30th
ANNUAL REPORT
2011-2012

RASI
REFRACTORIES

RAASI REFRACTORIES LIMITED

BOARD OF DIRECTORS

1. Sri. Ashok Kumar Agarwal	Executive Chairman
2. Sri. Sanjay Agarwal	Director
3. Sri. Muralidhar Agarwal	Director
4. Sri. Mahesh Kumar Agarwal	Director
5. Sri. R.C. Biswas	Director-Operations
6. Sri. Pramod Kumar Agarwal	Director
7. Sri. Kirit D. Sanghvi	Director

AUDIT COMMITTEE

1. Sri. Muralidhar Agarwal	Chairman
2. Sri. Kirit D. Sanghvi	Member
3. Sri Pramod Kumar Agarwal	Member

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

1. Sri. Muralidhar Agarwal	Chairman
2. Sri. Kirit D. Sanghvi	Member
3. Sri Sanjay Agarwal	Member

REMUNERATION COMMITTEE

1. Sri. Muralidhar Agarwal	Chairman
2. Sri Pramod Kumar Agarwal	Member
3. Sri. Kirit D. Sanghvi	Member

AUDITORS

M/S SRB & Associates
Chartered Accountants
I.C.A.I. Regn. No.310009E
403, Pavani Plaza
5th Floor, 6-2-984,
Khairtabad, Hyderabad-500004

COST AUDITORS

M/S PCR & Associates, Cost Accountants
11-5-293/1, 1st Floor, H.P Road,
Beside Good luck Hotel, Moosapet,
Hyderabad- 500018

RAASI REFRACTORIES LIMITED

BANKERS

State Bank of India
Commercial Branch,
Bank Street, Koti,
Hyderabad - 500 095

State Bank of Bikaner & Jaipur
RP Road,
Secunderabad – 500 003

State Bank of Hyderabad
Industrial Finance Branch
Punjagutta, Hyderabad - 500 082

Andhra Bank
Ashok Nagar Branch
Hyderabad – 500 020

REGISTERED OFFICE

6-3-349/20, Alpha Business Centre, II Floor,
Road No.1, Banjara Hills, Hyderabad-500 034
E-mail: marketing@raasi.in
Website: www.raasi.in

FACTORY

Lakshmipuram, Narketpally, Nalgonda District, Andhra Pradesh-508 254

REGISTRARS & TRANSFER AGENTS

Aarthi Consultants Private Limited
1-2-285, Domalguda, Hyderabad
Tel No. 91-40-27638111, 27634445
Fax No. 91-40-27635184
Website: www.aarthiconsultants.com

LISTING

The Hyderabad Stock Exchange,
Bombay Stock Exchange Limited

ANNUAL GENERAL MEETING

Date: 29th September, 2012
Time: 11.00 A.M
Venue: Bhaskara Auditorium
B.M. Birla Science Centre,
Adarsh Nagar, Hyderabad-500 063

BOOK CLOSURE

22nd September, 2012 to 29th September, 2012.

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NOTICE

Notice is hereby given that the **Thirtieth Annual General Meeting** of the members of M/s Raasi Refractories Limited will be held on Saturday, the 29th day of September, 2012 at 11:00 A.M at Bhaskara Auditorium, B.M. Birla Science Centre, Adarsh Nagar, Hyderabad-500063 to transact the following items of business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2012, and the Profit and Loss Account for the Financial Year ended on that date and the reports of the Directors' and Auditors' thereon.
2. To consider the appointment of Sri Pramod Kumar Agarwal who retires by rotation and being eligible offers himself for reappointment.
3. To consider the appointment of Sri. Kirit D Sanghvi who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.
   To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

"**RESOLVED THAT M/S SRB & Associates**, Chartered Accountants, Hyderabad, having I.C.A.I. Registration number 310009E be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company and reimbursement of out-of-pocket and incidental expenses"

SPECIAL BUSINESS-

5. To consider and, if thought fit, pass with or without modifications, the following Resolution as a Special Resolution
   "RESOLVED THAT pursuant to the provisions of Section 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 including any statutory modification or re-enactment thereof, approval of the members of the Company be and is hereby accorded for the re-appointment of Sri. Ashok Kumar Agarwal as the Executive Chairman of the Company, whose term is expiring on 14th September, 2012, entrusting him with Executive and Managerial powers, for a period of further three years with effect from 15th September, 2012 on a non remuneration basis"
6. To consider and, if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution
   "RESOLVED THAT pursuant to the provisions of Section 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any Statutory modification or re-enactment thereof, that may hereafter be made by the Central Government from time to time), and such other approvals if any, as may be required, consent of the shareholders of the Company be and is hereby accorded for the re appointment of Sri. R.C Biswas as Director-Operations of the Company, whose term of office shall expire on 29th August, 2012 for a period of further three years with effect from 30th August 2012 on the same terms and conditions of remuneration, which shall not exceed the limits specified in Schedule XIII of the Companies Act 1956 (including any Statutory modification or reenactment thereof, that may hereafter be made by the Central Government from time to time)"

REMUNERATION:
A. Salary: Rs.35000

B. PERQUISITES AND ALLOWANCES

a) The Company shall provide its own accommodation (furnished or otherwise) together with utilities such as electricity, water, society charges or rented house (furnished or otherwise)/ house rent allowance, together with house maintenance allowance and said utilities as the case may be at the discretion of the Board of Directors

b) Other perquisites and allowances like medical, leave travel concession, provident fund, gratuity shall be in accordance with the rules of the Company

c) The Company shall provide car together with running and maintenance expenses at such amount as may be decided by the Board from time to time

d) The Company shall provide mobile and telephone at residence for effective communication and expenses shall be reimbursed by the Company at such amount as may be decided by the Board

e) Such perquisites and allowances shall be subject to a maximum of 50% of the annual salary.

f) For the purpose of calculating the above ceilings, perquisites and allowance shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost Provision of Company's accommodation telephones and use of the Company's cars shall not be included in the computation of perquisites for the purpose of calculating the aforesaid ceilings. Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the remuneration of perquisites aforesaid

C. COMMISSION

Such remuneration by way of commission in addition to the salary, perquisites and allowances, calculated at 0.3% on net profits of the Company in a particular financial year or such percentage as may be determined by the Board, subject to the overall ceilings stipulated in the Companies Act, 1956. The commission payable to the Director (Operations) will be determined at the end of each financial year and will be payable annually after the annual accounts have been approved by the Board of Directors and adopted by the Shareholders

D. MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, in the event of loss or inadequacy of profits during any financial year, in the aforesaid period, the Company will pay remuneration by way of salary, perquisites and allowances and incentive remuneration as specified above.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do such other acts, deeds and things as may be necessary, proper or expedient to give effect to this Resolution"

By order of the Board
For **RAASI REFRACTORIES LIMITED**

Date: 13-08-2012
Place: Hyderabad

Ashok Kumar Agarwal
Executive Chairman

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and vote instead of him. The Proxy need not be a member of the company. The instrument appointing should however be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

2. Members holding shares in Dematerialized mode are requested to intimate the changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name etc, to their Depository Participant.

3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representatives to attend and vote on their behalf in the meeting.

4. Shareholders having multiple folio numbers either in individual names or in joint names of the same order should intimate RTA/DP's so as to enable them to consolidate such folios into one folio.

5. Members are requested to bring their copy of the Annual Report to the meeting.

6. Register of members of the Company and Share Transfer Books will remain closed from 22nd September, 2012 to 29th September, 2012 (both days inclusive)

7. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.

8. Members attending the meeting are requested to complete and bring the attendance slips enclosed with the annual report and hand over the same at entrance of the meeting hall, duly signed.

9. **Re-appointment of Directors**

A. **Sri. Pramod Kumar Agarwal**, Director of the company retire by rotation at the ensuing Annual General Meeting, and being eligible offer himself for re-appointment.

   Sri Pramod Kumar Agarwal aged 33 years is a Graduate in Commerce. He has rich experience in Management and Administration. He has a good exposure in the area of Refractory and Steel Industry.

B. Sri **Kirit D Sanghvi**, Director of the company retire by rotation at the ensuing Annual General Meeting, and being eligible offer himself for re-appointment.

   Sri. Kirit D Sanghvi aged about 59 years is a Bachelor of Commerce has a post Graduate Diploma in Management Studies from North Staffordshire Polytechnic, U.K. He has been involved in International business and his exposure to refractory market in India and abroad is very wide.

By order of the Board
For **RAASI REFRACTORIES LIMITED**

Date: 13-08-2012
Place: Hyderabad

Ashok Kumar Agarwal
Executive Chairman

DIRECTORS' REPORT

Dear Members,

Your Directors present the **Thirtieth Annual Report** on the business and operations of the Company and the audited statements of the accounts for the year ended 31st March 2012.

1. FINANCIAL RESULTS AND OPERATIONS:

The summarized financial results for the year ended 31st March 2012 as compared with the previous year are as under:-

(Rs. In lakhs)

PARTICULARS	For the year 2011-12	For the year 2010-11
a. Revenue from operation (excluding excise & sales tax)	**2201.07**	2567.84
b. Profit before interest, depreciation and taxes	**420.50**	293.05
c. Interest	**303.82**	291.69
d. Depreciation	**103.36**	103.30
e. Profit before tax	**13.32**	(101.94)
f. Prior period adjustments (net)	**0.00**	0.00
g. Provision for taxation:		
- Current	**10.99**	0.00
- Deferred	**0.00**	8.78
h. Net profit/(loss)	**2.32**	(110.73)

Your Company has achieved the gross turnover of ₹2455.95 lakhs as against a turnover of ₹2904.64 lakhs achieved during the previous financial year. The Company's export sales decreased from 173.38 Lakhs to ₹ 89.92 Lakhs during the period under review.

The company has earned a Net profit of ₹2.32 lakhs for the year under review as against Net loss of ₹110.73 during the previous financial year

2. MARKETING

The service rendered by your company to the customers, continues to be the best in the industry which can be attributed to the perpetual strive of the service personnel for improvement.

3. INDUSTRY OUTLOOK

With the sustainable growth in steel producing capacities particularly in India and increased demand for quality Iron and Steel particularly from manufacturing, construction and automobile sectors, it is expected that demand for refractories would continue to rise.

4. DIRECTORS

At the ensuing Annual General Meeting. **Sri. Pramod Kumar Agarwal, Sri. Kirit D Sanghvi** Directors of the Company will be retiring by Rotation and being eligible offer themselves for re-appointment in terms of Section 256 of the Companies Act, 1956.

