

27th

Annual Report 2010 - 2011



CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri K.V.Vishnu Raju	- Chairman
Shri R.Ravichandran	- Wholetime Director
Shri P.V.R.L.Narasimha Raju	- Director
Shri S.Ram Kumar	- Director
Shri K.Hari Babu	- Director

AUDITORS

M.Bhaskara Rao & Co.,
5-4, 5th Floor, "Kautilya"
6-3-652, Somajiguda
Hyderabad – 500 482.

BANKERS

Indian Bank
Indian Overseas Bank
Punjab National Bank

Registrars and Share Transfer Agents

M/s. Sathguru Management – Consultants Private Limited
Plot No.15, Hindi Nagar, Punjagutta, Hyderabad – 500 034.
Phone No(s): 040-30160333, 30160225
E-mail: sta@sathguru.com

REGISTERED OFFICE

Vishnupur,
Garagaparru Road
Bhimavaram – 534 202
West Godavari District

NOTICE

Notice is hereby given that the *Twenty Seventh* Annual General Meeting of the members of the Company will be held on Monday the **26th September, 2011 at 10.30 AM** at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Garagaparru Road, Bhimavaram, W.G.District, and Andhra Pradesh to transact the following items of business:

ORDINARY BUSINESS:

Ordinary business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the year ended on that date, Notes and Schedules to Accounts and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Sri R.Ravichandran, Director who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Sri S. Ramkumar, Director who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Sri P.V.R.L. Narasimha Raju Director who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M. Bhaskara Rao & Co., Chartered Accountants, Hyderabad as auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and authorise the Board of Directors to fix their remuneration.

Special Business :

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

"RESOLVED THAT Sri K.Hari Babu who was appointed as an Additional Director of the Company by the Board of Directors with effect from 13.02.2011, who holds office of Directorship under Section 260 of the Companies Act, 1956, up to the commencement of 27th Annual General Meeting of Members of the Company and in respect of whom the Company has received a notice in writing proposing his candidature to the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to file necessary form 32 and other related documents as may be required with the Registrar of Companies, Hyderabad and other statutory authorities as may be required"

For Raasi Enterprises Limited

Place : Hyderabad
Date : 12.08.2011

K. V. Vishnu Raju
Chairman

Explanatory Statement

[Pursuant to Section 173(2) of the Companies Act, 1956]

Item No. 6 : Appointment of Sri K.Hari Babu as a Director of the Company

Earlier, Sri K.Hari Babu was appointed as the Additional Director of the Company. However, in order to benefit from his experience and avail his expert advice, a member of the Company has proposed for his appointment as a Director of the Company. Under Section 260 of the Companies Act, 1956, Sri K.Hari Babu holds office only up to the commencement of the ensuing 27th Annual General Meeting of the members of the Company. The Company has received a notice in writing under Section 257 of the Companies Act, 1956, along with a requisite deposit from a member signifying his intention to propose the name of Sri K.Hari Babu as a candidature for the office of Director. The Board of Directors recommends his appointment.

None of the Directors are concerned or interested in the proposed resolution.

For Raasi Enterprises Limited

Place : Hyderabad

Date : 12.08.2011

K. V. Vishnu Raju
Chairman

Additional information

(As per Clause 49 of the Listing Agreement)

As required under the Listing Agreement, the particulars of Directors who seek appointment/re-appointment are given below:

Name	R.Ravichandran
Age	: 48 years
Qualification	: IIM - Calcutta
Expertise	: Finance
Other Directorships	: 2
Shareholding in the Company	: Nil

Name	S.Ram Kumar
Age	: 60 years
Qualification	: B.Com, IICA - Banking
Expertise	: Finance
Other Directorships	: 2
Shareholding in the Company	: Nil

Name	P.V.R.L. Narasimha Raju
Age	: 47 years
Qualification	: B.Com
Expertise	: Marketing
Other Directorships	: 5
Shareholding in the Company	: 800

Name	K. Hari Babu
Age	: 56 years
Qualification	: B.Com
Expertise	: Business Man
Other Directorships	: 1
Shareholding in the Company	: Nil

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
2. The relevant explanatory statement required by Section 173 (2) of the Companies Act, 1956, in respect of the special business set out above is annexed hereto.
3. As per the circular no. 18/2011 issued by The Ministry of Corporate Affairs with respect to the Green Initiative in the Corporate Governance members those who are having their e-mail ID's shall be sent the soft copies of the 27th Annual Report of the Company by e-mail. Physical copies shall be sent to those investors who are not having their e-mail ID's. A copy of the 27th Annual Report shall be sent by post to those members who make a specific request for physical copy. Hence members are requested to send their email-ID's to the Registrar and Share Transfer Agent / to the Company for proper correspondence.
4. The Register of members and Share Transfer Books of the Company will remain closed from 21st September, 2011 to 26th September, 2011 (both days inclusive).
5. Voting is by show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution, or by those holding paid-up capital of at least ₹ 50,000. A proxy shall not vote except on a poll
6. It may be noted that no claim will be entertained against the Company or the Investor Education and Protection Fund in respect of the said unclaimed dividend amount transferred to the fund. There were no outstanding unpaid dividends amount as at 31.03.2011
7. Members who hold shares in dematerialized form are requested to write their client ID and DP ID. Those who hold shares in physical form are required to write their Folio Number in the Attendance slip for attending the meeting.
8. Members holding shares in physical form are requested to notify/send any change in their address to the Company's share transfer agents, or to the Company at its Registered Office.
9. Members holding shares in dematerialisation form are requested to notify/send any changes in their address to the concerned depository participant (s).
10. In case of joint holders attending the Meeting, only such joint holders who is higher in the order of names will be entitled to vote.
11. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.
12. Section 109A of the Companies Act, 1956 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form 2B.
13. Members/Proxies should bring duly filled in attendance slips sent herewith for attending the meeting along with the copies of annual reports to the Annual General Meeting.
14. Pursuant to the requirement of Corporate Governance code under the Listing Agreement entered into by the Company, the information about the Directors proposed to be appointed/re-appointed is given in the **Annexure to this Notice.**

DIRECTORS' REPORT

The Members of
M/s. Raasi Enterprises Limited

The Directors have pleasure in presenting the 27th Annual Report of the Company together with audited Annual Accounts for the year ended 31st March 2011.

(₹ in lakhs)

Particulars	Consolidated		Standalone	
	Year ended		Year ended	
	31-03-2011	31-03-2010	31-03-2011	31-03-2010
Total income	1299.59	1125.51	99.63	101.65
Operating profit before interest, depreciation and tax	146.60	160.27	67.30	83.61
Interest and financial charges	54.92	52.77	25.64	22.34
Depreciation	42.57	44.01	12.70	13.00
Profit before taxation	49.11	63.49	28.96	48.27
Provisions for taxation	13.16	-31.85	8.73	-34.93
Profit after taxation	35.95	95.34	20.23	83.19
Transfer to General Reserves	-	-	-	-
Provision for dividend	-	-	-	-
Provision for dividend tax	-	-	-	-
Surplus carried to Balance Sheet	214.31	182.45	164.58	144.35

Outlook

We will strive to build customer and market delight, develop collaborative solutions and incubate disruptive solutions in the coming years. We constantly recognize the need to reinvent ourselves; as a result we continue to refine our operational processes while infusing greater efficiency into our systems. These measures enable us to offer exemplary service to our guests and make us what we are today.

Share Capital

The paid-up Share Capital of your Company stands at ₹ 4,00,00,000/- (Rupees Four Crore only) as on 31st March, 2011.

SUBSIDIARIES

We have one subsidiary Company i.e. M/s. Sai Aditya Foods and Retail Private Limited. As per Section 212 of the Companies Act, 1956, we are required to attach the Director's Report, Balance Sheet and Profit and Loss Account of our subsidiaries. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has provided and exemption to Companies from complying with Section 212, provided such Companies publish the audited consolidated financial statements in the Annual Report. Accordingly, the Annual Report 2010-11 does not contain the financial statements of your subsidiaries. The audited annual accounts and related information of our subsidiaries, where applicable, will be made available upon request. These documents will also be available for inspection during business hours at our registered office.

The statement pursuant to Section 212 of the Company's Act, 1956 and as per Accounting Standard - 21, containing details of subsidiary of the Company M/s. Sai Aditya Foods and Retail Private Limited forms part of the Annual Report.

OPERATIONS AND FUTURE PLANS

The Company could carry normal activities during the financial year under consideration. As you are aware of that the Company has acquired a profit making unit in the food industry as a subsidiary company. To serve the shareholders in the long run on a consistent basis, now the Company is planning to merge with the subsidiary company. It has prepared a plan of action for merging with subsidiary company.

FUTURE OUTLOOK

A note on the future outlook of our Company is presented under Management Discussion and Analysis which forms part of this report.

DEPOSITS

The Company has not accepted any public deposits within the meaning of Section 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposit) Rules, 1975 and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

DIRECTORS:

During the year Sri B.V.N.Satyanarayana Raju, has resigned from office of the Directorship of the Company. And in his place Sri K.Hari Babu was appointed as the Additional Director of the Company with effect from 13th February 2011. A member of the Company has proposed Sri K.Hari Babu for his appointment as Director of the Company and a resolution to that effect is submitted in the Notice of the 27th Annual General Meeting of the Company for the members' approval.

In accordance with the provisions of Section 255 & 256 the Companies Act, 1956 and the Articles of Association of the Company, Sri R.Ravichandran, Sri S. Ramkumar and Sri P.V.R.L. Narasimha Raju shall retire by rotation and being eligible offer himself for re-appointment.

GREEN INITIATIVE WITH RESPECT TO CORPORATE GOVERNANCE:

As per the circular no. 18/2011 issued by The Ministry of Corporate Affairs with respect to the Green Initiative in the Corporate Governance members those who are having their e-mail ID's shall be sent the soft copies of the 27th Annual Report of the Company by e-mail. Physical copies shall be sent to those investors who are not having their e-mail ID's. A copy of the 27th Annual Report shall be sent by post to those members who make a specific request for physical copy.

In addition to that the soft copies of the Annual Report in electronic mode are posted on the website of the company. News paper advertisement about the availability of the same is made in both English and Telugu News paper in compliance with circular no. 18/2011 issued by Ministry of Corporate Affairs.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis of financial condition including the results of operations of the Company for the year under review as required under clause 49 of the listing agreement with the stock exchanges, is given as a separate statement in the Annual Report.

