

21<sup>st</sup> ANNUAL REPORT  
2010-11

RAVILEELA GRANITES LIMITED

RAVILEELA GRANITES LIMITED

BOARD OF DIRECTORS	P Srinivas Reddy	- Director
	D Surendranath Reddy	- Director
	M Mohan Reddy	- Director
	U.Satish	-Director

AUDITORS	S.V. Rao & Associates. Chartered Accountants 8-2-293/82/A/796-B, Road No. 36, Jubilee Hills, Hyderabad – 500 033.
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SHARE TRANSFER AGENT	SATHGURU MANAGEMENT CONSULTANTS PVT. LTD PlotNo.15, Hindi Nagar, Panjagutta, Hyderabad-500 034. Ph. No: 040-23356975,23356507.
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SECRETRIAL COMPLIANCE OFFICER	Parvat Srinivas Reddy
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BANKERS	Andhra Bank Ameerpet branch, 6-3-867, Opp. Greenlands, Hyderabad – 500 018.
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REGISTERED OFFICE	Survey No 203, Sampannabolu Village, Shameerpet Mandal, R R Dist., A.P.
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CORPORATE OFFICE	H.No. 6-3-668/10/35, Durga Nagar Colony, Punjagutta, Hyderabad – 500 082. Email: <a href="mailto:ravileel@yahoo.com">ravileel@yahoo.com</a> <a href="http://www.ravileelagranites.com">www.ravileelagranites.com</a>
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## NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the members of the Company will be held on Friday, the 30th September, 2011 at 11.00 A.M at the Registered office of the Company At Survey No. 203, Sampannabolu (V), Shameerpet Mandal, R R Dist, Andhra Pradesh, to transact the following Ordinary Business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. M. Mohan Reddy, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 224 and other applicable provisions, if any, of the Companies Act, 1956 to appoint M/s. S.V. Rao & Associates, Chartered Accountants, Hyderabad the retiring auditors, as Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of next Annual General Meeting and to authorize the Board to fix their remuneration.

### SPECIAL BUSINESS

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

“RESOLVED THAT Mr. U.Satish, who was appointed as additional director of the company pursuant to the provisions of section 260 of the Companies Act, 1956 by the board of directors w.e.f. 02.09.2011 and who holds the office up-to date of the ensuing annual general meeting and in respect of whom the company has received a notice in writing under section 257 read with section 190 of the said Act, along with requisite deposit proposing him as candidate for the office of director of the company, be and is hereby appointed as a director of the company whose period of office is liable to be determined by retirement of directors by rotation.”

For and on behalf of the Board of Directors of  
M/s. Ravileela Granites Limited

Place: Hyderabad  
Date: 02.09.2011

Sd/-

P Srinivas Reddy  
Director

EXPLANATORY STATEMENT  
(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 4: Appointment of Mr. U.Satish

The members may note that Mr. U.Satish, was inducted into Board as an Additional Director of the company, with effect from 02.09.2011 pursuant to the provisions of section 260 of the Companies Act, 1956 and holds the office as such up to the date of ensuing Annual General Meeting. The company has received notice in writing from a member of the company along with the requisite deposit under Section 257 read with section 190 of the Companies Act, 1956 proposing the candidature of the above said person for the Office of Director whose period of office is determinable by retirement of Directors by rotation.

As per the provisions of section 257 of the Act, any such proposal ought to be approved by the members in their General Meeting.

The Board recommends the resolution for your approval.

None of Directors except Mr. U.Satish may be deemed to be concerned or interested in the resolution.

For and on behalf of the Board of Directors of  
M/s. Ravileela Granites Limited

Place: Hyderabad  
Date: 02.09.2011

Sd/-

P Srinivas Reddy  
Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote on a poll instead of himself / herself and the Proxy need not be a member of the Company.
2. Proxies, in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from 27.09.2011 to 30.09.2011 (Both days inclusive).
4. Members are requested to notify immediately any change in their address to the Share Transfer Agents.
5. Members are requested to kindly bring their copies of the Annual Report to the meeting. As a measure of economy, copies of Annual Report will not be distributed at the AGM
- 6 .As part of Green Initiative in Corporate Governance the Ministry of Corporate Affairs (MCA), Government of India vide its Circular has allowed paperless compliances by Companies inter-alia stating that if the Company sends official documents to their shareholders electronically, it will be in compliance with the provisions of Section 53 of the Companies Act, 1956. Keeping in view shareholders are requested to update their E-Mail ID with their DP.

For and on behalf of the Board of Directors of  
M/s. Ravileela Granites Limited

Place: Hyderabad

Date: 02.09.2011

Sd/-  
P Srinivas Reddy  
Director

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the 21<sup>st</sup> Annual Report and the Audited Accounts of your Company for the year ended March 31, 2011 together with the Auditor's Report thereon.

### FINANCIAL RESULTS:

Your Company's financial results for the year under review are as under:

Particulars	(Rs. in Lakhs)	
	31.03.2011	31.03.2010
Total Income	712.45	688.30
Expenditure	872.37	743.23
Profit/(Loss) Before Tax	(159.92)	(54.93)
Prior Period adjustments	1.00	1.38
Less: Deferred Tax	(44.38)	48.96
Net Profit/ (loss) after Tax	(116.54)	(105.27)
Add: Loss b/f from previous year	(1599.12)	(1493.85)
Loss carried forward to Balance sheet	(1715.66)	(1599.12)

### FINANCIAL REVIEW:

Your company reported a very low performance during the year under review.

Total Revenue has been increased by Rs. 24.15 lakhs from Rs. 688.30 lakhs to Rs. 712.45 lakhs. PBIDT decreased from Rs. (54.93) lakhs to Rs. (169.92) lakhs. Net Profit decreased from Rs. (105.27) lakhs to Rs. (116.54) lakhs due to the adverse market conditions.

### DIVIDEND:

With a view to conserve its resources, no provision for dividends has been made.

