



RASI ELECTRODES LIMITED

BOARD OF DIRECTORS

Mr. B.POPATLAL KOTHARI,
Chairman and Managing Director

Mr. B.RANJIT KUMAR KOTHARI
Director

Mr. HITESH M DHARAMSHI
Director

Mr. AJAY GOYAL
Director

Mr. N PRAKASH KUMAR
Director

AUDITORS

M/s. A.N.P. ASSOCIATES,
Chartered Accountants,
B-7, Adinath Complex, 2nd floor,
91, Govindappa Naicken St.,
Chennai - 600 001.

BANKERS

DENA BANK, ICICI BANK

REGISTERED OFFICE

No.44/4, Strotten Muthia Mudali St.
Chennai - 600 079.

ADMINISTRATIVE OFFICE

No.A/14, Rams Apartments,III Floor,
21, Raja Annamalai Road,
Purasawalkam,
Chennai - 600 084.

FACTORY

Upparapalayam Village, Almathi Post,
Redhills, Chennai - 600 052.

**(Members are requested to bring their copies
of the Annual Report to the meeting)**

(No Gifts will be given at the AGM)



RASI ELECTRODES LIMITED NOTICE

To,

The Shareholder,

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Company will be held at 9.00 A.M. on Friday, the 28th September, 2012 at HOTEL ASHOKA PVT LTD. New No 47 Old No 33, Pantheon Road, Egmore, Chennai - 600008 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2012 and the Profit & Loss Account for the year ended 31st March 2012 together with the Directors' and Auditor's report thereon and the Compliance Certificate issued by a Practicing Company Secretary u/s 383A(1) of the Companies Act, 1956.
2. To declare a dividend.
3. To appoint a Director in the place of Mr.Hitesh M Dharamshi who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in the place of Mr.B.Ranjit Kumar Kothari who retires by rotation and being eligible offers himself for reappointment.
5. To appoint an auditor in the place of the retiring Auditors M/s ANP Associates, Chartered Accountants, Chennai, who being eligible are offering themselves for reappointment and to fix their remuneration.

By Order of the Board

for **RASI ELECTRODES LIMITED**

CHENNAI

DATED: 31ST MAY 2012

B POPATLAL KOTHARI
CHAIRMAN & MANAGING DIRECTOR

NOTES :

01. A member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself and such proxy need not be a member of the Company.
02. The instrument appointing a proxy duly stamped and executed for use at the meeting must be lodged at the registered office of the Company not less than 48 hours before the time fixed for the meeting.
03. Members seeking any information with regard to accounts are requested to write to the Company at least 7 days in advance of the meeting so as to enable the management to keep the information ready.
04. Members are requested to bring their copies of the Annual Report with them to the meeting.
05. The Register of members and Share Transfer books shall remain closed from Tuesday, the 11th September 2012, to Friday, the 28th September 2012 (both days inclusive). The payment of dividend that may be declared by the shareholders at the 18th AGM will be made on or after 10th October 2012 as under:
 - To all beneficial owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Limited as of the close of the business hours on 10th September 2012;
 - To all shareholders in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 10th September 2012.
06. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the shareholders holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the shareholders.
07. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Transfer Agents M/s Cameo Corporate Services Limited, Subramanian Building, 1, Club House Road, Chennai-600002. Shareholders holding shares in electronic form must send the advice about change in address to their respective Depository Participants and not to the Company.
08. The particulars required to be furnished under Clause 49 of the Listing Agreement relating to Directors retiring by rotation and seeking re-election is provided below:

Name of the Director	Mr. B Ranjit Kumar Kothari	Mr. Hitesh M Dharamshi
Qualification	Graduate	B.Com, ACA
Date of Birth	23 rd July 1965	23 rd March 1975
Date of Appointment	13 th February 1995	10 th January 2004
Nature of expertise in specific functional areas	Around 26 Years Experience in various business such as Construction, Real Estate, Trading in Spices etc	Experienced in Finance, Accounts, Audit and Capital market related activities
Names of other Companies in which they are Directors	Arun Shanti Developers Private Limited	Nil
Names of other Companies in which they are Members of Committees of the Board	Nil	Nil

RASI ELECTRODES LIMITED

DIRECTORS' REPORT

Dear Shareholder,

Your Directors have pleasure in submitting the 18th Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2012.

FINANCIAL RESULTS

The Financial Results for the year ended 31st March 2012 is given below :

	Year Ended 31.03.2012 Rs.in Lakhs	Year Ended 31.03.2011 Rs. In Lakhs
Net sales	2491.66	2108.16
Other Income	81.15	20.87
Total (A)	2572.81	2129.03
Total Expenditure	2218.03	1860.74
Profit before interest & depreciation	354.78	268.29
Interest & financial charges	59.51	38.33
Depreciation	25.00	21.49
Profit before tax	270.27	208.47
Provision for tax incl tax for earlier years	76.49	71.78
Deferred tax – current	-0.89	-1.02
Profit after tax	194.67	137.71
Profit brought forward	231.61	146.65
Transfer to General Reserve	2.76	25.00
Proposed Dividend (5%)	23.80	23.80
Dividend tax	3.86	3.95
Balance carried to Balance sheet	395.86	231.61

DIVIDEND

Your Directors are pleased to recommend a dividend of Re.0.50 per equity share of Rs 10 each (previous year Re.0.50) for the year ended 31st March 2012.

MANAGEMENT DISCUSSION AND ANALYSIS

A. Industry structure and developments

Your Company is in the business of manufacture and marketing of welding electrodes of different grades and specialty catering to the requirements of light and heavy engineering industries. Your Company has, during the year, established a new plant for manufacture of Copper Coated Mild Steel (CCMS) which it was all along importing and selling in the domestic market. Your Company continues to import CCMS wire, rutile, MIG-MAG Machine, Flux Core Wire and Flux. CCMS Wires is a substitute product over the conventional Arc Welding Electrodes.

Your company is operating in the Small Scale Sector. The demand for the company's products are dependent on the prospects for the engineering industries. During the year, the capital goods and infrastructure sector has experienced a slow down which has affected the demand for welding electrodes.

B. Performance

During the year ended 31st March 2012, the overall turnover of the Company was Rs 2491.66 lakhs as against Rs 2108.16 lakhs achieved during the last year resulting in an increase in the turnover to the extent of 18.19% when compared with the previous year. The production of welding electrodes was 2264.248 MTs as against

2627.508 MTs achieved during the previous year. The production of CCMS Wire was 281.034 MTs produced by the newly installed plant. The CCMS Wire produced by the Company was of good quality and it was well received in the domestic market.

During the year ended 31st March 2012, the profit before tax was Rs 270.27 (previous year Rs 208.47) lakhs and after making a provision for tax amounting to Rs 75.60 (previous year Rs 70.76) lakhs (including provision for deferred tax), the profit after tax was Rs 194.67 (previous year Rs 137.71) lakhs. The Profit after tax has increased by 41.36% during the year ended 31st March 2012 when compared to the previous year.

The Company continues to comply with the certification requirements of Det Norkse Veritas Management System conforming to Quality Management System Standard ISO 9001:2008 for its manufacturing facility at Redhills, Chennai. The Company has made good progress in increasing its market share and market penetration with respect to its traded products such as Copper Coated Mild Steel (CCMS) Wire, rutile, MIG-MAG Machine, Flux Core Wire and Flux and welding machines by importing the same. The trading turnover of these additional products was Rs.839.19 lakhs during the year as against Rs.715.10 lacs achieved during the previous year.

C. Segmentwise performance

Your company operates in the single segment i.e., manufacture and marketing of welding electrodes and as such the discussion of segment-wise performance is not applicable.

D. Concerns

Slowdown in the capital goods and infrastructure sector is impacting the demand for company's products. Volatility and inflation in the prices of key raw materials remains a concern. Volatile currency fluctuations is also affecting the trading operations in imported products.

E. Prospects and Outlook

Your Company further strengthened its brand in the market with the launch of CCMS Wire produced from its own plant. The brand of your Company's products is well established in the market. It is the most sought after brand in certain segments of the market. Your Company is also pursuing active plans to develop newer categories of welding electrodes and to increase its area of operations.

Your Company continues to import and trade in CCMS Wire, rutile, MIG-MAG Machine, Flux Core Wire and Flux has also shown considerable improvement. These trading activities have aided the Company in establishing a niche market for itself for these newer segments of products without having a manufacturing facility.

