised in the Profit and Loss account. The shortfall, if any, between the return guaranteed by the Fund and actual earnings of the Fund is provided for by the holding company and contributed to the Fund.
- iii) Gratuity liability is a defined benefit obligation and is fully provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit (PUC) method.
- iv) Actuarial gains/losses are immediately recognised and are not deferred.

7) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised/ charged to revenue in accordance with the Accounting Standard-16 issued by the Institute of Chartered Accountants of India.

8) TAXES ON INCOME

- a) Provision for current tax is made in accordance with and at the rates specified under the Income Tax Act, 1961, as amended. Tax expenses are accounted in the same period to which the revenue and expenses relate.
- b) Provision for deferred tax is made in accordance with Accounting Standard 22-'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India. The deferred tax charge or credit is recognized, using current tax rates, for timing differences between book and tax profits that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only when there is virtual certainty of realization of such assets in future. Such assets are reviewed at each balance sheet date to reassess realization.

9) REDEMPTION PREMIUM ON FOREIGN CURRENCY CONVERTIBLE BONDS

Premium payable on redemption of FCCB as per terms of issue is provided fully in the year of issue.

10) IMPAIRMENT OF ASSETS

An Asset is treated as impaired when its carrying cost exceeds its recoverable amount on the reporting date. An impairment loss is charged to the Profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior periods is reversed if there has been a change in the estimate of recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

11) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

12) PROPOSED DIVIDEND:

Dividend on Share Capital, if proposed by the Directors, is provided in the books.



SCHEDULE – 21

NOTES TO ACCOUNTS

1) **Contingent Liabilities not provided for : -**

- a) Letters of credit opened by Bank – Rs 26,46,43,277/- (Previous Year Rs. 18,89,12,349/-)
- b) Bank guarantees given by the bank on behalf of Company - Rs. 5,85,000/- (Previous year - Rs. 61,05,000/-).
- c) Guarantees given by the Company on behalf of M/s Rasandik Auto Components Pvt.Ltd. - Rs 6,30,00,000/-(Previous Year Rs. 6,30,00,000/-)
- d) Export obligation under EPCG License- Rs 88,62,135/-(Previous Year Rs. 1,12,23,060/-)
- e) Guarantees given by the Company on behalf of loan of employees- Rs.5,02,123/- (Previous Year Rs. 6,50,213/-)

2) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) - Rs.13,78,66,050/- (Previous year – Rs.116,50,200/-)

3) Unclaimed dividend of Rs.7,96,969/- (Previous Year Rs.9,64,845/-) shown under Current Liabilities does not include any amount due and outstanding to be credited to “Investor Education and Protection Fund”.

4) In the opinion of the management and to the best of their knowledge and belief, the valuation on realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance sheet and there has been no impairment to any asset.

5) The Company has issued 10,000 3% Foreign Currency Convertible Bonds (FCCBs) of US\$ 1000 each aggregating to US\$ 10 Million (Rs.45.79 Crores at issue) on 7th April, 2006. These Bonds have matured on 8th April, 2009 and are due for payment. In view of the expiry of contract with Bondholders and pending settlement with them, the interest on Bonds for the financial years 2009-10 and 2010-11 has not been provided.

6) The financial effects of changes in Foreign Exchange rates are as under:

Net loss of Rs.7,62,036/- for the year on account of exchange difference related to Exports of Goods, Raw Material and Spares purchased, has been included in “Miscellaneous Income” as per AS-11 revised.

The company has changed the policy for accounting the exchange differences arising on long term foreign currency monetary items in accordance with the Companies (Accounting Standards) Amendment Rules on AS 11 notified by Government of India on March, 31, 2009. Accordingly, the net gains arising from the effect of changes in foreign currency rates on foreign currency loans relating to acquisition of depreciable capital assets amounting to Rs.43.86 lacs (Previous Year Rs 661.84 lacs) has been reduced from the cost of assets.

