

15th
ANNUAL REPORT
2004-2005



For RAVI LEELA GRANITES LTD.


Managing Director

Ravi Leela
Granites Limited

RAVILEELA GRANITES LIMITED

BOARD OF DIRECTORS:

Dr. BABU S. RAMDEV
Director

Mr.D.SURENDRANATH REDDY
Director

Mr. M.MOHAN REDDY
Director

Mr. P.SRINIVAS REDDY
Managing Director

AUDITORS:

M/s. S.V. RAO ASSOCIATES
215&216, 2nd Floor,
Model House, Punjagutta,
HYDERABAD – 500 082.

INTERNAL AUDITORS:

M/s. VENKAT MALLI AND ASSOCIATES
Chartered Accountants,
1-408, Divyashakti Apartments
7-1-58, Ameerpet,
Hyderabad – 16

BANKERS:

STATE BANK OF INDIA
OVERSEAS BRANCH, ABIDS,
HYDERABAD 500 001

REGD. OFFICE & FACTORY:

S.NO 203,SAMPANNABOLU VILLAGE
SHAMEERPET MANDAL
RANGA REDDY DISTRICT

**CORPORATE OFFICE
& SHARE TRANSFER DIVISION:**

PLOT NO.10, GRUHALAXMI COLONY,
(R&D COLONY), KARKHANA,
SECUNDERABAD – 500 015.
Ph.No.040-27846321, Fax:040-27846320
Email:ravileel@netlinx.com
www.ravileelagranites.com

RAVILEELA GRANITES LIMITED

NOTICE

Notice is hereby given that the 15th Annual General Meeting of the Members of the Company will be held on Friday the 30th SEPTEMBER, 2005 at 2.00 p.m. at Regd. Office ie., S.No 203 SAMPANNABOLU VILLAGE, SHAMEERPET MANDAL, RANGAREDDY DISTRICT, to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March 2005 along with Directors' Report and Auditors Report thereon.
2. To appoint a Director in place of Dr. Babu S Ramdev who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit to pass the following resolution with or without modification as an Ordinary Resolution.

"RESOLVED THAT pursuant to Sec. 224 and other applicable provisions of the Companies Act, 1956, M/s. S.V. Rao Associates, Chartered Accountants, Hyderabad be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration as may be fixed by the Board of Directors of the Company."

By Order of the Board
For **RAVILEELA GRANITES LIMITED**

Regd.Office:
S.No. 203, SAMPANNABOLU VILLAGE,
SHAMEERPET MANDAL, R R DISTRICT
Dt: 30.08.2005

Sd/-
(P.SRINIVAS REDDY)
MANAGING DIRECTOR

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS TO BE VALID SHALL BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer books of the Company will be closed from 26.09.2005 to 30.09.2005 (Both days inclusive)
3. The Members are requested to intimate any change in their address quoting their Registered Folio.
4. The Members are requested to bring Annual Report along with them at the time of Annual General Meeting and are also requested to send their queries, if any, on the adoption of accounts well in advance, so as to enable to place relevant records and information at the time of Annual General Meeting.
5. Brief particulars of Directors retiring by rotation: Please refer to Corporate Governance Report.

RAVILEELA GRANITES LIMITED

DIRECTORS' REPORT

To,

The Members of
RAVILEELA GRANITES LIMITED

Your Directors hereby submit the 15th Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2005.

	Current Year Ended 31.03.2005	(Rs. in lakhs) Previous Year Ended 31.03.2004
1. Sales and Other Income	1555.42	1212.00
2. Profit before interest and Depreciation	288.48	73.31
3. Interest	167.11	256.36
4. Depreciation	83.94	83.98
5. Profit/(Loss) for the year	37.43	(266.90)
6. Adjustments relating to previous year	24.03	0.13
7. Provision for Taxation	-	-
8. Loss brought forward from previous year	(890.55)	(623.51)
9. Balance	(877.15)	(890.55)

Management's Discussion and Analysis :

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, the Management's discussion and Analysis Report is enclosed as a part of this Report as Annexure -1.

Directors :

Dr. Babu S. Ramdev retiring by rotation at this Annual General Meeting and being eligible offers himself for reappointment.

Director's Responsibility Statement:

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 with respect to the Directors Responsibility Statement, your Directors wish to confirm that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
2. Such accounting policies have been selected and applied consistently and judgements and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period.
3. 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 any fraud or other irregularities has been taken.
4. Accounts for the financial year ended on 31st March, 2005 are prepared on a going concern basis.

Auditors :

M/s. S.V. Rao Associates, Chartered Accountants, Hyderabad, the Statutory Auditors of the Company retire at this Annual General Meeting and are eligible for reappointment. They have signified their willingness for reappointment and have confirmed their eligibility under Section 224 (1B) of the Companies Act, 1956.

Replies to Auditor's Report :

1. Gratuity is being paid as and when any eligible employee leaves the services and accordingly provided in the Books of Accounts.
2. The long term investments though for time being have diminished in value, management is confident of getting better realization in years to come. Hence no provision is made.
3. Management is of the opinion that the advances are going to be realized in due course of time hence no provision is made.

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4. Management is confident of salvaging quarries and its equipments and hence no provision is made for impairment loss on fixed assets
5. As suggested systems are being strengthened for inventory verifications and controls
6. Advances given to related party amounting to Rs.305.26 lakhs has been included in the rehabilitation package which is under consideration before Hon'ble BIFR and on implementation of the same the said amount would be recovered accordingly.
7. Provident Fund, Employees State Insurance, Professional Tax, Tax Deducted at Source amounts are being remitted during the current year.
8. Since the Granite Industry is not falling under prescribed schedule of Industries Development Regulations Act, provisions of SICA not applicable and no application is made to BIFR
9. Management is considering the rescheduling of loan with State Bank of Hyderabad, hence no payments were made during the year.
10. Other observations made in the report are self explanatory as given in the Notes of Accounts.

Fixed Deposits:

The Company has not raised any fixed Deposits as on 31st March, 2005 so as to attract the provisions of section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975 as amended from time to time. There is no outstanding or due to any deposit holder.

Particulars of Employees:

In pursuance of section 217(2A) of the Companies Act, 1956 none of the employee of the company was drawing a remuneration exceeding Rs.24,00,000/- per annum or Rs.2,00,000/- per month or part thereof.

Personnel:

Your Directors place on record their appreciation for the services rendered by the employees. The relation between the management and the employees has been cordial throughout the year

Energy Conservation Technology Absorption:

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

1. Conservation of Energy	2004-2005	2003-2004
POWER		
No. of Units consumed	2090834	1819802
Unit Rate (Rs)	4.52	4.52
Total Amount (Rs)	9450569	8233122
FUEL		
No. Of Units consumed	---	4898
Unit Rate (per ltr.) (Rs.)	---	6.75
Total Amount (Rs)	---	33064
RESEARCH & DEVELOPMENT	NIL	NIL
ABSORPTION OF TECHNOLOGY	NIL	NIL

Foreign Exchange Earnings and Outgo:

The Foreign Exchange out go and earnings are as follows: (Rs. in lacs)

	For the year ended 31.03.2005	For the year ended 31.03.2004
Earnings :	273.90	943.65
Out go :	119.00	53.34
For import of Capital goods	---	---

Listing :

The shares of the Company are listed on Hyderabad Stock Exchange and Mumbai Stock Exchanges.

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Dematerialisation of Shares:

Since more than 50% erosion of net worth of the company, the shares are not considered for demat by NSDL & CDSL as per their rules. Hence presently the Shares are being traded in Mumbai Stock Exchange under trade to trade basis.

Corporate Governance:

In accordance with Clause 49 of the Listing Agreement, your company has complied with mandatory recommendations. A report on Corporate Governance is annexed herewith as Annexure – II.

Acknowledgements:

Your Directors wish to express their thanks for the guidance and assistance received from various departments of State and Central Government and Bankers. Your Directors also wish to thank all the Shareholders for their confidence reposed in the Company.

For and on behalf of the Board of Directors

Place: Hyderabad

Date: 30.08.2005

Sd/-
Managing Director

Sd/-
Director

ANNEXURE – I TO DIRECTOR'S REPORT MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

A) Industry Structure and Development, Opportunities & Threats, Performance.

Outlook and Risks & Concerns :

Granite industry as a whole is going through bullish phase because of great demand for Granite slabs in international markets as well in the domestic markets. Sourcing of quality raw material is the biggest bottle neck since the raw blocks are allowed for exporting directly which is affecting the industry as a whole and in particular companies which are having liquidity crunch. There is a great demand for granite slabs in international market for specified colours with quality specifications for which premium is paid. Severe competition from Italian market is the biggest threat in marketing the products. The Italian markets are enjoying an edge over the Indian markets because of their superior technology and sourcing of best quality raw blocks from India and other countries.

Despite of severe market conditions your company has achieved 37 % of growth in terms of sales over the previous year ending 31/3/04. Fall in values of US Dollars to Indian Rupees to an extent of 10% has resulted in reduction of margins. The Management is putting their best efforts to control input costs and registered a net profit of Rs.37.43 lakhs for the year ending 31/3/05 (before prior period adjustments).

B) Internal Control System and adequacy :

Internal Auditor is carrying Internal Audit regularly in all financial areas which is being reviewed by time to time by Audit Committee. The Managing Director is personally monitoring the activities on day to day basis. The Board of Directors at their Meetings also review the internal control at macro level.

C) Financial and Operational Performance :

Highlights of financial and operational performances are given below:

As at 31.03.2005 (Rs. in Lacs)

Income from Operations	1538.73
Other Income	16.70
Profit before interest and Tax	288.48
Interest	167.11
Profit for the year	37.43

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D) Human Resources, Industry Development relations:

The company is maintaining good employee relations and no man days are lost during the year due to employees unrest. The company continued within policy of Human Resources Development and retention.

ANNEXURE -II TO DIRECTOR'S REPORT CORPORATE GOVERNANCE

i) Board of Directors :

The Board of Directors comprises a Managing Director and 3 Non- Executive Directors.

During the Year 5 Board Meetings were held on 01/04/2004, 30/07/2004, 30/08/2004, 30/10/2004 & 30/01/2005.

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

Name of Director	Category of Directorship	No of Board Meetings attended	Attendance at last AGM	No. of other Directorships	Committee Membership Co. Others
Mr.P.Srinivas Reddy	Promoter Executive Director	5	YES	2	3
Mr.D.Surendranath Reddy	Non Executive Director	5	YES	-	4
Mr.Mohan Reddy	Non Executive Director	5	YES	-	4
Dr.Babu S.Ramdev*	Non Executive Director	-	No	-	1

*NRI Director

ii) Details of Directors proposed for reappointment :

Dr. Babu S. Ramdev retires by rotation and being eligible offers himself for reappointment. Dr. Babu S. Ramdev is a Physician and Medical Practitioner at USA. He is not a Director in any other Company.

iii) Audit Committee :

The Audit Committee is regularly meeting and reviewing as per the scope given in the Listing Agreement.

Compositions:

The Audit Committee of the Board of directors was formed in 2002 and as on today it comprises 3 Non-Executive Independent Directors. The Committee met 5 times during the year and the attendance of Members at the Meetings was as follows:

Name of Member	Status	No.of Meetings attended
Mr.M.Mohan Reddy	Chairman	5
Mr.D.Surendranath Reddy	Member	5
Dr. Babu S.Ramdev	Member	-

The Statutory Auditor is a permanent invitee. The Practicing Company secretary is the Secretary of the Committee.

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iv) Remuneration Committee:

a) Terms of reference:

To review, assess and recommend the appointment of Executive and Non- Executive Directors and to review their remuneration package, to recommend compensation to the Non- Executive Directors in accordance with the provisions of the Companies Act, 1956.

b) Composition:

The committee comprises 3 Non-Executive Directors. The Committee has met once on 01/04/2004 to fix up the salary of Managing Director.

c) Remuneration Policy:

Remuneration of employees largely consists of base remuneration, perquisites and performance incentives.

Details of Directors' remuneration paid for the year ended 31.03.05

i) Executive Directors :	Mr. P.Srinivas Reddy	
	Managing Director	Rs.4,80,000/-

ii) Non-Executive Directors :

v) Share Transfer & Grievances Committee:

a) Terms of reference:

To look into the investor's complaints, if any and to redress the same expeditiously. The committee approves requests for issue of Duplicate Share Certificates, and requests for issue of new certificates on split/consolidation etc., as also requests for transmission of Shares, as may be referred to it by the Share Transfer Committee.

b) Composition:

The Shareholder's Grievance Committee comprises two Non-Executive Directors and Managing Director.

During the year, the Committee held 5 meetings and the attendance of Members was as follows.

Name of Member	Status	No.of Meetings attended
Mr. D.Surendranath Reddy	Chairman	5
Mr. Mohan Reddy	Member	5
Mr. P.Srinivas Reddy	Member	5

The Secretarial Officer is the Compliance Officer. During the year 8 letters/complaints were received from the investors and the same have been replied/resolved to their satisfaction.

vi) The Board has delegated the powers to approve transfer of the Securities received by the Share Transfer Committee. The Committee held 6 Meetings during the year and approved the transfer of the Shares lodged with the Company.

As on 31/5/05 Share Transfers have been effected for a total of 2,600 shares and duly endorsed share certificates dispatched.

vii) Generalbody Meetings:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2003-2004	30/9/2004	2.00P.M	Regd.Off. S.No 203, Sampannabole(V) Shameerepet (M) R.R District.
2002-2003	30/9/2003	2.00P.M	Regd.Off. S.No 203, Sampannabole(V) Shameerepet (M) R.R District.
2001-2002	30/9/2002	2.00P.M	Regd.Off. S.No 203, Sampannabole(V) Shameerepet (M) R.R District.

No resolutions were required to be put through postal ballot last year

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viii) Disclosures:

1. Details of related party transactions have been disclosed under Note 10 of Schedule 17 on the financial statements.
2. There were no instances of non-compliance on any matter related to the capital markets, during the last four years.

ix) Means of communication:

1. No Halfyearly reports were sent to Shareholders, however, Unaudited Quarterly Results are furnished to the Stock Exchanges.
2. The Shareholding pattern on a quarterly basis submitted to Stock Exchanges.
3. Management's Discussion & analysis forms part of the Annual Report, which is mailed to the shareholders of the Company.

x) General Shareholder's information:

- a) Annual General Meeting is to be held on Friday the 30th SEPTEMBER, 2005 at 2.00 p.m. at Regd. Office ie., S.No 203, SAMPANNABOLU VILLAGE, SHAMEERPET MANDAL, RANGA REDDY DISTRICT.

b) Financial Calendar

Annual results of previous year	: End August
Mailing of Annual Reports	: 1 st Week of September
Annual General Meeting	: 30 th September, 2005
Payment of Dividend	: Nil
First Quarter Results	: 23 rd July, 2005
Second Quarter Results	: End October, 2005
Third Quarter Results	: End January, 2006
Fourth Quarter Results	: End April, 2006
c) Dates of book closures	: 26 th September, 2005 to 30 th September, 2005 (Both days inclusive)

- d) Dividend payment date : Nil
- e) Listing of equity shares : The Hyderabad Stock Exchange Ltd.,
(Regional Stock Exchange) & The Stock
Exchange, Mumbai.
- f) Stock Market Data : Shares are not significantly traded on any
Stock Exchange during the year under
review hence not provided.

- g) Address for Correspondence : The Compliance Officer,
& Compliance Officer : Shares Division : Plot No.10,
Gruhalaxmi Colony, (R&D Colony)
Karkhana, SECUNDERABAD-15.
Phone Nos : 27846321
Fax : 27846320
E-mail: ravileel@nettlinx.com

- h) Share Transfer System : The Company's shares are traded in the Stock Exchanges under Trade to Trade basis. Shares in physical mode which are lodged for transfer are processed and returned to the shareholders within the stipulated time after making necessary endorsements.

- i) Distribution of shareholding as on 31st March, 2005.

RAVILEELA GRANITES LIMITED

NO. OF SHARES	SHAREHOLDERS		SHAREHOLDING	
	Nos.	%	Nos.	%
Upto 500	19541	93.032	3323500	32.53
501-1000	901	4.285	741700	7.26
1001-2000	330	1.57	493200	4.83
2001-3000	79	0.38	201300	1.97
3001-4000	44	0.21	158950	1.56
4001-5000	29	0.14	136600	1.34
5001-10000	33	0.16	269925	2.64
Above 10001	49	0.23	4889825	47.87
TOTAL	21006	100.00	10215000	100.00

j) Categories of Shareholders as on 31st March, 2005.

Category	No. of Shares held	% Share holding
Promoter's Holding	3845000	37.641
Banks	900	0.008
Private Corporate Bodies	423600	4.150
Indian Public	5715200	55.952
NRIs/OCBs	230300	2.250
TOTAL	10215000	100.00

k) Dematerialization of Shares and liquidity:

Since more than 50% erosion of net worth of the company, the shares are not considered for demat by NSDL & CDSL as per their rules. Hence presently the Shares are being traded in Mumbai Stock Exchange under trade to trade basis.

l) Plant Location : The Company's plant is located at Survey No 203,
Sampannabole Village, Shameerpet Mandal, R R District, A.P.

AUDITORS' CERTIFICATE

To the Members of

RAVILEELA GRANITES LIMITED

We have examined the compliance of conditions of corporate governance by RaviLeela Granites Limited for the year ended 31st March, 2005 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of Conditions of corporate governance is the responsibility of the management. Our examination was limit 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 we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Shareholders Grievance Committee.

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

For **S.V. RAO ASSOCIATES**
Chartered Accountant

Place: Hyderabad
Date :30/08/2005

Sd/-
S.V. RAO
Partner

RAVILEELA GRANITES LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of **RAVILEELA GRANITES LIMITED** as on 31st March 2005 and the Profit and Loss Account of the Company 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure to statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in Paragraph 1 above we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of the books;
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the above books of account;
 - d) In our opinion, the Balance sheet and Profit & loss account comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except for non provision of gratuity, non creation of provision for permanent diminution of long term Investments, non creation of impairment loss on Fixed Assets and non creation of provision against advances as stated in Clause 4, Clause 5, Clause 6 and Clause 7 of Schedule 17 respectively.
 - e) As per the information and explanations given to us, none of the Directors of the company is disqualified from being appointed as a Director under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the companies Act, 1956 subject to the matter referred to in sub paragraph 2(d) above and to the notes to account in schedule 17.4 regarding non provision for gratuity amounting to Rs.2.32 Lakhs and in schedule 17.5 regarding non creation of provision for permanent diminution of long term Investments amounting Rs. 74.00 Lakhs and in schedule 17.6 non provision of impairment loss on Fixed Assets amounting Rs. 54.87 Lakhs and in schedule 17.7 regarding non creation of provision against advances amounting Rs.559.08 Lakhs consequent effect on the profit for the year give a true and fair view: -
 - i) In the case of the Balance sheet, of the State of affairs of the Company as at 31st March, 2005 and,
 - ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.

Place: Hyderabad
Date: 30.08.2005

for **S.V.RAO ASSOCIATES**
Chartered Accountants
Sd/-
(S.V.Rao)
Partner
Membership No.23903

RAVILEELA GRANITES LIMITED

ANNEXURE TO THE AUDITORS' REPORT

- i) (a) The Company is in the process of preparation of records of the fixed assets to show full particulars including quantitative details and situation of fixed assets. The fixed assets were physically verified during the year by the management and the discrepancy, if any, will be ascertained only after the completion of the records.
- (b) In our opinion and according to the information and explanations given to us, no substantial part of the fixed assets have been disposed off during the year.
- ii) (a) The Inventory has been physically verified by the management at the year end. In our opinion the frequency of verification is *not* adequate.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management needs to be improved in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the maintenance of records needs to be improved. The discrepancies noticed on physical verification of inventory as compared to the book records were not material.
- iii) (a) In our opinion and according to the information and explanations given to us, the company has granted advance amounting Rs. 305.26 Lakhs to ONE party covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) In our opinion, the said loans do not bear any interest and the other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie* prejudicial to the interest of the company.
- (c) In our opinion and according to the information and explanations given to us the Part is not regular in repayment of principal.
- (d) The overdue amount is more than rupees one lakh and the company has not taken reasonable steps for the recovery of principal and interest.
- (e) According to the information and explanations given to us, the company has taken unsecured loans amounting Rs. 13.09 from ONE party covered in the register maintained under section 301 of the Companies Act, 1956.
- (f) In our opinion, the rate of interest and the other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the company.
- (g) In our opinion and according to the information and explanations given to us the payment of principal and interest are regular.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods or services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any major weaknesses in the aforesaid internal control procedures.
- v) (a) On the basis of our examination of the books of account and according to the information and explanations given to us, the company has no transactions that needs to be entered in to the register maintained under Section 301 of the companies Act, 1956.
- (b) In view of our comment in paragraph V(a) above, paragraph V(b) of aforesaid order in our opinion not applicable.
- vi) The company has not accepted any deposits from the public within the meaning of Sections 58 A and 58AA of the Companies Act, 1956 and the rules framed there under.
- vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii) The maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 for any of the products of the company for the year under review.

RAVILEELA GRANITES LIMITED

- ix) (a) According to the information and explanations given to us, and according to books and records as produced and examined by us, in our opinion, the Company is not regular in depositing the undisputed statutory dues in respect of Provident fund, employees state Insurance, Income tax and other material statutory dues as applicable to the company, with the appropriate authorities regularly. There are undisputed amounts payable in respect Provident Fund amounting Rs. 6,62,350, Tax deducted at source amounting Rs. 24,96,370, Employees state Insurance amounting Rs. 2,06,397 and Professional Tax amounting Rs.1,68,464 were in arrears as at balance sheet date for a period of more than six months from the date of they became payable
- (b) According to the information and explanations given to us, and according to records of the company examined by us, there are no disputed items taxes outstanding as on 31st March,2005

x) *The accumulated loss as on 31st March 2005 is more than 50% of the net worth and the company has not incurred the cash losses during the year but incurred Rs.183.05 Lakhs in the preceding financial year.*

xi) *In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of dues to bank and a financial institution. Details are here under.*

Name of the Bank/Financial Institution	Installments Accrued & Due during the year	Interest Accrued & Due during the year	Total (Installment + Interest)	Paid during the year	Not paid during the year
SBH	100.32 Lakhs	15.04 Lakhs	115.36 Lakhs	Nil	115.36 Lakhs

xii) *The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.*

xiii) *In our opinion the company is not a chit fund or nidhi /mutual benefit fund/society. Therefore the provisions of Paragraph 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.*

xiv) *In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of Paragraph 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.*

xv) *According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.*

xvi) *According to information and explanations given to us, the company has not raised any term loans during the year.*

xvii) *According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.*

xviii) *According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.*

xix) *The company has not issued any debentures during the year and hence the question of creation of security or charge does not arise.*

xx) *The company has not raised any money by public issue during the year.*

xxi) *During the course of examination, of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations to us, we have neither come across any instance of fraud or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.*

Place: Hyderabad
Date: 30.08.2005

for **S.V.RAO ASSOCIATES**
Chartered Accountants
Sd/-
(S.V.Rao)
Partner
Membership No.23903

RAVILEELA GRANITES LIMITED**BALANCE SHEET AS AT 31st MARCH, 2005**

PARTICULARS	SCHEDULE NO.	AS AT 31-03-2005 Rs.	AS AT 31-03-2004 Rs.
I SOURCES OF FUNDS :			
SHARE HOLDERS FUNDS :			
Share Capital	1	101669000	101669000
Reserves & Surplus	2	1500000	1500000
<u>LOAN FUNDS:</u>			
Secured Loans	3	93348432	134950938
Unsecured loans	4	65777960	72120946
		<u>262295391</u>	<u>310240884</u>
II <u>APPLICATION OF FUNDS :</u>			
<u>FIXED ASSETS:</u>	5		
GROSS BLOCK		188932607	189589417
LESS : DEPRECIATION		<u>82532287</u>	<u>74794662</u>
NET BLOCK		106400320	114794755
<u>INVESTMENTS</u>	6	22510000	22510000
<u>CURRENT ASSETS,</u>			
<u>LOANS AND ADVANCES</u>	7		
a. Inventories		60395124	54663773
b. Sundry debtors		28489452	70290442
c. Cash and bank balances		4190020	3084265
d. Loans & advances		90821876	87514203
		<u>183896471</u>	<u>215552683</u>
LESS : CURRENT LIABILITIES	8	<u>138226626</u>	<u>131671207</u>
NET CURRENT ASSETS		45669845	83881476
Profit & loss a/c		87715227	89054653
		<u>262295392</u>	<u>310240884</u>
NOTES ON ACCOUNTS	17		