Your Company has made some modest exports during the year. Your Company is also exploring the opportunity to export its products and also other tradeable product using its contacts with the overseas market. This is bound to increase the turnover and profitability in the years to come.

F. Internal control systems

Your company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from un-authorized use or disposition.

G. Human resources and industrial relations

Your Company has well qualified and experienced technical, financial and administrative staff to cater to its business requirements. The relations with the employees of the company remained cordial throughout the year. None of the employees are in receipt of remuneration in excess of the limits prescribed under section 217(2A) of the Companies Act, 1956.

DIRECTORS

Your Directors B.Ranjit Kumar Kothari and Hitesh M Dharamshi, are retiring by rotation at the ensuing Annual General Meeting and being eligible are offering themselves for reappointment as Directors on the Board of the Company.

AUDITORS

M/s. ANP Associates, Chartered Accountants, Chennai shall be retiring at the ensuing Annual General Meeting and being eligible are offering themselves for reappointment.

CONSERVATION OF ENERGY, ETC

As required under the Provisions of Sec. 217 (1) (e) of the Companies Act 1956 information relating to Conservation of energy, technology absorption, and foreign exchange earnings and outgo is annexed hereto.

There were no employees drawing remuneration exceeding the limits prescribed under section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE

A report on Corporate Governance as prescribed under Clause 49 of the Listing Agreement is annexed.

COMPLIANCE CERTIFICATE

As required under section 383A(1) of the Companies Act, 1956, a Compliance Certificate issued by a Practising Company Secretary for the year ended 31st March 2012 is annexed to this report.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Yours Directors state that :

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- (iii) The directors have taken proper and sufficient care for the maintenance of sufficient 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.
- (iv) The directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the various Governmental authorities, the Company's Bankers M/s. Dena Bank, the customers, and Suppliers. Your Directors also wish to place on record the dedicated Services rendered by the employees of the Company at all levels.

for and on behalf of the Board of Directors

CHENNAI
DATED: 31ST MAY 2012

B POPATLAL KOTHARI
CHAIRMAN & MANAGING DIRECTOR

RASI ELECTRODES LIMITED

ANNEXURE TO DIRECTORS' REPORT

Disclosure of particulars Pursuant to Sec 217(1)(e) of the Companies Act, 1956

A. CONSERVATION OF ENERGY

Energy Conservation measures have been adopted right from the initial Stages of manufacture to achieve the optimum energy consumption per unit of production.

B. POWER AND FUEL CONSUMPTION

SNO	PARTICULARS	UOF	Year ended 31.03.2012	Year ended 31.03.2011
1	Electricity:			
A	Purchased:			
	Units	Kwh	484107	416748
	Total amount	Rs	2507317	2112438
	Rate/unit	Rs	5.18	5.07
B	Own generation			
(i)	Through diesel generator			
	Units	Kwh	13800	13140
	Units per litre of diesel oil	Kwh	7.52	7.13
	Cost per unit	Rs	9.44	7.06
(ii)	Through steam turbine generator			
2	Coal		Nil	Nil
3	Furnace oil		Nil	Nil
4	Others/internal generation		Nil	Nil
5	Consumption per unit of production:			
	Electricity	Kwh/mt	195.61	163.61
	Furnace oil		Nil	Nil
	Coal		Nil	Nil
	Others		Nil	Nil

C. TECHNOLOGY ABSORPTION

Technology has been developed by the promoter Director themselves. The Company has not purchased technology from outside sources (either indigenous or foreign).

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign Exchange Outgo	Rs	78562802	58766154
Total Foreign Exchange Earnings	Rs	2066165	13912279

M/S A.N.P. ASSOCIATES,

Chartered Accountants, B-7, Adinath Complex, 2nd floor, 91, Govindappa Naicken St., Chennai - 600 001.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of M/s Rasi Electrodes Limited

We have examined the compliance of the conditions of Corporate Governance by Rasi Electrodes Limited for the year ended 31st March 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company, with the Stock Exchange in India.

The compliance of the conditions of corporate governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring 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 the representation made by the Directors and the Management, we certify that the Company has, complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India. We have to state that based on the report issued by the Registrars of the Company to the Investors' Grievance Committee, as on 31st March 2012 there were no investor grievance matters against the Company remaining unattended/pending for more than 30 days.

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 A N P ASSOCIATES,
Chartered Accountants
Firm Registration No.:009004 S

Chennai

Dated: 31st May 2012

RASI ELECTRODES LIMITED

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your company is in the business of manufacturing welding electrodes required by engineering, chemical and other manufacturing industries. Your company's philosophy of corporate governance is to provide low cost quality welding electrodes which best satisfy the needs of the customers and in the process, to bring about prosperity to the company, its shareholders, its investors and the country at large.

II. BOARD OF DIRECTORS

- i. The Company has an Executive Chairman. The Company's Board comprises Five Directors (as on 31st March 2012) of whom Three are Independent Directors (60%) and Two are Non-Independent Directors (40%). The number of Non-Executive Directors is Four (80%). The composition of the Board is in conformity with Clause 49 of the Listing Agreement.
- ii. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the Companies in which he/she is a Director. Necessary disclosures regarding Directorship / Committee positions held by the Directors in other public companies as at 31st March 2012, have been made by the Directors.
- iii. The names and categories of Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other Directorships do not include alternate directorships, Directorships of private limited companies and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

Names of Directors	Promoter/non-promoter	Relationship with other Directors	Executive/ Non-executive/ Independent	No. of Board Meetings Attended	Last AGM Attended Yes/No	No. of Outside Directorship held	Member of Committee*
1.Mr B Popatlal KothariChairman & Managing Director	Promoter	Related	Executive/ Non-independent	10	Yes	1	Nil
2.Mr Ranjit Kumar Kothari, Director.	Promoter	Related	Non-Executive/ Non-independent	10	Yes	1	Nil
3.Mr Hitesh M Dharamshi, Director	Non-Promoter	Not Related	Non-Executive/ Independent	7	Yes	1	Nil
4.Mr Ajay Goyal, Director	Non-Promoter	Not Related	Non-Executive/ Independent	8	No	Nil	Nil
5.Mr N Prakash Kumar	Non-Promoter	Not Related	Non Executive / Independent	9	Yes	Nil	Nil

- iv. During the year ended 31st March 2012, Ten (10) Board Meetings were held on 20th April 2011, 31st May 2011, 24th June 2011, 30th June 2011, 13th July 2011, 13th August 2011, 04th October 2011, 14th November 2011,

29th November 2011 and 15th February 2012.

- v. The Notice and Agenda for the Board Meeting is sent to each of the Director at least a week in advance. The Managing Director as the Chief Executive Officer of the Company briefs the Board at every meeting on the overall performance of the Company. The Board reviews all the mandatory matters as prescribed under Clause 49 of the Listing Agreement every quarter.

III. AUDIT COMMITTEE

- i. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement read with section 292A of the Companies Act, 1956.
- ii. The terms of reference of the Audit Committee are in line with the one prescribed under Clause 49 of the Listing Agreement.
- iii. In its meetings, the Audit Committee considered and reviewed matters relating to operational, financial and other business areas and also reviewed the quarterly results and annual results of the Company.
- iv. The previous Annual General Meeting was held on 30th September 2011 and it was attended by Mr Hitesh M Dharamshi, the Chairman of the Audit Committee.
- v. The Audit Committee of Directors met four (4) times during the year on 31st May 2011, 13th August 2011, 14th November 2011 and 15th February 2012.
- vi. The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name	Category	No.of meetings held	No.of meetings attended
Mr Hitesh M Dharamshi	Chairman, Independent, Non-Executive	4	4
Mr Ranjit Kumar Kothari	Non-Independent, Non-Executive	4	4
Mr Ajay Goyal	Independent, Non-Executive	4	4

IV.REMUNERATION COMMITTEE

- i. The Remuneration Committee comprises of the following Directors:

Name	Category	No.of meetings held	No.of meetings attended
Mr Ajay Goyal	Chairman, Independent, Non-Executive	1	1
Mr Ranjit Kumar Kothari	Non-Independent, Non-Executive	1	1
Mr Prakash Kumar	Independent, Non-Executive	1	1

- ii. The terms of reference of the Remuneration Committee to review and recommend the remuneration payable to Executive and Non-Executive Directors.
- iii. A meeting of the Remuneration Committee was held once during the year on 20th April 2011.
- iv. The Company does not have any Employee Stock Option Scheme.
- v. Details of the remuneration paid to Executive and Non-Executive Directors for the year ended 31st March 2012 is given below:

Name	Designation	Remuneration paid to Executive Directors including perquisites (Rs.)	Remuneration paid to Non-Executive Directors (Rs.)	Sitting fees paid to Directors(Rs.)
1.Mr B Popatlal Kothari	Chairman & Managing Director	1775802	Nil	Nil
2.Mr Ranjit Kumar Kothari,	Director	Nil	Nil	17500
3.Mr Hitesh M Dharamshi	Director	Nil	Nil	11000
4.Mr Ajay Goyal, Director	Director	Nil	Nil	12500
5.Mr N Prakash Kumar	Director	Nil	Nil	12500

viii.Details of shares of the Company held by Directors as on 31st March 2012 are as follows.

