

RAGHAVA ESTATES LIMITED

REGD. OFFICE : 64-9-2, KANURU SUBBAIAH BUILDINGS
BESIDE EENADU, VIJAYAWADA - 520 010

ATTENDANCE SLIP

21ST ANNUAL GENERAL MEETING - 29TH SEPTEMBER 2009

Reg. Folio No. I certify
that I am a registered shareholder/proxy for the registered shareholder of the Company. I here
by record my presence at the **Raghava Estates Limited, 64-9-2, Kanuru subbaiah Buildings, Beside
Eenadu, Vijayawada - 10** on

Member's/proxy's Name in Block Letters

Member's/proxy's Signature

Note : Please fill this attendance slip and hand it over at the Entrance of the Hall

------(TEAR HERE)-----

RAGHAVA ESTATES LIMITED

REGD. OFFICE : 64-9-2, KANURU SUBBAIAH BUILDINGS
BESIDE EENADU, VIJAYAWADA - 520 010

FORM OF PROXY

I/We of
..... in the district of.....
a member/members/of the above named company hereby appoint.....
of of failing him.....
our behalf at the **Twentieth Annual General Meeting** of the Company to be held on
..... and
at any adjournment thereof.

a fix a 30
paise
Revenue
Stamp

Signed this day.....2008

Signature.....

Reg. Folio No.....

Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

CONTENTS

01.	Notice
02.	Director's Report
03.	Corporate Governance
04.	Auditor's Report
05.	Balance Sheet
06.	Profit and Loss Account
07.	Schedules Forming Part of Accounts
08.	Notes Forming Part of Accounts
09.	Balance Sheet Abstract and Company's General Business Profile
10.	Cash Flow Statement
11.	Attendance Slip
12.	Form of Proxy

TWENTY-FIRST ANNUAL GENERAL MEETING

at 10.00 a.m.

On Tuesday 29th September, 2009

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

Vijayawada - 520 010.

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

BOARD OF DIRECTORS

Sri L. Ravindra Rao	Chairman & Managing Director
Sri L. Tulasi Prasad	Joint Managing Director
Sri T. Sri Rambabu	Executive 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

AUDITORS

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

BANKERS

State Bank of India
ING Vysya Bank Limited

I. REGISTRATION DETAILS :

Registration No. 01-09300 State Code : 01

Balance Sheet Date :

Date 31st Month March year 2009

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

Public Issue : NIL Rights Issue : NIL

Bonus Issue : NIL Private Placement (Promoters) : NIL

Share application : NIL

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

Total Liabilities	186,341	Total Assets	186,341
Sources of Funds		Application of Funds	
Paid up Capital	40,218	Net Fixed Assets	13,179
Reserves & Surplus	90,424	Investments	3,444
Secured Loans	54,370	Net Current Assets	1,69,717
Differed Tax	1,330	Misc-Expenditure	---

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

Turnover	1,14,129	Total Expenditure	1,10,835
Profit Before Tax	3,397	Profit After Tax	2,794
Earnings Per share is Rs. 0.69		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

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for **SURESH and BABU**

P. JANARDHAN
Partner

L.Ravindra Rao
Chairman & Managing Director

Place : Vijayawada
Date : 01.09.2009

L. Tulasi Prasad **T. Sri Rambabu**
Jt. Managing Director Executive Director

M/s. RAGHAVA ESTATES LIMITED, Vijayawada.
Cash flow Statement for the year ended 31st March 2009

A. Cash flow from Operating Activities :		
Net Profit after Tax and Extraordinary items		2794486
adjustment for Depreciation	1680895	
Misc.exps written off	0	
Interest received	0	
Increase in payables	0	
Deferred Tax Liability	(84284)	
Interest paid	8414762	
Profit on sale of Fixed Assets	0	<u>10011373</u>
Operating profit before working capital changes		12805859
Inventories	(1500027)	
Loans & Advances	(55103010)	
Trade Payables	49420496	<u>(7182541)</u>
Cash Generated from Operations		5623318
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	0	<u>(3565648)</u>
Sale of Fixed Assets		
C. Cash flow from Financing Activities		
Interest Paid	(8414762)	
Interest Recd	0	
Repayment of long term borrowings	(730490)	
Proceeds from long term borrowings	0	<u>(9145252)</u>
Net decrease in Cash and Cash Equivalents		(7087582)
Cash and Cash Equivalents at the begining of the year		17288564
Cash and Cash Equivalents at the end of the year		10200982

AS PER OUR REPORT OF EVEN DATE

for **SURESH and BABU**

P. JANARDHAN
Partner

Place : Vijayawada
Date : 01.09.2009

FOR AND ON BEHALF OF THE BOARD

L.Ravindra Rao
Chairman & Managing Director

L. Tulasi Prasad **T. Sri Rambabu**
Jt. Managing Director Executive Director

NOTICE

NOTICE is hereby given that the Twenty-first Annual General Meeting of the Company will be held at 10.00 a.m. on Tuesday, the 29th day of the September, 2009 at the Registered Office of the company at Door No.64-9-2, Patamatalanka, Vijayawada-10 to transact the following business:-

