



RAGHAVA
estates & properties ltd

**Twenty-Sixth Annual Report
2013 - 2014**

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TWENTY-SIXTH ANNUAL GENERAL MEETING

at 10.00 a.m.

On Tuesday 30th September, 2014

at 64-9-2, Kanuru Subbaiah Buildings, Beside Eenadu

Vijayawada - 520 010.

Regd. Office : 64-9-2, Kanuru Subbaiah Buildings, Beside Eenadu, Vijayawada - 520 010.

BOARD OF DIRECTORS

Sri L. Ravindra Rao	Managing Director
Sri L. Tulasi Prasad	Whole-time- Director
Sri T. Sri Rambabu	Director
Sri K. Harischandra Prasad	Director
Sri Ch. Anjaneyulu	Director
Sri A. Srinivas	Director
Sri K. Koteswara Rao	Director
Sri M.K.S. Prakasa Rao	Director
Sri P.S.P. Bhushan Maruthi	Director
Sri B.V.R Kumar Maruthi	Director

AUDITORS

Suresh and Babu
Chartered Accountants
36-14-3/1, Moghalrajapuram
Vijayawada- 5200 10.

BANKERS

State Bank of India
Yes Bank Limited

NOTICE

NOTICE is hereby given that the Twenty-Sixth Annual General Meeting of the Company will be held at 10.00 a.m. on Tuesday, the 30th day of the September, 2014 at the Registered Office of the company situated at Door No.64-9-2, Patamatalanka, Vijayawada-10 to transact the following business:-

ORDINARY BUSINESS:

01. To receive, consider and adopt the Audited Financial statement for the year ended 31st March, 2014 together with the reports of the Directors and the Auditors thereon.
02. To appoint a Director in place of Sri T.Sri Rambabu who retires by rotation and being eligible, offers himself for re-appointment.
03. To appoint a Director in place of Sri P.S.P.Bhushan Maruthi who retires by rotation and being eligible, offers himself for re-appointment.
04. To appoint a Director in place of Sri B.V.R.Kumar Maruthi who retires by rotation and being eligible, offers himself for re-appointment.
05. To consider, and if thought fit, to pass, with or without modification (s) the following resolution as Ordinary Resolution.

“RESOLVED THAT pursuant to provisions of section 139 and other applicable provisions if any, of the companies Act 2013 and the companies (Audit and Auditors) Rules, 2014 as amended from time to time **M/s.SURESH AND BABU** Chartered Accountants (ICAI Registration No.FR.N:0042545) Who retires at the conclusion of this Annual General Meeting of the company be and are hereby re-appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Third consecutive Annual General Meeting (Subject to the ratification of appointment by the members at the every Annual General Meeting of the company held after this Annual General Meeting of the company) and the Board of Directors be and here by authorised to fix their remuneration as may be determined by the Audit committee in consultation with the Auditors.

Sd/-
For and on behalf of the Board

Place : Vijayawada
Date : 04.09.2014

(L.RAVINDRA RAO)
Managing Director

Note:

1. Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The instrument appointing proxy should, however, be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
2. Pursuant to Section 154 of the Companies act 1956 and applicable provisions of the Listing Agreement, Register of Members and Share Transfer Books of the Company shall remain closed from 20th September, 2014 to 30th September, 2014 (both days inclusive) for the purpose of the Annual General Meeting.
3. Member holding shares in electronic form who wish to change their address are requested to intimate the same to the Registrars and Share Transfer Agents M/s. XL Softech Systems Ltd, 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500 034 (Tele No.040-2354513/14/15; Fax No.040-23553214).
4. Members desirous of making Nomination in respect of their shareholding are requested to submit Form 2B to the Registrars and Share Transfer Agents.
5. Shareholders are requested to convert their physical shareholdings into electronic shareholdings for their own convenience. Members are requested to quote Folio No. DP ID and Client ID in all correspondence and intimate any change in their address to the Company's Share Transfer Agents.
6. Member/Proxies are requested to bring duly filled in attendance slips to the meeting.
7. As required under Clause 49 of the Listing Agreement with Stock Exchange, brief particulars of Sri T.Sri Rambabu, Sri P.S.P.Bhushan Maruthi, and Sri B.V.R.Kumar Maruthi, who are to be re-appointed as Directors are provided hereunder:

Item no. 1:

Sri T.Sri Rambabu , Aged 59 years an Engineering Graduate holder in Civil and acquired M.Tech. from IIT, Kharagpur, he was a faculty member of Siddartha Engineering College, Vijayawada. He keeps himself upto date with the latest trends in construction.

Item no.2 :

Sri P.S.P.Bhushan Maruthi, aged 54 years is a Graduate in Commerce has rich experience in marketing and administration of business.

Item no.3 :

Sri B.V.R.Kumar Maruthi Aged 44 years is a Graduate In commerce and has rich experience in trading and marketing business.

DIRECTORS' REPORT

Dear Shareholders,

We are delighted to present before you the Twenty Sixth Annual Report on business and operations along with the Audited financial statements and the Auditors Report of your company for the financial year ended March 31, 2014.

(Rs. in Lakhs)

Particulars	For the Year Ended 31-03-2014	For the Year Ended 31-03-2013
FINANCIAL RESULT		
Total Revenues	1739.94	3328.59
Total Expenditure	1654.78	2497.49
Earnings before Interest, Depreciation & Tax	85.16	831.11
Interest	75.02	811.21
Depreciation & Amortisation	8.51	9.98
Profit/(Loss) before tax	1.62	9.92
Provision for Taxes	0.31	0.44
Profit after tax	2.01	10.36
Surplus/(Deficit) brought forward from Pervious year	55.08	539.72
Tranfered from forfeited Shares	-	-
Balance in Profit & Loss Account	552.09	550.08

DIVIDEND:

In view of the working capital requirements for the on going & forthcoming projects, the Board had not recommended any dividend.

FUTURE PROPSECTS:

Your company views the future with optimism, as the demand for Housing is growing day by day and keeping in view the demand the management is anticipating good increase in turnover during the forthcoming years.

DIRECTORS :

Sri T.Sri Rambabu, Sri P.S.P.Bhushan Maruthi and Sri B.V.R.Kumar Maruthi shall retire by rotation at the ensuing Annual General Meeting and being eligible are proposed for re-appointment.

AUDITORS:

The Statutory Auditors M/s SURESH AND BABU, Chartered Accountants, Vijayawada retire at the ensuing Annual General Meeting, and have confirmed their eligibility and willingness to accept office, if re-appointed.

INFORMATION AS PER SEC. 217(2A) OF THE COMPANIES ACT, 1956

There were no employees in receipt of remuneration in excess of the amounts specified in Section 217(2A) of the Companies Act, 1956 read with Rule 2 of Companies (particulars of Employees) Rules of 1975, as amended.,

CONSERVATION of Energy ,Technology absorption, Foreign Exchange and outgo:

The Rules regarding conversatioin of Energy and technical absorption are not applicable to the company. The company has not earned any foreign exchange and has not incurred any expenses in foreign currency.