7) **Foreign Currency Exposure:**

		2010-11		2009-10	
a) Not Hedged	i) Receivables	USD	2,35,776	USD	56,710
	ii) Payables	USD	1,16,35,964	USD	1,19,85,615
b) Hedged	i) Receivables	USD	NIL	USD	NIL
	ii) Payables	USD	NIL	USD	NIL

8) **Deferred Tax Liability (Net)**

The company estimates the deferred tax charge/(credit) using the applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year. Details of deferred tax liability and deferred tax assets are as under:

(Rupees in thousands)

	As at 31-03-2010	For the year	As at 31-03-2011
Liability:			
Depreciation (A)	155836	13279	169115
Assets:			
Other timing differences (B)	(5662)	(754)	(6416)
Net deferred tax liability (A+B)	150174	12525	162699



9) Earning Per Share:

(Amount in Rs.)

Particulars		Year ended 31st March, 2011	Year ended 31st March, 2010
a)	Profit after taxation as per Profit & Loss Account	20,501,665	48,561,111
b)	Weighted average number of equity shares for Basic EPS	4,725,000	4,725,000
c)	Dilutive Potential Equity Shares	-	-
d)	Weighted average number of equity shares for Diluted EPS	4,725,000	4,725,000
e)	Nominal Value of equity shares (Rs.)	10.00	10.00
f)	Basic Earning per share (Rs.) (a/b)	4.34	10.28
h)	Diluted Earning per share (Rs.) (a/b)	4.34	10.28

10) Related Party Disclosures

a) Related parties and their relationship

Key Management Personnel	Associates
Mr. Rajiv Kapoor, Managing Director	Kapoor & Budhwar Associate Pvt. Ltd. Kapoor & Associates Consultants Pvt. Ltd.

b) Transaction with Related parties-Refer Note No. 12 of this Schedule.

(Amount in Rs.)

Transactions	Key Management Personnel	Associates
Services Received	5,376,000/-	NIL

c) The Company has sold its entire investment in wholly owned subsidiary M/s Rasandik Auto Components Pvt.Ltd during the year. Therefore it does not fall under the criteria of Related Party as per Accounting Standard 18 on Related Party Transactions issued by ICAI.

11) Auditors Remuneration (Excluding Service Tax)

(Amount in Rs.)

	Year ended 31st March, 2011	Year ended 31st March, 2010
Audit Fee	1,300,000	1,200,000
Tax Audit Fee	300,000	300,000
Taxation Matters	300,000	300,000
Certification & others	300,000	300,000
	<u>2,200,000</u>	<u>2,100,000</u>

12) Managerial Remuneration:

(Amount in Rs.)

a) Managing Director		
Salary	4,800,000	4,800,000
Contribution to Provident Fund	576,000	576,000
Total	5,376,000	5,376,000

13) Singur Plant:

Investment made in Singur Plant for Tata Motors Ltd (TML) for the small car project "Nano" has been treated as Capital Work in Progress. TML has abandoned the project in Singur due to various uncontrollable factors. Further, TML has relocated this project to new location in Sanand in Gujarat.

The company shall relocate the assets along with apportionment of pre-operative expenditure outstanding in accordance with the decision of the Board of Directors.



- 14) Computation of net profit in accordance with section 349 of the Companies Act, 1956 for Calculation of commission payable to Managing Director:

(Amount in Rs.)

Particulars	2010-11	2009-10
Profit before taxation	43,571,721	67,878,111
Add:		
Mangerial remuneration	5,376,000	5,376,000
Depreciation charged in the accounts	124,790,759	114,693,886
Loss on sale of fixed assets	160,537	347,435
Provision for bad and doubtful debts	1,203,860	3,458,308
Provision for gratuity	1,378,861	1,210,655
Provision for leave encashment	225,740	548,286
	176,707,479	193,512,681
Less:		
Depreciation as per section 350 of Companies Act,1956	119,399,319	110,418,115
Profit on sale of investment	11,935,200	-
Profits on sale of fixed assets	156,337	26,062
Net Profit on which commission is payable	45,216,623	83,068,504
Remuneration payable to Managing Director	2,260,831	4,153,425
Remuneration paid by way of monthly salary perquisites and contribution to provident fund	5,376,000	5,376,000
Remuneration payable by way of commission	NIL	NIL

Note : The remuneration does not include gratuity and leave encashment provided on the basis of actuarial valuation in the accounts since the same is not available for individual employees except for the employees retired during the year.

(Amount in Rs.)

