

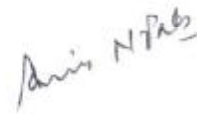



Compliance under Clause 31 (a) of the Listing Agreement

FORM A

1	Name of the Company	RASI ELECTRODES LIMITED
2	Annual Financial Statements for the year ended	March 31, 2014
3	Type of Audit Observation : Un-qualified / Matter of Emphasis	Un-qualified
4	Frequency of observation : Whether appeared first time / repetitive / since how long period	Not Applicable
5	<u>To be signed by:</u>	
5.1.	Chariman & Managing Director (CEO) – Mr B POPATLAL KOTHARI	
5.2.	Director – Mr B Ranjit Kumar Kothari	
5.3.	Auditor of the company - AMISH N PATEL Proprietor (M.no.027859) A N P ASSOCIATES CHARTERED ACCOUNTANTS	
5.4	Audit Committee Chairman - Mr Hitesh M Dharamshi	

Dated: May 30, 2014

Manufacturers & Marketers of Welding Electrodes and Consumables

Admn. Off : 21, Raja Annamalai Road, Flat No. A/14, 3rd Floor, Chennai-84. Ph : +91-44-26424523 / 7884 Fax : +91-44-42027464 Email : info@rasielectrodes.com
 Visit us : www.rasielectrodes.com Factory : Upparapalayam Village, Alamathi Post, Redhills, Chennai - 52. Ph : +91-44-26310511, 26310512, 9391023215
 Registered Office : 44/4, Strotten Muthia Mudali Street, Chennai - 79.

Customer Care : +91-044-26401822

RASI ELECTRODES LIMITED

CIN: L52599TN1994PLC026980

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 Street,
Chennai - 600 079.

ADMINISTRATIVE OFFICE

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

FACTORY

- ♦ Upparapalayam Village, Alamathi 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
CIN: L52599TN1994PLC026980****NOTICE**

To,
The Shareholder,

NOTICE is hereby given that the 20th Annual General Meeting of the Company will be held at 9.00 A.M. on MONDAY, the 29th September, 2014 at HOTEL ASHOKA PVT LTD., New No 47 Old No 33, Pantheon Road, Egmore, Chennai - 600008 to transact the following business:

ORDINARY BUSINESS :

01. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:
"RESOLVED THAT THE Audited Financial Statements of the Company for the financial year ended 31st March 2014 and the Directors' and Auditor's Report thereon and the Compliance Certificate issued by a Practicing Company Secretary under section 383A of the Companies Act, 1956, be and are hereby approved and adopted."
02. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:
"RESOLVED THAT Mr RANJIT KUMAR KOTHARI (holding DIN: 01560805), the retiring Director, be and is hereby re-elected as Director of the Company, liable for retirement by rotation."
03. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:
"RESOLVED THAT M/s ANP ASSOCIATES., CHARTERED ACCOUNTANTS, 91, Govindappa Naicken Street, B-7, Adinath Complex, Chennai-600001, (Registration No. FRN 009004S) be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

04. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:
"RESOLVED THAT, pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made there under read with Schedule IV to the Companies Act, 2013 and pursuant to Clause 49 of the Listing Agreement, Mr HITESH MDHARAMSHI (holding DIN: 00207799), Director of the Company who retires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying the member's intention to propose him as a Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31st March 2019, not liable to retire by rotation."
05. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:
"RESOLVED THAT, pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made there under read with Schedule IV to the Companies Act, 2013 and pursuant to Clause 49 of the Listing Agreement, Mr K AJAY GOYAL (holding DIN: 00513570), Director of the Company who retires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying the member's intention to propose him as a Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31st March 2019, not liable to retire by rotation."
06. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:
"RESOLVED THAT, pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made there under read with Schedule IV to the Companies Act, 2013 and pursuant to Clause 49 of the Listing Agreement, Mr N PRAKASH KUMAR (holding DIN: 01735537), Director of the Company who retires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying the member's intention to propose him as a Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31st March 2019, not liable to retire by rotation."

By Order of the Board
for RASI ELECTRODES LIMITED

CHENNAI
DATED: 14th AUGUST 2014

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. The explanatory statement required to be annexed to the notice as per the requirements of section 102 of the Companies Act, 2013, setting out all the material facts relating to special business proposed in the notice is attached.
04. 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.
05. Members are requested to bring their copies of the Annual Report with them to the meeting.
06. The Register of members and Share Transfer books shall remain closed from Thursday, the 18th September 2014, to Monday, the 29th September 2014 (both days inclusive) for the purpose of the 20th AGM scheduled to be held on 29th September 2014.
08. 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.
09. SERVING OF NOTICE
Electronic copy of the Notice of the 20th Annual General Meeting (20th AGM) of the company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company / RTA / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of 20th AGM of the company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode. The notice of this meeting is also made available in the website of the company www.rasielectrodes.com
10. VOTING THROUGH ELECTRONIC MEANS
Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014, the

company is offering e-voting facility to its members in respect of the businesses to be transacted at the AGM scheduled to be held on Monday, the September 29, 2014 at 9.00 a.m. For this purpose the company has signed an agreement with Central Depository Services (India) Ltd (CDSL) for facilitating e-voting.

The Board of Directors has appointed Mr AM GOPIKRISHNAN., a Practicing Company Secretary, as a Scrutinizer for the e-voting process. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the company and will make a scrutinizer's report of the votes cast in favour or against to the Chairman of the company. The results on the resolutions shall be declared on or after the AGM of the company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions. The results declared along with the scrutinizer's report will be available on the web site of the company (www.rasielectrodes.com) within two days of the passing of the resolutions and communication of the same to the BSE Ltd.

Please read the instructions given below before exercising the vote. This communication forms an integral part of the notice dated August 14, 2014 for the 20th AGM.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric "PAN" issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
Date of Birth #	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd / mm / yyyy format.	
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said	

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field.

In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
 - (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
 - (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
 - (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- In case of members receiving the physical copy:
- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - (B) The voting period begins on 22nd September 2014 at 10.00 a.m IST and ends on 24th September 2014 at 06.00 p.m. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
 - (D) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE CONVENING THE 20TH ANNUAL GENERAL MEETING PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

The following are the material facts relating to the special business proposed in the notice:

ITEM 4, 5 & 6 :

In order to comply with the requirements of appointment of Independent Directors, Mr Hitesh M Dharamshi, Mr K Ajay Goyal and Mr N Prakash Kumar have agreed to retire at the ensuing 20th Annual General Meeting. In terms of section 149 and other applicable provisions of the Companies Act, 2013, and Clause 49 of the Listing Agreement, Mr Hitesh M Dharamshi, Mr K Ajay Goyal and Mr N Prakash Kumar, being eligible and offering themselves for appointment is proposed to be appointed as an Independent Director for five (5) consecutive years for a term as mentioned in the resolutions. Notices have been received from members proposing them as Independent Directors.

