

**BOARD OF DIRECTORS**

<b>Mr. P. Srinivas Reddy</b> (DIN: 00359139)	-	Managing Director
<b>Mr. D. Surendranath Reddy</b> (DIN: 00559312)	-	Director
<b>Mr. M. Mohan Reddy</b> (DIN: 02525646)	-	Director
<b>Mrs. P. Samantha Reddy</b> (DIN: 00141961)	-	Director

**REGISTERED OFFICE:**

Survey No 203, Sampannabolu Village,  
Shameerpet Mandal, R R Dist.,

**AUDIT COMMITTEE :**

Mr. D. Surendranath Reddy	-	Chairman
Mr. M. Mohan Reddy	-	Member
Mr. P. Srinivas Reddy	-	Member

**NOMINATION & REMUNERATION COMMITTEE :**

Mr. D. Surendranath Reddy	-	Chairman
Mr. M. Mohan Reddy	-	Member
Mrs. P. Samantha Reddy	-	Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE :**

Mr. D. Surendranath Reddy	-	Chairman
Mr. M. Mohan Reddy	-	Member
Mrs. P. Samantha Reddy	-	Member

**AUDITORS:**

S.V. Rao & Associates.  
Chartered Accountants  
8-2-293/82/A/796-B,  
Road No. 36, Jubilee Hills,  
Hyderabad – 500 033.

**BANKERS :**

Andhra Bank  
Ameerpet branch,  
6-3-867, Opp. Greenlands,  
Hyderabad – 500 018.

**REGISTRAR & SHARE TRANSFER AGENTS:**

Karvy Computershare Private Limited  
Plot No. 17 to 24, Vittalrao Nagar,  
Madhapur, Hyderabad - 500 081.  
Tel: +91-40-23428412  
Fax: +91-40-23440814  
Email: ramesh.deshpande@karvy.com

**LISTED AT:**  
BSE Limited

**WEBSITE:**  
www.ravileelagranites.co

**INVESTOR E-MAIL ID:**  
ravileel@yahoo.com

**CORPORATE IDENTITY NUMBER:**  
L14102AP1990PLC011909

**COMPLIANCE OFFICER:**  
Mr. P. Srinivas Reddy

**CHIEF FINANCIAL OFFICER:**  
Mr. A.P. Wenkat Narosa Reddy

**COST ACCOUNTANTS:**  
M/s. N.S.V. Krishna Rao & Co

**CORPORATE OFFICE:**  
H.No.6-3-668/10/35,  
Durga Nagar Colony,  
Punjagutta, Hyderabad – 500 082.

**NOTICE**

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Shareholders of M/s Ravileela Granites Limited will be held on Tuesday the 30th day of September, 2014 at 11.30 a.m. at the registered office of the company at Survey No. 203, Sampannabolu (V), Shameerpet Mandal, R. R Dist, Andhra Pradesh, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, the Profit & Loss Account and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint M/s S.V. Rao & Associates, Chartered Accountants as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration fixed by Board of Directors.

**SPECIAL BUSINESS:**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. M. Mohan Reddy (holding DIN 02525646), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."

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

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. D. Surendranath Reddy (holding DIN 00559312), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."

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

"RESOLVED THAT Mrs. P. Samantha Reddy, who was appointed as an additional director of the Company pursuant to the provisions of section 152 and 161(1) of the Companies Act, 2013 by the Board of Directors w.e.f 21.05.2014 and who holds the office up-to date of the ensuing annual general meeting and in respect of whom the company has received a notice in writing under section 160 of the said Act, along with requisite deposit proposing her as candidate for the office of director of the company, be and is hereby appointed as a Director of the Company whose period of office is liable to be determined by retirement of directors by rotation."

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made

there under, Mrs. P. Samantha Reddy, be and is hereby appointed as Whole Time Director for a term of 5 years with effect from 14.08.2014 on a consolidated yearly remuneration of Rs. 3,50,000/- (Rupees Three Lakhs and Fifty thousand only) till such date during his tenure as may be decided by the Board and with liberty to the Board of directors to fix, alter or vary from time to time the terms and conditions of the said appointment including the remuneration in such manner as it may deem fit within the limits in that behalf contained in Schedule V of the said Act including any Statutory modification(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and Mrs. P. Samantha Reddy in this behalf.

"RESOLVED FURTHER THAT pursuant to Schedule V and other applicable provisions, if any, of the Act and subject to such approvals as may be necessary, the Company be and is hereby authorized to pay the minimum remuneration to Mrs. P. Samantha Reddy, for that financial year, in which there is inadequacy or absence of profits, during the period of three years from the effective date of his appointment."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 148 and rules made thereunder and any other applicable provisions of Companies Act, 2013, the appointment of M/s. N.S.V. KRISHNA RAO & CO, Cost Accountants as cost auditors for the financial year 2014-15 by the Board of Directors of the Company at a remuneration decided by the Board excluding out of pocket & other expenses and service tax, as may be incurred in the course of Audit be and is hereby ratified and approved."