Particulars	Year ended 31st March, 2011	Year ended 31st March,2010
Director's Sitting Fees	95,000	110,000

- 15) Debtors and Creditors Balances are subject to confirmation/ reconciliations.
- 16) Disclosure pursuant to Accounting Standard-15 (Revised) "Employee Benefits"
- Effective 1st April, 2007, the Company has adopted Accounting Standard 15 (Revised) "Employee Benefits" issued by ICAI. The Company has classified the various benefits provided to employee as under:-
- Long term compensated absences are provided for based on actuarial valuation at the end of each financial year.
 - Provided Fund is a defined contribution scheme and the same is administered through contributions to Regional Provident Fund. Contribution to the said Fund paid/payable during the year is recognized in the Profit and Loss account
 - Gratuity liability is defined benefit obligation and is fully provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on the Projected Unit Credit method.
 - Actuarial gains/losses are immediately recognized and are not deferred.



The following table setout the status of the non funded gratuity plan and non fund long term compensated absences and the amount recognized in Company financial statement as at 31st March, 2011.

Change in Benefit Obligation	Gratuity Non-Funded (Rs.)	Compensated Absences Non-Funded (Rs.)
Liability at the beginning of the year 1st April'10	10,740,449	2,415,963
Interest cost	805,534	181,197
Current Service Cost	1,282,214	567,873
Benefit Paid	(280,166)	(261,480)
Actuarial (gain) / Loss on obligation	(379,426)	(225,366)
Liability at the end of the year	12,168,605	2,678,187
Changes in the Fair Value of Plan Assets		
a) Present Value of Plan Assets as at 1st April, 2010		
b) Expected Return on Plan Assets	-	-
c) Actuarial (Gain)/Loss	-	-
d) Employers' Contributions	-	-
e) Benefits Paid	-	-
f) Present Value of Planned Assets as at 31st March, 2011	-	-
Amount Recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets		
a) Present Value of Defined Benefit Obligation as at 31st March, 2011	-	-
b) Fair Value of Plan Assets as at 31st March, 2011	-	-
c) Net Liability recognized in the Balance Sheet (as at 31st March, 2011)	-	-
Expenses Recognized in the Profit and Loss Account		
a) Service Cost	1,282,214	567,873
b) Interest Cost	805,534	181,197
c) Expected Return on Plan Assets	-	-
d) Curtailment Cost/(Credit)	-	-
e) Settlement Cost/(Credit)	-	-
f) Net Actuarial (Gain)/Loss	(379,426)	(225,366)
g) Total Expenses recognized in the Profit and Loss A/c	1,708,322	523,704
Actuarial Assumptions		
Retirement age	58	58
Discount rate	7.50%	7.50%
Mortality	LIC (1994-96) DULY MODIFIED	
Withdrawal rate	1% - 3%	1%-3%
Salary escalation	-	-



17) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

The company has a system of obtaining periodical written confirmations from the suppliers to identify micro enterprises or small enterprises. Based on such identification company makes provision for unpaid statutory interest under Sec 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and disclosures required by Sec 22 of the said Act.

SL. No.	Particulars	Year ended March 31, 2011 (Rs.)	Year ended March 31, 2010 (Rs.)
1	Amount outstanding on account of – Principal amount – Interest Due	28801 437	82667 1857
2	– Total Interest paid on all delayed payments during the year under the provisions of the Act – Payment made to suppliers beyond the appointed day	1858 NIL	NIL NIL
3	Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act.	NIL	NIL
4	Interest accrued but not paid	437	1857

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. Previous year figure has not been given as the information was not available with the company.

18) Additional information pursuant to the provisions of paragraph 3 and 4 of Part II of Schedule VI of the Companies Act, 1956 is as under:

(A) Raw material consumed

Particulars	Unit	2010-11		2009-10	
		Quantity	Value(Rs.)	Quantity	Value(Rs.)
Steel Items	M.T.	50,374	1,721,635,620	31,462	1,514,856,748
Paint & Chemicals	KLS	122	19,438,160	104	15,579,309
C.I.Castings	M.T.	105	4,435,454	232	13,319,681
TOTAL			1,745,509,234		1,543,755,738

(B) Consumption of Raw Material, Components & Spare Parts

Particulars	2010-11		2009-10	
	Value (Rs.)	%	Value (Rs.)	%
i) Raw Material				
– Imported	208,048,464	11.92	111,221,600	7.20
– Indigenous	1,537,460,770	88.08	1,432,534,138	92.80
TOTAL	1,745,509,234	100.00	1,543,755,738	100.00
ii) Stores & Spare Parts				
– Imported	1,911,011	1.72	2,783,798	4.83
– Indigenous	109,387,116	98.28	54,854,272	95.17
TOTAL	111,298,127	100.00	57,638,070	100.00