ORDINARY BUSINESS:

01. To receive, consider and adopt the audited balance sheet as at 31st March, 2009 and the Profit & Loss Account for the year ended on that date and the report of the Directors' and Auditors' thereon.
02. To appoint a Director in place of Sri K.Koteswara Rao who retires by rotation and being eligible, offers himself for re-appointment.
03. To appoint a Director in place of Sri A.Srinivasa Rao who retires by rotation and being eligible, offers himself for re-appointment.
04. To appoint a Director in place of Sri M.K.S Praksasa Rao 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 the retiring Auditors M/s.SURESH AND BABU Chartered Accountants be and are hereby re-appointed as auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and fix their remuneration in addition to reimbursement of actual out of pocket expenses incurred in connection with the Company's audit.”

For and on behalf of the Board

Place : Vijayawada
Date : 01-09-2009

(L.RAVINDRA RAO)
Chairman & Managing Director

Note:

1. A 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. The Register of members will also remain closed from 19-9-2009 to 29-9-2009 (both days inclusive). The transfer books of the Company will remain closed for the aforesaid period.
3. Explanatory statement pursuant to Section 173(2) of the companies Act, 1956 is annexed hereto.
4. The members are requested to:
 - (a) Intimate change, if any, in their registered address immediately
 - (b) Quote ledger folio number in all their correspondence.

Additional information on Directors seeking reappointment at the Annual General Meeting (Pursuant to Clause (49) of the listing Agreement)

Item no. 2:

Sri K.Koteswara Rao aged 56 years is a Graduate in Civil Engineering and has rich experience in trading and marketing business. He is ommerce and has rich experience in trading and marketing business. He is the member of the Share holders committee, Share Transfer Committee and Audit Committee of the Company.

Item no.3 :

Sri A.Srinivasa Rao aged 49 years is a Graduate in Mechanical Engineering and has rich experience in trading and marketing business. He is the member of the share holders committee and Share Transfer Committee of the Company.

Item no.4 :

Sri M K S Prakasa Rao Aged 51 years is a Graduate In commerce and has rich experience in trading and marketing business. He is the member of the Audit Committee of the Company.

2.7 Earnings per share (EPS)

EARNING PER SHARE AS PER ACCOUNTING STANDARD-20

Particulars	2008-2009	2007-2008
a) Profit attributable to equity Shareholders (Rs.) (A)	27,94,486	1,43,18,451
b) Basic / Weighted average number of equity shares outstanding during the year (B)	40,21,750	40,21,750
c) Nominal value of equity share (Rs.)	10.00	10.00
d) Basic earning per share (A/B)	0.69	3.56
e) Diluted earning per share (A/B)	0.69	3.56

2.8 Deferred Tax Liability

The movement of provision for Deferred Tax for the year ended 31-03-2009 is as given below.

Particulars of timing difference on account of	Liability/Asset As at 01-04-2008	Charges/Credit for the year	Liability/Asset as at 01-4-2009
Depreciation on Assets	(14,13,914)	84,284	(13,29,630)
	(14,13,914)	84,284	(13,29,630)

2.9 Cash Flow statement for the year ended 31-3-2009 is given in Annexure.

2.10 Previous Year's figures have been reclassified wherever necessary to conform to this year's classification.

2.11 Figures have been rounded off to the nearest rupee.
Signatures to schedules 1 to 10 and notes

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for **SURESH and BABU**

P. JANARDHAN
Partner

L.Ravindra Rao
Chairman & Managing Director

Place : Vijayawada
Date : 01.09.2009

L. Tulasi Prasad **T. Sri Rambabu**
Jt. Managing Director Executive Director

Transactions with Related Parties Pursuant to Accounting Standard - 18

S.No.	Name of the Party	Narure of Relationship	Nature of Transaction	Amount of Transaction (Rs.)	Outstanding Amount as on 31-3-2009 (Rs.)
1.	Ravindra Oil Company	Directors have controlling interest in the said firm	Purchase of HSD for Transportation	47,38,952.05	21,48,610.04(Dr)
2.	Gripwell Retreaders Private Limited	Directors have controlling interest in the said firm	Retreading of Tyres	72,000.00	5,48,210.00(Dr)
3.	Samvidha Vidyapeeth	Group Concern	Receipt of Rent	2,00,000.00	14,21,473.00(Dr)
4.	R.P. Transporters	Directors have controlling in the said firm	Advance for Purchase of Vehicles	1,27,63,875.00	-----
5.	PANC Transporters	Directors have controlling in the said firm	Advance for Purchase of Vehicles	1,79,22,400.00	-----
6.	L.V. Raghava Rao	Executive Chairman	Payment of Salary, Perks & Allowances	72,269.00	79,475.72(Cr)
7.	L. Ravindra Rao	Managing Director	Payment of Salary, Perks & Allowances	6,00,000.00	81,500.00(Cr)
8.	L. Tulasi Prasad	Jt. Managing Director	Payment of Salary, Perks & Allowances	6,00,000.00	41,500.00 (Cr)
9.	T.S. Rambabu	Executive Director	Payment of Salary, Perks & Allowances	4,20,000.00	30,500.00 (Cr)

DIRECTORS' REPORT

Your Directors have great pleasure in presenting 21st Annual Report together with the Annual Audited Accounts for the Financial year ended 31st March, 2009.