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

"RESOLVED THAT pursuant to the provision of Section 149 of the Companies Act, 2013 and the Rules made there under and the Articles of Association of the Company, Ms. P. Harshini Reddy who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14.08.2014 and who holds office until the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Ms. P. Harshini Reddy as a candidate for the office of a director of the Company, be and is hereby appointed as a Director of the Company.

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

Amendment of Articles of Association of the Company

"RESOLVED THAT pursuant to Section 14 of the Companies Act, 2013, the Articles of Association of the Company be and is hereby altered in the following manner:

a) In interpretation clause of Article 2 the following definition is inserted after existing definition "Year"

'Electronic mode' means carrying out electronically-based, transactions whether main server is installed in India or not, including, but not limited to:

i. business to business and business-to-consumer transactions, data interchange and other digital supply transactions

## **RAVILEELA GRANITES LIMITED**

- ii. offering to accept deposits or inviting deposits or accepting deposits or subscriptions in securities, in India or from citizens of India;
- iii. financial statements, web-based marketing, advisory and transactional services, database services and products, supply chain management;
- iv. online services such as telemarketing, telecommuting, education and information research; and all related data communication services;
- v. facsimile telecommunication when directed to the facsimile number or electronic mail directed to electronic mail addresses, using any electronic communication mechanism that the message so sent, received or forwarded is storable and retrievable
- vi. posting of an electronic message board or network that the company or the officer has designated for such communications, and which transmission shall be validly delivered upon the posting; or
- vii. other means of electronic communication, in respect of which the Company or the officer has put in place reasonable systems to verify that the sender is the person purporting to send the transmission; and
- viii. video conferencing, audio-visual mode, net conferencing and/or any other electronic communication facility.

b) A new Article 90A is being inserted under Article 90 which is as under:

“90A Voting by members through electronic mode

A member may exercise his vote at a General Meeting or Postal Ballot or electronic mode in accordance with Section 108 of the Companies Act, 2013 and rules made thereunder and shall be eligible to vote only once for a single resolution.”

c) A new article 134A is being inserted after Article 134 which is as under:

“134A. Participation in Meeting of the Board by Directors through electronic mode Notwithstanding anything contained herein, the director(s) may participate in the meeting(s) of the Board or any committee thereof through electronic mode by video conferencing or other audio visual modes as may be prescribed, and the Director(s) so participating shall be deemed to be present at the meeting for the purposes of quorum, voting, recording of minutes and all other relevant provisions in this regard by following procedure specified under applicable laws for the time being in force and rules, regulations, circulars, notifications, guidelines etc. issued/to be issued from time to time by competent/statutory authority(ies).”

d) A new Article 169A is being inserted after Article 169 which is as under:

“169A. Maintenance of registers and records in electronic mode

Notwithstanding anything contained in these Articles, Registers, Index, Agreement, Memorandum, Minutes, Books of Accounts or any other documents required to be kept by the Company under the Companies Act, 2013 may be kept in electronic form in such form and manner as may be prescribed under Section 120 of the Companies Act, 2013 and rules made thereunder.”

e) A new Clause 175(c) is being inserted under Article 175(b) which is as under:

“175(c). Service of documents through electronic mode

Notwithstanding anything contained in these Articles and as per Sections 20 & 134 of the Companies Act, 2013 read with rules made thereunder, a Company may serve copies of the Balance sheet, Statement of Profit and loss, Auditors' Report, Directors' Report, Notice of the

## **RAVILEELA GRANITES LIMITED**

General Meeting along with explanatory statements etc. and any other documents to the members through electronic mode, by following conditions laid down under the relevant Rules.”

f) A new Article 187 is being inserted after Article 186 which is as under:

187. “General Clause – Overriding effect of Companies Act, 2013”

The intention of these Articles is to be in consonance with the contemporary Act, Rules and Regulations prevailing in India. If there is an amendment in any Act, Rules and Regulations allowing what was not previously allowed under the Statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles. In case of any of the provisions contained in these Articles is inconsistent or contrary to the provisions of the Companies Act, 2013 and rules made thereunder, the provisions of Companies Act, 2013 and rules made thereunder shall override the provisions of these existing Articles and these Articles shall be deemed to have been amended to include such provisions of the Companies Act, 2013. All references to sections of Companies Act, 1956 shall be deemed to include the corresponding sections/provisions of the Companies Act, 2013 if any.”

For and on Behalf of the Board  
**RAVILEELA GRANITES LIMITED**

Sd/-

**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

Place: Hyderabad

Date : 14.08.2014

### **NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will be closed from 27th September, 2014 to 30th September, 2014 (Both days Inclusive).
4. Members are requested to produce the Attendance Slip duly signed as per the Specimen Signature recorded with the Company for admission to the meeting hall.
5. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
6. Members are requested to notify immediately any change in their address along with address proof, i.e. Electric/Telephone Bill, Driving License or a copy of passport and Bank particulars to the Company's RTA without any delay.
7. A Member desirous of receiving any information on the accounts or operations of the company is requested to forward his/her queries to the Company at least 7 working days prior to the meeting, so that the required information can be made available at the meeting.
8. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.

