

NOTICE

Notice is hereby given that the **Twenty Eighth Annual General Meeting** of the members of Raasi Refractories Limited will be held on Monday, the 27th day of September, 2010 at 11:00 am at Bhaskara Auditorium, B.M. Birla Science Centre, Adarsh Nagar, Hyderabad 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 2010, 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 Sanjay Agarwal who retires by rotation and being eligible offers himself for reappointment.
3. To consider the appointment of Sri Natwar Lath 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, 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, to pass with or without modifications, the following

resolution as a Special Resolution.

“RESOLVED THAT, pursuant to the provisions of Section 94 of the Companies Act, 1956 and such other provisions of the Act, as may be applicable, the Authorized Share Capital of the Company be increased from Rs. 15,00,00,000 (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each to Rs. 25,00,00,000 (Rupees Twenty Five Crores only) divided into 2,50,00,000 (Two Crores Fifty Lakh only) Equity Shares of Rs.10/- (Rupees Ten) each.”

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 16 of The Companies Act, 1956, Clause V of Memorandum of Association of the Company be substituted as follows:

Memorandum of Association:

CLAUSE V:

(V) The Authorized Share Capital of the Company is Rs. 25,00,00,000 (Rupees Twenty Five Crores only) divided into 2,50,00,000 (Two Crores Fifty Lakh only) Equity Shares of Rs.10/- each (Rupees Ten only) with rights, privileges and conditions attaching thereto as are provided by the Regulations of the Company, for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special right, privileges or conditions as may be determined by or in accordance with the regulation of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Regulations of the Company.

7. 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 Sections 31 of The Companies Act, 1956, Article 3 of Articles of Association of the Company be substituted as follows:

Articles of Association:-

Article 3 (a):-

The Authorized Capital of the Company is Rs. 25,00,00,000 (Rupees Twenty Five Crores only) divided into 2,50,00,000 (Two Crores Fifty Lakh only) Equity Shares of Rs.10/- (Rupees Ten only) each”.

8. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT the consent of the members be and is hereby accorded under the provisions of Section 293(1)(d) of the Companies Act, 1956, and such other provision as maybe applicable(including any amendment, modification, variation or re-enactment thereof) to the Board of Directors of the Company to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves not set apart for any specific purpose; provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed a sum of Rs.100 crores (Rupees Hundred crores only).”

9. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT the consent of the members be and is hereby accorded under Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors of the Company to pledge / mortgage and / or create charge of all or part of immovable and movable properties of the Company; wheresoever situated, present and future, of every nature and kind whatsoever, in favour of Bank(s) or Financial Institution(s) to secure its short term & long terms loans of Rs.100 crores as may be borrowed by the company from time to time, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption cost, charges, expenses and other monies payable by the company to such Bank or Financial Institutions under the Agreement / Loan Agreement / Subscription Agreement / Credit Facility Agreements / Letter of Sanction / Memorandum of terms and conditions, entered into / to be entered into by the Company in respect of the said facilities.”

“RESOLVED FURTHER THAT Board of Directors be and are hereby authorized to finalize with Banks / Financial Institution, the documents for creating mortgage and / or charge and manner of creation of such mortgage and / or charge and extent of operation thereof and to do all acts and deeds as may be required to give effect to the above resolution.”

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

Date: 27-08-2010
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 21st September, 2010 to 27th September, 2010 (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**

Sri Sanjay Agarwal and Sri Natwar Lath, Directors of the company retire by rotation at the ensuing Annual General Meeting, and being eligible offer themselves for re-appointment.

The information or details to be provided for the aforesaid directors under Corporate Governance code are as under :

Sri Sanjay Agarwal aged 38 years is a commerce graduate and has vast experience in the business administration and management. He has acquired an expertise in management and promotion of refractory business. He has more than 8 years of experience in iron & steel business.

Sri Natwar Lath aged about 50 years 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 20 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.

EXPLANATORY STATEMENT IN PURSUANT OF SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO.5

In light of the increased operations of the company and growing necessity for additional capital, the Directors of your Company propose to enhance the present Authorized Share Capital of the Company from Rs. 15,00,00,000 to Rs.25,00,00,000. The Authorized Share Capital Company after the proposed increase will be Rs.25,00,00,000 divided into 2,50,00,000 Equity Shares of Rs.10/- each.

ITEM NO.6

As the Authorised Share Capital of the company is proposed to be enhanced from Rs. 15,00,00,000/- to Rs.25,00,00,000/-, the approval of Members is required for the alteration of Clause V which is the capital clause of the Memorandum of Association of the company, consequent to the increase in Authorized Share Capital, the Memorandum of Association would require a suitable alteration to reflect the proposed enhancement.

ITEM NO.7

As the authorised capital is proposed to be enhanced from Rs. 15,00,00,000/- to Rs 25,00,00,000/-, the approval of Members is required for the alteration of Article 3 of the Articles of Association of the company, consequent to the increase in Authorized Share Capital, the Articles of Association would require a suitable alteration to reflect the proposed enhancement.

ITEM NO.8

In view of the increase in volume of business and taking into account the requirement of additional funds, your Directors feel that they should obtain consent from the Shareholders to borrow funds up to a limit of Rs.100 crores.

Section 293(1)(d) of the Companies Act, 1956 requires the consent of the members in the General Meeting for authorizing the Board of Directors to borrow monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of aggregate of the paid up capital and free reserves.

The Board of Directors of company recommends this resolution for your approval. None of the Directors are interested or concerned in the above resolution.

ITEM NO.9

In view of company's increased operations the board proposes to borrow up to Rs.100 crores from banks & financial institutions and as per the prevalent practice such institutions may insist for creation of charge on the movable & immovable properties of the company.

The provision for section 293 (1) (a) of the company Act, 1956 require a company to obtain the consent of the member at the General Meeting for creation of charge on the movable and immovable properties of the company.

Hence, this resolution is recommended for your approval. None of the Directors is interested in the resolution whether directly or indirectly.

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

Date: 27-08-2010
Place: Hyderabad

Ashok Kumar Agarwal
Executive Chairman