	For the Year Ended 31-03-2009	For the Year Ended 31-03-2008
FINANCIAL RESULT	Rs.	Rs.
Profit before interest and depreciation	1,34,92,198	2,85,93,949
Interest	84,14,762	1,09,11,305
Depreciation	16,80,895	15,57,249
Profit for the Year	33,96,541	1,61,25,395
Miscellaneous Expenditure written off	0	0
Profit before tax	33,96,541	1,61,25,395
Provision for Income Tax	-----	-----
— Current Tax	(5,92,329)	(17,82,765)
— Fringe Benefit Tax	(84,284)	(85,248)
— Deferred Tax	94,010	61,069
Profit after tax	27,94,486	1,43,18,451
Profit/Loss brought forward from Previous period	8,76,29,103	7,33,10,652
Profit carried to Balance Sheet	9,04,23,589	8,76,29,103
Earning per share		
Basic/Diluted.	0.69	3.56

DIVIDEND:

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

PERFORMANCE:

The new apartment ventures called "Aananda Vihar" at Edupugallu near Sreenivaasapuram Colony and "Prakruthi Vihaar" adjacent to Narayanapuram Colony were announced and they had good response from the customers.

FUTURE PROPSECTS:

Your company views the future with optimism as the demand for Housing is growing day by day. The Directors have pleasure in announcing the new housing venture at Prodduturu on Joint Venture with M/s. Watermarke Villas Private Limited. Your Company is hoping for an enormous increase in turnover during the forthcoming years.

DIRECTORS:

Sri K. Koteswara Rao who retires by rotation and being eligible offers himself for re-appointment.

Sri A. Srinivas who retires by rotation and being eligible offers himself for re-appointment.

Sri M.K.S. Prakasa Rao who retires by rotation and being eligible offers himself for re-appointment.

AUDITORS:

M/s. SURESH AND BABU, Chartered Accountants, Vijayawada Auditors of the Company, retire and are eligible for re-appointment for the Current year.

Information as per Sec. 217(2A) of the Companies Act, 1956

PARTICULARS OF EMPLOYEES:

There were no employees in receipt of remuneration in excess of the amounts specified in Section 217(2A) of the Companies Act, 1956.

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

Information regarding compliance of rules relating to conservation of Energy and Technology absorption is not provided, as the same is not applicable to the Company.

CORPORATE GOVERNANCE:

A report on corporate governance has been obtained from the statutory auditors of the company and form 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, applicable accounting standards have been followed and there is no material departure.
- 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 the year under review.
- 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 fraud and other irregularities.
- iv) That the Directors have prepared the accounts for the financial year ended 31st March 2009 on a going concern basis.

2. OTHER NOTES:

- 2.1 Loans and advances include loans to staff of the company accounting to Rs. 3,94,178/- (Maximum amount due at any time during the year is Rs. 4,56,791/-)
- 2.2 Balances of sundry debtors / creditors and other loans & advances have been taken at values as stated in the books of account and have not been confirmed by the parties.
- 2.3 DIRECTOR'S REMUNERATION :

	2008-2009 Rs.	2007-2008 Rs.
Remuneration (including perquisites)	16,20,000	13,45,000
Sitting Fees	-----	-----
	16,20,000	13,45,000

PAYMENT TO AUDITORS :

	<u>2008-2009</u> Rs.	<u>2007-2008</u> Rs.
for Statutory Audit	35,000	35,000
for Tax Audit	5,000	5,000
for Tax Representation	10,000	10,000
and service tax on the above	5,150	6,120

- 2.4 The information required in regard to licensed capacity, installed capacity, actual production, consumption of raw material, opening and closing stock of goods are not applicable to this company.

2.5 Segment Reporting :

As the Company's business activity falls within a single primary business segment i.e., Real Estate, property Development, etc., the disclosure requirements of accounting standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India is not considered relevant.

2.6 Related Party Transactions

The Company has transactions with related parties. The details are as per annexure.

1.3 DEPRECIATION :

Depreciation of fixed assets put to use have been provided for on the WDV method at the rates as specified by Schedule XIV of the Companies Act, 1956.

1.4 INVESTMENTS :

All Investments are considered as long term Investments and are stated at cost.

1.5 INVENTORY VALUATION :

- i) Raw Materials and stores are valued at lower of cost or net realisable value.
- ii) Property development projects in progress are valued at lower of cost and net realisable value (taking consideration the estimate cost to complete)
- iii) Land (Stock in trade) is valued at the lower of cost and net realisable value.

1.6 REVENUE RECOGNITION :

- i) The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis.
- i) Turnover on property development projects :
The Company follows the percentage of completion method.