CORPORATE GOVERNANCE:

We strive to maintain high standards of corporate governance in all our interactions with our stake holders. The company has confirmed the corporate governance code as stipulated under the listing agreement with the stock exchange. As per clause 49 of the Listing Agreement our company has obtained corporate governance report from the statutory auditors of the company and annexed to this report and a separate section on Management Analysis and Discussion has been forming part of this report.

Directors' Responsibility Statement:

Pursuant to the requirement U/s 217(2AA) of the Companies Act, 1956, with respect to Directors responsibility statement, it is hereby confirmed

- i) That in the presentation of Annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) 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 state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- iii) That the Directors have taken proper and sufficient care for the maintenance of 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 frauds and other irregularities.
- iv) That the Directors have prepared the accounts on a going concern basis.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their thanks to the various State Government Departments, Development Authorities, Banks & Financial Institutions, Customers and Suppliers for their valuable assistance and support.

Your Directors wish to place on record their appreciation of the efforts put in by the employees of your company at all levels.

For and on behalf of the Board

Sd/-

LINGAM RAVINDRA RAO
Managing Director

Place : Vijayawada
Date : 05.05.2014

MANAGEMENT DISCUSSION AND ANALYSIS

Over view:

The financial statements have been prepared in compliance with the requirements of the provisions of the Companies Act, 1956 and Generally Accepted Accounting Principles in India. The estimates and judgments relating to the financial statements have been on a prudent and reasonable basis, in order that the statements reflect, in a true and fair manner, the state of affairs and profits for the year. This report may also contain certain statements that the company believes are or may be considered to be 'Forward Looking Statements' which are subject to certain risks and uncertainties.

INDUSTRY AND STRUCTURE

Construction Industry:

India by population stood in second place in the World. India has a vast land and natural resources but they are not utilizing proportionately. Each and every common man wanted primary needs such as food, shelter and clothes. The Indian Real Estate sector after being on a high for almost three years is witnessing a slight correction throughout the country. Growth over these last three years was characterized by strong economic fundamentals, increasing purchase capacity of the investors, leading to rise in demand which in turn, led to increase in supply by developers who wanted to capitalize on the opportunity

The company feels that the fundamentals will remain positive in 2014 and prices may moderate in the markets, however, the property market may witness a slowdown with some moderate correction which will vary from region to region. The demand - supply gap is anticipated to be much closer this year. The company expects that developers will be reluctant to reduce prices and may indulge in adding sweeteners to their deals rather than engaging in direct reduction in prices. The company's main aspect to provide shelter within the affordable price and quality construction.

Company Infrastructure:

Your company operates from its registered office at Vijayawada. The company's site offices are at 2 locations, one at Poranki, Penamaluru Mandal, Krishna District about 6 KM from the registered office at Vijayawada and the second one at Edupugallu Village, Krishna District about 9 Kms from the registered office at Vijayawada.

Internal Control Systems:

The Company has an effective internal control system in place and this is continually reviewed for effectiveness and is amplified by written policies and guidelines. The company's overall system of internal control is adequate given the size and nature of operations and effective implementation of internal control procedures.

The internal control system of the company is subject matter of Audit Committee's periodical review, suggestions and recommendations, if any are made by the committee will be carried out.

OPPORTUNITIES AND THREATS

With the tax exemptions offered by the Government and ample services of the private and public financial institutions, Geographical area of city limits are expanding vastly by mobilisation of the people from one place to another for getting employment, which results the more opportunities for the company.

In rare occasions, uncertainty of land and material costs, chronic deviations in getting of land acquisition permits from the competent authorities.

Risks and concerns:

The Company's Current and Fixed assets are adequately insured against various risks. The Company constantly strives to adequately protect itself from various business risks and concerns and takes appropriate measures to address the same.

Operational Performance :

Particulars	March 31, 2014	March 31, 2013
Net Sales	17,39,94,014	33,28,59,794
Other Income	603	0.00
Work in Progress	13,31,16,442	5,75,32,650
Total Income	17,39,94,014	33,28,59,794
PBDIT	85,16,533	8,31,10,607
Finance Charges	75,02,566	8,11,20,947
Depreciation	8,51,464	9,97,535
Profit before Tax	1,62,503	9,92,125
Profit after Tax	2,01,265	10,36,230
EPS – Basic	0.07	0.34
Net Worth	8,54,01,641	8,52,00,376

Sales Turnover:

Your Company is developing Housing colonies and Apartments in various locations. The Ongoing venture called "Anand Vihar and Prakruthi Vihar Apartments" In this financial year major part of construction and infrastructure activities are completed. Your company achieved a turn over of Rs.1739.94 Lakhs.

Expenses:

The Company has achieved cost efficiency due to overall control on overheads. This increased the profits of the company for the previous year.

Finance charges:

The volume of finance charges have been decreased at Rs.75.03 lakhs in F.Y. 2013-14 from Rs.811.21 lakhs in F.Y. 2012-2013.

Profits before Depreciation, Interest and Taxes (PBDIT):

PBDIT decreased due to increase in development and construction cost and decrease of turnover during the financial year. Current Tax Liability does not raised as the company has brought forward losses setting of 100% of current year profit. However Rs.30,965 of minimum alternative tax has been paid during the reporting period.

Profit After Tax (PAT):

The company has achieved Net Profit of Rs.2,01,265/- in the year 2013-2014. EPS has been declined from Rs.0.34 in F.Y. 2012-2013 to Rs.0.07 during the F.Y. 2013-2014.

Inventories:

Major items of inventories as on 31st March 2014 are as

Particulars	March 31, 2014	March 31, 2013
Materials at site	2,25,400	3,75,600
Work-in-Progress	13,31,16,442	5,75,32,650
Stock in Trade	10,50,00,000	7,76,54,029

CHIEF EXECUTIVE OFFICER (CFO)/CHIEF FINANCE OFFICER(CFO) CERTIFICATION:

The CEO, i.e. the Managing Director or Manager appointed in terms of the Companies Act, 1956 and the CFO i.e. the whole-time Finance Director or any other person heading the finance function discharging that function shall certify to the Board that:

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the internal control systems of the company and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the auditors and the Audit committee.
 - (i) Significant changes in internal control during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

REPORT ON CORPORATE GOVERNANCE

The Directors present the company's Report on Corporate Governance. Raghava Estates & Properties Limited is one of the fore runners in the field of construction industry and to have forwarded a formalized system of Corporate Governance.

THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's corporate philosophy is aimed at total commitment to the ethical practices in the conduct of business while endeavoring to grow with profits, enhance shareholders value and to provide prompt and qualitative products to the customers. In order to achieve this mission, the Company has evolved the following Corporate Philosophy.