None of the directors of the company are disqualified for being appointed as directors as specified in Section 274 of the Companies Act, 1956. Your Board of Directors recommends their reappointment.

5. DIRECTORS' RESPONSIBILITY STATEMENT

As per the requirements of section 217(2AA) of the Companies Act, 1956, in respect of the Director's responsibility statement, the Directors of the Company hereby confirm.

a. That in the preparation of the accounts for the financial year ended 31st March, 2012; the applicable accounting standards have been followed along with proper explanation relating to material disclosures.

b. That the Directors' have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the financial year and of the profit of the Company for the year under review.

c. That the Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the

Company and for preventing and detecting fraud and other irregularities.

d. That the Director's have prepared the accounts for the financial year ended 31st March, 2012 on a going concern basis.

6. AUDITORS

M/S SRB & Associates, Chartered Accountants, Auditors of the company hold office until the conclusion of the Thirtieth Annual General Meeting and are eligible for re-appointment.

7. COST AUDITORS

Pursuant to the direction from the Ministry of Corporate Affairs and section 224 (1-B) & 233B of the Companies Act, 1956 for appointment of Cost Auditors, your Board of Directors have appointed M/s. PCR & Associates, Cost Accountants, Hyderabad, as the Cost Auditor for the year ending March 31, 2012.

8. FIXED DEPOSITS

The Company has not accepted any fixed deposits from the public within the meaning of section 58A of The Companies Act, 1956 and, as such no amount of principal or interest was outstanding as of the balance sheet date.

9. DIVIDENDS

No dividend is recommended by the Board of Directors for the year under review.

10. PARTICULARS OF EMPLOYEES

No employee of the company was in receipt of remuneration, which requires disclosure under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Particulars pursuant to the provisions of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988 are given in the Annexure-A.

12. CORPORATE GOVERNANCE

A separate report on corporate governance along with the Auditors' certificate on its Compliance is attached to this report.

13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report has been included in adherence to the Exchange spirit enunciated in the code of corporate governance approved by the Securities and Exchange Board of India. Management presents herein the industry overview, opportunities and threats, initiatives by the Company and its overall strategy for the future. This outlook is based on the assessment of current business environment, which may vary due to the future economic and other developments both in India and abroad.

(A) Industry Structure and Development:

Refractories are made of naturally-occurring minerals, such as bauxite, kyanite, magnesite, fireclay, chrome ore, etc. Refractories are used either where high temperature or high rate of abrasion/ corrosion/ erosion is involved. Lately, however, the industry has been using man-made raw materials, such as brown-fused alumina, tabular alumina, fused magnesia, silicon carbide, magnesia alumina, etc. It has a wide product range and comprehensive to suit the requirement of different industry segments. These are produced in Special Shapes and are Custom made to suit the requirements of the various industries.

Refractory plays a dynamic role not only for metallurgical but also for shaping up chemical and petrochemical, glass, ceramic, cement and limestone industries. Major research work has so far been concentrated for the development of new refractory and also for its reduction in consumption for steel industries. But, the industry's efforts have so far proved futile as no major breakthrough has been achieved. Indian refractory industry, meanwhile, is required to upgrade their operations with global technologies which need huge investment. But, in the long run, the investment is bound to fetch higher returns too.

(B) Opportunities and threats

Opportunities in the refractories industry:

With the staggering recovery from last year's downturn in steel industry, the global refractories market is expected to improve marginally. An increasing level of industrialization is fueling growth in the Indian steel industry, providing ample growth opportunities for refractories. Iron and steel remains the major endues market for refractories. However, the declining steel industry usage of refractories bodes well for the growth of refractories in other enduser sectors. Growth in the production of cement, ceramics and other mineral products is expected to complement this growing trend in the coming years. In addition, an upsurge in the use of refractories in metal and non-metallic mineral products' production is expected to widen the market's growth prospects.

Threats in the Refractories Industry:

The Refractory Industry has to keep pace with steel industry with regard to quality and quantity demands. Meanwhile, with the changed business scenario more and more customers are looking forward to total refractory management which encompasses creation of value added service, responsive supply chain network and understanding of customers' requirement.

Scarcity of raw materials continues to remain a major threat. Another major issue for refractory business is raw materials security especially with China imposing quantitative restrictions on export of raw materials and also jacking up prices over the last year or so.

Another major threat to the refractory industry is reduction in the per capita consumption of refractories and technological upgrading of products and process.

(C) Segment or Product wise Performance:

Your company operates in only one business segment and one product viz., refractories. A brief of the different types of refractories manufactured by the company is given below:

Fire Clay: These are basically alumino silicate refractories possessing alumina not exceeding 42%. Fire clay refractories earlier used to find use in lining of blast furnaces for hearth and bosh portion due to the dense structure, reheat shrinkage, resistance to slag and load characteristics of these bricks. This is a low alumina refractory product and is manufactured by both small and big refractory plants beside many un-organized units. Fire Clay and Ramming mass have low shrinkage and are resistance to slag, These have low iron content, high volume stability, high resistant to spalling and corrosion and co-disintegration and also resistant to molten metal attack and can be used for special application. Hence the market for this product is highly competitive. The price of this product is low and does not require much technology. The company has a good brand image in this segment.

High Alumina: High Refractoriness increases with increasing alumina content. These bricks have high Mechanical strength and excellent load-bearing properties at high temperatures besides having fair to excellent resistance to spalling. These High Alumina Bricks have high resistance to corrosion by many basic slags and fluxes and fair resistance to acid slags. These High Alumina

Bricks are suitable for Cement Rotary Kilns, Laddle Lining, Glass industries, Blast furnaces Stoves & Checkers, Electric Furnace Roof & Other miscellaneous industries

The company has a good brand image in this segment and has performed well at Integrated Steel Plant last year as a result of which it has received additional orders for the current year and is one of the major suppliers to RINL, JSW, TRL & SAIL Units.

Basic: This is a basic refractory product and comprises of Mag Carbon and Magnesite bricks. The company has good performance record in this category. The company has executed order in SAIL Units & RINL and has reasonable chances for improving its market share for this product.

Monolithics: These refractories are well known to produce joint less structure which are stable from dimensional aspect at high temperatures and are resistant to thermal shock and abrasion. It comprises of castables, plastic mass, ramming mix, mortars, slingor mix and coating material.This is an unfired green refractory material. The quality of product ranges from 30 % to 90% alumina which is being used for varied purpose and applications like Sponge Furnace Kiln, Power Plants etc. Silica Ramming Mass for Induction furnace has been recently introduced in this section.

(D) Outlook:

The increasing level of industrialization is fuelling growth in the Indian steel industry, providing ample growth opportunities for refractories. Iron and steel industry continues to remain the major end-use market for refractories.

Despite the price of several raw materials going up significantly, refractory makers were, till recently, left with little choice but to absorb the shock, resulting in erosion of bottom lines. But the brighter side of the story is increasing credibility of Indians in the global market, where price realization is relatively better. Although the specific consumption of refractories has gone down from 30 kg per tonne of steel about 20 years ago to 12-13 kg on an average for the steel industry as a whole and as low as 7-8 kg in the case of some more efficient steel units, the scope for growth is good in view of the continuing growth in the Indian economy and the government's focus on infrastructure development.

(E) Risks and Concerns:

India's refractory industry has witnessed a dramatic squeeze in margins amidst poor demand from end users and rising raw material prices. Sudden rise in the price of the raw material is due to dependence of the refractory industry on the raw materials imported from China. It is a matter of great concern as the use of synthetic raw materials is driving the prices of the raw materials higher. Further, the raw material prices are increasing regularly, where as the prices of finished goods are not rising proportionality.

The refractory industry is going through an exciting and complex phase. On one hand, refractory makers are adding capacities with the hope that demand from the steel sector will rise at a fast pace. On the other hand, usage of the new technology processes is leading to reduction in refractories consumption.

A major area of concern is availability of adequately qualified and competent workforce. The Industry is facing countless difficulties both in terms of increasing raw-material and other input costs as well as the availability, further the negotiating power of the refractory makers is poor mainly due to their size as it caters to the industries which are far bigger in sizes like aluminum, steel, cement etc.

(F) Internal control system and their adequacy:

The Company strictly adheres to the internal control systems established over the years. The Company has a policy of maintaining effective internal control system and strict implementation of policies and procedures so as to safe guard the assets and interests of the company. The Company has an audit committee consisting of Independent Directors of the Company. The internal control systems of the Company are implemented with a view to achieve good ethical culture in the organization. The internal control systems of the Company would ensure that any vulnerability in the achievement of the Company's objectives caused by risk factors whether internal or external, existing or emerging, is detected and reported in a timely manner and is meted out with appropriate corrective action. The findings of internal audit are periodically placed before the Audit committee and the Board of directors of the Company.

(G) Discussion on financial performance with respect to operational performance:

Your Company has achieved the gross turnover of ₹2455.95 lakhs as against a turnover of ₹2904.64 lakhs achieved during the previous financial year. The Company has incurred during the previous financial year, a Net loss of ₹101.94 lakhs as against the Net Profit of ₹13.32 lakhs for the year under consideration.

(H) Material developments in Human Resources/Industrial Relations front, including number of people employed

it is your Company's belief that the competence and commitment of its people are key drivers of competitive advantage enabling the Company to complete successfully in the market place. As at 31st March, 2012 the company has about 162 employees working in its factory and various offices. Your Company endeavors to strengthen organizational culture in order to attract and retain the best talent and bring out the best in people.

Cautionary Statement:

Statements in the management discussion and analysis describing the company's objectives, projections, estimates, expectations may be considered to be forward looking statements. Actual results could differ materially from those expressed or implied. Factors which could make a significant difference to the company's operations include demand supply conditions, market prices, input component costs and availability, changes in government regulations and tax laws besides other factors such as litigation, over which the Company may not have any control.

14 CERTIFICATE

The company has obtained a compliance certificate in accordance with the provisions of Section 383A of Companies Act 1956.The certificate is attached there to.

15 ACKNOWLEDGEMENT

Your Directors wish to place on record the sincere thanks for the co-operation and support received from various agencies of the Central and State Government and also from the company's bankers State Bank of India, State Bank of Hyderabad, State Bank of Bikaner & Jaipur and Andhra Bank.

Your Directors also take this opportunity to place on record their appreciation of the dedication and sense of commitment shown by the employees at all levels and their contribution towards the performance of the company.

for and on behalf of the board

For **RAASI REFRACTORIES LIMITED**

Date: 13-08-2012 **Ashok Kumar Agarwal**
Place: Hyderabad **Executive Chairman**

RASI REFRACTORIES

RAASI REFRACTORIES LIMITED

Annexure to the Directors' Report

Information as required under section 217(1) (e) of the Companies Act, 1956 forming a part of Directors' Report.