1.7 RETIREMENT BENEFITS :

- a) Contribution to provident Fund is made on actual liability and accounted for on accrual basis. No provision has been made for the retirement benefits of the employees.
- b) Provisions of payment of Gratuity Act applies to the Company. Even though there are employees who have put in qualifying service to be eligible for Gratuity, Provision against Liability was not made in the accounts.
- c) Provisions of payment of Bonus Act are applicable to the company. Hence as per the Act Bonus @ of 8.33% has to be provided in the accounts.

1.8 DIVIDENDS :

No Dividend has been recommended by the Board.

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

Place : Vijayawada
Date : 01.09.2009

LINGAM RAVINDRA RAO
Chairman & Managing Director

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 2009 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.

PARTICULARS	As at 31-03-2009 Rs.	As at 31-03-2008 Rs.
r) Compensation	5,82,460	3,35,000
s) Advertisement	28,40,223	1,82,658
t) Traveling & Conveyance	4,20,267	5,80,686
u) Chit Profit & Loss a/c.	0	18,47,620
v) VAT & Service Tax	10,42,002	25,16,749
	<u>8,66,94,399</u>	<u>7,78,90,331</u>
SCHEDULE - 9		
Increase / Decrease in Cost of		
Stock-in-Trade land, Projects in progress		
Opening		
Stock in Trade (Land)	15,32,56,689	17,21,52,562
Material at Site	5,28,600	8,75,000
Building & Infrastructure	1,33,66,205	1,77,69,200
	<u>16,71,51,494</u>	<u>19,07,96,762</u>
Closing		
Stock in Trade (Land)	14,46,74,078	15,32,56,689
Material at Site	3,25,350	5,28,600
Building & Infrastructure	2,36,52,093	1,33,66,205
	<u>16,86,51,521</u>	<u>16,71,51,494</u>
	<u>(15,00,027)</u>	<u>2,36,45,268</u>

SCHEDULE - 10

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

1. Significant Accounting Policies :

1.1 METHOD OF ACCOUNTING :

The Company maintains its accounts on accrual basis. The financial statements are prepared under the historical cost conversion and on the accounting principles of a going concern.

1.2 FIXED ASSETS :

Fixed Assets are stated at cost less depreciation.

PARTICULARS	As at 31-03-2009 Rs.	As at 31-03-2008 Rs.
SCHEDULE - 8		
PROPERTY DEVELOPMENT, GENERAL ADMINISTRATIVE & MARKETING EXPENSES		
a) Expenditure on property development Projects	5,67,46,016	4,75,63,849
b) Staff Cost		
Salaries	23,91,080	17,29,799
Employees Allowances	16,01,978	8,15,596
Provident Fund	2,88,112	1,81,511
E.S.I.	1,05,558	87,892
Staff Welfare	22,500	1,48,330
Bonus	1,16,934	1,16,934
c) Insurance	4,03,899	1,94,302
d) Office Maintenance		
Office Expenses	27,13,007	38,01,909
Professional Tax	2500	2500
e) Printing and Stationary	5,03,577	1,38,893
f) Postage and Telegrams		
Postage & Courier	17,686	30,338
Telephone Charges	8,48,269	7,39,789
g) Finance Charges	11,58,553	11,01,815
h) Vehicle Expenses	61,65,411	57,00,372
i) Bank Charges	4,99,930	6,21,245
j) Donations	2,31,516	1,13,748
k) Remuneration to Auditors for:		
Statutory Audit	35,000	35,000
Tax Audit	5,000	5,000
Tax Representation	10,000	10,000
Service Tax on the above	5,150	6,120
l) Director's Remuneration	16,20,000	13,45,000
m) Electricity	4,41,292	5,76,707
n) Rent	1,14,000	1,14,000
o) Rates, taxes & Licenses	49,76,072	23,62,764
p) Prior Period exps	0	5,31,199
q) Sales & Marketing expenses	7,86,407	43,53,006

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	2008-2009	2007-2008
Net Sales	11,41,28,727	16,34,02,464
Other Income	1,02,843	1,80,444
Work in Progress	2,36,52,093	1,33,66,205
Total Income	11,42,31,570	16,35,82,908
PBDIT	1,34,92,198	2,85,93,949
Finance Charges	84,14,762	1,09,11,305
Depreciation	16,80,895	15,57,249
Profit before Tax	33,96,541	1,61,25,395
Profit after Tax	27,94,486	1,43,18,451
EPS – Basic	0.69	3.56
Net Worth	13,06,41,089	12,78,46,603

Sales Turnover:

Your Company is developing Housing colonies and Apartments in various locations. The On-going venture called 'Padmanabhapuram Colony', 'Jaganadhapuram Colony' and 'Sreenivaasapuram Colony'. In this financial year major part of construction and infrastructure activities are completed. Your company achieved a turn over of Rs. 1141.28 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.84.14 lakhs as from against Rs.109.11 lakhs for the year 2008-2009 due to closure of term loan with Union Bank of India.

Profits before Depreciation, Interest and Taxes (PBDIT):

PBDIT decreased due to fall in sales turnover. An amount of Rs. 6,02,055/- has been provided for taxation during the year.

Profit After Tax (PAT):

PAT decreased from Rs. 1,43,18,451/- to Rs. 27,94,486/-.

