

**FIFTEENTH ANNUAL REPORT
2008 - 2009**



RASI ELECTRODES LTD.

(AN ISO 9001 : 2000 CERTIFIED COMPANY)

RASI ELECTRODES LIMITED

BOARD OF DIRECTORS

Mr. B.POPATLAL KOTHARI,
Chairman and Managing Director

Mr. B.RANJIT KUMAR KOTHARI
Director

Mr.G.MAHAVIR CHAND KOCHAR
Wholetime Director(upto 11.08.2008)

Mrs. RUCHI KOTHARI
Director

Mr. HITESH M DHARAMSHI
Director

Mr. MAHESH C TURAKHIA
Director

Mr. AJAY GOYAL
Director

Mr. N PRAKASH KUMAR
Director

COMPANY SECRETARY (Part Time)

A.M.GOPIKRISHNAN

AUDITORS

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

BANKERS

DENA BANK, ICICI BANK

REGISTERED OFFICE

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

ADMINISTRATIVE OFFICE

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

FACTORY

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

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

(No Gifts will be given at the AGM)

RASI ELECTRODES LIMITED

NOTICE

To,

The Shareholder,

NOTICE is hereby given that the Fifteenth Annual General Meeting of the Company will be held at 9.00 A.M. on Friday, the 25th September, 2009 at HOTEL ABU PALACE, No.926, Poonamallee High Road, Chennai-600 084 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2009 and the Profit & Loss Account for the year ended 31st March 2009 together with the Directors' and Auditor's report thereon and the Compliance Certificate issued by a Practicing Company Secretary u/s 383A(1) of the Companies Act, 1956.
2. To declare a dividend.
3. To appoint a Director in the place of Mr Hitesh M Dharamshi who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in the place of Mr Ajay Goyal who retires by rotation and being eligible offers himself for reappointment.
5. To appoint a Director in the place of Mr Prakash Kumar who retires by rotation and being eligible offers himself for reappointment.
6. To appoint an auditor in the place of the retiring Auditors M/s ANP Associates, Chartered Accountants, Chennai, who being eligible are offering themselves for reappointment and to fix their remuneration.

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

CHENNAI

DATED: 30th June 2009

B POPATLAL KOTHARI
CHAIRMAN & MANAGING DIRECTOR

NOTES :

01. A member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself and such proxy need not be a member of the Company.
02. The instrument appointing a proxy duly stamped and executed for use at the meeting must be lodged at the registered office of the Company not less than 48 hours before the time fixed for the meeting.
03. Members seeking any information with regard to accounts are requested to write to the Company at least 7 days in advance of the meeting so as to enable the management to keep the information ready.
04. Members are requested to bring their copies of the Annual Report with them to the meeting.
05. The Register of members and Share Transfer books shall remain closed from Thursday, the 10th September 2009, to Friday, the 25th September 2009 (both days inclusive). The payment of dividend that may be declared by the shareholders at the 15th AGM will be made on or after 30th September 2009 as under:

- To all beneficial owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Limited as of the close of the business hours on 9th September 2009;
 - To all shareholders in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 9th September 2009.
06. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the shareholders holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the shareholders.
07. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Transfer Agents M/s Cameo Corporate Services Limited, Subramanian Building, 1, Club House Road, Chennai-600002. Shareholders holding shares in electronic form must send the advice about change in address to their respective Depository Participants and not to the Company.
08. The particulars required to be furnished under Clause 49 of the Listing Agreement relating to Directors retiring by rotation and seeking re-election is provided below:

Name of the Director	Mr Hitesh M Dharamshi	Mr Ajay Goyal.K	Mr Prakash Kumar.N
Qualification	B.Com.A.C.A.	B.Com., M.B.A.	M.A., B.L.
Date of Birth	34 years 23rd March 1975	33 years 14th October 1975	55 years 17th May 1954
Date of Appointment	10th January 2004	15th December 2005	4th June 2007
Nature of expertise in specific functional areas	Experienced in Finance, Accounts, Audit and capital Market Related activities.	Experienced in Trading in FMCG Products, International Trade, Import & Export.	Specialised in Corporate Laws, Commercial Laws and Legal Consultancy Services
Names of other Companies in which they are Directors	Nil	Nil	Nil
Names of other Companies in which they are Members of Committees of the Board	Nil	Nil	Nil

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

CHENNAI
DATED: 30th June 2009

B POPATLAL KOTHARI
CHAIRMAN & MANAGING DIRECTOR

RASI ELECTRODES LIMITED

DIRECTOR'S REPORT

Dear Shareholder,

Your Directors have pleasure in submitting the Fifteenth Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2009.

FINANCIAL RESULTS

The Financial Results for the year ended 31st March 2009 is given below :

	Year Ended 31.03.2009	Year Ended 31.03.2008
	Rs.	Rs.
Net sales	173795630	144162007
Other Income	1326394	1878934
Total (A)	175122024	146040941
Total Expenditure	158060588	124896250
Profit before interest & depreciation	17061436	21144691
Interest & financial charges	3815036	2732021
Depreciation	2286823	1899548
Profit before tax	10959577	16513122
Provision for tax incl FBT	4282920	5903228
Deferred tax – current	-147228	-253152
Profit after tax	6823885	10863046
Profit brought forward	5685261	106696
Transfer to General Reserve	2000000	2500000
Proposed Dividend (4%)	1904000	2380000
Dividend tax	323585	404481
Balance carried to Balance sheet	8281561	5685261

DIVIDEND

Your Directors are pleased to recommend a dividend of Re.0.40 per equity share of Rs 10 each (previous year Re.0.50) for the year ended 31st March 2009.

MANAGEMENT DISCUSSION AND ANALYSIS

A. Industry structure and developments

Your Company is in the business of manufacture and marketing of welding electrodes of different grades and speciality catering to the requirements of light and heavy engineering industries. Your Company is also importing and trading in Copper Coated Mild Steel (CCMS) Wire, rutile, MIG-MAG Machine, Flux Core Wire and Flux. CCMS Wires is a substitute product over the conventional Arc Welding Electrodes.

Your company is operating in the Small Scale Sector. The demand for the company's products are dependent on the prospects for the engineering industries. During the year, the welding industry experienced good growth in aggregate demand due to over all robust growth in the economy in general and engineering and capital goods sector in particular.

B. Performance

During the year ended 31st March 2009, the overall turnover of the Company was Rs 1737.96 lakhs as against Rs 1441.62 lakhs achieved during the last year resulting in an increase in the turnover to the extent of 20.56% when compared with the previous year. The production of welding electrodes was 1983.758 MTS as against 2341.732 MTS achieved during the previous year. The traded products constituted a significant portion of the Company's turnover during the year ended 31st March 2009. During the year ended 31st March 2009, the profit before tax was Rs 109.60 (Rs 165.13) lakhs and after making a provision for tax amounting to Rs 41.36 (Rs 56.50) lakhs (including provision for deferred tax), the profit after tax was Rs 68.24 (Rs 108.63) lakhs.

The demand for the Company's products was good during the year under report. However, increased competition from other manufacturers and importers have adversely affected the profitability of the Company. Your Company also faced some problems in procuring the required raw material due to shortage.

The Company continues to comply with the certification requirements of Det Norkse Veritas Management System conforming to Quality Management System Standard ISO9001:2000 for its manufacturing facility at Redhills, Chennai.

