

**RASI ELECTRODES LIMITED**

CIN: L52599TN1994PLC026980

**BOARD OF DIRECTORS**

Mr.B.Popatlal Kothari,  
Chairman and Managing Director (DIN: 00594168)

Mr.B.Ranjit Kumar Kothari,  
Director (DIN:(01560805)

Mr Hitesh M Dharamshi,  
Director (DIN: 00207799)

Mr Ajay Goyal,  
Director (DIN: 00513570)

Mr N Prakash Kumar,  
Director (DIN:01735537)

Mrs Payal Jain,  
Director (DIN:07181548)

**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  
State Bank of India

**REGISTERED OFFICE**

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

**ADMINISTRATIVE OFFICE**

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

**FACTORY**

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

(Members are requested to bring their copies of the Annual Report to the meeting)  
**(No Gifts will be given at the AGM)**

**RASI ELECTRODES LIMITED**  
**CIN: L52599TN1994PLC026980**  
**NOTICE**

To,

The Shareholder,

NOTICE is hereby given that the 21<sup>st</sup> Annual General Meeting of the Company will be held at 9.00 A.M. on TUESDAY, the 29th September, 2015 at HOTELASHOKAPVTLTD . 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 Statement of the Company for the financial year ended 31<sup>st</sup> March 2015 and the Directors' and Auditor's Report thereon, together with all the reports, statements and notes annexed thereto, 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 a Dividend @ Re.0.10 ps per Equity share of Rs 2/- each be and is hereby declared as Dividend for the year ended 31<sup>st</sup> March 2015"

**03. 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."

**04. 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:**

**05. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:**

"RESOLVED THAT, pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder, Mrs PAYAL JAIN (holding DIN: 07181548), be and is hereby appointed as a Director on the Board of the Company liable for retirement by rotation."

**By Order of the Board**  
**for RASI ELECTRODES LIMITED**

**CHENNAI**

**DATED: 12<sup>TH</sup> AUGUST 2015**

**B POPATLAL KOTHARI**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN: 00594168**

**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 Tuesday, the 15<sup>th</sup> September 2015, to Tuesday, the 29<sup>th</sup> September 2015 (both days inclusive) for the purpose of the 21<sup>st</sup> AGM scheduled to be held on 29<sup>th</sup> September 2015.
07. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Transfer Agents M/s Cameo Corporate Services Limited, Subramanian Building, 1, Club House Road, Chennai-600002. Shareholders holding shares in electronic form must send the advice about change in address to their respective Depository Participants and not to the Company.
09. SERVING OF NOTICE  
Electronic copy of the Notice of the 21<sup>st</sup> Annual General Meeting (21<sup>st</sup> 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 21<sup>st</sup> 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](http://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 Tuesday, the September 29, 2015 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 A M 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](http://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 12, 2015 for the 21<sup>st</sup> AGM.

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

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 26.09.2015 at 9.00 A.M.IST and ends on 28.09.2015 at 5.00 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 22.09.2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and 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) <ul style="list-style-type: none"> <li><input type="checkbox"/> 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 8 digits of the sequence number in the PAN field.</li> <li><input type="checkbox"/> 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 in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction(v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company Name M/s RASI ELECTRODES LIMITED which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**  
Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.  
A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).  
After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.  
The list of accounts linked in the login should be mailed to [helldesk.evoting@cdslindia.com](mailto:helldesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.  
A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**EXPLANATORY STATEMENT ANNEXED TO THE NOTICE CONVENING THE 21<sup>ST</sup> 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 5:**

In order to comply with the requirements of appointment of a women director, your Board of Directors have appointed Mrs Payal Jain as Additional Director u/s 161 of the Companies act, 2013, at their meeting held on 31<sup>st</sup> March 2015. Mrs Payal Jain will be holding office as Additional Director only up to the ensuing 21<sup>st</sup> AGM. The Company has received a special notice along with requisite deposit, from a member proposing the appointment of Mrs Payal Jain as a Director on the Board of the Company u/s 152 of the Companies act, 2013, liable for retirement by rotation.

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

<b>Name of the Director</b>	Mr Ranjit Kumar Kothari	Mrs Payal Jain
<b>DIN</b>	01560805	07181548
<b>Date of Birth</b>	23/07/1965	26/06/1985
<b>Qualification</b>	<b>Graduate</b>	<b>M.A. (Fine Arts)</b>
<b>Expertise in specific functional areas</b>	Around 26 Years Experience in various business such as Construction, Real Estate, Trading in Spices etc	She has experience in textile designing, interior decoration, art work and aesthetic designing, and public relations functions.
<b>List of other public Companies in which directorship held as on 31<sup>st</sup> March 2014</b>	Arun Shanti Developers Private Limited	Nil
<b>Chairman/Member of the Committees of the Boards of the other Companies in which he is a Director as on 31<sup>st</sup> March 2014</b>	Nil	Nil
<b>Shareholding as on 31<sup>st</sup> March 2015 (including holding as HUF)</b>	198000	Nil
<b>Relationship with other Directors</b>	Related to Mr B Popatlal Kothari as his brother	Related to Mr B Popatlal Kothari as his son's wife

By Order of the Board  
for RASI ELECTRODES LIMITED

CHENNAI  
DATED: 12<sup>th</sup> August 2015

B POPATLAL KOTHARI  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 00594168

**RASI ELECTRODES LIMITED**  
CIN: L52599TN1994PLC026980

## DIRECTORS' REPORT

### Dear Shareholder,

Your Directors have pleasure in presenting the 21<sup>st</sup> Annual Report of your Company together with the Audited Financial Statements for the year ended 31st March 2015.

## FINANCIAL RESULTS

The Financial Performance of your Company for the year ended 31<sup>st</sup> March 2015 is summarized below:

	Year Ended 31.03.2015 Rs.in Lakhs	Year Ended 31.03.2014 Rs.in Lakhs
Net sales	2329.18	2064.38
Other Income	55.25	34.21
<b>Total (A)</b>	<b>2384.43</b>	<b>2098.59</b>
<b>Total Expenditure</b>	<b>2138.89</b>	<b>1918.18</b>
<b>Profit before interest &amp; depreciation</b>	<b>245.54</b>	<b>180.41</b>
Interest & financial charges	36.90	57.14
Depreciation	60.47	40.12
<b>Profit before tax</b>	<b>148.17</b>	<b>83.15</b>
Provision for tax incl tax for earlier years	52.54	27.26
Deferred tax – current	1.71	-0.20
<b>Profit after tax</b>	<b>93.92</b>	<b>56.09</b>
Profit brought forward	511.28	456.90
Transfer to General Reserve	10.00	1.71
Depn written off as per Sch II of Companies Act 2013	<b>6.70</b>	<b>Nil</b>
Proposed Dividend (5%)	<b>30.80</b>	<b>0.00</b>
Dividend tax	<b>5.24</b>	<b>0.00</b>
Balance carried to Balance sheet	<b>552.46</b>	<b>511.28</b>

### DIVIDEND AND TRANSFER TO RESERVES

Your Directors have recommended a dividend of Re.0.10 ps (i.e. @ 5%) on the Equity Shares of Rs 2/- each (previous year Rs.Nil.). The dividend, if approved by the members at the ensuing Annual General Meeting, will be paid to eligible shareholders as on the date of the 21<sup>st</sup> AGM.

Your Directors have transferred an amount of Rs 10.00 lakhs to the General Reserves out of the profits made during the 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 31<sup>st</sup> March 2015 the overall turnover of the Company was Rs 2329.18 lakhs as against Rs 2064.38 lakhs achieved during the last year resulting in an increase in the turnover to the extent of 12.83% when compared with the previous year. The production of welding electrodes was 1583.649 MTs as against 1610.305 MTs achieved during the previous year. The production of CCMS Wire during the year ended 31<sup>st</sup> March 2015 was 1469.169 MTs as against 905.765 MTs during the previous year.

During the year ended 31<sup>st</sup> March 2015 the profit before tax was Rs 148.17 lakhs (previous year Rs 83.15 lakhs) and after making a provision for tax amounting to Rs 54.24 lakhs (previous year Rs 27.06 lakhs) (including provision for deferred tax), the profit after tax was Rs 93.92 (previous year Rs 56.09 lakhs). The Profit after tax has increased considerably by 67.45% during the year ended 31<sup>st</sup> March 2015 when compared to the previous year.

The performance of the Company has shown marked improvement during the year ended 31<sup>st</sup> March 2015 with the turnover increasing by 12.83% and Profit after tax increasing considerably by 67.45%.

Your Company has installed imported plant and machinery for the manufacture of CCMS Wire with an installed capacity of 1800 MTPA. This expansion in capacity together with the existing capacity of 1500 MTPA will enable the Company to produce up to 3300 MTPA of CCMS Wire per annum. The capacity

expansion will considerably reduce the dependence on imported supply of CCMS wire to cater to the market share established by the Company. The capacity expansion was funded out of internal accruals and the equity and convertible warrant capital issuance made during the year.

The Company continues to comply with the certification requirements of Det Norkse Veritas Management System conforming to Quality Management System Standard ISO 9001:2008 for its manufacturing facility at Redhills, Chennai.

#### **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**

Economic growth is yet to pick up acceleration. The prospects of the company is closely intertwined with the performance of the capital goods sector. It is hoped that with the pick up in the economic growth based on policy initiatives kick started by the Central Government will augur well for the company.

#### **E. Prospects and Outlook**

Your Company is confident of establishing its own niche market as far as the marketing of quality welding electrodes. With the expansion in capacity completed, your Company is well equipped to cater to the ever increasing market demand in the CCMS Wire segment which is replacing the traditional Arc Welding Electrodes market.

#### **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 unauthorised 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.

#### **CAPITAL ISSUANCE AND CORPORATE ACTIONS**

During the year, the following capital issuance and corporate actions have taken place:

- i. Your Board of Directors have allotted 240,000 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 as per approval accorded by the members at their Extraordinary General Meeting held on 22<sup>nd</sup> February 2013.. The proceeds raised have been utilized to meet the working capital requirements.
- ii. Your Board of Directors have allotted 951,100 Equity shares of Rs 10 each for cash at a price of Rs 54.00, which includes a premium of Rs 44/- per share, on a preferential basis to applicants belonging to Non-Promoters group as per approval accorded by the members at their Extraordinary General Meeting held on 30<sup>th</sup> August 2014. The proceeds raised have been utilized to meet the working capital requirements.
- iii. Your Board of Directors have allotted 10,00,000 Convertible Equity Warrants with each Warrant convertible into one equity share of the Company of nominal value of Rs. 10/- each at a price of Rs. 54/- which includes a premium of Rs. 44/- per share on preferential basis to the applicants belonging to the Promoters and Non-Promoters Group as per approval accorded by the members at their Extraordinary General Meeting held on 30<sup>th</sup> August 2014. The Company has received the allotment money equivalent to 25% of the total consideration per warrant and proceeds raised have been utilized for working capital purposes. The Warrants are convertible at the option of the allottees into equal number of Equity shares of Rs 10 each at a premium of Rs 44/- within a period of 18 months from the date of allotment and the Company has not received any warrants for conversion till the date of this report.
- iv. The Board of Directors have sub-divided each Equity Share of the Company having a face value of Rs. 10 each fully paid-up into 5 (five) Equity Shares of face value of Rs. 2 each fully paid-up as per the approval accorded by the members through postal ballot and electronic voting process on 11<sup>th</sup> April 2015. Thus, as on the record date on 12<sup>th</sup> May 2015 fixed by the Board of Directors for the purpose of sub-division, the 61,61,100 Equity Shares of Rs 10/- each fully paid up were sub-divided into 308,05,500 Equity shares of Rs 2/- each fully paid up which has been duly credited to the demat account / physical share certificates sent to all the eligible members in lieu of and in cancellation of the Equity shares of Rs 10/- each held by them as on the record date on 12<sup>th</sup> May 2015. The outstanding 10,00,000 Convertible Warrants of Rs 10 each will be eligible to be converted into 50,00,000 Equity shares of Rs 2 each at an appropriate price and premium as per the terms of issue of the Convertible Warrants as and when the same is lodged for conversion by the respective allottees.