As per our report of even date
for **S.V.RAO ASSOCIATES**
Chartered Accountants

For and On behalf of the Board

Sd/-
(S.V.RAO)
PARTNER

Sd/-
(M. MOAN REDDY)
DIRECTOR

Sd/-
(P. SRINIVASA REDDY)
MANAGING DIRECTOR

PLACE : HYDERABAD
DATE : 30.08.2005

RAVILEELA GRANITES LIMITED**PROFIT AND LOSS ACCOUNT FOR THE PERIOD 31st MARCH, 2005**

PARTICULARS	SCHEDULE NO.	AS AT 31-03-2005 Rs.	AS AT 31-03-2004 Rs.
I. INCOME :			
Sales	9	153872847	111641787
Other Income	10	1669569	9557793
Variation in stocks	11	(3143923)	(5291263)
		<u>152398493</u>	<u>115908297</u>
II. EXPENDITURE :			
Materials Consumed	12	73152778	53846602
Personnel cost	13	11882737	10832940
Manufacturing expenses	14	33064382	24741046
Administration and Selling expenses	15	5449715	19144657
Financial Charges	16	16711180	25635737
Depreciation	5	8394435	8397817
		<u>148655228</u>	<u>142598799</u>
Profit/(Loss) for the year		3743265	(26690501)
Prior period adjustments		2403839	12648
Profit/(Loss) for the period after adjustments		1339426	(26703149)
Loss brought forward		(89054653)	(62351504)
Transferred to Balance Sheet		(87715227)	(89054653)
Earnings per share (EPS) par value			
Rs.10 each. Basic/diluted		0.13	(2.83)
Notes on accounts	17		

As per our report of even date
for **S.V.RAO ASSOCIATES**
Chartered Accountants

For and On behalf of the Board

Sd/-
(S.V.RAO)
PARTNER

Sd/-
(M. MOAN REDDY)
DIRECTOR

Sd/-
(P. SRINIVASA REDDY)
MANAGING DIRECTOR

PLACE : HYDERABAD
DATE : 30.08.2005

RAVILEELA GRANITES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

PARTICULARS	SCHEDULE No	AS AT 31-03-2005 Rs.	AS AT 31-03-2004 Rs.
<u>SHARE CAPITAL</u>	1		
Authorized Capital 1,20,00,000			
Equity Shares of Rs.10/- each		120000000	120000000
Issued, Subscribed and Paidup Capital			
1,02,15,000 Shares of Rs.10/- each fully called up		102150000	102150000
Less : Calls in arrears		481000	481000
96200 shares of Rs.5/-(partly paid) each			
		<u>101669000</u>	<u>101669000</u>
<u>RESERVES AND SURPLUS</u>	2		
Capital Reserve			
State subsidy		1500000	1500000
		<u>1500000</u>	<u>1500000</u>
<u>SECURED LOANS</u>	3		
Term Loans :			
from APSFC		84300	5962213
from SBI - FITL		14652154	19978517
from SBH		14036004	12531528
from SBI - WCTL		17800000	21591964
Working Capital Loans from SBI :			
Bill Discounting		9075924	37426023
Cash Credit		37700050	37460693
		<u>93348432</u>	<u>134950938</u>
<u>UNSECURED LOANS</u>	4		
From Directors		877120	877120
From Others		64900840	71243826
		<u>65777960</u>	<u>72120946</u>

SCHEDULE 5 : FIXED ASSETS YEAR 2004 - 05

(Amount In Rs.)

SL. NO	NAME OF ASSET	GROSS BLOCK		DEPRECIATION			NET BLOCK	
		AS AT 01/04/2004	ADDITIONS 31/03/05	AS AT 31/03/2004	UPTO 2004-05	FOR 31/03/05	AS AT 31/03/05	AS AT 31/03/2004
1	LAND	271143	0	271143	0	0	271143	271143
2	BUILDINGS	30185416	0	30185416	9038053	1008193	20139170	21147363
3	QUARRIES	5486893	0	5486893	0	0	5486893	5486893
4	PLANT & MACHINERY	148379178	0	148379178	61482718	7048011	68530729	79848447
5	PUMP SETS	443946	0	443946	212068	21087	233156	210780
6	OFFICE EQUIPMENT	730357	0	730357	321898	34691	356387	373950
7	COMPUTERS	665089	0	665089	637047	28042	665089	0
8	VEHICLES	2457281	0	2457281	2222716	234585	2457281	0
9	FURNITURE & FIXTURES	313527	0	313527	223553	19848	243400	70127
		<u>188832807</u>	<u>0</u>	<u>188832807</u>	<u>74794662</u>	<u>8394435</u>	<u>82532287</u>	<u>106400321</u>
	PREVIOUS YEAR	<u>188183847</u>	<u>405570</u>	<u>189589417</u>	<u>86386845</u>	<u>8397817</u>	<u>74784662</u>	<u>114794755</u>

RAVILEELA GRANITES LIMITED

PARTICULARS	SCHEDULE No	AS AT 31-03-2005 Rs.	AS AT 31-03-2004 Rs.
<u>INVESTMENTS (Long Term-Non Trade)</u>	6		
Quoted			
Ravileela Dairy Products Ltd		7280000	7280000
B2B Software Technologies Ltd		15110000	15110000
(Aggregate Market value of Quoted investments is Rs.6044000/-)			
Un Quoted Investments			
Futura Leasing & Finance Pvt Ltd		120000	120000
		<u>22510000</u>	<u>22510000</u>
<u>CURRENT ASSETS, LOANS & ADVANCES</u>	7		
A. INVENTORIES			
(As Certified by management)			
a) Raw material		14004716	6634772
b) Work-In-Progress		29718525	29710104
c) Finished Goods		7024375	10176719
d) Stores and spare parts		9647508	8142178
		<u>60395124</u>	<u>54663773</u>
B. SUNDRY DEBTORS			
(Unsecured, considered good)			
Outstanding for more than six months		11496006	21053828
Other debts		16993446	49236614
		<u>28489452</u>	<u>70290442</u>
C. CASH AND BANK BALANCES			
Cash in hand		1594628	57481
Balances with Schedule Banks			
in Current Accounts		22144	98738
Margin money deposit		2573247	2928046
		<u>4190020</u>	<u>3084265</u>
D. LOANS & ADVANCES			
(unsecured, considered good, recoverable in cash or in kind or value to be received)			
Deposits		4896049	5294003
Advance for purchases		36251737	48120950
Other advances		49674090	34099250
		<u>90821876</u>	<u>87514203</u>
TOTAL CURRENT ASSETS :		<u>183896471</u>	<u>215552683</u>
<u>CURRENT LIABILITIES</u>	8		
Creditors for Purchases		18888517	35914571
Creditors for expenses		25547709	14766144
Advance against sales		90753037	80987799
S B I Current account		3037363	2693
(TOD on account of un drawn cheques)			
		<u>138226626</u>	<u>131671207</u>

RAVILEELA GRANITES LIMITED**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT**

PARTICULARS	SCHEDULE No	As At 31-03-2005 Rs.	As At 31-03-2004 Rs.
<u>SALES</u>	9		
Sales		154058604	111801749
Less: Excise Duty		185757	159962
		<u>153872847</u>	<u>111641787</u>
<u>OTHER INCOME</u>	10		
Incentives Recd. On Power Consumption		587337	331177
Interest Recd. on ACD - Gross (TDS Rs.23588)		112805	
C S T Reimbursement		892156	248704
Forex Fluctuations		37339	0
Commission Recd. On B/L's		39932	154123
Write back excess provision of T/L - APSFC		0	8823789
		<u>1669569</u>	<u>9557793</u>
<u>VARIATION OF STOCK OF FINISHED GOODS</u>	11		
Closing stock of			
Work-in-Progress		29718525	29710104
Finished Goods		7024375	10176719
		<u>36742900</u>	<u>39886823</u>
Opening stock of			
Work-in-Progress		29710104	34509082
Finished Goods		10176719	10669024
		<u>39886823</u>	<u>45178106</u>
INCREASE / (DECREASE) IN STOCKS		<u>(3143923)</u>	<u>(5291283)</u>
<u>MATERIALS CONSUMED</u>	12		
RAW MATERIAL			
Opening stock		6634772	10362164
Add : Purchases		79011656	47571298
		<u>85646428</u>	<u>57933462</u>
Less : Closing stock		14004716	6634772
RAW MATERIAL CONSUMED		<u>71641712</u>	<u>51298690</u>
Packing Material Consumed		<u>1511066</u>	<u>2547912</u>
		<u>73152778</u>	<u>53846602</u>
<u>PERSONNEL COST</u>	13		
Salaries, wages & bonus		10398898	9820985
Contribution to Provident fund and other funds		1046544	716871
Staff welfare		437295	295084
		<u>11882737</u>	<u>10832940</u>

RAVILEELA GRANITES LIMITED

PARTICULARS	SCHEDULE No	AS AT 31-03-2005 Rs.	AS AT 31-03-2004 Rs.
<u>MANUFACTURING EXPENSES</u>	14		
Consumable Stores		18973481	13377542
Factory Repairs & Maintenance			
- Building		229104	0
- Plant & Machinery		4050354	3079431
Power & Fuel		9811443	8284073
		<u>33064382</u>	<u>24741046</u>
<u>ADMINISTRATIVE AND SELLING EXP.</u>	15		
Rent		135500	120000
Rates & Taxes		255504	208825
Travelling & Conveyance		332274	413939
Printing & Stationary		80947	101003
Postage & Telephones		401330	403473
Vehicle Maintenance		257432	198273
Office Maintenance		193407	165642
Security Services		247341	253417
Advertisement		0	26952
Filing Fee		6000	550
Auditors remuneration			
As auditors		66120	66000
For tax matters		16530	16500
For expenses		2985	2680
Rebates and discounts		562244	0
Consultancy Charges		602404	507350
Insurance		268648	1190075
Carriage outwards		1608858	13200548
Misc. expenses		115914	1287958
Loss on Foreign Exchange Fluctuation		0	981472
Income Tax		296278	0
		<u>5449715</u>	<u>19144657</u>
<u>FINANCIAL CHARGES</u>	16		
Interest on			
Fixed loans		6183034	9533772
Other loans		9042079	14457369
Bank charges		1486067	1644596
		<u>16711180</u>	<u>25635737</u>

RAVI EELA GRANITES LIMITED

SCHEDULE 17 : NOTES FORMING PART OF THE ACCOUNTS

1. ACCOUNTING POLICIES & STANDARD :

- a) The Company adopts the accrual concepts in the preparation of accounts.
 - b) **Fixed Assets** : Fixed assets are capitalised at cost inclusive of Legal, installation and other allowable expenses.
Fixed assets are valued at Cost less accumulated depreciation.
 - c) **Inventories** :
 - i) Raw material, Stores and Spare parts and work in progress are valued at cost. Cost is determined on first in first out basis.
 - ii) Finished goods are valued at lower of cost or net realisable value.
 - d) **Depreciation** has been provided on the Straight Line method at the rates specified in Schedule XIV to the Companies Act 1956. In the absence of details like life of the mines and their potentiality, no depreciation is provided on capitalized cost of quarries and mines.
In case of additions during the year, depreciation is provided on prorata basis.
 - e) **Investments** being long term in nature are stated at cost.
 - f) **Borrowing Costs** : The interest on working capital management is charged to revenue account for the year in which it is incurred. Interest on borrowings for capital assets is capitalized till the date of commencement of commercial use of the asset.
 - g) **Retirement Benefits**: Liability in respect of gratuity is accounted on cash basis. Fixed contribution to Provident Fund and cost of other benefits are recognized in the accounts on actual cost to the company.
 - h) **Foreign Currency Transactions** : Export sales are accounted at the exchange rate prevailed on the date of sale. The gain/loss arising out of foreign exchange fluctuations on sales are charged to revenue account.
 - i) **Earnings per share** : The basic and diluted earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. Refer below note no : 8
 - j) **Leasing** : The Company has taken building on operating lease. The lease payments have been charged to Profit & loss account considering the lease arrangements are in the nature of operating lease as defined by AS 19. Details are given in note no. 9
 - k) **Deferred tax**
 - a. No Provision for IT made for current year in accounts, as there is no taxable income.
 - b. Deferred taxation assets are recognized only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.
 - l) **Preliminary expenses** : Preliminary expenses and public issue expenses have been amortized at the rate of 10% on total expenditure.
- 2. SECURED LOANS :**
- a. Term Loan with APSFC secured by Land admeasuring 5 Acres situated at Sampannabolu Village, Shameerpet Manadal in Survey No.203 together with Buildings constructed thereon and by hypothecation of Plant & Machinery, Book Debts and other current assets are is guarenteed by promoter directors in their personal capacity.
 - b
 - (i) The Term Loan from State Bank of India is secured by Second charge on Company's Fixed Assets financed by APSFC and first charge on other fixed assets on paripassu basis with State Bank of Hyderabad.
 - (ii) The Term Loan from State Bank of Hyderabad is secured by Second charge on Company's Fixed Assets financed by APSFC and first charge on other fixed assets on paripassu basis with State Bank of India.