### DIRECTORS:

In accordance with the Companies Act, 1956 read with the Articles of Association of the Company, Mr. M. Mohan Reddy, Director will retire by rotation and being eligible offers himself for appointment.

During the year, Mr.U.Satish was appointed as additional director on the board w.e.f.02.09.2011

Your Board recommends the re-appointment of the Director above.

#### PUBLIC DEPOSITS:

During the year under review, your company has neither invited nor accepted any deposits from the public within the meaning of Sec. 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

#### STATUTORY AUDITORS:

M/s. S.V. Rao & Associates, Chartered Accountants, as Statutory Auditors of the Company hold office until the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from M/s. S.V. Rao & Associates, Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (IB) of the Companies Act, 1956, and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956.

#### PARTICULARS OF EMPLOYEES:

During the year under review, no employee of the company was in receipt of remuneration attracting the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

During the year under review, industrial relations of the company continued to be cordial and peaceful.

#### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to provisions of Section 217 (2AA) of the Companies Act, 1956 with respect to "Directors' Responsibility Statement", it is hereby confirmed;

(i) that in the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;

(ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;

(iii) that the directors had 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 fraud and other irregularities:

iv) that the directors had prepared the annual accounts for the financial year ended 31st March, 2011 on a going concern basis.

#### DIRECTORS CLARIFICATION ON AUDITOR'S OBSERVATIONS:

Auditors have stated that the company is not regular in depositing the undisputed statutory dues in respect of Provident Fund, Income Tax aggregating to Rs. 175915.

However, the Board explained that the Fringe Benefit Tax will be paid soon i.e., with in the stipulated time.



## REPORT ON CORPORATE GOVERNANCE:

Your Company is committed to maintain the highest standards of Corporate Governance. As required under Clause 49 of the Listing Agreement with the Stock Exchanges a report on Corporate Governance is given as annexure to this annual report.

Certificate of the Auditor regarding compliance with the conditions of corporate governance is also given.

## MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed Management Discussion and Analysis is provided in the Annual Report.

## PARTICULARS REGARDING ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of Energy Conservation, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure to the Directors Report.

## LISTING AT STOCK EXCHANGES

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited. The trading of the Company shares is now in suspension.

## CODE OF CONDUCT

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

## ACKNOWLEDGEMENTS:

The Directors take this opportunity to thank Company's customers, suppliers, bankers, financial Institutions for their consistent support to the Company. Your Directors express their appreciation for the dedicated and sincere services rendered by the employees of the Company at all levels. Your Directors also wish to express their gratitude to the Shareholders for the confidence reposed by them in the Company and for the continued support and co-operation.

For and on behalf of the Board of Directors of  
M/s.Ravileela Granites Limited

Place: Hyderabad

Date: 02.09.2011

Sd/-  
P Srinivas Reddy  
Director

Declaration by Director of affirmation by Directors and senior Management personnel of compliance with the code of conduct

The shareholders

I, P. Srinivas Reddy, Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board of Directors of  
M/s.Ravileela Granites Limited

Place: Hyderabad

Date: 02.09.2011

Sd/-  
P Srinivas Reddy  
Director

Annexure

Particulars Regarding Energy Conservation, Technology Absorption And Foreign Exchange Earnings And Outgo

Statement pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

Conservation of Energy:

Power:

	2010-2011	2009-2010
No. of Units consumed KWH	323481	200461
Units Rate (Rs.)	20.40	19.38
Total Amount (Rs.)	6600586	3885385

Fuel:

No.of Units Consumed	-	-
Unit Rate (per ltr.) (Rs.)	-	-
Total Amount (Rs.)	-	-

Research & Development: NIL

Absorption of Technology: NIL

Foreign Exchange Earnings and outgo:

The Foreign Exchange out go and Earnings are as follows:

Earnings:	For the Year ended 31.03.2011	For the Year ended 31.03.2010
Export FOB	421.02	513.13
Out go Import of RM, Consumables & Spares CIF	303.81	81.19

## MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

### A) Financial and Operational Performance:

Highlights of financial and operational performances are given below:

	As at 31.03.2011 (Rs. In lakhs)
Income from operations	483.77
Other Income	125.63
Variation of Stocks	103.05
Expenditure	873.37
Profit/(Loss) for the year after Tax	(160.92)
Less: Deferred Tax	(44.38)
Profit/(Loss) for the year after Tax	(116.54)

### B) Industry Structure and Development, Opportunities & Threats, Performance, Outlook and Risks & concerns :

The demand for India granite has reduced substantially because of global recession. Overall global economic conditions needs to improve for increase demand for Indian granite in the International market.

### C) Internal Control System and adequacy :

The Company has adequate internal control systems commensurate with the size and the nature of business of the Company.

The internal control system is constantly assessed and strengthened with tighter control procedures. The internal control systems ensure effectively of operations, compliance with internal policies and applicable laws and regulations, protection of resources and assets, and accurate reporting of financial transactions.

The audit committee periodically reviews the adequacy and efficiency of the said internal control systems. All the issues relating to internal control systems are resolved by the audit committee.

### D) Human Resources, Industry Development relations:

The Company recognizes the importance and contribution of the employees. Human Resource is viewed to be as one of the most important factor in the growth process with a view to cross further frontiers in business performance, the Company strives to organize training modules for understanding and improving the core skills of the employees. It is the continuous effort by the Company that helps to provide the right environment in order to maximize team efforts while exploiting individual growth potential in the right manner.

The Directors record their appreciation of the support and continued contribution of all employees towards the growth of the Company.

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's philosophy on code of governance:

Corporate governance is a synonym for sound management, transparency and disclosure. The Company's philosophy of corporate governance envisages the highest level of transparency, accountability and equity in all its dealings with shareholders, employees, government and lenders. The Company's guiding principles are focused to achieve the highest standards of corporate governance. In compliance with the disclosure requirements of Clause 49 of the Listing Agreement executed with the Stock Exchanges, the details are set out below:

### 2. Board of Directors:

Composition and Category of Directors as at 31st March, 2011:

The Board of Directors comprises 4 Non –Executive Directors and a Manager. During the Year 5 Board Meetings were held on 27.04.2010, 24.07.2010, 25.08.2010, 20.10.2010, 20.01.2011.