"People at large should perceive us as a Real Estates developer & builder which is manned by efficient, dedicated and professionally profound personnel, who are untiringly working supported by state of the art and technology, to meet the ever increasing needs of the customers and for achieving the highest levels of customers delight and to enhance the shareholders value."

BOARD OF DIRECTORS:

The primary role of the Board is that of trusteeship and ensuring the company is set clearly on goals to enhance shareholder value constantly. They set strategic goals, provide direction for accomplishment and seek accountability. Thus they manage the company and periodically review their own functioning.

COMPOSITION OF THE BOARD:

The following is the composition of the Board on 31st March 2014.

Category	No of Directors	Percentage of Total No of Directors
Promoter Executive Director	2	20%
Promoter Non executive Director	2	20%
Non executive Independent Directors	6	60%
Total	10	100%

The composition of the Board of Directors of the Company is in conformity with the code of Corporate Governance under the Listing Agreement with the Stock Exchanges. Details of the directors/memberships in Committees of other companies (excluding Raghava Estates & Properties Limited) are as under.

SI NO.	Name of the Director	Category of Director	No.of Directorships in other companies		Committee Memberships	
			Chairman	Member	Chairman	Member
1	L.Ravindra Rao	Executive Director	.....	.....	.....	.....
2	L.Tulasi Prasad	Executive Director	.....	1	.....	.....
3	T.S.Rambabu	Promote Non-Exe Director	.....	.....	.....	.....
4	K.H.Prasad	Promote Non-Exe Director	.....	1	.....	.....
5	Ch.Anjaneyulu	Non-Exe & Independent	.....	.....	.....	.....
6	A.Srinivas	Non-Exe & Independent	.....	1	.....	.....
7	B.V.R.K.Maruthi	Non-Exe & Independent	.....	.....	.....	.....
8	K.Koteswara Rao	Non-Exe & Independent	.....	1	.....	.....
9	P.S.P.B Maruthi	Non-Exe & Independent	.....	.....	.....	.....
10	M.K.S.Prasaka Rao	Non-Exe & Independent	----	----	----	----

Independent director means a director who, apart from receiving a Directors remuneration, does not have any other material pecuniary relationship or transactions with the company, its promoters, its management, or its subsidiaries, which in the judgment of the Board may effect the independence of judgment of the director.

Number of Board Meetings held in Financial year 2013-2014 with dates and attendance of Directors:

Five Board Meetings were held during the Financial Year 2013-2014. They were held on 04/06/2013, 12/08/2013, 04/09/2013, 05/11/2013 & 19/02/2014.

The attendance record of each director was as under :

Name of the Director	Number of Board Meetings Attended	Attendance at last AGM
L.Ravindra Rao	5	Yes
L.Tulasi Prasad	5	Yes
T.Sri Rambabu	5	Yes
K.Harischandra Prasad	5	Yes
Ch.Anjaneyulu	4	Yes
P.S.P.Bhushan Maruthi	5	Yes
A.Srinivas	5	Yes
B.V.R.Kumar Maruthi	4	Yes
K.Koteswara Rao	5	Yes
M.K.S.Prakash Rao	5	Yes

CODE OF CONDUCT:

In terms of Clause 49 of Listing of Agreement Company had adopted a code of Board of Directors and Senior Members of management personnel of the Company. It has been placed circulated to all members of Board of Directors and Senior members of management personnel and compliance of the same is affirmed annually. The declaration signed by the Managing Director of the Company forms part of this report.

Committees of the Board:

The two committees of the Board are – the Audit Committee and the Investor Services Committee. The respective chairman convenes the committees. The composition of the committees and the related attendance are provided below. Since there is no Company Secretary in employment with the company, Chairman of the respective committee is also acting as Secretary also.

DECLARATION

This is confirmed that code of conduct by Board of Directors and Senior members of Management personnel.

I confirm that the Company as in respect of the financial year ended 31st March, 2014, received from the Senior Members of Management of the Company and members of the Board and declare of the Compliance with the code of conduct as applicable to them.

For and on behalf of the Board

Sd/-

LINGAM RAVINDRA RAO

Managing Director

Place : Vijayawada

Date : 05.05.2014

Audit Committee:

The Audit Committee of the company provides re-assurance to the Board on the existence of an effective internal control environment in the company. It is also empowered to investigate on the terms of reference by the Board and oversee the company's financial reporting and compliances with statutes are a few to list. The constitution of the committee is also in compliance with Section 292A of the Companies Act, 1956.

Composition:

The Audit committee comprises of Mr.K.H.Prasad, Chairman, Mr. A.Srnivas, Mr. M.K.S. Prakash Rao and Mr.K.Koteswara Rao all being non-executive and independent directors. The statutory auditor of the company is permanent invitee to the Audit Committee.

The necessary quorum was present in all the meetings. Details of the meetings held during the year.

S.No.	Date	Committee Strength	No. of Members Present
01	22.04.2013	4	4
02	20.07.2013	4	4
03	15.10.2013	4	4
04	10.01.2014	4	4

Details of the attendance of the members.

Director	No.of Meetings Attended
K.H.Prasad	4
A.Srinivas	4
M.K.S.Prakasa Rao	4
K.Koteswara Rao	4

Remuneration Committee:

1. No separate remuneration committee has been constituted. The Board of Directors of the Company with the interested Executive Directors, not participating or voting, consider matters of remuneration of Executive Directors. The terms of remuneration of Executive Directors is approved by the shareholders at the Annual General Meeting.
2. The company does not have any stock option scheme.
3. As such the company currently does not pay any remuneration including sitting fees to its Non-Executive Directors.
4. Details of the remuneration to Directors.

Name	Salary Per Annum
L.Ravindra Rao	Rs. 6,00,000
L.Tulasi Prasad	Rs. 6,00,000

Investor Services Committee:

The Investor Services Committee under the nomenclature of Investor Grievance Committee overseas redressal of shareholder and investor grievances, and approves sub-division/ transmission of shares, issue of duplicate share certificate etc.

Composition:

The committee is headed by Mr. M.K.S. Prakasa Rao, Mr. T.Sri Rambabu & Mr. Ch.Anjaneyulu, are members of committee. T.Sri Rambabu is the Compliance Officer.

Attendance:

Details of the meetings held during the year

Sl.No.	Date	Committee Strength	No.of Members Present
1	22.04.2013	3	3
2	20.07.2013	3	3
3	15.10.2013	3	3
4	10.01.2014	3	3

Details of the attendance of the members.

Director	No.of Meetings Attended
M.K.S. Prakasa Rao	4
T.Sri Rambabu	4
Ch. Anjaneyulu	4

Terms of Reference

1. To approve share transfer proposals.
2. To approve share transmission proposals.
3. To approve proposals of duplicate/Split & Consolidated shares.
4. To redress the grievances of Investors.