Form A

(See Rule – 2)

Form for disclosure of particulars with respect to conservation of energy, technology absorption, research and development.

		2011-12	2010-11
A	**Power and Fuel consumption**		
1.	Electricity		
	a) Purchased		
	i) Unit(kwh)	965205	1471514
	ii) Total Amount(Rs.)	5389478	7240615
	iii) Rate/unit (Rs.)	5.58	4.92
	b) Own Generation		
	I) Through diesel generator		
	i) Unit(kwh)	38642	96008
	ii) Units per ltr.of diesel oil	2.54	2.42
	iii) Cost/unit (Rs.)	17.64	16.48
	II) Through steam turbine/ generator	Not Applicable	
	i) Unit(kwh)		
	ii) Units per ltr.of fuel oil/ gas		
	iii) Cost/unit (Rs.)		
2.	Coal (specify qual ity and where used)	'C' and 'D ' Round grade coal used in gas producer plant and also in the draft kilns.	
	i) Quantity (M. tonnes)	3968	4880
	ii) Total Cost (Rs.)	10427514	18498199
	iii) Average Rate (Rs.)	2928	3791
3.	Furnace Oil		
	i) Quantity (ltrs)	19550	1900
	ii) Total Amount (Rs.)	894348	69003
	iii) Average Rate (Rs.)	45.75	36.32
4.	Others/ internal generation	Not Applicable	
	i) Quantity		
	ii) Total Cost (Rs.)		
	iii) Rate/ Unit (Rs.)		
B	Consumption per unit of production		
	Standards	2011-12	2010-2011
	Products - Refractory all types (in M.T.)	9721	12619
	Electricity (Units)	103.27	124.22
	Furnace oil in Ltrs	2.01	0.15
	Coal- C grade in KGs	408	387
	Others (Specify)	NA	NA

Form B

(See rule 2)

Form for disclosure of particulars with respect to Technology Absorption, Research and Development

1.	Specific areas in which R& D carried by the Company	The company has made a tie up with Tata Refractories Limited for technical and marketing support. All the superior quality of fire clay and high alumina bricks have been developed with their collaboration. Now, we are making all types of sophisticated material as being made at Tata Refractories limited.
2	Benefits derived as a result of the above R & D	With this arrangement the company is getting order from aluminum, steel and cement industries regularly.
3.	Future Plan of action	R&D work for techno-economic raw material composition, continuous up gradation of processes and development of new products as per market demand. The company is also mainly concentrating on development of high alumina bricks and monolithic for cement, steel and aluminum industries. The Company has also upgraded its existing laboratory facilities to achieve improved results in respect of supply of its products.
4.	Expenditure on R & D	Approximately an amount of Rs 4 lakhs has been incurred during the year 2011-12 for development of products as stated above.

Technology Absorption, Adaptation and Innovations:

1.	Efforts, in brief, made towards technology absorption and innovation.	The entire manufacturing technology is indigenous. The company has trained its staff in all the operations. Several new products and compositions were developed which is expected to keep the company competitive.
2.	Benefits derived as result of the above efforts, e.g. product improvement, Cost reduction, product development and import substitution, etc.	The efforts were made to gain product development, product improvement, cost reduction and import substitution etc.,

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year.) following information may be furnished.
   (a) Technology imported.
   (b) Year of import — Not Applicable
   (c) Has technology been fully absorbed?
   (d) If not fully absorbed, areas where this has not taken place, reasons therefore, and future plans of action.

Foreign Exchange Earnings and Outgo:

(a) Activities relating to Exports

The company is participating in global tenders in various countries. Steps have also been taken to enter into African, and other Middle East Countries Market. The products of the Company are well accepted by the foreign buyers. The Company has exported to the extent of ₹89.92 Lacs in the financial year 2011-12. The company is taking initiatives to increase exports and develop new export markets for its products and services.

Total foreign Exchange used and earned		**2011-12**	2010-11
I. Earnings:	USD $	**0**	3,84,000
Export of finished goods	INR Rs.	**0**	1,73,37,600
II. Outgo	USD $	**1,51,389**	74,245
	INR Rs.	**69,43,794**	34,17,615
Bank Charges	USD $	**111**	450
	INR Rs.	**5,103**	20,699
Commission on sales	USD $	**0**	15,360
	INR Rs,	**0**	7,17,563

COMPLIANCE CERTIFICATE

Company Number: 003339

Nominal Capital: Rs. 25, 00, 00,000 (Rupees Twenty Five Crores Only)

To

The Members

RAASI REFRACTORIES LIMITED

6-3-349/20, Alpha Business Centre, 2nd Floor,
Road No. 1, Banjara Hills,
Hyderabad-500034

I have examined the registers, records, books and papers of M/s. RAASI REFRACTORIES LIMITED, HYDERABAD (the "company") as required to be maintained under the Companies Act, 1956, 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 on 31st March, 2012 (i.e. from 1st April, 2011 to 31st March, 2012). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, or any other authorities within the prescribed under the Act and the rules made there under.
3. The company being a Public Limited Company comments relating to
   - (a) Maximum number of members excluding its present and past employees,
   - (b) Subscription of its shares and debentures by the public and
   - (C) Invitation and acceptance of deposits from persons other than its members, directors or their relatives are not applicable.
4. The Board of Director duly met 5 times on 30.05.2011, 12.08.2011, 19.08.2011, 14.11.2011, 15.02.2012, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members or Debenture holders from 24th September 2011 to 30th September 2011 and necessary compliance of section 154 of the Act has been made, during the year.
6. The annual general meeting for the financial year ended on 31st March 2011 was held on 30th September, 2011 after giving due notice to the members of the company and other concerned and the resolutions passed thereat were duly recorded in the Minutes Book maintained by the company.

7. No Extra Ordinary general meeting was held during the financial year under review.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under section 301 (3) of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company was not required to obtain any approvals from the Board of directors, members and central government.
12. The Board of Directors has approved the issue of 2 (Two only) duplicate share certificates during the year under review.
13. (i) The Company has delivered the Share certificate on lodgment thereof for transfer / transmission or any other purpose during the financial year under review in accordance with the provisions of the Act.
    (ii) The Company has not deposited any amount in a Separate Bank Account as no dividend was declared during the financial Year.
    (iii) The Company was not required to post warrants to any member(s) of the Company as no dividend was declared during the Financial Year.
    (iv) Matters relating to transfer to the unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued there on etc are not applicable.
    (v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional Directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The company has not appointed any managing director/ whole-time director/ manager during the financial year.
16. The company has not appointed any sole-selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year under review.
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 Equity Shares, debentures/ other securities during the financial year under review.

20. The company has not made any buy back of shares during the financial year.
21. There being no Preference Share Capital in the Company there was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. 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 financial institutions, banks during the financial year ended 31st March 2012, is within borrowing limits of the company. The excess of borrowing over paid up capital and free reserves includes temporary loans obtained from the company's bankers in the ordinary course of business.
25. The company has not made loans and investments or given guarantee or provided securities to other bodies corporate and consequently no entries have been made in the register kept for this purpose.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under review.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under review.
28. The company has not altered the provisions of the memorandum with respect to name of the Company during the year under review.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under review and complied with the provision of the Act.
30. The company has not altered its Articles of Association during the year under review.
31. There was no prosecution initiated against or show cause notices received by the company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the company during the financial year.
32. The company has not received any money as security from its employees during the financial year.
33. The company has not constituted Provident Fund for its employees and as such, section 418 of the Act is not applicable to the company.

for **BPK & Associates**

PLACE: HYDERABAD
DATE: 30-05-2012

B. Pavan Kumar
C.P.No.4774

ANNEXURE - I

Registers to be maintained by the Company under the provisions of the Companies Act, 1956

1) Register of Members u/s 150.
2) Minutes Book of the Meeting of Directors u/s 193.
3) Minutes Book of the proceedings of General Meetings' u/s 193.
4) Books of Accounts u/s 209.
5) Register of Contracts and Particulars in which Directors are interested under Section 301
6) Register of Directors, Managing Director, Manager, and Company Secretary u/s. 303.
7) Register of Directors' Shareholdings u/s. 307.
8) Register of Directors' Attendance.
9) Register of Shareholders' Attendance.
10) Register of Charges.
11) Register of Duplicate Share Certificates.

Annexure-II

(1) Forms and returns as filed by the Company with the Registrar of Companies, AndhraPradesh, Hyderabad during the financial year ending 31st March, 2012.

Sl. No.	Form No/ Return	Filed u/s	Description	Date of filing	Filed within prescribed time or not Yes/no	Whether additional fee paid for delay
1.	Form-23B	Sec 224(1A)	Information by auditor to registrar	10/10/2011	Yes	Not Applicable
2.	Form 23AC & 23ACA	Section 220	Balance Sheet and Profit & Loss Account	17/12/2011	Yes	Not Applicable
3.	Form 20B	Section 159 & 160	Annual Return	23/11/2011	Yes	Not Applicable
4.	Form 66	Section 383A	Compliance Certificate	29/10/2011	Yes	Not Applicable
5	Form 17	Section 138	Satisfaction of charge	03/11/2011	yes	Not Applicable

2) Forms and Returns filed with Regional Director, Company law Board, Central Government and other authorities during the year 2011-2012

Not Applicable

REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of listing agreement with stock exchanges)

1. **A brief statement on Company's Philosophy on Code of Corporate Governance**

Corporate Governance for the company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our workforce is committed towards the protection of the interest of the stake holder's viz. shareholders, creditors, investors, customers, employees, etc. Our policies consistently undergo improvements keeping in mind our goal of maximization of value of all the stakeholders.

The goal is achieved through:

- Infusion of best expertise in the Board.
- Consistent monitoring and improvement of the human and physical resources.
- Introducing regular checks and audits and continuous improvements in already well-defined systems and procedures.
- Board / Committee meetings at short intervals to keep the Board informed of the recent Happenings.

2. **Board of Directors:**

2.1 Composition of the Board

The company meets the requirement as is stipulated under clause 49 of the listing agreement, as the Chairman of the Board is an executive chairman and the number of independent directors is half of the total number of directors. The number of non- executive directors is more than 50% of the total number of directors.

None of the directors on the board is a member of more than 10 committees and chairman of more than 5 committees across all the companies in which he is a director.

The composition of the Board is as under:

The Board of Raasi Refractories limited is headed by **Sri Ashok Kumar Agarwal**, who is the Executive-Chairman of Raasi Refractories Limited. He is currently the Managing director of Sarvesh Refractories Limited and Rourkela Minerals Co. Private Limited.