Earnings Per Share (EPS):

EPS decreased from Rs. 3.56 to Rs. 0.69 as against last year due to decrease in profit.

Inventories:

Major items of inventories as on 31st March 2009 are as

Particulars	31/03/2009	31/03/2008
Materials at site	3,25,350	5,28,600
Work-in-Progress	2,36,52,093	1,33,66,205
Stock in Trade	14,46,74,078	15,32,56,689

CHIEF EXECUTIVE OFFICER (CFO)/CHIEF FINANCE OFFIER(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.

PARTICULARS	As at 31-03-2009 Rs.	As at 31-03-2008 Rs.
B) Loans And Advances		
a) Advances for Purchases	34,43,85,187	29,66,37,233
b) Advances for Workers & Suppliers	1,12,55,016	48,72,744
c) Deposits	11,09,259	13,38,269
d) Other assets	16,92,48,223	16,80,46,429
	52,59,97,685	47,08,94,675

SCHEDULE - 6**CURRENT LIABILITIES & PROVISIONS :****a) CURRENT LIABILITIES:**

Sundry Creditors	1,00,97,868	3,13,62,181
Creditors for Trade	1,03,77,119	1,14,48,106
Advances received against Proposed Projects	51,03,31,418	43,81,31,152
	53,08,06,405	48,09,41,439

PROVISIONS:

FOR OUTSTANDING EXPENSES	43,26,438	47,70,908
--------------------------	-----------	-----------

SCHEDULE - 7**INCOME****A) PROPERTY DEVELOPMENT PROJECTS**

i) Buildings & Infrastructure	6,59,90,227	6,68,43,514
ii) Sale of Developed Lands	4,81,38,500	9,65,58,950
	11,41,28,727	16,34,02,464

Other Income

Misc. Receipts	1,02,843	1,80,067
Profit on Sale of asset	0	377
	1,02,843	1,80,444

PARTICULARS	As at 31-03-2009 Rs.	As at 31-03-2008 Rs.
SCHEDULE - 4		
Investments :		
a) Investments - Shares A/c	<u>34,44,270</u>	<u>34,44,270</u>
	34,44,270	34,44,270
SCHEDULE - 5		
Current Assets, Loans & Advances :		
A) Current Assets		
a) Property Development Projects (WIP)	2,36,52,093	1,33,66,205
b) Stock in Trade (Land)	14,46,74,078	15,32,56,689
c) Material at Site	3,25,350	5,28,600
d) Cash and Bank Balances		
ING Vysya Bank Ltd.	17,616	27,52,146
State Bank of Hyderabad	9,147	19,784
S.B.I. (Powerpack)	0.00	69,82,869
Union Bank of India	0.00	0.00
Vijaya Bank	16,507	16,507
ING Vysya Bank Ltd (KTR)	10,121	10,121
Union Bank of India (Vizag)	2,800	2,800
Oriental Bank of Commerce	35,29,386	25,85,889
Punjab National Bank	700	700
Swarna Bank	750	750
Vysya Bank (Khammam)	1,839	1,839
Union Bank of India (RVR)	2,657	2,928
U.B.I. (Siddi Amber Bazar)	3,885	3,885
Vysya Bank (Hyd)	5,916	5,916
S.B.I. (Damanjodi)	8,415	8,415
Indian Overseas Bank	11,359	0
S.B.I. 80585 SIB Autonagar)	11,576	21,024
United Bank of India	1,429	53,584
HDFC Bank Ltd	0	21,987
Bank of Baroda	7,000	7,000
Indusind Bank	0	25,293
UCO Bank	10,773	10,773
SBI Poranki	5,000	0
UBI Escrow (210033)	6,072	36,072
Cash on Hand	<u>65,38,034</u>	<u>47,18,282</u>
	17,88,52,503	18,44,40,058

(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 Limited is one of the fore runners in the field of construction industry 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 endeavouring 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 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 2009

Category	No of Directors	Percentage of Total No of Directors
Promoter Executive Director	3	30%
Promoter Non executive Director	1	10%
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 Limited) are as under.

Sl 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	Executive Director	.....	.....	.....	.....
4	K.H.Prasad	Promote Non-Exe Director	.....	1	.....	.....
5	Ch.Anjaneyulu	Non-Exe & Independent	.....	.....	.....	.....
6	A.Srinivas	Non-Exe & Independent	.....	1	.....	.....
7	K.KoteswaraRao	Non-Exe & Independent	.....	1	.....	.....
8	M.K.S. Prakash Rao	Non-Exe & Independent	.....	.....	.....	.....