#### **CREDIT RATING**

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 2B which indicates 'High Performance Capability and Moderate Financial Strength'.

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Your Company does not have any subsidiary, joint venture or associate companies.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors state that:

- i. in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a 'going concern' basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**CORPORATE GOVERNANCE**

Your Company has complied with all the material requirements of Corporate Governance prescribed under Clause 49 of the Listing Agreement. A report on Corporate Governance is annexed and it forms part of this report.

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the year, the Company had not entered into any contract, arrangement or transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board was put up on the website of the Company at [www.rasielectrodes.com](http://www.rasielectrodes.com) and it is also furnished in the Corporate Governance Report.

Your Directors draw attention of the members to Note 22.4 to the financial statement which sets out related party disclosures.

**RISK MANAGEMENT**

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in framing and overseeing risk management policy and its periodical review, implementation and taking of pre-emptive corrective actions as may be deemed necessary. Your Company has adequate risk management infrastructure in place capable of addressing risks faced by the company both internal and external.

**INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, no reportable material weakness have surfaced with regard to those internal controls in place.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review members have approved the appointment of Mr B Ranjit Kumar Kothari as Non-Executive, Non-Independent Director liable for retirement by rotation. Members have also approved the appointment of Mr Hitesh M Dharamshi, Mr K Ajay Goyal and Mr N Prakash Kumar as Independent Directors not liable for retirement by rotation. Your Directors have, based on the recommendation made by the Nomination and Remuneration Committee, appointed Mr P Kashyap Kothari as Chief Financial Officer which was approved by the members during the year. Your Directors have appointed Mrs Payal Jain as Additional Director who will be holding office only up to the ensuing Annual General meeting. The Company has received a special notice along with requisite deposit, from a member proposing the appointment of Mrs Payal Jain as a Director on the Board of the Company liable for retirement by rotation.

Your Directors Mr Ranjit Kumar Kothari retire by rotation at the ensuing Annual General meeting and being eligible is offering himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange.

The Nomination & Remuneration Committee has submitted its recommendation as regards the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors. The Board has accepted the recommendation and it shall be implemented for performance evaluation during the current financial year ended 31<sup>st</sup> March 2016.

A familiarisation program was conducted for the Independent Directors wherein the roles, rights, responsibilities of the Independent Directors, the business model of the company and the industry related developments was appraised and presented to them. The details of the familiarisation program conducted for Independent Directors, Policy for selection of Directors and determining Directors independence, Remuneration Policy for Directors, Key Managerial Personnel and other employees are also put up on the website of the Company at [www.rasielectrodes.com](http://www.rasielectrodes.com).

Your Company has appointed Ms Jagruti Jain as Company Secretary with effect from 2<sup>nd</sup> May 2015.

**EMPLOYEES STOCK OPTION SCHEME**

The Company has not formulated any Employees Stock Option scheme.

**AUDITORS & AUDITORS REPORT****Statutory Auditor**

The report of the Statutory Auditors M/s ANP Associates., Chartered Accountants, Chennai, is annexed to this report. The Auditors Report does not contain any qualification, reservation or adverse remarks.

The Statutory Auditors shall be holding office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have confirmed they are eligible for re-appointment and they are not disqualified for re-appointment as Statutory Auditors of the Company.

**Secretarial Auditor**

The Board has appointed Mr A M Gopikrishnan, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed to this report.

**Internal Auditor**

The Board has appointed Mr G Mahavirchand Kochar, Independent Practicing Chartered Accountant as an Internal Auditor as required under section 138 of the Companies Act, 2013. The Internal Auditor reports to the Audit Committee and the periodical reports submitted by him are reviewed by the Audit Committee and the Board. No adverse findings were reported by the Internal Auditor during the year.

**DISCLOSURES****Corporate Social Responsibility**

Your Company is not falling within the financial criteria laid down under section 135(1) of the Companies Act, 2013, and as such is not under obligation constitute Corporate Social Responsibility committee and undertake CSR activities.

**Audit committee**

The Audit Committee comprises of two Independent Director and one Non-Independent Director and as such the composition requirements prescribed under section 177 of the Companies Act, 2013 and the Listing Agreement is satisfied. All the recommendations made by the Audit Committee during the year have been accepted by the Board.

**Vigil Mechanism**

The Company has put in place a vigil mechanism in order to facilitate Directors and Employees to report on genuine concerns. The Whistle Blower policy adopted by the Company and the Vigil Mechanism as a part of the said policy has been put up on the website of the Company at [www.rasielectrodes.com](http://www.rasielectrodes.com).

**Meetings of Board**

During the year fourteen meetings of the Board of Directors were held. The dates on which the Board meetings were held and the attendance of the Directors therein is furnished in the Corporate Governance Report.

**Particulars of Loans given, Investments made, Guarantees given and securities provided.**

The particulars of Loans given, investments made and the purpose for which the loan given is proposed to be utilized by the recipient is furnished in Note:22.6 to the financial statements.

The Company has not given any guarantees and has not provided any security during the year.

**Conservation of energy, technology absorption, foreign exchange earnings and outgo.**

As required under the Provisions of Sec. 134(3)(m) of the Companies Act 2013, information relating to Conservation of energy, technology absorption, and foreign exchange earnings and outgo is annexed to this report.

**Extract of Annual Return**

The extract of Annual Return as on 31<sup>st</sup> March 2015 in the prescribed Form MGT9 is annexed to this report.

**Particulars of Employees and related disclosures**

In terms of the requirements of Section 197(12) of the Companies Act, 2013, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors wish to state that none of the employees are drawing remuneration in excess of the limits set out in the said rules.



Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this report.

**Employees Stock Option Scheme**

The Company has not formulated any Employees Stock Option scheme.

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

The Company has in place Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has not received any complaints under the said Act during the year.

**General**

Your Directors do not have anything to report or disclose on the following items since there were no transaction relating to them during the year:

- i. No deposits were accepted attracting the provisions of section 73 – 76 of the Companies Act, 2013.
- ii. The Company has not issued any equity shares during the year with differential rights as to dividend, voting or otherwise.
- iii. The Company has not issued any shares (including sweat equity shares) to any of its employees during the year.
- iv. The Company does not have any subsidiary, Joint venture or associate companies and as such the Managing Director / Whole time Directors receiving any remuneration from such companies does not arise.
- v. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- vi. There were no material changes and commitments affecting the financial position of the company which have occurred between 31<sup>st</sup> March 2015 and the date of this report

**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 & on behalf of the Board of Directors

B POPATLAL KOTHARI  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 00594168

CHENNAI  
DATED: 12<sup>th</sup> August 2015

**ANNEXURES FORMING PART OF BOARDS' REPORT:**

- Annexure I: Disclosure under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.  
 Annexure II: Disclosures pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo as required u/s 134(3)(m) of the Companies Act, 2013, read along with rule 8(3) of Companies (Accounts) Rules, 2014.  
 Annexure III: Corporate Governance Report (including Auditor Certificate & other certificates annexed to CG Report).  
 Annexure IV: Extract of Annual return – Form MGT9.  
 Annexure V: Secretarial Audit Report.  
 Annexure VI: Independent Auditors' Report on Financial Statements.  
 Annexure VII: Financial Statements as on and for the year ended 31<sup>st</sup> March 2015 together with notes thereto.

**Directors' Report – Annexure I:**
**Disclosure under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**
**I. EMPLOYEES DRAWING REMUNERATION OF MORE THAN Rs 60 lakhs PER ANNUM:**

None of the Employees (including KMPs) are drawing remuneration exceeding Rs 60 lakhs per annum.

**II. DETAILS OF REMUNERATION OF EACH DIRECTOR IN 2014-15:**

Name	Designation	% increase over previous year	Ratio to median remuneration
Mr B Poptatlal Kothari	Chairman & Managing Director	71.42%	14.89:1
Mr B Ranjit Kumar Kothari	Director	80.00%	0.11:1
Mr Hitesh N Dharamshi	Independent Director	50.00%	0.06:1
Mr Ajay Goyal	Independent Director	84.21%	0.05:1
Mr N Prakash Kumar	Independent Director	105.88	0.04:1
Mrs Payal Jain	Director	NA	NA

**III. NUMBER OF PERMANENT EMPLOYEES ON THE ROLLS OF THE COMPANY:**

As on 31.03.2015: 80

As on 31.03.2014: 98

**IV. PERCENTAGE INCREASE IN MEDIAN REMUNERATION OF EMPLOYEES IN THE FINANCIAL YEAR 2014-15: 82.35%**
**V. RELATIONSHIP BETWEEN AVERAGE INCREASE IN REMUNERATION AND THE COMPANY PERFORMANCE:**

Average remuneration per employee per annum increased from 1.51 lakhs as at the end of 2013-14 to 2.38 lakhs as at the end of 2014-15, i.e., by 57.78%. Total Turnover in this period increased by 12.83%.

**VI. REMUNERATION OF KEY MANAGERIAL PERSONNEL AND COMPARISON OF THEIR REMUNERATION TO THE PERFORMANCE OF THE COMPANY.**

The total remuneration of Key Managerial Personnel during the year ended 31<sup>st</sup> March 2015 is Rs 30.00 lakhs as against Rs 17.50 lakhs paid during the previous year resulting in an increase of 41.67% during the year. As against this the total turnover of the Company increased from Rs 2064.38 lakhs to Rs 2329.18 lakhs resulting in an increase of 12.83% during the year.

**VII. MARKET PRICE AND PRICE EARNING RATIO:**

As on 31<sup>st</sup> March 2015, the closing Market price per equity share of Rs 10 each is Rs 80.10 and PE Ratio is 52.70.

**VIII. COMPARISON OF MARKET PRICE WITH THE ISSUE PRICE AT THE LAST PUBLIC OFFER:**

The last public offer was made during the year ended 31<sup>st</sup> March 1996 at par at Rs 10/- per Equity share. The Company issued bonus shares in the ratio of 2:5 during the year ended 31.03.2008. The closing Market Price per Equity share of Rs 10/- each, of the Company as on 31<sup>st</sup> March 2015 is Rs. 80.10 (Source: BSE Ltd) resulting in an increase @ 1021.40% when compared to public offer price (adjusted for bonus shares).

**IX. AVERAGE PERCENTAGE INCREASE IN SALARIES OF EMPLOYEES OTHER THAN WHOLETEIME DIRECTORS: 23.08%**
**X. KEY PARAMETERS OF ANY VARIABLE COMPONENT OF REMUNERATION AVAILED BY DIRECTORS:**

Not applicable since Directors have not been paid any variable component of remuneration.

**XI. THE RATIO OF THE REMUNERATION OF THE HIGHEST PAID DIRECTOR TO THAT OF THE EMPLOYEES WHO ARE NOT DIRECTORS BUT RECEIVED REMUNERATION IN EXCESS OF THE HIGHEST PAID DIRECTOR DURING THE YEAR:**

No Employee received remuneration higher than the Managing Director.

**XII. AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY:**

The remuneration paid during the year ended 31<sup>st</sup> March 2015 is as per the remuneration policy of the Company.

**Directors' Report – Annexure II:**

Disclosures pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo as required u/s 134(3)(m) of the Companies Act, 2013, read along with rule 8(3) of Companies (Accounts) Rules, 2014.