The Compositions of the Board of Directors and their attendance at the Meetings during the year and at the last Annual General Meeting as also number of other directorship of committees are as follows:

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorships	Committee Membership in Others Cos.
Mr. P. Srinivas Reddy	Promoter Non-Executive Director	5	YES	2	3
Mr. D.Surendranath Reddy	Non Executive Independent Director	5	YES	-	4
Mr. Mohan Reddy	Non Executive Independent Director	5	YES	1	4
*Mr.U.Satish	Non Executive Independent Director	-	NO	-	-

\* Appointed as Additional Director w.e.f 02.09.2011

A brief profile of the director appointed are as follows:

- Mr. U. Satish, aged about 29 years, is a commerce Graduate with 5 years experience in Granites, Marbels, Pharmaceuticals, Infrastructure, Marketing and Sales. He has been associated with the distribution, sales and marketing of various brands.

#### Audit Committee:

The Composition of the Audit Committee is in compliance with the Clause 49 of the Listing Agreement and the terms of reference, role and scope are in line with those prescribed by Clause 49 of the Listing Agreement with the Stock Exchanges.

The Audit Committee comprises of 2 (Two) Non-executive Independent Directors and One executive director. The Audit Committee met 4 (Four) times during the year under review on 27.04.2010, 24.07.2010, 20.10.2010, 20.01.2011.

The composition of Audit Committee and the details of meetings attended are given below:

SL. NO.	Name	Position held in the committee	Number of committee meeting attended
1	Mr. D. Surendranath Reddy	Chairman	Four
2	Mr. M. Mohan Reddy	Member	Four
3	Mr. P. Srinivas Reddy	Member	Four

During these meetings, the Committee, inter alia, reviewed the financial statements including changes in accounting policies and practices before submission to the Board, recommended the appointment of statutory auditors including fixation of audit fee, and reviewed the company's financial and risk management policies.

#### Investors' Grievance Committee:

The responsibilities of the Committee include a) to approve share transfers and transmissions and b) to approve splitting of share certificates, consolidation of share certificates and related matters including issue of fresh share certificates in lieu of the split / consolidated certificates and redressal of all shareholders queries and grievances. The Committee has been meeting at regular intervals to resolve the complaints and replied / resolved to the satisfaction of the investors.

During the year, the committee met once on 30.10.2010

The composition of Shareholders/ investors grievance committee and the details of meetings attended are given below:

SL. NO.	Name	Position held in the committee	Number of committee meeting attended
1	Mr. D. Surendranath Reddy	Chairman	One
2	Mr. M. Mohan Reddy	Member	One
3	Mr. P. Srinivas Reddy	Member	One

#### Remuneration Committee:

The responsibilities of remuneration committee are to appraise the performance of Executive Directors and senior officers of the Company and to determine and recommend to the Board compensation payable to the above said persons.

During the year, the remuneration committee has not met since no activities took place in this direction during the period under review.

The composition of remuneration committee and the details are given below:

SL. NO.	Name	Position held in the committee
1	Mr. P. Srinivas Reddy	Chairman
2	Mr. M. Mohan Reddy	Member
3	Mr. D. Surendranath Reddy	Member

No remuneration paid to the executive as well as non executive directors during the year.

#### Details on General Body Meetings:

Financial Year	Date	Time	Location
2009-2010	30/09/2010	11 A.M	Regd. Off.S.No 203, Sampannabolu(V), Shameerpet(M) R.R.Dist
2008-2009	28/12/2009	11 A.M	Regd. Off.S.No 203, Sampannabolu(V), Shameerpet(M) R.R.Dist
2007-2008	30/09/2008	11 A.M	Regd. Off..S.No 203, Sampannabolu(V), Shameerpet(M) R.R.Dist

#### Postal Ballot:

During the year 2009-2010, there are no resolutions passed under Postal Ballot pursuant to Section 192A of the Companies Act, 1956.

#### Disclosures:

The Board of Directors receive from time to time disclosures relating to financial and commercial transactions from key management personnel of the Company as and when they and / or their relatives have personal interest in any of the pecuniary transactions with the Company. There are no materially significant related party transactions, which have potential conflict with the interest of the Company at large.

#### Means of Communication:

The quarterly financial results and shareholding pattern of the Company are furnished to the Stock Exchanges.

Management's Discussion & analysis forms part of the Annual Report, which is mailed to the shareholders of the Company.

General Shareholder Information:

1. Annual General Meeting:

Date and Time: 30th September, 2011 at 11.00 A.M

Venue: S. No 203, Sampannabolu(V), Shameerpet(M) R.R.Dist

Financial Calendar (tentative): Financial Year April 2011 to March 2012

First quarter results : 15.08. 2011

Second quarter results : 15.11 2011

Third quarter results : 15.02. 2012

Fourth quarter results : 15.05. 2012

Book Closure Dates: 27th September, 2011 to 30th September, 2011

(both days inclusive for the purpose of AGM)

Listing on Stock Exchanges: The Company Shares are listed on the following Stock Exchanges

1. Bombay Stock Exchange Limited

Stock Market Price Data:

Trading of shares are in suspension, hence data is not available.

Registrar and Share Transfer Agents:

SATHGURU MANAGEMENT CONSULTANTS PVT LTD

Plot No.15, Hindi Nagar, Panjagutta, Hyderabad – 500 034.

Share Transfer System :

The Board has delegated share transfer formalities to the Registrars and Transfer Agents:

SATHGURU MANAGEMENT CONSULTANTS PVT LTD

PlotNo.15, Hindi Nagar, Panjagutta,Hyderabad-500 034.

Ph.No: 040-23356975,23356507.