**RAGHAVA ESTATES LIMITED, VIJAYAWADA
STATEMENT OF DEPRECIATION FOR THE PERIOD ENDING 31-03-09
AS PER SCHEDULE XIV OF THE COMPANIES ACT**

NAME OF THE ASSET	RATE OF DEP	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS ON 1-4-2008	ADDI-TIONS	DELE-TIONS	BALANCE AS ON 31-3-09	AS ON 1-4-08	FOR THE YEAR 31-3-09	UP TO 31-3-09	AS ON 31-3-09	AS ON 1-4-08
Motor Cars A/c	25.89%	1775702	429456	-----	2205158	590642	362247	952889	1252269	1185060
Fax Epabx & Computers A/c	40.00%	1430120	88580	-----	1518700	1236625	103744	1340369	178331	193495
Motor Lorries	40.00%	7175966	-----	-----	7175966	6612660	224705	6837365	338601	563306
Plant & Machinery A/c	13.91%	2416682	3034612	-----	5451294	1778932	297350	2076282	3375012	637750
Furniture & Fixures A/c	18.10%	2084428	13000	-----	2097428	1697118	70775	1767893	329535	387310
Elec. Equipmt(Transformers)A/c	20.00%	922900	-----	-----	922900	776250	29250	805500	117400	146650
Sewage Treatment Plant A/c	13.91%	2428259	-----	-----	2428259	2179446	34515	2213961	214298	248813
Buildings A/c	5.00%	824974	-----	-----	824974	363245	23023	386268	438706	461729
Centering Material A/c	13.91%	7787788	-----	-----	7787788	5684222	291773	5975995	1811793	2103566
Club Complex A/c	5.00%	3500000	-----	-----	3500000	1454516	101994	1556510	1943490	2045484
Shopping Complex A/c	5.00%	5349000	-----	-----	5349000	2510840	141519	2652359	2696641	2838160
Lands	-----	482840	-----	-----	482840	-----	-----	-----	482840	482840
		36178659	3565648	0	39744307	24884496	1680895	26565391	13178916	11294163

SCHEDULE - 3

SCHEDULE - 1

PARTICULARS	As at 31-03-2009 Rs.	As at 31-03-2008 Rs.
SHAREHOLDERS' FUNDS		
a) Authorised Capital		
55,00,000 Equity shares of Rs. 10/- each	5,50,00,000	5,50,00,000
Issued, Subscribed & Paid Up		
50,24,300 equity shares of Rs. 10/- each	5,02,43,000	5,02,43,000
Less : Calls in arrears	1,00,25,500	1,00,25,500
	4,02,17,500	4,02,17,500
b) RESERVES & SURPLUS A/c	8,76,29,103	7,33,10,652
PROFIT AND LOSS A/c	27,94,486	1,43,18,451
	13,06,41,089	12,78,46,603
SCHEDULE - 2		
LOAN FUNDS		
a) Union Bank of India	0	49,96,968
Shriram Transport Finance Limited	25,76,176	0
Indusind Bank Limited	7,83,892	8,74,283
HDFC Vehicle Loan	24,621	33,567
APSFC	4,86,74,916	4,68,32,250
Shriram City Union Finance Ltd	23,10,207	23,63,234
	5,43,69,812	5,51,00,302
b) Unsecured Loans		
From Others	0	0
	0	0

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 2008-2009 with dates and attendance of Directors:

Six Board Meetings were held during the Financial Year 2008-2009. They were held on 30th April, 08, 31th July 08, 01^h September 08, 31st October 08, 31st Jan 09 and 16TH March 2009.

The attendance record of each director was as under :

Name of the Director	Number of Board Meetings Attended	Attendance at last AGM
L.V.Raghava Rao	4	Yes
L.Ravindra Rao	6	Yes
L.Tulasi Prasad	6	Yes
T.Sri Rambabu	6	Yes
K.Harischandra Prasad	5	Yes
Ch.Anjaneyulu	4	Yes
Pradeep Kumar	2	Yes
A.Srinivas	4	Yes
K.Koteswara Rao	4	Yes
M.K.S.Prakash Rao	4	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 March, 2009, 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

Place : Vijayawada

Date : 01.09.2009

LINGAM RAVINDRA RAO

Chairman & Managing Director

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. Ch. Anjaneyulu, Chairman, Mr.M.K.S.Prakasa Rao and Mr.Pradeep Kumar who was resigned on 19/12/2008 and replaced by Mr.K.Koteswara Rao all being non-executive and independent directors. The statutory auditor of the company is permanent invitee to the Audit Committee.

Attendance:

Details of the meetings held during the year.

S.No.	Date	Committee Strength	No. of Members Present
01	14.04.2008	3	3
02	12.07.2008	3	3
03	16.10.2008	3	3
04	10.01.2009	3	3