S.No.	Required Particulars	Details
<b>A.</b>	<b>Conservation of energy:</b>	
i.	The steps taken or impact on conservation of energy;	The Company regularly conducts energy conservation program at the factory to sensitize the workmen for using energy conservation practices throughout the factory. Energy Conservation measures have been adopted right from the initial Stages of manufacture to achieve the optimum energy consumption per unit of production.
ii.	The steps taken by the company for utilising alternate sources of energy;	The Company has not taken any steps to use alternate sources of energy
iii.	The capital investment on energy conservation equipments;	Nil
<b>B.</b>	<b>Technology absorption:</b>	
i.	The efforts made towards technology absorption;	The Company uses technology developed inhouse
	The benefits derived like product improvement, cost reduction, product, development or import substitution;	The Company has developed CCMS Wire product without copper coating which was developed out of the Company's own initiative. The avoidance of copper coating has resulted in cost reduction and power saving.
ii.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	The Company has not imported any technology
iii.	(a) the details of technology imported;	Not applicable
	(b) the year of import;	Not applicable
	(c) whether the technology been fully absorbed;	Not applicable
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not applicable
iv.	The expenditure incurred on Research and Development.	Nil
<b>C.</b>	<b>Foreign exchange earnings and outgo:</b>	
	(a) Foreign exchange Earnings;	Rs.76,22,869
	(b) Foreign exchange outgo;	Rs.450,50,669

**Directors' Report – Annexure III: Corporate Governance Report and Auditor's Certificate and other Certificates:**

**M/s A.N.P. Associates  
Chartered Accountants**

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

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**
**To the Members of M/s Rasi Electrodes Limited**

We have examined the compliance of the conditions of Corporate Governance by Rasi Electrodes Limited for the year ended 31<sup>st</sup> March 2015, 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 Stakeholders' Relationship Committee, as on 31<sup>st</sup> March 2015 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: 12<sup>th</sup> August 2015

AMISH N PATEL  
Proprietor  
Membership No.027859

**RASI ELECTRODES LIMITED**  
CIN: L52599TN1994PLC026980

**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 Six Directors (as on 31<sup>st</sup> March 2015) of whom Three are Independent Directors (50%) and Three are Non-Independent Directors (50%). The number of Non-Executive Directors is Five (83%). 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 ten 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 31<sup>st</sup> March 2015, 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	14	Yes	1	Nil
2. Mr Ranjit Kumar Kothari, Director.	Promoter	Related	Non-Executive/ Non-independent	14	Yes	1	Nil
3. Mr Hitesh M Dharamshi, Director	Non-Promoter	Not Related	Non-Executive/ Independent	7	Yes	Nil	Nil
4. Mr Ajay Goyal, Director	Non-Promoter	Not Related	Non-Executive/ Independent	12	Yes	Nil	Nil
5. Mr N Prakash Kumar	Non-Promoter	Not Related	Non Executive/ Independent	14	Yes	Nil	Nil
6. Mrs. Payal Jain	Promoter	Related	Non-Executive/ Non-independent	Nil	NA	Nil	Nil

iv. During the year ended 31<sup>st</sup> March 2015, FOURTEEN (14) Board Meetings were held on 5<sup>th</sup> April 2014, 30<sup>th</sup> May 2014, 16<sup>th</sup> July 2014, 31<sup>st</sup> July 2014, 14<sup>th</sup> August 2014, 28<sup>th</sup> August 2014, 1<sup>st</sup> September 2014, 27<sup>th</sup> September 2014, 29<sup>th</sup> September 2014, 20<sup>th</sup> October 2014, 14<sup>th</sup> November 2014, 15<sup>th</sup> November 2014, 11<sup>th</sup> February 2015 and 26<sup>th</sup> February 2015.

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.

vi. The Independent Directors Mr Hitesh M Dharamshi, Mr Ajay Goyal and Mr N Prakash Kumar have been appointed by the members of the Company at the AGM held on 29<sup>th</sup> September 2014 to hold office up to 31<sup>st</sup> March 2019.

vii. The Chairman & Managing Director Mr B Popatlal Kothari will be holding office up to 12<sup>th</sup> February 2016 as per approval accorded by the shareholders. The Board of Directors have appointed Mr Kashyap Kothari as Chief Financial Officer, in order to comply with the requirements of section 203 of the Companies Act, 2013, at their meeting held on 12<sup>th</sup> August 2015 for a period of five years up to 11<sup>th</sup> August 2020. Mr Kashyap Kothari, Chief Financial Officer, is related to Mr B Popatlal Kothari. The remuneration payable is within the limits prescribed under section 188(1)(d) of the Companies Act, 2013, read along with rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, and as such is within the powers of the Board to approve his appointment as Chief Financial Officer.

viii. Mrs. Payal Jain was appointed as Additional Director on 31.03.2015 through circular resolution passed by the Directors to comply with the requirement of having at least one women director as required u/s 149(1) and Clause 49 of the Listing Agreement.

### III. AUDIT COMMITTEE

- i. The Company has in place an Audit Committee and its composition complies with the requirements of Clause 49 of the Listing Agreement and section 177(2) of the Companies Act, 2013.
- ii. The terms of reference of the Audit Committee are in line with the one prescribed under Clause 49 of the Listing Agreement and section 177 of the Companies Act, 2013.
- 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 29<sup>th</sup> September 2014 and it was attended by the Chairman of the Audit Committee.
- v. The Audit Committee of Directors met FIVE (5) times during the year on 30<sup>th</sup> May 2014, 16<sup>th</sup> July 2014, 14<sup>th</sup> August 2014, 14<sup>th</sup> November 2014 and 11<sup>th</sup> February 2015.

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 MDharamshi	Chairman, Independent, Non-Executive	5	5
Mr Ranjit Kumar Kothari	Non-Independent, Non-Executive	5	5
Mr Ajay Goyal	Independent, Non-Executive	5	5

### IV. NOMINATION AND REMUNERATION COMMITTEE

i. The Board of Directors have, at their meeting held on 14<sup>th</sup> November 2014, re-constituted the Nomination & Remuneration Committee of Directors to comply with the requirements of the revised Clause 49 of the Listing Agreement and the Committee comprises of the following Directors as its Members:

S.No.	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 Director and Non-Executive Directors, as when their appointment and revision in their remuneration is considered and determine the remuneration policy to be pursued by the Company from time to time.
- iii. A meeting of the Remuneration Committee was held once during the year on 30<sup>th</sup> May 2014.
- iv. The Remuneration policy of the Company comprises of payment of suitable remuneration to its Executive Director as evaluated and recommended by the Remuneration Committee and approved by the Board and shareholders. The Non-Executive Directors will be paid sitting fees as approved by the Board for the meetings of the Board and Committees attended by them. The non-executive Directors are not being paid any other remuneration or commission. The Company does not have any Employee Stock Option Scheme or Employees Stock Purchase Scheme. The Managing Director has been authorized to determine the remuneration policy and pay suitable remuneration to the employees of the Company who are not Directors on the Board of the Company.
- v. Details of the remuneration paid to Executive and Non-Executive Directors for the year ended 31<sup>st</sup> March 2015 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	3000000	Nil	Nil
2. Mr Ranjit Kumar Kothari,	Director	Nil	Nil	22500
3. Mr Hitesh MDharamshi	Director	Nil	Nil	12000
4. Mr Ajay Goyal, Director (&)	Director	Nil	Nil	17500
5. Mr N Prakash Kumar	Director	Nil	Nil	17500

v. Details of shares of the Company held by Directors as on 31<sup>st</sup> March 2015 are as follows.

Name	Designation	Equity shares held
1. Mr B Popatlal Kothari	Chairman & Managing Director	966286
2. Mr Ranjit Kumar Kothari	Director	198000
3. Mr Hitesh M Dharamshi	Director	Nil
4. Mr Ajay Goyal, Director	Director	1700
5. Mr N Prakash Kumar	Director	Nil

vi. The Company has not issued any convertible debentures.

vii. During the year ended 31<sup>st</sup> March 2015, Mr B Popatlal Kothari, Managing Director converted 215000 Warrants issued to him into equal number of Equity shares on 28.08.2014 at a price of Rs 35.82 per Equity share as approved by the members at their EGM held on 22<sup>nd</sup> February 2013.

viii. The Company has issued and allotted 10,00,000 Convertible Warrants at a price of Rs 54 each to the Promoters group and public pursuant to approval accorded by the members at their EGM held on 30<sup>th</sup> August 2014. Out of this, the Managing Director Mr B Popatlal Kothari have been issued 390000 Warrants. 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 28<sup>th</sup> March 2016. As on 31<sup>st</sup> March 2015, none of these Warrants issued have been submitted to the Company for conversion into equity shares.

#### V. STAKEHOLDERS RELATIONSHIP COMMITTEE

i. The Board of Directors have, at their meeting held on 14<sup>th</sup> November 2014, re-constituted the Stakeholders Relationship Committee of Directors to comply with the requirements of the revised Clause 49 of the Listing Agreement and the Committee comprises of the following Directors as its Members:

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

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

iii. The Committee met SIX (6) times during the year on 30<sup>th</sup> May 2014, 16<sup>th</sup> July 2014, 14<sup>th</sup> August 2014, 14<sup>th</sup> November 2014, 10<sup>th</sup> January 2015 and 20<sup>th</sup> January 2015.

iv. The terms of reference of the Committee are to consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends besides approving the Share Transfers / Transmission, to take on record dematerialization of shares, to approve splits, consolidation of share certificates, etc.

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

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

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

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	1	1	Nil

#### VI. RISK MANAGEMENT COMMITTEE

i. The Board of Directors have, at their meeting held on 14<sup>th</sup> November 2014, constituted the Risk management Committee of Directors to comply with the requirements of the revised Clause 49 of the Listing Agreement and the Committee comprises of the following Directors as its Members:

S.No.	Name of the Director	Designation	No. of Meetings held	No. of Meetings attended
1	Mr Ajay Goyal	Chairman, Member, Director - Independent	1	1
2	Mr B Popatlal Kothari	Member, Managing Director - Non-Independent	1	1
3	Mr B Ranjit Kumar Kothari	Member, Director – Non-Independent	1	1

ii. The Risk Management Committee met once during the year on 31<sup>st</sup> March 2015.

iii. The terms of reference of the Risk Management Committee are to monitor and review the risk management plan and aid and advise the Board in controlling and mitigating risks affecting the company and its business.

**VI. GENERAL BODY MEETINGS**

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

AGM / EGM	LOCATION	DATE	TIME
18 <sup>TH</sup> AGM	HOTEL ASHOKA PVT LTD . New No 47 Old No 33, Pantheon Road, Egmore, Chennai – 600008	28.09.2012	9.00 A.M.
19 <sup>TH</sup> 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.
EGM	Indian Red Cross Society, No.40, Montieth Road, Egmore, Chennai-600008	30.08.2014	10.30.A.M.
20 <sup>TH</sup> AGM	HOTEL ASHOKA PVT LTD . New No 47 Old No 33, Pantheon Road, Egmore, Chennai – 600008	29.09.2014	9.00 A.M

ii. The details of Special Resolutions passed during the three years ended 31<sup>st</sup> March 2015 is furnished below:

Date of AGM / EGM	Details of Special Resolution Passed
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 <sup>th</sup> February 2016
20.10.2012 – EGM	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.
30.08.2014 – EGM	1. Approval u/s 13,14 and 61 of the Companies Act, 2013 for Amendment to Memorandum and Articles of Association for increasing the Authorised Capital from Rs 6 crores to Rs 8 crores. 2. Approval u/s 62(1)© and 42 of the Companies Act, 2013 for issue of 10,00,000 Convertible Warrants and 15,00,000 Equity shares to Promoters and Promoters Group and Non-Promoters at a price of Rs 54/- including a premium of Rs 44/- per share.

iii. The Company has passed the following resolution through the process of Postal Ballot and Electronic Voting on 11<sup>th</sup> April 2015:

- Approval u/s 61(1)(d) and 64 of the Companies Act, 2013, for sub-division of Equity shares of Rs 10 each into 5 Equity shares of Rs 2/- each fully paid.
- Approval under section 13 of the Companies Act, 2013 for re-classifying the Authorised capital of Rs 8 vroses as comprising of 400,00,000 Equity shares of Rs 2 each in order to facilitate sub-division of Equity shares to Rs 2/- per share.
- Approval under section 14 of the Companies Act, 2013 for re-classifying the Authorised capital of Rs 8 vroses as comprising of 400,00,000 Equity shares of Rs 2 each in order to facilitate sub-division of Equity shares to Rs 2/- per share.
- Approval u/s 13(1) of the Companies Act, 2013 to insert a new Clause III.B.25. to facilitate borrowings.
- Approval u/s 180(1)(c) of the Companies Act, 2013 to facilitate borrowings up to a limit of Rs 100 crores.
- Approval u/s 180(1)(a) of the Companies Act, 2013 to facilitate providing security for borrowings made up to a limit of Rs 100 crores.

iv. No resolution is proposed to be passed through postal ballot during the year ended 31<sup>st</sup> March 2016..