DISTRIBUTION OF SHAREHOLDING AS ON QUARTER ENDING 31st March, 2011

No.of Shares	SHARE HOLDERS		SHAREHOLDING	
	Nos.	%	Nos.	%
Upto 500	19480	93.00	33189000	32.49
501-1000	903	4.31	7432000	7.28
1001-2000	329	1.57	4926000	4.82
2001-3000	82	0.39	2098000	2.05
3001-4000	43	0.21	1558500	1.53
4001-5000	29	0.14	1366000	1.34
5001-10000	41	0.20	3389850	3.32
Above 10001	39	0.19	48190650	47.18
<b>TOTAL</b>	<b>20946</b>	<b>100.00</b>	<b>10215000</b>	<b>100.00</b>

j) Categories of Shareholders as on 31<sup>st</sup> March,2011

Particulars	Category	No. of shares held	Percentage of shareholding
A	Shareholding of Promoter and Promoter group		
1.	Indian		
	Individual	3854369	37.73
2.	Foreign		
	Individual	311331	3.05
	Sub-Total A	4165700	40.78
B	Public Shareholding		
1.	Institutions	-	-
2.	Non Institutions		
	a. Bodies Corporate	423700	4.15
	a. Indian Public and others	5625600	55.07
	Sub Total B	6049300	59.22
	Grand Total (A+B)	10215000	100.00

Dematerialization of Shares and Liquidity :

All the shares are in physical form. Application is being made to NSDL & CDSL for demat of shares. Presently the shares under suspension in BSE.

Address for Investor Correspondence : Shares Division: H.No. 6-3-668/10/35,  
Durga Nagar Colony,  
Punjagutta, Hyderabad – 500 082.  
Ph. 040 -23413733

In terms of Clause 47(f) of the Listing Agreement of Stock Exchanges investors may please use the following exclusive e-mail ID for redressal of their grievances. E-Mail: ravileel@yahoo.com.



Dear Shareholder,

Please find below the Managing Director certificate as per Clause 49(V) of the Listing Agreement:

#### MANAGING DIRECTOR CERTIFICATE

I P. Srinivas Reddy, Whole Time Director of Ravileela Granites Limited certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
  - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) These statements present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
2. 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 in violation of Company's code of conduct.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.
4. We indicate to the Auditors and to the Audit Committee:
  - (a) Significant changes in internal controls over financial reporting during the year;
  - (b) Significant changes in the accounting policies during the year;
  - (c) No instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

For and on behalf of the Board of Directors of  
M/s.Ravileela Granites Limited

Place: Hyderabad  
Date: 02.09.2011

Sd/-  
P Srinivas Reddy  
Director

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

To  
The Members of  
Ravileela Granites Limited

We have reviewed the compliance of conditions of Corporate Governance by M/s. Ravileela Granites Limited, for the year ended on March 31, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of 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 we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

No investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company

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

For S.S. Reddy & Associates  
Company Secretaries

Date : 17.08.2011  
Place : Hyderabad

Sd/-  
S. Sarweswara Reddy  
CP No:7478

## Code of Conduct for the Board of Directors and Senior Management:

### Preface:

This Model Code of Conduct for Directors & Senior Management personnel is a guide to help Directors on the Board & Senior Management team of the Company to live up to Company's ethical standards.

The rules and principles set forth in this Code are general in nature and the compliance with the Code shall be ensured read with other applicable policies and procedures of the Company.

This model code of conduct may be reviewed by the Board from time to time to keep in pace with the regulatory environment and any amendments to this Code, shall be approved by the Board of Directors.

### Applicability:

This Code of Conduct (the "Code") for the Board of Directors and Senior Management shall be applicable to each member of the Board of Directors of Ravileela Granites Limited (the "Company") and functional heads of the Company, or such other employees of the Company as may be designated as members of the "senior management" for the purposes of the Code by the Managing Director of the Company from time to time (hereinafter referred to as Senior Management").References herein to the term "Company" shall include its subsidiaries, joint ventures and associates unless the context otherwise requires.

### Objective:

The Code has been drafted in accordance with the provisions of Clause 49 of the Listing Agreement to be entered into by the Company with the Stock Exchange/s to:

- a). set standards of corporate governance by complying with laws, rules and regulations applicable to the Company and applicable policies and procedures adopted by the Company and to fulfil the responsibilities to stakeholders.
- b). set and implement high standards of transparency, integrity, accountability and corporate social responsibility in all dealings.

### The Code:

The Board of Directors of the Company is entrusted with the fiduciary responsibility of oversight of the affairs of the Company. As Directors of the Company, they have a duty to make decisions and implement policies in the best interests of the Company and its stakeholders.

Therefore, the Directors and Senior Management are obliged to carry out their duties in an honest, fair, diligent and ethical manner, within the scope of the authority conferred upon them and in accordance with the laws, rules, regulations, agreements, guidelines, standards and internal policies and procedures.

The Directors & Senior Management personnel are required to act with utmost care, skill and diligence and in accordance with the highest standards of personal and professional integrity and legal conduct, when acting on behalf of the Company or in connection with the Company's business or operations and at social events.

#### Conflict of Interest:

The Directors and senior management personnel are expected to avoid and disclose any activity or association that creates or appears to create a conflict between the personal interests and the Company's business interests. A Conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company.

Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect the independent and sound judgment on behalf of the Company. Directors & the Senior Management personnel are required to disclose to the Board any situation that may be, or appear to be, a conflict of interest. When in doubt, Disclosure is the best way out.

#### Regulatory Compliances:

It is the general obligation of the Directors to conduct the business and operations of the Company in accordance with the laws, rules, regulations, agreements, guidelines; standards including Accounting Standards governing its operations in the geographies where the Company operates. The Directors and Senior Management personnel shall acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to perform their obligations diligently.

The Directors and Senior Management personnel shall also comply with the internal policies and procedures of the Company to the extent applicable to them including but not limited to compliance with Prohibition of Insider Trading policy of the Company.