In the opinion of the Board Mr Hitesh M Dharamshi, Mr K Ajay Goyal and Mr N Prakash Kumar fulfil the conditions specified in the Companies Act, 2013 and the rules made thereunder for their appointments as Independent Directors of the Company and are independent of the management. Copies of the draft letters of appointment of Independent Directors setting out the terms and conditions would be available for inspection to any desiring member at the registered office of the Company during normal business hours on any working day up to the date of the meeting.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board recommends the resolutions in relation to appointment of Independent Directors, for the approval by the members of the Company.

Except Mr Hitesh M Dharamshi, Mr K Ajay Goyal and Mr N Prakash Kumar, being appointees, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution.

The particulars required to be furnished under Clause 49 of the Listing Agreement relating to Directors retiring by rotation seeking re-election and Independent Directors seeking appointment is provided below:

Name of the Director	Mr. Ranjit Kumar Kothari	Mr. Hitesh M Dharamshi	Mr. K Ajay Goyal	Mr. N Prakash Kumar
DIN	01560805	00207799	00513570	01735537
Date of Birth	23 / 07 / 1965	23 / 03 / 1975	14 / 10 / 1975	17 / 05 / 1954
Qualification	Graduate	B.Com., ACA.	B.Com, MBA	M.A., B.L.
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	Experience in Trading, in FMCG Products, International Trade, Import & Export.	Specialized in Corporate Laws, Commercial Laws and Legal Consultancy services.
List of other public Companies in which directorship held as on 31 st March 2014	Arun Shanti Developers Private Limited	Nil	KALPAVRAKSH FOOD PRODUCT PRIVATE LIMITED ROYAL PASTIFICIO (INDIA) PRIVATE LIMITED	Nil
Chairman/Member of the Committees of the Boards of the other Companies in which he is a Director as on 31 st March 2014	Nil	Nil	Nil	Nil
Shareholding as on 31 st March 2014 (including holding as HUF)	233100	Nil	4200	Nil
Relationship with other Directors	Not related to any other director	Not related to any other director	Not related to any other director	Not related to any other director

By Order of the Board
for RASI ELECTRODES LIMITED

CHENNAI
DATED: 14TH AUGUST 2014

B. POPATLAL KOTHARI
Chairman & Managing Director

DIRECTORS' REPORT

Dear Shareholder,

Your Directors have pleasure in submitting the 20th Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2014.

FINANCIAL RESULTS

The Financial Results for the year ended 31st March 2014 is given below :

	Year Ended 31.03.2014	Year Ended 31.03.2013
	Rs.in Lakhs	Rs.in Lakhs
Net sales	2064.38	2309.71
Other Income	34.21	18.62
Total (A)	2098.59	2328.33
Total Expenditure	1918.18	2080.74
Profit before interest & depreciation	180.41	247.59
Interest & financial charges	57.14	75.33
Depreciation	40.12	39.38
Profit before tax	83.15	132.88
Provision for tax incl tax for earlier years	27.26	41.31
Deferred tax current	-0.20	-0.09
Profit after tax	56.09	91.66
Profit brought forward	456.90	395.86
Transfer to General Reserve	1.71	2.78
Proposed Dividend (5%)	0.00	23.80
Dividend tax	0.00	4.04
Balance carried to Balance sheet	511.28	456.90

DIVIDEND

In order to conserve the financial resources for investment in the expansion of manufacturing plant, your Directors have not recommended any dividend for the year ended 31st March 2014, as against a dividend of Re 0.50 ps (i.e., 5%) dividend declared and paid during the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

A. Industry structure and developments

Your Company is operating in the Small Scale Industrial Sector having manufacturing plants for the manufacture of Arc Welding Electrodes and Copper Coated Mild Steel (CCMS) Wire used for the purpose of welding by the Engineering and Fabrication industries. Your Company also trades in the entire range of welding products and accessories required by diverse industries in the heavy engineering and capital goods sector. Your Company trades by importing CCMS Wire, rutile, MIG-MAG Machine, Flux Core Wire and Flux on a regular basis. The demand for Company's products depends upon the robustness of demand in the engineering and capital goods industries in the Country.

B. Performance

During the year ended 31st March 2014 the overall turnover of the Company was Rs 2064.38 lakhs as against Rs 2309.71 lakhs achieved during the last year resulting in an decrease in the turnover to the extent of 10.62% when compared with the previous year. The production of welding electrodes was 1610.305 MTs as against 1864.020 MTs achieved during the previous year. The production of CCMS Wire during the year ended 31st March 2014 was 905.765 MTs as against 648.787 MTs during the previous year.

During the year ended 31st March 2014 the profit before tax was Rs 83.15 lakhs (previous year Rs 132.88 lakhs) and after making a provision for tax amounting to Rs 27.06 lakhs (previous year Rs 41.22 lakhs) (including provision for deferred tax), the profit after tax was Rs 56.09 (previous year Rs 91.66 lakhs). The Profit after tax has decreased by 38.81% during the year ended 31st March 2014 when compared to the previous year.

The turnover and profit after tax has reduced during the year due to stressful economic conditions prevailing for the better part of the financial year. The engineering and capital goods sector was especially affected due to sharp deceleration in the GDP growth reaching the unprecedented sub-par five percent level for the first time ever. Inflationary pressure was elevated affecting the prices of the raw materials. The cost increase could not be passed on to the end users due to lack of growth in the sector. The currency market was also volatile throughout the year resulting in imported inflation impacting the operations of domestic industrial units.

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.

Your Directors take pleasure in informing that your Company has been rated by NSIC-CRISIL Performance and Credit Rating for Small Scale Industries and they have awarded your Company with rating of 'SE 1A which indicates 'Highest Performance Capability and High Financial Strength'.

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

The inflationary pressure still persists. Pick up in the demand for the products is also sluggish. Most of the factors affecting the growth is beyond the control of industries operating in the SSI Sector and needs cautious and prudent management by the Company in order to avoid serious financial impact upon the company. The management of your Company is well aware of the risks affecting the business environment in which your Company is operating and is taking all possible steps to mitigate the same to the extent internally possible.

E. Prospects and Outlook

With the election of a new government at the Centre with a majority of its own, stability has been established. It is hoped the new dispensation at the Centre will usher in an industry friendly reform process for accelerating the GDP growth.

Your Company is rather cautious in taking vital decisions affecting its operations in order to safely navigate uncertain economic climate without any adverse financial impact. This caution has resulted in the de-growth in the sales and profits nevertheless safeguarding the financial stability of your company which is fairly reflected in the credit rating obtained.

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 traceable product using its contacts with the overseas market. This is bound to increase the turnover and profitability in the years to come.

The welding electrodes market is experiencing a structural shift from Arc Welding Electrodes products to CCMS Welding products. The present manufacturing facility is for the manufacture of arc welding electrodes. In order to cater to the requirements of the market for the CCMS welding products, your Company is actively considering establishing new manufacturing plant to augment the capacity of the CCMS welding products. Your company is in the process of raising finance by way of issuing shares / convertible warrants through preferential offer to promoters and other investors.