Name	Designation	Equity shares held
1.Mr B Popatlal Kothari	Chairman & Managing Director	665276
2.Mr Ranjit Kumar Kothari,	Director	233100
3.Mr Hitesh M Dharamshi	Director	Nil
4.Mr Ajay Goyal, Director	Director	4200
5.Mr N Prakash Kumar	Director	Nil

ix. The Company has not issued any convertible debentures.

V. SHARE TRANSFER AND INVESTOR/S SHARE HOLDERS GRIEVANCE COMMITTEE

i. The composition of the Share Transfer and Investor / Shareholders Grievance Committee and the details of meetings held and attended by the members of the Committee are given below:

Name	Category	No.of meetings held	No.of meetings attended
Mr B Popatlal Kothari	Chairman, Executive, Non-independent	6	6
Mr B Ranjit Kumar Kothari	Non-Executive, non-Independent	6	6
Mr Prakash Kumar	Executive, Independent	6	6

ii. The Committee met Six (6) times during the year on 15th June 2011, 30th July 2011, 13th August 2011, 14th November 2011, 15th December 2011 and 15th February 2012.

iii. The terms of reference of the Committee are to approve the Share Transfers / Transmission, to take on record dematerialization of shares, to approve splits, consolidation of share certificates, and to specifically look into redressal of complaints from shareholders and investors.

iv. Name, Designation and address of Compliance Officer is given below:

Mr B Popatlal Kothari
 Managing Director
 Rasi Electrodes Limited,
 Admn Off: 'Rams Apartments', Flat A-14,12 (Old No.:21), Raja Annamalai Road,Chennai-600084
 Tel: 044-26424523; 26427884

v. Details of complaints received and redressed are given below:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	6	6	Nil

VI. GENERAL BODY MEETINGS

i. The location, time where last three AGMs held are furnished below:

YEAR	LOCATION	DATE	TIME
2008-2009	HOTEL ABU PALACE, No.926, Poonamallee High Road, Chennai-600 084	25.09.2009	9.00 A.M.
2009-2010	HOTEL ABU PALACE, No.926, Poonamallee High Road, Chennai-84	27.09.2010	9.00 A.M.
2010-2011	HOTEL ABU PALACE, No.926, Poonamallee High Road, Chennai-600 084	30.09.2011	9.00 A.M.

ii. The details of Special Resolutions passed at the previous three AGMs are furnished below:

Date of AGM	Details of Special Resolution Passed
25.09.2009	Nil
27.09.2010	i. Re-appointment of Managing Director for a further period of three years up to 12.02.2013.ii. Commencement of new business as listed under Clause III.C.(1). Of the existing Memorandum of Association of the Company as required u/s 149(2A) of the Companies Act, 1956.
30.09.2011	Nil

iii. No resolution was passed through postal ballot during the year ended 31st March 2012.

iv. No resolution is proposed to be passed through postal ballot during the year ended 31st March 2013..

VII. DISCLOSURES

- i. Disclosures on materially significant related party transactions i.e Transaction of the company of material nature with its promoters, Directors or management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large:
The disclosures relating to related party transactions as per AS18 is given in Note 22 : other significant notes – Note No.: 22.4.
- ii. Details of non compliance by the company, penalties, strictures imposed on the Company by Stock exchange or SEBI or any statutory authority, on any matter related to capital market during the last three years :
A penalty of Rs 250,000 was levied on the Company by SEBI vide the Order passed by the Adjudicating Officer for not putting in place the systems and procedures for implementation of the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992. Your Company has paid the penalty within the stipulated time in the Order. Your Company has reviewed and it has now put in place the necessary systems required for effective implementation of the insider trading regulations.
- iii. The Board of Directors of the Company have adopted a suitable Code of Conduct to be adhered to by its Directors and Senior Management Personnel. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year ended 31st March 2012 and the Certificate furnished by the Managing Director in his capacity as the Chief Executive Officer of the Company is annexed to this report.
- iv. The Board of Directors have also laid down a comprehensive Code of Conduct for Prevention of Insider Trading applicable to its Board of Directors and Senior Management Personnel. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year ended 31st March 2012

- v. The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with clause 7 of Annexure ID to Clause 49 of the Listing Agreement, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.
- vi. The risk assessment and minimization procedures are in existence and the Board of Directors reviews the same at their quarterly meetings.
- viii. The Company has not fulfilled any of the non-mandatory requirements as prescribed in Annexure ID to Clause 49 of the Listing Agreement other than the constitution of Remuneration Committee.

VIII. MEANS OF COMMUNICATION

- i. The quarterly and annual results are communicated to the Stock Exchange immediately after the Board Meeting where in it is approved.
- ii. The quarterly and annual results are also published in the news papers “Trinity Mirror” and “Makkal Kural”.
- iii. A Management discussion and Analysis Statement is a part of the Directors Report furnished in the Company’s Annual Report.

IX. GENERAL SHAREHOLDER INFORMATION

i.	18th Annual General Meeting	
	Date	28 TH September 2012
	Time	9.00 A.M.
	Venue	Hotel Ashoka Pvt Ltd New No 47 Old No 33, Pantheon Road, Egmore, Chennai- 8
ii.	Financial year:	
	Year ending	31 st March 2012
	AGM in	28 TH September 2012
	Dividend payment	The dividend, if declared, shall be paid / credited on or after 10 th October 2012
iii.	Date of book closure	From Tuesday 11 th September 2012 to Friday, the 28 th September 2012 (both days inclusive)
iv.	Listing on Stock Exchanges	Bombay Stock Exchange Limited
v.	Stock code/SIN No.	531233
vi.	ISIN No.	1NE822D01013
vii.	Market price data	The details of share prices as traded on the Bombay Stock Exchange is furnished below:

Month	High	Low	No.of shares traded	No.of Trades
April 2011	27.10	22.55	8675	105
May 2011	25.50	22.40	14707	100
June 2011	24.00	20.75	13232	61
July 2011	22.85	21.00	5212	42
August 2011	22.45	20.55	4023	26
September 2011	25.25	20.60	5344	31
October 2011	24.00	21.00	1284	17
November 2011	25.90	21.65	23253	77
December 2011	22.45	20.00	35166	116
January 2012	22.65	20.25	35694	87
February 2012	23.25	20.70	37508	212
March 2012	23.10	20.95	19782	40

Source; Website of The Stock exchange, Mumbai.

vii.	Registrar & Transfer Agent	Cameo Corporate Services Limited Subramanian Building No.1, Club House Road, Chennai-600002. Tel: 044-28460390-91-92
viii.	Share Transfer System	A total of 4414881 equity shares representing 92.750% of the paid-up capital of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. The shares in the physical form are normally transferred within a period of 15-30 days from the date of receipt if the documents are complete in all respects.
ix.	Distribution of shareholding	

a. Distribution of shareholding as on 31st March 2012 is furnished below:

Distribution Range (No. of shares)	No. of shareholders	% of total	No. of equity shares held	% of total
1 – 500	899	62.8232	114365	2.4026
501 – 1000	261	18.2389	194073	4.0771
1001 – 2000	102	7.1278	147924	3.1076
2001 – 3000	26	1.8169	65802	1.3823
3001 – 4000	19	1.3277	67018	1.4079
4001 – 5000	17	1.1879	79122	1.6622
5001 – 10000	31	2.1663	227557	4.7806
10001 & above	76	5.3109	3864139	81.1793
Total	1431	100.000	4760000	100.0000

b. Categories of shareholders as on 31st March 2012 is furnished below:

Category	No. of shares	Percentage
Promoters holdings	1240066	26.05
Corporate Bodies	147458	3.10
Indian Public	3372476	70.85
Total	4760000	100.000

x.	Dematerialisation of shares and liquidity	The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Ltd (NSDL) and Central Depository Services Limited (CSDL). 4414881 Equity shares of the Company representing 92.750% of the Company's share capital are dematerialized as on March 31, 2012. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE822D01013
xi.	Outstanding GDRs/ADRs	The Company has so far not issued any GDRs/ADRs/Warrants or any convertible instruments.
xii.	Plant locations	Welding Electrodes Manufacturing Plant Upparapalayam Village Alamathi Post, Redhills Chennai-600052
xiii.	Address for correspondence	Administrative Office: 'Rams', A-14, III Floor, 21, Raja Annamalai Road, Chennai-600084 For transfer of shares, dematerialisation, change of address, etc., to: CAMEO CORPORATE SERVICES LIMITED Subramanian Building, No.1, Club House Road, Chennai-600002
xiv.	Exclusive E-Mail ID for Redressal of Investor Complaints	The Company has designated an e-mail ID exclusively for the purpose of registering complaints by investors. The e-mail ID is investorcomplaints@airtelmail.in. Shareholders / Investors can send their complaints / Grievances to the above e-mail ID.