CASH FLOW ANALYSIS

The Cash Flow Statement for the year, under reference in terms of Clause 32 of the Listing Agreement entered by the Company with the Stock Exchanges, is annexed hereto.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS – 21 on Consolidated Financial Statements read with Accounting Standard AS – 23 on Accounting for Investment in Associates and with reference in terms of Clause 32 and 41 of the Listing Agreement, your Directors provide the Audited Consolidated Financial Statements in the Annual Report

The Auditors' Report to the Board of Directors does not contain any qualifications.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors accepts responsibility for integrity and objectivity of the financial statements. The Board has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Director's responsibility statement, it is hereby confirmed

1. That in the preparation of the accounts for the year ended 31st March, 2011 the applicable accounting standards have been followed.
2. That such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the financial year ended 31st March, 2011 and of the loss of the Company for that year.
3. The proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts for the year ended 31st March 2011, have been prepared on a going concern basis.

CORPORATE GOVERNANCE

We continue to be a pioneer in benchmarking our corporate governance policies with the best in the world. Our efforts are widely recognized by the investors. We have documented our internal policies on corporate governance in line with the committee's recommendations. Our code of conduct was updated to make it relevant and responsive to the changing needs of our business. A separate section of Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, forms part of this Report.

AUDITORS:

M/s. Bhaskara Rao & Co., Chartered Accountants, who are the Auditors of the Company, retire at the close of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1) of the Companies Act, 1956.

The notes to the accounts referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

PARTICULARS OF EMPLOYEES:

There are no employees in the organization coming under the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 as amended.

PERSONNEL

Employees are our vital and most valuable assets. We have created a favorable work environment that encourages innovation and meritocracy. The relationship between the management and staff was very cordial throughout the year under review. Your directors take the opportunity to record their appreciation for the co-operation and loyal services rendered by the employees.

COMPANIES (DISCLOSURE OR PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

- A. Conservation of Energy (a to d) : Not Applicable
- B. Technology absorption (e) : Not Applicable
- C. Foreign Exchange Earnings and outgo
f) Activities relating to exports : Not Applicable
- g) Total Foreign exchange used and
Earned foreign exchange outgo : Nil

ACKNOWLEDGEMENTS

We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support. The Board of Directors thank the Company's customers, vendors, investors, business associates, bankers and academic institutions for their support to the Company.

The Directors also thank the Government of India, the concerned State Governments, Government Departments and Governmental Agencies for their co-operation.

The Directors appreciate and value the contributions made by every member of the Company across the world.

The Directors wish to place on record their sincere appreciation of the dedicated services rendered by all the employees of the Company.

For Raasi Enterprises Limited

K. V. Vishnu Raju
Chairman

Place : Hyderabad

Date : 12.08.2011

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We submit here under the Management Discussion and Analysis Report on the Business of the Company as applicable to the extent relevant:

INDUSTRY STRUCTURE AND DEVELOPMENT

Raasi Enterprises Limited (formerly Raasi Finance and Investment Limited) started in the year 1983 and went for public issue in the year 1985. The main activities of the company were mainly Non-Banking financial services like Hire purchase, Lease Financing. The Board of the Company has surrendered the registration certificate with Reserve Bank of India and discontinued operations in the financial services sector.

In view of the competition for financial services activities from entities like private sector banks, foreign banks and others, the finance companies in general suffered from erosion of margin and mounting non-performing assets. REL has repaid all the fixed deposits received from the Public and it was not having any Bank Finance for the financial services activities. Since, the Memorandum and Articles of the Company have permitted to take up other activities, the Company explored the possibility of taking up activities like construction, publications and Bakery and retailing.

Opportunities and Challenges:

In order to meet the competitive market situation and including new activities like construction, food industry.

Segment Wise Performance

The Company has changed its name from Raasi Finance and Investment Limited to Raasi Enterprises Limited and has acquired a food industry as a subsidiary company with stake of 73.95%.

Outlook

The Indian economy is expected to grow according to world Economic Outlook. With the recovery in the global markets, there is expected to be an increase in the commodity prices, in turn increasing the input costs. Interest rates and liquidity may be affected as a result of inflationary pressures. The growth of the Economy has resulted in net saving in the hands of salaried class as well as other sectors. The land value in and around Metropolitan Cities, State Capitals and Major towns has grown up tremendously in view of the huge demand as well as flow inward remittances from Non-resident Indians. And also investment in real estate is seen as a good instrument for savings. REL has experience in Construction Business, as it is already constructed residential apartments for about 60,000 sqft earlier. The Company is proposing to expand its construction activities by constructing residential apartments, commercial complexes and Buildings for Educational Institutions. The Company is having enquiries for construction of Hostel, Auditorium, and College Buildings from reputed institutions. The Company has already identified and negotiated projects in and around Hyderabad, Kakinada, and Vizag etc.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control systems are regularly checked by auditors, who have access to all records and information about our Company. The Board and the Management review the findings and recommendations of the auditors and take corrective actions wherever necessary.

The Board considers risk assessment, identification of mitigating actions and internal control to be fundamental to achieving company's strategic corporate objectives.

This system of internal control is:

- The Board's overall responsibility;
- Regularly, reviewed for its effectiveness by both the Board and Audit Committee
- Supported by Company's policies in such areas as Code of Conduct, legal and secretarial, finance and treasury.

Discussion on Financial Performance with respect to Operation Performance:

The company has acquired a food industry as a subsidiary with stake of 73.95% from its equity and is planning to take 100% subsidiary. The operations of the company are discussed below:

The Consolidated sales and other income were at ₹ 1299.58 lakhs as against ₹ 1125.51 lakhs in the previous year.

The consolidated net profit/(loss) for the year was ₹ 31.85 lakhs against ₹ 92.17 lakhs.

Material Development in Human Resources / Industrial Relations:

The Company believes that human resources are an invaluable asset. The Company has cordial relationship with employees.

Cautionary Statement:

Statements in the "Management Discussion and Analysis which seek to describe the Company's objective, projections, estimates, expectations may be considered to be "forward looking statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

CORPORATE GOVERNANCE REPORT
COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organisation most effectively. Corporate governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organisation and of their own role as trustees on behalf of the shareholders.

By combining ethical values with business acumen, globalisation with national interests and core business with emerging business, the Company aims to be amongst the largest and most respected global organisations. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a truly global leader, while upholding the core values of excellence, integrity, responsibility, unity and understanding, which are fundamental to the growth of the business company.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges. The Company has moved ahead in its pursuit of excellence in corporate governance.

Your company believes in adhering to the code of corporate governance in true spirit, by complying with total transparency, disclosure norms and good corporate practice while dealing with the Shareholders, customers, creditors, lenders and others.

BOARD OF DIRECTORS:

The Board of Directors ("the Board") has adequate representation of professional, Non-Executive and Independent Directors. For the matters requiring special attention and also for proper and effective disposal of such matters, the Board has constituted various committees of Directors. The Board and Committee meetings have been held as required. Adequate disclosures and information are provided to the Board as well as to the Committees. All the Directors attending the Board and Committee Meetings actively participate in their proceedings. Decisions at the Board and Committee meetings are taken unanimously.

The Board of the Company presently consists of five Directors, One Non-Executive Chairman, One Whole-time Director and Three Independent and Non-Executive Directors.

The details of Composition and categories of Directors are given here under.

Sr.No.	Name of the Director	Category
01.	Sri K.V.Vishnu Raju	Promoter, Chairman
02.	Sri R.Ravi Chandran	Whole-time Director
03.	Sri S.Ram Kumar	Independent and Non-Executive
04.	Sri P.V.R.L.Narasimha Raju	Independent and Non Executive
05.	Sri K.Hari Babu	Independent and Non Executive

Brief profile of Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Clause 49 of the Listing Agreement. During the period Mr. B.V.N.Satyanarayana Raju has resigned from the Directorship of the Company and Sri K.Hari Babu was appointed as the Additional Director of the Company with effect from 13.02.2011.

The brief profile of the Directors those who are appointed is attached as Annexure to the Notice of AGM.

None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2011 have been made by the Directors.

BOARD PROCEDURE:
BOARD MEETINGS:

The details about performance of the Company, financial position, statutory compliance's market environment and all other aspects of the Company, which are relevant for review of the Board of Directors, are being given in a structured format at each meeting. The said information substantially complies with the requirements of the code of Corporate Governance with regard to the information to be placed before the Board of Directors.

During the financial year 2010-11, the Board of Directors met Four times in the following dates. 15th May 2010, 14th August 2010, 13th November 2010 and 12th February 2011.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below. Other directorships do not include alternate directorships, directorships of private limited companies, Section 25 companies and of companies incorporated outside India. Chairmanships/Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees.

S.No	Name of the Directors	No of Board Meetings Attended	No of Director ship in other Public Companies	Membership held in Committee of other public Companies	Chairman ship held in Committee of other public Compponies	Attendance of each Director at Last AGM
01.	Sri K.V.Vishnu Raju	04	06	01	Nil	Yes
02.	Sri R.Ravi Chandran	04	02	Nil	Nil	Yes
03.	Sri P.V.R.L.Narasimha Raju	04	05	01	Nil	Yes
04.	Sri S.Ram Kumar	04	02	Nil	Nil	Yes
05.	Sri B.V.N.S. Raju	03	-	Nil	Nil	Yes
06.	Sri K. Harl Babu	01	01	Nil	Nil	No

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

AUDIT COMMITTEE

To adhere to the principles of transparent governance a qualified and independent Audit Committee has been constituted comprising of two independent, non-executive directors and a promoter non-executive director to exercise and discharge functions as stipulated in the Clause 49 of the Listing Agreement and Section 292 A of the Companies Act, 1956.

Meetings: The Audit Committee met 4 times during the year under review on the following dates: 15th May 2010, 14th August 2010, 13th November 2010 and 12th February 2011. The necessary quorum was present for all the meetings.

Name of the Director	Category	No of Meetings Attended
Sri S.Ram Kumar	Independent and Non-Executive	4
Sri P.V.R.L. Narasimha Raju	Independent and Non Executive	4
Sri K.V.Vishnu Raju	Promoter and Non-Executive	4

Sri.S.Ram Kumar is the Chairman of the committee having financial and accounting knowledge.

The Audit Committee has power to investigate any activity within it terms of reference seek information from any employee , obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Sri S. Ram Kumar, Chairman of the Audit Committee had attended the previous 26th Annual General Meeting. The Audit Committee invites such of the executives as it considers appropriate (particularly the head of the finance function), representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings.

The terms of reference of the Audit Committee also includes the following:

01. Overseeing of the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible.
02. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.

03. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
- Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment to management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with stock exchanges and legal requirement concerning financial statements.
 - Any related party transactions.
04. Discussion with external auditors before the audit commences, nature and scope of audit as well as post audit discussion to ascertain any area of concern.
05. Reviewing the Company's financial and risk management policies.
06. Such other matters as may be entrusted to the Committee from time to time.

REMUNERATION COMMITTEE

The Company has a Remuneration Committee of Directors. The committee comprises of the following Non-Executive and Independent Members of the Board.