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-authorised 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.

CAPITAL ISSUANCE

During the year, your Board of Directors have allotted 210,000 Equity shares of Rs 10 each for cash at a price of Rs 35.82 per share to promoters and promoters group who have exercised their option to convert equal number of Warrants as per the terms of issue of the Warrants allotted to them. The proceeds raised have been utilized to meet the working capital requirements.

DIRECTORS

The Director Mr Ranjit Kumar Kothari retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment.

In order to comply with the requirements of appointment of Independent Directors, Mr Hitesh M Dharamshi, Mr Ajay Goyal and Mr N Prakash Kumar have agreed to retire at the ensuing Annual General Meeting. In terms of section 149 and other applicable provisions of the Companies Act, 2013, and Clause 49 of the Listing Agreement, Mr Hitesh M Dharamshi, Mr Ajay Goyal and Mr N Prakash Kumar being eligible and offering themselves for appointment is proposed to be appointed as an Independent Director for five (5) consecutive years for a term up to 31st March 2019. Notices, along with requisite deposit, have been received from members proposing them as Independent Directors.

In the opinion of the Board Mr Hitesh M Dharamshi, Mr Ajay Goyal and Mr N Prakash Kumar fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder for their appointments as Independent Directors of the Company and are independent of the management. The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

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

Your Company has materially complied with the requirements of Corporate Governance Code prescribed under the Listing Agreement executed with the Stock Exchange during the year. 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 Practicing Company Secretary for the year ended 31st March 2014 is annexed to this report.

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

Your 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.

By Order of the Board
for RASI ELECTRODES LIMITED

Chennai
Dated: 14th August 2014

B. POPATLAL KOTHARI
Chairman & Managing Director

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 31.03.2014	Year ended 31.03.2013
1	Electricity:			
	A Purchased:			
	Units	Kwh	656920	583690
	Total amount	Rs	3939949	3543029
	Rate/unit	Rs	6.00	6.07
	B Own generation			
	(i) Through diesel generator			
	Units	Kwh	955	8400
	Units per litre of diesel oil	Kwh	9.89	8.29
	Cost per unit	Rs	38.61	20.84
	(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	241.46	235.63
	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

	YE 31.03.2014	YE 31.03.2013
Total Foreign Exchange Outgo	Rs. 24145196	59252863
Total Foreign Exchange Earnings	Rs. 1713106	4751801

M/s A.N.P. Associates,

Chartered Accountants,

B-7, Adinath Complex, 2nd floor, 91, Govindappa Naicken Street, 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 2014, 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 2014, 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,
Firm Registration No.:009004 S
Chartered Accountants

Chennai
Dated: 14th August 2014

AMISH N PATEL
Proprietor
Membership No.027859

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 2014) 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 2014, 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 Kothari Chairman & Managing Director	Promoter	Related	Executive/ Non-independent	6	Yes	1	Nil
2. Mr. Ranjit Kumar Kothari Director	Promoter	Related	Non-Executive/ Non-independent	6	Yes	1	Nil
3. Mr. Hitesh M Dharamshi, Director	Non-Promoter	Not Related	Non-Executive/ Independent	4	Yes	Nil	Nil
4. Mr. Ajay Goyal, Director	Non-Promoter	Not Related	Non-Executive/ Independent	5	Yes	Nil	Nil
5. Mr. N Prakash Kumar Director	Non-Promoter	Not Related	Non Executive / Independent	6	Yes	Nil	Nil

- iv. During the year ended 31st March 2014, SIX (6) Board Meetings were held on 5th April 2013, 31st May 2013, 14th August 2013, 15th November 2013, 15th February 2014 and 28th March 2014.
- 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 28th September 2013 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 2013, 14th August 2013, 15th November 2013 and 15th February 2014.
- 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

REMUNERATION COMMITTEE

The Remuneration Committee comprises of the following Directors:

SNO	NAME OF THE DIRECTOR	CATEGORY	No. of Meetings held	No. of Meetings attended
1	Mr Ajay Goyal	Chairman, Independent, Non-Executive	1	1
2	Mr Ranjit Kumar Kothari	Non-Independent, Non-Executive	1	1
3	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 31st May 2013.
- 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 2014 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	1750047	Nil	Nil
2. Mr Ranjit Kumar Kothari,	Director	Nil	Nil	12500
3. Mr Hitesh M Dharamshi	Director	Nil	Nil	8000
4. Mr Ajay Goyal,	Director	Nil	Nil	9500
5. Mr N Prakash Kumar	Director	Nil	Nil	8500

- viii. Details of shares of the Company held by Directors as on 31st March 2014 are as follows.

Name	Designation	Equity shares held
1. Mr B Popatlal Kothari	Chairman & Managing Director	666286
2. Mr Ranjit Kumar Kothari,	Director	233100
3. Mr Hitesh M Dharamshi	Director	Nil
4. Mr Ajay Goyal,	Director	4200
5. Mr N Prakash Kumar	Director	Nil

- ix. The Company has not issued any convertible debentures.
- x. The Company has issued and allotted 4,50,000 Convertible Warrants at a price of Rs 35.82 each to the Promoters and Promoters Group pursuant to approval accorded by the members at their EGM held on 22nd February 2013. The Warrants are to be converted to Equity shares within a period of 18 months from the date of allotment at the option of the allottees which falls due on 6th September 2014. The proceeds received as Application money for allotment of Warrants amounting to Rs 40,29,750 have been utilized towards working capital. As on 31st March 2014, 210,000 Warrants have been converted to equal number of Equity Shares and a balance of 240,000 Warrants are yet to be presented for conversion in to equity shares.

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	4	4
Mr B Ranjit Kumar Kothari	Non-Executive, non-Independent	4	4
Mr Prakash Kumar	Executive, Independent	4	4

- ii. The Committee met Four (4) times during the year on 31st May 2013, 14th August 2013, 15th November 2013 and 15th February 2014..
- 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	Nil	Nil	Nil

VI. GENERAL BODY MEETINGS

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

AGM/EGM	LOCATION	DATE	TIME
17 TH AGM	HOTEL ABU PALACE, No.926, Poonamallee High Road, Chennai-600 084	30.09.2011	9.00 A.M.
18 TH AGM	HOTEL ASHOKA PVT LTD . New No 47 Old No 33, Pantheon Road, Egmore, Chennai 600008	28.09.2012	9.00 A.M.
19 TH AGM	HOTEL ASHOKA PVT LTD . New No 47 Old No 33, Pantheon Road, Egmore, Chennai 600008	28.09.2013	9.00 A.M.
EGM	Indian Red Cross Society, No.40, Montieth Road, Egmore, Chennai-600008	20.10.2012	9.30 A.M.
EGM	Indian Red Cross Society, No.40, Montieth Road, Egmore, Chennai-600008	22.02.2013	9.30 A.M.