Shareholder complaints:

The Company did not receive any complaints during the year ended 31st March 2014.

Nature of Complaints:

Since there are no complaints the question does not arise.

GENERAL BODY MEETINGS

Annual General Meeting:

The Annual General Meetings of the shareholders of the company for the last three years were held as under:

Year	Venue	Date	Time
2010-2011	Registered Office of the Company	29-09-2011	10:00 AM
2011-2012	Registered Office of the Company	29-09-2012	10:00 AM
2012-2013	Registered Office of the Company	30-09-2013	10:00 AM

No special resolutions were put through postal ballot last year. Presently, the Company does not have any proposal for the postal ballot.

Disclosures:

Company does not have any materially significant related party transactions, which may have potential conflict with the interests of the Company. Other related party transactions have been reported at S.No.2.3 of Notes on Accounts.

Cases of Non-Compliance:

There has been no instance of Non-compliance by the company on any matter related to capital markets during the last three years. Hence, the question of penalties or structures being imposed by SEBI or the stock exchange does not arise during the financial year 2013-14.

Means of Communication:

1. Quarterly, half yearly and annual financial results of the company will be communicated to the stock exchanges immediately after the same are considered by the Board and will be published in prominent English and Telugu News papers. However during the year, unaudited financial results for 2013-2014 and 4th quarter financial results have been communicated to Stock Exchange and published in Deccan Chronicle and Andhra Bhoomi.
2. As the equity shares of the company are listed with Stock Exchanges, the annual results have been published as per listing agreements in prominent English and Telugu News papers.
3. Management Discussion and Analysis forms part of this Annual Report.

General Shareholder Information:

- A Annual General Meeting
Date and Time : 30th September, 2014 at 10.00 A.M.
Venue : D.No : 64-9-2, Kanuru Subbaiah Buildings,
Beside Enadu, Patamatalanka,
VIJAYAWADA – 520 010.
- B Financial Calendar (tentative and subject to change)
Financial Year April 01, 2014 to March 31, 2015
First Quarter Results : July/August, 2014
Second Quarter Results : October/November, 2014
Third Quarter Results : January/February, 2015
Fourth Quarter Results : April, 2015
Annual Results : May, 2015
- C Dates of Book Closure : 20th September, 2014 to 30th September,
2014 (Both days inclusive)
- D Dividend Payment Date : N.A.

- E Listing on Stock Exchange : The Company's shares are listed on Bombay stock Exchange (BSE), P.J.Tower, Dalal Street, Mumbai – 400 001
- F Stock Code : 531627
- G Listing Fees : The Company has paid annual listing fee for the year 2013-2014 to the Bombay stock exchange Limited, where the securities are listed.
- H Stock Market data and Stock Performance : No trade has been executed in the FY 2013-14

I. Registrar and Share Transfer Agents:

M/s. XL Softech Systems Ltd are acting as the Registrar and Transfer Agents of the Company for handling the share related matters both in physical and dematerialized.

XL Softech Systems Ltd
3, Sagar Society,
Road No.2, Banjara Hills,
HYDERABAD - 500 034.

Contact Person: Mr. R.Ram Prasad, *Manager*
Tel: 040 - 23545913/14/15
Fax: 040 - 23553214

J. Share Transfer System

The applications for transfer of shares received by the company in physical form are processed and registered within 30 days of receipt of the documents valid in all respects. Shares under objection are returned within a fortnight's time. The Investor Services Committee meet generally once in a month to consider the transfer applications and other proposals to transmission, etc.

K. Share Holding Pattern

Range- (R.s)	No.of Shareholders	% of Total Shareholders	No.of Shares held	% of Shareholding
1 - 5,000	276	43.13	9,04,000	02.99
5,001 - 10,000	137	21.41	11,99,000	03.97
10,00 - 20,000	103	16.09	16,32,000	05.41
20,001- 30,000	50	07.81	13,52,000	04.15
30,001- 40,000	23	03.59	8,29,000	02.75
40,001- 50,000	14	02.19	6,47,000	02.14
50,001 - 1,00,000	22	03.44	15,26,000	05.05
1,00,001and above	15	02.34	2,22,03,000	73.54
TOTAL	640	100.00	3,01,92,000	100.00

L. Dematerialization of Shares and Liquidity:

Equity shares of the company are compulsorily traded in dematerialized form and are available for trading under both the depositories i.e., NSDL and CDSL.

M. Address for Correspondence:

1. For any unresolved complaints

THE MANAGING DIRECTOR

Raghava Estates & Properties Limited

64-9-2, Kanuru Subbaiah Blds.

Patamata lanka, Vijayawada - 520010.

Compliance Certificate of the Auditors:

The statutory Auditors have certified that the company has complied with the conditions of *corporate governance* as stipulated in clause 49 of the Listing Agreement with the stock exchanges and the same is annexed to the Report of Directors. The certificate form the Statutory Auditors will be sent to the Stock Exchanges along with the Annual Report of the Company.

CERTIFICATE

To
The Members of
M/s. Raghava Estates & Properties Limited

We have examined the compliance of the conditions of corporate governance by M/s. Raghava Estates & Properties Limited for the year Ended on 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, and as per the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement, except declaration quarterly results for the quarter ending 31st March, 2014.

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 **SURESH AND BABU**
Chartered Accountants
Firm Reg.No.004254S

Place : Vijayawada.
Date : 05.05.2014.

Sd/-
(P. JANARDHAN)
Partner
Membership No.26498

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

To
The members of
M/s Raghava Estates & Properties Limited

Report on Financial Statements

We have audited the accompanying financial statements of **M/s Raghava Estates & Properties Limited**, which comprise the Balance Sheet as at 31st March, 2014 and Statement of Profit & Loss for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956, ("the Act") (which continue to be applicable in respect of Section 133 of the Company Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2014
- (b) in the case of the Statement of Profit and Loss, of the Profit/Loss of the Company for the year ended on that date; and
- (c) in case of the cash flow statement, of the cash flows of the company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - (d) in our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs)
 - (e) On the basis of the written representations received from the directors as on 31 March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

**for SURESH AND BABU
Chartered Accountants
Firm Reg.No.004254S**

Sd/-

**(P. JANARDHAN)
Partner**

Place : Vijayawada

Date : 05.05.2014

Annexure to the Auditors' Report:**Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements section of our report of even date.**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) We were informed that all the fixed assets of the Company have been physically verified by the management during the year at reasonable intervals and no discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off any part of Plant & Machinery and affect on the going concern status of the company does not arise.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (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. Hence the provisions of Clause 4 (iii) of Companies (Auditors Report) Order, 2003 are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) According to the information and explanations given to us, we are of the opinion that there were no contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 and hence the provisions of clause (v) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) The company does not have formal internal audit department but the company's internal control procedures together with the internal checks conducted by the

management staff during the year can be considered as an adequate internal audit system commensurate with the size and nature of its business.