**VII.DISCLOSURES**

i. Disclosures on materially significant related party transactions i.e Transaction of the company of material nature with its promoters, Directors or management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

The disclosures relating to related party transactions is given in Note 22.4 : Other Significant Notes attached to Balance sheet .

ii. Details of non compliance by the company, penalties, strictures imposed on the Company by Stock exchange or SEBI or any statutory authority, on any matter related to capital market during the last three years :

None

- iii. The Board of Directors of the Company have adopted a suitable Code of Conduct to be adhered to by its Directors and Senior Management Personnel. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year ended 31<sup>st</sup> March 2015 and the Certificate furnished by the Managing Director in his capacity as the Chief Executive Officer of the Company is annexed to this report.
- v. The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with Clause 49 of the Listing Agreement, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.
- vi. The risk assessment and minimization procedures are in existence and the Board of Directors reviews the same at their quarterly meetings.
- vii. All the mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.
- viii. As regards the Non-Mandatory requirements : the Company has an Executive Chairman and as such provisions relating to separate Chairman's Office is not applicable to the company; Auditors have not made any qualification on the financial statements published by the Company during the year ended 31<sup>st</sup> March 2015. The company has appointed Ms Jagruti J Jain as Company Secretary as required under section 203 of the Companies Act, 2013 with effect from 2<sup>nd</sup> May 2015 The Company proposes to retain the combined post of Chairman and Managing Director till the tenure of the present incumbent as approved by the shareholders concludes on 12<sup>th</sup> February 2016. The Company has engaged the services of an Independent Practising Chartered Accountant as Internal Auditor who reports to the Audit Committee. The Company has not followed the practice of sending a half-yearly declaration of financial performance including summary of the significant events in last six-months to each household of shareholders.

#### VIII. MEANS OF COMMUNICATION

- i. The quarterly and annual results are communicated to the Stock Exchange (i.e.BSE Ltd) immediately after the Board Meeting where in it is approved.
- ii. The quarterly and annual results are also published in the news papers "Trinity Mirror" and "Makkal Kural".
- iii. The results are also displayed at the official website of the Company [www.rasi-electrodes.com](http://www.rasi-electrodes.com). The website also displays official news releases.
- iv. The Company has not made any presentation to institutional investors or to any financial analysts.
- v. 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.	21 <sup>st</sup> Annual General Meeting Date Time Venue	29 <sup>th</sup> September 2015 9.00 A.M. Hotel Ashoka Pvt Ltd New No 47 Old No 33, Pantheon Road, Egmore, Chennai - 600008
ii.	Financial year: Year ending AGM in Dividend payment	31 <sup>st</sup> March 2015 29 <sup>th</sup> September 2015 The Board of Directors have recommended a dividend @ Re.0.10 ps per Equity share of Rs 2/- each which when declared at the 21 <sup>st</sup> AGM will be paid to the shareholders on or before 27 <sup>th</sup> October 2015.
iii.	Date of book closure	From Tuesday 15 <sup>th</sup> September 2015 to Tuesday, the 29 <sup>th</sup> September 2015 (both days inclusive) for the purpose of determining the shareholders eligible for dividend
iv.	Listing on Stock Exchanges	Bombay Stock Exchange Limited
v.	Stock code ISIN No.	531233 INE822D01021
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 2014	38.70	29.65	536034	792
May 2014	49.70	36.65	552034	2351
June 2014	50.55	41.05	341494	1551
July 2014	58.05	45.55	332819	1817
August 2014	77.90	59.00	479614	2621
September 2014	81.00	65.50	426744	3148
October 2014	77.00	62.80	22703	477
November 2014	75.00	61.00	215907	1409
December 2014	75.00	56.00	154778	1882
January 2015	102.90	68.05	765041	6058
February 2015	97.00	80.20	206999	2144
March 2015	90.90	71.00	415460	3024



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 5958381 equity shares representing 96.7097% 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 31<sup>st</sup> March 2015 is furnished below:

Distribution Range (No. of shares)	No. of shareholders	% of total	Value of Equity shares of Rs 10 each held (Rs.)	% of total
1 0 500 0	977	59.5368	1134840	1.8419
50 01 – 1000 0	276	16.8190	2122030	3.4442
100 01 – 2000 0	129	7.8610	1931740	3.1353
200 01 – 3000 0	48	2.9250	1227050	1.9916
300 01 – 400 0 0	29	1.7672	1031630	1.6744
400 01 – 500 0 0	36	2.1937	1707220	2.7709
500 01 – 10000 0	50	3.0469	3982370	6.4637
10 0001 & above	96	5.8500	48474120	78.6777
Total	1641	100.000	61611000	100.0000

b. Categories of shareholders as on 31<sup>st</sup> March 2015 is furnished below:

Category	No. of shares	Percentage
Promoters holdings	1709590	27.7481
Corporate Bodies	563764	9.1504
Indian Public	3887746	63.1015
Total	6161100	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). 5958381 Equity shares of the Company representing 96.7097% of the Company's share capital are dematerialized as on March 31, 2015. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE822D01021
xi.	Outstanding GDRs/ADRs	The Company has so far not issued any GDRs/ADRs/Warrants or any convertible instruments.
xii.	Plant locations	Welding Electrodes Manufacturing Plant Upparapalayam Village Alamathi Post, Redhills Chennai-600052
xiii.	Address for correspondence	Administrative Office: 'Rams', A-14, III Floor, 21, Raja Annamalai Road, Chennai-600084 For transfer of shares, dematerialisation, change of address, etc., to: CAMEO CORPORATE SERVICES LIMITED 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 <a href="mailto:info@rasielectrodes.com">info@rasielectrodes.com</a> . Shareholders / Investors can send their complaints / Grievances to the above e-mail ID.

for and on behalf of the Board of Directors  
**B. POPATLAL KOTHARI**  
 Chairman and Managing Director  
 DIN: 00594168

CHENNAI  
 DATED: 12.08.2015

**21<sup>st</sup> Annual Report**

**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 31<sup>st</sup> March 2015 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: 30<sup>th</sup> May 2015

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**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 31<sup>st</sup> March 2015.

B POPATLAL KOTHARI  
MANAGING DIRECTOR

CHENNAI

DATED: 30<sup>th</sup> May 2015

**Directors' Report – Annexure IV:**

**Form No. MGT- 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31st March, 2015**  
**of**  
**RASI ELECTRODES LIMITED**  
 [Pursuant to Section 92(3) of the Companies Act, 2013 And  
 Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	<b>CIN</b>	L52599TN1994PLC026980
ii.	Registration Date	<b>8<sup>TH</sup> MARCH 1994</b>
iii.	Name of the Company	<b>RASI ELECTRODES LIMITED</b>
iv.	Category / sub-category of the Company	<b>Company Limited by Shares / Indian Non-Government Company</b>
v.	Address of the registered office and contact details	<b>Registered Office:</b> <b>44/4, Strotten Muthiah Street, Chennai-600079.</b>  <b>Administrative Office:</b> <b>A-14, RAMS Apartment, 3<sup>rd</sup> Floor, 21, Raja Annamalai Road, Chennai-600084.</b> <b>Tel.No.: 044-26424523;</b> <b>Email: <a href="mailto:info@rasielectrodes.com">info@rasielectrodes.com</a></b> <b>Website: <a href="http://www.rasielectrodes.com">www.rasielectrodes.com</a></b>
vi.	Whether Listed Company (Yes / No)	<b>Yes (Listed at BSE Ltd)</b>
vii.	Name, address and contact details of Registrar & Transfer Agent, if any	<b>Cameo Corporate Services Limited</b> <b>'Subramaniam Building', 1, Club House road, Chennai-600002</b> <b>Tel.No.:28460390.</b>

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

All the business activities contributing 10% or more of the total turnover of the Company shall be stated.

Name & Description of the main products / services	NIC Code of the Product / Service	% of Total turnover of the Company
<b>Welding Electrodes &amp; CCMS Wire</b>	<b>4004</b>	<b>88%</b>

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL**
**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

- (i) Category-wise Share Holding
- |                                 |                                |
|---------------------------------|--------------------------------|
| Name of the Company:            | : RASI ELECTRODES LIMITED      |
| Face Value                      | : Rs.10/-                      |
| Paidup Shares as on 01-Apr-2014 | : 4970000                      |
| Paidup Shares as on 31-Mar-2015 | : 6161100                      |
| For the Period From             | : 01-Apr-2014 To : 31-Mar-2015 |

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>SHAREHOLDING OF PROMOTER AND PROMOTER GROUP</b>									
1.	INDIAN	1209590	210000	1419590	28.5632	1659590	0	1659590	26.9365	0.4746
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY									
b.	CENTRAL GOVERNMENT/STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	50000	0	50000	1.0060	0	0	0	0.0000	0.0000
d.	FINANCIAL INSTITUTIONS/BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	<b>SUB - TOTAL (A)(1)</b>	<b>1259590</b>	<b>210000</b>	<b>1469590</b>	<b>29.5692</b>	<b>1659590</b>	<b>0</b>	<b>1659590</b>	<b>26.9365</b>	<b>0.4746</b>
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	<b>SUB - TOTAL (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
	<b>TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)</b>	<b>1259590</b>	<b>210000</b>	<b>1469590</b>	<b>29.5692</b>	<b>1659590</b>	<b>0</b>	<b>1659590</b>	<b>26.9365</b>	<b>0.4746</b>
<b>B.</b>	<b>PUBLIC SHAREHOLDING</b>									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	FINANCIAL INSTITUTIONS/BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	CENTRAL GOVERNMENT/STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	VENTURE CAPITAL FUNDS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER									
	<b>SUB - TOTAL (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>

Category code	Category of Shareholder	No. of shares held at the beginning of the year			No. of shares held at the end of the year			% Change during the year	
		Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
2.	NON-INSTITUTIONS								
a.	BODIES CORPORATE	510300	0	510300	10.2676	613764	0	613764	9.9619
b.	INDIVIDUALS - I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	552797 2037777	225819 0	778616 2037777	15.6663 41.0015	921262 2488123	202719 0	1123981 2488123	18.2431 40.3843
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000
d.	ANY OTHER								
	CLEARING MEMBERS	36825	0	36825	0.7409	13174	0	13174	0.2138
	FOREIGN NATIONALS	100	0	100	0.0020	0	0	0	0.0000
	HINDU UNDIVIDED FAMILIES	136792	0	136792	2.7524	262068	0	262068	4.2535
	NON RESIDENT INDIANS	0	0	0	0.0000	400	0	400	0.0064
	<b>SUB - TOTAL (B)(2)</b>	<b>173717</b>	<b>0</b>	<b>173717</b>	<b>3.4953</b>	<b>275642</b>	<b>0</b>	<b>275642</b>	<b>4.4739</b>
	<b>TOTAL PUBLIC SHAREHOLDING</b>	<b>3274591</b>	<b>225819</b>	<b>3500410</b>	<b>70.4308</b>	<b>4298791</b>	<b>202719</b>	<b>4501510</b>	<b>73.0634</b>
	<b>(B) = (B)(1)+(B)(2)</b>	<b>3274591</b>	<b>225819</b>	<b>3500410</b>	<b>100.0000</b>	<b>4298791</b>	<b>202719</b>	<b>4501510</b>	<b>73.0634</b>
	<b>TOTAL (A)+(B)</b>	<b>4534181</b>	<b>435819</b>	<b>4970000</b>	<b>100.0000</b>	<b>5958381</b>	<b>202719</b>	<b>6161100</b>	<b>100.0000</b>
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED								
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000
	<b>TOTAL CUSTODIAN (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>4534181</b>	<b>435819</b>	<b>4970000</b>	<b>100.0000</b>	<b>5958381</b>	<b>202719</b>	<b>6161100</b>	<b>100.0000</b>

ii. Shareholding of promoters:

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

ii) Shareholding of promoters

Name of the Company : RASI ELECTRODES LIMITED

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares			
1	B POPATLAL KOTHARI	751286	15.1164	0.0000	966286	15.6836	0.0000	4.8692	0	0
2	P MANJULA KOTHARI	168162	3.3835	0.0000	168162	2.7294	0.0000	0.0000	0	0
3	MANJULA KOTHARI	8378	0.1686	0.0000	8378	0.1359	0.0000	0.0000	0	0
4	P NITYA KOTHARI	187297	3.7686	0.0000	212297	3.4457	0.0000	0.8115	0	0
5	P KASHYAP KOTHARI	137111	2.7588	0.0000	137111	2.2254	0.0000	0.0000	0	0
6	KASHYAP KOTHARI P	105502	2.1228	0.0000	105502	1.7123	0.0000	0.8115	0	0
7	POPATLAL KOTHARI AND SONS	43714	0.8796	0.0000	43714	0.7095	0.0000	0.0000	0	0
8	RUCHI N KOTHARI	18140	0.3650	0.0000	18140	0.2944	0.0000	0.0000	0	0
9	BPK DEVELOPERS P LTD	50000	1.0060	0.0000	50000	0.81154	0.0000	0.0000	0	0

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

Name of the Company : RASI ELECTRODES LIMITED

SI No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	B POPATLAL KOTHARI						
	At the beginning of the year 01-Apr-2014	666286	13.9976	666286	13.9976	'IN30302851933459	AAIPK7746D
	Purchase 01-Aug-2014	85000	1.3796	751286	12.1940		
	Purchase 21-Nov-2014	215000	3.4896	966286	15.6836		
At the end of the Year 31-Mar-2015	966286	15.6836	966286	15.6836			
2	P MANJULA KOTHARI						
	At the beginning of the year 01-Apr-2014	168162	3.5328	168162	3.5328	'IN30018312341922	AAIPK7745A
At the end of the Year 31-Mar-2015	168162	2.7294	168162	2.7294			
2	HAVING SAME PAN MANJULA KOTHARI						
	At the beginning of the year 01-Apr-2014	8378	0.1760	8378	0.1760	'1204840000191301	AAIPK7745A
At the end of the Year 31-Mar-2015	8378	0.1359	8378	0.1359			
3	P NITYA KOTHARI						
	At the beginning of the year 01-Apr-2014	162297	3.4096	162297	3.4096	'IN30267931755448	AANPK2428F
	Purchase 01-Aug-2014	25000	0.4057	187297	3.0399		
	Purchase 21-Nov-2014	25000	0.4057	212297	3.4457		
At the end of the Year 31-Mar-2015	212297	3.4457	212297	3.4457			
4	P KASHYAP KOTHARI						
	At the beginning of the year 01-Apr-2014	137111	2.8804	137111	2.8804	'IN30108022506127	AAOPK0675M
At the end of the Year 31-Mar-2015	137111	2.2254	137111	2.2254			
4	HAVING SAME PAN KASHYAP KOTHARI P						
	At the beginning of the year 01-Apr-2014	55502	1.1660	55502	1.1660	'IN30287120469915	AAOPK0675M
	Purchase 01-Aug-2014	50000	0.8115	105502	1.7123		
At the end of the Year 31-Mar-2015	105502	1.7123	105502	1.7123			
5	POPATLAL KOTHARI AND SONS						
	At the beginning of the year 01-Apr-2014	43714	0.9183	43714	0.9183	'1203150000202059	AAAHP2895Q
At the end of the Year 31-Mar-2015	43714	0.7095	43714	0.7095			
6	RUCHI N KOTHARI						
	At the beginning of the year 01-Apr-2014	18140	0.3810	18140	0.3810	'IN30115123472352	AFIPJ0913Q
At the end of the Year 31-Mar-2015	18140	0.2944	18140	0.2944			

**(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**
**Name of the Company : RASI ELECTRODES LIMITED**

Sl No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	B RANJEET KOTHARI						
	At the beginning of the year 01-Apr-2014	233100	4.8970	233100	4.8970	'1203320000092849	AAKPK6088N
	Sale 04-Apr-2014	-18000	0.2921	215100	3.4912		
	Sale 25-Apr-2014	-17100	0.2775	198000	3.2137		
	At the end of the Year 31-Mar-2015	198000	3.2137	198000	3.2137		
2	GLOBE CAPITAL MARKET LTD						
	At the beginning of the year 01-Apr-2014	215471	4.5267	215471	4.5267	'IN30096610060240	AAACG4267G
	Purchase 04-Apr-2014	9999	0.1622	225470	3.6595		
	Sale 11-Apr-2014	-9900	0.1606	215570	3.4988		
	Sale 25-Apr-2014	-10000	0.1623	205570	3.3365		
	Purchase 02-May-2014	1000	0.0162	206570	3.3528		
	Purchase 09-May-2014	3000	0.0486	209570	3.4015		
	Sale 16-May-2014	-3599	0.0584	205971	3.3430		
	Purchase 30-May-2014	16500	0.2678	222471	3.6108		
	Sale 20-Jun-2014	-34880	0.5661	187591	3.0447		
	Sale 30-Jun-2014	-105	0.0017	187486	3.0430		
	Sale 04-Jul-2014	-271	0.0043	187215	3.0386		
	Sale 11-Jul-2014	-100000	1.6230	87215	1.4155		
	Sale 18-Jul-2014	-515	0.0083	86700	1.4072		
	Sale 25-Jul-2014	-16247	0.2637	70453	1.1435		
	Sale 01-Aug-2014	-20000	0.3246	50453	0.8188		
	Purchase 14-Aug-2014	71000	1.1523	121453	1.9712		
	Purchase 22-Aug-2014	21000	0.3408	142453	2.3121		
	Sale 29-Aug-2014	-3080	0.0499	139373	2.2621		
	Sale 12-Sep-2014	-120	0.0019	139253	2.2601		
	Sale 30-Sep-2014	-12952	0.2102	126301	2.0499		
	Sale 14-Nov-2014	-380	0.0061	125921	2.0438		
	Sale 28-Nov-2014	-900	0.0146	125021	2.0291		
	Purchase 12-Dec-2014	5000	0.0811	130021	2.1103		
	Sale 02-Jan-2015	-14233	0.2310	115788	1.8793		
	Sale 09-Jan-2015	-19800	0.3213	95988	1.5579		
	Sale 16-Jan-2015	-20067	0.3257	75921	1.2322		
	Sale 23-Jan-2015	-13200	0.2142	62721	1.0180		
	Sale 30-Jan-2015	-2400	0.0389	60321	0.9790		
	Sale 06-Feb-2015	-9000	0.1460	51321	0.8329		
	Purchase 13-Feb-2015	11000	0.1785	62321	1.0115		
	Sale 20-Feb-2015	-12950	0.2101	49371	0.8013		
	Sale 27-Feb-2015	-2350	0.0381	47021	0.7631		
	Purchase 06-Mar-2015	5500	0.0892	52521	0.8524		
	Purchase 20-Mar-2015	3375	0.0547	55896	0.9072		
	Purchase 27-Mar-2015	20451	0.3319	76347	1.2391		
	At the end of the Year 31-Mar-2015	76347	1.2391	76347	1.2391		
3	JALPA HITESH DHARAMSHI						
	At the beginning of the year 01-Apr-2014	204320	4.2924	204320	4.2924	'IN30154919200255	AGKPD4461A
	Sale 25-Apr-2014	-55000	0.8926	149320	2.4235		
	Sale 02-May-2014	-10000	0.1623	139320	2.2612		
	At the end of the Year 31-Mar-2015	139320	2.2612	139320	2.2612		



SI No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
4	HITESH RAMJI JAVERI JT1 : RADHABAI RAMJI JAVERI JT2 : HARSHA HITESH JAVERI At the beginning of the year 01-Apr-2014 Sale 02-May-2014 Sale 09-May-2014 At the end of the Year 31-Mar-2015	160000 -94419 -65480 101	3.3613 1.5325 1.0627 0.0016	160000 65581 101 101	3.3613 1.0644 0.0016 0.0016	'IN30036020087818	AABPJ4691H
5	CHANDRAKALA At the beginning of the year 01-Apr-2014 At the end of the Year 31-Mar-2015 HAVING SAME PAN	143881 143881	3.0227 2.3353	143881 143881	3.0227 2.3353	'IN30061010291777	AAEPC5084C
5	CHANDRAKALA KOTHARI At the beginning of the year 01-Apr-2014 At the end of the Year 31-Mar-2015 HAVING SAME PAN	54608 54608	1.1472 0.8863	54608 54608	1.1472 0.8863	'1201750000177786	AAEPC5084C
5	CHANDRAKALA At the beginning of the year 01-Apr-2014 At the end of the Year 31-Mar-2015	1 1	0.0000 0.0000	1 1	0.0000 0.0000	'IN30189510341916	AAEPC5084C
6	UTTAM KUMAR At the beginning of the year 01-Apr-2014 At the end of the Year 31-Mar-2015 HAVING SAME PAN	110100 110100	2.3130 1.7870	110100 110100	2.3130 1.7870	'IN30061010208936	AAFPPK4604H
6	UTTAM KUMAR KOTHARI At the beginning of the year 01-Apr-2014 At the end of the Year 31-Mar-2015 HAVING SAME PAN	13828 13828	0.2905 0.2244	13828 13828	0.2905 0.2244	'1203320000111759	AAFPPK4604H
6	UTTAM KUMAR KOTHARI At the beginning of the year 01-Apr-2014 At the end of the Year 31-Mar-2015 HAVING SAME PAN	6180 6180	0.1298 0.1003	6180 6180	0.1298 0.1003	'1201750000177617	AAFPPK4604H
6	B UTTAM KUMAR At the beginning of the year 01-Apr-2014 At the end of the Year 31-Mar-2015	1120 1120	0.0235 0.0181	1120 1120	0.0235 0.0181	'IN30018313064782	AAFPPK4604H
7	PANKAJ KOTHARI T At the beginning of the year 01-Apr-2014 At the end of the Year 31-Mar-2015	94507 94507	1.9854 1.5339	94507 94507	1.9854 1.5339	'IN30061010490028	AITPP5447M
8	AADRIK DISTRIBUTORS PVT. LTD At the beginning of the year 01-Apr-2014 At the end of the Year 31-Mar-2015	89993 89993	1.8906 1.4606	89993 89993	1.8906 1.4606	'1201750000228270	AAECA6320J
9	TEJRAJ KOTHARI B At the beginning of the year 01-Apr-2014 Sale 25-Apr-2014 Sale 02-May-2014 At the end of the Year 31-Mar-2015	86100 -40000 -20000 26100	1.8088 0.6492 0.3246 0.4236	86100 46100 26100 26100	1.8088 0.7482 0.4236 0.4236	'IN30061010490061	AACPT6374N

SI No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
10	DEEPJYOT HOLDING AND FINANCE PVT LTD At the beginning of the year 01-Apr-2014 Purchase 25-Apr-2014 Purchase 02-May-2014 Purchase 09-May-2014 Sale 23-May-2014 Sale 30-May-2014 Purchase 18-Jul-2014 Purchase 09-Jan-2015 Purchase 30-Jan-2015 Purchase 13-Feb-2015 Purchase 27-Mar-2015 At the end of the Year 31-Mar-2015 NEW TOP 10 AS ON (31-Mar-2015)	82231 22500 8250 3572 -40001 -11931 2620 4042 4347 400 648 76678	1.7275 0.3651 0.1339 0.0579 0.6492 0.1936 0.0425 0.0656 0.0705 0.0064 0.0105 1.2445	82231 104731 112981 116553 76552 64621 67241 71283 75630 76030 76678 76678	1.7275 1.6998 1.8337 1.8917 1.2425 1.0488 1.0913 1.1569 1.2275 1.2340 1.2445 1.2445	'IN30009511479070	AABCD9057G
11	SUBHASH BRIJMOHAN BOHRA At the beginning of the year 01-Apr-2014 Purchase 28-Nov-2014 At the end of the Year 31-Mar-2015	0 100000 100000	0.0000 1.6230 1.6230	0 100000 100000	0.0000 1.6230 1.6230	'1202000000112827	AILPB9416E
12	CNI RESEARCH LIMITED At the beginning of the year 01-Apr-2014 Purchase 11-Jul-2014 At the end of the Year 31-Mar-2015 HAVING SAME PAN	0 100000 100000	0.0000 1.6230 1.6230	0 100000 100000	0.0000 1.6230 1.6230	'1202870000004023	AACCC2842H
12	CNI RESEARCH LIMITED At the beginning of the year 01-Apr-2014 Purchase 25-Apr-2014 Purchase 02-May-2014 Purchase 20-Mar-2015 At the end of the Year 31-Mar-2015	0 15000 11117 5121 31238	0.0000 0.2434 0.1804 0.0831 0.5070	0 15000 26117 31238 31238	0.0000 0.2434 0.4239 0.5070 0.5070	'1203990000069191	AACCC2842H
13	SRINIVAS KANAKAGIRI At the beginning of the year 01-Apr-2014 Purchase 28-Nov-2014 At the end of the Year 31-Mar-2015	0 100000 100000	0.0000 1.6230 1.6230	0 100000 100000	0.0000 1.6230 1.6230	'1205890000004874	ADOPK7177K
14	JAYANT SADASHIV BASRURJT1 : PADMINI JAYANT BASRUR At the beginning of the year 01-Apr-2014 Purchase 28-Nov-2014 At the end of the Year 31-Mar-2015	0 100000 100000	0.0000 1.6230 1.6230	0 100000 100000	0.0000 1.6230 1.6230	'IN30021417329046	AAEPB0230B