4

- | | March 31, 2005 | March 31, 2004 |
|---|----------------|----------------|
| Operating assets | \$ 67,890 | \$ 67,890 |
| Operating liabilities | (10,000) | (10,000) |
| Operating assets less operating liabilities | \$ 57,890 | \$ 57,890 |
| Nonoperating assets | — | — |
| Nonoperating liabilities | — | — |
| Nonoperating assets less nonoperating liabilities | — | — |
| Total assets less total liabilities | \$ 57,890 | \$ 57,890 |

(26703150)

10166900

(2.63)

- 20

RAVILEELA GRANITES LIMITED

ii) Enterprises in which Key Management Personnel have significant influence

1) Futura Leasing & Finance Pvt Ltd

iii) Key management personnel

1) P Srinivasa Reddy, Managing Director

2) D Surendranath Reddy, Director

3) M Mohan Reddy, Director

v) Relatives of key managerial personnel

1) P Ravindra Reddy

2) P Samantha Reddy

b. Transaction with related parties during the financial year and outstanding balances as on 31.03.05.

Nature of Transaction	Associated Companies	Enterprises in which key management Personnel have Significant influence	Key management persons	Relatives key management persons
Loans repaid	-	-	-	31.70
Loan Received	-	-	-	13.09
Managerial remuneration	-	-	4.80	-
Outstandings				
Receivable-RDPL	305.26		-	-
Payables	-	-	-	109.70

11. Deferred tax has not been recognized as there is no reasonable certainty that they will be realized in the near future.

12. Loans & Advances and Debtors

a. Loans to Companies in which the Directors are interested Rs.305.26 lacs.

13. As regards to compliance of provisions relating to the dues to the small scale industries, in terms of the Companies (Amendment) Act, 1999, the Company has sent letters to the creditors to confirm whether they are Small Scale Industrial Units. The Company is yet to receive confirmations from them. Hence, the company could not quantify the dues, if any to the SSI Units.

14. Information pursuant to Paragraphs 3 and 4 of Part II Schedule VI to the Company's Act 1956.

		2004-05	2003-04
a) Managerial Remuneration		4,80,000	2,28,000
b) Installed Capacity	Sqm	1,55,400	1,55,400
c) Production Intended for sale	Sft		
Tiles	Sft	0	1,76,489
Slabs	Sft	7,01,010	4,21,035
d) Sales Quantity		(Rs. in lacs)	(Rs. in lacs)
Finished Granite manufactured	Sft		
Tiles	Sft	9,287	1,83,648
Slabs	Sft	7,09,428	4,18,717
Value	Rs.	1,540.59	1,118.02
e) Closing Stock of finished goods & WIP			
(As certified by the Management)			
i) Finished Granite			
Tiles quantity	Sft	5,139	14,426
Value	Rs.	7.19	20.20
Slabs quantity	Sft	28,659	37,078
Value	Rs.	63.05	81.57

RAVILEELA GRANITES LIMITED

ii)	Semi-finished				
	Quantity	Sft	1,98,124	1,98,067	
	Value	Rs.	297.19	297.10	
f)	Opening stocks of Finished goods & WIP				
i)	Finished Granite				
	Quantity	Sft	51,504	56,345	
	Value	Rs.	101.77	106.69	
ii)	Semi-finished				
	Quantity	Sft	1,98,067	2,30,061	
	Value	Rs.	297.10	345.09	
g)	Materials consumed				
	Raw blocks	Nos	120	1,853	
	Quantity	Cbm	3,144.749	1649.335	
	Value	Rs.	716.42	512.99	
h)	Value of imports calculated on CIF basis			(Rs. In lacs)	
	Consumables	Rs.	119.00	53.34	
i)	Expenditure in foreign currency during the financial year on account of				
	Technical know how fee	Rs.	Nil	Nil	
j)	Consumptions :				
	Raw material				
		Amount	%	Amount	%
		Rs.		Rs.	
-	Indigenous	716.42	100	512.99	100
-	Imported	Nil		Nil	
	Stores and spares				
-	Indigenous	70.73	37	80.44	60
-	Imported	119.00	63	53.34	40
		<u>189.73</u>	<u>100</u>	<u>133.78</u>	<u>100</u>
k)	Exports :				
	FOB VALUE	Rs.	273.90	943.65	
l)	Contingent liability on account of				
	Letters Of Credit	Rs.	93.13	96.90	
m)	Other receipts includes Rs.37,339/- earnings on account of foreign exchange fluctuations				

15. Figures of the previous year have been regrouped wherever considered necessary to confirm to those of the current year.