The Company has made good progress in increasing its market share and market penetration with respect to its traded products such as Copper Coated Mild Steel (CCMS) Wire, rutile, MIG-MAG Machine, Flux Core Wire and Flux and welding machines by importing the same. The trading turnover of these additional products was Rs.592.16 lacs during the year as against Rs.383.30 lacs achieved during the previous year resulting in growth to the extent of 54.50%.

C. Segment wise 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

During the first half of the financial year ended 31st March 2009, your Company faced some problem in procuring the required raw materials namely steel and rutile. The cost of raw materials such as steel and rutile continues to escalate and the Company does not have any control over the same.

E. Prospects and Outlook

Your Company has succeeded in introducing newer range of welding electrodes products in the market. The Company was also able to expand its reach to newer market segments during the year. Your Company continues to import and trade in CCMS Wire, rutile, MIG-MAG Machine, Flux Core Wire and Flux has also shown considerable improvement. These trading activities have aided the Company in establishing a niche market for itself for these newer segments of products without having a manufacturing facility. The trading activity was commenced with the strategic objective of establishing a ready market for the expansion activities being planned by the Company.

F. Internal control systems

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

G. Human resources and industrial relations

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

DIRECTORS

During the year Mr G Mahavirchand Kochar, Wholetime Director, resigned to pursue his own career. Your Board of Directors wish to place on record their appreciation for the dedicated services rendered by him during his tenure as Wholetime Director with the Company.

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

AUDITORS

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

CONSERVATION OF ENERGY, ETC

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

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

CORPORATE GOVERNANCE

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

COMPLIANCE CERTIFICATE

As required under section 383A(1) of the Companies Act, 1956, a Compliance Certificate issued by a Practicing Company Secretary for the year ended 31st March 2009 is annexed to this report.

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

Yours Directors state that :

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- (iii) The directors have taken proper and sufficient care for the maintenance of sufficient accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

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

for and on behalf of the Board of Directors

RASI ELECTRODES LIMITED

ANNEXURE TO DIRECTORS' REPORT

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

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

B. POWER AND FUEL CONSUMPTION

S.NO	PARTICULARS	UOF	Year ended 31.03.2009	Year ended 31.03.2008
1	Electricity:			
A	Purchased:			
	Units	Kwh	257954	174240
	Total amount	Rs	1281346	817938
	Rate/unit	Rs	4.97	4.69
B	Own generation			
(i)	Through diesel generator			
	Units	Kwh	6900	15000
	Units per litre of diesel oil	Kwh	5.55	5.55
	Cost per unit	Rs	12.02	4.75
(ii)	Through steam turbine generator			
2	Coal		Nil	Nil
3	Furnace oil		Nil	Nil
4	Others/internal generation		Nil	Nil
5	Consumption per unit of production:			
	Electricity	Kwh/mt	133.51	80.81
	Furnace oil			NA
	Coal			NA
	Others			

C. TECHNOLOGY ABSORPTION

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

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign Exchange Outgo	Rs.	61302308	49280571
Total Foreign Exchange Earnings	Rs.	1889134	Nil

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

COMPANY SECRETARY (In Wholetime Practice)

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

COMPLIANCE CERTIFICATE, COMPANY No. : U52599TN1994PLC026980 NOMINAL CAPITAL : Rs 500,00,000

To The Members M/s.Rasi Electrodes Limited

I have examined the registers, records, books and papers of M/s RASI ELECTRODES LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March 2009. In my opinion and to the best of my information and according to the examinations carried out by me and the explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

- The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
- The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed or within the extended period of time upon payment of necessary additional fees as the case may be under the Act and the rules made there under.
- The company is a public limited Company. The equity shares of the Company is listed and actively traded at the Bombay Stock Exchange Limited. The Company has minimum prescribed paid up capital.
- The Board of Directors duly met NINE (9) times during the year on 7th May 2008, 6th June 2008, 30th June 2008, 31st July 2008, 11th August 2008, 13th August 2008, 31st October 2008, 30th November 2008 and 31st January 2009. As per the information and explanation given to me, notices of such meetings have been given to all the Directors. The proceedings at the meetings were properly recorded and signed in the minutes book maintained for the purpose. No circular resolution was passed

- during the year.
5. The company closed its register of members from 10th September 2008 to 24th September 2008 and necessary compliance of section 154 of the Act has been made.
 6. The Annual General Meeting (AGM) for the financial year ended on 31st March 2008 was held on 24th September 2008. As per the explanations given to me, notice for the said AGM was sent to all the shareholders by ordinary post. The resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
 7. No Extraordinary General Meeting was held during the financial year.
 8. The Company has not advanced any loan to its Directors or persons or firms or Companies referred to under section 295 of the Act.
 9. The Ministry of Corporate Affairs, Government of India, has approved the contract for the purchase of machineries and equipments for wire drawing from M/s Kashyap Steels which is a proprietorship concern in which the son of the Managing Director is the proprietor for a total consideration of Rs 550,000. As per the records maintained by the Company and as per the explanations furnished to me, the Company has complied with the conditions stipulated in the said approval letter. The Company has filed an application u/s section 297 of the Companies Act, 1956, for approval for job work for wire drawing contract being entrusted to M/sKashyap Steel. The said application was rejected for the reason that the same was filed belatedly. Consequently, the Company has filed an application for compounding and condonation of delay and the application is pending before the Registrar of Companies, Chennai.
 10. The company has made necessary entries in the Register maintained under section 301 of the Act.
 11. The company has obtained necessary approvals from the Board of Directors and members pursuant to section 314 of the Act in respect of remuneration paid to a relative of a Director. The Company was not required to seek the previous approval of the Central Government during the year.
 12. The Board of Director or duly constituted Committee of Directors has approved the issue of duplicate share certificates.
 13. The company has:
 - (i) Delivered all the certificates on lodgment thereof for transfer / transmission or any other purpose in accordance with the provisions of the Act. The Company has not made any allotment of securities during the financial year.
 - (ii) Deposited the amount of dividend declared in a separate bank account on 29th September 2008 which is within five days from the date of declaration of such dividend.
 - (iii) Paid / posted warrants for dividends to all the members within a period of 30 days from the date of declaration and that all unclaimed / unpaid dividend has been transferred to unpaid dividend account of the Company with HDFC Bank, Chennai, within the time stipulated under the Act.
 - (iv) There were no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years and as such no amounts were transferred to investors education and protection fund during the year.
 - (v) duly complied with the requirements of section 217 of the Act.
 14. The Board of Directors is duly constituted. The Company has not appointed any Additional Director or Director to fill casual vacancy during the financial year.
 15. The appointment of Managing Director / Wholetime Director has been made in compliance with the provisions of section 269 read with schedule XIII to the Act. The Company is not required to obtain any approval from the Central Government in respect of the appointment of Managerial Personnel and remuneration paid to them.
 16. The Company has not appointed any sole selling agents during the financial year.
 17. The Company has applied for / obtained the following approvals:

SNO	SUBJECT MATTER REQUIRING APPROVAL	SECTION	VALUE	APPROVING AUTHORITY
1	Contract for the purchase of Machineries and Equipments from M/s Kashyap Steels (a Proprietorship concern in which MD's and other Director's relative are interested)	297	Rs.550,000	Regional Director, Tamilnadu Chennai
2	Contract for Wire Drawing with M/s Kashyap Steels	297	Rs.34,00,000 per annum	Application rejected by Regional Director, Chennai, Tamilnadu
3	Compounding Application	621-A	NA	Made to Registrar of Companies in respect of the rejected contract as mentioned in SNo.2 above

Other than the above, there were no other instances where the Company was required to seek the approval of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act.