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9. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to the Company's RTA for their doing the needful.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
11. Electronic copy of the Annual Report for 2013-14 has been sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-2014 has been sent in the permitted mode.
12. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 29.08.2014, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the book closure may vote physically in the Annual General Meeting and approach the Company for copy of Annual Report.
13. Voting through electronic means
- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Karvy Computershare Private Limited.

The instructions for members for voting electronically are as under:-

**(I) In case of members receiving e-mail:**

- i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Event no. followed by Folio Number registered with the Company
Password	Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

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- iii) Please contact our toll free No. 1-800-34-54-001 for any further clarifications.
- iv) The voting period begins on 25.09.2014 at 9.00 A.M. and ends on 26.09.2014 at 6.00.P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the 29.08.2014, may cast their vote electronically. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may vote physically in the Annual General Meeting and approach the Company for copy of Annual Report.
- v) After entering these details appropriately, click on "LOGIN".
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
- ix) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your exiting login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting .Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (Corporate / FIs / FIs / Trust / Mutual Funds / Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to viveksurana24@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."
- (II) In case of members receiving the Physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:
- A. Please follow all steps from sl. no. (i) to sl. no. (xii) above, to cast vote.
- B. Mr. Vivek Surana, Practicing Company Secretary, C.P. No. 12901 has been appointed as the Scrutinizer to scrutinize the e-voting process.



## **RAVILEELA GRANITES LIMITED**

C. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forward to the Chairman of the Company.

D. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ravileelagranites.co and on the website of Karvy Computershare Private Limited within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

### **ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT: BRIEF PROFILE OF DIRECTORS:**

Particulars	Mr. M. Mohan Reddy	Mr. D. Surendra nath Reddy	Mrs. P. Samantha Reddy	Ms. P. Harshini Reddy
Date of Birth	19/06/1950	10/04/1955	18/12/1969	28/06/1992
Date of Appointment	08/04/1996	30/09/1991	14/08/2014	14/08/2014
Qualifications	B.Com	B.A.	M.S.	B. Tech.
No. of Shares held in the Company	Nil	3,000	2,77,110	Nil
Directorships held in other companies (excluding private limited and foreign companies)	Nil	1. Sagar Power (Neerukatte) Private Limited 2. Falcon Power Private Limited	Nil	Nil
Positions held in mandatory committees of other companies	Nil	Nil	Nil	Nil

For and on Behalf of the Board  
**RAVILEELA GRANITES LIMITED**

Sd/-

**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

Place: Hyderabad  
Date : 14.08.2014

### **EXPLANATORY STATEMENT**

**[Pursuant to Section 102 of the Companies Act, 2013]**

#### **ITEM NO. 3-4 :**

In accordance with the relevant provisions of the Articles of Association of the Company and the erstwhile provisions of the Companies Act, 1956, Mr. M. Mohan Reddy and Mr. D.Surendranath Reddy, Independent Directors were appointed as independent directors by the Members of the Company. The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM.

## **RAVILEELA GRANITES LIMITED**

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint them, as Independent Directors on the Board of the Company for a term upto five consecutive years, commencing from 01.04.2014. A brief profile of proposed Independent Directors, including nature of their expertise, is provided in this Annual Report.

Notices have been received from Members proposing candidature of the above Directors for the office of Independent Director of the Company. In the opinion of the Board, they fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Directors of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company www.ravileelagranites.co

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors, Mr. M. Mohan Reddy and Mr. D. Surendranath Reddy for their respective appointments, are concerned or interested, financially or otherwise, in these Resolutions. The Board commends the Ordinary Resolutions as set out at item no. 3 to 4 for approval of the Members.

#### **ITEM NO. 5**

Mrs. P. Samantha Reddy, who was appointed as an additional director of the Company pursuant to the provisions of the Companies Act, 2013 by the Board of Directors w.e.f 21.05.2014 and who holds the office up-to date of the ensuing annual general meeting and in respect of whom the company has received a notice in writing, along with requisite deposit proposing her as candidate for the office of director of the company, be and is hereby appointed as a Director of the Company whose period of office is liable to be determined by retirement of directors by rotation.

As per the provisions of section 160 of the Act, any such proposal ought to be approved by the members in the General Meeting.

Further, the Board at its meeting held on 14.08.2014, appointed (subject to the approval of members in the general meeting), Mrs. P. Samantha Reddy as a Whole-time director of the Company for a period of five years commencing 14.08.2014. The terms and conditions of his appointment are as follows:

1. Remuneration: As provided in the resolution.
2. Period of appointment: Five years beginning 14.08.2014 and ending on 14.08.2019.
3. The appointment may be terminated by either party by giving one months' notice in writing of such termination or as may be mutually agreed between the parties.
4. Mrs. P. Samantha Reddy shall perform such duties as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors.
5. