



RAGHAVA
estates & properties ltd

**Twenty-Fifth Annual Report
2012 - 2013**

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TWENTY-FIFTH ANNUAL GENERAL MEETING

at 10.00 a.m.

On Monday 30th September, 2013

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

Vijayawada - 520 010.

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

BOARD OF DIRECTORS

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

AUDITORS

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

BANKERS

State Bank of India
ING Vysya Bank Limited

NOTICE

NOTICE is hereby given that the Twenty-fifty Annual General Meeting of the Company will be held at 10.00 a.m. on Monday, the 30th day of the September, 2013 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 Financial Statement for the year ended March 31st 2013 together with the reports of the Directors' and the Auditors' thereon.
02. To appoint a Director in place of Sri K.Harischandra Prasad who retires by rotation and being eligible, offers himself for re-appointment.
03. To appoint a Director in place of Sri Ch.Anjaneyulu who retires by rotation and being eligible, offers himself for re-appointment.
04. To appoint a Director in place of Sri M.K.S Prakasa 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 audit of the books of account of the company”

For and on behalf of the Board

Sd/-

(L.RAVINDRA RAO)
Managing Director

Place : Vijayawada
Date : 04.09.2013

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 the members will also remain closed from 20-09-2013 to 30-09-2013 (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. 1:

Sri K.Harischandra Prasad, Aged 58 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, Share Transfer Committee and Audit Committee of the Company.

Item no.2 :

Sri Ch.Anjaneyulu, aged 60 years is a Graduate in Structural 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.3 :

Sri M.K.S.Prakasa Rao, Aged 54 years is a Graduate In commerce and has rich experience in trading and marketing business.

DIRECTORS' REPORT

Your Directors have great pleasure in presenting 25th Annual report together with the annual Audited Accounts for the financial year ended 31st March 2013.

(Rs. in Lakhs)

Particulars	For the Year Ended 31-03-2013	For the Year Ended 31-03-2012
FINANCIAL RESULT		
Total Revenues	3328.60	1325.48
Total Expenditure	2497.49	1734.11
Earnings before Interest, Depreciation & Tax	831.11	(408.63)
Interest	811.21	60.28
Depreciation	9.98	11.94
Profit/(Loss) before tax	9.92	(480.85)
Provision for Taxes	0.44	(0.31)
Profit after tax	10.36	(480.54)
Surplus/(Deficit) brought forward		
form Pervious year	539.72	1020.26
Balance in Profit & Loss Account	550.08	539.72

DIVIDEND:

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

FUTURE PROPSECTS:

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

DIRECTORS :

Sri K.Harischandra Prasad, who retires by rotation and being eligible offers himself for reappointment.

Sri Ch. Anjaneyulu, who retires by rotation and being eligible offers himself for reappointment.

Sri M K S Prakasa Rao, who retires by rotation and being eligible offers himself for reappointment.

AUDITORS:

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

Foreign exchange earning and out go : Nil**CORPORATE GOVERNANCE:**

As per clause 49 of the Listing Agreement our company has obtained corporate governance report from the statutory auditors of the company and annexed to this report and a separate section on Management Analysis and Discussion has been forming part of this report.

Directors' Responsibility Statement:

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

- i) That in the presentation of Annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- iv) That the Directors have prepared the accounts for the financial year ended 31st March 2013 on a going concern basis.

ACKNOWLEDGEMENT:

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

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

For and on behalf of the Board

Sd/-

LINGAM RAVINDRA RAO
Managing Director

Place : Vijayawada
Date : 04.09.2013

MANAGEMENT DISCUSSION AND ANALYSIS

Over view:

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

INDUSTRY AND STRUCTURE

Construction Industry:

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

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

Company Infrastructure:

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

Internal Control Systems:

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

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

OPPORTUNITIES AND THREATS

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

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

Risks and concerns:

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

Operational Performance :

Particulars	March 31, 2013	March 31, 2012
Net Sales	33,28,59,794	13,15,54,541
Other Income	0.00	9,93,284
Work in Progress	5,75,32,650	86,63,762
Total Income	33,28,59,794	13,25,47,825
PBDIT	8,31,10,607	(4,08,63,054)
Finance Charges	8,11,20,947	60,27,999
Depreciation	9,97,535	11,93,802
Profit before Tax	9,92,125	(4,80,84,855)
Profit after Tax	10,36,230	(4,80,53,860)
EPS – Basic	0.34	(15.92)
Net Worth	8,52,00,376	8,41,64,146

Sales Turnover:

Your Company is developing Housing colonies and Apartments in various locations. In this financial year major part of construction and infrastructure activities are completed. Your company achieved a turn of Rs.3328.59 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 increased at Rs.811.20 lakhs from Rs.60.27 lakhs for the year 2012-2013.

Profits before Depreciation, Interest and Taxes (PBDIT):

PBDIT has been increased due to rise in sales turnover. Current Tax Liability does not raise as the company has brought forward losses setting off 100% of current year profit. However, Rs.189049/- of Minimum Alternate Tax has been paid during the reporting year.

Profit After Tax (PAT):

PAT increased to Rs.10,36,230/- in the year 2012-2013.

Earnings Per Share (EPS) :

EPS Increased to Rs.0.34 as against the loss in previous year.

Inventories:

Major items of inventories as on 31st March 2013 are as

Particulars	March 31, 2013	March 31, 2012
Materials at site	3,75,600	4,25,300
Work-in-Progress	5,75,32,650	8,66,37,620
Stock in Trade	7,76,54,029	7,81,79,580

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

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

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

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

REPORT ON CORPORATE GOVERNANCE

The Directors present the company's Report on Corporate Governance.

Raghava Estates & Properties Limited is one of the fore runners in the field of construction industry and to have forwarded a formalized system of Corporate Governance.

THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

BOARD OF DIRECTORS:

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

COMPOSITION OF THE BOARD:

The following is the composition of the Board on 31st March 2013.

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 & Properties Limited) are as under.

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

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

Number of Board Meetings held in Financial year 2012-2013 with dates and attendance of Directors:

Five Board Meetings were held during the Financial Year 2012-2013. They were held on 04/05/2012, 11/08/2012, 12/11/2012 & 07/03/2013.

The attendance record of each director was as under :

Name of the Director	Number of Board Meetings Attended	Attendance at last AGM
L.Ravindra Rao	4	Yes
L.Tulasi Prasad	4	Yes
T.Sri Rambabu	4	Yes
K.Harischandra Prasad	4	Yes
Ch.Anjaneyulu	3	Yes
P.S.P.Bhushan Maruthi	2	Yes
A.Srinivas	3	Yes
B.V.R.Kumar Maruthi	2	Yes
K.Koteswara Rao	4	Yes
M.K.S.Prakash Rao	3	Yes

CODE OF CONDUCT:

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

Committees of the Board:

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

DECLARATION

This is confirmed that code of conduct by Board of Directors and Senior members of Management personnel. I confirm that the Company as in respect of the financial year ended 31st March, 2013, received from the Senior Members of Management of the Company and members of the Board and declare of the Compliance with the code of conduct as applicable to them.

For and on behalf of the Board
Sd/-

Place : Vijayawada

Date : 04.09.2013

LINGAM RAVINDRA RAO

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

Attendance:

Details of meetings held during the year

S.No.	Date	Committee Strength	No. of Members Present
01	27.04.2012	3	3
02	25.07.2012	3	3
03	29.10.2012	3	3
04	25.01.2013	3	3

Details of the attendance of the members.

Director	No.of Meetings Attended
M.K.S.Prakash Rao	3
Ch.Anjaneyulu	3
K. H.Prasad	3

Remuneration Committee:

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

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

Investor Services Committee:

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

Composition:

The committee is headed by Mr.K.Koteswara Rao, Mr.A.Srinivas, and Mr.B.V.R Kumar Maruthi and Mr. K.H.Prasad are members of 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	27.04.2012	4	4
2	25.07.2012	4	4
3	29.10.2012	4	4
4	25.01.2013	4	4

Details of the attendance of the members.

Director	No.of Meetings Attended
K. Koteswara Rao	4
B.V.R.Kumar Maruthi	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 2013.

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
2009-2010	Registered Office of the Company	29-09-2010	10:00 AM
2010-2011	Registered Office of the Company	29-09-2011	10:00 AM
2011-2012	Registered Office of the Company	29-09-2012	10:00 AM

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

Disclosures:

Company does not have any materially significant related party transactions, which may have potential conflict with the interests of the Company. Other related party transactions have been reported at S.No.2.6 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. However during the year, unaudited financial results for 2012-2013 and 4th quarter financial results have been communicated to Stock Exchange and published in Deccan Chronicle and Andhra Bhoomi.
2. As the equity shares of the company are listed with Stock Exchanges, the annual results have been published as per listing agreements in prominent English and Telugu News papers.
3. Management Discussion and Analysis forms part of this Annual Report.

General Shareholder Information:**A Annual General Meeting**

Date and Time : 30th September, 2013 at 10.00 A.M.
Venue : D.No : 64-9-2, Kanuru Subbaiah Buildings,
Beside Enadu, Patamatalanka,
VIJAYAWADA – 520 010.

B Financial Calendar (tentative and subject to change)

Financial Year April 01, 2013 to March 31, 2014
First Quarter Results : July/August, 2013
Second Quarter Results : October/November, 2013
Third Quarter Results : January/February, 2014
Fourth Quarter Results : April, 2013
Annual Results : June, 2013

C Dates of Book Closure : 20th September, 2013 to 30th September, 2013 (Both days inclusive)**D Dividend Payment Date : N.A.**

- E Listing on Stock Exchange : The Company's shares are listed on Bombay stock Exchange (BSE), P.J.Tower, Dalal Street, Mumbai – 400 001
- F Stock Code : 531627
- G Stock Price Date : The Company's stock is not quoted during the last financial year on any of the stock exchanges listed above.
- H Stock Performance : The Company's stock is not quoted during the last financial year on any of the stock exchanges listed above

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- □	No.of Shareholders	% of Total Shareholders	No.of Shares held	% of Shareholding
1 - 5,000	276	43.26	9,06,000	03.03
5,001 - 10,000	134	21.00	11,70,000	03.83
10,00 - 20,000	103	16.14	16,31,000	05.44
20,001- 30,000	51	07.99	12,79,000	04.24
30,001- 40,000	23	03.61	8,29,000	02.74
40,001- 50,000	14	02.19	6,47,000	02.13
50,001 - 1,00,000	22	03.45	15,27,000	05.06
1,00,001and above	15	02.35	2,22,03,000	73.53
TOTAL	638	100.00	3,01,92,000	100.00

L. Dematerialization of Shares and Liquidity:

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

M. Address for Correspondence:

1. For any unresolved complaints

THE MANAGING DIRECTOR

Raghava Estates & Properties Limited

64-9-2, Kanuru Subbaiah Blds.

Patamata lanka, Vijayawada - 520010.

Compliance Certificate of the Auditors:

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

CERTIFICATE

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

We have examined the compliance of the conditions of corporate governance by M/s. Raghava Estates & Properties Limited for the year Ended on 31st March, 2013 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 limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, and as per the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 31st March, 2013.

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

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

Place : Vijayawada.
Date : 04.06.2013

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

INDEPENDENT AUDITORS' REPORT

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

Report on Financial Statements

We have audited the accompanying financial statements of **M/s Raghava Estates & Properties Limited**, which comprise the Balance Sheet as at 31st March, 2013 and Statement of Profit & Loss for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2013; and
- (b) in the case of the Statement of Profit and Loss, of the Profit/Loss of the Company for the year ended on that date;

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

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

**Place : Vijayawada
Date : 04.06.2013**

**(P. JANARDHAN)
Sd/
Partner
M.No.26498**

Annexure to the Auditors' Report:

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

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

- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) The company does not have formal internal audit department but the company's internal control procedures together with the internal checks conducted by the management staff during the year can be considered as an adequate internal audit system commensurate with the size and nature of its business.
- (viii) We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including, income tax, sales tax, wealth tax, service tax, Provident Fund and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, there are no dues of sales tax, income tax and wealth tax, which have not been deposited on account of any dispute.
- (x) In our opinion, there was no accumulated losses and the company has been deriving cash profits during the financial year covered by our audit and the immediately preceding financial year. However it has incurred cash loss during the year immediately preceding the financial year.
- (xi) 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 holders.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans taken by the company have been applied for the purpose for which they were raised.

- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- (xx) In our opinion and according to the information and explanations given to us, the company has not raised any funds by Public issue during the year under audit
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : Vijayawada
Date : 04.06.2013.

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

Sd/-
(P.Janardhan)
Partner.
ICAI M.No.026498

RAGHAVA ESTATES & PROPERTIES LIMITED

Balance Sheet As At 31st March 2013

(Amount In Rs`)

	Particulars	Note No	Current Reporting Period 31-03-2013	Previous Reporting Period 31-03-2012
I	EQUITY AND LIABILITIES			
1.	Shareholder's Funds			
	a) Share Capital	1	30,192,000	30,192,000
	b) Reserves & Surplus	2	55,008,376	53,972,146
2.	Share Application Money pending allotment		-----	-----
3.	NON-CURRENT LIABILITIES			
	a) Long-term borrowings	3	20,714,070	19,999,247
	b) Deferred tax liabilities (Net)	4	873,704	917,809
4.	CURRENT LIABILITIES			
	(a) Short-term borrowing			
	(b) Trade payables	5	23,683,490	24,559,138
	(c) Other current liabilities	6	323,963,597	477,218,931
	(d) short-term provisions	7	13,097,716	3,496,580
	Total		467,532,953	610,335,851
II.	ASSETS			
1.	Non-current assets			
	a) Fixed assets			
	(i) Tangible assets		8,551,459	9,511,439
	b) Non-current investments	8	3,344,270	3,344,270
	c) Long-term loans and advances	9	3,056,091	2,954,921
	d) Other non-current assets	10		
2.	CURRENT ASSETS			
	a) Inventories		135,562,279	165,242,500
	b) Trade Receivables	11	2,549,966	10,293,114
	c) Cash and cash equivalents	12	30,113,857	7,218,926
	d) Short-term loans and advances	13	283,891,783	411,712,199
	e) Other current assets	14	463,248	78,482
	Total		467,532,953	610,355,851

Notes form an interegral part of these financial statements

Per our Report of even date
For **SURESH and BABU**
Chartered Accountants
FRN.0042545
Sd/-
P. JANARDHAN
Partner
M.NO.26498
Place : Vijayawada
Date : 04.06.2013.

FOR AND ON BEHALF OF THE BOARD

Sd/-
L.Ravindra Rao
Managing Director

Sd/-
L. Tulasi Prasad
Jt. Managing Director

RAGHAVA ESTATES & PROPERTIES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013
(Amount in Rs)

	PARTICULARS	Note No	Current Reporting Period 31-03-2013	Previous Reporting Period 31-03-2012
	INCOME :			
I.	a) Revenue from operations	15	332,859,794	131,554,541
II.	b) Other Income	16	-	993,284
III.	TOTAL REVENUE (I + II)		332,859,794	132,547,825
IV.	Expenses :			
	Cost of Construction/Development	17	238,406,356	158,583,175
	Employee benefit expenses	18	7,109,401	8,065,711
	Finance costs	19	81,120,947	6,027,999
	Depreciation	20	997,535	1,193,802
	Other expenses	21	4,233,430	6,761,993
	Total expenses		331,867,669	180,632,680
V.	Profit before exceptional Items and tax (III-IV)		992,125	(48,084,855)
VI.	Exceptional Item		-	-
VII.	Profit before tax (V-VI)		992,125	(48,084,855)
VIII.	Tax expense :			
	1) Current tax		-	-
	2) Deferred tax		(44,105)	(30,995)
IX.	Profit for the year		1,036,230	(48,053,860)
X.	Earnings per Equity Share:			
	Weighted average number of Equity Shares outstanding during the year		30,192,200	30,192,200
	Basic & diluted earnings per share, including exceptional item (in Rs)		0.34	(15.92)
	Basic & diluted earnings per share, excluding exceptional item (in Rs)		0.34	(15.92)
	Nominal value per share (in Rs)		10.00	10.00
Notes form an interegral part of these financial statements				

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

Sd/-
P. JANARDHAN
Partner
M.NO.26498
Place : Vijayawada
Date : 04.06.2013.

FOR AND ON BEHALF OF THE BOARD

Sd/-
L.Ravindra Rao
Managing Director

Sd/-
L. Tulasi Prasad
Jt. Managing Director

M/s. RAGHAVA ESTATES & PROPERTIES LIMITED, VIJAYAWADA.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

PARTICULARS	(Rs)	(Rs)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit after Tax and Extraordinary items		10,36,230
adjustment for Depreciation	99,75,35	
Deferred Tax Liability	(44,105)	
Interest paid	8,11,20,947	
Profit on sale of Fixed Assets	0	820,74,377
Operating profit before working capital changes		831,10,607
Inventories		
Trade Receivables	296,80,221	
Loans & Advances	77,43,148	
Short term Loans & Advances and other assets	12,74,35,650	
Other payables and provisions	(8,75,648)	
Trade Payables	(14,36,54,198)	203,29,173
CASH GENERATED FROM OPERATIONS		10,34,39,780
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(37,555)	
Sale of Fixed Assets	0	(37,555)
C. CASH FLOW FROM FINANCING ACTIVITIES		
INTEREST PAID	(811,20,947)	
INTEREST RECD	0	
Repayment of long term borrowings	(1,01,170)	
Proceeds from long term borrowings	7,14,823	(805,07,294)
Net decrease in Cash and Cash Equivalents		228,94,931
Cash and Cash Equivalents at the beginning of the year		72,18,926
Cash and Cash Equivalents at the end of the year		301,13,857

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

P. JANARDHAN
Partner
M.NO.26498

Place : Vijayawada
Date : 4th June 2013

FOR AND ON BEHALF OF THE BOARD

Sd/-
L.Ravindra Rao
Managing Director

Sd/-
L. Tulasi Prasad
Jt. Managing Director

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS:

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1.1 Basis of preparation of Financial Statements:

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified by the Companies (Accounting Standard) Rules, 2006(as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under historical cost convention.

1.2 Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the company to make estimates and assumptions that effect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized

1.3 Tangible Assets:

Tangible assets are stated at cost less accumulated depreciation and impairment losses, if any. Direct cost comprises of all expenditure of capital in nature attributable to bringing the tangible fixed asset to working condition for its intended use and incidental expenses including interest relating to acquisition, until Tangible assets are ready to be put to use.

1.4 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- (i) Income from sale of units of mutual funds is recognized on its realization
- (ii) Interest on bank deposits is recognized on a time proportion basis taking into account the amounts invested and the rate applicable.

1.5 Investments:

Investments, which are readily realizable and intended to be held of not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value. Long term investments are carried at cost less provision for diminution, other than that of temporary nature, in value of such investments.

- 1.6 Employee Benefits:
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. 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.
- 1.7 Borrowing Costs:
Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs, if any, are charged to the statement of Profit & Loss as period costs.
- 1.8 Provision for Current and Deferred Taxes:
Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable income and accounting income is accounted for using the tax rates and laws that are enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in the future.
- 1.9 Provisions, Contingent Liabilities and Contingent Assets:
i) A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ii) Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.
- 1.10 General:
Any other accounting policy not specifically referred to are consistent with generally accepted accounting principles.

RAGHAVA ESTATES & PROPERTIS LIMITED

Notes forming Part of the Financials Statements

Note : 1 : SHARE CAPITAL

(Amount in Rs)

PARTICULARS	As at 31st March 2013	As at 31st March 2012
<u>Authorised</u> 55,00,000 Equity shares of Rs. 10/- each	55,000,000	55,000,000
	55,000,000	55,000,000
<u>Issued, Subscribed & Paid Up</u> 3019200 Equity shares of Rs.10/-each	30,192,000	30,192,000
Total	30,192,000	30,192,000

Rights, preferences and restrictions attached to :

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

Reconciliation of Number of Shares

Particulars	As at 31st March 2013		As at 31st March 2012	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	3019200	3019200	3019200	3019200
Changes during the year	-	-	-	-
Closing Balance	3019200	3019200	3019200	3019200

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

Particulars	As at 31st March 2013		As at 31st March 2012	
	Number of Shares	Amount	Number of Shares	Amount
RAVINDRA RAO LINGAM	543100	17.99	543100	17.99
TULASI PRASAD LINGAM	458900	15.20	458900	15.20
PADMAJA VANI LINGAM	299200	9.91	299200	9.91
SRI RAMBABU TUMMALA	267500	8.86	267500	8.86
KILARU HARISCHANDRA PRASAD	244200	8.09	244200	8.09

Note : 2 : RESERVES & SURPLUS**(Amount in Rs)**

Particulars	As at 31st March 2013	As at 31st March 2012
Reserves & Surplus A/c	53,972,146	102,026,006
Opening Balance	-	-
Add : Transferred from Profit & Loss A/c	1,036,230	(48,053,860)
Closing Balance	55,008,376	53,972,146
Total	55,008,376	53,972,146

Note : 3 : LONG-TERM BORROWINGS**(Amount in Rs)**

Particulars	As at 31st March 2013	As at 31st March 2012
Secured Loans :		
APSF	20,714,070	19,432,903
(Charge secured by Equitable Mortgage of Land admeasuring Ac 0.50 cents of Land covered by R.S.No: 346/1 together with Buildings constructed there on bearing D-No; 1-195, Seethapuram Colony, Poranki village, Penamalur mandal, Krishna district.)		
The Company has provided personal guarantees of Mr.L Ravindra Rao, L.Tulasi Prasad, K.Harischandra Prasad and T. Sri Rambabu, Promoter Directors of the company.		
	20,714,070	19,432,903
(a) On July 19, 2007, the Andhra Pradesh State Financial Corporation(APSFC) sanctioned a Financial Assistance for a sum of Rs.420 Lakhs to the company to meet a part of cost of ongoing projects. The assistance is repayable in 50 monthly installemts of Rs.9.20 lakhs each. The repayment shall commence 11 months from date of release of the loan. Interest shall be charged @17% p.a		
Unsecured Loans :		
(a) Shriram Transport Finance Ltd	-	150,870
(b) Ashok Leyland Finance Ltd	-	337,436
(e) Reliance Capital Ltd (Car Loan)	-	78,038
	-	566,344
Total	20,714,070	19,999,247

Note : 4 : DEFERRED TAXES (NET)		
(Amount in Rs)		
Particulars	As at 31st March 2013	As at 31st March 2012
Opening Balance Liability / (Asset)	917,809	948,804
Net impact on timing difference- (Asset)	(44,105)	(30,995)
Deferred tax (asset)/liability	873,704	917,809
Note : 5 : TRADE PAYABLES		
Particulars	As at 31st March 2013	As at 31st March 2012
Sundry Creditors	23,683,490	24,559,138
Total	23,683,490	24,559,138
Note : 6 : OTHER CURRENT LIABILITIES		
Particulars	As at 31st March 2013	As at 31st March 2012
CURRENT MATURITIES OF LONG TERM DEBT	-	-
OTHER PAYABLES :	-	-
(a) Advances received from Flat/Plot Holders	323,963,597	477,218,931
Total	323,963,597	477,218,931
Note : 7 : SHORT-TERM PROVISIONS		
Particulars	As at 31st March 2013	As at 31st March 2012
PROVISION FOR EMPLOYEE BENEFITS :		
(a) Directors Remuneration	1,731,372	943,397
(b) ESI Payable	8,616	11,935
(c) PF payable	24,326	361,723
(d) Professional Tax payable	550	2,680
(e) Salaries & Allowances payable	423,792	597,125
	2,188,656	1,916,860
OTHERS :		
(1) Audit Fee payable	198,117	147,452
(2) Vat Tax payable	33,908	56,223
(3) XL Softech Systems Ltd	14,166	27,796
(4) Commission Payable	48,988	49,940
(5) Rent Payable	95,000	38,000
(6) Income Tax	768,202	594,440
(7) TDS	8,053,737	545,512
(8) Service Tax Payable	917,101	120,357
(9) Others	779,841	---
	109,09,060	15,79,720
Closing Balance	130,97,716	34,96,580

RAGHAVA ESTATES & PROPERTIES LIMITED, VIJAYAWADA
STATEMENT OF DEPRECIATION FOR THE PERIOD ENDING 31-03-2013
AS PER SCHEDULE XIV OF THE COMPANIES ACT

Note : 8 : FIXED ASSETS

NAME OF THE ASSET	RATE OF DEP	GROSS BLOCK			DEPRECIATION				NET BLOCK	
		AS ON 1-4-2012	ADDITIONS	DELETIONS	BALANCE AS ON 31-3-2013	AS ON 1-4-2012	FOR THE YEAR	UP TO 31-3-13	AS ON 31-3-13	AS ON 31-3-13
Buildings A/c	5.00%	824974	-----	-----	824974	448839	18807	-----	467646	357328
Centering Material A/c	13.91%	7787788	-----	-----	7787788	6631764	160803	-----	6792567	995221
Club Complex A/c	5.00%	3500000	-----	-----	3500000	1833700	83315	-----	1917015	1582985
Fax Epabx & Computers A/c	40.00%	1739975	6700	-----	1746675	1582873	65074	-----	1647947	98728
Electric Equipment	20.00%	922900	-----	-----	922900	862791	12022	-----	874813	48087
Furniture & Fixures A/c	18.10%	2115228	-----	-----	2115228	1920498	35246	-----	1955744	159484
Lands	-----	482840	-----	-----	482840	-----	-----	-----	-----	482840
Motor Bike A/c	25.89%	-----	30855	-----	30855	-----	1997	-----	1997	28858
Motor Cars A/c	25.89%	1764971	-----	-----	1764971	1183938	150429	-----	1334367	430604
Motor Lorries	40.00%	1440368	-----	-----	1440368	1428892	4590	-----	1433482	6886
Plant & Machinery A/c	13.91%	5737393	-----	-----	5737393	3360470	330630	-----	3691100	2046293
Sewage Treatment Plant A/c	13.91%	2428259	-----	-----	2428259	2291525	19020	-----	2310545	117714
Shopping Complex A/c	5.00%	5349000	-----	-----	5349000	3036967	115602	-----	3152569	2196431
Total		34093696	37555	-----	34131251	24582257	997535	-----	25579792	8551459
Previous year total		35209121	66575	1182000	34093696	24221093	1193802	832638	24582257	9511439

PARTICULARS	CURRENT REPORTING PERIOD 31-03-2013 (Rs)	PREVIOUS REPORTING PERIOD 31-03-2012 (Rs)
Note : 9 : NON - CURRENT INVESTMENTS		
Investments in Equity Shares		
- Sarega Aqua Ltd 334427 equity shares of Rs.10/- each fully paid	33,44,270	33,44,270
	33,44,270	33,44,270
Note : 10 : LONG TERM LOAN AND ADVANCES		
Security Deposit	3,056,091	2,954,921
	3,056,091	2,954,921
Note : 11 : TRADE RECEIVABLES		
Sundry Debtors	25,49,966	10,293,114
	25,49,966	10,293,114
Note : 12 : CASH AND CASH EQUIVALENTS		
(a) Balances with banks		
In current accounts with :		
Bank of Baroda	-	6,875
ING Vysya Bank Ltd (KTR)	-	10,121
S.B.I. (Damanjodi)	-	8,415
S.B.I (Poranki)	-	5,000
UBI Escrow (210033)	5,982	5,982
UCO Bank	10,773	10,773
Union Bank of India (RVR)	-	2,567
United Bank of India	1,429	1,429
Vijaya Bank	16,407	16,507
Dhanalakshmi Bank Ltd	56	56
HDFC Bank Ltd	5,422	12,267
Indian Overseas Bank	11,281	11,281
Indusind Bank A/C.5136-050	4,135	4,135
Oriental Bank of Commerce	6,451	6,451
SBH (5471) A/C	19,290	11,554
SBI - 80585	6,104	1,772,606
S.B.I. (Powerpack)-2193	3,374	(15,093,664)
Union Bank of India	5,834	5,834
Yes Bank A/c	1,369,478	392,383
(b) Cash on hand	28,647,841	20,028,354
	30,113,857	7,218,926

PARTICULARS	CURRENT REPORTING PERIOD 31-03-2013 (Rs)	PREVIOUS REPORTING PERIOD 31-03-2012 (Rs)
<u>Note : 13 : SHORT-TERM LOANS & ADVANCES</u>		
Loans & Advances to Related Parties	92,167,607	211,457,288
Advance given to Suppliers	4,143,905	4,076,688
Advance for purchase of Lands	184,742,502	191,936,382
Labour Advance	2,351,569	4,111,082
Purchase & Other Advance	367,865	10,248
Site Advance	25,435	63,611
Staff Advance	92,900	56,900
	283,891,783	411,712,199
<u>Note : 14 : OTHER CURRENT ASSETS</u>		
TDS Receivable	274,199	78,482
MAT Credit	189,049	-
	463,248	78,482
<u>Note : 15 : REVENUE FROM OPERATIONS</u>		
Sale of Apartments	65,017,000	41,200,000
Sale of Land	243,284,600	71,940,491
Buildings & Infrastrucutre	24,558,194	18,414,050
	332,859,794	131,554,541
<u>Note : 16 : OTHER INCOME</u>		
Commission Received	-	685,452
Interest Received	-	200,948
Profit on sale of Car	-	80,638
Sale of scrap	-	26,246
	-	993,284
<u>Note : 17 : COST OF CONSTRUCTION /DEVELOPMENT</u>		
Opening stock in trade & Projects in Progress	165,242,500	170,068,562
Add ; a) Purchase of Land	132,389,985	76,297,912
Add ; b) Construction & development exp	76,336,150	77,459,201
Less ; Stock in trade & Projects in Progress	135,562,279	165,242,500
	238,406,356	158,583,175

PARTICULARS	CURRENT REPORTING PERIOD 31-03-2013 (Rs)	PREVIOUS REPORTING PERIOD 31-03-2012 (Rs)
Note : 18 : EMPLOYEE BENEFITS EXPENSE		
Salaries	3,305,871	3,252,085
Employees Allowances	2,220,874	3,034,143
Directors Remuneration	1,200,000	1,305,000
Provident Fund	194,321	268,791
E.S.I.	88,719	108,733
Staff Welfare	99,616	96,959
	7,109,401	8,065,711
Note : 19 : FINANCE COSTS		
Interest on APSFC Term Loan A/c	4,126,085	5,535,949
Interest paid to others	76,994,862	492,050
	81,120,947	6,027,999
Note : 20 : OTHER EXPENSES		
Advertisement	245,335	327,026
Remuneration to Auditors for		
(i) Statutory Audit	35,000	35,000
(ii) Tax Audit	5,000	5,000
(iii) Tax Representation	10,000	10,000
(iv) Service Tax on the above	6,180	6,180
Bank Charges	73,904	635,105
Rent	114,000	114,000
Insurance	1,376	81,800
Photostat expenses	61,958	-
Interest on TDS	33,721	-
Office Expenses	528,153	355,692
Printing & Stationery	70,456	163,067
Postage & Courier	11,077	19,319
Telephone Charges	466,664	434,200
Vehicle Maintenance	242,930	332,118
Electricity Charges	123,054	120,755
Rates, Taxes & Licenses	1,100,861	556,995
Compensation	-	41,250
Travelling & Conveyance	400,665	500,335
VAT Tax Paid	80,812	81,606
Sales & Marketing Expenses	25,040	2,727,836
Donations	29,000	15,000
Temple Maintenance	363,769	116,941
Consultancy Charges	204,475	86,768
	4,233,430	6,761,993