CEO/ CFO CERTIFICATION:

I, B Popatlal Kothari, Managing Director, certify that:

- (a) I have reviewed the financial statements and the cash flow statement for the year ended 31st March 2012 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control system of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operation for internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit Committee
- 1. Significant change in internal control during the year, wherever applicable;
 - 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements wherever applicable: and
 - 3. Instances of significant fraud of which we became aware or the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

CHENNAI
DATED: 31ST MAY 2012

B POPATLAL KOTHARI
CHAIRMAN & MANAGING DIRECTOR

MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

As required by Clause 49 of the Listing Agreement the Managing Director's Declaration on compliance of the Code of Conduct is given below:

To
The Members of
Rasi Electrodes Limited.

I, B. Popatlal Kothari, Managing Director of the Company, hereby declare that all Board Members and Senior Managerial Personnel have affirmed their compliance with the Code of Conduct during the year ended 31st March 2012.

CHENNAI
DATED: 31ST MAY 2012

B POPATLAL KOTHARI
CHAIRMAN & MANAGING DIRECTOR

A M GOPIKRISHNAN, B.Com., FICWA, FCS, MCA

COMPANY SECRETARY (In Wholetime Practice)

'Sri Durga Pearl', flat S-3, 151, first Main Road, Sakthivel Nagar, Chennai-600082.

COMPLIANCE CERTIFICATE

COMPANY NO.: U52599TN1994PLC026980 NOMINAL CAPITAL: Rs 500,00,000

To, The Members

RASI ELECTRODES LIMITED

REGD OFF: 44/4, STROTEN MUTHIAH STREET,

CHENNAI-600079

I have examined the registers, records, books and papers of M/s RASI ELECTRODES LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March 2012. In my opinion and to the best of my information and according to the examinations carried out by me and the explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed or within the extended period of time upon payment of necessary additional fees as the case may be under the Act and the rules made there under.
3. The company is a public limited Company. The equity shares of the Company is listed and actively traded at the Bombay Stock Exchange Limited. The Company has minimum prescribed paid up capital.
4. The Board of Directors duly met Ten (10) times during the year on 20th April 2011, 31st May 2011, 24th June 2011, 30th June 2011, 13th July 2011, 13th August 2011, 04th October 2011, 14th November 2011, 29th November 2011 and 15th February 2012.. As per the information and explanation given to me, notices of such meetings have been given to all the Directors. The proceedings at the meetings were properly recorded and signed in the minutes book maintained for the purpose. No circular resolution was passed during the year.
5. The company closed its register of members from 15th September 2011 to 30th September 2011 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting (AGM) for the financial year ended on 31st March 2011 was held on 30th September 2011. As per the explanations given to me, notice for the said AGM was sent to all the shareholders by ordinary post. The resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors or persons or firms or Companies referred to under section 295 of the Act.
9. As per the information and explanation given to me, the company has not entered into contract falling within the purview of section 297 of the Act.
10. The company has made necessary entries in the Register maintained under section 301 of the Act.
11. The company has obtained necessary approvals from the Board of Directors and members pursuant to section 314 of the Act in respect of remuneration paid to a relative of a Director. The Company was not required to seek the previous approval of the Central Government during the year.
12. The Company has not issued any duplicate share certificate during the financial year.
13. The company has:
 - (i) through its RTA, delivered all the certificates on lodgment thereof for transfer / transmission or any other purpose in accordance with the provisions of the Act. The Company has not made any allotment of securities during the financial year.
 - (ii) Deposited the amount of dividend declared in a separate bank account on 1st October 2011 which is within five days from the date of declaration of such dividend.
 - (iii) Paid / posted demand drafts / warrants for dividends to all the members within a period of 30 days from the date of declaration and that all unclaimed / unpaid dividend has been transferred to unpaid dividend account of the Company with HDFC Bank, Chennai, within the time stipulated under the Act.
 - (iv) There were no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures

- and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years and as such no amounts were transferred to investors education and protection fund during the year.
- (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors is duly constituted. The Company has not appointed any Additional Director or Director to fill casual vacancy during the financial year.
 15. The appointment of Managing Director has been made in compliance with the provisions of section 269 read with schedule XIII to the Act. The Company is not required to obtain any approval from the Central Government in respect of the appointment of Managerial Personnel and remuneration paid to him.
 16. The Company has not appointed any sole selling agents during the financial year.
 17. There were no other instances during the financial year where the Company was required to seek the approval of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act.
 18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 19. The Company has not issued any shares/debentures/other securities during the financial year.
 20. The Company has not bought back any shares during the financial year.
 21. The Company has not issued any preference shares/debentures and hence redemption of any preference shares or debentures does not arise.
 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividends, rights shares and bonus shares pending registration of transfers of shares.
 23. An amount of Rs 85,000 is outstanding as on 31st March 2012 towards security deposit taken from dealers and the same has been classified under the head unsecured loans in the Balance Sheet as on that date. Other than the above, the Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
 24. The amount borrowed by the Company from Directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2012 is / are within the borrowing limits of the Company stipulated u/s 293(1)(d) of the Act.
 25. The Company has made loans and investments or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
 26. The company has not altered the provisions of the Memorandum of Association with respect to the situation of the company's registered office from one state to another during the year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum of Association with respect to the name of the Company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the Company during the year under scrutiny.
 30. The Company has not altered the Articles of Association during the financial year.
 31. The Company has been issued a show cause notice by the Adjudicating Officer appointed by Securities & Exchange Board of India for not complying with the requirements under SEBI(Prohibition of Insider Trading) Regulations, 1992, and a penalty of Rs 250,000 was levied on the Company by SEBI vide the Order passed by the Adjudicating Officer for not putting in place the systems and procedures for implementation of the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, and the Company has paid the penalty. There was/were no other prosecutions initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for others under the Act.
 32. The Company has not received any money as security from its employees during the financial year.
 33. The Company has not constituted a separate Provident Fund Trust for its employees or class of its employees as contemplated under section 418 of the Act and as such remittance of contribution to provident fund with prescribed authorities pursuant to section 418 of the Act, does not arise.

CHENNAI
DATED: 31ST MAY 2012

A M GOPIKRISHNAN
COMPANY SECRETARY
(In Whole-time Practice)
C.P.No.: 2051

ANNEXURE A**REGISTERS AS MAINTAINED BY THE COMPANY**

1. Register of Members u/s 150 of the Companies Act, 1956, (Maintained at the premises of the RTA M/s Cameo Corporate Services Limited pursuant to approval accorded by the members and agreement entered with the RTA).
2. Register of share transfer (Maintained at the premises of the RTA M/s Cameo Corporate Services Limited pursuant to approval accorded by the members and agreement entered with the RTA).
3. Register of Directors/Managing Director u/s 303 of the Companies Act, 1956.
4. Register of Directors share and debenture holdings u/s 307 of the Companies Act, 1956.
5. Register of Contracts u/s 301 of the Companies Act, 1956.
6. Register of Contracts, Companies and Firms in which Directors are interested u/s 301 (3) of the Companies Act, 1956.
7. Minutes books u/s 173 of the Companies Act, 1956.
8. Books of Accounts u/s 209 of the Companies Act, 1956.