(viii) We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.

(ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including, income tax, sales tax, wealth tax, service tax, Provident Fund and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax. Sales tax, provident fund were in arrears, as at 31st March 2014 for a period of more than six months from the date became payable except Service tax detailed hereunder (b)

(b) According to the information and explanation given to us, there are dues of service tax, which have not been deposited on account of dispute.

(c)

Name of the statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax on Construction of Residential Complex Service	1567840	2006-07	Appllate Tribunal Bengaluru
Finance Act, 1994	Service Tax on Construction of Residential Complex Service	171345	01.04.07to 30.04.07	Appllate Tribunal Bengaluru
Finance Act, 1994	Service Tax on Construction of Residential Complex Service	3414656	01.05.07to 31.03.08	Appllate Tribunal Bengaluru
Finance Act, 1994	Service Tax on Construction of Residential Complex Service	2981615	01.04.08to 28.02.09	Appllate Tribunal Bengaluru
Finance Act, 1994	Service Tax on Construction of Residential Complex Service	102989	01.03.09to 31.03.09	Appllate Tribunal Bengaluru
Finance Act, 1994	Service Tax on Construction of Residential Complex Service	972255	2009-10	Appllate Tribunal Bengaluru
Finance Act, 1994	Service Tax on Construction of Residential Complex Service	207231	01.04.10 to 30.06.10	Appllate Tribunal Bengaluru
Finance Act, 1994	Service Tax on Construction of Residential Complex Service	1085142	01.07.10to 31.03.11	Appllate Tribunal Bengaluru

- (x) In our opinion, there was no accumulated losses and the company has been deriving cash profits during the financial year covered by our audit and the immediately preceding financial year. However it has incurred cash loss during the year immediately preceding the financial year.
- (xi) According to the information and explanations given to us, the company had delayed installment towards repayment of secured loan availed from Andhra Pradesh State Financial Corporation. As per the repayment schedule the company is required to repay the availed loan amount of Rs.420 lakhs in 50 Equated Monthly Installments of Rs.9.20 lakhs commencing from June, 2008 ending on July, 2012. However an amount Rs.233.37 lakhs was outstanding as on 31.03.2014 which ought to have been paid before July, 2012. Hence there was delay of 26 Months in repayment.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In our opinion and 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.
- (xvi) In our opinion, the term loans taken by the company have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations 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.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- (xx) In our opinion and according to the information and explanations given to us, the company has not raised any funds by Public issue during the year under audit
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**for Suresh And Babu
Chartered Accountants
FRN: 004254S**

Sd/-

**(P.Janardhan)
Partner.
ICAI M.No.026498**

Place : Vijayawada
Date : 05.05.2014

RAGHAVA ESTATES & PROPERTIES LIMITED

Balance Sheet As At 31st March 2014

(Amount In Rs.)

	Particulars	Note No	Current Reporting Period 31-03-2014	Previous Reporting Period 31-03-2013
I	EQUITY AND LIABILITIES			
1.	Shareholder's Funds			
	a) Share Capital	2	30,192,000	30,192,000
	b) Reserves & Surplus	3	5,52,09,641	55,008,376
2.	Share Application Money pending allotment		-----	-----
3.	NON-CURRENT LIABILITIES			
	a) Long-term borrowings	4	2,33,37,136	20,714,070
	b) Deferred tax liabilities (Net)	5	8,34,942	873,704
4.	CURRENT LIABILITIES			
	(a) Short-term borrowing			
	(b) Trade payables	6	2,02,29,867	23,683,490
	(c) Other current liabilities	7	24,52,00,468	323,963,597
	(d) short-term provisions	8	67,31,720	13,097,716
	Total		381,735,774	467,532,953
II.	ASSETS			
1.	Non-current assets			
	a) Fixed assets			
	(i) Tangible assets	9	77,42,434	8,551,459
	b) Non-current investments	10	33,44,270	3,344,270
	c) Long-term loans and advances	11	6,87,659	3,056,091
	d) Other non-current assets		-	-
2.	CURRENT ASSETS			
	a) Inventories		23,83,41,842	135,562,279
	b) Trade Receivables	12	-	2,549,966
	c) Cash and cash equivalents	13	2,14,91,368	30,113,857
	d) Short-term loans and advances	14	10,99,02,458	283,891,783
	e) Other current assets	15	2,25,743	463,248
	Total		38,17,35,774	467,532,953

Notes form an interegral part of these financial statements

Per our Report of even date

For **SURESH and BABU**

Chartered Accountants

FRN.0042545

Sd/-

P. JANARDHAN

Partner

M.NO.26498

Place : Vijayawada

Date : 04.05.2014.

FOR AND ON BEHALF OF THE BOARD

Sd/-

L.Ravindra Rao

Managing Director

Sd/-

L. Tulasi Prasad

Whole- time-Director

RAGHAVA ESTATES & PROPERTIES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

	PARTICULARS	Note No	Current Reporting Period 31-03-2014	Previous Reporting Period 31-03-2013
	INCOME :			
I.	a) Revenue from operations	16	173,994,014	332,859,794
II.	b) Other Income	17	603	-
III.	TOTAL REVENUE (I + II)		173,994,617	332,859,794
IV.	Expenses :			
	Cost of Construction/Development	18	152,470,747	238,406,356
	Employee benefit expenses	19	6,694,371	7,109,401
	Finance costs	20	7,502,566	81,120,947
	Depreciation	9	851,464	997,535
	Other expenses	21	6,312,966	4,233,430
	Total expenses		173,832,114	331,867,669
V.	Profit before exceptional items and tax (III-IV)		162,503	992,125
VI.	Exceptional Item		-	-
VII.	Profit before tax (V-VI)		162,503	992,125
VIII.	Tax expense :			
	1) Current tax		30,965	-
	2) Deferred tax		(38,762)	(44,105)
	3) Mat Credit (Entitlement)/Availed		(30,965)	-
IX.	Profit for the year		201,265	1,036,230
X.	Earnings per Equity Share:			
	Weighted average number of Equity Shares outstanding during the year		30,192,200	30,192,200
	Basic & diluted earnings per share, including exceptional item (in Rs)		0.07	0.34
	Basic & diluted earnings per share, excluding exceptional item (in Rs)		0.07	0.34
	Nominal value per share (in Rs)		10.00	10.00
Notes form an interegral part of these financial statements				

Per our Report of even date
For **SURESH and BABU**
Chartered Accountants
FRN.0042545

Sd/-
P. JANARDHAN
Partner
M.NO.26498
Place : Vijayawada
Date : 04.05.2014.