(C) C.I.F.Value of Imports

Particular	2010-11 (Rs.)	2009-10 (Rs.)
Raw Materials	81,521,414	104,560,713
Stores & Spares	1,193,599	791,855
Plant & Machinery	14,506,575	72,044,946



(D) Expenditure in Foreign Currency (On Cash Basis)

Particular	2010-11 (Rs.)	2009-10 (Rs.)
Travelling Expenses	2,155,115	176,754
Interest on Loan	—	2,436,842
Professional Charges	669,192	1,239,919
Others	453,262	—

(E) Earning in Foreign Currency

Particular	2010-11 (Rs.)	2009-10 (Rs.)
F.O.B.Value of Exports	18,887,396	30,127,717
Tool Development Charges	—	—

(F) Capacity, Production, Sales and Stock

(i) Capacity*

Particulars	Unit	Licensed	Installed	Actual Production	
				2010-11	2009-10
Steel Fabrication	M.T.	N.A	58230	50,374	31462

(ii) Sales

Particulars	Unit	2010-11		2009-10	
		Quantity	Value (Rs.)	Quantity	Value (Rs.)
Fuel Set Tanks	Nos	567961	511,369,529	395797	470,466,223
Sheet Metal Components	Nos	13445700	2,139,689,421	11535162	1,816,643,133
Steel Sheets	Kgs.	1124754.3	38,436,635	2041458	52,933,241
Tools & Dies	Nos	30	81,029,068	6	23,404,864
Stock in Trade				—	
3 Wheeled Vehicles	Nos	582	59,349,788	295	29,506,575
Others	Kgs.	10248995.15	140,492,446	9683390	129,538,951
TOTAL			2,970,366,887		2,522,492,987

(iii) Closing Stock of Finished Goods :

Particulars	Unit	As at 31.03.2011		As at 31.03.2010		As at 31.03.2009	
		Quantity	Value (Rs.)	Quantity	Value (Rs.)	Quantity	Value (Rs.)
Fuel Set Tanks	Nos	660	989,527	520	680,869	195	219,319
Sheet Metal Components	Nos	16,242	5,595,567	7,214	2,250,346	17,138	2,255,015
Tools & Dies	Sets	27	27,199,812	54	73,307,214	—	—
Others	Kgs.	65,934	818,588	33,133	393,513	65,430	2,927,374
TOTAL			34,603,494		76,631,942		5,401,708

19) In respect of the Machinery (Press Line) imported from M/s Jier Machine Tool, China, which has been lying in Bonded Warehouse since October, 2008, the Customs duty assessed at Rs 4.04 Cr and interest amounting Rs 1.06 cr accrued up to 31st March, 2011 has not been provided.. The company has already initiated the process to get the machine released under Export Promotion Capital Guarantee (EPCG) scheme at proposed Zero duty and thus no interest. The relevant application with the Customs Authorities for the same is under filing. It is expected that the process of release of machine at nil duty shall be over by June, 2011. The corresponding export obligation shall be to the tune of Rs.19.48 Cr as per EPCG license received

20) Figures of the previous year have been regrouped/recast wherever necessary so as to conform to current year's classification.



**INFORMATION PURSUANT TO THE PART - IV OF SCHEDULE - VI TO THE COMPANIES ACT, 1956 :
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details

Registration No.	L74210HR1984PLC032293	State Code	05
Balance Sheet Date	31.03.2011		

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Total Liabilities	27,39,906	Total Assets	27,39,906
-------------------	-----------	--------------	-----------

Sources of Funds

Paid-up Capital	47,250	Reserves & Surplus	3,09,195
Equity Warrants	—	Secured Loans	8,56,874
Deferred Liabilities(Net)	1,62,699	Unsecured Loans	5,87,455

Application of Funds

Net fixed Assets	19,13,911	Investments	—
Net Current Assets	47,301	Misc.Expenditure	2,260

IV. Performance of Company (Amount in Rs. Thousand)

Turnover	29,81,279	Total Expenditure	29,37,708
Profit Before Tax	43,572	Profit After Tax	20,502
Earning per Share	4.34	Dividend Rate (%)	Nil

V. Generic Names of Three Principal Products of Company (as per monetary terms)

Item Code No. (ITC Code)	: 8708
Product Description	: SHEET METAL COMPONENTS : ASSEMBLIES & SUB ASSEMBLIES
Item Code No. (ITC Code)	: 8462
Product Description	: TOOLS, DIES & MOULDS

Schedules referred to above form an integral part of the Accounts.