ANNEXURE B**FORMS AND RETURNS AS FILED BY THE COMPANY WITH REGISTRAR OF COMPANIES, REGIONAL DIRECTOR, CENTRAL GOVERNMENT OR OTHER AUTHORITIES DURING THE FINANCIAL YEAR ENDED 31ST MARCH 2012.**

SNO	Form No./Return	Filed u/s	For	Date of filing	Filed within prescribed time	If delay in filing whether requisite additional fee paid
1	Form 23ACXBRL along with Balance Sheet as on 31.3.2011 and Form 23ACAXBRL along with profit and Loss Account for the year ended 31st March 2011	220(1)	Balance sheet as on 31.3.2011 duly adopted by the shareholders at their AGM held on 30.09.2011	22.12.2011	Yes	NA
2	Form 20B along with Annual Return as on 30.09.2011	159	Annual Return as on the date of AGM held on 30.09.2011	29.11.2011	Yes	NA
3	Form 66 along with Compliance Certificate	383A	Compliance Certificate issued by a Practising Company Secretary for the year ended 31st March 2011	29.11.2011	No	YES
4	Form 8	125	Modification of Charge on 02.03.2011 in favour of Dena Bank to secure the enhanced credit limit enhanced to Rs 650 lakhs from 625 lakhs.	11.03.2011	Yes	NA
5	Form 17	138	Satisfaction in Full of Charge made on 05.05.1997 in favour of Dena Bank for an Amt of Rs.40 Lakhs on 07/02/2012	24.02.2012	Yes	NA
6	Form 17	138	Satisfaction in Full of Charge made on 30.06.2011 in favour of Dena Bank for an Amt of Rs.75 Lakhs on 07/02/2012	24.02.2012	Yes	NA

**M/s A.N.P. Associates,
Chartered Accountants,
B-7, Adinath Complex, 2nd floor,91, Govindappa Naicken St.,Chennai - 600 001.**

REPORT OF THE AUDITORS

Auditor's Report to the Members of Rasi Electrodes Limited

1. We have audited the attached Balance Sheet of Rasi Electrodes Limited as at 31st March 2012, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditors Report) (Amendment) Order, 2004(the Order) issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes 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, Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section(3C) of Section 211 of the Companies Act, 1956, to the extent applicable;
 - (v) Based on the representations made by the Directors and taken on record by the Board of Directors of the Company and the information and explanations given to us, none of the Directors is, as at 31st March 2012, prima-facie disqualified 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 financial statements, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India;
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
 - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For A N P ASSOCIATES,
Chartered Accountants
Firm Registration No.:009004 S

AMISH N PATEL
Proprietor
Membership No.027859

Chennai
Dated:31st May 2012

M/s A.N.P. Associates,
Chartered Accountants, B-7, Adinath Complex, 2nd floor, 91, Govindappa Naicken St., Chennai - 600 001.

ANNEXURE TO THE AUDITOR'S REPORT
(Referred to in paragraph 3 of our report of even date)

1. In respect of Fixed Assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
 - b. Some of the fixed assets were physically verified during the year by the management in accordance with the programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - c. As per the records and information and explanations given to us, fixed assets disposed off during the year were not substantial.
2. In respect of its inventories:
 - a. As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
 - b. In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. The Company has neither granted nor taken loans, secured or unsecured to or from companies, firms or other parties during the year covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanation given to us, there is adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of the goods and services. Based on the audit procedure performed and on the basis of information and explanations provided by the management, during the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
5. According to the information and explanations, provided by the management and based upon audit procedures performed, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section; and the transactions made in pursuance of such contracts or arrangements (exceeding the value of Rs.5 lacs in respect of each party during the financial year) have been made at prices which are generally reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted deposits from the public.
7. The Company has no formalized internal audit system but its internal control system is commensurate with the size and nature of its business.
8. To the best of our knowledge and as explained to us, the Central Government has not prescribed maintenance of cost records under Clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.
9. (a). The Company is regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Income Tax, Sales Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it. There are no arrears of outstanding statutory dues as at 31st March 2012, for a period of more than six months from the date they become payable.
(b). According to the information and explanations given to us, there are no disputed amounts that are unpaid in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess as at 31st March 2012.
10. The Company has no accumulated losses as at March 31, 2012 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. On the basis of the records examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not obtained any borrowings from any financial institution or by way of debentures.
12. As explained to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or any other securities.
13. The provisions of any special statute applicable to chit funds/nidhi /mutual benefit fund/society do not apply to the Company.
14. The Company has made certain investments in shares and in the derivative instruments of commodities and foreign currencies. Proper investment records have been maintained by the Company. Transactions have been regularly updated as and when taken place. All investments of the Company are held in its own name.
15. The Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
16. The Company has not availed any Term Loan during the year.
17. According to the information and explanations given to us, on an overall examination of the Balance Sheet of the Company, funds raised on short term basis have prima facie, not been used during the year for long term investment. No long term funds have been used to finance short term assets other than temporary deployment pending application.
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. During the year, the Company has not raised any money by way of public issue of shares or debentures.
20. To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

For A N P ASSOCIATES,
Chartered Accountants
Firm Registration No.:009004 S

AMISH N PATEL
Proprietor
Membership No.027859

Chennai
Dated:31st May 2012



RASI ELECTRODES LIMITED
BALANCE SHEET AS AT 31ST MARCH 2012

SNO	PARTICULARS	Notes	AS AT 31.03.2012 ₹	AS AT 31.03.2011 ₹
A	EQUITY AND LIABILITIES			
1	Shareholder's Funds			
[a]	Share capital	1	47600000	47600000
[b]	Reserves & surplus	2	51561109	34860245
	Sub Total - Shareholders' Funds		<u>99161109</u>	<u>82460245</u>
2	Non-current Liabilities			
[d]	Long-term provisions	3	1509116	1252955
	Sub Total - Non-current Liabilities		<u>1509116</u>	<u>1252955</u>
3	Current Liabilities			
[a]	Short term borrowings	4	47705104	38637609
[b]	Trade payables	5	5495463	2212711
[c]	Other current liabilities	6	3941220	3015298
[d]	Short-term provisions	7	10157321	9826409
	Sub Total - Current Liabilities		<u>67299108</u>	<u>53692027</u>
	TOTAL - EQUITY AND LIABILITIES		<u>167969333</u>	<u>137405227</u>
B.	ASSETS			
1	Non-current Assets			
[a]	Fixed assets	8		
	Tangible assets		20376648	20964719
	Intangible assets		3117	3620
	Capital work-in-progress		2866580	403230
	Total fixed assets		<u>23246345</u>	<u>21371569</u>
[b]	Non-current investments	9	320222	320222
[c]	Deferred tax assets (net)	10	214797	125120
	Sub Total - Non-current Assets		<u>23781364</u>	<u>21816911</u>
2	Current Assets			
[a]	Inventories	11	46950444	34742172
[b]	Trade receivables	12	55519273	46135254
[c]	Cash and bank balances	13	14995946	8592297
[d]	Short-term loans and advances	14	26722306	26118593
	Sub Total - Current Assets		<u>144187969</u>	<u>115588316</u>
	TOTAL - ASSETS		<u>167969333</u>	<u>137405227</u>
	Significant Accounting Policies	21		
	Other Significant Notes On financial statements	22		

As per our report attached
for ANP ASSOCIATES
Chartered Accountants
FRN : 009004 S

for and on behalf of the Board of Directors

AMISH N PATEL
Proprietor
Membership No.027859
Chennai
Dated:31st May 2012

B. POPATLAL KOTHARI
Chairman & Managing Director

B. RANJIT KUMAR KOTHARI
Director



RASI ELECTRODES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

SNO	PARTICULARS	Notes	YEAR ENDED 31.03.2012 ₹	YEAR ENDED 31.03.2011 ₹
1	Income from Operations:			
a.	Gross Sales		266165101	225292307
	Less: Excise Duty on Sales		<u>16998615</u>	<u>14476485</u>
	Net Sales		<u>249166486</u>	<u>210815822</u>
b	Other Income	15	<u>8114929</u>	<u>2087581</u>
	Total Income From Operations		<u>257281415</u>	<u>212903403</u>
2	Expenses:			
	[a].Cost of materials consumed	16	112008408	102359265
	[b].Purchases of stock in trade		79240667	59558832
	[c].Changes in inventories of finished goods, work-in-progress and stock-in-trade	17	-6418246	-5323289
	[d].Employees benefits expense	18	14137188	10574816
	[e].Finance costs	19	5950572	3833396
	[f].Depreciation and amortisation expense	8	2500342	2149439
	[g].Other expenses	20	<u>22835613</u>	<u>18903478</u>
	Total Expenses		<u>230254544</u>	<u>192055937</u>
3	Profit Before Tax		27026871	20847466
4	Tax expense:			
	Current tax		7391225	7051121
	Prior period tax		258363	127391
	Deferred tax		<u>-89677</u>	<u>-102875</u>
5	Profit after Tax		<u>19466960</u>	<u>13771829</u>
6	Basic & diluted earnings per equity share of Rs 10 each (Rs.)		4.09	2.89
	Significant Accounting Policies	21		
	Other significant notes on financial statements	22		