FOR AND ON BEHALF OF THE BOARD

Sd/-
L.Ravindra Rao
Managing Director

Sd/-
L. Tulasi Prasad
Whole-time-Director

**M/s. RAGHAVA ESTATES & PROPERTIES LIMITED, VIJAYAWADA.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014**

PARTICULARS	(Rs)	(Rs)
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit after Tax and Extraordinary items		2,01,265
adjustment for Depreciation	8,51,464	
Deferred Tax Liability	-38,762	
Interest paid	75,02,566	
Interest received	-603	
Profit on sale of Fixed Assets	0	83,14,665
Operating profit before working capital changes		85,15,930
Inventories	-10,27,79,563	
Trade Receivables	25,49,996	
Loans & Advances	0	
Short term Loans & Advances and other assets	17,42,26,830	
Other payables and provisions	-8,51,31,645	
Trade Payables	-34,51,103	-1,45,85,515
CASH GENERATED FROM OPERATIONS		-60,69,585
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-42,439	
Sale of Fixed Assets		-42,439
CASH FLOW FROM FINANCING ACTIVITIES		
INTEREST PAID	-75,02,566	
INTEREST RECD	603	
Repayment of long term borrowings	26,23,066	
Proceeds from long term borrowings	23,68,432	-25,10,465
Net increase/decrease in Cash and Cash Equivalents		-86,22,489
Cash and Cash Equivalents at the beginning of the year		3,01,13,857
Cash and Cash Equivalents at the end of the year		2,14,91,368

Per our Report of even date
For **SURESH and BABU**
Chartered Accountants
FRN.0042545

P. JANARDHAN
Partner
M.NO.26498

Place : Vijayawada
Date : 05-05-2014

FOR AND ON BEHALF OF THE BOARD

Sd/-
L.Ravindra Rao
Managing Director

Sd/-
L. Tulasi Prasad
Whole-time-Director

**M/s. RAGHAVA ESTATES & PROPERTIES LIMITED
VIJAYAWADA**

Notes: 1 : SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of Financial Statements:

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the provisions of the Companies Act, 1956. The preparation of the financial statements, in conformity with generally accepted accounting principles, requires the use of estimated and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimates and assumptions used in these financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements.

1.2 Income recognition:

- (a) Revenue is recognized on completion of registration of Lands/Plots/Flats to the respective buyers.
- (b) All other income is recognized on accrual basis.

1.3 Fixed Assets and Depreciation / Amortisation:

Fixed Assets are stated at historical cost less accumulated depreciation. Depreciation on assets is provided on the Written Down Value method at rates prescribed in Schedule XIV to the Companies Act, 1956. Company does not have any intangible assets.

1.4 Investments:

Non-Current investments consists 334427 of Equity Shares of Sarega Aqua Ltd have been valued at Cost.

1.5 Foreign Currency Transactions:

Company has no foreign currency transactions during the year.

1.6 Valuation of Inventories:

Stock of finished plots/flats and work-in-progress has been valued at Cost plus development expenses. Stock of Land has been valued at Cost. Cost includes consideration, stamp duty, registration and other incidental expenses.

1.7 Employee Benefits:

The provisions of Provident Fund Act and ESI Act are applicable to the company and the company is generally regular in depositing the dues with the appropriate authorities. The provisions of Payment of Gratuity Act are not applicable to the company.

1.8 Taxation:

Current tax is provided on the taxable income for the year. Deferred tax liabilities arising from timing differences have been fully provided. Deferred tax assets are recognized on the consideration of prudence.

1.9 Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

1.10 Provisions:

Provisions are recognised when the Company has present legal or constructive obligations, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

RAGHAVA ESTATES & PROPERTIS LIMITED

Notes forming Part of the Financials Statements

Note : 2 : SHARE CAPITAL

PARTICULARS	As at 31st March 2014	As at 31st March 2013
<u>Authorised</u> 55,00,000 Equity shares of Rs. 10/- each	55,000,000	55,000,000
	55,000,000	55,000,000
<u>Issued, Subscribed & Paid Up</u> 3019200 Equity shares of Rs.10/-each	30,192,000	30,192,000
Total	30,192,000	30,192,000

Rights, preferences and restrictions attached to :

Equity Shares:- The Company has only one class of equity share having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. In the Event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

Reconciliation of Number of

Shares

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	3019200	3019200	3019200	3019200
Changes during the year	-	-	-	-
Closing Balance	3019200	3019200	3019200	3019200

Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number of Shares	Amount	Number of Shares	Amount
RAVINDRA RAO LINGAM	543100	17.99	543100	17.99
TULASI PRASAD LINGAM	458900	15.20	458900	15.20
PADMAJA VANI LINGAM	299200	9.91	299200	9.91
SRI RAMBABU TUMMALA	267500	8.86	267500	8.86
KILARU HARISCHANDRA PRASAD	244200	8.09	244200	8.09

Note : 3 : RESERVES & SURPLUS

Particulars	As at 31st March 2014	As at 31st March 2013
Reserves & Surplus A/c		
Opening Balance	55,008,376	53,972,146
Add : Transfer form Forfeited Shares	-	-
Add : Transferred from Profit & Loss A/c	201,265	1,036,230
Closing Balance	55,209,641	55,008,376
Total	55,209,641	55,008,376

Note : 4 : LONG-TERM BORROWINGS

(Amount In

Particulars	As at	As at
	31st March 2014	31st March 2013
Secured Loans :		
Andhra Pradesh State Financial Corporation	23,337,136	20,714,070
	23,337,136	20,714,070
Unsecured Loans :		
	-	-
Total	23,337,136	20,714,070

Note : 5 : DEFERRED TAXES (NET)

(Amount In

Particulars	As at	As at
	31st March 2014	31st March 2013
Opening Balance Liability / (Asset)	8,73,704	9,17,489
Net impact on timing difference- (Asset)	-38,762	-44,105
Deferred tax (asset)/liability	834,942	873,704

Note : 6 : TRADE PAYABLES			(Amount In Rs)
Particulars	As at 31st March 2014	As at 31st March 2013	
Sundry Creditors	2,02,29,867	2,36,83,490	
Total	2,02,29,867	2,36,83,490	
Note : 7 : OTHER CURRENT LIABILITIES			(Amount In Rs)
Particulars	As at 31st March 2014	As at 31st March 2013	
CURRENT MATURITIES OF LONG TERM DEBT	-	-	
OTHER PAYABLES :	-	-	
(a) Advances received from Flat/Plot Holders	245,200,468	323,963,597	
Total	245,200,468	323,963,597	
Note : 8 : SHORT-TERM PROVISIONS			(Amount In Rs)
Particulars	As at 31st March 2014	As at 31st March 2013	
PROVISION FOR EMPLOYEE BENEFITS :			
(a) Directors Remuneration	-	17,31,372	
(b) ESI Payable	10,566	8,616	
(c) PF payable	4,13,462	24,326	
(d) Professional Tax payable	750	550	
(e) Salaries & Allowances payable	500,653	423,792	
	925,431	2,188,656	
OTHERS :			
(1) Audit Fee payable	248,679	198,117	
(2) Vat Tax payable	36,672	33,908	
(3) XL Softech Systems Ltd	33,370	14,166	
(4) Commission Payable	135,388	48,988	
(5) Rent Payable	114,000	95,000	
(6) Provision for Incoem tax AY 2014-15	30,965	-	
(7) Income Tax	194,873	768,202	
(8) TDS	484,824	8,053,737	
(9) Service Tax Payable	-	917,101	
(10) Service Tax Payable (For years 2006-2011)	4,527,518	-	
(11) Others	-	779,841	
	5,806,289	109,09,060	
Closing Balance	6,731,720	13,097,716	