18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares/debentures/other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares/debentures and hence redemption of any preference shares or debentures does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividends, rights to shares and bonus shares pending registration of transfers of shares.
23. An amount of Rs 85,000 is outstanding as on 31st March 2009 towards security deposit taken from dealers and the same has been classified under the head unsecured loans in the Balance Sheet as on that date. Other than the above, the Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by the Company from Directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2009 is / are within the borrowing limits of the Company stipulated u/s 293(1)(d) of the Act.
25. The Company has made loans and investments or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum of Association with respect to the situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered the Articles of Association during the financial year.
31. There was / were no prosecutions initiated against or showcause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted a separate Provident Fund Trust for its employees or class of its employees as contemplated under section 418 of the Act and as such remittance of contribution to provident fund with prescribed authorities pursuant to section 418 of the Act, does not arise.

CHENNAI
DATED:30.06.2009

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

ANNEXURE A

REGISTERS AS MAINTAINED BY THE COMPANY

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

ANNEXURE B

FORMS AND RETURNS AS FILED BY THE COMPANY WITH REGISTRAR OF COMPANIES, REGIONAL DIRECTOR, CENTRAL GOVERNMENT OR OTHER AUTHORITIES DURING THE FINANCIAL YEAR ENDED 31ST MARCH 2009.

SNO	Form No./Return	Filed u/s	For	Date of filing	Filed within prescribed time	If delay in filing whether requisite additional fee paid
1	Form 23AC along with Balance Sheet as on 31.3.2008 and Form 23ACA along with profit and Loss Account for the year ended 31 st March 2008	220(1)	Balance sheet as on 31.3.2008 duly adopted by the shareholders at their AGM held on 24.09.2008.	25.09.2008	Yes	NA
2	Form 20B along with Annual Return as on 24.09.2008	159	Annual Return as on the date of AGM held on 24.09.2008	19.11.2008	Yes	NA
3	Form 32	303(2)	Resignation of Mr G Mahavirchand Kochar as Director	05.09.2008	Yes	NA
4	Form 8	125	Modification of Charge made on 13.8.2008 in favour of Dena Bank for securing the working capital limits of Rs 450 lakhs	08.09.2008	Yes	NA



5	Form 24A	297	Application made to Central Government for approval u/s 297 for purchase of Machineries & Equipments for wire drawing from M/s Kashyap Steels, a concern in which Directors were interested.	11.06.2008	Yes	NA
6	Form 24A	297	Application made to Central Government for approval u/s 297 for entering into contract for wire drawing with M/s Kashyap Steels, a Proprietorship concern in which Directors were interested.	12.05.2008	Yes	NA
7	Form 61	621-A	Compounding Application filed u/s 621-A filed pursuant to the application u/s 297 for Contract for Wire Drawing entered by the Company with M/s Kashyap Steels rejected by the Regional Director vide their letter F.No.2/M 8994/03 dated 3 rd April 2008	09.05.2008	Yes	NA

M/s A.N.P. Associates,

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

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of M/s Rasi Electrodes Limited

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchange of India, for the financial year ended 31st March 2009.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information & explanations given to us by the Company.

Based on such a review, and to the best of our information & according to the explanations, given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreements.

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

For A N P ASSOCIATES,
Chartered Accountants

AMISH N PATEL
Proprietor
Membership No.27859

Chennai
Dated:30th June 2009

RASI ELECTRODES LIMITED

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

II. BOARD OF DIRECTORS

- i. The Company has an Executive Chairman. The Company's Board comprises seven Directors of whom four are Independent Directors (57%) and three are Non-Independent Directors (43%). The number of Non-Executive Directors is six (86%). The composition of the Board is in conformity with Clause 49 of the Listing Agreement.
- ii. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the Companies in which he/she is a Director. Necessary disclosures regarding Directorship / Committee positions held by the Directors in other public companies as at 31st March 2009, 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	9	Yes	1	Nil
2. Mr. Ranjit Kumar Kothari, Director	Promoter	Related	Non-Executive /Non-independent	8	Yes	Nil	Nil
3. Mr G Mahavirchand Kochar, Director. (§)	Non-Promoter	Not related	Executive /Independent	5	Yes	Nil	Nil
4. Mrs Ruchi Kothari, Director	Non-Promoter	Related	Non-Executive/non-Independent	7	No	Nil	Nil
5. Mr Hitesh M Dharamshi, Director	Non-Promoter	Not Related	Non-Executive /Independent	6	Yes	Nil	Nil
6. Mr Mahesh C Turakhia, Director	Non-Promoter	Not Related	Non-Executive/Independent	7	No	Nil	Nil
7. Mr Ajay Goyal, Director	Non-Promoter	Not Related	Non-Executive/Independent	5	Yes	Nil	Nil
8. Mr N Prakash Kumar	Non-Promoter	Not Related	Non Executive/Independent	8	No	Nil	Nil

(§) The Director Mr Mahavirchand Kochar resigned w.e.f. 11th August 2008.

iv. During the year ended 31st March 2009, Nine (9) Board Meetings were held on 7th May 2008, 6th June 2008, 30th June 2008, 31st July 2008, 11th August 2008, 13th August 2008, 31st October 2008, 30th November 2008 and 31st January 2009.

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

III.AUDIT COMMITTEE

- i. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement read with section 292A of the Companies Act, 1956.
- ii. The terms of reference of the Audit Committee are in line with the one prescribed under Clause 49 of the Listing Agreement.
- iii. In its meetings, the Audit Committee considered and reviewed matters relating to operational, financial and other business areas and also reviewed the quarterly results and annual results of the Company.
- iv. The previous Annual General Meeting was held on 24th September 2008 and it was attended by Mr Hitesh M Dharamshi, the Chairman of the Audit Committee.
- v. The Audit Committee of Directors met 5 times during the year on 6th June 2008, 30th June 2008, 31st July 2008, 31st October 2008 and 31st January 2009.
- vi. The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name	Category	No.of meetings held	No.of meetings attended
Mr Hitesh M Dharamshi	Chairman, Independent, Non-Executive	5	4
Mr Ranjit Kumar Kothari	Non-Independent, Non-Executive	5	5
Mr Ajay Goyal	Independent, Non-Executive	5	5

IV.REMUNERATION COMMITTEE

The Remuneration Committee comprises of the following Directors:

SNO	NAME OF THE DIRECTOR	CATEGORY	No. of Meetings held	No. of Meetings attended
1	Mr Mahesh C Turakhia	Chairman, Independent, Non-Executive	1	1
2	Mr Ranjit Kumar Kothari	Non-Independent, Non-Executive	1	1
3	Mr Ajay Goyal	Independent, Non-Executive	1	1

- ii. The terms of reference of the Remuneration Committee to review and recommend the remuneration payable to Executive and Non-Executive Directors.
- iii. A meeting of the Remuneration Committee was once during the year on 7th May 2008.
- iv. The Company does not have any Employee Stock Option Scheme.
- v. Details of the remuneration paid to Executive and Non-Executive Directors for the year ended 31st March 2009 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 Papatlal Kothari	Chairman & Managing Director	1224816	Nil	Nil
2.Mr Ranjit Kumar Kothari	Director	Nil	Nil	7000
3.Mr G Mahavirchand Kochar	Wholetime Director	108500	Nil	Nil
4.Mrs Ruchi Kothari	Director	Nil	Nil	6000
5.Mr Hitesh M Dharamshi	Director	Nil	Nil	5000
6.Mr Mahesh C Turakhia	Director	Nil	Nil	8000
7.Mr Ajay Goyal, Director	Director	Nil	Nil	5000
8.Mr N Prakash Kumar	Director	Nil	Nil	8000

vi.Details of shares of the Company held by Directors as on 31st March 2009 are as follows.