As per our report attached
for ANP ASSOCIATES
Chartered Accountants
FRN : 009004 S

for and on behalf of the Board of Directors

AMISH N PATEL
Proprietor
Membership No.027859
Chennai
Dated:31st May 2012

B. POPATLAL KOTHARI
Chairman & Managing Director

B. RANJIT KUMAR KOTHARI
Director



RASI ELECTRODES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

	YEAR ENDED 31.03.2012	YEAR ENDED 31.03.2011
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extra-ordinary items	27026871	20847466
Adjustment for:		
Depreciation and deferred revenue expenditure	2500342	2149439
Interest paid	5950572	3833396
Interest received	-1713458	-2053562
(Profit)/Loss on sale of fixed assets	-53946	-12438
Operating Profit before working capital changes	33710381	24764301
Adjustment for:		
Inventories	-12208272	-7380421
Sundry Debtors	-9384019	-1138438
Loans and Advances	-603713	-7259451
Current Liabilities	4464835	2276380
CASH GENERATED FROM OPERATIONS	15979212	11262371
Less: Interest paid	5950572	3833396
Cash Flow before extraordinary items	10028640	7428975
Less: Extra-ordinary items	0	0
NET CASH FROM OPERATING ACTIVITIES(A)	10028640	7428975
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of fixed assets	-8404015	-3756494
Capital work in progress	-2866580	-403230
Interest received	1713458	2053562
Sale of fixed assets	6949425	32078
NET CASH FROM INVESTING ACTIVITIES(B)	-2607712	-2074084
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	9067493	9640484
Payment of dividend incl dividend tax	-2775288	-2784481
payment of taxes	-7309484	-6509353
NET CASH USED IN FINANCING ACTIVITIES (C)	-1017279	346650
D. NET INCREASE IN CASH & CASH EQUIVALENTS		
A+B+C=D	6403649	5701541
CASH AND CASH EQUIVALENTS AS AT 01.04.2011	8592297	2890756
Add: Net increase in Cash & Cash equivalents	6403649	5701541
CASH AND CASH EQUIVALENTS AS ON 31.03.2012	14995946	8592297

As per our report attached
for ANP ASSOCIATES
Chartered Accountants
FRN : 009004 S

for and on behalf of the Board of Directors

AMISH N PATEL
Proprietor
Membership No.027859
Chennai
Dated:31st May 2012

B. POPATLAL KOTHARI
Chairman & Managing Director

B. RANJIT KUMAR KOTHARI
Director

RASI ELECTRODES LIMITED

NOTES TO BALANCE SHEET AS AT 31ST MARCH 2012

NOTE No.	Particulars	AS AT 31.03.2012 ₹	AS AT 31.03.2011 ₹
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1.00 SHARE CAPITAL

1.01 Authorised Share Capital

50,00,000 Equity Shares of Rs 10 each 50000000 50000000

1.02 Issued, subscribed and paid-up Share Capital

47,60,000 Equity shares of Rs 10 each fully paid up 47600000 47600000

1.03 The Company has only one class of shares namely equity shares comprising of nominal value of Rs 10 per equity shares. Each holder of equity shares is entitled to one vote per share. The shareholders have the right to receive interim dividends, if any, declared by the Board of Directors and final dividends proposed by the Board of Directors and approved by the shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The equity shareholders have all other rights as available to the equity shareholders as per the provisions of the Companies Act, 1956, read together with the Memorandum of Association and Articles of Association of the Company as applicable.

1.04 Out of 47,60,000 Equity shares issued subscribed and paid up, 13,60,000 Equity shares of Rs 10/- each have been issued and allotted as fully paid bonus shares on 29th December 2007 by capitalisation of General Reserves.

1.05 The details of shareholders holding more than 5% of total shareholding in the Company are as follows:

Name of the shareholder	As at 31st March 2012		As at 31st March 2011	
	No. of equity shares held	% held	No. of equity shares held	% held
B Popatlal Kothari	665276	13.976	598902	12.582

1.06 The reconciliation of the number of shares outstanding is set out below:

Details	As at 31st March 2012 No. of shares	As at 31st March 2011 No. of shares
Equity shares at the beginning of the year	47,60,000	47,60,000
Issued during the year	Nil	Nil
Bought back during the year	Nil	Nil
Equity shares at the end of the year	47,60,000	47,60,000

2.00 RESERVES & SURPLUS

2.01 Investment subsidy

As per last Balance sheet 1298835 1298835

2.02 General Reserve

As per last Balance sheet 10400000 7900000

Add: Transferred from Profit & Loss Account 276610 2500000

10676610 10400000

2.03 Profit & Loss Account

As per last Balance sheet 23161410 14664869

Add: Profit for the year 19466960 13771829

42628370 28436698

Less: Appropriations

Transfer to General Reserve 276610 2500000

Proposed dividend 2380000 2380000

Tax on dividend 386096 395288

39585664 23161410

TOTAL RESERVES & SURPLUS 51561109 34860245

3.00	LONG TERM PROVISIONS		
a.	Provision for employee benefits	1509116	1252955
	TOTAL	<u>1509116</u>	<u>1252955</u>

4.00	SHORT TERM BORROWINGS		
a	Loans repayable on demand:		
	From Banks (Secured)	47620104	38401235
	From others	0	151374
b	Deposits (Unsecured)	85000	85000
	TOTAL	<u>47705104</u>	<u>38637609</u>

4.01 Short term borrowings from Banks represents working capital borrowings by way of cash credit repayable on demand. They are secured by hypothecation of raw-materials, work in progress, finished goods, book debts and a part of plant and machineries, and additionally secured by equitable mortgage by deposit of title deeds of land and personal guarantees of promoter directors.

4.02 The Company has not accepted any deposits from public. The deposits represents unsecured security deposits from dealers which will be retained with the Company till such time the dealership arrangement continues.

4.03 The Company has not borrowed any funds from related parties.

5.00	TRADE PAYABLES		
a.	Sundry creditors	5495463	2212711
	TOTAL	<u>5495463</u>	<u>2212711</u>

5.01 Out of the total amount shown under sundry creditors, an amount of Rs 343435 is due to two small scale industrial unit which exceeds Rs 100,000 and which are due for more than 30 days. Names of the small scale industrial undertakings (as compiled by the Company based on the information available and relied upon by the Auditors) to whom the Company owe a sum which is outstanding for more than 30 days are as follows:

Name of the SSI	Amount outstanding Rs.
Kiran Global Chems Limited	114660
Shanti Chemical Works	228775

6.00	OTHER CURRENT LIABILITIES		
a.	Unclaimed dividends	316388	218225
b.	Other payables	3624832	2797073
	TOTAL	<u>3941220</u>	<u>3015298</u>

6.01 The details of amount outstanding in the dividend account as on 31st March 2012 representing unclaimed dividend declared in the earlier years are furnished below:

Unclaimed dividend pertaining for the year ending	Amount unclaimed as on 31st March 2012 Rs.	Rate	Declared at AGM held on	Tentative date for transfer to IEPF
31st March 2006	39417	5%	29.09.2006	05.11.2013
31st March 2007	38589	5%	28.09.2007	04.11.2014
31st March 2008	77325	4%	24.09.2008	30.10.2015
31st March 2009	62894	5%	25.09.2009	31.10.2016
31st March 2010	50146	5%	27.09.2010	03.11.2017
31st March 2011	48016	5%	30.09.2011	06.11.2018