RAGHAVA ESTATES & PROPERTIES LIMITED, VIJAYAWADA
STATEMENT OF DEPRECIATION FOR THE PERIOD ENDING 31-03-2014
AS PER SCHEDULE XIV OF THE COMPANIES ACT

Note : 9 : FIXED ASSETS

NAME OF THE ASSET	RATE OF DEP	GROSS BLOCK			DEPRECIATION				NET BLOCK	
		AS ON 1-4-2013	ADDITIONS	DELETIONS	BALANCE AS ON 31-3-2014	AS ON 1-4-2013	FOR THE YEAR	UP TO 31-3-14	AS ON 31-3-14	AS ON 31-3-14
Buildings A/c	5.00%	824974	-----	-----	824974	467646	17866	-----	485512	339462
Centering Material A/c	13.91%	7787788	-----	-----	7787788	6792567	138435	-----	6931002	856786
Club Complex A/c	5.00%	3500000	-----	-----	3500000	1917015	79149	-----	1996164	1503836
Fax Epabx & Computers A/c	40.00%	1746675	-----	-----	1746675	1647947	39491	-----	1687438	59237
Electric Equipment	20.00%	922900	-----	-----	922900	874813	9617	-----	884430	38470
Furniture & Fixures A/c	18.10%	2115228	-----	-----	2115228	1955744	28867	-----	1984611	130617
Lands	-----	482840	-----	-----	482840	-----	-----	-----	-----	482840
Motor Bike A/c	25.89%	30855	42439	-----	73294	1997	12965	-----	14962	58332
Motor Cars A/c	25.89%	1764971	-----	-----	1764971	1334367	111483	-----	1445850	319121
Motor Lorries	40.00%	1440368	-----	-----	1440368	1433482	2754	-----	1436236	4132
Plant & Machinery A/c	13.91%	5737393	-----	-----	5737393	3691100	284639	-----	3975739	1761654
Sewage Treatment Plant A/c	13.91%	2428259	-----	-----	2428259	2310545	16374	-----	2326919	101340
Shopping Complex A/c	5.00%	5349000	-----	-----	5349000	3152569	109822	-----	3262391	2086609
Total		34131251	42439	-----	34173690	2557972851464	-----	26431256	7742434	
Previous year total		34093696	37555	-----	34131251	24582257	997535	-----	25579792	8551459

PARTICULARS	CURRENT REPORTING PERIOD 31-03-2014 (Rs)	PREVIOUS REPORTING PERIOD 31-03-2013 (Rs)
<u>Note : 10 : NON - CURRENT INVESTMENTS</u>		
Investments in Equity Shares		
- Sarega Aqua Ltd 334427 equity shares of Rs.10/- each fully paid	33,44,270	33,44,270
	33,44,270	33,44,270
<u>Note : 11 : LONG TERM LOAN AND ADVANCES</u>		
Security Deposit with State Bank of India	6,87,659	30,56,091
	6,87,659	30,56,091
<u>Note : 12 : TRADE RECEIVABLES</u>		
Sundry Debtors	-	25,49,966
	-	25,49,9600
<u>Note : 13 : CASH AND CASH EQUIVALENTS</u>		
(a) Balances with banks		
In current accounts with :		
UBI Escrow (210033)	5,982	5,982
UCO Bank	10,773	10,773
United Bank of India	1,429	1,429
Vijaya Bank	16,407	16,507
Dhanalakshmi Bank Ltd	56	56
HDFC Bank Ltd	4,373	5,422
Indian Overseas Bank	11,281	11,281
Indusind Bank A/C.5136-050	4,135	4,135
Oriental Bank of Commerce	10,898	6,451
SBH (5471) A/C	23,741	19,290
SBI - 80585	50,211	6,104
S.B.I. (Powerpack)-2193	23,79,083	3,374
Union Bank of India - 28008	1,00,834	5,834
Yes Bank Ltd A/c	275	1,369,478
(b) Cash on hand	18,871,890	28,647,841
	21,491,368	30,113,857

PARTICULARS	CURRENT REPORTING PERIOD 31-03-2014 (Rs)	PREVIOUS REPORTING PERIOD 31-03-2013 (Rs)
<u>Note : 14 : SHORT-TERM LOANS & ADVANCES</u>		
Loans & Advances to Related Parties	-	92,167,607
Advance given to Sundry Creditors	3,382,774	4,143,905
Advance for purchase of Lands	105,709,645	184,742,502
Labour Advance	632,943	2,351,569
Purchase & Other Advance	-	367,865
Site Advance	-	25,435
BSNL Advance Rental (SP)	1,16,196	
Staff Advance	60,900	92,900
	109,902,458	283,891,783
<u>Note : 15 : OTHER CURRENT ASSETS</u>		
TDS Receivable	5,729	274,199
MAT Credit	220,014	189,049
	225,743	463,248
<u>Note : 16 : REVENUE FROM OPERATIONS</u>		
Sale of Apartments	42,734,851	65,017,000
Sale of Land	114,917,723	243,284,600
Buildings & Infrastrucutre	14,954,395	24,558,194
Labour Cess	13,87,045	-
	173,994,014	332,859,794
<u>Note : 17 : OTHER INCOME</u>		
Interest Received	603	-
	603	-
<u>Note : 18 : COST OF CONSTRUCTION /DEVELOPMENT</u>		
Opening stock in trade & Projects in Progress	135,562,279	165,242,500
Add ; a) Purchase of Land	216,921,142	132,389,985
Add ; b) Construction & development exp	38,329,168	76,336,150
Less ; Closing Stock in trade & Projects in Progress	238,341,842	135,562,279
	152,470,747	238,406,356