Name	Designation	Equity shares held
1.Mr B Papatlal Kothari	Chairman & Managing Director	404670
2.Mr Ranjit Kumar Kothari	Director	233100
3.Mrs Ruchi Kothari	Director	18140
4.Mr Hitesh M Dharamshi	Director	Nil
5.Mr Mahesh C Turakhia	Director	Nil
6.Mr Ajay Goyal	Director	4200
7.Mr N Prakash Kumar	Director	Nil

vii.The Company has not issued any convertible debentures.

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

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

Name	Category	No.of meetings held	No.of meetings attended
Mr B Papatlal Kothari	Chairman, Executive, Non-independent	8	8
Mr G Mahavirchand Kochar	Executive, Independent	8	8
Mr B Ranjit Kumar Kothari	Non-Executive, non-Independent	8	8

- ii. The Committee met eight (8) times during the year on 15th April 2008, 14th June 2008, 30th June 2008, 15th July 2008, 24th September 2008, 17th November 2008, 29th November 2008 and 16th January 2009.
- iii. The terms of reference of the Committee are to approve the Share Transfers / Transmission, to take on record dematerialization of shares, to approve splits, consolidation of share certificates, and to specifically look into redressal of complaints from shareholders and investors.
- iv. Name, Designation and address of Compliance Officer is given below:

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

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

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	28	28	Nil

VI.GENERAL BODY MEETINGS

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

YEAR	LOCATION	DATE	TIME
2005-2006	Hotel Shan Royal, No.85, Poonamallee High Road, Koyembedu, Chennai-600107	29.09.2006	9.00 A.M.
2006-2007	HOTEL ABU PALACE, No.926, Poonamallee High Road, Chennai - 600 084	28.09.2007	9.00 A.M.
2007-2008	HOTEL ABU PALACE, No.926, Poonamallee High Road, Chennai-600 084	24.09.2008	9.00 A.M.

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

Date of AGM	Details of Special Resolution Passed
29.09.2006	Maintenance of Register of Members and Share transfer register at the premises of the Company's RTA M/s Cameo Corporate Services Limited u/s 163(1) of the Companies Act, 1956.
28.09.2007	(i). Increase in Authorised Capital to Rs 500,00,000. (ii). Authorisation for issue of Bonus Shares in the ratio of 2 : 5. (iii).Increase in remuneration payable to Mr B Popatlal Kothari, Chairman & Managing Director.
24.09.2008	Nil

- iii. No resolution was passed through postal ballot during the year ended 31st March 2009.
- iv. No resolution is proposed to be passed through postal ballot during the year ended 31st March 2010..

VII.DISCLOSURES

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

The disclosures relating to related party transactions as per AS18 is given in Schedule - 16 - Notes on Accounts – Note No.: 9.

- 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 :

During the year ended 31st March 2007, SEBI has levied a penalty of Rs 25000 for delayed appointment of a common agency for handling the share transfer and dematerialization process at a single location.

- iii. The Board of Directors of the Company have adopted a suitable Code of Conduct to be adhered to by its Directors and Senior Management Personnel. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year ended 31st March 2009 and the Certificate furnished by the Managing Director in his capacity as the Chief Executive Officer of the Company is annexed to this report.
- iv. The Board of Directors have also laid down a comprehensive Code of Conduct for Prevention of Insider Trading applicable to its Board of Directors and Senior Management Personnel. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year ended 31st March 2009
- v. The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with clause 7 of Annexure ID to Clause 49 of the Listing Agreement, for employees to report concerns about unethical behaviour. 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. The Company has not fulfilled any of the non-mandatory requirements as prescribed in Annexure ID to Clause 49 of the Listing Agreement other than the contribution of Remuneration Committee.

VIII. MEANS OF COMMUNICATION

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

IX. GENERAL SHAREHOLDER INFORMATION

i.	15th Annual General Meeting	
	Date	25 TH September 2009
	Time	9.00 A.M.
	Venue	Hotel Abu Palace, 926, Poonamallee High Road, Chennai - 600084
ii.	Financial year:	
	Year ending	31 st March 2009
	AGM in	25 TH September 2009
	Dividend payment	The dividend, if declared, shall be paid / credited on or after 30 TH September 2009
iii.	Date of book closure	From Thursday 10 th September 2009 to Friday, the 25 th September 2009 (both days inclusive)
iv.	Listing on Stock Exchanges	Bombay Stock Exchange Limited
v.	Stock code/SIN No.	531233 INE822D01013
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 2008	25.05	18.05	50573	305
May 2008	23.75	18.50	109381	458
June 2008	20.50	17.15	58462	296
July 2008	27.95	18.50	40477	296
August 2008	25.45	18.50	46813	252
September 2008	25.00	18.20	26265	154
October 2008	25.00	18.65	129157	315
November 2008	24.50	16.50	33696	120
December 2008	25.60	17.50	46573	140
January 2009	22.00	17.30	18605	105
February 2009	19.50	15.70	45766	82
March 2009	16.60	13.60	76537	171

Source; Website of The Stock exchange, Mumbai.

vii.	Registrar & Transfer Agent	Cameo Corporate Services Limited Subramanian Building, No.1, Club House Road, Chennai - 600002 Tel: 044-28460390-91-92
viii.	Share Transfer System	A total of 4360401 equity shares representing 91.605% of the paid-up capital of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. The shares in the physical form are normally transferred within a period of 15-30 days from the date of receipt if the documents are complete in all respects.
ix.	Distribution of shareholding	

a. Distribution of shareholding as on 31st March 2009 is furnished below:

Distribution Range (No. of shares)	No. of shareholders	% of total	No. of equity shares held	% of total
1 – 500	1046	63.0120	156066	3.2786
501 – 1000	310	18.6746	226905	4.7669
1001 – 2000	116	6.9879	161518	3.3932
2001 – 3000	32	1.9277	79660	1.6735
3001 – 4000	22	1.3253	77127	1.6203
4001 – 5000	12	0.7228	54042	1.1356
5001 – 10000	36	2.1688	251901	5.2920
10001 & above	86	5.1809	3752781	78.8399
Total	1660	100.0000	4760000	100.0000

b. Categories of shareholders as on 31st March 2009 is furnished below:

Category	No. of shares	Percentage
Promoters holdings	1496606	31.441
Corporate Bodies	249948	5.251
Indian Public	3013446	63.308
Total	4760000	100.000

x.	Dematerialisation of shares and liquidity	The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Ltd(NSDL) and Central Depository Services Limited (CSDL). 4360401 Equity shares of the Company representing 91.605% of the Company's share capital are dematerialized as on March 31, 2009. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE822D01013
xi.	Outstanding GDRs/ADRs	The Company has so far not issued any GDRs/ADRs/Warrants or any convertible instruments.
xii.	Plant locations	Welding Electrodes Manufacturing Plant, Upparapalayam Village, Alambathi 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 investorcomplaints@airtelmail.in . Shareholders / Investors can send their complaints / Grievances to the above e-mail ID.