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

Date of AGM/EGM	Details of Special Resolution Passed
30.09.2011 AGM	Nil
28.09.2012 AGM	Nil
28.09.2013 AGM	Re-appointment of Mr B Popatlal Kothari as Chairman & Managing Director for a further period of three years up to 12 th February 2016
20.10.2012 EGM	i. Approval u/s 81(1A) for issue of 450000 Convertible Warrants to Promoters' & Promoters' Group at a price of Rs 26.35 per Warrant ii. Increase in Authorised Capital from Rs 5 crores to Rs 6 crores and consequential amendment to Memorandum of Association and Articles of Association.
22.02.2013 EGM	Revised Approval u/s 81(1A) for issue of 450000 Convertible Warrants to Promoters' & Promoters' Group at a revised price of Rs 35.16 per Warrant (subsequently revised to Rs 35.82 per Warrant as per the price calculation finalized in consultation with BSE Ltd) in supersession of the approval granted by the shareholders by special resolution passed at their EGM held on 20.10.2012.

iii. No resolution was passed through postal ballot during the year ended 31st March 2014.

iv. No resolution is proposed to be passed through postal ballot during the year ended 31st March 2015..

VII. DISCLOSURES

- 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 Schedule - 16 - Notes on Accounts Note No.: 9.
- 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:
During the year ended 31st March 2012, 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 it has also put in place the necessary systems required for effective implementation of the insider trading regulations.
- 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 2014 and the Certificate furnished by the Managing Director in his capacity as the Chief Executive Officer of the Company is annexed to this report.
- 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 2014
- 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.
- The risk assessment and minimization procedures are in existence and the Board of Directors reviews the same at their quarterly meetings.
- 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

- The quarterly and annual results are communicated to the Stock Exchange immediately after the Board Meeting where in it is approved.
- The quarterly and annual results are also published in the news papers "Trinity Mirror" and "Makkal Kural".
- 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.	19th Annual General Meeting	
	Date	29 th September 2014
	Time	9.00 A.M.
	Venue	Hotel Ashoka Pvt Ltd New No 47 Old No 33, Pantheon Road, Egmore, Chennai - 600008
ii.	Financial year:	
	Year ending	31 st March 2014
	AGM in	29 th September 2014
	Dividend payment	The Board of Directors have not recommended any dividend for the year ended 31 st March 2014.
iii.	Date of book closure	From Thursday 18 th September 2014 to Monday, the 29 th September 2014 (both days inclusive)
iv.	Listing on Stock Exchanges	Bombay Stock Exchange Limited
v.	Stock code	531233
	ISIN No.	1NE822D01013
vi.	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 2013	36.00	25.00	76509	127
May 2013	30.40	18.00	19084	49
June 2013	43.00	31.00	11548	35
July 2013	43.50	38.10	6941	20
August 2013	41.50	36.90	3117	13
September 2013	36.75	28.50	4352	23
October 2013	29.25	24.50	37328	43
November 2013	32.80	29.40	7022	19
December 2013	33.60	28.75	32269	39
January 2014	34.25	25.50	75747	222
February 2014	36.75	30.20	192871	778
March 2014	35.00	29.85	196199	576

Source: Website of The Stock exchange, Mumbai.

vii.	Registrar & Transfer Agent	Cameo Corporate Services Limited Subramanian Building, 1, Club House Road, Chennai-600002. Tel: 044-28460390-91-92
viii.	Share Transfer System	A total of 4744181 equity shares representing 95.4563% 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 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 2014 is furnished below:

Distribution Range (No. of shares)	No. of shareholders	% of total	No. of equity shares held	% of total
1 - 500	879	63.3285	100849	2.0292
501 - 1000	250	18.0115	186057	3.7436
1001 - 2000	88	6.3401	125096	2.5170
2001 - 3000	29	2.0894	74731	1.5036
3001 - 4000	18	1.2968	64434	1.2965
4001 - 5000	15	1.0807	69546	1.3993
5001 - 10000	35	2.5216	257303	5.1771
10001 & above	74	5.3314	4091984	82.3337
Total	1388	100.000	4970000	100.0000

b. Categories of shareholders as on 31st March 2014 is furnished below:

Category	No. of shares	Percentage
Promoters holdings	1469590	29.569
Corporate Bodies	510300	10.268
Indian Public	2990110	60.163
Total	4970000	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). 4744181 Equity shares of the Company representing 95.4563% of the Company's share capital are dematerialized as on March 31, 2014. 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, Almathi 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 Subramaniam 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 info@rasielectrodes.com . Shareholders / Investors can send their complaints / Grievances to the above e-mail ID.

for and on behalf of the Board of Directors
for RASI ELECTRODES LIMITED

CHENNAI
DATED: 14TH AUGUST 2014

B POPATLAL KOTHARI
Chairman & Managing Director

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 2014 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.

B POPATLAL KOTHARI
MANAGING DIRECTOR

CHENNAI
DATED: 30th May 2014

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 2014.

MANAGING DIRECTOR

CHENNAI
DATED: 30th May 2014

SD/-
B. POPATLAL KOTHARI

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

To
The Members
RASI ELECTRODES LIMITED
REGD OFF: 44/4, STROTTEN MUTHIAH STREET,
CHENNAI - 600 079

COMPANY No. : U52599TN1994PLC026980
NOMINAL CAPITAL: Rs 600,00,000

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 2014. 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 SIX (6) times during the year on 5th April 2013, 31st May 2013, 14th August 2013, 15th November 2013, 15th February 2014 and 28th March 2014. 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 18th September 2013 to 28th September 2013 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 2013 was held on 28th September 2013. As per the explanations given to me, notice for the said AGM was sent to all the shareholders. The resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
7. The Company has not held any Extraordinary General Meeting 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 pursuant to allotment made or on lodgment thereof for transfer / transmission or any other purpose in accordance with the provisions of the Act.
 - (ii) Deposited the amount of dividend declared in a separate bank account on 3rd October 2013 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) The Company has transferred an amount of Rs 39,417 (rupees thirty nine thousand four hundred and seventeen only) to Investor Education and Protection Fund (IEPF) during the year which represents the dividend declared at the AGM held on 29th September 2006 and which was remaining unpaid for more than seven years. There were no other 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 payable to them.
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 allotted 210,000 Equity shares of Rs 10 each for cash at a premium of Rs 25.82 per share on 28th March 2014 pursuant to the option exercised by the promoters and promoters group to convert the equivalent amount of Warrants issued to them on a preferential basis as per SEBI Guidelines. Other than the above, 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 60,000 is outstanding as on 31st March 2014 towards security deposit taken from dealers and the same has been classified under the head short term borrowings (Deposits unsecured) 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 2014 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. 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 any offences 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: 30.05.2014

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 2014.