- Sri.P.V.R.L.Narasimha Raju
- Sri.S.Ram Kumar
- Sri B.V.N.Satyanarayana Raju

During the year from 1st April 2010 to 31st March 2011 the Remuneration Committee met twice on 14th August 2010, 12th February 2011 which was attended by all members of the Committee.

The Company does not have any Employee Stock Option Scheme. The details of Shares held by the Directors of the Company are as follows.

Sl.No.	Name of the Director	No. of Shares Held.
01.	Sri K.V.Vishnu Raju	13,20,400
02.	Sri R.Ravichandran	Nil
03.	Sri S.Ram Kumar, Chairman	Nil
04.	Sri P.V.R.L.Narasimha Raju	800
05.	Sri K.Hari Babu	Nil

The broad function of the Committee is to look after the Remuneration policies of the Managerial Personnel and such other activities related to the Remuneration.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its whole-time Director. Annual increments are decided by the Remuneration Committee within the salary scale approved by the Members and are effective April 1, each year. The Remuneration Committee decides on the commission payable to the whole-time Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 1956, based on the performance of the Company as well as that of the Executive Director.

During the year, 2010-11, the Company paid Sitting Fees per meeting to its Non-Executive Directors for attending meetings of the Board and meetings of Committees of the Board.

SHARE TRANSFER & SHARE HOLDERS GRIEVANCE COMMITTEE:

The Company has a Shareholders/Investors Grievance Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc.

The composition of the Shareholders/Investors Grievance Committee and the details of meetings attended by its members are given below:

S.No.	Name of the Director	No of Meetings held	No of Meetings attended
01.	Sri S.Ram Kumar, Chairman	4	4
02.	Sri R.Ravichandran	4	4
03.	Sri B.V.N.Satyanarayana Raju	3	3
04.	Sri K.Hari Babu	1	1

Ch.Surya Prakash is the Compliance Officer of the Investor Grievance Committee.

There are no complaints / letters received during the financial year and no pending complaints as of now.

Terms of Reference:

1. The shares transfer committee ratifies the transfer of shares, deals with split and consolidation of shares, issue of duplicate shares etc.,
2. The shares holders grievance committee is to look into Investors complaints such as Non-Receipt of Balance Sheet, Transfer of shares, Non-Receipt of declare dividend etc.,

GENERAL BODY MEETINGS:

Year	Location	Date	Time
2007-2008	Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District	30 th September 2008	10.30 AM
2008-2009	Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District	09 th September 2009	10.30 AM
2009-2010	Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District	25 th September 2010	10.30 AM

DISCLOSURES

Disclosure regarding materially significant related party transactions:

No transaction of material nature has been entered into by the Company with its promoters, directors or the management, subsidiaries or relatives etc. that may have potential conflict with the interest of the Company.

The Chairman of the Company has given certificate to the Board as per Clause 49 of the Listing Agreement.

Disclosure of non-compliance by the Company:

There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the year.

Compliance of non-mandatory clause:

Board has noted the non-mandatory requirements and is taking steps for its implementation.

MEANS OF COMMUNICATIONS:

- a) Quarterly financial results of the Company and distribution of shareholding as required under Clause 35 of the listing agreement is made available in Stock Exchange website i.e.bseindia.com.
- b) The quarterly results of the Company were published during the financial year in leading news papers namely Business Standards/ The Financial Express and Andhra Boomi / Andhra Prabha (Regional Language)

SHAREHOLDER INFORMATION

This Annual Report includes yearly financial statement, key financial data and a section on shareholder information giving required information.

- a) **Annual General Meeting:**
The Twenty-Seventh Annual General Meeting ("the AGM") of the Company will be held on Monday, the 26th September, 2011 at 10.30 AM at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District, Andhra Pradesh.
- b) **Financial Calendar 2011-2012**
(Tentative Schedule)
- | | | |
|--|---|---|
| Annual General Meeting for the financial year ending on 31 st March, 2012 | : | before the end of September, 2012 |
| Approval of quarterly results for the Quarter ending on June 2011 | : | before the end of 15 th August, 2011 |
| September 30, 2011 | : | before the end of 15 th November, 2011 |
| December 31, 2011 | : | before the end of 15 th February, 2012 |
| March 31, 2012 | : | before the end of 15 th May, 2012 |
- Quarterly results will be approved & Disclosed by the Board in compliance with the Clause 41 of the Listing Agreement.
The audited results for the year ending on 31st March, 2012 will be approved and disclosed by the Board in Compliance with the Clause 41 of the Listing Agreement.
- c) **Dates of Book Closure:**
The Register of Members and share transfer books will remain closed from the 21st September, 2011 to 26th September, 2011 (both days inclusive)
- d) **Listing on Stock Exchanges:**
The Equity Shares of the company are listed with **Bombay Stock Exchange Limited**
- e) **Stock Code:**
The Stock Code of the Company is: **511153**
The ISIN number of the Equity Shares of the company is as follows.

ISIN	Description	Company	Type
INE096101013	RAASI ENTERPRISES LIMITED EQ	RAASI ENTERPRISES LIMITED	EQUITY SHARE

- f) **Market Price Data:**
The trading of the Equity Shares of the Company commenced with effect from 26.04.2009 after obtaining the revocation of suspension from the Bombay Stock Exchange Limited. The details of High, Low during each Month in last financial year is as follows.

Company : RAASI ENTERPRISES LTD. (511153)
Period (April 2010 to April 2011)

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (₹)	* Spread (Rs.)	
								H.L	C.O
May 10	10.25	10.25	10.25	10.25	200	1	2,050	0.00	0.00
Jun 10	10.76	10.76	10.76	10.76	100	1	1,076	0.00	0.00
Jul 10	11.29	14.39	11.29	14.39	1,700	9	21,745	3.10	3.10
Aug 10	15.10	15.10	15.10	15.10	500	3	7,550	0.00	0.00
Sept 10									
Oct 10	18.10	18.10	15.55	16.30	1900	10	30835	2.55	-1.80
Nov 10	16.30	16.30	16.00	16.00	200	2	3230	0.30	-0.30
Dec 10									
Jan 11	15.50	16.25	14.75	14,75	2100	4	33650	1.50	-0.75
Feb 11									
Mar 11									
Apr 11	14.02	15.48	14.02	15.48	200	2	2950	1.46	1.46

g) Performance in Comparison to Indices:

The Company has commenced its trading of its Equity Shares in the Trading Platform of Bombay Stock Exchange Limited recently as mentioned in the above paragraph.

h) Registrar and Transfer Agents:

The Registrar and Transfer Agents of the company is M/s. Sathguru Management Consultants (Pvt) Ltd., located at Plot No.15, Hindi Nagar Punjagutta, Hyderabad – 500 034, Andhra Pradesh. The Contact numbers for any type of query are Phone No(s): 30160333, 30160225

i) Share Transfer System:

In coordination with Registrar and Transfer Agent Share Transfer Committee attends to the share transfer formalities once in 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

j) Distribution of shareholding:

Shareholder statistics and Distribution of Shareholdings as on 31st March 2011 was as follows:

Category (No of Shares)	No of Shareholders	No of Shares	% to Total Equity
001 – 500	4209	749770	18.74
501 – 1000	120	99900	2.50
1001 – 2000	66	113100	2.83
2001 – 3000	9	21800	0.55
3001 – 4000	14	55250	1.38
4001 – 5000	2	10000	0.25
5001 – 10000	4	27850	0.70
10001 & above	36	2922330	73.06
Total	4460	40000000	100.00

k) Dematerialization of Shares:

Trading in Companies shares is permitted in dematerialisation form for all investors. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to offer depository services to its share holders. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

The ISIN of Dematerialised shares of the Company allotted by the NSDL & CDSL is "INE096101013"

l) Outstanding GDRs/ ADRs / Warrants/ Convertible Instruments: Nil

m) Address for correspondence: Any of the investor contact the Registrar and Transfer Agent M/s. Sathguru Management Consultants (Pvt.) Ltd., located at Plot No.15, Hindi Nagar Punjagutta, Hyderabad – 500 034, Andhra Pradesh. The Contact numbers for any type of query are Phone No(s): 30160333, 30160225.

And for any other query anybody can contact the Registered Office / Corporate Office of the Company. The details of address are mentioned above.

In addition to that pursuant to Clause 47(f) of the Listing Agreement we have created an e-mail ID (investorgrievances@raasienterprises.com) for the investor grievances. The same is displayed at the website of Bombay Stock Exchange Limited. Hence the investors are requested to contact through mail for any type of grievances.

n) As per the circular no. 18/2011 issued by The Ministry of Corporate Affairs with respect to the Green Initiative in the Corporate Governance members those who are having their e-mail ID's shall be sent the soft copies of the 27th Annual Report of the Company by e-mail. Physical copies shall be sent to those investors who are not having their e-mail ID's. A copy of the 27th Annual Report shall be sent by post to those members who make a specific request for physical copy.

For Raasi Enterprises Limited

Place : Hyderabad
Date : 12.08.2011

K. V. Vishnu Raju
Chairman

DECLARATION ON CODE OF CONDUCT

This is to inform you that the Board has laid down a Code of Conduct for all Directors and Senior Management Personnel of the Company. It is further confirmed that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March 2011 as envisaged in clause 49 of the Listing Agreement with Stock Exchanges.

For Raasi Enterprises Limited

K. V. Vishnu Raju
Chairman

Place : Hyderabad

Date : 12.08.2011

CEO / CFO CERTIFICATION

The CEO, and the CFO 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 for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such 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 over financial reporting 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 over financial reporting.

Place : Hyderabad

Date : 12.08.2011

Whole-time Director

Manager Finance

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To the Members of
Raasi Enterprises Limited

We have examined the compliance of conditions of Corporate Governance by Raasi Enterprises Limited (formerly Raasi Finance & Investment Limited) for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on 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.

We state that no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the Shareholders' / Investors' Grievance Committee.

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 M.Bhaskara Rao &
Co.,Chartered Accountants**

**V.Raghunandan
Partner
Membership No.26255**

Place : Hyderabad

Date : 12.08.2011

AUDITOR'S REPORT

To
The Members of
Raasi Enterprises Limited

1. We have audited the attached Balance Sheet of Raasi Enterprises Limited (formerly Raasi Finance & Investment Limited) as at 31st March 2011, the Profit and Loss Account and also Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.



4. Further to our comments in the annexure referred to in paragraph 3 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 accounts as required by law, have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) to Section 274 of 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 read with significant accounting policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2011;
 - ii) in the case of the Profit and Loss Account, of the profit of the company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement of the cash flow for the year ended on that date.