CEO/ CFO CERTIFICATION:

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

- (a) I have reviewed the financial statements and the cash flow statement for the year ended 31st March 2009 and that to the best of my 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 I have evaluated the effectiveness of the internal control system of the company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design and operation for internal controls, if any, of which I was aware and the steps I 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 I became aware or the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

CHENNAI
DATED: 30TH JUNE 2009

B POPATLAL KOTHARI
MANAGING DIRECTOR

MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

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

To
The Members of
Rasi Electrodes Limited.

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

CHENNAI
DATED: 30TH JUNE 2009

B POPATLAL KOTHARI
MANAGING DIRECTOR

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

REPORT OF THE AUDITORS

Auditor's Report to the Members of Rasi Electrodes Limited

1. We have audited the attached Balance Sheet of Rasi Electrodes Limited as at 31st March 2009, the annexed Profit and Loss Account for the year ended on that date and also the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and the Companies (Auditors Report) (Amendment) Order, 2004 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub-section(3C) of Section 211 of the Companies Act, 1956, to the extent applicable;
 - (v) Based on the representations made by the Directors and taken on record by the Board of Directors of the Company and the information and explanations given to us, none of the Directors is, as at 31st March 2009, prima-facie disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India;
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For A N P ASSOCIATES
Chartered Accountants

CHENNAI.
Dated: 30.06.2009

AMISH N PATEL
PROPRIETOR
Membership No.27859

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

Annexure Referred to in Paragraph 3 of the Report of Even date

1. In respect of Fixed Assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
 - b. Some of the fixed assets were physically verified during the year by the management in accordance with the programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - c. As per the records and information and explanations given to us, fixed assets disposed off during the year were not substantial
2. In respect of its inventories:
 - a. As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
 - b. In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. During the year, the Company has neither granted nor taken loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanation given to us, there is adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of the goods and services. Based on the audit procedure performed and on the basis of information and explanations provided by the management, during the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
5. According to the information and explanations, provided by the management and based upon audit procedures performed, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section; and the transactions made in pursuance of such contracts or arrangements (exceeding the value of Rs.5 lacs in respect of each party during the financial year) have been made at prices which are generally reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted deposits from the public.
7. The Company has no formalized internal audit system but its internal control system is commensurate with the size and nature of its business.
8. To the best of our knowledge and as explained to us, the Central Government has not prescribed maintenance of cost records under Clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.
9. (a).The Company is regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Income Tax, Sales Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it. There are no arrears of outstanding statutory dues as at 31st March 2009, for a period of more than six months from the date they become payable.
(b).According to the information and explanations given to us, there are no disputed amounts that are unpaid in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess as at 31st March 2009.
10. The Company has neither accumulated losses at the end of the financial year nor has it incurred cash losses, both, in the financial year under report and the immediately preceding financial year.
11. On the basis of the records examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not obtained any borrowings from any financial institution or by way of debentures.
12. As explained to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or any other securities.
13. The provisions of any special statute applicable to chit funds/Nidhi/mutual benefit fund/society do not apply to the Company.
14. The Company has made certain investments in shares. Proper investment records have been maintained by the Company. Transactions have been regularly updated as and when taken place. All investments of the Company are held in its own name.
15. The Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
16. The Company has not availed any Term Loan during the year.
17. According to the information and explanations given to us, on an overall examination of the Balance Sheet of the Company, funds raised on short term basis have prima facie, not been used during the year for long term investment. No long term funds have been used to finance short term assets.
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956..
19. During the year, the Company has not raised any money by way of public issue of shares or debentures.
20. Based upon the audit procedures performed for the purpose of reporting the true and fair view on the financial statements and the informations and explanations 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 A N P ASSOCIATES
Chartered Accountants

CHENNAI.
Dated: 30.06.2009

AMISH N PATEL
PROPRIETOR
Membership No.27859

RASI ELECTRODES LIMITED

BALANCE SHEET AS ON 31ST MARCH 2009

	SCH NO.	AS ON 31.03.2009 AUDITED	AS ON 31.03.2008 AUDITED
SOURCES OF FUNDS			
1.Shareholders funds			
a.Equity Capital	1	47600000	47600000
b.Reserves & Surplus	2	14980396	10384096
c.Deferred tax liability	3	178026	325254
2.Loan funds			
a.Secured loans	4	25472295	19897058
b.Unsecured loans		85000	68000
Total		88315717	78274408
APPLICATION OF FUNDS			
1.Fixed Assets			
a.Gross Block		38352316	34784885
b.Depreciation		19570665	17641730
c.Net Block	5	18781651	17143155
Building Work-in progress		Nil	Nil
2.Investments			
	6	320300	320300
3.Current Assets, Loans & Advances			
a.Current Assets:	7	69614617	61098486
b.Loans & Advances		13394114	18494090
(A)		83008731	79592576
Less: Current Liabilities & Provisionn			
a.Current Liabilities	8	7627532	10147220
b.Provisions		6167433	8634403
(B)		13794965	18781623
Net Current Assets (A)-(B)		69213766	60810953
4.Miscellaneous Expenditure			
		Nil	Nil
Total		88315717	78274408
Notes on Accounts	16		

As per our report attached
for ANP ASSOCIATES
Chartered Accountants

for and on behalf of the Board of Directors

AMISH N PATEL
Proprietor
Chennai
Dated:30th June 2009

B. POPATLAL KOTHARI
Chairman & Managing Director

B. RANJIT KUMAR KOTHARI
Director



RASI ELECTRODES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

	SCH NO.	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
INCOME			
Gross Sales		188179675	160980367
Less: Excise Duty		<u>14384045</u>	<u>16818360</u>
Net Sales	9	173795630	144162007
Other Income	10	<u>1326394</u>	<u>1878934</u>
Total (A)		<u>175122024</u>	<u>146040941</u>
EXPENDITURE			
Raw Materials Consumed	11	93624895	72062769
Purchases-finished goods		48226212	47635576
Manufacturing Expenditure	12	7226388	6520833
Personnel Expenditure	13	4104958	4022757
Administration Expenditure	14	6554765	6376910
Financial Expenditure	15	<u>3815036</u>	<u>2732021</u>
		<u>163552254</u>	<u>139350866</u>
Adjustment for Stock of Finished Goods		-1676630	-11722595
Total (B)		<u>161875624</u>	<u>127628271</u>
Gross Profit before adjustments (A) - (B)		13246400	18412670
Depreciation	5	2286823	1899548
Amortisation of Misc. Expenditure		<u>Nil</u>	<u>Nil</u>
PROFIT BEFORE TAX		10959577	16513122
Provision for Tax		3872080	5807222
Deferred Tax - Current		-147228	-253152
Provision for Fringe Benefit Tax		107768	96006
Provision for tax for earlier years		<u>303072</u>	<u>Nil</u>
PROFIT AFTER TAX		6823885	10863046
Profit Brought Forward		5685261	106696
Profit available for Appropriation		12509146	10969742
Provision for Dividend (incl div.tax)		2227585	2784481
Transfer to General Reserve		2000000	2500000
BAL. C/O TO BALANCE SHEET		8281561	5685261
Earnings per share (Basic & Diluted)		1.434	2.282
Notes on Accounts	16		