Sri Pramod Kumar Agarwal aged 36 years, is an independent and non- executive director of Raasi Refractories limited. He has a rich experience in management and administration. He is a graduate in commerce and has a good exposure in the area of refractory and steel industry. He is currently the Managing Director of Sree Metaliks Steel & Power Limited, Barbil Ventures Private Limited and B P Nirmann Private Limited.

Sri Kirit D. Sanghvi aged about 62 years, is an Independent & non-executive director of Raasi Refractories limited. He is involved in international business and his exposure to refractory market in India and aboard is very wide. He is currently the Managing Director of M/s Interklin Industries Limited and M/s Akik Ceramics Private Limited.

Sri Sanjay Agarwal aged about 40 years, is a Promoter & non-executive director of Raasi Refractories limited. He has acquired an expertise in management and promotion of refractory business. He is the member of Shareholders'/ Investors' Grievance Committee. He is a director on the board of M/s Trinity beverages Private Limited, Greengen Educational Academy Pvt. Ltd., Greengen Infratec Pvt.Ltd., Rourkela Minerals Co. Private Limited. R.S.Agarwalla And Bros. Private limited, Organics Dale (India) Private Limited, and Kanhaiya Consultants Pvt Ltd.

Sri Late Natwar Lath aged about 51 years, is an Independent & Non- Executive director of Raasi Refractories Limited. He is a Bachelor of Commerce and a fellow member of the Institute of Chartered Accountants of India. He also holds diploma in information system audit. He has a vast and rich experience of over 21 years in income tax and audit matters. Sri Natwar lath is a proprietor of Natwar & Associates, Chartered Accountants. He is a member of Shareholders'/ Investors Grievance Committee, Remuneration Committee & Audit Committee. He is a director on the board of M/s Lath Services Private Limited. On 8th August, 2012, there was sad demise of Mr. Natwar Lath due to heart attack. The board expresses its deep condolences for him and his family.

Sri Muralidhar Agarwal aged about 53 years is an Independent & non- executive director of Raasi Refractories Limited. He is a director on the board of M/S Sree Metaliks limited, Hind Metals & Industries Private Limited and Thanwas Commercial Private Limited. He is a Chairman of Shareholders'/ Investors Grievance Committee, Remuneration Committee & Audit Committee.

Sri Mahesh Kumar Agarwal aged about 47 years, is a Promoter & Non-Executive director of Raasi Refractories Limited. He is a Managing Director of M/S Sree Metaliks Limited.

Sri R.C. Biswas aged about 66 years, is a non- independent & executive director of Raasi Refractories Limited. He has been associated with companies like Rourkela steel plant, Kesoram Refractories ltd., and Sarvesh Refractories Ltd.

Other information regarding the Board is given below:

		No. of other Directorships and Committee Memberships /Chairmanships		
Name of the director	Category	Other directorships	Committee memberships	Committee chairmanships
Ashok Kumar Agarwal	Promoter & executive chairman	12	Nil	Nil
Sri Sanjay Agarwal	Promoter & - nonexecutive	7	1	Nil
Sri Muralidhar Agarwal	Independent & non - executive	7	3	3
Sri Mahesh Kumar Agarwal	Promoter & nonexecutive -	8	Nil	Nil
Sri Natwar Lath	Independent & non-executive	2	3	Nil
Sri R.C. Biswas	Non - independent & executive	Nil	Nil	Nil
Sri Pramod Kumar Agarwal	Independent & non - executive	6	1	Nil
Sri Kirit D. Sanghavi	Independent & non -executive	3	1	Nil

2.2 Meetings and attendance

During the year 2011-12, Five Board Meetings were held. Attendance record of the Directors in the meetings is as under:

Name of the director	Board meeting held on	No of board meetings attended	Attended last AGM held on September 30th, 2011
Sri Ashok Kumar Agarwal	30.05.2011	5	Yes
Sri Sanjay Agarwal	12.08.2011	5	No
Sri Muralidhar Agarwal	19.08.2011	5	No
Sri Mahesh Kumar Agarwal	14.11.2011	5	No
Sri Natwar Lath	15.02.2012	2	Yes
Sri R.C. Biswas		5	Yes
Sri Pramod Kumar Agarwal		5	No
Sri Kirit D. Sanghvi		5	No

3. Audit committee

The Audit Committee formed in pursuance of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 is instrumental in overseeing the financial reporting besides reviewing the quarterly, half yearly, annual financial results of the company; it reviews company's financial and risk management policies and the internal control systems, internal audit systems, etc. through discussions with internal and external auditors.

Powers of Audit Committee

The audit committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The board of directors has constituted the audit committee at their meeting held on 20th October 2000. The committee was subsequently re-structured and presently comprised of 3 non-executive directors' viz., Sri Muralidhar Agarwal, Sri Natwar lath and Sri Pramod Kumar Agarwal. Sri Muralidhar Agarwal is the chairman of the committee.

During the year 2011-12 four meetings of the committee were held. The composition and attendance in the committee is as under:

Name of the director	Positi on held in the company	Committee meetings held on	No. of committee meetings attended
Sri. Muralidhar Agarwal	Chairman of the committee	30/05/2011	4
		12/08/2011	
Sri. Natwar lath	Member	14/11/2011	3
Sri. Pramod Kumar Agarwal	Member	15/02/2012	4

4. Remuneration committee

Purpose

The Company has constituted a Remuneration committee on 30th April 2003 in terms of schedule XIII of the Companies, act 1956 read with clause 49 of the Listing Agreement. Presently the Remuneration Committee comprises of Sri Muralidhar Agarwal, Sri Natwar Lath and Sri Kirit D.Sanghavi. Sri Muralidhar Agarwal is the Chairman of the Remuneration Committee. The broad terms of reference of the remuneration committee are to approve/ recommend to the Board the salary (including annual increments) perquisites and commission including pension rights & and any compensation payment to be paid to the company's Managing/Whole-Time-Directors. During the Year under review, one remuneration Committee meeting was held on 30th May, 2011 The decisions are taken by the Committee at meetings. The Composition of the Remuneration Committee and attendance at its meeting is as follows:-

Name of the director	Position held in the company	Committee meetings held on	No. of committee meetings attended
Sri. Muralidhar Agarwal	Chairman of the committee		1
Sri. Natwar lath	Member	30/05/2011	1
Sri Kirit D. Sanghvi	Member		1

Remuneration Policy:

The Company while deciding the remuneration package of the management takes into consideration the employment scenario, remuneration package of the industry, financial performance of the company vis-à-vis the industry and talents of the appointee. None of the Directors are entitled to sitting fees. No Director other than Sri. R.C. Biswas, the Director Operations of the Company is paid any remuneration.

Details of remuneration/sitting fees paid to the Directors for the year ended 2011-12 are given below.

Name	Sitting fee Rs.	Salary, Perquisites and allowance Rs.	Stock Options Rs.
Sri Ashok Kumar Agarwal	-------	NA	Nil
Sri Sanjay Agarwal	-------	NA	Nil
Sri Muralidhar Agarwal	-------	NA	Nil
Sri Mahesh Kumar Agarwal	-------	NA	Nil
Sri Natwar Lath	-------	NA	Nil
Sri R.C. Biswas	-------	4,70,400	Nil
Sri. Pramod Kumar Agarwal	-------	NA	Nil
Sri. Kirit D. Sanghvi	-------	NA	Nil

5. Shareholders/Investors' Grievance committee

During the year 2011-12, the Shareholders/Investors Grievance Committee met 5 times on 30th June, 2011, 31st August, 2011, 27th September, 2011, 15th October, 2011, 31st October, 2011.

The composition and the attendance records of the members in the same are as under:

Name of the Director	Position held in the committee	No. of committee meetings attended during 2011-2012
Sri. Muralidhar Agarwal	Chairman	5
Sri. Natwar Lath	Member	0
Sri. Sanjay Agarwal	Member	5

The committee inter alia approves issue of duplicate certificates, oversees and reviews all matters connected with the securities transfer. The committee also looks into redressal of Shareholders' complaints/requests like transfer of shares, non-receipt of balance sheet, change of address, revalidation of dividend warrants, rematerialisation request etc. The committee periodically evaluates the performance of the Registrar and Share Transfer agents and recommends measures for improvement in the quality of investor services.

The company did not receive any complaints/requests (other than request for transfer, demat and remat) during the year under review. There were no outstanding complaints as on 31st March 2012. All the valid requests for transfer of shares were considered for transfer. There were no share transfers pending as on 31.03.2012.

6. Chief Executive Officer (CEO) and CFO Certification

A Certificate from Sri Ashok Kumar Agarwal, the Executive Chairman of the Company, and Sri Sistla Subrahmanya Sastry, Chief Financial Officer of the Company on the Financial Statements and Cash Flow statements for the year under review, was placed before the Board of Directors at their meeting held on 13/08/2012

7. General Body Meetings

Location & Time of Last 3 Annual General Meetings:

Year	Venue	Date and Time	Special Resolution passed and relevant section of the Companies Act, 1956
2010-11	Bhaskara Auditorium, B.M. Birla Science Centre, Adarsh Nagar, Hyderabad- 500 063	30.09.2011 at 11.00 A.M	NONE
2009-2010	Bhaskara Auditorium, B.M. Birla Science Centre, Adarsh Nagar, Hyderabad- 500 063	27-09-2010 at 11.00 A.M	1. Enhancement of the Authorised Capital from Rs.15,00,00,000 to Rs. 25,00,00,000 (Section 94 of the Companies Act, 1956). 2. Alteration of Memorandum of Association pursuant to the enhancement of authorised capital of the Company (Section 16 of the Companies Act, 1956). 3. Alteration of Articles of Association pursuant to the enhancement of the authorised capital of the Company (Section 31 of the Companies Act, 1956). 1. Appointment of Shri Ashok Kumar Agarwal as the Executive Chairman of the Company (Section 198, 269 and 309 read with Schedule XIII). 2. Appointment of Shri. R. C. Biswas as the Director-Operations of the Company (Section 198, 269 and 309 read with Schedule XIII) and fix their remuneration.
2008-2009	Bhaskara Auditorium, B.M. Birla Science Centre, Adarsh Nagar, Hyderabad- 500 063	24-09-2009 at 11.00 A.M	None

8. Postal Ballot

There is no special or ordinary resolution proposed, which needs to be passed by way of Postal Ballot at the ensuing Annual General Meeting

9. Disclosures:

During the year 2011-12, the company had no materially significant related transactions which are considered to have a potential conflict with the interest of the company at large. The disclosures as regard to related party transactions are disclosed in the notes to accounts. None of the transactions with any of the related parties were in conflict with the interests of the company.