Note : 21 : Related parties and their relationships :

Sl. No.	Name of the Party	Narure of Relationship	Nature of Transaction	Amount of Transaction (Rs)	Outstanding Amount as on 31-3-2013 (Rs)
1.	R.P. Transporters	Four Directors have controlling in the said firm	Advance for Purchase of Vehicles	10,75,000	2,28,32,156(Dr)
2.	PANC Transporters	Four Directors have controlling in the said firm	Advance for Purchase of Vehicles	1,51,80,082	4,82,63,451(Dr)
3.	L. Ravindra Rao	Managing Director	Payment of Salary, Perks & Allowances	6,00,000	8,43,686(Cr)
4.	L. Tulasi Prasad	Jt. Managing Director	Payment of Salary, Perks & Allowances	6,00,000	8,87,686 (Cr)

Note : 22 : Segment Reporting :

As the company operates in a single business segment of Real Estate, property development, no additional disclosures are required as per Accounting Standard - 17 on Segment Reporting.

Note : 23 : Earnings per Share :

	March 31, 2013	March 31, 2012
Profit attributable to Equity Shareholders (A)	10,36,230	(4,80,53,860/-)
Basic/weighted average number of equity shares outstanding during the year (Nos) (B)	30,19,200	30,19,200
Nominal Value of Equity share(Rs)	10/-	10/-
Earnings per share (Basic & Diluted)	0.34	(15.92)

Note : 24 : Prior Year's Comparatives : The Previous year's figures have been re-grouped, where necessary to confirm to current years classification.

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

P. JANARDHAN
Partner
M.NO.26498
Place : Vijayawada
Date : 4th June 2013

FOR AND ON BEHALF OF THE BOARD

Sd/-
L.Ravindra Rao
Managing Director

Sd/-
L. Tulasi Prasad
Jt. Managing Director

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

I. REGISTRATION DETAILS :

Registration No. 01-09300 : State Code : 01

Balance Sheet Date :

Date 31st Month March year 2013

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

Public Issue : NIL Rights Issue : NIL

Bonus Issue : NIL Private Placement (Promoters) : NIL

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

Total Liabilities	4,67,532	Total Assets	4,67,532
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Sources of Funds

Paid up Capital	30,192
Share Application Money	-
Reserves & Surplus	55,008
Secured Loans	20,714
Current Liabilities	3,60,745
Differed Tax	873

Application of Funds

Net Fixed Assets	8,551
Investments	3,344
Net Current Assets	4,55,637
MISC. Expenditure	
Differed Tax	

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

Turnover (Including other Income)	3,32,859	Total Expenditure	3,31,867
Profit Before Tax	992	Profit After Tax	1036
Earnings Per share is Rs.	0.34	Dividend	-----

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

(As per monetary terms)

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

Per our Report of even date

For **SURESH and BABU**

Chartered Accountants

FRN.0042545

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

Place : Vijayawada
Date : 04.06.2013

FOR AND ON BEHALF OF THE BOARD

Sd/-
L.Ravindra Rao
Managing Director

Sd/-
L. Tulasi Prasad
Jt. Managing Director

RAGHAVA ESTATES & PROPERTIES LIMITED

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

E-COMMUNICATION REGISTRATION FORM

Dear Sir,

Sub: **Registration of my e-mail address – Green initiative in Corporate Governance**

Please register my e-mail address in your records, being my consent towards the same.

Folio No : _____

Email ID : _____

Name of First / Sole Holder : _____

Signature of the First / Sole Holder : _____

Date :

Notes:

- 1) Share holders are requested to keep the Company informed as and when there is any change in their e-mail address. Unless the e-mail address given above is changed by the concerned shareholder by sending another communication in writing, the Company will continue to send the said documents to the e-mail address registered with Company.
- 2) The above e-mail address will be registered subject to verification of your signature with the specimen signature registered with the Company.

BOOK-POST
PRINTED MATTER



**If Undelivered Please
Return to**

*64-9-2, KANURU SUBBAIAH BUILDINGS
BESIDE EENADU, VIJAYAWADA - 520 010
PHONE : 2472702, 2478381, 2478382
FAX : 0866 - 2471796
email : raghavaestates@rediffmail.com
Web: www.raghavaestates.in*