**For M.Bhaskara Rao & Co.,
Chartered Accountants
Firm Reg No: 0004595**

**V.Raghunandan
Partner
Membership No.26255**

**Place: Hyderabad
Date: 12.08.2011**

Re: RAASI ENTERPRISES LIMITED

Statement referred to in Paragraph (3) of our report of even date

01. (a) The company has compiled the fixed assets register showing full particulars including quantitative details, location and situation of the fixed assets.
(b) No physical verification of fixed assets was carried out by the management during the year; hence we are unable to comment on the discrepancies, if any.
(c) According to the information and explanations given to us, the company has not disposed off substantial part of fixed assets and hence, reporting on the going concern status in this regard does not arise.
02. According to the information and explanations given to us, there are no inventories. Therefore the provisions of Clause 4 (ii) (a), (b) and (c) of Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
03. (a) According to the information and explanations given to us, the Company has granted unsecured loan to one party covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 93.70 lakhs and year end balance of such loan was ₹ 16.34 lakhs.
(b) According to the information given to us, the terms and conditions of such loan is prima facie not prejudicial to the interest of the Company.

03. (a) According to the information and explanations given to us, the Company has granted unsecured loan to one party covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 93.70 lakhs and year end balance of such loan was ₹ 16.34 lakhs.
- (b) According to the information given to us, the terms and conditions of such loan is prima facie not prejudicial to the interest of the Company.
- (c) The party is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- (d) There is no overdue amount of loan granted to the Company listed in the register maintained under Section 301 of the Companies Act, 1956.
- (e) According to the information and explanations given to us, the Company has taken interest free unsecured loan from one party covered in Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 11.84 lakhs and year end balance was ₹ NIL.
- (f) Since the loans taken are repayable on demand, question of overdue amounts does not arise. Therefore commenting under Clause 4 (iii) (g) of Companies (Auditor's Report) Order, 2003 as amended does not arise.
04. 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, sale of goods and services. In our opinion and according to the information given to us, there is no continuing failure to correct major weaknesses in the Internal Control System of the Company.
05. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts and arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered in the register maintained under the said section have been so entered.
- (b) In our opinion and according to the information and explanations given to us, and based on representations made by the management, there are no transactions (except clause 4 (iii) above) made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to ₹ 5,00,000/- and above in respect of each party.
06. The company has not accepted any deposits from the public.
07. The Company has no internal audit system in vogue.
08. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 for the activities of the Company. Therefore, the provisions of clause 4(viii) of Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
09. (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other applicable statutory dues with the appropriate authorities. According to information and explanation given to us, there are no arrears of statutory dues as at 31st March, 2011 which are outstanding for a period of more than six months from the date they became payable except an amount of ₹ 0.62 lakhs (Previous Year ₹ 0.62 lakhs) towards Investor Education and Protection Fund which was outstanding for a period of more than seven years.

(b) According to the information and explanations given to us, there are no dues of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute except as stated below:

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Forum where dispute is pending
Income Tax	Disputed of tax demand for the AY - 1998-99	6.80	Commissioner Income Tax (Appeals), Hyderabad.
	Disputed tax demand towards lease income from buildings for the AY - 2004-05	1.78	Commissioner Income Tax (Appeals), Hyderabad.

10. The company has no accumulated losses as on 31st March 2011. The company has not incurred any cash losses in the financial year under report and in the immediately preceding financial year.
11. According to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions and banks.
12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
13. The company is not a Chit Fund/Nidhi/Mutual Benefit Fund/Society. Therefore, the provisions of clause 4(xiv) of Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
14. The company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us during the course of the audit, the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
17. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to information and explanation given to us, there are no funds raised on short term basis which have been used for long term investment.
18. During the year under report 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.
19. The company has not issued any debentures.
20. The Company has not raised any money by public issues during the year.
21. In accordance with the information and explanations given to us and our examination of books and records, no fraud on or by the company has been noticed or reported during the year.

**For M.Bhaskara Rao & Co.,
Chartered Accountants
Firm Reg No: 0004595**

**Place : Hyderabad
Date : 12.08.2011**

**V.Raghunandan
Partner
Membership No.26255**

Balance Sheet As At 31st March 2011

	Sch No.	As at 31 st March 2011 ₹	As at 31 st March 2010 ₹
Sources of Funds			
1 Share Holders Funds			
a) Share Capital	1	39,796,356	39,458,280
b) Reserves and Surplus	2	44,650,194	42,627,489
		84,446,550	82,085,769
2 Deferred Tax Liability (Net)		5,979,805	5,580,362
3 Loan Funds			
a) Secured Loans	3	40,679,551	14,531,183
b) Unsecured Loans	4	1,000,000	1,000,000
		41,679,551	15,531,183
Total		132,105,906	103,197,314
Application of Funds			
1 Fixed Assets	5		
a) Gross Block		88,126,534	88,126,534
Less: Depreciation		11,722,616	10,452,614
Net Block		76,403,918	77,673,920
2 Investments	6	17,155,740	17,155,740
3 Current Assets, Loans and Advances	7		
a) Sundry Receivables		1,594,242	1,535,150
b) Cash and Bank Balances		597,632	218,542
c) Loans and Advances		46,071,446	20,003,956
		48,263,310	21,757,648
Less: Current Liabilities and Provisions 8			
Current Liabilities		1,401,841	4,811,772
Provisions		8,315,221	8,578,221
Net Current Assets		38,546,248	8,367,654
Total		132,105,906	103,197,314
Significant Accounting policies and Notes on Accounts	12		

As per our report attached
for M.BHASKARA RAO & CO.,
Chartered Accountants
V.Raghuandan
Partner
Membership No.26255

For and on behalf of the Board

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

Place: Hyderabad
Date: 12.08.2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	Sch No.	Year Ended 31.03.2011 ₹	Year Ended 31.03.2010, ₹
A INCOME			
Interest & Other Income	9	<u>9,962,765</u>	<u>10,165,117</u>
Total		<u>9,962,765</u>	<u>10,165,117</u>
B EXPENDITURE			
Employee Cost	10	2,132,669	1,251,480
Administrative Expenses	11	1,100,275	552,219
Interest and Financial Charges	12	2,563,671	2,234,448
Depreciation	5	1,270,002	1,300,319
Total		<u>7,066,617</u>	<u>5,338,466</u>
C Profit Before Tax (A-B)		<u>2,896,148</u>	<u>4,826,651</u>
Provision for Taxation -			
Current Tax		(537,000)	(800,000)
Prior Year Taxation		63,000	5,703,622
Deferred Tax Liability		(399,443)	(1,411,365)
D Profit / (Loss) after tax		<u>2,022,705</u>	<u>8,318,908</u>
Profit / (Loss) brought forward		<u>14,435,141</u>	<u>6,116,233</u>
E Profit / (Loss) carried to Balance Sheet		<u>16,457,846</u>	<u>14,435,141</u>
Basic & Diluted Earnings Per Share		0.51	2.08
Significant Accounting Policies and Notes on Accounts	13		

As per our report attached
for M.BHASKARA RAO & CO.,
Chartered Accountants

For and on behalf of the Board

V.Raghunandan
Partner
Membership No.26255

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

Place: Hyderabad
Date: 12.08.2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

	Year Ended 31.03.2011 ₹	Year Ended 31.03.2010 ₹
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items:	2,896,148	4,826,651
Adjustments for:		
Depreciation on fixed assets	1,270,002	1,300,319
Interest and Finance Charges paid	2,563,671	2,234,448
	<u>3,833,673</u>	<u>3,534,767</u>
Operating Profit before Working Capital Changes	6,729,821	8,361,418
Adjustments for:		
(Increase)/ Decrease in Sundry Receivables	(59,932)	(195,794)
(Increase)/ Decrease in Loans and Advances	(26,867,490)	18,514,088
Increase/ (Decrease) in Current Liabilities	(3,409,931)	(17,532,184)
Cash Generated from Operations	<u>(22,806,691)</u>	<u>786,109</u>
Income tax paid	(737,000)	-
Net Cash Flow from Operating Activities	<u>(23,543,691)</u>	<u>9,147,527</u>
9,147,527		
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Net Cash Flow from Investing Activities	-	-
C CASH FLOW FROM FINANCIAL ACTIVITIES		
(Repayment)/ Proceeds from Secured Loans	26,148,368	(7,670,459)
Interest Paid	(2,563,671)	(2,234,448)
Calls in Arrears received	308,676	-
Net Cash Flow from Financing Activities	<u>23,893,373</u>	<u>(9,904,907)</u>
D NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		
	<u>379,682</u>	<u>(757,380)</u>
Cash and Cash Equivalents as at the commencement for the year	218,542	975,924
Cash and Cash Equivalents as at the close of the year	<u>597,624</u>	<u>218,542</u>

Note: Previous year's figures have been regrouped and recast wherever necessary to conform with current year's classification.

As per our report attached
for M.BHASKARA RAO & CO.,
Chartered Accountants

For and on behalf of the Board

V.Raghunandan
Partner
Membership No.26255

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

Place: Hyderabad
Date: 12.08.2011

Schedules to Accounts

	As at 31st March 2011 ₹	As at 31st March 2010 ₹
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORISED	<u>50,000,000</u>	<u>50,000,000</u>
50,00,000 equity shares of ₹10/- each		
ISSUED CAPITAL		
40,00,000 equity shares of ₹10/ each	40,000,000	40,000,000
Less: Calls in Arrears	<u>203,644</u>	<u>541,720</u>
	<u>39,796,356</u>	39,458,280
SCHEDULE - 2		
RESERVES AND SURPLUS		
General Reserve	6,930,294	6,930,294
Reserve Fund	18,946,054	18,946,054
Investment Allowance Reserve	2,316,000	2,316,000
Opening Balance of P & L account	14,435,141	6,116,233
Add: Profit / (loss) for the year	<u>2,022,705</u>	<u>8,318,908</u>
	<u>16,457,846</u>	14,435,141
	<u>44,650,194</u>	<u>42,627,489</u>
TOTAL		
SCHEDULE - 3		
SECURED LOANS		
A. Term loans from Banks	40,679,551	14,379,695
B. Vehicle Loan	-	151,488
Total	<u>40,679,551</u>	<u>14,531,183</u>
SCHEDULE - 4		
UNSECURED LOANS		
Unsecured Loans	1,000,000	1,000,000
- From Others	<u>1,000,000</u>	<u>1,000,000</u>
TOTAL	<u>1,000,000</u>	<u>1,000,000</u>

Raasi Enterprises Limited
Schedule - 5

Fixed Assets

(Amount in ₹)