PARTICULARS	CURRENT REPORTING PERIOD 31-03-2014 (Rs)	PREVIOUS REPORTING PERIOD 31-03-2013 (Rs)
Note : 19 : EMPLOYEE BENEFITS EXPENSE		
Salaries	2,700,283	3,305,871
Employees Allowances	2,372,350	2,220,874
Directors Remuneration	1,200,000	1,200,000
Provident Fund	206,802	194,321
E.S.I.	104,354	88,719
Staff Welfare	110,582	99,616
	6,694,371	7,109,401
Note : 20 : FINANCE COSTS		
Interest on APSFC Term Loan A/c	4,623,066	4,126,085
Interest paid to others	2,879,500	76,994,862
	75,02,566	81,120,947
Note : 21 : OTHER EXPENSES		
Advertisement	774,408	245,335
Remuneration to Auditors for		
(i) Statutory Audit	35,000	35,000
(ii) Tax Audit	5,000	5,000
(iii) Tax Representation	10,000	10,000
(iv) Service Tax on the above	6,180	6,180
Bank Charges	119,742	73,904
Rent	1114,000	114,000
Insurance	37,186	1,376
Photostat expenses	52,255	61,958
Interest on TDS	-	33,721
Office Expenses	261,922	528,153
Printing & Stationery	72,712	70,456
Postage & Courier	7,257	11,077
Telephone Charges	452,450	466,664
Vehicle Maintenance	215,311	242,930
Electricity Charges	152,869	123,054
Rates, Taxes & Licenses	42,068	1,100,861
Repair & Maintenance	16,318	-
Travelling & Conveyance	319,856	400,665
VAT Tax Paid	37,300	80,812
Sales & Marketing Expenses	1,913,898	25,040
Donations	5,000	29,000
Temple Maintenance	11,250	363,769
Consultancy Charges	268,729	204,475
Service Tax	1,382,255	-
	6,312,966	4,233,430

Note: 15 : Notes forming part of Financial Statements

2.1 The presentation in the Balance Sheet, Profit and Loss Statement and Notes to the Accounts is in terms of the Revised Schedule VI to the Companies Act, 1956 which has become mandatory with effect from 1st April, 2011. The assets and liabilities have been classified as current and non-current based on a twelve month operating cycle. Previous year's figures have regrouped/reclassified wherever necessary to conform to the current year's presentation.

2.2 Segment Reporting:

The board of directors of the company is of the opinion that there are no separate reportable segments as per Accounting Standard -17, as the operations of the company are in the nature of an integrated system of the function.

2.3 Related Parties Disclosures :

Related party disclosures, as stipulated by Accounting Standard - 18 - 'Related Party Disclosures', are given below:

a) Related Parties and their relationships

(1) Associates :

- i) R.P.Villas Private Limited
- ii) RPT Constructions Private Limited
- iii) REL Builders Private Limited
- iv) REL Housing Development Private Limited

(2) Key Managerial Personnel :

- i) Lingam Ravindra Rao
- ii) Lingam Tulasi Prasad
- iii) Kilaru Harischandra Prasad
- iv) Tummala Sri Rambabu
- v) Kanuru Koteswara Rao
- vi) Anne Srinivas
- vii) Ponnappalli Srinivasa Phani Bhushan Maruthi
- viii) Burugulla Venkata Ravi Kumar Maruthi
- ix) Koti Surya Prakasa Rao Mullapudi
- x) Anjaneyulu Chunchu

b) Transactions with related parties pursuant to Accounting Standard-18

S.No	Name of the Party	Nature of Relationship	Nature of Transaction	Amount of Transaction (Rs)	Outstanding amount as on 31.3.14
1.	L.Ravindra Rao	Managing Director	Payment of Salary, Perks & Allowances	6,00,000	Nil
2.	L.Tulasi Prasad	Whole-time Director	Payment of Salary, Perks & Allowances	6,00,000	Nil

2.4 Earnings per share (EPS)

1. Earnings Per Share as per Accounting Standard - 20

Particulars	2013-2014 (Rs)	2012-2013 (Rs)
Profit attributable to Equity Shareholders (A)	2,01,265/-	10,36,230/-
Basic/weighted average number of equity shares outstanding during the year (Nos) (B)	30,19,200/-	30,19,200/-
Nominal Value] of Equity Share (Rs)	10/-	10/-
Earnings Per Share (Basic & Diluted)	0.07	0.34

2.5 Accounting for taxes on income as per Accounting Standard-22

The deferred tax Asset for the year 2013-14 due to timing differences between financial statements and taxation statements as per the applicable rate of taxation, estimated as Rs.38,762/- and the same has been credited to Profit & Loss Account as per the procedure prescribed in Accounting Standard - 22 "Accounting for Taxes on Income" issued by the ICAI. The movement of provision for Deferred Taxes for the year ended 31.03.2014 is as given below.

Particulars	(Liability)/Asset as at 1.4.2013	(Charges)/Credit for the year	(Liability)/Asset as at 31.3.2014
Timing differences on Account of			
Depreciation on Assets	(8,73,704)	38,762	(8,34,942)
Total	(8,73,704)	38,762	(8,34,942)

Per our Report of even date
For **SURESH and BABU**
Chartered Accountants
FRN.0042545
Sd/-
P. JANARDHAN
Partner
M.NO.26498

Place : Vijayawada
Date : 05-05-2014

FOR AND ON BEHALF OF THE BOARD

Sd/-
L.Ravindra Rao
Managing Director

Sd/-
L. Tulasi Prasad
Whole - time - Director

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
AS PER PART IV TO SCHEDULE VI TO THE COMPANIES ACT, 1956**

I. REGISTRATION DETAILS :

Registration No. 01-09300 : State Code : 01

Balance Sheet Date :

Date 31st Month March year 2014

II. CAPITAL RAISED DURING THE YEAR (Amount Rs. in Thousands)

Public Issue : NIL Rights Issue : NIL

Bonus Issue : NIL Private Placement (Promoters) : NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities	381735	Total Assets	381735
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Sources of Funds

Paid up Capital	30,192
Share Application Money	-
Reserves & Surplus	55,209
Secured Loans	23,337
Current Liabilities	2,72,162
Differed Tax	835

Application of Funds

Net Fixed Assets	7,742
Investments	3,344
Long term Loans	687
Current Assets	3,69,962
Differed Tax	

IV. PERFORMANCE OF COMPANY (Amount in Rs. thousands)

Turnover (Including other Income)	1,73,994	Total Expenditure	1,73,832
Profit Before Tax	162	Profit After Tax	201
Earnings Per share is Rs.	0.07	Dividend	-----

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

(As per monetary terms)

Item Code No. (ITC Code):	Not Applicable
Products/Service Description:	Real Estates Business

Per our Report of even date
For **SURESH and BABU**
Chartered Accountants
FRN.0042545

Sd/-
P. JANARDHAN
Partner
M.NO.26498

Place : Vijayawada
Date : 05.05.2014

FOR AND ON BEHALF OF THE BOARD

Sd/-
L.Ravindra Rao
Managing Director

Sd/-
L. Tulasi Prasad
Jt. Managing Director
Whole -Time - Dircetor

BOOK-POST
PRINTED MATTER



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email : raghavaestates@rediffmail.com
Web: www.raghavaestates.in*