#### Confidential Information and Corporate Disclosure Policy:

The Directors and Senior Management personnel must maintain the confidentiality of information relating to the affairs of the Company until and unless authorized or legally required to disclose such information; and shall not use confidential information for their personal advantage.

The Directors and Senior Management are obliged to ensure continuous, timely and adequate disclosure of necessary information to the Company at regular intervals in respect of declarations required to be made under Applicable Laws, including the Companies Act, 1956 as amended, details of related parties and details of any material financial and commercial transactions where a conflict of interest is likely.

#### Fair Dealing, Use and Protection of Company's Assets:

The Directors and Senior Management personnel are obligated to deal fairly and honestly with each other, the Company's associates and with the Company's customers, suppliers, competitors and other third parties. Directors and Senior Management personnel shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice.

The Directors and Senior Management are required to protect the Company's assets and properties, records and systems, including intellectual property and ensure their efficient use. The assets of the Company shall be used for legitimate business purposes and shall not be used for personal purposes. Incidental personal use, if reasonable, does not amount to violation of the code.

#### Compliance and Violation of Code of Conduct:

It is the duty and obligation of every Director and Senior Management person to comply with this code of conduct and he/she shall acknowledge and affirm ongoing compliance with the code on an annual basis. This code of conduct shall be posted on the website of the Company.

Any violations of this code shall be promptly reported to the Chairman of the Board or any other person appointed for this purpose. The Company will take appropriate action against any Director member or the Senior Management whose actions are found to violate the Code, after giving him/her a reasonable opportunity of being heard.

#### Waivers and Amendments of the Code:

We are committed to continuously review and update our policies and procedures. Therefore, this Code is subject to modifications. Any amendment / inclusion or wavier of any provision of this Code must be approved by the Company's Board of Directors and promptly disclosed, if required pursuant to Applicable Laws.

#### Certification:

Each of the Directors and members of the Senior Management and every other person to whom this Code is made applicable, shall file with the Company Secretary of the Company, or any other person appointed for this purpose, a certificate addressed to the Chairman, by the 1st of April of every year, confirming his/her compliance with the provisions of this Code.

#### Acknowledgement:

The Directors and Senior Management personnel shall read and fully understand this model code of conduct and comply with the policies procedures and principles contained therein.

## AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of RAVILEELA GRANITES LIMITED as on 31st March 2011, the related Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed there to. 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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.

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the 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 enclose in the Annexure to statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in Paragraph 1 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 the books:
  - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the above books of account:
  - d) In our opinion, the Balance sheet, Profit & loss account and Cash flow statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except for accounting of employee benefits.
  - e) As per the information and explanations given to us, none of the Directors of the company is disqualified from being appointed as a Director under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the companies Act, 1956 in the manner so required and give a true and fair view, subject to Para No.3 of Notes on account regarding non provision of Gratuity
    - i) In the case of the Balance sheet, of the State of affairs of the Company as at 31st March, 2011 and,
    - ii) In the case of the Profit and Loss Account, of the Loss for the year ended on that date and
    - iii) In the case of the Cash flow statement of the cash flow for the year ended on that date.

Place: Hyderabad

Date : 17-08-2011.

for S.V.RAO ASSOCIATES  
Firm Registration No: 003152S.  
Chartered Accountants

Sd/-  
S.V.S.Prasad  
Partner  
Mem. No.207540

## ANNEXURE TO THE AUDITORS' REPORT

- i)
  - (a) The Company is in the process of preparation of records of the fixed assets to show full particulars including quantitative details and situation of fixed assets. The fixed assets were physically verified during the year by the management and the discrepancy, if any, will be ascertained only after the completion of the records.
  - (b) In our opinion and according to the information and explanations given to us, no substantial part of the fixed assets have been disposed off during the year.
- ii)
  - (a) The Inventory has been physically verified by the management at the year end. In our opinion the frequency of verification is adequate.
  - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable 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 maintenance of records are satisfactory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material.
- iii)
  - (a) In our opinion and according to the information and explanations given to us, the company has not granted any loans secured or unsecured to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause 4(iii), a to d of the Companies (Auditors Report) Order, 2003 are not applicable.
  - (b) The Company has taken unsecured loans from ONE party listed in the register maintained under section 301 of the Companies Act, 1956 amounting to Rs.550.62 lacs. The balance as at the end of the financial year is. Rs.1350.29 lacs.
  - (c) According to the information and explanations given to us, the said loans do not bear any interest, and there are no specific terms and conditions concerning the repayment of the loan.
  - (d) As the said loans do not contain any terms and conditions the question of overdue amounts does not arise.
- 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 nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods or services. 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 major weaknesses in the aforesaid internal control procedures.
- v)
  - (a) On the basis of our examination of the books of account and according to the information and explanations given to us, the company has no transactions that need to be entered in to the register maintained under Section 301 of the companies Act, 1956.
  - (b) In view of our comment in paragraph v(a) above, paragraph v(b) of the aforesaid order in our opinion is not applicable.
- vi) The company has not accepted any deposits from the public within the meaning of Sections 58 A and 58AA of the Companies Act, 1956 and the rules framed there under.
- vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

- viii) The maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 for any of the products of the company for the year under review.
- ix) (a) According to the information and explanations given to us, and according to books and records as produced and examined by us, in our opinion, the Company is not regular in depositing the undisputed statutory dues in respect of Provident fund, income tax, as applicable to the company, with the appropriate authorities regularly. The undisputed amounts which were in arrears as at balance sheet date for a period of more than six months from the date of they became payable are given below :-

S.No	Name of Statue	Nature of the dues	Amount (In Rupees)	Financial Year to which matter pertains
1	Provident Fund & Miscellaneous Act 1952.	Provident Fund	8134	2009-10
2	Income Tax Act. 61	Fringe benefit tax	30,022	2008-09
			23,783	2007-08
			53,462	2006-07
			68,648	2005-06

- (b) According to the information and explanations given to us, and according to records of the company examined by us , the Company has received a demand for an amount of Rs.14,26,938/- towards Interest and Rs.42,95,546/- towards damages payable on delayed payment of PF dues from the Regional Provident Fund authorities. The Company has paid an amount of Rs.10,77,173/- towards Interest and has filed an appeal with the Regional Provident Fund Commissioner disputing the balance amount of Interest and damages. The Company has not provided for the amounts due in the books of accounts.
- x) The accumulated loss as on 31.03.2011 is more than 50% of the net worth, and the company has incurred cash loss during the current financial year. There was no cash loss in the preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the company has no borrowings from Financial institutions or Banks.
- xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion the company is not a chit fund or nidhi /mutual benefit fund/society. Therefore the provisions of Paragraph 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 Paragraph 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.