Assets	Gross Block at cost			Depreciation		Net Block			
	As At 31.03.2010	Additions / (Deletions) during the period	As At 31.03.2011	Upto 31.03.2010	For the Year		Upto 31.03.2011	As At 31.03.2011	As At 31.03.2010
					Additions	Adjustments			
1 Land	13,109,470	-	13,109,470	-	-	-	-	13,109,470	13,109,470
2 Buildings	72,925,905	-	72,925,905	8,915,191	8,915,191	-	10,103,883	2,822,022	64,010,714
3 Furniture & Fixtures	378,449	-	378,449	378,449	-	-	378,449	-	-
4 Office Equipment	240,873	-	240,873	240,873	-	-	240,873	-	-
5 Air Conditioner	27,930	-	27,930	27,930	-	-	27,930	-	-
6 Motor Vehicles	914,064	-	914,064	364,444	79,133	-	443,577	470,487	549,620
7 Wooden Partitions	222,883	-	222,883	222,883	-	-	222,883	-	-
8 Computers	268,183	-	268,183	268,183	-	-	268,183	-	-
9 Electrical Equipment	38,777	-	38,777	34,661	2,177	-	36,838	1,939	4,116
Total	88,126,534	-	88,126,534	10,452,614	1,270,002	-	11,722,616	76,403,918	77,673,920
Previous Year	121,420,210	(33,293,676)	88,126,534	42,445,971	1,300,319	(33,293,676)	10,452,614	77,673,920	78,974,239

Schedules to Accounts

	As at 31st March 2011 ₹	As at 31st March 2010 ₹
SCHEDULE - 6		
INVESTMENTS		
A. Government Securities - At cost - unquoted		
14% GOI Loan 2006 (Face Value of ₹1,00,000/-)	100,000	100,000
B LONG TERM INVESTMENTS (AT COST)		
Quoted		
M/s. Regency Ceramics Limited 100 fully paid equity shares of ₹10/- each	1,789	1,789
In Non Trade Investments		
Unquoted		
M/s.Andhra Pradesh Steel Limited 10200 fully paid equity shares of ₹10/- each	3,950	3,950
M/s. Spardeck Ceramics Limited 50 fully paid equity shares of ₹10/- each	17,000,000	17,000,000
M/s. Sai Aditya Foods and Retails Private Limited 120946 fully paid equity shares of ₹100/- each		
C OTHER INVESTMENTS		
Mutual Funds : At Cost Quoted		
M/s.Morgan Stanely Mutual Fund 5000 fully paid units of ₹10/- each	50,000	50,000
TOTAL	17,155,740	17,155,740
SCHEDULE - 7		
CURRENT ASSETS, LOANS & ADVANCES		
A. CURRENT ASSETS		
Tax deducted at Source	1,594,242	1,535,150
Sundry Receivables		
Considered Good		
Considered Doubtful	10,120	10,120
Less: Provision for doubtful debts	10,120	10,120
TOTAL	1,594,242	1,535,150
Cash and Bank Balances		
a) Cash on Hand	6,538	6,070
b) Balance with Scheduled Banks in Current Accounts	591,084	212,472
TOTAL	597,622	218,542

Schedules to Accounts

	As at 31st March 2011 ₹	As at 31st March 2010 ₹
B LOANS AND ADVANCES		
a) Advances recoverable in cash or kind or for value to be received (Unsecured and considered good)	36,924,547	10,831,212
Considered doubtful	276,707	276,707
Less: Provision for doubtful Debts	276,707	276,707
b) Deposits	214,828	229,828
c) Advance Tax	8,932,071	8,932,071
d) Hire Purchase Suspense	-	10,845
TOTAL	46,071,446	20,003,956
SCHEDULE - 8		
CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors		150,306
- Others	61,780	61,780
Investor Education and Protection Fund	1,340,061	4,599,686
Other Liabilities		
	1,401,841	4,811,772
B PROVISIONS		
Provisions for Income Tax	8,315,221	8,578,221
	8,315,221	8,578,221
TOTAL	9,717,062	13,389,993

	Year Ended 31.03.2011, ₹	Year Ended 31.03.2010, ₹
SCHEDULE - 9		
INTEREST AND OTHER INCOME		
Provision no longer required written back	1,066,215	3,007,353
Interest on loans and Other Income	605,908	959,061
Rental Charges	8,290,642	6,198,703
	9,962,765	10,165,117
SCHEDULE - 10		
EMPLOYEE COST		
Salaries & Wages	1,797,600	1,069,395
Contribution to Provident Fund & Other Funds	126,795	72,085
Staff & Workmen welfare expenses	208,274	110,000
	2,132,669	1,251,480

Schedules to Accounts

	Year Ended 31.03.2011 ₹	Year Ended 31.03.2010 ₹
SCHEDULE - 11		
ADMINISTRATIVE EXPENSES		
Advertisement and Publicity Charges	175,891	140,705
Travelling and Conveyance Expenses	1,000	-
Printing & Stationery	58,000	50,007
Telephone and Postal Expenses	77,065	82,245
General Expenses	30,125	30,595
Auditors' Remuneration		
Statutory Audit Fee	33,090	33,090
Tax Audit Fee	59,011	33,090
Insurance	-	52,555
Legal & Professional Charges	139,307	81,164
Listing Fee, Board & General Meeting Expenses	316,786	46,265
Rates and Taxes	-	2,500
Rent	210,000	-
TOTAL - A	1,100,275	552,219
SCHEDULE - 12		
INTEREST AND FINANCIAL CHARGES		
a) Interest on Term Loans	2,033,259	2,066,946
b) Interest on Others	126,791	156,532
c) Bank charges	403,621	10,970
TOTAL	2,563,671	2,234,448

SCHEDULE – 13**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS:****I. SIGNIFICANT ACCOUNTING POLICIES:****1. ACCOUNTING CONVENTION:**

The financial statements have been prepared on the basis of going concern, under the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) in India.

2. FIXED ASSETS:

Fixed Assets are accounted for on historical cost. Cost includes all costs incidental to acquisition, installation and commissioning of the assets until they are ready for intended use.

3. DEPRECIATION

Depreciation on Fixed Assets (including Leased Assets) is provided on straight line method in accordance with the provisions of Schedule XIV of the Companies Act, 1956 as amended from time to time.

4. INVESTMENTS:

Long Term Investments are valued at cost after providing for any permanent diminution in value.

5. BORROWING COSTS:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

6. TAXES ON INCOME

- a) The provision for current tax is made for the tax payable in accordance with provisions of Income Tax Act, 1961.
- b) Deferred Tax is recognized in accordance with the Accounting Standard – 22 "Accounting for Taxes on Income". Deferred Tax Asset is recognized only if there is virtual certainty of its realization.

7. REVENUE RECOGNITION:

Interest and other income are recognized on accrual basis.

8. EMPLOYEE BENEFITS:

- a) Provident Fund is administered through Regional Provident Fund Commissioner. The contributions to the above said funds are charged against revenue.
- b) In respect of gratuity, the company has covered all eligible employees under group gratuity scheme of LIC. Accordingly the company pays annual premium to LIC and difference between annual gratuity liability and annual premium paid is provided in books.
- c) Leave encashment to employees is provided on an estimated basis.

9. CONTINGENT LIABILITIES:

Contingent liabilities arising from claims, litigations, assessments, fines, penalties, etc., are provided when it is probable that a liability may be incurred and the amount can be reliably estimated.

10. IMPAIRMENT OF ASSETS:

All fixed assets are tested for any indications of impairment at the end of each financial year. On such indication, impairment loss, being the excess of carrying value over recoverable value of the assets, is charged to profit and loss account in the respective financial years. The impairment loss recognised in the prior years is reversed in cases where the recoverable value exceeds the carrying value upon reassessments in the subsequent years.



II. NOTES ON ACCOUNTS:

1. Estimated amount of contracts, remaining to be executed on Capital account and not provided for (net of advances) ₹ Nil (Previous year ₹ Nil).
2. CONTINGENT LIABILITIES NOT PROVIDED FOR:
 - i) Disputed Income Tax demands year 1998-99 ₹ 6.80 lakhs towards in respect of which company has filed an appeal with Commissioner Income Tax (Appeals).
 - ii) Disputed Income Tax Liability for A.Y.2004-05 ₹ 9.78 lakhs towards lease income from buildings in respect of which the company has filed an appeal with Commissioner Income Tax (Appeals).
3. Buildings situated at Bhimavaram, W.G.District are constructed on a land belonging to Sri Vishnu Educational Society, a society registered under the Public Registration Societies Act, 1860.

4. Aggregated Related Party Disclosures

Related Parties

Enterprises owned or significantly influenced by Key Management personnel or relatives

- ◆ Anjani Portland Cement Limited
- ◆ Sri Vishnu Educational Society
- ◆ Dr.B.V.Raju Foundation
- ◆ Hi-Tech Print Systems Ltd.

Subsidiary Company

- Sai Aditya Foods and Retail Private Limited

Key Management Personnel

Shri K.V.Vishnu Raju	-	Chairman
Shri R.Ravichandran	-	Whole Time Director
Shri S.Ram Kumar	-	Director
Shri P.V.R.L.Narasimha Raju	-	Director
Shri K.Hari Babu	-	Director
Shri B.V.N.Satyanarayana Raju	-	Director

Following are the transactions with related parties during the year ended 31.03.2011.

Particulars	Subsidiary Personnel	Key Managerial Personnel	Relatives of the key Key Managerial Personnel	Enterprises of Key Managerial	
				Amount in ₹	
Rentals received from Sri Vishnu Educational Society				82,90,642	61,98,702
Interest on Loan received from Anjani Portland Cement Limited				6,05,098	23,63,034
Balances outstanding as on 31.03.2011					
Anjani Portland Cement Limited- Unsecured loan				16,34,401(Dr)	94,70,274(Dr)
Sri Vishnu Educational Society				3,02,32,826(Dr)	13,52,682 (Cr)
Dr.B.V.Raju Foundation				1,50,000 (Cr)	1,50,000(Cr)
Hitech Print Systems Limited					Nil
Sai Aditya Food and Retail Private Limited	67,544 (Cr)			11,28,980 (Cr)	
	13,17,093 (Cr)				

Figures in italics represent previous year's figures

5. Particulars of remuneration paid to Whole Time Director :

Particulars	2010-11(₹)	2009-10(₹)
Salary	11,37,500	4,66,250
Provident & other funds	63,000	36,459
Total	12,00,500	5,02,709

6. Statutory Auditors remuneration:

Particulars	2010-11(₹)	2009-10(₹)
Audit Fee	33,090	33,090
Taxation and Others	33,090	33,090
Out of Pocket Expenses	10,000	10,000
Total	76,180	76,180

7. The term loan from Indian Overseas Bank, Bhimavaram Branch, is secured against the Lease Rentals receivable on the buildings let out to Sri Vishnu Educational Society, Bhimavaram. Further they are secured by equitable mortgage on land and building situated at Bhimavaram. Sri K.V.Vishnu Raju, Chairman of the Company in his personal capacity and Sri Vishnu Educational Society stood as guarantors for the said loan.

8. Deferred Tax Asset / Liability:

In accordance with Accounting Standard 22 "Accounting for taxes on Income" Issued by the companies (Accounting Standards) Rules 2006.