There were no instances of non-compliances, penalties, imposed on the company by the stock exchanges, or any other statutory authority or any matter relating to the capital markets during the last three (3) years.

10. Means of Communication

The quarterly, half yearly and annual results are generally published by the company in Financial Express (English Edition), Praja Sakthi (Telugu edition) and Andhra Prabha (Telugu Edition). The same results are sent to the stock exchanges as per Listing Agreement. The Quarterly, half yearly and annual results and the share holding pattern of the company are posted on the company's website. According to the SEBI Circular dated April 16, 2010 vide Circular Number CIR/CFD/DCR/3/2010, the EDIFAR System has been discontinued with effect from April10, 2010 and the same is replaced by Corporate Filing and Dissemination System (CFDS).

11. Management Discussion and Analysis Report:

Information on Management Discussion and Analysis is given in the Directors' report.

12. Compiiance with non-mandatory requirements

12.1 Remuneration committee

The Board has set up a remuneration committee details whereof are furnished in this report.

12.2 Shareholder rights

The quarterly financial results including summary of significant events of relevant period of six months are published in newspapers.

12.3 Audit qualifications

Strategic decisions were taken during the year resulting in unqualified financial statements of the company.

However, the Company does not have a Whistle Blower policy and a programme for Training of Board members.

13. Investor Information

a 30th annual general meeting

Date and time	:	Saturday, the 29th September, 2012 at 11.00 AM
Venue	:	B.M Birla Science Centre, Adarsh Nagar, Hyderabad-500 063

As required under clause49VI(A) of the listing agreement, particulars of directors seeking appointment and reappointment are given in the notes to the notice of the annual general meeting to be held on 29th day of September 2012.

b. Financial calendar(tentative)

Financial year	:	1st April 2011 to 31st March 2012
First quarter results	:	August 2011
Second quarter results and half yearly results	:	November 2011
Third quarter results	:	February 2012
Last quarter results/ Audited results	:	May 2012/ May 2012

c. Dates of books closure : 22nd September 2012 to 29th September 2012

d. Dividend payment date : Not applicable

e. Listing on stock exchanges :
The company's securities are listed on : The Hyderabad stock exchange limited (stock code-RRL)
Bombay stock exchange limited (stock code-502271)

f. ISIN Numbers in NSDL & CDSL for Equity shares : INE858D01017

g. Listing fee : The company has paid its annual listing fees to each of the above stock exchanges for the financial year 2011-12

h. Market price data : High/low price quotation in each month of the financial year 2011-12 on the Bombay stock exchange is given below. There is no trading in the Hyderabad stock exchange, hence no quotation for the year 2011-12

Month	High (Rs.)	Low (Rs.)
April 2011	8.50	7.91
May 2011	8.30	6.47
June 2011	6.79	6.41
July 2011	10.69	9.86
August 2011	11.16	10.55
September 2011	12.00	11.50
October 2011	11.00	10.95
November 2011	10.94	10.94
December 2011	10.84	10.20
February 2012	10.10	8.90
March 2012	9.20	8.00

Source: www.bseindia.com

I. Registrars and Transfers Agents (RTA) Aarthi Consultants (P) Ltd.
1-2-285, Domalguda, Hyderabad- 500 029

Share transfers and communications regarding share certificates, change of address, etc., must be forwarded to the RTA.

j. Share Transfer System

Presently share transfers that are received in physical form are processed within 15 days from the date of receipt, subject to the documents being valid and complete in all respects and are dispatched to the shareholders within 30 days from the date of receipt.

k. Distribution of shareholding as on 31st March 2012.

S. No.	Category	Holders	Holding Percentage	Shares	Amount Rs.	% of Amount
1.	1 —— 5000	5658	95.48	526386	5263860	11.17
2.	5001 —— 10000	121	2.04	95617	956170	2.03
3.	10001 —— 20000	66	1.11	100812	1008120	2.14
4.	20001 —— 30000	22	0.37	55687	556870	1.18
5.	30001 —— 40000	17	0.29	61071	610710	1.3
6.	40001 —— 50000	12	0.2	58170	581700	1.23
7.	50001 —— 100000	14	0.24	97785	977850	2.07
8.	100001 & Above	16	0.27	3717608	37176080	78.88
	TOTAL	5926	100.00	4713136	47131360.00	100.00

Shareholding Pattern as on 31st March, 2012

Category	No. of Shares held	Percentage of Shareholding
Promoters holding 1. Promoters Indian Promoters Foreign Promoters 2. Persons acting in concert	2387220	50.65
Sub Total	2387220	50.65
Non- Promoters Holding 3. Institutional Investors a. Mutual funds and UTI b. Banks,Financial Institutions, Insurance Companies (Central /State Gov. Institutions/Non-Government Institutions) c. FII'S	98775	2.10
Sub-Total	98775	2.10
4. Others		
a. Private Corporate Bodies	1057073	22.43
b. Indian Public	1160462	24.62
c. NRIs/OCBs	9356	0.20
d. Trusts	200	0.00
e. Clearing Members	50	0.00
Sub-Total	2227141	47.25
Grand Total	4713136	100

l. De-materialization of shares and liquidity

Trading in Equity shares of the Company is permitted only in dematerialized form as per notification issued by SEBI. Dematerialization of shares is done through AARTHI CONSULTANTS PRIVATE LIMITED and on an average the dematerialization process is completed within a period of 21 days from receipt of a valid demat request along with all documents.

m. Outstanding ADRs/GDRs/ Warrants or any convertible Instruments, conversion date and likely impact on equity — Not applicable

n. Plant Locations	The Company's plant is located at: Lakshmipuram, Narketpally, Nalgonda District, Andhra Pradesh-508 254
o. Address for Correspondence	Raasi Refractories Limited 6-3-349/20, Alpha Business Centre II Floor, Road No.1, Banjara Hills Hyderabad-500 034 Ph: 040-23355462
p. Investor Correspondence *For transfer in physical form Aarthi Consultants (P) Ltd 1-2-285, Domalguda, Hyderabad-500 029	* For Shares in Demat form To the Depository Participant

For and on behalf of the Board
For **RAASI REFRACTORIES LIMITED**

Date: 13-08-2012	**Ashok Kumar Agarwal**	**R. C. Biswas**
Place: Hyderabad	**Executive Chairman**	**Director-Operations**

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

To
The Members of Raasi Refractories Limited

I, Ashok Kumar Agarwal, Executive Chairman of Raasi Refractories Limited declare that to the best of my knowledge and belief, all the Members of the Board and Senior Management personnel of the Company have affirmed their respective compliance with the applicable Code of Conduct for the Year ended 31st March, 2012.

Place: Hyderabad
Date: 13-08-2012

For Raasi Refractories Limited

Ashok Kumar Agarwal
Executive Chairman

EXECUTIVE CHAIRMAN (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION:

We, Ashok Kumar Agarwal, Executive Chairman and Sistla Subrahmanya Sastry, Chief Financial Officer of Raasi Refractories Limited to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account and all its schedules and notes on accounts as well as the Cash Flow Statements for the year ended March 31, 2012.
2. Based on our knowledge and information,
   (I) These statements do not contain any materially untrue statement or omit any material fact or contain any statement in the light of the circumstances under which the statements were made, not misleading with respect to the statements made.
   (ii) These statements together present a true and fair view of the company's affairs, the financial conditions, results of operations and are in compliance with existing accounting standards, applicable laws and regulations.
3. 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.
4. We accept the responsibility for establishing and maintaining internal controls for financial reporting for the company and we have:
   (I) Designed such disclosure controls and procedures to ensure that material information relating to the company, during the period in which this report is being prepared.
   (ii) Designed such internal control system over financial reporting, or caused such internal control over financial reporting and the preparation of the financial statements for external purposes in accordance with the General Accepted Accounting Principles.
   (iii) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
5. We have indicated to the Company's auditors and the Audit committee of the Company that during the year:
   (I) There are no significant changes in internal control over financial reporting;
   (ii) There are no significant changes in accounting policies; and
   (iii) There are no instances of significant fraud of which they have been aware, whether or not material that involves management or other employees having significant role in the company's internal control system over financial reporting.
6. We affirm that we have not denied any personnel, access to the audit committee of the company and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.

Date: 13-08-2012	**Ashok Kumar Agarwal**	**Sistla Subrahmanya Sastry**
Place: Hyderabad	**Executive Chairman**	**Chief Financial Officer**

AUDITORS REPORT ON CORPORATE GOVERNANCE

To The Members of Raasi Refractories Limited

We have examined the compliance of Corporate Governance by Raasi Refractories Limited for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of condition 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 Corporate Governance; 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, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned listing agreement.

We state that no investor grievances were pending for the year under review against the company as certified by the Registrars & Transfer Agents of the company, based on the records maintained by them.

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 SRB & ASSOCIATES
Chartered Accountants

T. Lakshmi Narayana
Partner
Membership No: 14674

Date: 13-08-2012
Place: Hyderabad

AUDITORS REPORT:

To

The Members of

RAASI REFRACTORIES LIMITED

HYDERABAD

1. We have audited the attached Balance sheet of RAASI REFRACTORIES LIMITED as at 31st March 2012 and the related profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

(a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

(c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the Balance Sheet, Profit & 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 Act;

(e) On the basis of written representations received from the directors, as on 31st March 2012, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;

(f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached there to give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;

(ii) in the case of the Profit & Loss Account, of the profit for the year ended on that date; and

(iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For SRB & ASSOCIATES
Chartered Accountants

T. Lakshmi Narayana
Partner
Membership No: 14674

Date: 30-05-2012
Place: Hyderabad

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 3 of the Auditors' Report of even date to the members of RAASI REFRACTORIES LIMITED on the financial statement for the year ended 31st March, 2012)

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

   (b) Fixed assets are physically verified by the management according to a phased Programme designed to cover all the fixed assets once a year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed.

   (c) In our opinion and according to the information and explanations given to us, no substantial part of fixed assets has been disposed off by the Company during the year.

2. (a) The inventory has been physically verified by the management during the year-end. In our opinion, the frequency of verification is reasonable.

   (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the company and the nature of its business.

   (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory by the management as compared to the records were not material.

3. According to information and explanation given to us:

   (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

   (b) The company has taken the following unsecured loans from companies covered in the register maintained under section 301 of the Companies Act. 1956 .