- xvi) According to information and explanations given to us, the company has not raised any term loans during the year.
- xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that the 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 any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The company has not issued any debentures during the year and hence the question of creation of security or charge does not arise.
- xx) The company has not raised any money by public issue during the year.
- xxi) During the course of 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 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 any such case by the management.

Place: Hyderabad  
Date : 17-08-2011

for S V Rao Associates  
FRN: 003152S.  
Chartered Accountants

Sd/-  
S.V.S.Prasad  
Partner  
Mem. No.207540.

RAVILEELA GRANITES LIMITED			
BALANCE SHEET AS AT 31st March, 2011			
PARTICULARS	SCH NO	AS AT 31-Mar-11	AS AT 31-Mar-10
I. <u>SOURCESOFFUNDS:</u>		Rs.	Rs.
SHARE HOLDERS FUNDS :			
Share Capital	1	10,16,69,000	10,16,69,000
Reserves & Surplus	2	15,00,000	15,00,000
<u>LOANFUNDS:</u>			
Unsecured loans	3	19,23,93,235	13,73,30,861
		29,55,62,235	24,04,99,861
II <u>APPLICATIONOFFUNDS :</u>			
<u>FIXEDASSETS :</u>	4		
Gross Block		18,58,30,322	18,57,28,322
Less : Depreciation		13,36,09,015	12,55,22,577
NET BLOCK		5,22,21,306	6,02,05,744
DEFERRED TAX ASSET		6,75,16,903	6,24,53,984
<u>CURRENT ASSETS, LOANSANDADVANCES</u>	5		
a. Inventories		4,46,11,285	1,36,73,047
b. Sundry debtors		1,17,84,045	1,25,46,448
c. Cash and bank balances		40,183	1,78,415
d. Other current assets		82,311	82,310
e. Loans & advances		95,05,729	80,85,518
		6,60,23,553	3,45,65,738
LESS: CURRENT LIABILITIES AND PROVISIONS	6		
a) Current Liabilities		5,71,04,827	7,28,86,318
b) Provisions		40,35,786	37,51,849
		6,11,40,613	7,66,38,167

	NET CURRENT ASSETS	48,82,940	(4,20,72,430)
	PROFIT & LOSS A/C	17,09,41,085	15,99,12,562
		29,55,62,235	24,04,99,861
NOTES ON ACCOUNTS		14	
As per our report of even date for S.V.RAO ASSOCIATES, Firm Registration No: 003152S. Chartered Accountants		For and on behalf of the Board	
Sd/- S.V.S.Prasad Partner M.No.207540 Place : Hyderabad Date : 17-08-2011	Sd/- (M.MOHAN REDDY) REDDY) DIRECTOR DIRECTOR	Sd/- (P.SRINIVAS REDDY)	

RAILEELA GRANITES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st March, 2011

PARTICULARS		SCH NO	PERIOD ENDED 31 March, 2011	PERIOD ENDED 31 MARCH 2010
			Rs.	Rs.
I.	INCOME :			
	Sales		4,89,53,881	5,86,31,979
	Less: Excise Duty		5,77,259	5,50,086
	Net Sales Other		4,83,76,622	5,80,81,893
	Income Variation	8	1,25,63,403	82,36,442
	in stocks	9	1,03,05,476	25,11,499
			7,12,45,500	6,88,29,834
II.	EXPENDITURE :			
	Materials Consumed	10	3,12,66,275	3,20,10,052
	Personnel cost	11	1,63,51,551	1,41,28,299
	Manufacturing expenses	12	2,62,71,351	1,46,35,148
	Administration and Selling expenses	13	50,79,132	53,42,650
	Financial Charges	14	1,82,197	1,21,252
	Depreciation	5	80,86,438	80,85,402
			8,72,36,942	7,43,22,803
	Profit/(Loss) for the year		(1,59,91,442)	(54,92,969)
	Prior period adjustments		1,00,000	1,38,448
	Profit/(Loss) for the period after adjustments		(1,60,91,442)	(56,31,417)
	Less: Deferred tax		(50,62,919)	48,96,038

Profit/(Loss) after tax		(1,10,28,523)	(1,05,27,455)
(Loss) brought forward		(15,99,12,562)	(14,93,85,107)
Balance transferred to Balance Sheet		(17,09,41,085)	(15,99,12,562)
Earnings per share (EPS) par value			
Rs.10 each. Basic/diluted		(1.08)	(1.04)
Notes on accounts	14		

As per our report of even date  
for S.V.RAO ASSOCIATES,  
Firm Registration No: 003152S.  
Chartered Accountants

For and on behalf of the Board

Sd/-

S.V.S.Prasad

Partner  
Mem.No.207540  
Place : Hyderabad  
Date : 17-08-2011

Sd/-

(M MOHAN REDDY)

DIRECTOR

Sd/-

(P.SRINIVAS  
REDDY)