Deferred tax assets and liabilities arising due to timing differences comprise of:

Particulars	Amount in ₹	
	As at 31.03.2011	As at 31.03.2010
a) Deferred Tax Asset – (Unabsorbed Losses)	37,93,132	43,95,735
b) Deferred Tax Liability – (Depreciation)	97,72,937	99,76,097
c) Net Deferred Tax Liability / (Asset) (b-a)	59,79,805	55,80,362

9. Earnings per share:

Particulars	Amount in ₹	
	Year ended 31.03.2011	Year ended 31.03.2010
a) Profit / (Loss) after tax	20,22,705	83,18,908
b) Weighted average No. Of shares	40,00,000	40,00,000
c) Earnings per share –Basic	0.51	2.08
-Diluted	0.51	2.08

10. Balances with Scheduled Banks, Loans & Advances, and unsecured loans are subject to confirmation and reconciliation.

11. Previous year's figures have been re-grouped / reclassified wherever necessary to conform to the current year's classification.

As per our report attached
for M.BHASKARA RAO & CO.,
Chartered Accountants

For and on behalf of the Board

V.Raghunandan
Partner
Membership No.26255

K.V.Vishnu Raju
Chairman

R. Ravichandran
Wholetime Director

Place : Hyderabad
Date : 12-8-2011

BALANCE SHEET ABSTRACT AND COMPANY GENERAL PROFILE

1 Registration Details.

Registration No. 01 4005 State Code 0 1
 Balance Sheet Date 31 03 2011

2 Capital raised during the year (Amount in ₹ Thousands)

Public Issue N I L Rights Issue N I L
 Bonus Issue N I L Private Placement N I L

3 Position of Mobilisation and Deployment of Funds (Amt. In ₹ Thousands)

Total Liabilities	0	1	3	2	1	1	Total Assets	0	1	3	2	1	1
Source of Funds:													
Paid-Up Capital	3	9	7	9	6	Reserves & Surplus	4	4	6	5	0		
Secured Loans	4	0	6	8	0	Unsecured Loans	0	1	0	0	0		
Application of Funds:													
Net Fixed Assets	7	6	4	0	4	Investments	1	7	1	5	5		

4 Performance of Company (Amount In ₹ Thousands)

Turnover Total	0	9	9	6	3	Expenditure	0	7	0	6	7
+/- Profit/Loss Before Tax	0	2	8	9	6	+/- Profit / Loss After Tax	0	2	0	2	3

5 Generic Name of Four Principal of Company (as per Monetary terms):

Item Code No:

As per our report of even date attached
for M.Bhaskara Rao & Co.,
Chartered Accountants

for and on behalf of

V.Raghunandan
Partner
Membership No.26255

K.V.Vishnu Raju
Chairman

R. Ravichandran
Wholetime Director

Place : Hyderabad
Date : 12.08.2011

**Consolidated
Financial Accounts of
Raasi Enterprises Limited**



AUDITORS' REPORT ON CONSOLIDATED ACCOUNTS

The
Directors
Raasi Enterprises Limited
Hyderabad

We have examined the attached Consolidated Balance Sheet of the Raasi Enterprises Limited (formerly Raasi Finance & Investment Limited) and its subsidiary Sai Aditya Foods and Retail Private Limited (formerly Sai Aditya Hotels & Supermarkets Private Limited) as at 31st March 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year there ended.

These financial statements are the responsibility of the Raasi Enterprises Limited's management. Our responsibility is to express an opinion on these financial statements based on our Audit. We conducted our audit in accordance with the 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 mis-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.

We did not audit the financial statements of the subsidiary, whose financial statements reflect total asset of ₹ 465.29 lakhs as at March 31, 2011 and the total revenue of ₹ 1221.49 lakhs for the year ended. These financial statements have been audited by other auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditor.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India, and the basis of the separate audited financial statements of the Raasi Enterprises Limited and its subsidiary included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of Raasi Enterprises Limited and its subsidiary, and subject to Note 2 regarding the method of depreciation followed by subsidiary company and Note 8 regarding pending reconciliation and confirmation of scheduled banks, Unsecured Loans, Loans and Advances of the parent Company, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Raasi Enterprises Limited and its subsidiary as at March 31, 2011.
- b) in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of Raasi Enterprises Limited and its subsidiary for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flow of Raasi Enterprises Limited and its subsidiary for the year ended on that date.

For M.Bhaskara Rao & Co.,
Chartered Accountants
Firm Reg No: 0004595

V.Raghunandan
Partner
Membership No.26255

Place : Hyderabad
Date : 12.08.2011

Consolidated Balance Sheet As At 31st March 2011

	Sch No	As at 31st March 2011 ₹	As at 31st March 2010 ₹
SOURCES OF FUNDS			
1 Share Holders Funds			
a) Share Capital	1	<u>39,796,356</u>	39,458,280
b) Reserves & Surplus	2	<u>49,622,941</u>	46,437,498
		89,419,297	85,895,778
2 Minority Interest		4,876,735	4,467,143
3 Deferred Tax Liability (Net)		5,979,807	5,580,362
4 Loan Funds			
a) Secured Loans	3	<u>60,774,497</u>	37,906,448
b) Unsecured Loans	4	<u>8,715,975</u>	4,354,000
		69,490,472	42,260,448
TOTAL		169,766,311	138,203,731
APPLICATION OF FUNDS			
1 Fixed Assets			
A) Goodwill		8,131,353	8,131,353
B) Other Fixed Assets	5		
a) Gross Block		<u>138,289,709</u>	134,029,536
Less: Depreciation		<u>33,895,424</u>	29,638,060
Net Block		<u>104,394,285</u>	104,391,476
b) Capital Work In Progress		<u>2,615,822</u>	5,583,507
		107,010,107	109,974,983
2 Investments	6	155,740	155,740
3 Current Assets, Loans and Advances	7		
a) Inventories		<u>11,836,218</u>	9,682,930
b) Sundry Receivables		<u>8,200,939</u>	7,875,888
c) Cash and Bank Balances		<u>1,969,268</u>	1,307,880
d) Loans and Advances		<u>50,554,545</u>	25,649,269
		<u>72,560,910</u>	44,515,967
Less: Current Liabilities and Provisions	8	<u>9,776,578</u>	15,996,091
		<u>8,315,221</u>	8,578,221
Net Current Assets		54,469,111	19,941,655
TOTAL		169,766,311	138,203,731
Significant of Accounting Policies and Notes on Accounts	15		

As per our report attached for M.BHASKARA RAO & CO., Chartered Accountants

V.Raghuandan
Partner
Membership No.26255
Place : Hyderabad
Date : 12.08.2011

K.V.Vishnu Raju
Chairman

For and on behalf of the Board

R. Ravichandran
Wholetime Director

Consolidated Profit and Loss account for the year ended 31st March 2011

	Schedule No	Year Ended 31.03.2011 ₹	Year Ended 31.03.2010 ₹
A INCOME			
Sales		118,139,816	100,993,956
Interest and Other Income	9	11,818,836	11,556,639
TOTAL		129,958,654	112,550,595
B EXPENDITURE			
Manufacturing Expenses	10	91,814,566	78,958,405
(Increase) / Decrease in Stocks	11	(2,153,288)	(759,861)
Employee Cost	12	17,138,647	11,872,205
Administrative Expenses	13	8,498,833	6,453,346
Interest and Financial Charges	14	5,491,553	5,277,203
Depreciation	5	4,257,365	4,400,691
TOTAL		125,047,676	106,201,989
C Consolidated Profit Before Taxation (A-B)		4,910,978	6,348,606
Provision for Taxation:			
Current Tax		(979,500)	(1,070,000)
Prior year Taxation		63,000	5,703,622
Deferred Tax Liability		(399,443)	(1,411,365)
Fringe Benefit Tax			(37,000)
D Consolidated Profit After Tax (before adjst. For Minority Interest)		3,595,035	9,533,863
Less: Share of Minority Interest in profit / (loss)		409,592	316,496
Consolidated Profit after minority interest		3,185,443	9,217,367
Balance in Profit and Loss Account brought forward		18,245,150	9,027,783
E Balance carried to Balance Sheet		21,430,593	18,245,150
Basic & Diluted Earnings Per Share		0.80	2.30

Significant Accounting Policies and Notes on Accounts 15

As per our report attached
for M.BHASKARA RAO & CO.,
Chartered Accountants

For and on behalf of the Board

V.Raghuandan
Partner
Membership No.26255

K.V.Vishnu Raju
Chairman

R. Ravichandran
Wholetime Director

Place : Hyderabad
Date : 12.08.2011

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

	Year Ended 31st March 2011 ₹ In lacs	Year Ended 31st March 2010 ₹ In lacs
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items:	49.11	63.49
Adjustments for:		
Depreciation on fixed assets	42.57	44.00
Interest and Finance Charges paid	54.92	50.58
	<u>97.49</u>	<u>94.58</u>
Operating Profit before Working Capital Changes	<u>146.60</u>	<u>158.07</u>
Adjustments for:		
(Increase)/ Decrease in Inventories	(21.53)	(7.60)
(Increase)/ Decrease in Sundry Receivables	(3.25)	(4.91)
(Increase)/ Decrease in Loans and Advances	(248.61)	176.22
(Increase)/ Decrease in Deposits	(0.90)	(0.57)
(Increase)/ Decrease in Prepaid Insurance	0.46	(0.24)
Increase/ (Decrease) in Current Liabilities	<u>(62.20)</u>	<u>(131.63)</u>
	<u>(336.03)</u>	<u>31.27</u>
Cash Generated from Operations	<u>146.60</u>	<u>158.07</u>
Income tax paid	<u>(11.80)</u>	<u>(3.07)</u>
Net Cash Flow from Operating Activities	<u>(201.23) /</u>	<u>186.27 /</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(12.92)	(43.47)
Net Cash Flow from Investing Activities	<u>(12.92)</u>	<u>(43.47)</u>
C CASH FLOW FROM FINANCIAL ACTIVITIES		
(Repayment)/ Proceeds from Secured Loans	260.48	(77.72)
Proceeds from Long term borrowings	(66.20)	(35.10)
Increase / (Decrease) in Cash Credit Utilisation	34.40	17.64
Interest Paid	(54.92)	(50.58)
Calls in Arrears received	3.38	-
(Repayment)/ Proceeds from unsecured Loans	<u>43.62</u>	<u>(4.34)</u>
Net Cash Flow from Financing Activities	<u>220.76</u>	<u>(150.10)</u>
D NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(6.61)</u>	<u>(7.30)</u>
Cash and Cash Equivalents as at the commencement for the year	13.08	20.38
Cash and Cash Equivalents as at the close of the year	19.69	13.08

Note: Previous year's figures have been regrouped and recast wherever necessary to conform with current year's Classification