**v.Shareholding of Directors and Key Managerial Personnel:**

S. No.	Names of Directors / KMPs	No of shares held at the beginning of the year		Date	Change in shareholding	Reason	No of shares held at the end of the year	
		No. of shares	% of total shares				No. of shares	% of total shares
1	B POPATLAL KOTHARI Chairman & Managing Director	666286	13.9976	01.08.2014 21.11.2014	Conversion of warrants Conversion of warrants	85000 215000	966286	16.167
2	RANJEET KUMAR KOTHARI Director	233100	4.8970	04.04.2014 25.04.2014	-18000 -17100	Sale Sale	198000	3.2137
3	HITESH M DHARAMSHI Director	Nil	Nil	Nil	Nil	Nil	Nil	nil
4	AJAY GOYAL Director	4200	0.0845	11.06.2014 03.07.2014 05.08.2014	1000 1000 500	Sale Sale Sale	1700	0.0276
5	N PRAKASH KUMAR Director	Nil	Nil	Nil	Nil	Nil	Nil	nil
6	Mrs PAYAL JAIN Director	Nil	Nil	Nil	Nil	Nil	Nil	nil

**V.INDEBTEDNESS (of the Company including interest outstanding/accrued but not due for payment):**

	Secured Loans Rs.	Unsecured loans Rs.	Deposits Rs.	Total Rs.
Indebtedness at the beginning of the Financial Year:				
i.Principal Amount	4,10,55,418	0	85,000	4,11,40,418
ii.Interest due but not paid	0	0	0	0
iii.Interest accrued but not due	0	0	0	0
Total (i + ii + iii)	4,10,55,418	0	85,000	4,11,40,418
Change in Indebtedness during the financial year:				
Addition		0	0	
Reduction		0	25,000	
Net change		0	-25,000	
Indebtedness at the end of the Financial Year:				
i.Principal Amount	3,17,06,363	0	60,000	3,17,66,363
ii.Interest due but not paid	0	0	0	0
iii.Interest accrued but not due	0	0	0	0
Total (i + ii + iii)	3,17,06,363	0	60,000	3,17,66,363

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director & Wholetime Directors:**

S. No.	Particulars of remuneration	Total Remuneration paid to Managing Director Mr B Popatlal Kothari during the YE 31.3.2015
1	<b>Gross Salary:</b>	<b>Rs.</b>
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	24,00,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	6,00,000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil
2.	Commission as a % of Profit Total (A) Ceiling as per Companies Act, 2013	Nil 30,00,000 The remuneration has been paid as minimum remuneration in the absence or inadequacy of profits as approved by members

**B. Remuneration to other Directors:**

S. No.	Particulars of remuneration	Name of the Independent Director			Total Amount
		Hitesh M Dharamshi	Ajay Goyal	N Prakash Kumar	
1	<b>Independent Directors:</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
	(a) Fees for attending Board / Committee Meetings.	12,000	17,500	17,500	47,000
	(b) Commission	Nil	Nil	Nil	nil
	(c) Others, please specify	Nil	Nil	Nil	nil
	Total (1)	12,000	17,500	17,500	47,000
		<b>Name of the Other Non-Executive Director</b>			
		<b>B Ranjeet Kothari</b>	<b>Payal Jain</b>		
2	<b>Other Non-Executive Directors:</b>	<b>Rs.</b>	<b>Rs.</b>		<b>Rs.</b>
	(a) Fees for attending Board / Committee Meetings.	22,500	Nil		22,500
	(b) Commission	Nil	Nil		Nil
	(c) Others, please specify	Nil	Nil		Nil
	Total (2)	22,500	Nil		22,500
	Total (B)=(1+2)				69,500
	Total Managerial Remuneration	Not applicable 30,69,500			
	Overall ceiling as per Act.	Paid as minimum remuneration in the absence or inadequacy of profits as approved by shareholders.			NA

**C. Remuneration to key managerial personnel other than MD and WTD:**

The Company has not appointed any KMPs other than MD and WTD.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES UNDER THE COMPANIES ACT, 2013: NIL**

**Directors' Report – Annexure V:**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
RASI ELECTRODES LIMITED  
CIN: L52599TN1994PLC026980  
REGD OFF: 44/4, STROTEN MUTHIAH STREET,  
CHENNAI-600079

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s RASI ELECTRODES LIMITED (hereinafter called the company)**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>ST</sup> MARCH 2015 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on **31<sup>ST</sup> MARCH 2015**, according to the provisions of:

- 1.1. The Companies Act, 2013 (the Act) and the rules made thereunder;
- 1.2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 1.4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the Audit Period**);
- 1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - 1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - 1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - 1.5.3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - 1.5.4. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the Audit Period**);
  - 1.5.5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
  - 1.5.6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - 1.5.7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and
  - 1.5.8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**);

1.6. I have relied on the representation made by the Company and its Officers regarding the systems and mechanism put in place by the Company to ensure compliance with the other Acts, Laws and Regulations applicable to the activities carried on by the Company during the Audit Period. Other Laws that are applicable specifically to the Company apart from general laws such as Factories Act, Minimum Wages Act, etc., are as follows:

- (i). Environment (Protection) Act, 1986.

2. I have also examined compliance with the applicable clauses of the following:
  - 2.1. Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified and hence not applicable during the Audit Period).
  - 2.2. The Listing Agreements entered into by the Company with the Stock Exchange i.e., BSE LTD.
3. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:
  - 3.1. The Company has not appointed a Chief Financial Officer as required u/s 203 of the Companies Act, 2013.
  - 3.2. The Company has not filed the prescribed returns as required u/s 93 of the Companies Act, 2013, with regard to changes in the number of shares held by the specified persons during the year ended 31st March 2015.
4. I further report that:
  - 4.1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - 4.2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - 4.3. All the decisions at Board meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be and based on the scrutiny of minutes of the meetings as referred above, I have not come across any dissenting views that were recorded during the Audit Period. There exists a system for capturing and recording the dissent of any members of the Board or Committee in the minutes of the meetings.
5. I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. I further state that during the audit period the following specific events / actions have happened having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:
  - 6.1. The members of the Company have passed special resolutions at their Extraordinary General Meeting held on 30<sup>th</sup> August 2014, according approval u/s 13, 14 and 61 of the Companies Act, 2013 for Amendment to Capital Clause of the Memorandum and Articles of Association for increasing the Authorised Capital from Rs 6 crores to Rs 8 (rupees eight) crores.
  - 6.2. The members of the Company have passed special resolution at their Extraordinary General Meeting held on 30<sup>th</sup> August 2014, approval u/s 62(1)(c) and 42 of the Companies Act, 2013 for issue of 10,00,000 (ten lakhs) Convertible Warrants and 15,00,000 (fifteen lakhs) Equity shares to Promoters and Promoters Group and Non-Promoters at a price of Rs 54/- (rupees fifty four only) including a premium of Rs 44/- per share on a preferential basis.
  - 6.3. The Company has allotted 240,000 (two lakhs and forty thousand only) Equity shares of Rs 10 each for cash at a price of Rs 35.82 (rupees thirty five and paise eighty two only) per share to promoters and promoters group upon conversion of Warrants.
  - 6.4. The Company has allotted 951,100 (nine lakhs fifty one thousand one hundred only) Equity shares of Rs 10 each for cash at a price of Rs 54.00 (rupees fifty four only) , which includes a premium of Rs 44/- per share, on a preferential basis to applicants belonging to Non-Promoters group as per approval accorded by the members at their Extraordinary General Meeting held on 30<sup>th</sup> August 2014.
  - 6.5. The Company has allotted 10,00,000 (ten lakhs) Convertible Equity Warrants with each Warrant convertible, within a period of eighteen months from the date of allotment, into one equity share of the Company of nominal value of Rs. 10/- each at a price of Rs. 54/- (rupees fifty four only), including a premium of Rs. 44/- per share on preferential basis to the applicants belonging to the Promoters and Non-Promoters Group as per approval accorded by the members at their Extraordinary General Meeting held on 30<sup>th</sup> August 2014.

**A M GOPIKRISHNAN**  
**COMPANY SECRETARY IN PRACTICE**  
**FCS 2276; COP 2051**  
**Place: Chennai**  
**Dated: 30<sup>th</sup> May 2015**

**Directors' Report – Annexure VI:****INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF RASI ELECTRODES LIMITED****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Rasi Electrodes Limited ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year the ended and a summary of the significant policies and other explanatory information.

**Managements Responsibility for the Standalone Financial Statements**

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

**Auditors Responsibility**

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An Audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit and its cash flow for the year ended n the date.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2004;
- e. In our opinion there are no financial transactions or matters which have any adverse effect on the functioning of the Company;
- f. On the basis of the representation made by the directors and taken on record by the Board of Directors and the information and explanations given to us, none of the directors is, as at 31<sup>st</sup> March, 2015 prima facie disqualified from being appointed as a director in terms of section 164(2) of the Act;
- g. With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014. In our opinion and to the best of our information and according to explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Company

2. As required by the Companies (Auditors Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specifies in paragraphs 3 and 4 of the Order.

For ANP ASSCOIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. 009004S

AMISH N PATEL  
PROPRIETOR  
Membership No.027859

CHENNAI  
Dated: May 30, 2015

**ANNEXURE TO THE AUDITORS REPORT:**

(Referred to in our above report of even date)

- 1.(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) As Explained to us, considering the nature of the Fixed Assets, the same have been physically verified by the management at reasonable intervals including during the current year as per the verification plan adopted by the Company, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us and the records produced to us for our verification, no discrepancies were noticed during such physical verification.
- 2.(a) The inventory has been physically verified during the year by the management, which, is in our opinion, at reasonable intervals  
  
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
(c) On the basis of our examination of the records of inventory, we are the opinion that the Company is maintaining Proper records of inventory. No material discrepancies were noticed on verification between the physical stock and the book records.
- 3.(a) The Company has not granted any loans, secured or unsecured, to companies, firms and other parties covered in the Registered maintained under Section 189 of the Companies Act 2013, during the year
4. The Company has got adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal control system.
5. The Company has not accepted any deposits from the public during the year.
6. 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 under section 148(1) of the Companies Act, 2013 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.
7. (a) According to the records the Company, the Company is regular in depositing undisputed statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, ESI, Sales Tax, VAT, Income tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Cess and any other statutory dues were outstanding, as at the balance sheet date for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there are no disputed amounts that are unpaid in respect of Sales Tax, VAT, Income Tax, Customs Duty, Excise Duty, Cess and Service Tax as at 31<sup>st</sup> March 2015.  
  