SIGNATURES TO SCHEDULES 1 TO 17

As per our report of even date
for **S.V.RAO ASSOCIATES**
Chartered Accountants

For and On behalf of the Board

Sd/-

(S.V.RAO)
PARTNER

Membership No.23903

Sd/-

(M. MOAN REDDY)
DIRECTOR

Sd/-

(P. SRINIVASA REDDY)
MANAGING DIRECTOR

PLACE : HYDERABAD
DATE : 30.08.2005

RAVILEELA GRANITES LIMITED**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

(Statement pursuant to part of IV of Schedule VI to the Companies Act 1956)

Amount in Rs.Thousands

I REGISTRATION DETAILSRegistration No. **01-11909**State Code **01**Balance Sheet Date **31-03-2005****II CAPITAL RAISED DURING THE YEAR**

Public Issue

Rights Issue

Bonus Issue Private placement

NIL**NIL****NIL****NIL****III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS**

TOTAL LIABILITIES

TOTAL ASSETS

262295**262295****SOURCES OF FUNDS**

Paid up Capital

101669

Reserves & Surplus

1500

Secured Loans

93348

Unsecured Loans

65778

TOTAL LIABILITIES

262295**APPLICATION OF FUNDS**

Net Fixed Assets

106400

Investments

22510

Net Current Assets

45670

Miscellaneous Expenditure

0

Profit & loss a/c

87715

TOTAL ASSETS

262295**IV PERFORMANCE OF COMPANY**

TOTAL TURNOVER

152398

TOTAL EXPENDITURE

151059

Profit / (loss) before tax

1339

Profit / (loss) after tax

1339

Earning per Share in Rs.

0.13

Dividend Rate

N A**V Generic Norms of Three Principal Products / Services of Company (as per Monetary Terms)****PRODUCT****ITEM CODE NO****POLISHED GRANITES****SLABS****MONUMENT MARKERS**

For and On Behalf of the Board

Sd/-

(M. MOHAN REDDY)
DIRECTOR

Sd/-

(P.SRINIVAS REDDY)
MANAGING DIRECTOR

PLACE : HYDERABAD

DATE : 30.08.05

RAVILEELA GRANITES LIMITED**CASH FLOW STATEMENT**

(Rs. in lakhs)

	PARTICULARS	31-03-2005	31-03-2004
A	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
	Net Profit/(loss) before tax and extraordinary items	37.43	(266.91)
	Adjustments for :		
	Miscellaneous expenses written off	-	0
	Depreciation	83.94	83.98
	Foreign Exchange	-	0
	Investments	-	0
	Interest / Dividends	167.11	256.36
	OPERATING PROFIT BEFORE W/C CHANGES	288.48	73.43
	Adjustments for :		
	(Increase)/Decrease Trade and other Receivables	384.93	(173.50)
	(Increase)/Decrease Inventories	(57.31)	83.50
	(Decrease)/Increase Trade Payables	65.55	463.84
	Cash generated from Operations	681.65	447.27
	Interest Paid	(167.11)	(256.36)
	Cash Flow Before extraordinary items	514.54	190.91
	Extraordinary Items	(24.03)	(0.13)
	CASH FLOW FROM OPERATING ACTIVITIES	490.51	190.78
B	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Purchase of Fixed Assets(Incl. exchange fluctuations)	-	4.06
	Sale of Fixed Assets	-	0
	Decrease in Capital Works	-	0
	Purchase of Investments	-	0
	Dividend Received	-	0
	NET CASH USED IN INVESTING ACTIVITIES	-	4.06
C	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	Proceeds from issue of Share Capital	-	0
	Proceeds from Long Term Borrowings	(479.45)	(195.08)
	Repayment of finance lease liabilities	-	0
	Dividends paid	-	0
	NET CASH USED IN FINANCING ACTIVITIES	(479.45)	(195.08)
	NET INCREASE IN CASH AND CASH EQUIVALENT	11.06	(8.36)
	Opening Balance	30.84	39.20
	Closing Balance	41.90	30.84

For and On Behalf of the Board

Sd/-
(M. MOHAN REDDY)
DIRECTOR

Sd/-
(P.SRINIVASA REDDY)
MANAGING DIRECTOR

AUDITOR'S CERTIFICATE

We have verified the above Cash Flow Statement of M/s.RAVILEELA GRANITES LTD., derived from Audited Financial Statements for the year ended 31st March,2005 and found the same in accordance there with, and also with the requirement of clause 32 of the Listing agreement with Stock Exchanges.

For S V RAO ASSOCIATES
Chartered Accountants
Sd/-
S VENKATESWAR RAO
PARTNER
Membership no.23903

PLACE : HYDERABAD
DATE : 30.08.05

RAVILEELA GRANITES LIMITED



RAVILEELA GRANITES LIMITED
REGD.OFFICE : Sy. NO 203, SAMPANNABOLU VILLAGE,
SHAMEERPET MANDAL, R.R.DISTRICT.

ATTENDANCE SLIP

Name of the Shareholder/Proxy*

Folio No.

No. of Shares held

I hereby record my presence at the 15th Annual General Meeting held at Survey No.203, Sampannabolu Village, Shameerpet Mandal, R.R.District. (A.P) on Friday, 30th September, 2005, at 2.00 P.M.

SIGNATURE OF THE SHAREHOLDER/PROXY

*Strike out whichever is not applicable

Note: Please handover the slip at the entrance of the Meeting venue.



RAVILEELA GRANITES LIMITED
REGD.OFFICE : Sy. NO 203, SAMPANNABOLU VILLAGE,
SHAMEERPET MANDAL, R.R.DISTRICT.

PROXY FORM

I/We _____ of _____ in the district of _____ being a Member(s) of the above named Company hereby appoint _____ of _____ or failing him/her _____ of _____ in the district of _____ of my/our proxy to attend and vote for me/us on my/our behalf at the 15th Annual General Meeting of the Company to be held on Friday, 30th September, 2005, at 2.00 P.M. at Regd. Office: Sampannabolu Village, Shameerpet Mandal, R.R. District, and at any adjournment thereof.

Signed at _____ this _____ day of _____ 2005.

Folio No.

Signature

Affix
0.15 NP
Revenue
stamp

Number of Shares held:

- Notes: 1. The proxy need not be a member
2. The form of proxy, duly signed across Rs.1/- revenue stamp should reach the Company, not less than 48 hours before the time fixed for the meeting.

**BOOK-POST
PRINTED MATTER**

If undelivered please return to :



RAVILEELA GRANITES LIMITED

Plot No.10, Gruhalaxmi Colony
(R&D Colony), Karkhana,
Secunderabad - 500 015.