As per our report attached
for M.BHASKARA RAO & CO.,
Chartered Accountants

For and on behalf of the Board

V.Raghunandan
Partner
Membership No.26255

K.V.Vishnu Raju
Chairman

R. Ravichandran
Wholetime Director

Place : Hyderabad
Date : 12.08.2011

Consolidated Financial Statements

	As at 31st March 2011 ₹	As at 31st March 2010 ₹
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORISED	<u>50,000,000</u>	<u>50,000,000</u>
50,00,000 equity shares of ₹ 10/- each		
ISSUED CAPITAL		
40,00,000 equity shares of ₹ 10/ each	40,000,000	40,000,000
Less: Calls in Arrears	<u>203,644</u>	<u>541,720</u>
	39,796,356	39,458,280
SCHEDULE - 2		
RESERVES AND SURPLUS		
General Reserve	6,930,294	6,930,294
Reserve Fund	18,946,054	18,946,054
Investment Allowance Reserve	2,316,000	2,316,000
Opening Balance of P and L account	18,245,150	9,027,783
Add: Profit / (Loss) for the year	<u>3,185,443</u>	<u>9,217,367</u>
	21,430,593	18,245,150
TOTAL	<u>49,622,941</u>	<u>46,437,498</u>
SCHEDULE - 3		
SECURED LOANS		
A. Term loans from Banks	47,832,913	28,153,261
B. Bank Over Draft	12,820,700	9,380,565
C. Vehicle Loans	120,884	372,622
TOTAL	<u>60,774,497</u>	<u>37,906,448</u>
SCHEDULE - 4		
UNSECURED LOANS		
Unsecured Loans		
- From Directors	900,000	900,000
- From Others	<u>7,815,975</u>	<u>3,454,000</u>
TOTAL	<u>8,715,975</u>	<u>4,354,000</u>

Raasi Enterprises Limited

Schedule - 5

Consolidated Fixed Assets

Assets	(Amounts in ₹)											
	Gross Block of cost					Depreciation					Net Block	
	As At 31.03.2010	Additions during the year	Deletions during the year	As at 31.03.2011	Upto 31.03.2010	Additions	Adjustments	Upto 31.03.2011	As at 31.03.2011	As At 31.03.2010		
1 Land	13,109,470	-	-	13,109,470	-	-	-	-	13,109,470	13,109,470		
2 Buildings	83,670,417	3,699,965	-	87,370,262	11,139,891	1,799,675	-	12,939,566	74,430,696	72,530,526		
3 Furniture & Fixtures	13,708,834	98,563	-	13,807,397	5,789,125	801,412	-	6,590,537	7,216,860	7,919,709		
4 Office Equipment	240,873	-	-	240,873	240,873	-	-	240,873	-	-		
5 Air Conditioner	27,930	-	-	27,930	27,930	-	-	27,930	-	-		
6 Motor Vehicles	2,578,114	-	-	2,578,114	1,664,191	173,460	-	1,837,641	740,473	913,923		
7 Wooden Partitions	222,883	-	-	222,883	222,883	-	-	222,883	-	-		
8 Computers	1,655,322	84,126	-	1,739,448	1,470,217	90,867	-	1,561,084	178,364	185,105		
9 Electrical Equipment	38,777	-	-	38,777	34,661	2,177	-	36,838	1,939	4,116		
10 Machinery and Equipment	18,776,916	377,639	-	19,154,555	9,048,288	1,389,784	-	10,438,072	8,716,483	9,728,628		
	134,029,536	4,260,173	-	138,289,709	29,638,059	4,257,365	-	33,895,424	104,394,285	104,391,477		
Previous Year	159,050,888	8,272,324	(33,293,676)	134,029,536	58,531,045	4,400,690	(39,893,676)	29,638,059	104,391,477	100,519,843		

Consolidated Financial Statements

	As at 31st March 2011 ₹	As at 31st March 2010 ₹
SCHEDULE - 6		
INVESTMENTS		
A. Government Securities - at cost - Unquoted		
14.00% GOI Loan 2006	100,000	100,000
Face Value of ₹ 1,00,000/-		
B. LONG TERM INVESTMENTS (AT COST)		
In Non Trade Investments		
In Equity Shares		
Un quoted		
M/s.Andhra Pradesh Steel Limited	1	1
10200 fully paid equity shares of ₹ 10/- each		
M/s.Sparteck Ceramics Limited	3,950	3,950
50 fully paid equity shares of ₹ 10/- each		
Quoted		
M/s. Regency Ceramics Limited	1,789	1,789
100 fully paid equity shares of ₹ 10/- each		
C. OTHER INVESTMENTS		
Mutual Funds (Growth Fund) : At Cost Quoted		
M/s. Morgan Stanely Mutual Fund	50,000	50,000
5000 fully paid units of ₹ 10/- each		
Total	<u>155,740</u>	<u>155,740</u>
SCHEDULE - 7		
CURRENT ASSETS, LOANS & ADVANCES		
A. CURRENT ASSETS		
Inventories		
Closing Stock of Goods	11,836,218	9,682,930
Sundry Receivables		
a) Debts outstanding for a period exceeding six months:		
Unsecured, Considered Good	6,606,697	6,304,738
b) Other Debtors: Secured, Considered Good, Unsecured, Considered Good	1,394,242	1,535,150
Considered Doubtful	10,120	10,120
Less: Provision for Doubtful	<u>10,120</u>	<u>10,120</u>
Total	<u>8,200,939</u>	<u>7,875,888</u>
Cash and Bank Balances		
a) Cash on Hand	1,254,768	986,487
b) Balance with Scheduled Banks in Current Accounts	714,440	321,393
Total	<u>1,969,208</u>	<u>1,307,880</u>



Consolidated Financial Statements

	As At 31st March 2011	As At 31st March 2010
	₹	₹
B LOANS AND ADVANCES		
a) Advances recoverable in cash or kind or for value to be received (Unsecured and considered good)	40,287,514	15,400,162
Considered Doubtful	<u>276,707</u>	276,707
Less: Provision for Doubtful	<u>276,707</u>	276,707
b) Deposits	1,334,933	1,260,104
c) Advance Tax	8,932,071	8,932,071
d) Hire Purchase Suspense	-	10,845
e) Prepaid Insurance	-	46,089
TOTAL	<u>50,554,545</u>	<u>25,649,271</u>
SCHEDULE - 8		
CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors	5,777,935	7,720,053
- For Goods & Services	-	150,306
- Others	61,780	61,780
Investor Education and Other Liabilities	<u>3,936,863</u>	<u>8,063,952</u>
	9,776,578	15,996,091
B PROVISIONS		
Provisions for Income Tax	8,315,221	8,578,221
	<u>8,315,221</u>	<u>8,578,221</u>
TOTAL	<u>18,091,799</u>	<u>24,574,312</u>
SCHEDULE - 9		
INTEREST AND OTHER INCOME		
Provision no longer required written back	1,066,215	3,007,353
Interest on loans and Other Income	2,461,979	2,350,583
Rental Charges	<u>8,290,642</u>	<u>6,198,703</u>
	11,818,836	11,556,639
SCHEDULE - 10		
MANUFACTURING EXPENSES		
1 Purchases and Rawmaterials	78,574,264	67,895,407
2 Transport Charges	353,387	671,347
3 Consumption of Packing Material	5,078,083	4,670,473
4 Showroom, Generator Maintenance	1,179,285	680,127
5 Sales Commission	122,115	100,579
6 Business Promotion	138,161	30,268
7 Water Charges	206,446	112,419
8 Repairs and Maintenance	3,348,039	2,292,340
9 Electricity Charges	<u>2,814,786</u>	<u>2,505,445</u>
Total	<u>91,814,566</u>	<u>78,958,405</u>

Consolidated Financial Statements

	Year ended 31st March 2011 ₹	Year ended 31st March 2010 ₹
SCHEDULE - 11		
(INCREASE) / DECREASE IN STOCKS		
Opening Stocks	11,836,218	9,682,930
Closing Stocks	9,682,930	8,923,069
(Increase) / Decrease in Stocks	<u>2,153,288</u>	<u>759,861</u>
SCHEDULE - 12		
EMPLOYEE COST		
Salaries and Wages	16,803,578	8,041,171
Contribution to Provident Fund and Other Funds	126,795	328,779
Staff & Workmen Welfare Expenses	208,274	3,502,255
TOTAL	<u>17,138,647</u>	<u>11,872,205</u>
SCHEDULE - 13		
ADMINISTRATIVE EXPENSES,		
Advertisement and Publicity Charges	186,973	166,828
Rent, Rates and Taxes	4,362,302	3,126,262
Travelling and Conveyance Expenses	274,910	131,935
Vehicle Maintenance	1,115,649	675,444
Printing and Stationery	390,701	279,395
Telephone and Postal Expenses	360,952	393,623
General Expenses	412,007	123,095
Auditors' Remuneration		
Statutory Audit Fee	82,725	204,144
Tax Audit Fee	59,011	33,090
Legal and Professional Charges	267,380	716,442
Listing Fee, Board and General	316,786	46,268
Security Charges	387,781	403,910
Audit Expenses	20,614	4,632
Car Hire Charges	207,449	49,635
Insurance	53,593	98,643
Total	<u>8,498,833</u>	<u>6,453,346</u>
SCHEDULE - 14		
INTEREST AND FINANCIAL CHARGES		
a) Interest on Term Loans	3,317,722	3,958,596
b) Interest on Overdraft	1,449,137	905,432
c) Interest on Others	133,861	183,229
c) Bank Charges	590,833	229,946
TOTAL	<u>5,491,553</u>	<u>5,277,203</u>

SCHEDULE - 15

CONSOLIDATION OF ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS:

The financial statements have been prepared on the basis of going concern, under the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) in India.

I. SIGNIFICANT ACCOUNTING POLICIES:

1. Principles of Consolidation:

The Consolidated financial statements relate to Raasi Enterprises Limited ("the Company") and its Subsidiary Company M/s Sai Aditya Foods and Retail Private Limited ("the Subsidiary"). Goodwill arising out of acquisition of subsidiary is shown under Fixed Assets. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its Subsidiary company are combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit and losses in accordance with the Accounting Standard (AS) 21 issued by the Institute of Chartered Accountants of India.
- b) Minority Interest's share of net profit for the year is identified and adjusted against the consolidated income in order to arrive at the net income attributable to shareholders of the Company.
- c) Minority Interest's share of net assets is identified and presented in the consolidated balance sheet separate from liabilities and equity of the Company's shareholders.

2. FIXED ASSETS:

Fixed Assets including Leased Assets are accounted for on historical cost. Cost includes all costs incidental to acquisition, installation and commissioning of the assets until they are ready for intended use.

3. DEPRECIATION

- a) Depreciation on Fixed Assets (including Leased Assets) is provided on straight line method in accordance with the provisions of Schedule XIV of the Companies Act, 1956 as amended from time to time.
- b) In respect of Subsidiary Company depreciation on Fixed Assets is provided on Written Down Value method at the rates higher than those specified by Schedule XIV of the Companies Act 1956 as follows:

4. INVESTMENTS:

Long Term Investments are valued at cost after providing for any permanent diminution in value.