DIRECTOR

SCHEDULES FORMING PART OF THE BALANCE SHEET

PARTICULARS	SCH	AS AT 31-Mar-11	AS AT 31-Mar-10
<u>SHARE CAPITAL</u>	1	Rs.	Rs.
Authorized Capital 1,20,00,000			
Equity Shares of Rs.10/- each Issued, Subscribed and Paidup Capital		12,00,00,000	12,00,00,000
(10215000 Shares of Rs.10/- each fully called up)		10,21,50,000	10,21,50,000
Less : Calls in arrears (96200 shares of Rs.5/- (partly paid) each)		4,81,000	4,81,000
		10,16,69,000	10,16,69,000
<u>RESERVES AND SURPLUS</u>	2		
State subsidy		15,00,000	15,00,000
		15,00,000	15,00,000
<u>UNSECURED LOANS</u>	3		
From Directors		13,50,29,243	7,99,66,869
From Others		5,73,63,992	5,73,63,992
		19,23,93,235	13,73,30,861

PARTICULARS	SCH	AS AT 31-Mar-11	AS AT 31-Mar-10
<u>CURRENT ASSETS, LOANS &amp; ADVANCES</u>	5	Rs.	Rs.
A. INVENTORIES (As Certified by management)			
a) Raw material		1,39,36,148	15,63,900
b) Raw Material in Transit		83,90,004	-
b) Work-in-Progress		1,61,69,683	52,55,787
c) Finished Goods		26,75,881	32,84,301
d) Stores and spares		34,39,569	35,69,059

		4,46,11,285	1,36,73,047
B. SUNDRY DEBTORS (Unsecured ,considered good)			
Outstanding for more than six months		22,08,142	59,23,239
Other debts		95,75,903	66,23,209
		1,17,84,045	1,25,46,448
C. CASH AND BANK BALANCES			
Cash on Hand		5,265	72,294
Balances with Schedule Banks in current accounts		34,918	1,06,121
		40,183	1,78,415
D. OTHER CURRENT ASSETS			
Interest Receivable		82,311	82,310
		82,311	82,310
E. LOANS & ADVANCES (unsecured, considered good, recoverable in cash or in kind or value to be received)			
Deposits		20,27,758	19,94,317
TDS receivable		57,442	48,296
Vat Receivable		32,69,361	17,55,868
Advance for Expenses		38,81,168	42,77,895
Other Advances		2,70,000	9,142
		95,05,729	80,85,518
	TOTAL CURRENT ASSETS	6,60,23,553	3,45,65,738
<u>CURRENT LIABILITIES &amp; PROVISIONS:</u>			
A. Current Liabilities:			
Creditors for Purchases		58,66,217	78,17,942
Creditors for expenses		40,35,306	85,46,605
Advances from Customers		4,72,03,304	5,65,21,770
		5,71,04,827	7,28,86,318
B. Provisions:			
Provision for Gratuity		38,59,871	35,75,934
Provision for Fringe Benefit Tax		1,75,915	1,75,915

	40,35,786	37,51,849
Total	6,11,40,613	7,66,38,167

PARTICULARS	SCH	For the year ended 31-Mar-11 Rs.	For the year ended 31-Mar-10 Rs.
<u>OTHER INCOME</u>	7		
Interest on ACD		91,457	91,456
VAT Reimbursement		35,27,180	19,65,235
Forex Fluctuations		2,67,899	2,09,165
Credit balances written back		82,23,382	59,51,000
Recovery of Bad debts written off		4,36,112	-
Interest Received on Margin Money Deposit		3,633	19,586
Small Balance Written back		13,740	
		1,25,63,403	82,36,442
<u>VARIATION OF STOCK OF FINISHED GOODS</u>	8		
Closing stock of			
Work-in-Progress		1,61,69,683	52,55,787
Finished Goods		26,75,881	32,84,301
		1,88,45,564	85,40,088
Opening stock of			
Work-in-Progress		52,55,787	40,63,991
Finished Goods		32,84,301	19,64,598
		85,40,088	60,28,589
INCREASE / (DECREASE) IN STOCKS		1,03,05,476	25,11,499
<u>MATERIALS CONSUMED</u>	9		
RAW MATERIAL			
Opening stock		15,63,900	10,90,543
Add : Purchases		5,15,36,859	3,19,48,442
		5,31,00,759	3,30,38,985
Less : Closing stock		2,23,26,152	15,63,900
RAW MATERIAL CONSUMED		3,07,74,607	3,14,75,085
Packing Material Consumed		4,91,668	



			5,34,967
		3,12,66,275	3,20,10,052
<u>PERSONNELCOST</u>	10		
Salaries, wages & bonus		1,49,02,384	1,28,28,860
Contribution to Provident fund and other funds		12,45,254	11,18,325
Staff welfare		2,03,913	1,81,114
		1,63,51,551	1,41,28,299
<u>MANUFACTURINGEXPENSES</u>	11		
Consumable stores			
Opening stocks		35,69,059	26,47,822
Purchases during the year		1,05,79,521	89,78,351
		1,41,48,579	1,16,26,172
Less Discount received on Consumables		2,70,749	65,715
		1,38,77,830	1,15,60,457
Closing Stocks Consumables		34,39,569	35,69,059
consumed Machinery Repairs &		1,04,38,261	79,91,399
Maintenance		92,32,504	27,58,365
Power & Fuel		66,00,586	38,85,385
		2,62,71,351	1,46,35,148
<u>ADMINISTRATIVEANDSELLINGEXP.</u>	12		
Rent		1,60,000	1,49,024
Rates & Taxes		4,24,099	7,97,779
Traveling Expenses & Conveyance		2,53,624	2,19,301
Printing & Stationary		50,388	46,579
Postage & Telephones		1,91,153	1,83,820
Vehicle Maintenance		607	32,892
Office Maintenance		24,247	45,493
Security Services		3,06,459	2,86,560
Filing Fee		5,500	2,90,615
Auditors remuneration			
As auditors		66,180	66,180

For tax matters		16,545	16,545
For expenses		5,308	5,349
Rebates and discounts		4,24,928	1,27,472
Consultancy Charges		12,31,732	13,05,993
Insurance		22,971	26,775
Carriage outwards		18,63,643	4,43,194
Bad debts written off		-	4,56,323
Legal Expenses		20,000	-
Misc. expenses		11,748	8,42,756
		50,79,132	53,42,650
<u>FINANCIALCHARGES</u>	13		
Bank charges		1,82,197	1,21,252
		1,82,197	1,21,252