7.00	SHORT TERM PROVISIONS		
a.	Others	10157321	9826409
	TOTAL	<u>10157321</u>	<u>9826409</u>

NOTE 8
FIXED ASSETS & DEPRECIATION

SNO	PARTICULARS	COST AS ON 01.04.2011	ADDITIONS DRG YR	DELETIONS DRG YR	TOTAL COST AS ON 31.03.2012	PRE-OP EXPS CAPTISED TILL 31.03.2012	TOTAL DEPN W.OFF TILL 31.03.2011	DEPN ON SOLD/ ADJ DRG YR	DEPN PROV DRG YR	TOTAL DEPN W.OFF TILL 31.03.2012	WDV AS ON 31.03.2011
I	TANGIBLE ASSETS:										
1	Land	5527082	Nil	Nil	5527082	Nil	Nil	Nil	Nil	Nil	5527082
2	Buildings	6602147	1260969	Nil	7863116	187972	3638747	Nil	343474	4182221	3868867
3	Plant & Equipments:										
	Machineries	12448350	2702210	Nil	15150560	601972	8420006	Nil	762606	9182612	6569920
	Lab equipments	1974830	Nil	Nil	1974830	Nil	1559902	Nil	57717	1617619	357211
	Generators	384663	Nil	Nil	384663	Nil	286334	Nil	13678	300012	84651
	Weighing scale	92449	21256	Nil	113705	Nil	43618	Nil	8128	51746	61959
	Electrical equipments	1043864	173234	Nil	1217098	Nil	506682	Nil	80657	587509	629589
4	Furnitures & Fixtures										
	Furniture & fittings	993137	34133	Nil	1027270	Nil	722772	Nil	41071	763843	263427
	Electrical typewriters	126407	252000	Nil	378407	Nil	68973	0	22005	90978	287429
5	Vehicles	5505976	120748	85287	5541437	Nil	3376991	65725	570616	3881882	1659555
6	Office equipments	1440206	73410	Nil	1513616	Nil	782733	Nil	95248	877981	635635
7	Others:										
	Spares & tools	2754178	116209	Nil	2870387	Nil	1697339	Nil	153654	1850993	1019394
	Total Tangible assets										
II	Intangible assets:										
	Patents Account	10400	Nil	Nil	10400	Nil	6195	Nil	585	6780	3620
	Total	38903689	4754169	85287	43572571	789944	21310462	65725	2149439	23394176	20968339
	Previous year	37562372	2736501	1395184	38903689	789944	19570665	560166	2300263	21310462	18383171

	AS AT 31.03.2012 ₹	AS AT 31.03.2011 ₹
9.00 NON-CURRENT INVESTMENTS		
a. Investments in Equity Instruments	175294	175294
b. Other non-current investments	144928	144928
TOTAL	<u>320222</u>	<u>320222</u>
10.00 DEFERRED TAX ASSETS		
Retirement Benefits	472055	395226
Less: Deferred Tax Liability		
Depreciation	257258	270106
TOTAL	<u>214797</u>	<u>125120</u>
11.00 INVENTORIES		
a. Raw materials & packing materials	14920448	9892617
b. Work-in-progress	762195	0
c. Finished goods	31267801	24849555
d. Stock-in-trade (traded goods)		
TOTAL	<u>46950444</u>	<u>34742172</u>
12.00 TRADE RECEIVABLES		
a. Unsecured, considered good:		
b. Due for period exceeding six months	3646597	4064172
c. Other debts	51872676	42071082
TOTAL	<u>55519273</u>	<u>46135254</u>
13.00 CASH & CASH EQUIVALENTS		
a. Balances with Banks	9588500	2010718
b. Fixed deposits with Banks:		
Exceeding 12 months	4691681	6257476
Maturing within 12 months	312643	0
c. Cash on hand	403122	324103
TOTAL	<u>14995946</u>	<u>8592297</u>
14.00 SHORT TERM LOANS AND ADVANCES		
To related parties	0	0
To others	26722306	26118593
TOTAL	<u>26722306</u>	<u>26118593</u>
15.00 OTHER INCOME		
Interest from Banks	257871	0
Interest from others	885528	1354494
Profit on sale of Land	6347525	0
Dividend received	3489	4224
Rebate & Discount	156167	382869
Duty Draw back received	175585	203608
Other Income	234818	108367
Profit on sale of fixed assets	53946	34019
TOTAL	<u>8114929</u>	<u>2087581</u>

16.00	COST OF RAW MATERIALS CONSUMED		
	Opening stock		
	Raw materials	9022956	7117475
	Packing materials	869661	718010
	(A)	<u>9892617</u>	<u>7835485</u>
	Add: Purchases		
	Raw materials	113238007	100195416
	Packing materials	4560427	4220981
	(B)	<u>117798434</u>	<u>104416397</u>
	Less: Closing stock		
	Raw materials	14585880	9022956
	Packing materials	1096763	869661
	(C)	<u>15682643</u>	<u>9892617</u>
	Consumption (A) + (B) - (C)	<u>112008408</u>	<u>102359265</u>
17.00	CHANGES IN INVENTORIES		
	Opening Stock	24849555	19526266
	Closing Stock	31267801	24849555
	Increase/(Decrease) in inventories	<u>6418246</u>	<u>5323289</u>
18.00	EMPLOYEES BENEFIT EXPENSES		
	Salaries, allowances & perquisites	5394957	4536496
	Factory wages & salaries	7840998	5213644
	Staff welfare expenses	512089	482808
	Contribution to provident fund & other funds	389144	341868
		<u>14137188</u>	<u>10574816</u>
19.00	FINANCE COST		
	Interest & finance charges	<u>5950572</u>	<u>3833396</u>
20.00	OTHER EXPENSES		
	Wire drawing charges	211628	48417
	Cartage, coolie and freight	1240097	1175597
	Factory expenses	4436626	4163364
	Provision for gratuity	294176	182178
	Advertisement	2045355	203913
	Auditors remuneration	59200	45300
	Bank charges/commission	803880	708222
	Books & Periodicals	5633	6873
	Commission, Brokerage&Discount	2682610	2792466
	Loss in Currency/Derivatives	0	292206
	Insurance	200186	187114
	Approval charges	340513	399052
	General Charges	2568815	1129915
	Postage & telegram	75139	77690
	Printing & stationeries	308486	304969
	Rent, rates & taxes	1058250	910200
	Listing fees & custodial fees	30434	24919
	Telephone expenses	210685	223010
	Travelling expenses	329913	325800
	Vehicle maintenance(car)	287131	311719
	Vehicle maintenance(others)	1022296	881591
	Business promotion expenses	1574429	1735137
	Professional charges	770910	844670
	Sitting Fees	53500	40000
	Donation	1732100	142250
	Subscription charges	15880	11115
	Cartage, coolie and freight outwards	272673	1105748
	Electricity charges	104998	60725
	Bad debts	66982	503138
	Registrar charges	33090	66180
		<u>22835613</u>	<u>18903478</u>

RASI ELECTRODES LIMITED

NOTE 21: SIGNIFICANT ACCOUNTING POLICIES:

21.1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

21.2. SYSTEM OF ACCOUNTING :

- i) The Company generally follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except those with significant uncertainties.
- ii) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.
- iii) The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities.

The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any variation to accounting estimates are recognised prospectively in current and future periods.

21.3. FIXED ASSETS AND DEPRECIATION :

- a. Fixed Assets are stated at cost less depreciation, Costs comprise of cost of acquisition, borrowing cost, cost of improvement and any attributable cost of bringing the asset to condition for its intended use.
- b. Depreciation on tangible assets is provided in accordance with the provisions of Schedule XIV to the Companies Act, 1956, on "Written Down Value" method.
- c. Intangible Assets are amortised over their useful life not exceeding ten years.

21.4. FOREIGN CURRENCY TRANSACTIONS :

Foreign Currency transactions are initially recorded at exchange rates prevailing on transaction dates. All foreign currency loans, current assets and current liabilities outstanding on the date of Balance Sheet are converted at the appropriate rates of exchange prevailing on the date of the Balance Sheet except those covered by forward contracts if any, which are accounted for at the contracted rate representing the amount required to meet the liability. Exchange difference arising from foreign currency fluctuations are dealt with in the Statement of Profit and Loss.

Derivative instrument to hedge foreign exchange exposures are simulated for maturity / closure at the close of the year. Losses arising on such simulation on account of fluctuations in exchange rates during the reporting period are recognised in the Statement of Profit and Loss. Gains, if any, are postponed for a recognition on final determination.

21.5. INVESTMENTS :

Long term investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of Long Term Investments. Short term investment are stated at lower of cost or fair value.

21.6. INVENTORY VALUATION :

Inventories are valued as under:

Raw Materials, packing materials and stores and spares at cost.

Finished Products at lower of cost or net realizable value.

21.7. SALES :

- i) Domestic sales are accounted for when dispatched from the point of sale, consequent to property in goods being transferred.
- ii) Export sales for exports are accounted on the basis of date of Bill of Lading.