5. INVENTORIES:

Finished goods are valued at cost or net realizable value whichever is lower and Raw materials, Stores & Spares are valued at cost in the books of Subsidiary.

6. REVENUE RECOGNITION:

- a) Income from Lease transactions, interest and other income is recognized on accrual basis.
- b) Sales are recognized when goods are supplied in accordance with the terms of sale.

7. EMPLOYEE BENEFITS:

- a) Provident Fund is administered through Regional Provident Fund Commissioner. The contributions to the above said funds are charged against revenue.
- b) In respect of gratuity, the company has covered all eligible employees under group gratuity scheme of LIC. Accordingly the company pays annual premium to LIC and difference between annual gratuity liability and annual premium paid is provided in books.
- c) Leave encashment to employees is provided on an estimated basis.

8. BORROWING COSTS:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

9. TAXES ON INCOME:

- a) The provision for current tax is made for the tax payable in accordance with provisions of Income Tax Act, 1961.
- b) Deferred Tax is recognized in accordance with the Accounting Standard - 22 "Accounting for Taxes on Income". Deferred Tax Asset is recognized only if there is virtual certainty of its realization.

10. CONTINGENT LIABILITIES:

Contingent liabilities arising from claims, litigations, assessments, fines, penalties, etc., are provided when it is probable that a liability may be incurred and the amount can be reliably estimated.

11. IMPAIRMENT OF ASSETS:

All fixed assets are tested for any indications of impairment at the end of each financial year. On such indication, impairment loss, being the excess of carrying value over recoverable value of the assets, is charged to profit and loss account in the respective financial years. The impairment loss recognised in the prior years is reversed in cases where the recoverable value exceeds the carrying value upon reassessments in the subsequent years.

II. NOTES ON ACCOUNTS:

1. The Subsidiary Company considered in the consolidated financial statement is:

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest
Sai Aditya Foods and Retail Private Limited	India	73.95%

2. In respect of Subsidiary Company Fixed Assets comprising of 36.27% of total Consolidated Fixed Assets have been depreciated on written down value method as against the straight line method followed by the Holding Company.
3. Estimated amount of contracts, remaining to be executed on Capital account and not provided for (net of advances) ₹ Nil (Previous year ₹ Nil).
4. CONTINGENT LIABILITIES NOT PROVIDED FOR:
- Disputed Income Tax demands for the years 1998-99 amounting to ₹ 6.80 lakhs (previous year ₹ 6.80 lakhs).
 - Disputed Income Tax Liability for A.Y.2004-05 ₹ 9.78 towards lease income from buildings in respect of which the company has filed an appeal with Commissioner Income Tax (Appeals).
5. Buildings situated at Bhimavaram, W.G.District are constructed on a land belonging to Sri Vishnu Educational Society, a society registered under the Public Registration Societies Act, 1860.
6. a) The term loan availed from Indian Overseas Bank, Bhimavaram Branch is secured against the Lease Rentals receivable on the buildings let out to Sri Vishnu Educational Society, Bhimavaram. Further they are secured by equitable mortgage on land and building situated at Bhimavaram. Sri K.V.Vishnu Raju, Chairman of the Company is his personal capacity and Sri Vishnu Educational Society stood as guarantors for the said loan.
b) In the books of Subsidiary the term loan is secured on the whole of the various items of Machinery & Interior Wood work etc., by a deed of Hypothecation with Indian Bank, Dabagardens Brach, Visakhapatnam. The cash credit facility extended by Indian Bank, Dabagardens Branch, Visakhapatnam is secured by a charge on all inventories (Stocks & Goods) in favour of Indian Bank, Visakhapatnam.
7. Aggregated Related Party Disclosures

Related Parties
Enterprises owned or significantly influenced by Key Management personnel or relatives

- ♦ Anjani Portland Cement Limited
- ♦ Sri Vishnu Educational Society
- ♦ Dr.B.V.Raju Foundation
- ♦ Hitech Print Systems Limited

Key Management Personnel

Shri K.V.Vishnu Raju	-	Chairman
Shri R.Ravichandran	-	Whole Time Director
Shri P.V.R.L.Narasimha Raju	-	Director
Shri S.Ram Kumar	-	Director
Shri K.Hari Babu	-	Director
Shri B.V.N.Satyanarayana Raju	-	Director

Following are the transactions with related parties during the year ended 31.03.2011.

Particulars	Key Managerial Personnel	Relatives of the Key Managerial Personnel	Amount in ₹
			Enterprises of Key Managerial Personnel
Rentals received from Sri Vishnu Educational Society	-	-	82,90,642 <i>61,98,702</i>
Interest on Loan received from Anjani Portland Cement Limited	-	-	6,05,098 <i>23,63,034</i>
Anjani Portland Cement Limited- Unsecured loan	-	-	16,34,401(Dr) <i>94,70,274(Dr)</i>
Sri Vishnu Educational Society	-	-	302,32,826(Dr) <i>13,52,682 (Cr)</i>
Dr.B.V.Raju Foundation	-	-	1,50,000 (Cr) <i>1,50,000 (Cr)</i>
Hitech Print Systems Limited	-	-	Nil <i>11,28,980(Cr)</i>

Figures in italics represent previous year's figures

8. Balances with Scheduled Banks, Loans & Advances, Unsecured loans are subject to confirmation and reconciliation.

9. Statutory Auditors Remuneration :

Amount in ₹

Particulars	As at 31.03.2011	As at 31.03.2010
Audit Fee	33,090	33,090
Taxation and Others	33,090	33,090
Out of pocket Expenses	10,000	10,000
Total	76,180	76,180

10. **Deferred Tax Asset / Liability:**

In accordance with Accounting Standard 22 "Accounting for taxes on Income" issued by the companies (Accounting Standards) Rules 2006.

Deferred tax assets and liabilities arising due to timing differences comprise of:

Amount in ₹

Particulars	As at 31.03.2011	As at 31.03.2010
a) Deferred Tax Asset – (Unabsorbed Losses)	37,93,132	43,95,735
b) Deferred Tax Liability – (Depreciation)	97,72,937	99,76,097
c) Net Deferred Tax Liability /(Asset) (b-a)	59,79,805	55,80,362

11. Earnings per share:

Amount in ₹

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
a) Consolidated Profit / (Loss)	31,85,443	92,17,367
b) Weighted average No. Of shares	40,00,000	40,00,000
c) Earnings per share –Basic	0.80	2.30
Diluted	0.80	2.30

12. Previous year's figures have been re-grouped / reclassified wherever necessary to conform to the current year's classification.

As per our report attached
for M.BHASKARA RAO & CO.,
Chartered Accountants

For and on behalf of the Board

V.Raghunandan
Partner
Membership No.26255

K.V.Vishnu Raju
Chairman

R. Ravichandran
Wholetime Director

Place : Hyderabad
Date : 12.08.2011

Consolidated Statement vide General Circle No.2/2011, MCA. Dated 08.02.2011

Amount in ₹

S.No	Details	Raasi Enterprises Limited- Holding Company	Sai Aditya Foods and Retail Private Limited	Consolidated Total
a)	Capital	39,796,356	-	39,796,356
b)	Reserves	44,650,194	2,362,131	47,012,325
c)	Minority Interest	-	-	4,876,735
d)	Deferred Tax - Liability	5,979,805	-	5,979,805
c)	Total Assets	76,403,918	30,606,189	107,010,107
d)	Total Liabilities	9,717,062	8,374,737	18,091,799
e)	Details of Investments (except in case of investments in Subsidiaries)	155,740	-	155,740
f)	Goodwill	-	-	8,131,353
g)	Turnover	9,962,765	122,149,177	132,111,942
h)	Profit before Taxation	2,896,148	2,014,830	4,910,978
i)	Provision for Taxation	873,443	442,500	1,315,943
j)	Profit after Tax	2,022,705	1,572,330	3,595,035
k)	Proposed Dividend	-	-	-

Annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the head office of the holding company and of the subsidiary companies concerned.

The holding company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.

For and on behalf of the Board

Place : Hyderabad
Date : 12.08.2011

K.V.Vishnu Raju
Chairman

R. Ravichandran
Wholetime Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATION TO COMPANY'S INTEREST ON SUBSIDIARY COMPANIES

Name of the Subsidiary Company	Sai Aditya Foods and Retail Private Limited
01. The Financial Year of the Subsidiary Company ended on	31.03.2011
02. Date from which they become Subsidiary Company	01.04.2005
03. a. Number of Shares held by Raasi Enterprises Limited with its nominee in the Subsidiary at the end of the financial year of the Subsidiary Company.	1,20,946 equity shares of ₹ 100/- each Fully Paid Up
b. Extent interest of Holdings Company at the end of Financial Year of the Subsidiary Company	73.95%
04. The net aggregate amount of the Subsidiary Company Profit /(Loss) so far as it concerns the members of the Holding Company	
A. Not dealt with in the Holding Company Accounts for the Financial Year ended 31st March 2010	₹ 9,02,007
For the previous financial years of the Subsidiary Company since it became the Holding Company's subsidiary	₹ 38,06,410
B. Dealt with in Holding Company's Accounts for the financial year ended 31st March 2010	--
For the previous financial years of the Subsidiary Company since it became the Holding Company's subsidiary	--

Raasi Enterprises Limited
Vishnupur, Bhimavaram – 534 202, W.G.District.

Folio :
No of Shares held :

FORM OF PROXY

I/We _____ Of _____ in the district Of _____ being a Member/Members of the Above named Company, hereby appoint Sri / Smt. _____ of _____ in the district of _____ or failing him /her/Sri/Smt. _____ of _____ in the district of _____ as my/our Proxy in vote for me/us and on my/our behalf at the Twenty Sixth Annual General Meeting of the Company, to be held on 26th September 2011 at 10.30 AM and at any adjournment thereof.

Signed this _____ day of _____ 2011

Signature of the Proxy
Attested

Signature



Signature of the Member

- NOTE: 1. Every instrument of Proxy should contain proper identification of the non-member Proxy holder by attestation of specimen signature of the Proxy by the member concerned.
2. This instrument of Proxy should be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before the time for holding the meeting.



Raasi Enterprises Limited
Vishnupur, Bhimavaram – 534 202, W.G.District.

Folio No :
No of Shares held :

Attendance Slip

I hereby record my presence at the Twenty Sixth Annual General Meeting of Raasi Enterprises Limited at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District, on 26th September 2011 at 10.30 A.M.

01. Full Name of the Member: _____
(In Block Letter)
02. * Full Name of the Proxy : _____
(In Block Letter)
03. Regd. Folio No : _____
04. Number of Shares held : _____
05. Signature of the Member/
Proxy attending : _____

- To be filled in if the Proxy attends instead of the Member(s)
- No Gifts are distributed.