CASH FLOW STATEMENT		Rs. In lacs	
	PARTICULARS	31-Mar-11	31-Mar-10
A	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
	Net Profit/(loss) before tax and extraordinary items	(159.91)	(54.93)
	Adjustments for :		
	Depreciation	80.86	80.85
	Interest / Dividends	1.82	1.21
	OPERATING PROFIT BEFORE W/C CHANGES	(77.23)	27.14
	Adjustments for :		
	(Increase)/Decrease Trade and other Receivables	(6.58)	107.32
	(Increase)/Decrease Inventories	(309.38)	(39.06)
	(Decrease)/Increase Trade Payables	(154.98)	(177.74)
	Cash generated from Operations	(548.16)	(82.35)
	Interest Paid	(1.82)	(1.21)
	Cash Flow Before extraordinary items	(549.99)	(83.57)
	Extraordinary Items	(1.00)	(1.38)
	CASH FLOW FROM OPERATING ACTIVITIES	(550.99)	(84.95)
B	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Investment on Fixed Assets	-	-
	Adjustment of Investment	-	-
	NET CASH USED IN INVESTING ACTIVITIES	-	-
C	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	Proceeds from issue of Share Capital	-	-
	Proceeds from Long Term Borrowings	550.62	69.98
	NET CASH USED IN FINANCING ACTIVITIES	550.62	69.98
	NET INCREASE IN CASH AND CASH EQUIVALENT	(0.36)	(14.97)
	Opening Balance	1.78	16.76
	Closing Balance	1.42	1.78
		For and On Behalf of the Board	
		Sd/- M MOHAN	Sd/- P.SRINIVASA
		REDDY	REDDY

DIRECTOR

DIRECTOR

AUDITOR'S CERTIFICATE

We have verified the above Cash Flow Statement of M/s.RAVILEELA GRANITES LTD., derived from Audited Financial Statements for the year ended 31st March,2011 and found the same in accordance there with, and also with the requirement of clause 32 of the Listing agreement with Stock Exchanges.

For S V RAO ASSOCIATES  
Firm Registration No: 003152S.  
Chartered Accountants

PLACE : HYDERABAD

DATE : 17-08-2011

Sd/-  
S V S Prasad  
Partner  
Mem No.207540.

RAVILEELA GRANITES LTD

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE  
(Statement pursuant to part of IV of Schedule VI to the Companies Act 1956 )

Amount in  
Rs.Thousands

1 REISTRATION DETAILS

Reeistration No.	01-11909	State Code	01
Balance Sheet Date	31-03-2011		

II CAPITAL RAISED DURINe THE YEAR

Public Issue	N I L	Riehts Issue	N I L
Bonus Issue	N I L	Private placement	N I L
Share application money	N I L		

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

TOTAL LIABILITIES	2,95,562	TOTAL ASSETS	2,95,562
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SOUCE OFFUNDS

Paid up Capital	1,01,669
Share application money	NIL
Reserves & Surplus	1,500
Secured Loans	-
Unsecured Loans	1,92,393

APPLICATION OFFUNDS

Net Fixed Assets	52,221
Investments	-
Net Current Assets	4,883
Deferred Tax Asset	67,517
Miscellaneous Expenditure	-
Profit & loss a/c	1,70,941

IV PERFORMANCE OF COMPANY

TOTAL TURNOVER	71,246	TOTAL EXPENDITURE	87,337
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Earnine per Share in Rs.

- Basic  
- Diluted

(1.08)
NIL

Dividend Rate

N A

V eeneric Norms of Three Principal Products / Services of Company (as per Monetary Terms)

PRODUCT

ITEM CODE NO

PRODUCT DESCRIPTION

POLISHED eRANITES

SLABS

MONUMENT MARKERS

for S.V.RAO ASSOCIATES,  
Firm Registration No: 003152S.  
Chartered Accountants

For and On Behalf of the  
Board

Sd/-

(S.V.S Prasad  
PARTNER  
M.No.207540

Place : Hyderabad

Date

: 17-08-2011

Sd/-

(M MOHAN REDDY)  
DIRECTOR

Sd/-

(P.SRINIVAS REDDY)  
DIRECTOR

RAVILEELA GRANITES LIMITED  
S.No.203, Sampannabolu Village, Shameerpet Mandal, R.R. District.

PROXYFORM

Folio No:----- Dp ID:----- Client ID:-----

I/We-----of-----

In the District of-----being a member/members of the above  
named company, hereby appoint Mr/Mrs/Ms-----in the District of -----  
-----as my/our Proxy to attend and vote for me /us on my/ our behalf at the 21<sup>st</sup>  
Annual General Meeting of the Company to be held at S.No.203, Sampannabolu  
Village, Shameerpet Mandal, R.R. District at 11.00 A.M on Friday, 30.09.2011 and at any  
adjournment there of.

Signed this-----day of -----2011

Address-----  
-----

Signature-----

Note: The proxy form duly signed completed must be signed deposited at the Registered  
Office of the Company not less than 48 hours before the time of holding the meeting. A  
proxy need not be a member.

RAVILEELA GRANITES LIMITED  
S.No.203, Sampannabolu Village, Shameerpet Mandal, R.R. District.  
ATTENDANCE SLIP

I hereby record my presence at the 21<sup>st</sup> Annual General Meeting of the Company at the  
registered office on

Day& Date	Venue	Time
Friday 30.09.2011	S.No.203, Sampannabolu Village, Shameerpet Mandal, R.R. District	11.00 a.m.

Name of the share holder /proxy

Folio No./DP No. of shares  
& Client id

Member's/Proxy Signature

Note: Shareholder/Proxy holder wishing to attend the meeting must bring the Admission  
Slip and hand over at the entrance duly signed.

NO GIFTS WILL BE DISTRIBUTED AT THE AGM