Sl. No.	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 31.3.2013 and Form 23ACAXBRL along with profit and Loss Account for the year ended 31 st March 2013	220(1)	Balance sheet as on 31.3.2013 duly adopted by the shareholders at their AGM held on 28.09.2013	27.12.2013	No	yes
2	Form 20B along with Annual Return as on 28.09.2013	159	Annual Return as on the date of AGM held on 28.09.2013	23.12.2013	No	yes
3	Form 66 along with Compliance Certificate	383A	Compliance Certificate issued by a Practising Company Secretary for the year ended 31 st March 2012.	17.10.2013	Yes	NA
4	Form A	209(1)(d)	Cost Compliance Certificate issued by a Practising Cost Accountant for the year ended 31 st March 2012.	19.02.2014	Yes	NA
5	Form 23B	224-1A	Intimation about appointment of Auditors for the year ended 31.3.2014	04.11.2013	Yes	NA
6	Form 25C	269, Sch XIII	Return of Appointment of Managing Director and remuneration payable to him in accordance with the limits prescribed under Schedule XIII to the Companies Act, 1956	19.04.2013	Yes	NA
7	Form 5-INV	Rule 3 of IEPF rules 2013	Statement of Unclaimed and Unpaid Amounts Dividend as on AGM held on 28.09.2013	05.02.2013	No	NA
8	Form 23	192, 269	Special resolution passed by members at their AGM held on 28.09.2013 for Re-appointment of Mr B Popallal Kothari as Chairman & Managing Director for a further period of 3 years effective from 13.2.2013.	18.10.2013	Yes	NA
9	Form PAS-3	39(4), 42(9) of CA,2013	Return of Allotment of 210000 Equity shares of Rs 10 each for cash at a premium of Rs 25.82 made on 28 th March 2014	09.05.2014	Yes	NA

M/s A.N.P. ASSOCIATES,

Chartered Accountants,

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

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF RASI ELECTRODES LIMITED**Report on the Financial Statements**

We have audited the accompanying financial statements of Rasi Electrodes Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, in making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014
- (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.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) 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;
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - (c) The Balance Sheet, and Statement of Profit and Loss Account dealt with by this report are in agreement with the books of accounts.
 - (d) In our opinion, Balance Sheet, Statement of 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;
 - (e) 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 2014, 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;

For A N P ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 009004 S

AMISH N PATEL
PROPRIETOR
Membership No.027859

CHENNAI
DATED : 30.05.2014

ANNEXURE REFERRED TO IN PARA 1 OF THE AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF RASI ELECTRODES LIMITED

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, there was no substantial disposal of fixed assets during the year.
2. In respect of its inventories:
 - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - 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 during the year covered by our audit report.
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. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records u/s 209(1)(d) of the Companies Act, 1956, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
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 2014, 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 2014.
10. There are no accumulated losses of the company. The Company has not incurred cash losses during the financial year covered by our audit and 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 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. As per the information and explanation furnished to us and as per the verification of the books and records carried out by us, the Company has allotted 210000 (Two lakhs and ten thousand only) equity shares of Rs 10 each at a premium of Rs 25.82 per share on conversion of warrants exercised by the promoters and promoters group covered in the register maintained under section 301 of the Act issued on a preferential basis as per SEBI (ICDR) Regulations
19. The Company has not issued any debentures during the year.
20. The Company has raised an amount of Rs 75.22 lakhs by way of issue and allotment of 210,000 (Two lakhs and ten thousand only) equity shares of Rs 10 each at a price of Rs 35.82 per share comprising of paid up equity share capital of Rs 21.00 lakhs and share premium of Rs 54.22 lakhs to the promoters and promoters group on conversion of Warrants issued to them. The Company has not raised any money by way of public issue of securities during the year.
21. 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 course of our audit.

For **A N P ASSOCIATES**
CHARTERED ACCOUNTANTS / FRN: 009004 S

AMISH N PATEL
PROPRIETOR
Membership No.027859

CHENNAI
DATED : 30.05.2014

BALANCE SHEET AS AT 31ST MARCH 2014

SNO	PARTICULARS	Notes	AS AT 31.03.2014	AS AT 31.03.2013
A	EQUITY AND LIABILITIES			
	1 Shareholder's Funds			
	[a] Share capital	1	49700000	47600000
	[b] Reserves & surplus	2	69109926	58078599
	[c] Money received against convertible share warrants		2149200	4029750
	Sub Total - Shareholders' Funds		120959126	109708349
	2 Non-current Liabilities			
	[a] Long-term provisions	3	1771530	1603703
	Sub Total - Non-current Liabilities		1771530	1603703
	3 Current Liabilities			
	[a] Short term borrowings	4	41140418	51005259
	[b] Trade payables	5	4181824	7313204
	[c] Other current liabilities	6	3785687	3877052
	[d] Short-term provisions	7	2725979	6795750
	Sub Total - Current Liabilities		51833908	68991265
	TOTAL - EQUITY AND LIABILITIES		174564564	180303317
B.	ASSETS			
	1 Non-current Assets			
	[a] Fixed assets	8		
	Tangible assets		37508821	33513662
	Intangible assets		0	0
	Capital work-in-progress		0	0
	Total fixed assets		37508821	33513662
	[b] Non-current investments	9	1847074	320222
	[c] Deferred tax assets (net)	10	243377	223505
	Sub Total - Non-current Assets		39599272	34057389
	2 Current Assets			
	[a] Inventories	11	30883006	51807243
	[b] Trade receivables	12	52006464	54341329
	[c] Cash and bank balances	13	27600063	15016933
	[d] Short-term loans and advances	14	24475759	25080423
	Sub Total - Current Assets		134965292	146245928
	TOTAL - ASSETS		174564564	180303317
	Significant Accounting Policies	21		
	Other significant notes on financial statements	22		

As per our report of even date attached

For ANP ASSOCIATES

Chartered Accountants
FRN:009004 S

For and on behalf of the Board of Directors

Chennai
Dated : 30th May 2014

B.POPATLAL KOTHARI
Chairman & Managing Director

B.RANJIT KOTHARI
Director

AMISH N PATEL
Proprietor
Membership No.027859

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

SNO	PARTICULARS	Notes	YEAR ENDED 31.03.2014	YEAR ENDED 31.03.2013
1	Income from Operations:			
	a. Gross Sales		227542711	252039844
	Less: Excise Duty on Sales		21104842	21069035
	Net Sales		206437869	230970809
	b. Other Income	15	3420893	1861986
	Total Income From Operations (a + b)		209858762	232832795
2	Expenses:			
	[a] Cost of materials consumed	16	124968928	132788650
	[b] Purchases of stock in trade		21746423	36773450
	[c] Changes in inventories of finished goods, work-in-progress and stock-in-trade	17	12138394	1407838
	[d] Employees benefits expense	18	15756788	17494111
	[e] Finance costs	19	5713835	7532989
	[f] Depreciation and amortisation expense	8	4012047	3938348
	[g] Other expenses	20	17207113	19609312
	Total Expenses		201543528	219544698
3	Profit Before Tax		8315234	13288097
4	Tax expense:			
	Current tax		2725979	4011269
	Prior period tax		0	119565
	Deferred tax		-19872	-8708
5	Profit after Tax		5609127	9165971
6	Basic & diluted earnings per equity share of Rs 10 each (Rs.)		1.18	1.93
	Significant Accounting Policies	21		
	Other significant notes on financial statements	22		