As per our report of even date.

for and on behalf of the Board

for **A W A T A R & C O.**
Chartered Accountants

S C KAPOOR
Chairman

RAJIV KAPOOR
Managing Director

DEEPIKA KAPOOR
Director

BRIJENDRA AGRAWAL
Partner
M.No.87787

SHYAM S.SETHI
Director

A.R. HALASYAM
Director

GORAV ARORA
Company Secretary

Place : New Delhi
Date : 02.06.2011

**CASH FLOW STATEMENT FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED AS AT 31ST MARCH,2011***(Amount in Rupees)*

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation	43,571,721	67,878,111
Adjustments for:		
Depreciation	124,790,759	114,693,886
(Profit) /Loss on sale of assets	4,200	321,373
(Profit) /Loss on sale of investment	(11,935,200)	
Interest Income	(4,578,205)	(6,423,763)
Excess Liabilities and Unclaimed Balances written back	(339,262)	(68,388)
Interest and Finance Charges	169,771,818	128,985,576
Deferred Revenue Expenditure (Net)	1,604,069	(1,020,815)
Exchange Fluctuation	263,963	(3,794,055)
Amount Written off	9,551	121,661
Others	1,604,601	1,758,941
Provision for doubtful debts	1,203,860	3,458,308
	282,400,155	238,032,724
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	325,971,876	305,910,835
Adjustments for:		
Trade and other receivables	30,802,656	13,064,002
Inventories	58,032,438	(9,102,231)
Trade payables and other liabilities	(75,205,772)	119,578,408
	13,629,322	123,540,179
Cash generated from operations	339,601,198	429,451,014
Direct Taxes paid	(9,598,334)	(18,341,689)
	(9,598,334)	(18,341,689)
CASH FLOW BEFORE EXTRA ORDINARY ITEMS	330,002,864	411,109,325
Prior Period Adjustments (Net)		
	330,002,864	411,109,325
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	330,002,864	411,109,325
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investments	31,827,200	-
Purchase of Fixed Assets	(129,901,960)	(98,886,390)
Proceed from sales of fixed Assets	543,744	1,688,730
Interest received	2,173,876	3,640,360
Amount paid to Misc.Expenditure		
	(95,357,140)	(93,557,300)
NET CASH USED IN INVESTING ACTIVITIES (B)	(95,357,140)	(93,557,300)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Convertible Equity Warrants	-	-
Proceeds from Long Term Borrowings	111,842,000	173,151,193
Repayment of Long Term Borrowings	(155,949,085)	(325,385,031)
Interest & Finance Charges paid	(164,159,988)	(139,112,024)
Repayment of Deferred Credits against leasehold land	(382,055)	(840,547)
Borrowings/(Repayment) from/to Bank	30,096,005	(21,212,771)
Sales Tax and other loans (Net of repayments)	(11,223,405)	(7,185,839)
Dividend Paid	-	-
	(189,776,528)	(320,585,019)
NET CASH USED IN FINANCING ACTIVITY (C)	(189,776,528)	(320,585,019)
Net Increase in cash and cash equivalents (A+B+C)	44,869,196	(3,032,994)
CASH & CASH EQUIVALENTS AS AT :		
Opening Balance 01.04.2010	44,617,999	47,650,993
Closing Balance 31.03.2011	89,487,195	44,617,999

Notes:

- Above statement has been prepared in indirect method.
- Cash and cash equivalents consists of cash on hand and balance with banks
- Trade and other receivables include other current assets and loans and advances.
- Additions to Fixed Assets are stated inclusive of movements of capital work-in -progress in between beginning and end of the year and treated as part of Investing Activities.
- Previous Year's figures have been regrouped/rearranged wherever necessary.

Schedules referred to above form an integral part of the Accounts.