As per our report attached
for ANP ASSOCIATES
Chartered Accountants

for and on behalf of the Board of Directors

AMISH N PATEL

Proprietor
Chennai

Dated:30th June 2009

B. POPATLAL KOTHARI

Chairman & Managing Director

B. RANJIT KUMAR KOTHARI

Director

RASI ELECTRODES LIMITED

Cash Flow Statement for the year ended 31st March 2009

	Year Ended 31.03.2009 Rs.	Year Ended 31.03.2008 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and Extraordinary items	10959577	16513122
Adjustment for :		
Depreciation and deferred revenue expenditure	2286823	1899548
Interest paid	3815036	2732021
Interest received	-1303541	-1630000
(Profit)/loss on sale of fixed assets	-22853	-248934
Operating profit before working capital changes	15735042	19265757
Adjustments for:		
Inventories	-5831871	-12200048
Sundry debtors	-2549493	-4784084
Loans and advances	5099976	-2675267
Current liabilities	-2519687	5045146
Cash generated from operations	9933967	4651504
Less: Interest paid	3815036	2732021
Cash flow before extraordinary items	6118931	1919483
Less: Extraordinary items	-303072	
Net Cash from Operating Activities (A)	5815859	1919483
B. CASH FLOW FROM INVESTMENT ACTIVITIES:		
Purchase of fixed assets	-4047967	-3553591
Interest received	1303541	1630000
Sale of fixed assets	145500	4548746
Purchase of investments	Nil	1400000
Net cash used in investing activities (B)	-2598926	4025155
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	5575237	1841767
Payment of deposits	17000	43000
Payment of Dividend & div.tax incl taxes	-8674403	-7972371
Net cash used in financing activities (C)	-3082166	-6087604
D. Net Increase in Cash & Cash Equivalents		
(A) + (B) + (C) = (D)	134767	-142966
Cash & Cash equivalents as at 1.4.2008	1546549	1689515
Add: Net Increase in Cash & Cash Equivalents	134767	-142966
Cash & Cash Equivalents as on 31.03.2009	1681316	1546549

As per our report attached
for ANP ASSOCIATES
Chartered Accountants

for and on behalf of the Board of Directors

AMISH N PATEL

Proprietor
Chennai

Dated: 30th June 2009

B. POPATLAL KOTHARI

Chairman & Managing Director

B. RANJIT KUMAR KOTHARI

Director

SCHEDULES

	AS ON 31.03.2009 Rs.	AS ON 31.03.2008 Rs.
SCHEDULE 1		
SHARE CAPITAL		
Authorised 50,00,000 equity shares of Rs 10 each	<u>50000000</u>	<u>35000000</u>
Issued, Subscribed and Paid-up 47,60,000 equity shares of Rs 10 each fully paid (Out of the above 13,60,000 equity shares have been issued as fully paid bonus shares)	<u>47600000</u>	<u>47600000</u>
SCHEDULE 2		
RESERVES & SURPLUS		
Profit & Loss Account	8281561	5685261
Investment Subsidy	1298835	1298835
General Reserve	<u>5400000</u>	<u>3400000</u>
	<u>14980396</u>	<u>10384096</u>
SCHEDULE 3		
DEFERRED TAX		
Deferred Tax Provision for Earlier Years	325254	578406
Deferred Tax Provision for Current Year	<u>-147228</u>	<u>-253152</u>
	<u>178026</u>	<u>325254</u>
SCHEDULE 4		
SECURED LOANS		
From Bank (Cash Credit & Book Debts) (Secured by hypothecation of rawmaterials, Work-in-Progress, Finished Goods and a part of Plant & Machinery and additionally secured by equitable mortgage of title deeds of the land and personal guarantees of Promoter Directors)	24088723	18772840
Vehicle Loans (Secured by hypothecation of the respective vehicles financed and guaranteed by a Director)	<u>1383572</u>	<u>1124218</u>
	<u>25472295</u>	<u>19897058</u>

SCHEDULE 5 - FIXED ASSETS & DEPRECIATION

SL. No.	Particulars	Cost as on 01.04.2008	Additions during the year	Deletions during the year	Total cost as on 31.03.2009	Preoperative exp.captlised W/O till 31.03.2009	Total Depn. W/O till 31.03.2008	Depn. on Sold / adj during the year	Depn. provided during the year	Total depn. W/O till 31.03.2009	Wdv. as on 31.03.2009
1.	Land	4927082	600000	Nil	5527082	Nil	Nil		Nil	Nil	5527082
2.	Buildings	6039520	408468	Nil	6447988	187972	3194215		319932	3514147	3121813
3.	Machineries	10520404	602209	Nil	11122613	601972	7059520		622124	7681644	4042941
4.	Lab equipments	1961330	13500	Nil	1974830	Nil	1415192		77668	1492860	481970
5.	Spares & Tools	2178318	312516	Nil	2490834	Nil	1419471		109660	1529131	961703
6.	Electrical equipments	604295	25647	Nil	629942	Nil	414648		28899	443547	186395
7.	Vehicles	5123174	1813252	480536	6455890	Nil	2549114	357889	964785	3156010	3299880
8.	Office equipments	1156527	132890	Nil	1289417	Nil	641375		82832	724207	565210
9.	Electrical Typewriters	94081	12376	Nil	106457	Nil	54927		5504	60431	46026
10.	Generators	384663	55000	Nil	439663	Nil	251992		18582	270574	169089
11.	Weighing scale	77616	14833	Nil	92449	Nil	26976		8752	35728	56721
12.	Furniture & Fittings	917531	57276	Nil	974807	Nil	609573		47297	656870	317937
13.	Patents Account	10400	Nil	Nil	10400	Nil	4727		789	5516	4884
	Total	33994941	4047967	480536	37562372	789944	17641730	357889	2286824	19570665	18781651
14.	Previous Year	34767920	4253591	5026570	33994941	789944	16195124	452942	1899548	17641730	17143155





	AS ON 31.03.2009 Rs.	AS ON 31.03.2008 Rs.
SCHEDULE 6		
INVESTMENTS (Unquoted at cost)		
QUOTED INVESTMENTS		
253 equity shares of Dena Bank	6831	6831
54 equity shares of Reliance Inds.Ltd	33449	33449
500 equity shares of Vesuvius India Ltd	135092	135092
Other investments (resorts & country club)	144928	144928
(Market value of quoted investments Rs.144667)		
	<u>320300</u>	<u>320300</u>
SCHEDULE 7		
CURRENT ASSETS		
Sundry Debtors		
- Over six months (Considered good)	4124167	2212586
-Other debts (Considered good)	33168959	32531047
Stock-in trade	30640175	24808304
<i>(As verified, valued & certified by management)</i>		
Cash & Bank balances		
Cash on hand	816275	118625
With scheduled banks (in current accounts)	133852	51757
With scheduled banks (in FD accounts)	731189	1376167
	<u>69614617</u>	<u>61098486</u>
LOANS & ADVANCES		
Unsecured & considered good		
Advances recoverable in cash or in kind	6411733	11324558
Balance with Excise Authorities	176296	360070
Balance with Custom Authorities	2325290	1352633
Balance with Service tax Authorities	1236	Nil
Tax deducted at source	172583	528681
Deposits	1306976	1328148
Advance Tax (Including Income Tax)	3000000	3600000
	<u>13394114</u>	<u>18494090</u>
SCHEDULE 8		
CURRENT LIABILITIES & PROVISIONS		
Sundry creditors		
	5081478	8326374
Creditors for expenses	652538	382223
Unclaimed dividend	157111	99217
Other liabilities	756480	417331
Provision for gratuity	979925	922075
	<u>7627532</u>	<u>10147220</u>
PROVISIONS		
Provision for tax	3872080	5807222
Provision for FBT	67768	42700
Proposed Dividend (Incl Div Tax)	2227585	2784481
	<u>6167433</u>	<u>8634403</u>
SCHEDULE 9		
SALES		
Sales (Nett of Excise Duties)	173795630	144162007
SCHEDULE 10		
OTHER INCOME		
Interest from Banks	66935	114942
Interest from others	548798	1511253
Dividend received	3907	3805
Rebate & Discount	538228	Nil
Foreign Exchange Fluctuations	145673	Nil
Profit on sale of fixed assets	22853	248934
	<u>1326394</u>	<u>1878934</u>