As per our report of even date attached

For ANP ASSOCIATES

 Chartered Accountants
 FRN:009004 S

For and on behalf of the Board of Directors

 Chennai
 Dated : 30th May 2014

B.POPATLAL KOTHARI
 Chairman & Managing Director

B.RANJIT KOTHARI
 Director

AMISH N PATEL
 Proprietor
 Membership No.027859

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	YEAR ENDED 31.03.2014 Rs.	YEAR ENDED 31.03.2013 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extra-ordinary items	8315234	13288097
Adjustment for:		
Depreciation and deferred revenue expenditure	4012047	3938748
Interest paid	5713835	7051905
Interest received	- 3415325	- 1762041
(Profit)/Loss on sale of fixed assets	- 5568	- 99945
Operating Profit before working capital changes	14620223	22416764
Adjustment for:		
Inventories	20924237	- 4856799
Sundry Debtors	2334865	1177944
Loans and Advances	604664	373753
Current Liabilities	- 3222745	1753573
CASH GENERATED FROM OPERATIONS	35261244	20865235
Less: Interest paid	5713835	7051905
Cash Flow before extraordinary items	29547409	13813330
Less: Extra-ordinary items	Nil	Nil
NET CASH FROM OPERATING ACTIVITIES(A)	29547409	13813330
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of fixed assets	- 8010638	- 14510721
Purchase of Investments	- 1526852	Nil
Interest received	3415325	1762041
Sale of fixed assets	9000	405000
NET CASH FROM INVESTING ACTIVITIES(B)	- 6113165	- 12343680
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short term borrowings	- 9864841	3300155
Proceeds from Preferential Issue	5641650	4029750
Payment of dividend incl dividend tax	- 2784481	- 2766096
Payment of taxes	- 3843442	- 6012472
NET CASH USED IN FINANCING ACTIVITIES (C)	- 10851114	- 1448663
D. NET INCREASE IN CASH & CASH EQUIVALENTS		
A+B+C=D	12583130	20987
CASH AND CASH EQUIVALENTS AS AT 01.04.2013	15016933	14995946
Add: Net increase in Cash & Cash equivalents	12583130	20987
CASH AND CASH EQUIVALENTS AS ON 31.03.2014	27600063	15016933

As per our report of even date attached

For ANP ASSOCIATES

 Chartered Accountants
FRN:009004 S

For and on behalf of the Board of Directors

 Chennai
Dated : 30th May 2014

B.POPATLAL KOTHARI
Chairman & Managing Director

B.RANJIT KOTHARI
Director

AMISH N PATEL
Proprietor
Membership No.027859

NOTES TO BALANCE SHEET AS AT 31ST MARCH 2014

NOTE No.	Particulars	AS AT 31.03.2014	AS AT 31.03.2013
1.00	SHARE CAPITAL	Rs.	Rs.
1.01	Authorised Share Capital 60,00,000 (50,00,000) Equity Shares of Rs 10 each	<u>60000000</u>	<u>60000000</u>
1.02	Issued, subscribed and paid-up Share Capital 47,60,000 Equity shares of Rs 10 each fully paid up	<u>49700000</u>	<u>47600000</u>
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 49,70,000 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 share holder	As at 31st March 2014	As at 31st March 2014
		No. of equity shares held	No. of equity shares held
		% held	% held
	B Popatlal Kothari	751286	666286
		15.116	13.998
1.06	The reconciliations of the number of shares outstanding is set out below:		
	Details	As at 31st March 2014 No. of shares	As at 31st March 2013 No. of shares
	Equity shares at the beginning of the year	47,60,000	47,60,000
	Issued during the year	2,10,000	Nil
	Bought back during the year	Nil	Nil
	Equity shares at the end of the year	49,70,000	47,60,000
1.07	The Company has converted 210000 Warrants into equal number of Equity shares upon conversion request received during the year. The Company has 240000 Warrants pending conversion into equal number of equity shares issued to promoters and promoters' group. The reconciliation of number of convertible Warrants outstanding is furnished below:		
	Details	As at 31st March 2014 No. of Warrants	As at 31st March 2013 No. of Warrants
	Warrants at the beginning of the year	450000	Nil
	Issued during the year	Nil	450000
	Converted during the year	210000	Nil
	Warrants at the end of the year	240000	450000
	Option to convert expires on	06.09.2014	06.09.2014
2.00	RESERVES & SURPLUS		
2.01	Investment subsidy		
	As per last Balance sheet	1434835	1298835
	Add: received during the year (Generator subsidy from Govt of Tamilnadu)	Nil	136000
		<u>1434835</u>	<u>1434835</u>
2.02	General Reserve		
	As per last Balance sheet	10955058	10676610
	Add: Transferred from Profit & Loss Account	170517	278448
		<u>11125575</u>	<u>10955058</u>
2.03	SHARE PREMIUM ACCOUNT		
	Received during the year	5422200	Nil
		<u>5422200</u>	<u>Nil</u>
2.04	Profit & Loss Account		
	As per last Balance sheet	45688706	39585664
	Add: Profit for the year	5609127	9165971
		<u>51297833</u>	<u>48751635</u>
	Less: Appropriations		
	Transfer to General Reserve	170517	278448
	Proposed dividend	Nil	2380000
	Tax on dividend	Nil	404481
		<u>51127316</u>	<u>45688706</u>
	TOTAL RESERVES & SURPLUS	<u>69109926</u>	<u>58078599</u>

3.00 LONG TERM PROVISIONS

a. Provision for employee benefits	1771530	1603703
TOTAL	<u>1771530</u>	<u>1603703</u>

4.00 SHORT TERM BORROWINGS

a. Loans repayable on demand:		
From Banks (Secured)	41055418	50945259
From others	Nil	Nil
b. Deposits (Unsecured)	85000	60000
TOTAL	<u>41140418</u>	<u>51005259</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	4181824	7313204
TOTAL	<u>4181824</u>	<u>7313204</u>

5.01 Out of the total amount shown under sundry creditors, an amount of Rs 725482 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.
Kamman Corporation	453814
Shanti Chemical Works	271668

6.00 OTHER CURRENT LIABILITIES

a. Unclaimed dividends	429102	406835
b. Other payables	3356584	3470217
TOTAL	<u>3785687</u>	<u>3877052</u>