(c) According to the records, information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under has been transferred to such fund within the time as prescribed.
8. The Company has neither accumulated losses as at 31<sup>st</sup> March 2015 nor has incurred any cash losses during the financial year on that date and in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank. The Company has not issued any debentures.
10. According to the information and explanations given to us. the Company has not given any guarantee for loans taken by others from bank or financial institutions.
11. The Company has not raised any term loans during the year.
12. Based upon the audit procedures performed and information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For ANP ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. 009004S

CHENNAI  
Dated: May 30, 2015

AMISH N PATEL  
PROPRIETOR  
Membership No.027859



**BALANCE SHEET AS AT 31ST MARCH 2015**

SNO	PARTICULARS	Notes	AS AT 31.03.2015	AS AT 31.03.2014
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholder's Funds</b>			
[a]	Share capital	1	61611000	49700000
[b]	Reserves & surplus	2	122274156	69109926
[c]	Money received against convertible share warrants		13500000	2149200
	<b>Sub Total - Shareholders' Funds</b>		<b>197385156</b>	<b>120959126</b>
<b>2</b>	<b>Non-current Liabilities</b>			
[a]	Long-term provisions	3	2385731	1771530
	<b>Sub Total - Non-current Liabilities</b>		<b>2385731</b>	<b>1771530</b>
<b>3</b>	<b>Current Liabilities</b>			
[a]	Short term borrowings	4	31766363	41140418
[b]	Trade payables	5	7584226	4181824
[c]	Other current liabilities	6	4698138	3785687
[d]	Short-term provisions	7	8857711	2725979
	<b>Sub Total - Current Liabilities</b>		<b>52906438</b>	<b>51833908</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>252677325</b>	<b>174564564</b>
<b>B.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current Assets</b>			
[a]	Fixed assets	8		
	Tangible assets		62872076	37508821
	Intangible assets		0	0
	Capital work-in-progress		1322244	0
	<b>Total fixed assets</b>		<b>64194320</b>	<b>37508821</b>
[b]	Non-current investments	9	185130	1847074
[c]	Deferred tax assets (net)	10	72744	243377
	<b>Sub Total - Non-current Assets</b>		<b>64452194</b>	<b>39599272</b>
<b>2</b>	<b>Current Assets</b>			
[a]	Inventories	11	39260226	30883006
[b]	Trade receivables	12	62827932	52006464
[c]	Cash and bank balances	13	26668611	27600063
[d]	Short-term loans and advances	14	59468362	24475759
	<b>Sub Total - Current Assets</b>		<b>188225131</b>	<b>134965292</b>
	<b>TOTAL - ASSETS</b>		<b>252677325</b>	<b>174564564</b>
	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 2015

**B POPATLAL KOTHARI**  
Chairman & Managing Director

**RANJIT KOTHARI**  
Director

**AMISH N PATEL**  
Proprietor

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

SNO	PARTICULARS	Notes	YEAR ENDED 31.03.2015	YEAR ENDED 31.03.2014
<b>1</b>	<b>Income from Operations:</b>			
a.	Gross Sales		257031648	227542712
	Less: Excise Duty on Sales		24113777	21104843
	Net Sales		<b>232917871</b>	206437869
b	Other Income	<b>15</b>	5524852	3420893
	<b>Total Income From Operations (a + b)</b>		<b>238442723</b>	<b>209858762</b>
<b>2</b>	<b>Expenses:</b>			
	[a]. Cost of materials consumed	<b>16</b>	148631517	124968928
	[b]. Purchases of stock in trade		27824845	21746423
	[c]. Changes in inventories of finished goods, work-in-progress and stock-in-trade	17	-4288791	12138394
	[d]. Employees benefits expense	18	20116492	15756788
	[e]. Finance costs	19	3689599	5713835
	[f]. Depreciation and amortisation expense	8	6047459	4012047
	[g]. Other expenses	<b>20</b>	21604418	17207113
	<b>Total Expenses</b>		<b>223625539</b>	<b>201543528</b>
<b>3</b>	<b>Profit Before Tax</b>		<b>14817184</b>	8315234
4	Tax expense:			
	Current tax		5253621	2725979
	Prior period tax			0
	Deferred tax		170633	-19872
<b>5</b>	<b>Profit after Tax</b>		<b>9392930</b>	<b>5609127</b>
6	Basic & diluted earnings per equity share of Rs 10 each (Rs.)		1.68	1.18
	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 2015

**B POPATLAL KOTHARI**  
Chairman & Managing Director

**RANJIT KOTHARI**  
Director

**AMISH N PATEL**  
Proprietor

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

	YEAR ENDED 31.03.2015 Rs.	YEAR ENDED 31.03.2014 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and Extra-ordinary items	14817184	8315234
Adjustment for:		
Depreciation and deferred revenue expenditure	6047459	4012047
Interest paid	3689599	5713835
Interest received	-3470857	-3415325
(Profit)/Loss on sale of fixed assets	0	-5568
<b>Operating Profit before working capital changes</b>	21083385	14620223
Adjustment for:		
Inventories	-8377220	20924237
Sundry Debtors	-10821468	2334865
Loans and Advances	-34992603	604664
Current Liabilities	4314853	-3222745
<b>CASH GENERATED FROM OPERATIONS</b>	-28793053	35261244
Less: Interest paid	3689599	5713835
Cash Flow before extraordinary items	-32482652	29547409
Less: Extra-ordinary items	0	0
<b>NET CASH FROM OPERATING ACTIVITIES(A)</b>	<b>-32482652</b>	<b>29547409</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of fixed assets	-32511524	-8010638
<b>Capital work in progress</b>	-1322245	0
Purchase of Investments	1661944	-1526852
Interest received	3470857	3415325
Sale of fixed assets	431000	9000
<b>NET CASH FROM INVESTING ACTIVITIES(B)</b>	<b>-28269968</b>	<b>-6113165</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Short term borrowings	-9374055	-9864841
Proceeds from Preferential Issue	71307000	5641650
Amt received on maturity of deposits	1172790	0
Refund of Addl Import duty received	715433	0
Payment of dividend incl dividend tax	0	-2784481
payment of taxes	-4000000	-3843442
<b>NET CASH USED IN FINANCING ACTIVITIES ( C )</b>	<b>59821168</b>	<b>-10851114</b>
<b>D. NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>		
A+B+C=D	<b>-931452</b>	<b>12583130</b>
<b>CASH AND CASH EQUIVALENTS AS AT 01.04.2014</b>	27600063	15016933
Add: Net increase in Cash & Cash equivalents	-931452	12583130
<b>CASH AND CASH EQUIVALENTS AS ON 31.03.2015</b>	26668611	27600063

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 2015

**B POPATLAL KOTHARI**  
Chairman & Managing Director

**RANJIT KOTHARI**  
Director

**AMISH N PATEL**  
Proprietor

**NOTES TO BALANCE SHEET AS AT 31ST MARCH 2015**

NOTE No.	Particulars	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
1.00	<b>SHARE CAPITAL</b>		
1.01	<b>Authorised Share Capital</b> 80,00,000 (60,00,000) Equity Shares of Rs 10 each	<u>80000000</u>	<u>60000000</u>
1.02	<b>Issued, subscribed and paid-up Share Capital</b> 61,61,100 Equity shares of Rs 10 each fully paid up	<u>61611000</u>	<u>49700000</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 61,61,100 Equity shares issued subscribed and paid up, 13,60,000 Equity shares of Rs 10/- each have been issued and allotted as fully paid bonus shares on 29th December 2007 by capitalisation of General Reserves.		
1.05	The details of shareholders holding more than 5% of total shareholding in the Company are as follows:		

Name of the shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of equity shares held	% held	No. of equity shares held	% held
B Papatlal Kothari	966286	15.683	751286	15.116

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

Details	As at 31st March 2015 No. of shares	As at 31st March 2014 No. of shares
Equity shares at the beginning of the year	4970000	4760000
Issued during the year	1191100	210000
Bought back during the year	Nil	Nil
Equity shares at the end of the year	6161100	4970000

1.07 The Company has converted 240000 Warrants into equal number of Equity shares upon conversion request received during the year. The Company has 1000000 Warrants pending conversion into equal number of equity shares issued to non-promoters and promoters' group. The reconciliation of number of convertible Warrants outstanding is furnished below:

Details	As at 31st March 2015 No. of Warrants	As at 31st March 2014 No. of Warrants
Warrants at the beginning of the year	240000	450000
Issued during the year	1000000	nil
Converted during the year	240000	210000
Warrants at the end of the year	1000000	240000
Option to convert expires on	28.03.2016	06.09.2014

2.00	<b>RESERVES &amp; SURPLUS</b>		
2.01	<b>Investment subsidy</b>		
	As per last Balance sheet	<u>1434835</u>	<u>1434835</u>
2.02	<b>General Reserve</b>		
	As per last Balance sheet	11125575	10955058
	Add: Transferred from Profit & Loss Account	1000000	170517
		<u>12125575</u>	<u>11125575</u>
2.03	<b>SHARE PREMIUM ACCOUNT</b>		
	Received during the year	53467400	5422200
		<u>53467400</u>	<u>5422200</u>
2.03	<b>Profit &amp; Loss Account</b>		
	As per last Balance sheet	51127316	45688706
	Add: Profit for the year	9392930	5609127
		<u>60520246</u>	<u>51297833</u>
	Less: Appropriations		
	Transfer to General Reserve	1000000	170517
	Depreciation w.off as per Sch II to CA,20013	669810	0
	Proposed dividend	3080550	0
	Tax on dividend	523540	0
		<u>55246346</u>	<u>51127316</u>
	<b>TOTAL RESERVES &amp; SURPLUS</b>	<u>122274156</u>	<u>69109926</u>
3.00	<b>LONG TERM PROVISIONS</b>		
a.	Provision for employee benefits	2385731	1771530
	<b>TOTAL</b>	<u>2385731</u>	<u>1771530</u>
4.00	<b>SHORT TERM BORROWINGS</b>		
a	Loans repayable on demand:		
	From Banks (Secured)	31706363	41055418
	Deposits (Unsecured)	60000	85000
	<b>TOTAL</b>	<u>31766363</u>	<u>41140418</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	<b>TRADE PAYABLES</b>		
a.	Sundry creditors	7584226	4181824
	<b>TOTAL</b>	<u>7584226</u>	<u>4181824</u>

- 5.01 Out of the total amount shown under sundry creditors, an amount of Rs 118514 is due to one 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.
Gayatri Graphics	118514

6.00 **OTHER CURRENT LIABILITIES**

a. Unclaimed dividends	390663	429102
b. Other payables	4307475	3356584
<b>TOTAL</b>	<b><u>4698138</u></b>	<b><u>3785687</u></b>

- 6.01 The details of amount outstanding in the dividend account as on 31st March 2015 representing unclaimed dividend declared in the earlier years are furnished below:

Unclaimed dividend pertaining for the year ending	Amount unclaimed as on 31st March 2015 Rs.	Rate	Declared at AGM held on	Tentative date for transfer to IEPF
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	88698	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	8857711	2725979
<b>TOTAL</b>	<b><u>8857711</u></b>	<b><u>2725979</u></b>

**NOTE 8 - FIXED ASSETS**

S No	PARTICULARS	GROSS BLOCK AT COST				ACCUMULATED DEPN, AMORTISATION & IMPAIRMENT				NET BLOCK AS ON 31.03.2015
		COST AS ON 01.04.2014	ADDITIONS DRG YR	DELETIONS DRG YR	TOTAL COST AS ON 31.03.2015	UPTO 31.03.2014	Depreciation written off to P/L *	for the year	TOTAL Depn up to 31.03.2015	
	<b>TANGIBLE ASSETS:</b>									
1	Land	13349064	11286602	0	24635666	0	0	0	0	24635666
2	Buildings	12808110	0	0	12808110	5945907	0	649104	6595011	6213099
3	Plant & Equipments: Machineries Lab equipments Generators Weighing scale Electrical equipments	24652097 1974830 1069557 125105 2073260	18625827 0 0 41921 235317	0 0 0 0 0	43277924 1974830 1069557 167026 2308577	13758951 1746910 496686 76509 1026727	270941 102656 38594 1075 22368	2494151 48369 95246 10166 243000	16524043 1897935 630526 87750 1292095	26753881 76895 439031 79276 1016482
4	Furnitures & Fixtures Furniture & fittings Electrical typewriters	1208672 388540	31123 0	0 0	1239795 388540	898701 197970	31335 2762	109825 36584	1039861 237316	199934 151224
5	Vehicles	6975092	2125085	431000	8669177	4425132	17394	2061079.00	6503605	2165572
6	Office equipments	1954401	165649	0	2120050	1213511	97232	177155	1487898	632152
7	Others: Spares & tools	2968698	0	0	2968698	2251601	85453	122780	2459834	508864
	<b>Total</b>	<b>69547426</b>	<b>32511524</b>	<b>431000</b>	<b>101627950</b>	<b>32038605</b>	<b>669810</b>	<b>6047459</b>	<b>38755874</b>	<b>62872076</b>
	Previous year	61585065	8010638	37877	69557826	28061003	34445	4012047	32038605	37508821