RAGHAVA ESTATES LIMITED

Profit & Loss Account For the Period Ending 31st March 2009

PARTICULARS	Schedule No.	As On 31-03-2009	As On 31-03-2008
INCOME :	7		
a) Property Development Projects		11,41,28,727	16,34,02,464
b) Other Income		1,02,843	1,80,444
		11,42,31,570	16,35,82,908
EXPENDITURE :			
Purchase of Land		1,55,45,000	3,34,53,360
Property Development, General Administrative & Marketing Expenses	8	8,66,94,399	7,78,90,331
(Increase) / Decrease in Cost of Stock in Trade and Work-in-progress	9	(15,00,027)	(2,36,45,268)
Total		10,07,39,372	13,49,88,959
Profit before Depreciation & Interest		1,34,92,198	2,85,93,949
Interest		84,14,762	1,09,11,305
Depreciation		16,80,895	15,57,249
Profit after Depreciation & Interest		33,96,541	1,61,25,395
Misc. expenditure written off		0	0
Profit Before tax		33,96,541	1,61,25,395
Provision for Tax			
Current Tax	5,92,329	17,82,765	
Deferred Tax	(84,284)	(61,069)	
Fringe Benefit Tax	94,010	6,02,055	85,248
Profit After Tax		27,94,486	1,43,18,451
Add : Balance brought forward from Previous year		8,76,29,103	7,33,10,652
Profit available for appropriation		9,04,23,589	8,76,29,103
Appropriations :			
Surplus carried to balance Sheet		9,04,23,589	8,76,29,103
Earning per share (Basic/Diluted)		0.69	3.56
Significant Accounting Policies and Notes forming part of the Accounts	10		

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for **SURESH and BABU**

P. JANARDHAN
Partner

L.Ravindra Rao
Chairman & Managing Director

Place : Vijayawada
Date : 01.09.2009

L. Tulasi Prasad **T. Sri Rambabu**
Jt. Managing Director Executive Director

RAGHAVA ESTATES LIMITED
Balance Sheet As At 31st March 2009

Particulars	Schedule No.	As at 31-03-2009	As at 31-03-2008
SOURCES OF FUNDS	1		
Shareholder's Funds			
a) Share Capital		4,02,17,500	4,02,17,500
b) Reserves & Surplus		9,04,23,589	8,76,29,103
LOAN FUNDS :	2		
a) Secured Loans		5,43,69,812	5,51,00,302
b) Unsecured Loans		0	0
Deferred Tax liability		13,29,630	14,13,914
		18,63,40,531	18,43,60,819
APPLICATION OF FUNDS			
Fixed Assets	3		
Gross Block		3,97,44,307	3,61,78,659
Less : Depreciation		2,65,65,391	2,48,84,496
Investments	4	34,44,270	34,44,270
CURRENT ASSES, LOANS & ADVANCES	5		
a) Current Assets		17,88,52,503	18,44,40,058
b) Loans & Advances		52,59,97,685	47,08,94,675
Total Current Assets		70,48,50,188	65,53,34,733
Less : Current Liabilities & provisions	6		
a) Liabilities		53,08,06,405	48,09,41,439
b) Provisions		43,26,438	47,70,908
Total current liabilities		53,51,32,843	48,57,12,347
Net Current Assets		16,97,17,345	16,96,22,386
		18,63,40,531	18,43,60,819
Significant Accounting Policies and Notes forming part of the accounts	10		

AS PER OUR REPORT OF EVEN DATE

for **SURESH and BABU**

P. JANARDHAN
Partner

Place : Vijayawada
Date : 01.09.2009

FOR AND ON BEHALF OF THE BOARD

L.Ravindra Rao
Chairman & Managing Director

L. Tulasi Prasad **T. Sri Rambabu**
Jt. Managing Director Executive Director

Details of the attendance of the members.

Director	No.of Meetings Attended
Ch. Anjaneyulu	4
M.K.S.Prakash Rao	4
Pradeep Kumar	2
K. Koteswara Rao	2

Remuneration Committee:

- 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.
- The company does not have any stock option scheme.
- As such the company currently does not pay any remuneration including sitting fees to its Non-Executive Directors.
- Details of the remuneration to Directors.

Name	Salary Per Annum
L.Ravindra Rao	Rs. 6,00,000
L.Tulasi Prasad	Rs. 6,00,000
T.S.Rambabu	Rs. 4,20,000

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. K. Koteswara Rao and Mr. A. Srinivas, Mr.M.K.S.Prakash Rao and Mr. K.H Prasad are members of the committee. Mr. K. Koteswara Rao is the Compliance Officer.

Attendance:

Details of the meetings held during the year.

Sl.No.	Date	Committee Strength	No.of Members Present
1	15.05.2008	4	4
2	15.07.2008	4	4
3	15.12.2008	4	4
4	05.02.2009	4	4

Details of the attendance of the members.

Director	No.of Meetings Attended
K. Koteswara Rao	4
M.K.S.Prakash Rao	4
A. Srinivas	4
K.H.Prasad	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 2009.

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
2005-2006	Registered Office of the Company	30-09-2006	10:00 AM
2006-2007	Registered Office of the Company	29-09-2007	10:00 AM
2008-2009	Registered Office of the Company	29-09-2008	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.

Extraordinary General Meeting:

No Extraordinary General Meeting of the shareholders of the company was held during the year 2008-2009.

- xvii) 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. In our opinion, the price at which shares have been issued is not prejudicial to interest of the company
- xviii) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- xix) The company has not raised any money by public issue of shares during the year covered by audit.
- xx) According to the informant 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

Place : Vijayawada
Date : 1-09-2009

(P. JANARDHAN)
Partner

- c) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public.
- vi) 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.
- vii) 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 for the company.
- viii) **a)** The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, income tax, sales tax, excise duty and other material statutory dues applicable to it.
- b)** According to the information and explanations given to us. no undisputed amounts payable in respect of income tax, wealth tax, sales Tax, Customs duty, excise duty, and cess were in arrears, as at 31st March, 2009 for a period of more than six months from the date they become payable.
- c)** According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute.
- ix) 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.
- x) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holder.
- xi) The company has not granted loans and advances on the basis of security by way of pledge of share, debentures and other securities.
- xii) The company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- xiii) 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 (Auditors' Report) Order, 2003 are not applicable to the company.
- xiv) 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.
- xv) In our opinion, the term loans have been utilised for the purpose for which they were raised.
- xvi) 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.