	AS ON 31.03.2009 Rs.	AS ON 31.03.2008 Rs.
SCHEDULE 11		
RAW MATERIALS CONSUMED		
Opening stock		
Raw materials	5317346	5221632
Packing materials	829079	447340
(A)	<u>6146425</u>	<u>5668972</u>
Add: Purchases		
Raw materials	95405810	69019994
Packing materials	2374326	3520228
(B)	<u>97780136</u>	<u>72540222</u>
Less: Closing stock		
Raw materials	9773000	5317346
Packing materials	528666	829079
(C)	<u>10301666</u>	<u>6146425</u>
Consumption (A) + (B) - (C)	<u>93624895</u>	<u>72062769</u>
SCHEDULE 12		
MANUFACTURING EXPENDITURE		
Factory wages & salaries	2834883	2575505
Wire drawing charges	651449	1766027
Cartage, coolie and freight	662637	540969
Factory expenses	3077419	1638332
	<u>7226388</u>	<u>6520833</u>
SCHEDULE 13		
PERSONNEL EXPENDITURE		
Salaries, allowances & perquisites	3236123	3064741
Staff welfare expenses	280682	262501
Contribution to provident fund & other funds	313957	302141
Provision for gratuity	274196	393374
	<u>4104958</u>	<u>4022757</u>
SCHEDULE 14		
ADMINISTRATION EXPENDITURE		
Advertisement	177521	278244
Auditors remuneration	34975	34475
Bank charges/commission	689613	642526
Books & Periodicals	37107	11460
Brokerage & discount	639399	662982
General expenses	690635	1092587
Insurance	285636	179148
Approval charges	89741	201191
Postage & telegram	75359	76974
Printing & stationeries	221178	364143
Rent, rates & taxes	831467	251100
Listing fees & custodial fees	20927	42565
Telephone expenses	211846	206273
Travelling expenses	269554	396840
Vehicle maintenance(car)	132489	160976
Vehicle maintenance(others)	620795	576956
Business promotion expenses	711120	507384
Professional charges	423100	221200
Sitting Fees	39000	46000
Donation	3000	114422
Subscription charges	4437	4375
Cartage, coolie and freight outwards	114640	164225
Electricity charges	47592	48434
Loss on sale of fixed assets	Nil	24881
Bad debts	153634	40849
Registrar charges	30000	26700
	<u>6554765</u>	<u>6376910</u>

	AS ON 31.03.2009 Rs.	AS ON 31.03.2008 Rs.
SCHEDULE 15		
INTEREST & OTHER FINANCE COSTS		
Interest & finance charges	<u>3815036</u>	<u>2732021</u>

SCHEDULE 16
NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES
- 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:
The Company prepares its financial statements under the historical cost convention in accordance with generally accepted accounting principles (GAAP) and provisions of the Companies Act, 1956 as adopted consistently by the Company.
- 1.2 INCOME & EXPENDITURE
All Income and Expenditure having a material bearing on the Financial Statement are accounted for on accrual basis.
- 1.3 SALES
Sales comprises of Sale of Goods net of sales tax.
- 1.4 RETIREMENT BENEFITS
Contribution to Provident fund is made monthly, at a predetermined rate, to the provident fund organisation and accounted on an accrual basis. The gratuity is evaluated at the year end as provided under the payment of the Gratuity Act.
- 1.5 FIXED ASSETS & DEPRECIATION
Fixed Assets are stated at cost of acquisition minus the accumulated depreciation. Direct costs are capitalised till the assets are ready to be put to use. These costs include financing costs relating to specific borrowing attributable to fixed assets and Depreciation has been provided as per rates specified in the Companies Act on written down value.
- 1.6 INVESTMENT
Investments being long term investments are valued at cost.
- 1.7 CURRENT ASSETS
Inventories are certified by a Director and are valued at Cost or Market price whichever is lower. All accounts receivable are unsecured and are considered good.
- 1.8 CONTINGENT LIABILITIES
Contingent Liabilities are generally not provided for in the accounts and shown separately in Notes on accounts.
2. Out of the total amount shown under sundry creditors, an amount of Rs 3,09,226 is due to one small scale industrial unit which exceeds rupees one lakh 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.
Sathya Packaging	309226

3. The amount of Rs 39567, 39239 and Rs 78305 is outstanding in the dividend account as on 31st March 2009 representing unclaimed dividend declared for the year ended 31st March 2006, 31st March 2007 and 31st March 2008 respectively.
5. The company has paid Rs.181582/- to CMDA towards regularisation fee of its building and orders are awaited.
6. Directors' Remuneration

	2008-09 Rs.	2007-08 Rs.
Managing/Wholetime Directors' Remuneration:		
Salary	1308500	1400000
Perquisites	<u>24816</u>	<u>28765</u>
TOTAL	<u>1333316</u>	<u>1428765</u>
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.

7. Auditors' Remuneration:	2008-09	2007-08
	Rs.	Rs.
Audit Fees	17500	17500
Tax Audit Fees	10000	10000
Certification fees	6000	6000
Reimbursement of expenses	1475	975
TOTAL	34975	34475
8. Contingent Liability	Nil	Nil

9. Related Party Transactions

1. Relationships

a. Key Management Personnel

B. Popatlal Kothari - Managing Director

G. Mahavirchand Kochar - Whole time Director

P Kashyap Kothari - Factory Manager

2. Other related parties where control exists - Kashyap Steels (Proprietor Mr P Nitya Kothari).

3. 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	1224816	Remuneration (including perquisites)
Mr. B Popatlal Kothari	240000	Rent for Office Premises
	160000	Rent for Godown
	700000	Rental Advance for Office Premises and Godown
Mr G Mahavirchand Kochar	108500	Remuneration (including perquisites)
Mr P Kashyap Kothari	300000	Remuneration
Kashyap Steels	482104	Job Work for wire drawing
P Nitya Kothari	368000	Rent for Godown
	300000	Rental Advance for Godown
Kashyap Steels (Proprietor: Mr P Nitya Kothari)	550000	Purchase of wire drawing plant

10. The Ministry of Corporate Affairs, Government of India, has approved the contract for the purchase of machineries and equipments for wire drawing from M/s Kashyap Steels which is a proprietorship concern in which the son of the Managing Director is the proprietor for a total consideration of Rs 550,000. The Company has fully complied with the conditions stipulated in the said approval letter.

11. The Company has filed an application u/s section 297 of the Companies Act, 1956, for approval for job work for wire drawing contract being entrusted to M/s Kashyap Steel. The said application was rejected for the reason that the same was filed belatedly. Consequently, the Company has filed an application for compounding and condonation of delay and the application is pending before the Registrar of Companies, Chennai.

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

13. As per the requirements of AS-22, the company has accounted the cumulative net deferred tax liability in respect of timing differences between book and tax profit as on 31st March 2009 amounting to Rs 178026 and deferred tax (accrual) for the current year amounting to Rs. 147228 in the Profit and Loss Account.