21.8. EXPORT INCENTIVES :

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

21.9. OTHER INCOME:

- I Other operating revenues are accounted on accrual basis.
- li Interest income is accounted on accrual basis.
- lii Dividend income is accounted when right to receive payment is established.

21.10 RETIREMENT BENEFITS :**a. Provident Fund:**

Company's contributions during the year towards Government administered Provident Fund, Family Pension Fund and Labour Welfare Fund are charged to the Profit & Loss Account as incurred.

b. Gratuity :

The Gratuity is evaluated as on the date of Balance Sheet as provided under the Payment of Gratuity Act and the amount is shown as liability payable.

c. Others:

Any other employee benefit payments are accounted for on cash or accrual basis in the year of occurrence of the event giving rise to such liability.

21.11. LEASES:

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rents under operating leases are recognized in the Profit & Loss Account on accrual basis.

21.12. BORROWING COST :

Borrowing cost include interest, fees and other charges incurred in connection with the borrowing of funds and is considered as revenue expenditure for the year in which it is incurred. Borrowing cost attributed to the acquisition/improvement of qualifying capital assets and incurred till the commencement of commercial use of the assets is capitalized as cost of the assets.

21.13. TAXATION :

Provision for Taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961. Deferred tax resulting from timing difference between book profits and tax profits is accounted for at the applicable rate of tax to the extent the timing differences are expected to crystallise, in case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with virtual certainty that there would be adequate future taxable income against which deferred tax assets can be realised.

21.14. IMPAIRMENT OF ASSETS :

The Company tests for impairments at the close of the accounting period if and only if there are indicators that suggest a possible reduction in the recoverable value of an asset. If the recoverable value of asset, i.e. the net realizable value or the economic value in use of a cash generating unit is lower than the carrying amount of the asset, the difference is provided for as impairment. However, if subsequently the position reverses and the recoverable amount becomes higher than the then carrying value, the provision to the extent of the then difference is reversed, but not higher than the amount provided for.

21.15. PROVISIONS :

Necessary provisions are made for present obligations that arise out of past events prior to the Balance Sheet date entailing future outflow of economic resources. Such provisions reflect best estimates based on available information.

21.16. CONTINGENT LIABILITIES

A disclosure for contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

NOTE 22: OTHER SIGNIFICANT NOTES:

22.1.. Directors' Remuneration

Managing Director's Remuneration	YE 31.03.2012	YE 31.03.2011
Salary	1750000	1680000
Perquisites	25802	18347
Total	1775802	1698347
Other Directors remuneration	Nil	Nil

The above managerial remuneration has been paid as minimum remuneration in the absence or inadequacy of profits as approved by the shareholders.

22.2.. Auditors' Remuneration:

Auditors remuneration	YE 31.03.2012	YE 31.03.2011
Audit fees	25000	22500
Tax Audit fees	15000	12500
Certification fees	15000	7500
Reimbursement of expenses	4200	2800
TOTAL	59200	45300

22.3.. The details of contingent liability not provided for in the books of accounts as on 31st March 2012 are as follows:

Details of contingent liability	Amount Rs
Letter of Credit	91,30,412

22.4.. Related Party Transactions

1. Relationships

a. Key Management Personnel

Mr B. Popatlal Kothari - Managing Director

Mr P Kashyap Kothari – Factory Manager

b. Relatives of Key Managerial Personnel:

Mr P Nitya Kothari

Mrs Aanchal Kothari

2. Transactions carried out with related parties referred to in 1 above, in ordinary course of business:

Name of the related party	Amount Rs.	Nature of transaction
Mr B Popatlal Kothari	1775802	Remuneration (including perquisites)
Mr. B Popatlal Kothari	240000	Rent for Office Premises
	240000	Rent for Godown
	700000	Rental Advance for Office Premises and Godown
Mr P Kashyap Kothari	492500	Remuneration
P Nitya Kothari	504000	Rent for Godown
	500000	Rental Advance for Godown
Aanchal Kothari	37500	Remuneration

22.5.. The Company operates in a single segment and as such disclosures under segmental reporting is not applicable.

22.6.Licenced and installed capacity		2011-2012		2010-2011	
Welding Electrodes:					
Licenced capacity		Not Applicable		Not Applicable	
Installed capacity		3300.000 Mts		3300.000 Mts	
Actual Production		2264.248 Mts		2627.508 Mts	
22.7..Quantitative particulars		Yearended 31.03.2012		Year ended 31.03.2011	
FINISHED GOODS	UM	Qty	Value in ₹	Qty	Value in ₹
Opening Stock	Kgs	57361	2944398	79037	3531268
Production	Kgs	2264248	150741856	2627508	143115542
Sales & Samples	Kgs	2268963	150615040	2649184	143702412
Closing Stock	Kgs	52646	3071214	57361	2944398
RAW MATERIALS (ms wire & wire rod)					
Opening Stock	Kgs	144395	5448386	150855	5623327
Production	Kgs	1986360	77477981	2017231	67575905
Consumption	Kgs	1992690	75985609	2023691	67750846
Closing Stock	Kgs	138065	6940758	144395	5448386
RAW MATERIALS (flux materials)					
Opening Stock	Kgs	84645	3574570	49148	1494148
Production	Kgs	729886	35760026	780995	32619511
Consumption	Kgs	668935	31689474	745498	30539089
Closing Stock	Kgs	145596	7645122	84645	3574570
CCMS WIRE – FINISHED GOODS Flux wire&Filler wire					
Purchases (Imported) & Local	Kgs	405732	22831954	419613	25344430
Closing Stock	Kgs	87452	5589120	102505	6644465
MIG MAG MACHINES/wheels transformers/electrodes					
Purchases (Imported) & Local	Nos	333229	15899525	354433	12043841
Closing Stock	Nos	215597	7965214	140787	4984989
RUTILE – Trading					
Purchases	Kgs	489500	40509188	885765	22170561
Closing Stock	Kgs	194650	14577950	340920	10193065
Imports (CIF Value)			78562802		58766154
Expenditure in foreign currency			nil		nil
Earnings in foreign currency			2066165		13912279
FINISHED GOODS(CO2 wire)	UM	Qty	Value	Qty	Value
Opening Stock	Kgs	1589	82638	Nil	Nil
Production	Kgs	281033	14613710	19050	1099759
Sales & Samples	Kgs	281385	14632045	17461	1017121
Closing Stock	Kgs	1237	64303	1589	82638

22.8. The figures have been rounded off to the nearest rupee.

22.9. The Revised Schedule VI has become effective from 1st April 2011 for the preparation of financial statements. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report attached
for ANP ASSOCIATES
Chartered Accountants
FRN : 009004 S

for and on behalf of the Board of Directors

AMISH N PATEL
Proprietor
Membership No.027859
Chennai
Dated:31st May 2012

B. POPATLAL KOTHARI
Chairman & Managing Director

B. RANJIT KUMAR KOTHARI
Director



RASI ELECTRODES LIMITED

Registered Office : 44/4, Strotten Muthia Mudali Street, Chennai - 79.

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

I hereby record my presence at the Eighteenth Annual General Meeting of the Company being held at HOTEL ASHOKA PVT. LTD. New No.47 Old No. 33, Pantheon Road, Chennai - 600 008 on Friday the 28th september-2012 at 9.00 a.m.

Full name of the Member

Full name of Proxy

Folio No. No.of Shares held.....

Client ID No..... DP ID No.....

.....
Member's Signature

.....
Proxy's Signature

Notes : Members attending the meeting in Person / Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

RASI ELECTRODES LIMITED

Registered Office : 44/4, Strotten Muthia Mudali Street, Chennai - 600 079.

PROXY FORM

I/We

being a Member(s) of **RASI ELECTRODES LIMITED** hereby appoint

.....
..... of.....

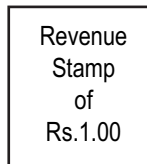
or failing him.....

at my / our Proxy to attend and vote for me / us on my / our behalf at the Eighteenth Annual General Meeting of the said Company to be held on Friday 28th September 2012 at 9.00 a.m. at HOTEL ASHOKA PVT. LTD. New No.47 Old No. 33, Pantheon Road, Chennai - 600 008 and at any adjournment thereof Signed this

Address Signature.....

Folio No. No.of Shares held

Client ID No..... DP ID No.....



N.B. (i) This Proxy must be deposited at the Registered Office of the Company, not less than 48 hours before the time fixed for holding the meeting.

(ii) Proxy need not be a member.