6.01 The details of amount outstanding in the dividend account as on 31st March 2014 representing unclaimed dividend declared in the earlier years are furnished below:

Unclaimed dividend pertaining for the year ending	Amount unclaimed as on 31st March 2014 Rs.	Rate	Declared at AGM held on	Tentative date for transfer to IEPF
31st March 2007	38089	5%	28.09.2007	04.11.2014
31st March 2008	76625	4%	24.09.2008	30.10.2015
31st March 2009	62334	5%	25.09.2009	31.10.2016
31st March 2010	49446	5%	27.09.2010	03.11.2017
31st March 2011	46267	5%	30.09.2011	06.11.2018
31st March 2012	89047	5%	28.09.2012	04.11.2019
31st March 2013	67294	5%	28.09.2013	04.11.2020

7.00 SHORT TERM PROVISIONS

a. Others	2725979	6795750
TOTAL	<u>2725979</u>	<u>6795750</u>

**NOTE 8
FIXED ASSETS & DEPRECIATION**

SNO	PARTICULARS	COST AS ON 01.04.2013	ADDITIONS DRG YR	DELETIONS DRG YR	TOTAL COST AS ON 31.03.2014	PRE-OP EXPS CAPTURED TILL 31.03.2014	TOTAL DEPN W.OFF TILL 31.03.2013	DEPN ON SOLID/ADJ DRG YR	DEPN PROV DRG YR	TOTAL DEPN W.OFF TILL 31.03.2014	WDV AS ON 31.03.2014
	TANGIBLE ASSETS:										
1	Land	5655129	7693935	Nil	13349064	Nil	Nil	Nil	Nil	Nil	13349064
2	Buildings	12579457	40681	Nil	12620138	187972	5185261	Nil	760646	5945907	6862203
3	Plant & Equipments:										
	Machineries	23958996	91129	Nil	24050125	601972	12005749	Nil	1753202	13758951	10893146
	Lab equipments	1974830	Nil	Nil	1974830	Nil	1710084	Nil	36826	1746910	227920
	Generators	1069557	Nil	Nil	1069557	Nil	404124	Nil	92562	496686	572871
	Weighing scale	125105	Nil	Nil	125105	Nil	68657	Nil	7852	76509	48596
	Electrical equipments	2037536	35724	Nil	2073260	Nil	861254	Nil	165473	1026727	1046533
4	Furnitures & Fixtures										
	Furniture & fittings	1188212	20460	Nil	1208672	Nil	851923	Nil	46778	898701	309971
	Electrical typewriters	388540	Nil	Nil	388540	Nil	167185	Nil	30785	197970	190570
5	Vehicles	6952562	60407	37877	6975092	Nil	3572972	34445	886605	4425132	2549960
6	Office equipments	1886099	68302	Nil	1954401	Nil	1098058	Nil	115453	1213511	740890
7	Others:										
	Spares & tools	2968698	Nil	Nil	2968698	Nil	2135736	Nil	115865	2251601	717097
II	Intangible assets:										
	Patents Account	10400	Nil	Nil	10400	Nil	10400	Nil	Nil	10400	Nil
	Total	60795121	8010638	37877	68767882	789944	28071403	34445	4012047	32049005	37508821
	Previous year	44870747	17377301	1452927	60795121	789944	25280926	1147872	3938349	28071403	33513662

	ASSETS : NON CURRENT ASSETS	
9.00	NON-CURRENT INVESTMENTS	
	a. Investments in Equity Instruments	1702146
	(quoted-Market value as on 31.3.2014 Rs 1769410 (previous year Rs 310632)	175294
	b. Other non-current investments	144928
	TOTAL	1847074
10.00	DEFERRED TAX ASSETS	
	Retirement Benefits	547402
	Less: Deferred Tax Liability	
	Depreciation	304025
	TOTAL	243377
11.00	INVENTORIES	
	a. Raw materials & packing materials	12798347
	b. Work-in-progress	363090
	c. Finished goods	17721569
	d. Stock-in-trade (traded goods)	
	TOTAL	30883006
12.00	TRADE RECEIVABLES	
	a. Unsecured, considered good:	
	b. Due for period exceeding six months	5762232
	c. Other debts	46244232
	TOTAL	52006464
13.00	CASH & CASH EQUIVALENTS	
	a. Balances with Banks	21611093
	b. Fixed deposits with Banks:	
	Exceeding 12 months	5661633
	Maturing within 12 months	Nil
	c. Cash on hand	327338
	TOTAL	27600063
14.00	SHORT TERM LOANS AND ADVANCES	
	To related parties	Nil
	To others	24475759
	TOTAL	24475759
15.00	OTHER INCOME	
	Interest from Banks	401513
	Interest from others	1382089
	Profit from Shares - STCG	449736
	Dividend received	5249
	Rebate & Discount	1512405
	Duty Draw back received	61693
	Other Income	-397360
	Profit on sale of fixed assets	5568
	TOTAL	3420893
16.00	COST OF RAW MATERIALS CONSUMED	
	Opening stock	
	Raw materials	20728046
	Packing materials	1219235
	(A) 21947281	21947281
	Add: Purchases	
	Raw materials	110083184
	Packing materials	6099900
	(B)	116183084
	Less: Closing stock	
	Raw materials	11807375
	Packing materials	1354062
	(C)	13161437
	Consumption (A) + (B) - (C)	124968928

17.00	CHANGES IN INVENTORIES		
	Opening Stock	29859963	31267801
	Closing Stock	17721569	29859963
	Increase/(Decrease) in inventories	<u>12138394</u>	<u>1407838</u>
18.00	EMPLOYEES BENEFIT EXPENSES		
	Salaries, allowances & perquisites	5067255	5044812
	Factory wages & salaries	9758373	11466042
	Staff welfare expenses	539208	572105
	Contribution to provident fund & other funds	391952	411152
		<u>15756788</u>	<u>17494111</u>
19.00	FINANCE COST		
	Interest & finance charges	<u>5713835</u>	<u>7532989</u>
20.00	OTHER EXPENSES		
	Wire drawing charges	143003	Nil
	Cartage, coolie and freight	1454313	1137817
	Factory expenses	6753974	6737872
	Provision for gratuity	304558	246442
	Advertisement	188117	180091
	Auditors remuneration	126300	70700
	Bank charges/commission	487392	Nil
	Books & Periodicals	4865	8149
	Commission, Brokerage&Discount	425361	2024454
	Insurance	204546	222644
	Approval charges	216855	472558
	General Charges	1546261	1219426
	Postage & telegram	92684	87185
	Printing & stationeries	320561	320902
	Rent, rates & taxes	641280	768615
	Listing fees & custodial fees	29153	143226
	Telephone expenses	244460	187090
	Travelling expenses	478338	271251
	Vehicle maintenance(car)	348142	292915
	Vehicle maintenance(others)	1117080	1012154
	Business promotion expenses	616778	1129953
	Professional charges	1180014	1185109
	Sitting Fees	38500	54500
	Donation	59600	1293500
	Subscriptiun charges	4042	5822
	Cartage, coolie and freight outwards	Nil	257590
	Electricity charges	81214	105610
	Bad debts	99723	173737
		<u>17207113</u>	<u>19609312</u>