\* Refer note 22.7 for explanation

<b>ASSETS: NON- CURRENT ASSETS</b>			
<b>9.00</b>	<b>NON-CURRENT INVESTMENTS</b>		
a.	Investments in Equity Instruments (quoted-Market value as on 31.3.2015 Rs 108433 (previous year Rs 1769410)	40202	1702146
b.	Other non-current investments	144928	144928
	<b>TOTAL</b>	<b><u>185130</u></b>	<b><u>1847074</u></b>
<b>10.00</b>	<b>DEFERRED TAX ASSETS</b>		
	Retirement Benefits	243377	547402
	<b>Less: Deferred Tax Liability</b>		
	Depreciation	170633	304025
		<b><u>72744</u></b>	<b><u>243377</u></b>
<b>11.00</b>	<b>INVENTORIES</b>		
a.	Raw materials & packing materials	16879366	12798347
b.	Work-in-progress	370500	363090
c.	Finished goods	5005609	17721569
d.	Stock-in-trade (traded goods)	17004751	
	<b>TOTAL</b>	<b><u>39260226</u></b>	<b><u>30883006</u></b>
<b>12.00</b>	<b>TRADE RECEIVABLES</b>		
	<b>Unsecured, considered good:</b>		
a.	Due for period exceeding six months	5314875	5762232
b.	Other debts	57513057	46244232
	<b>TOTAL</b>	<b><u>62827932</u></b>	<b><u>52006464</u></b>
<b>13.00</b>	<b>CASH &amp; CASH EQUIVALENTS</b>		
a.	Balances with Banks	20410017	21611093
b.	<b>Fixed deposits with Banks:</b>		
	Exceeding 12 months	5643101	5661633
	Maturing within 12 months	0	0
c.	Cash on hand	615493	327338
	<b>TOTAL</b>	<b><u>26668611</u></b>	<b><u>27600064</u></b>
<b>14.00</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	To related parties	0	0
	To others	59468362	24475759
	<b>TOTAL</b>	<b><u>59468362</u></b>	<b><u>24475759</u></b>
<b>15.00</b>	<b>OTHER INCOME</b>		
	Interest from Banks	813851	401513
	Interest from others	2657006	1382089
	Profit from Shares - LTCG	217132	0
	Profit from Shares - STCG	280538	449736
	Dividend received	2700	5249
	Rebate & Discount	1272038	1512405
	Duty Draw back received	170209	61693
	Profit on exchange rate fluctuations	111378	-397360
	Profit on sale of fixed assets	0	5568
		<b><u>5524852</u></b>	<b><u>3420893</u></b>



<b>16.00</b>	<b>COST OF RAW MATERIALS CONSUMED</b>		
	<b>Opening stock</b>		
	Raw materials	11807375	20728046
	Packing materials	1354062	1219235
	(A)	<u>13161437</u>	<u>21947281</u>
	<b>Add: Purchases</b>		
	Raw materials	144996239	110083184
	Packing materials	7723707	6099900
	(B)	<u>152719946</u>	<u>116183084</u>
	<b>Less: Closing stock</b>		
	Raw materials	15628998	11807375
	Packing materials	1620868	1354062
	(C)	<u>17249866</u>	<u>13161437</u>
	<b>Consumption (A) + (B) - (C)</b>	<u><b>148631517</b></u>	<u><b>124968928</b></u>
<b>17.00</b>	<b>CHANGES IN INVENTORIES</b>		
	Opening Stock	17721569	29859963
	Closing Stock	<u>22010360</u>	<u>17721569</u>
	<b>Increase/(Decrease) in inventories</b>	<u><b>-4288791</b></u>	<u><b>12138394</b></u>
<b>18.00</b>	<b>EMPLOYEES BENEFIT EXPENSES</b>		
	Salaries, allowances & perquisites	7135964	5067255
	Factory wages & salaries	11967414	9758373
	Staff welfare expenses	517469	539208
	Contribution to provident fund & other funds	495645	391952
		<u>20116492</u>	<u>15756788</u>
<b>19.00</b>	<b>FINANCE COST</b>		
	Interest & finance charges	<u>3689599</u>	<u>5713835</u>
<b>20.00</b>	<b>OTHER EXPENSES</b>		
	Wire drawing charges	617697	143003
	Cartage, coolie and freight	1891630	1454313
	Factory expenses	8875882	6753974
	Provision for gratuity	758712	304558
	Advertisement	189868	188117
	Auditors remuneration	173250	126300
	Bank charges/commission	685070	487392
	Books & Periodicals	8455	4865
	Commission, Brokerage&Discount	583102	425361
	Insurance	174595	204546
	Approval charges	204414	216855
	General Charges	1698332	1546261
	Postage & telegram	164511	92684
	Printing & stationeries	294692	320561
	Rent, rates & taxes	640000	641280
	Listing fees & custodial fees	460115	29153
	Telephone expenses	269918	244460
	Travelling expenses	379786	478338
	Vehicle maintenance(car)	320541	348142
	Vehicle maintenance(others)	1249057	1117080
	Business promotion expenses	573273	616778
	Professional charges	1013354	1180014
	Sitting Fees	69500	38500
	Donation	31000	59600
	Subscriptiun charges	37074	4042
	Electricity charges	93908	81214
	Bad debts	146682	99723
		<u>21604418</u>	<u>17207114</u>

**NOTE 21: SIGNIFICANT ACCOUNTING POLICIES:****21.1. BASIS OF PREPARATION**

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013/Companies Act, 1956, as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for the change in the accounting policy for depreciation as explained in Note 22.7.

**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 is in conformity with generally accepted accounting principles which 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.
- iv) 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 Fixed Assets for the year has been provided on all assets on Written Down Value Method as per the useful life prescribed in Schedule II to the Companies Act, 2013.
- c. Intangible Assets, if any, are amortized over their useful life as determined in accordance with the extant provisions of the Companies Act, 2013.

**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:**

Other operating revenues are accounted on accrual basis.  
Interest income is accounted on accrual basis.  
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 31.03.2015	YE 31.03.2014
Salary	2400000	1680000
Perquisites	600000	70047
Total	3000000	1750047
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 31.03.2015	YE 31.03.2014
Audit fees	36000	33000
Tax Audit fees	25000	21000
Certification fees	91000	52500
Vat Audit fees	15000	12500
Reimbursement of expenses	6250	7300
TOTAL	173250	126300

22.3.. The details of contingent liability not provided for in the books of accounts as on 31<sup>st</sup> March 2015 are as follows:

Details of contingent liability	YE 31.03.2015 Amount Rs	YE 31.03.2014 Amount Rs
Letter of Credit	52,72,649	87,19,279

22.4..Related Party Transactions during the year ended 31<sup>st</sup> March 2015:

## 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	3000000	Remuneration (including perquisites)
Mr. B Popatlal Kothari	300000	Rent for Office
	405000	Rental Advance for Office Premises
Mr P Kashyap Kothari	616500	Remuneration
P Nitya Kothari	340000	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.

**22.6. Loans made to parties with no specific repayment schedule:**

Name of the parties	Balance as at 31.03.2015	Purpose for which the loan was proposed to be utilized as indicated by the party
Akshay Kothari	531438	Business
Amrutlal P Jain	575000	Business
B Dinesh Kumar	981330	Business
C.C. Motors	2715569	Business
Durai Arulneyam	100000	Business
Golden Traders	200000	Business
H.S. Syndicate	900000	Business
J Haja funyamin	600000	Business
Jayantilal Juharmal	86406	Business
JVL Classic Ware	600000	Business
Kaamdaa Impex	3200830	Business
Kushal Ashok Solanki	110274	Business
Ravi Enterprises	1942800	Business
M Nageswari	500000	Business
R Lakshmanan	100000	Business
Nageswari	200000	Business
Sri Manikandan Enterprises	500000	Business
V Rajendra	316625	Business
Vijayalakshmi Enterprises	1500000	Business

22.7. The Depreciation on tangible assets have been re-computed based on useful life of assets, under straight line method as prescribed under Schedule II to the Companies Act, 2013. The re-computation has resulted in the excess depreciation amounting to Rs 669810 being written off against the assets as on 1st April 2014 which has been adjusted against the retaining earnings in the reserves as at the beginning of the year.

**22.8. Earnings and Expenditure in Foreign Exchange:**

SNo.	Details	FYE 31.03.2015	FYE 31.03.2014
1	CIF Value of imports:		
	Raw materials, stores and spares	29735970	24064031
	Capital goods	15253398	Nil
2	Expenditure in foreign currency (Travelling)	61301	81165
3	Earnings in foreign exchange:		
	FOB Value of Exports	7622869	1713106

**22.9. EARNINGS PER SHARE:**

Earnings per share is calculated by dividing the profit attributable to the shareholders by the weighted average number of equity shares outstanding during the year.

SNo.	Details	FYE 31.03.2015	FYE 31.03.2014
1	Profit After Tax	93,92,930	56,09,127
2	No. of Equity Shares	61,61,100	49,70,000
3	Face Value of Shares in Rs.	10	10
4	Weighted Average Number of Equity Shares	55,90,171	47,60,000
5	Basic & Diluted Earnings Per share (in Rs.)	1.68	1.18

The 10,00,000 convertible warrants issued during the year and outstanding at the end of the year that could potentially dilute basic earnings per share in the future, were not included in the calculation of diluted earnings per share because they are antidilutive for the period(s) presented.

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

As per our report attached  
For ANPASSOCIATES  
Chartered Accountants  
FRN:009004 S

for and behalf of the Board of Directors

AMISH N PATEL  
Proprietor.  
M. No.027859

B. POPATLAL KOTHARI  
Chairman & Managing Director

B. RANJITKUMAR KOTHARI  
Director

Place: Chennai  
Date : 30<sup>TH</sup> MAY 2015.

**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, Strotten muthiah street, Chennai-600079.**

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 21st Annual General Meeting of the Company to be held on Tuesday, the 29th September 2015 at 09.00 a.m at Hotel Ashoka Private 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	<b>ORDINARY BUSINESS:</b>			
1	Adoption of Financial Statements for the year ended 31 <sup>st</sup> March 2015 (Ordinary resolution)			
2	Declaration of Dividend (Ordinary Resolution)			
3	Re-appointment of Mr Ranjit Kumar Kothari as a Director liable for retirement by rotation (Ordinary resolution)			
4	Appointment of M/s ANP Associates ., Chartered Accountants, Chennai-79, as Auditors (Ordinary resolution)			
II	<b>SPECIAL BUSINESS:</b>			
5	Appointment of Mrs Payal Jain as a Director liable for retirement by rotation. (Ordinary resolution)			

Signed this..... day of..... 2015

Signature of shareholder.....

Signature of Proxy holder(s).....

AFFIX  
 Re 1/-  
 Revenue  
 Stamp

**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, Strotten Muthiah street, Chennai-600079

**ATTENDANCE SLIP**

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

I, hereby record my attendance at the 21<sup>ST</sup> Annual General Meeting of the members of RASI ELECTRODES LIMITED to be held on TUESDAY, 29<sup>th</sup> SEPTEMBER 2015 at 9.00 A.M. at the HOTEL ASHOKA PVT LTD New No 47 Old No 33, Pantheon Road, Egmore, Chennai – 600008.

<b>DP ID :</b>	<b>CLIENT ID :</b>	<b>FOLIO No. :</b>
<b>NAME AND ADDRESS OF SHAREHOLDER (IN BLOCK CAPITALS)</b>		<b>NAME OF PROXY (if the shareholder is represented by Proxy)</b>

.....  
SIGNATURE OF THE SHARE HOLDER

.....  
SIGNATURE OF PROXY