   (i) Unsecured loan taken from M/s Sarvesh Refractories Ltd. in the earlier years with interest @1% per annum and the outstanding balance as on the Balance Sheet date is Rs.414.42 lakhs as against the outstanding balance of Rs.410.72 lakhs at the end of previous year.

   (ii) Unsecured interest free loan taken from M/s Sarvesh Refractory Ltd in the earlier years Rs.100.00 lakhs for investment purpose is outstanding as on the Balance Sheet date.

4. In our opinion and according to the information and explanation given to us there are adequate internal control procedures 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. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.

5. (a) In our opinion and according to the information and explanation given to us, 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.

   (b) In our opinion and according to the information and explanation given to us, there are no transactions made in pursuance of such contracts or arrangements and exceeding Rupees. Five Lakhs in respect of any party during the year, which have been made at prices which are not reasonable having regard to the prevailing market prices at the relevant time.

6. The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Companies Act, 1956. and the rules framed there under.

7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

8. According to information and explanation given to us the Central Government has not prescribed maintenance of cost records for the company as required under Section 209 (1) (d) of the Companies Act,1956.

9. (a) According to the information and explanations given to us and records of the company examined by us, in our opinion, the company is generally depositing undisputed statutory dues with delay inrespect of income tax, sales tax, customs duty, excise duty, cess with the appropriate authorities.

   (b) The following undisputed statutory liabilities are outstanding for more than 6 months as on the balance sheet date. Provident Fund Rs. 34,58,881 T.D.S 1,19,986, CST Rs. 36,988, Vat 1,13,505, ESI Rs. 9,28,827, TDS Rs.1,19,986 and Service Tax 13,52,781.

10. The company is having accumulated losses as at 31st March 2012 and it has not incurred any cash lossess in the current or financial year ended on that date or in the immediately preceding financial year.

11. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

12. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/ societies are not applicable to the Company.

13. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.

14. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

15. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

16. According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment of the company.

17 . The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.

18 . The company has not issued any debentures and hence, the provisions of clause 4 (xix) of the companies (Auditor Report) Order 2003 are not pplicable.

19 . The company has not raised any money by public issues during the year hence, the provisions of clause 4(xix) of the companies (Auditor Report) Order 2003 are not applicable.

20 . During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For **SRB & ASSOCIATES**
Chartered Accountants

T. Lakshmi Narayana
Partner
Membership No:14674

Date: 30.05.2012
Place: Hyderabad

Balance Sheet as at 31st March 2012

	Particulars	Note No.	31st March 2012 Rs.	31st March 2011 Rs.
A	**EQUITY AND LIABILITIES**			
	1 Shareholders' funds			
	(a) Share capital	2	4,71,31,360	4,71,31,360
	(b) Reserves and surplus	3	1,50,80,466	1,48,48,056
	2 Non-current liabilities			
	(a) Long-term borrowings	4	9,64,39,934	5,10,72,343
	(b) Deferred tax liabilities (net)		1,04,54,535	1,04,54,535
	(c) Long term Provisions	5	84,28,770	80,23,787
	3 Current liabilities			
	(a) Short-term borrowings	6	10,85,70,389	12,74,02,016
	(b) Trade payables	7	4,82,29,374	4,91,98,666
	(c) Other current liabilities	8	87,13,526	1,61,52,783
	(d) Short-term provisions	9	2,90,844	-652,498
	TOTAL		**343,339,198**	**323,631,048**
B	**ASSETS**			
	1 Non-current assets			
	(a) Fixed assets	10		
	(i) Tangible assets		8,59,25,824	9,55,22,121
	(ii) Capital work-in-progress		2,29,11,983	1,95,11,982
	(b) Non-current Investment	11	98,45,000	98,45,000
	2 Current assets			
	(a) Inventories	12	11,75,09,563	11,32,00,396
	(b) Trade receivables	13	6,61,50,486	4,18,66,087
	(c) Cash and cash equivalents	14	1,71,91,718	2,19,74,767
	(d) Short-term loans and advances	15	2,38,04,624	2,17,10,695
	TOTAL		**343,339,198**	**323,631,048**

See accompanying notes forming part of the financial statement (1-25)

AS PER OUR REPORT OF EVEN DATE
for SRB & ASSOCIATES
Chartered Accountants

for and on Behalf of the Board
for Raasi Refractories Limited

T. Lakshmi Narayana,
Partner
Membership No: 14674
Hyderabad
Dated: 30th May 2012

Ashok Kumar Agarwal
Executive Chairman

R.C. Biswas
Director - Operations

Statement of Profit and Loss for the year ended 31st March, 2012

(Amount in Rs.)

	Particulars	Note No.	For the year ended 31 March, 2012	For the year ended 31 March, 2011
1	Revenue from operations (gross)		24,55,95,056	28,56,06,806
	Less: Excise duty		2,06,40,069	2,35,49,405
	Revenue from operations (net)	16	22,49,54,986	26,20,57,401
2	**Other Income**	17	38,06,403	48,57,548
3	**Total revenue (1+2)**		22,87,61,389	26,69,14,949
4	**Expenses**			
	(a) Cost of materials consumed	18	11,45,62,867	18,46,68,046
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	-62,825	-25,723,045
	(d) Employee benefits expense	20	2,41,04,185	2,32,94,223
	(e) Finance costs	21	3,03,82,286	2,91,69,973
	(f) Depreciation and amortisation expenses		1,03,36,263	1,03,29,911
	(g) Other expenses	22	4,81,06,583	5,53,70,049
	Total		22,74,29,358	27,71,09,157
5	**Profit / (Loss) before exceptional and extraordinary items and tax**		1,332,031	(10,194,208)
6	Exceptional items		-	-
7	**Profit / (Loss) before extraordinary items and tax**		1,332,031	(10,194,208)
8	Extraordinary items		-	-
9	**Profit / (Loss) before tax**		1,332,031	(10,194,208)
10	**Tax expense:**			
	(a) Current tax expense for current year		253,819	-
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		845,803	-
	(d) Net current tax expense (a-b+c)		1,099,622	-
	(e) Deferred tax		-	878,731
11	**Profit / (Loss) for the year**		2,32,409	(11,072,939)
12	**Earnings per share (of Rs. 10/- each):**			
	(a) Basic		0.05	(2.35)
	(b) Diluted		0.05	(2.35)

See accompanying notes forming part of the financial statements

AS PER OUR REPORT OF EVEN DATE
for SRB & ASSOCIATES
Chartered Accountants

for and on Behalf of the Board
for Raasi Refractories Limited

T. Lakshmi Narayana,
Partner
Membership No: 14674
Hyderabad
Dated: 30th May 2012

Ashok Kumar Agarwal
Executive Chairman

R.C. Biswas
Director - Operations

Notes forming part of the financial statement for the year ended 31st March 2012

Note Particulars
1 Significant Accounting Policies

1.1 *Basis of Accounting and preparation of financial statement*

I) The financial statements are prepared in accordance with Generaliy accepted accounting Principles(GAAP) under the Historical cost convention on the accrual basis and on a going concern basis. GAAP comprises mandatory accounting standards as prescribed by the Companies(Accounting Standards) Rules, 2006, the provision of Companies Act, 1956 and Guidelines issued by the Securities and Exchange Board of India(SEBI).

II) The Financial statements for the year ended March 31,2011 had been prepared as per the applicable, pre-revised schedule VI to the Companies Act, 1956 . Consequent to the notification of revised Schedule VI under the companies Act 1956, the financial statement for the year ended March 31, 2012 are prepared as per the revised schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of revised schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

1.2 Use of Estimates
The preparation of financial statements requires management to make certain estimates and assumptions that effect the amount reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

1.3 *Inventories*
Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value. Cost includes all charges in bringing the goods to the point of sale, Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

1.4 *Depreciation/Amortization*
Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

1.5 *Fixed Assets*
All fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any Cost directly attributable to bringing the assets to their present location and working conditions for intended use.

1.6 Investments
Investments are either classified as current or long term based on the Managements intention. Current investments are carried at the lower of cost and fair value.. Long term investments are carried at cost and provision recorded to recognize any decline, other than temporary, in the carrying value of each investment.

1.7 *Revenue Recognition*
Revenues/Incomes and cost/expenditure are generally accounted on accrual basis as they are earned or incurred except in case of significant uncertainties.

1.8 *Taxes on income*

a) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

b) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

c) Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods, subject to the consideration of prudence.

1.9 *Provision, Contingent Liabilities and Contingent Assets*

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

1.10 *Impairment of Fixed Assets*

At the end of each period, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard (AS-28) "Impairment of Assets" issued by the institute of Chartered Accounts of India. An impairment loss is charged to the Profit & loss Account in the period in which, an asset is identified as impaired, when the carrying value of the assets exceeds its recoverable value. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

1.11 Foreign Currency Transaction

Year-end balance of foreign currency transaction is translated at the year-end rates and the corresponding effect is given in the respective accounts. Transaction completed during the year are adjusted on actual basis. In respect of transaction covered by forward exchange contracts, the difference between the forward rate and exchange rate at the inception of contract is recognised as income or expenses over the life of the contract.

1.12 Employee Benefits

(a) Short term employee benefit obligations are estimated and provided for.

(b) Post employment benefits and other long term employee benefits:

Defined Contribution plans :

Company's contribution to provident fund and other funds are determined under the relevant schemes and/or statute and charged to revenue.

Defined benefit plans :

Company's liability towards gratuity is determined at each balance sheet date and provided for.

1.13 Borrowing Cost

Borrowing costs relating to acquisition or construction of fixed assets which takes substantial period of time to get ready for its intended use are included in the cost of fixed assets to the extent they relate to the period till such assets are ready to be put to use. Other Borrowing costs are recognized as an expense in the year in which they are incurred.