14. Licenced and installed capacity

2008-2009

2007-2008

Welding Electrodes:

Licenced capacity

Not Applicable

Installed capacity

3300.000 Mts 3300.000 Mts

Actual Production

1983.758 Mts 2341.732 Mts

15. Quantitative particulars

	UM	Year ended 31.3.09		Year ended 31.3.08	
		Qty	Value in Rs.	Qty	Value in Rs.
FINISHED GOODS					
Opening Stock	Kgs	28293	1449444	70811	3379369
Production	Kgs	1983758	116143258	2341732	103902162
Sales & Samples	Kgs	1958606	114914613	2384250	105832087
Closing Stock	Kgs	53445	2678089	28293	1449444
RAW MATERIALS (ms wire & wire rod)					
Opening Stock	Kgs	10836	1066304	90613	3292676
Purchases	Kgs	1614402	69925293	1678041	53081568
Consumption	Kgs	1488602	66064644	1757818	55307940
Closing Stock	Kgs	136636	4926953	10836	1066304
RAW MATERIALS (flux materials)					
Opening Stock	Kgs	59623	4251042	83424	1928956
Purchases	Kgs	638946	25480518	655600	15938426
Consumption	Kgs	584686	24885513	679401	13616340
Closing Stock	Kgs	113883	4846047	59623	4251042
FINISHED GOODS -					
CCMS Wire, Flux wire, Filler wire & Rutile					
Purchases (Imported & Local)	Kgs	769742	46066527	1421340	44991505
Closing Stock	Kgs	393849	15542825	571987	15145070
MIG MAG MACHINES/wheels transformers					
Purchases (Imported & Local)	Nos	48001	2159685	53133	2644072
Closing Stock	Nos	47051	2117595	41002	2067365
Imports (CIF Value)			61237015		49172229
Expenditure in foreign currency			65293		Nil
Earnings in foreign currency			1889134		Nil

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

17. The figures pertaining to the previous year have been regrouped/reclassified to conform to current year's classification.

As per our report attached
for ANP ASSOCIATES
Chartered Accountants

for and on behalf of the Board of Directors

AMISH N PATEL

Proprietor
Chennai

Dated: 30th June 2009

B. POPATLAL KOTHARI
Chairman & Managing Director

B. RANJIT KUMAR KOTHARI
Director

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

I.Registration Details:

Registration No.	18 26980	State Code	18
Balance Sheet Date	31032009		
	Date Month Year		

II.Capital Raised during the year (Rs. in lacs)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placements	NIL

III.Position of Mobilisation and Deployment of Funds (Rs.in '000)

Total Liabilities	88316	Total Assets	88316
Paid up Capital	47600	Reserves & Surplus	14981
Secured Loans	25472	Unsecured Loans	85
Deferred tax liability	178		
Application of Funds			
Net Fixed Assets	18782	Investments	320
Net Current Assets	69214	Misc. Expen.	NIL
Accumulated Losses	NIL		

IV.PERFORMANCE OF THE COMPANY (RS.IN '000)

Turnover	173796	Total Expenditure	162836
Profit Before Tax	10960	Profit after Tax	6824
Earnings per share (Rs)	1.43	Dividend Rate %	4

V.Generic Names of three Principal Products/Services of the Company (as per monetary terms)

Item Code - No. **8311.00**

Product Description - WELDING ELECTRODES

As per our report attached
for ANP ASSOCIATES
Chartered Accountants

for and on behalf of the Board of Directors

AMISH N PATEL

Proprietor
Chennai

Dated:30th June 2009

B. POPATLAL KOTHARI

Chairman & Managing Director

B. RANJIT KUMAR KOTHARI

Director



RASI ELECTRODES LIMITED

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

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

I hereby record my presence at the Fifteenth Annual General Meeting of the Company being held at HOTEL ABU PALACE, No.926, Poonamallee High Road, Chennai - 600 084 on Friday the 25th september-2009 at 9.00 a.m.

Full name of the Member

Full name of Proxy

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

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

Member's Signature

Proxy's Signature

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

RASI ELECTRODES LIMITED

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

PROXY FORM

I/We

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

..... of

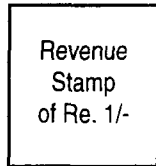
or failing him.....

at my / our Proxy to attend and vote for me / us on my / our behalf at the Fifteenth Annual General Meeting of the said Company to be held on Friday 25th September 2009 at 9.00 a.m. at HOTEL ABU PALACE, No.926, Poonamallee High Road, Chennai - 600 084 and at any adjournment thereof Signed this day of2009

Address Signature.....

Folio No. No.of Shares held

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



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



A Trusted Name in Welding
RASI ELECTRODES LTD.
 AN ISO 9001:2000 CERTIFIED COMPANY

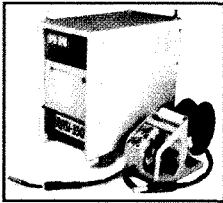
ISO 9001:2000



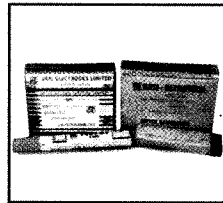
Registered Firm

**MANUFACTURERS OF MMAW ELECTRODES,
 WIRES (CO₂ & EL-8) & MARKETERS OF
 WELDING CONSUMABLES AND EQUIPMENTS**

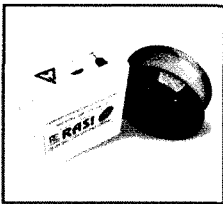
Range of Products from RASI®



All Range of Welding Transformer, Rectifier, Mig / Mag M/c TIG & ARC, TIG / MIG / Arc Invertor M/c. etc.



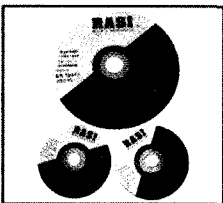
MMAW Welding Electrodes Conventional & LHIP Electrodes



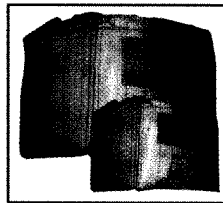
Co₂ / Mag Wires, Flux Cored Wires, Mig Wires / Tig Wires etc.



S.A.W. Wire & Flux Grade EL-8



Grinding Wheels & Cut Off Wheels



Natural Rutile Ore

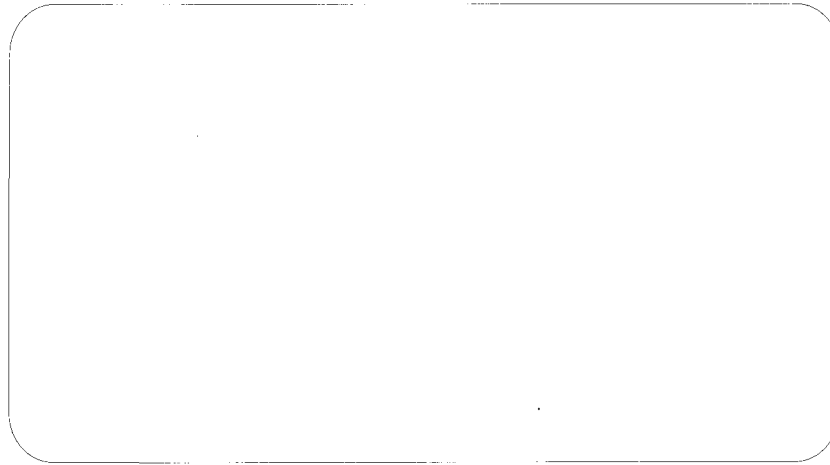


IS : 914 : 2004



M.N.DASTUR & CO

BOOK-POST



If undelivered please return to :

RASI ELECTRODES LTD.

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