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.2.6 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.

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. The company does not have any website. However during the year, unaudited financial results for 2008 - 2009 and 4th quarter financial results have been communicated to Stock Exchange and published in Deccan Chronicle and Andhra Bhoomi on 03/05/2009.
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. The company does not have any website. Annual results have not published in newspapers.
3. Management Discussion and Analysis forms part of this Annual Report.

General Shareholder Information:

A Annual General Meeting	
Date and Time	: 29 th September, 2009 at 10.00 A.M.
Venue	: D.No : 64-9-2, Kanuru Subbaiah Buildings, Beside Enadu, Patamatalanka, VIJAYAWADA – 520 010.
B Financial Year 2008-2009	
First Quarter Results	: July/August, 2009
Second Quarter Results	: October/November, 2009
Third Quarter Results	: January/February, 2010
Fourth Quarter Results	: April, 2010
Annual Results	: June, 2010
C Dates of Book Closure	: 19 th September, 2009 to 29 th September, 2009 (Both days inclusive)
D Dividend Payment Date	: N.A.

- E Listing on Stock Exchange : The company's shares are listed on Madras and Mumbai stock Exchanges.
- F Stock Code : Not available.
- G Stock Price Date : The trading of securities of the Company is suspended.
- H Stock Performance : The trading of securities of the Company is suspended.

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- Rs.	No.of Shareholders	% of Total Shareholders	No.of Shares held	% of Shareholding
1 - 5,000	295	31.75	98,800	01.97
5,001 - 10,000	158	17.01	1,41,300	02.81
10,00 - 20,000	141	15.18	2,36,300	04.70
20,001- 30,000	69	07.43	1,72,400	03.43
30,001- 40,000	55	05.92	2,07,300	04.13
40,001- 50,000	71	07.64	3,46,500	06.90
50,001 - 1,00,000	77	08.29	6,13,900	12.22
1,00,001and above	63	06.78	32,07,800	63.85
TOTAL	928	100.00	50,24,300	100.00

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 3 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 as reasonable intervals and no discrepancies were noticed on such verification.
- c) During the year, the company has not disposed any part of the Plant & Machinery and the question of 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 procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) 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) The company has neither granted nor taken any loans secured or unsecured to/from 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 inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- v) a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956
- b) In our opinion, according to the information and explanations given to us there are transactions which were made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rupees Five Lacs in respect of any party during the year.

f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon and significant accounting policies 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.

- i) In the case of Balance Sheet, of the State of affairs of the Company as at 31st March, 2009 and
- ii) In the case of the Profit and Loss accounts of the Profit for the year ended on that date and
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

for **Suresh and Babu**
Chartered Accountants

Place : Vijayawada
Date : 01-09-2009

(P. Janardhan)
Partner

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 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 from 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 Limited

We have examined the compliance of the conditions of corporate governance by M/s. Raghava Estates Limited for the year Ended on 31st March, 2009 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange in India.

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

In our opinion and to the best of our information and according to the explanations given to us, the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreements.

As per the information and explanations given to us by the management, the company did not receive any complaints from Shareholders and investors during the year ended 31st March, 2009.

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

Place : Vijayawada.
Date : 01.09.2009

(P. JANARDHAN)
Partner

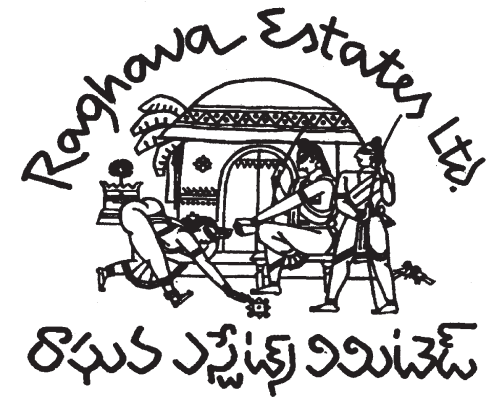
AUDITOR'S REPORT

To
The Members of
M/S. RAGHAVA ESTATE LIMITED,

1. We have audited the attached Balance Sheet of **M/S. RAGHAVA ESTATES LIMITED**, as at 31st March, 2009 and also the profit and Loss Account and cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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.
3. As required by the Companies (Auditors Report) Order 2003, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, We enclose in the Annexure, a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to 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 purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books.
 - c) The Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the above books of accounts.
 - d) In our opinion, the balance sheet, profit and Loss Account and the Cash flow statement dealt with by this report comply with the Accounting standards referred to in section 211(3C) of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2009 from being appointed as directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.



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Twenty-first Annual Report 2008 - 2009