Notes forming part of the financial statement for the year ended 31st March 2012

Note No	Particulars	As At 31st March 2012 (Rs.)	As At 31st March 2011 (Rs.)
2	**Share Capital**		
	Authorised		
	2,50,00,000 (PY 2,50,00,000) Equity Shares of Rs. 10/- each with voting rights	25,00,00,000	25,00,00,000
	Issued, Subscribed and Fully Paid Up		
	47,13,136(PY 47,13,136) Equity Shares of Rs. 10/- each with voting rights	4,71,31,360	4,71,31,360
		4,71,31,360	4,71,31,360

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of Equity Share of Rs. 10/- each with voting rights

	No of Shares	Amount
Opening Balance	47,13,136	4,71,31,360
Fresh Issue	0	0
Closing Balance	47,13,136	4,71,31,360

Details of Shares held by each shareholders holding more than 5% shares

	31st March 2012		31st March 2011	
Mr. Ashok Kumar Agarwal	12,88,900	27.35	12,88,900	27.35
Mr. Sanjay Agarwal	10,98,320	23.30	10,98,320	23.30
Vedvyas Marketing Services Pvt Limited	3,39,580	7.20	3,39,580	7.20
Barbil Transport Co. Pvt Limited	3,28,135	6.96	3,28,135	6.96
P & U Merchantiles Pvt Limited	3,12,957	6.64	3,12,957	6.64

3	**Reserves and Surplus**		
	(a) Capital Reserve		
	Central subsidy Account		
	Opening Balance	15,00,000	15,00,000
	Add: Amout received(utilised) during the year	0	0
	Closing Balance	15,00,000	15,00,000
	(b) Forfeiture of shares		
	Opening Balance	30,443	30,443
	Add: Shares forefeited (utilised) during the year	0	0
	Closing Balance	30,443	30,443
	c) Securities Premium Account		
	Opening Balance	1,69,00,000	1,69,00,000
	Add: Premium on Shares Issues during the year	0	0
	Closing Balance	1,69,00,000	1,69,00,000
	(d) Suplus / (Deficit) in Statement of Profit and Loss		
	Opening Balance	(3,582,387)	74,90,552
	Add: Profit / (Loss) for the year	2,32,409	(11,072,939)
	Closing Balance	(33,49,978)	(3,582,387)
	Closing Balance	1,50,80,466	1,48,48,056
4	**Long term borrowings**		
	Other Loans & Advances	9,64,39,934	5,10,72,343
	From body corporates & others (Unsecured)	9,64,39,934	5,10,72,343
5	**Long term Provisions**		
	Provision for Employees Benefits	84,28,770	80,23,787
	Provision for Gratuity (net)	84,28,770	80,23,787
6	**Short Term Borrowings**		
	Cash Credit Account with banks [1]		
	Cash Credit from SBBJ	1,29,06,227	1,27,32,200
	Cash Credit from SBI, Commercial Branch	5,06,07,296	4,77,14,833
	Cash Credit from SBH IFB	3,01,57,463	3,69,76,357
	Cash Credit from Andhra Bank	1,48,99,403	2,99,78,626
		10,85,70,389	12,74,02,016

Cash credit accounts are secured by charge on all inventories & book debts, both present and future, in favour of State Bank of Hyderabad, Andhra Bank, State Bank of India & State Bank of Bikaner & Jaipur, Hyderbad. They are further secured by the personal guarntee of Sri Sanjay Agarwal, Director and Sri Ashok Kumar Agarwal,Executive Chairman of the Company.

7	**Trade Payables**		
	Acceptance	4,37,25,567	4,45,60,292
	Other Than Acceptances	45,03,808	46,38,374
		4,82,29,375	4,91,98,666
8	**Other Current Liabilities**		
	Current maturity of long term debt		
	Term Loan from banks	0	45,27,329
	Loan from financial institution	0	2,51,625
	Other Payables		
	Statutory Remmittance	87,13,526	1,13,73,829
		87,13,526	1,61,52,783
9	**Short Term Provisions**		
	Provision - Others		
	Provision for Income tax	2,90,844	-652,498
		2,90,844	-652,498

Notes forming part of the financial statement for the year ended 31st March 2012

Note No: 10

Fixed Assets - Tangible

		GROSS BLOCK				ACCUMULATED DEPRECAITION AND IMPAIRMENT				NET BLOCK	
SL NO	DESCRIPTION	Balance as at 1st April 2011	Additions	Disposals	Balance as at 31st March 2012	Balance as at 1st April 2011	Depreciaiton Expenses for the year	Eliminated on disposal of assets during the	Balance as at 31st March 2012	Balance as at 31st March 2012	Balance as at 1st April 2011
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	LAND & SITE DEVELOPMENT	20,01,657	-	117,704	18,83,953	0	0	-	-	18,83,953	20,01,657
2	BUILDINGS	3,88,72,650			3,88,72,650	72,57,630	9,46,810		8,204,440	3,06,68,210	3,16,15,020
3	PLANT & MACHINERY	16,83,03,383	13,100	-	16,83,16,483	10,89,58,279	88,55,776	-	117,814,054	5,05,02,429	5,93,45,104
4	FURNITURE & FIXTURES	22,48,887	-	-	22,48,887	15,37,118	1,42,355	-	1,679,473	5,69,414	7,11,769
5	OFFICE EQUIPMENT	19,74,920	8,750	-	19,83,670	11,96,667	1,25,531	-	1,322,198	6,61,472	7,78,253
6	VEHICLES	25,16,137	835,820	-	33,51,957	14,45,819	2,65,791	-	1,711,610	16,40,347	10,70,318
	TOTAL	21,59,17,634	857,670	1,17,704	21,66,57,600	12,03,95,513	1,03,36,263	0	13,07,31,776	8,59,25,824	9,55,22,121
	PREVIOUS YEAR	21,56,58,526	12,84,763	1,025,655	21,59,17,634	11,04,92,267	1,03,29,911	4,26,665	12,03,95,513	9,55,22,121	105,166,259

Notes forming part of the financial statement for the year ended 31st March 2012

Note No	Particulars	As At 31st March 2012 (Rs.)	As At 31st March 2011 (Rs.)
11	***Non current Investment***		
	Unquoted,at cost		
	32,900 shares of Rs 10/- of Iceberg Aqua Pvt Ltd	16,45,000	16,45,000
	4,10,000 shares of Rs 10/- Iceberg Foods Ltd	82,00,000	82,00,000
		98,45,000	98,45,000
12	***Inventories***		
	(At lower of cost and net realisable value)		
	Raw Materials	5,91,06,928	5,25,46,982
	Work-in-Progress	1,65,97,686	1,68,27,409
	Finished Goods	3,26,26,178	3,23,33,628
	Finished Goods Goods-in-tranist	0	7,89,515
	Stores & Spares	60,29,809	71,07,388
	Others		
	Coal	30,98,868	35,24,680
	Furnace Oil	50,096	70,794
		11,75,09,563	11,32,00,396
13	**Trade Receivable**		
	Unsecured, Considered Good		
	Trade Receivables outstanding for a period exceeding six months from the date they were due for payment	95,17,945	79,22,008
	Other Trade Receivable	5,66,32,541	3,39,44,079
		6,61,50,486	4,18,66,087
14	**Cash and cash equivalents**		
	Cash in hand	18,88,031	12,26,587
	Balances with Banks		
	In Current account	3,79,098	22,52,903
	In earmarked accounts		
	balances held as margin money or securities against borrowings, guarantees and other commitments having maturity of less then 12 months	1,49,24,589	1,84,95,277
		1,71,91,718	2,19,74,767
15	**Short term Loans and advances**		
	(Unsecured, considered good)		
	Trade advances	75,26,918	75,26,918
	Claims receivable	13,35,233	17,77,249
	Security Deposits	44,32,681	42,69,790
	Loans and Advances to Employees	16,29,487	19,01,740
	Prepaid expenses	41,625	33,375
	Balance with Government Authorities		
	Deposits with Central Excise	82,41,066	52,31,989
	VAT Credit Receivable	5,97,615	9,69,634
		2,38,04,624	2,17,10,695

16	**Reveune From Operations**		
	Sale of Products		
	Export Sales	89,91,538	1,73,37,600
	Domestic Sales	23,20,57,134	26,50,53,829
	Self consumption	44,15,864	24,86,748
	Sale of Scrap	1,30,520	7,28,629
		24,55,95,056	28,56,06,806
	Less: Excise Duty	2,06,40,069	2,35,49,405
		22,49,54,986	26,20,57,401
	Refractories and Allied Products	24,54,64,536	28,48,78,177
17	**Other Income**		
	Interest Income		
	Interest from bank on deposits, TDS(Rs.124461/)	12,53,543	10,52,729
	Interest on Secutiry deposits	93,460	93,460
	Income on sale of Fixed Assets	26,43,654	3,02,707
	Gain (Deficit) on Forex Fluctuation	-232,313	1,56,351
	Miscellaneous Income	48,059	32,52,301
		38,06,403	48,57,548
18	**Cost of Materials Consumed**		
	Opening Stock	5,96,54,370	5,62,66,931
	Add: Purchases	12,00,45,234	18,80,55,485
	Less: Closing Stock	6,51,36,737	5,96,54,370
	Cost of Materials Consumed	11,45,62,867	18,46,68,046
	Material Consumed Comprises:		
	Calcium Bauxite	2,12,14,058	3,36,14,886
	Grog	28,66,079	35,09,063
	Stores Materials	69,43,185	90,79,640
	Other Raw Materials	8,35,39,544	13,84,64,457
		11,45,62,866	18,46,68,046
19	**Changes in inventories of finished goods, work - in progress and stock in trade**		
	Finished Goods		
	Opening Stock	3,23,33,628	1,14,75,879
	Closing Stock	3,26,26,176	3,23,33,628
		-292,548	-20,857,749
	Work-in-progress		
	Opening Stock	1,68,27,409	1,19,62,113
	Closing Stock	1,65,97,686	1,68,27,409
		2,29,723	-4,865,296
	Net (increase) / decrease	-62,825	-25,723,045

20	**Employees Benefit Expense**		
	Salaries & Wages	1,77,97,449	1,66,82,206
	Contribution to Provident Fund	15,57,760	13,46,861
	Contribution to ESIC	7,10,278	6,35,896
	Gratuity	13,87,954	21,66,898
	Other Benefits	26,50,744	24,62,362
		2,41,04,185	2,32,94,223
21	**Finance Cost**		
	Interest Expenses on		
	Term Loans from Banks	4,63,631	18,29,886
	Term Loans from Institution	8,15,318	4,65,273
	OCC & Others	2,91,03,337	2,68,74,814
		3,03,82,286	2,91,69,973
22	**Other Expenses**		
	Administrative Expenses	12,50,061	15,08,017
	Legal & Professional Charges	9,59,700	8,24,775
	Labour Charges	59,86,779	91,20,970
	Payment to Auditors- Statutory Audit Fee	1,50,000	1,50,000
	Power & Fuel	1,73,93,112	2,74,34,730
	Repairs & Maintenance		
	Plant & Machinery	50,80,421	5,75,517
	Vehicles	3,72,662	5,26,505
	Other Assets	3,62,525	4,29,211
	Insurance	2,92,464	2,97,734
	Rent,Rates & Taxes	9,75,288	7,58,996
	Travelling & Conveyance	8,86,174	14,16,444
	Printing & Stationery	1,12,192	1,29,025
	Postage, Telegrams & Telephones	4,97,404	7,89,917
	Selling & Marketing Expenses	47,98,521	48,95,092
	VAT/Sales Tax	89,69,279	64,92,000
	Donations	20,000	21,116
		4,81,06,583	5,53,70,049