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 realization 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 recognizes 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 amortized 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.
- ii) Interest income is accounted on accrual basis.
- iii) 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 31.03.2014	YE 31.03.2013
Salary	1680000	1750000
Perquisites	70047	42169
Total	1750047	1792169
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 31.03.2014	YE 31.03.2013
Audit fees	33000	30000
Tax Audit fees	21000	18000
Certification fees	52500	17000
Vat Audit fees	12500	Nil
Reimbursement of expenses	7300	5700
TOTAL	126300	70700

22.3.. The details of contingent liability not provided for in the books of accounts as on 31st March 2014 are as follows:

Details of contingent liability	YE 31.03.2014 Amount Rs	YE 31.03.2013 Amount Rs
Letter of Credit	87,19,279	13,31,450

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

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	1750047	Remuneration (including perquisites)
Mr. B Popatlal Kothari	300000	Rent for Office
	405000	Rental Advance for Office Premises
Mr. P Kashyap Kothari	616500	Remuneration
Mr. P Nitya Kothari	300000	Rent for Godown
	250000	Rental Advance for Godown

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

	2013-2014	2012-2013
22.6. Licenced and installed capacity		
i. Arc Welding Electrodes:		
Licenced capacity	NA	NA
Installed capacity	3300.000 Mts	3300.000 Mts
Actual Production	1610.305 Mts	1864.020 Mts
ii. Copper Coated Mild Steel (CCMS) Wire:		
Licenced capacity	NA	NA
Installed capacity	1500.000 Mts	1500.000 Mts
Actual Production	905.765 Mts	648.747 Mts

22.7. Quantitative particulars

FINISHED GOODS	UM	Year ended 31.03.2014		Year ended 31.03.2013	
		Qty	Value in Rs.	Qty	Value in Rs.
Opening Stock	Kgs	86126	5085510	52646	3071214
Production	Kgs	1610305	110889406	1864020	139195661
Sales & Samples	Kgs	1635063	111821309	1830540	137181365
Closing Stock	Kgs	61368	4153607	86126	5085510
RAW MATERIALS (ms wire & wire rod)					
Opening Stock	Kgs	89021	4448539	138065	6940758
Production	Kgs	2182032	90398261	2078938	89574478
Consumption	Kgs	2146853	89023163	2127982	92066697
Closing Stock	Kgs	124200	5823637	89021	4448539
RAW MATERIALS (flux materials)					
Opening Stock	Kgs	197674	16279507	145596	7645122
Production	Kgs	302845	19684923	603142	44228725
Consumption	Kgs	412504	29980692	551064	35594340
Closing Stock	Kgs	88015	5983738	197674	16279507
CCMS WIRE FINISHED GOODS Flux wire & Filler wire					
Purchases (Imported) & Local	Kgs	141803	7271454	371098	18921201
Closing Stock	Kgs	20265	1515798	1690	332933
MIG MAG MACHINES/wheels transformers/electrodes					
Purchases (Imported) & Local	Nos	228364	8456491	98826	7048463
Closing Stock	Nos	94148	4600579	91493	3750238
RUTILE Trading					
Purchases	Kgs	104500	6018478	100000	10803786
Closing Stock	Kgs	94675	7374625	88000	9579200
Imports (CIF Value)		24064031	59222964		
Expenditure in foreign currency			81165		29899
Earnings in foreign currency			1713106		4751801
FINISHED GOODS(co2 wire)					
Opening Stock	Kgs	21916	1139637	1237	64303
Production	Kgs	905765	58634810	648747	42231113
Sales & Samples	Kgs	926201	59697487	628068	41155779
Closing Stock	Kgs	1480	76960	21916	1139637

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

As per our report of even date attached

For ANP ASSOCIATES

 Chartered Accountants
FRN:009004 S

For and on behalf of the Board of Directors

 Chennai
Dated : 30th May 2014

B.POPATLAL KOTHARI
Chairman & Managing Director

B.RANJIT KOTHARI
Director

AMISH N PATEL
Proprietor
Membership No.027859

MGT-11 PROXY FORM

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

CIN : L52599TN1994PLC026980
 Name of the Company : **RASI ELECTRODES LIMITED**
 Registered office : 44/4, Strotton Muthia Mudali Street, Chennai - 600 079. Tamil Nadu.
 Name of the member (s) :
 Registered address :
 E-mail Id :
 Folio No / Client Id :
 DP ID :

I/We, being the member (s) of the company holding..... Equity shares hereby appoint

1. Name: Address:
 Email id: Signature:, or failing him
2. Name: Address:
 Email id: Signature:, or failing him
3. Name: Address:
 Email id: Signature:, or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 20th Annual General Meeting of the Company to be held on MONDAY, the 29th September, 2014 at 9.00 a.m. at HOTEL ASHOKA PVT LTD . New No 47 Old No 33, Pantheon Road, Egmore, Chennai - 600008 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote (optional)*		
		For	Against	Abstain
I	ORDINARY BUSINESS:			
1	Adoption of Financial Statements for the year ended 31 st March 2014 (Ordinary resolution)			
2	RE-appointment of Mr Ranjit Kumar Kothari as a Director liable for retirement by rotation (Ordinary resolution)			
3	Appointment of M/s ANP Associates ., Chartered Accountants, Chennai-79, as Auditors (Ordinary resolution)			
II	SPECIAL BUSINESS:			
4	Appointment of Mr Hitesh M Dharamshi as an Independent Director (Ordinary resolution)			
5	Appointment of Mr Ajay Goyal as an Independent Director (Ordinary resolution)			
6	Appointment of Mr N Prakash Kumar as an Independent Director (Ordinary resolution)			

Signed this..... day of..... 2014

AFFIX
 Re.1/-
 Revenu
 Stamp

Signature of shareholder

Signature of Proxy holder(s)

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

RASI ELECTRODES LIMITED

CIN: L52599TN1994PLC026980

Registered Office: 44/4, STROTTEN MUTHIA STREET, CHENNAI-600079, TAMILNADU

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the hall.

I, hereby record my attendance at the 20th Annual General Meeting of the members of **RASI ELECTRODES LIMITED** to be held on MONDAY, the 29th September, 2014, at 9.00 a.m. at HOTELASHOKA PVT LTD . New No 47 Old No 33, Pantheon Road, Egmore, Chennai - 600008.

DP ID	CLIENT ID	FOLIO NO.
NAME AND ADDRESS OF SHAREHOLDER (In block capitals) Folio No.	NAME OF PROXY (if share holder is represented by proxy)	



Signature of shareholder

Signature of Proxy holder(s)