As per our report of even date.

for and on behalf of the Board

for **A W A T A R & C O.**

Chartered Accountants

S C KAPOOR
Chairman**RAJIV KAPOOR**
Managing Director**DEEPIKA KAPOOR**
Director**BRIJENDRA AGRAWAL**Partner
M.No.87787**SHYAM S.SETHI**
Director**A.R. HALASYAM**
Director**GORAV ARORA**
Company Secretary

Place : New Delhi

Date : 02.06.2011

RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED

Regd.Office:14, Roj-Ka-Meo Industrial Area, Sohna, Distt. Gurgaon, Haryana 122103.

PROXY FORM

Folio No. / Shares held*DP ID..... *Client ID

I / Weresident of.....

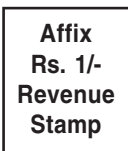
.....being a member / members of the above named Company, hereby appoint

Mr./Mrs./Ms.....resident of

or failing him/her..... resident ofas my / our proxy

to vote for me / us my/our behalf at the 27TH ANNUAL GENERAL MEETING of the Company at 10.00 a.m. on Friday, the 30rd day of September, 2011 or at any adjournment thereof.

Date:.....



Signature of Member.....

Note: Proxies must reach the Company's Registered Office not less than 48 hours before the meeting.

CUT HEAR

RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED

Regd. Office:- 14, Roj-Ka-Meo Industrial Area, Sohna, Distt. Gurgaon, Haryana 122103.

ATTENDANCE SLIP

Please fill and sign the Attendance Slip and hand it over at the entrance of the meeting hall.

Shares held:

Folio No.

***DP ID**

***Client ID**

Name and Address of Shareholders:

I hereby record my presence at the 27TH ANNUAL GENERAL MEETING of the Company held at Conference Hall, Saras Tourist Complex, Damdama, Sohna, Haryana at 10.00 a.m. on Friday, the 30rd day of September, 2011.

Signature of Shareholder \ Proxy

*Applicable for shareholders holding shares in electronic form

RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED

Regd Office: 14, Roz-Ka-Meo Industrial Area
Sohna, Distt. Gurgaon, Haryana - 122 103

Sub. : Request for registration of email id under Green Initiative

Dear Shareholder,

You must aware of the 'Green Initiative' taken by 'the Ministry of Corporate Affairs' (MCA) in Corporate Governance. The Ministry has allowed paperless compliances by companies through electronic mode with an intention to reduce paper consumption & contribute towards a greener environment. It has issued two circulars in this regard viz circular Nos. 17/2011 dt. 21-04-2011 & 18/2011 dt. 29-04-2011. According to these circulars, companies now can send various notices/ documents to their shareholders through electronics mode, at the registered email address of the shareholders. It includes notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors Report etc.

All you have to do to contribute your might for the greener initiative is to register your email id by filling up the enclosed form and send it back to us in the enclosed format. On successful registration you will get a confirmation of registration at your registered e-mail address from our register & thereafter you will receive all communications from the company at your registered e-mail ID. In case of any change in your e-mail address, the change is to be informed by way of a letter to the Registrars Link Intime India Pvt. Ltd.

Kindly note that ever after registration, if you still wish too get a hard copy of all communications for any reason, we will provide the same to you at no extra cost on hearing from you. In such case you are requested to send an email on acs@rasandik.com or send a letter to the Company.

We earnestly request you to be part of this Green Initiative taken by the Government.

With warm regards

Yours truly,

For Rasandik Engineering Industries India Limited

**Sd/-
Gorav Arora
Company Secretary**

.....
To
The Company Secretary,
Rasandik Engineering Industries India Limited
C-4 & 5, First Floor,C - Block Market Vasant Vihar,
New Delhi - 110 057

I agree to receive all documents / notices from the Company in electronics mode. Please register my email id in your records for sending for sending communication through e-mail. The required details are as under.

Folio No: (For Physical Shares) :
DP ID :
Client ID :
PAN No :
Name of 1st Registered Holder :
Registered address of Shareholder :
Email Id :

Date:

Signature of First Holder

.....

BOOK POST

If undelivered please return to :



RASANDIK

**RASANDIK ENGINEERING
INDUSTRIES INDIA LIMITED**

C-4&5, First Floor, C - Block Market
Vasant Vihar, New Delhi - 110 057

Email : cs@rasandik.com