Notes forming part of the financial statement for the year ended 31st March 2012

Note No	Particulars	As at 31st March 2012(Rs)	As At 31st March 2011 (Rs.)
23	**Additional information to the financial statement**		
23.1	***Contingent Liabilities and commitments (to the extent not provide for)***		
	Contingent Liabilities		
	Outstanding Bank guarantee	4,33,75,745	4,29,74,045
	Income Tax for FY 2010-11		13,40,608
	Sales Tax for FY 2004-05	0	24,99,538
		4,33,75,745	4,68,14,191
23.2	**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**		
	Principal amount remainig unpaid as at the end of the accounting year	0	0

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note No	Particulars	As at 31st March 2012(Rs)	As At 31st March 2011 (Rs.)
23.3	**Value of Imports calculated on CIF basis**		
	Raw materials	69,43,794	34,27,818
	Capital goods (Machinery)	0	0
		69,43,794	34,27,818
23.4	**Expenditure in Foreign Currency**		
	Bank Charges	5,103	20,699
	Commission on sales	0	717263
		5,103	7,37,962

		As At 31st March 2012 (Rs.)	As At 31st March 2011 (Rs.)
23.5	**Details of Consumption of imported and Indigenous items**		
	Raw Materials including stores materials		
	imported - Rs.	78,22,550	36,63,971
	indigenous - Rs.	10,67,40,317	18,10,04,075
	imported - %	6.83	1.98
	indigenous - %	93.17	98.02
	Total - Rs.	11,45,62,867	18,46,68,046

24 Discolsure under Accounting Standards

24.1 Related Party Transaction

Disclosures as required by Accounting Standard-18 "Related Party Disclosure" issued by the Institute of Relationship

Companies under the same management

1. Sarvesh Refractories Limited
2. Sree Metaliks Limited
3. Rourkela Minerals Co. Pvt. Limited
4. Icebergs Aqua Pvt. Limited

Key Management Personnel

1. Mr. Ashok Kumar Agarwal, Executive Chairman
2. Mr. R.C. Biswas,Director Operations

The following transactions were carried out with related parties in the ordinary course of business : (Companies under the same management)

Nature of transaction	Referred to in A (a)	
	31.03.2012	31.03.2011
Sale of goods	8,425,440	14,974,365
Purchase of goods	7,14,26,218	110,975,565
Rent received	-	-
Interest Paid	410,723	407,060
Loan received	37,00,000	-
Loan given back	-	-
Loan granted	-	-
Loan received back	-	-
Balance outstanding:-		
-Loans recoverable	-	-
-Advances recoverable	-	-
-Sundry debtors	173,496,507	148,046,187
-Sundry Creditors	385,072,778	343,480,897
-Other Liabilities(unsecured loans taken)	51,441,994	51,072,343

Note : Related party relationship is as identified by the company and relied upon by the auditors

Nature of transaction	Referred to in A (b) above	
	31.03.2012	31.03.2011
Purchase of goods	-	-
Remuneration	470,400	470,400
Rent received	-	-
Commission Paid	-	-
Loan received	-	-
Loan given back	-	-
Loan granted	-	-
Loan received back	-	-
Balance outstanding:-	-	-
-Loans recoverable	-	-
-Advances recoverable	-	-
-Sundry debtors	-	-
-Sundry Creditors	-	-
-Other Liabilities	-	-

Note : Related party relationship is as identified by the company and relied upon by the auditors

25 Previous Year's figures

The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements.

CASH FLOW STATEMENT FOR THE YEAR 2011-12

(Rs.In Lakhs)

		2011-12	2010-11
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit before tax	**16.47**	(101.94)
	ADJUSTMENT FOR:		
	Depreciation	**103.36**	103.30
	Interest Expenses	**303.82**	291.70
	Deferred Revenue expenditure written off	**0.00**	0.00
	Provisions	**10.34**	21.67
	Unclaimed balance credited back	-	-
	Interest income	**(13.47)**	(11.46)
	Operating Profit before working capital changes	**420.52**	303.27
	Adjustment for Movement in working capital		
	(increase)/Decrease in Sundry Debtors	**(277.85)**	209.46
	(increase)/Decrease in Other Current Assets, Loans and Advances	**17.21**	(16.50)
	(increase)/Decrease in Inventories	**(43.09)**	(319.21)
	increase/(Decrease) in Current Liabilities	**(72.98)**	17.42
	Cash generated from Operation	**43.81**	194.44
	Prior period Adjustment	**(3.15)**	-
	Income Taxes/ Fringe Benefit Tax	**(11.00)**	-
	Net Cash flow from Operating Activities	**29.67**	194.44
B	**CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	**(41.40)**	(27.25)
	Investment in Shares	-	-
	Interest Received	**13.47**	11.46
	Net Cash used in Investing Activities	**(27.93)**	(15.79)

C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Issue of Share Capital	**0.00**	0.00
	Increase/(Decrease) in Cash Credits	**(188.32)**	221.27
	Proceeds/(repayments) of Short term Borrowings	**36.68**	(4.00)
	Increase/(Decrease) of Long term Borrowings	**405.89**	(74.55)
	(Increase)/Decrease in Fixed Deposit with Bank	**35.71**	(21.76)
	Interest Paid	**(303.82)**	(291.70)
	Net Cash from Financing Activities	**(13.86)**	(170.74)
	Net Increase/Decrease in Cash and Cash equivalents	**(12.12)**	7.91
	Cash and Cash Equivalents as at 1st April (Opening Balance)	**34.79**	26.88
	Cash and Cash Equivalents as at 31st March (Closing Balance)	**22.67**	34.79

As per our report of even date

for and on Behalf of the Board
for Raasi Refractories Limited

For SRB & ASSOCIATES
Chartered Accountants

T.Lakshminarayana
Partner
Membership No-14674
PlaceHyderabad
Date: 30-05-2012

Ashok Kumar Agarwal
Executive Chairman

R.C. Biswas
Director-Operations

CERTIFICATE

We have examined the attached Cash Flow Statement of Raasi Refractories Limited for the period ended 31st March, 2012. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of Listing Agreement with Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance sheet of the Company covered by our report of 30-05-2012 to the members of the Company.

For Raasi Refractories Limited

Place: Hyderabad
Date: 30-05-2012

Ashok Kumar Agarwal
Executive Chairman

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS AT 31ST MARCH, 2012

I.REGISTRATION DETAILS : State Code: 01

Registration No.		3339	
Balance Sheet Date	31st	MARCH	2012
	Date	Month	Year

II.CAPITAL RAISED DURING THE YEAR (AMOUNT Rs. In Thousands ' 000)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL		

III.POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (Amount Rs. In Thousands' 000)

Total Liabilities	Rs. 343339	Total Assets	Rs.343339
Source of Funds :			
Paid-up Capital	Rs. 47131	Long term liabilities	Rs.104869
Reserve & Surplus	Rs. 15080	Current liabilities	Rs.165804
Application of Funds:			
Net Fixed Assets	Rs.108838	Current Assets	Rs. 224656
Investments	Rs. 9845	Deferred Tax +(-)	Rs. -10455

IV.PERFORMANCE OF COMPANY (AMOUNT Rs. Thousands/ '000)

Turnover	Rs. 228761	Profit/ (Loss) Before Tax	Rs.1332
Total Expenditure	Rs.227429	Profit/ (Loss) After Tax	Rs. 232
Earnings per Share	Rs. 0.05		

V.GENERIC NAMES OF THREE FINANCIAL PRODUCTS / SERVICES OF COMPANY

Item Code No. (ITC CODE)	Product Description
69022002	BRICKS AND SHAPES - HIGH ALUMINA
69021001	MAGNESITE BRICKS & SHAPES
69021004	BRICKS AND SHAPES - MAGNESIA CARBON

for and on behalf of the Board
for Raasi Refractories Limited

R. C. Biswas
Director Operations

RASI REFRACTORIES

RAASI REFRACTORIES LIMITED

RAASI REFRACTORIES LIMITED

6-3-349/20, Alpha Business Centre, IInd Floor, Road No.1, Banjara Hills, Hyderabad - 500 034.

ATTENDANCE SLIP

TWENTY NINTH ANNUAL GENERAL MEETING OF THE COMPANY

Dp.Id* .... Folio No...........................

Client Id* .... No.of Shares.....................

I hereby record my presence at the 30TH ANNUAL GENERAL MEETING of the Company being held on Saturday, the 29th September, 2012 at 11.00 A.M. at Bhaskara Auditorium, B M Birla Science Centre, Adarshnagar, Hyderabad - 500 063.

1. Full Name of the Member ______________________________
   (in Block Letters)
2. Full Name of the Proxy Holder ______________________________
   (in Block Letters)

Member's / Proxy Signature

Note: 1. A Member / Proxy attending the meeting must complete this Attendance Slip and hand it over at the entrance.

2. Member intending to appoint a Proxy, should complete the Proxy Form and deposit it at the Company's Registered Office not later than 48 hours before the commencement of the Meeting.

* Applicable for investors holding shares in Electronic Form.

RAASI REFRACTORIES LIMITED

6-3-349/20, Alpha Business Centre, IInd Floor, Road No.1, Banjara Hills, Hyderabad - 500 034.

PROXY FORM

Dp.Id* .... Folio No...........................

Client Id* .... No.of Shares.....................

I/We ____________________________ being a Member / Members of RAASI REFRACTORIES LIMITED, hereby appoint_______________of __________________ or failing him __________________ of ____________ as my/our Proxy to attend and vote for me/us and on my/our behalf at the 30TH ANNUAL GENERAL MEETING of the Company held on Saturday, the 29th September, 2012 at 11.00 A.M. at Bhaskara Auditorium, B M Birla Science Centre, Adarshnagar, Hyderabad - 500 063 and at any adjournment thereof.

Signed this ____________________ day of __________________ 2012

Name : ____

Address ____

____

Affix 1 Rupee Revenue Stamp

Note : 1. The Proxy form should be deposit at the Registered Office of the Company not later than 48 hours before commencement of the Meeting.

2. Please bring your copy of this Annual Report to the Meeting

3. Proxy need not be a member of the Company.

* Applicable for investors holding shares in Electronic form.

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6-3-349/20, Alpha Business Centre,
IInd Floor, Road No.1, Banjara Hills,
Hyderabad - 500 034.
Website: www.raasi.in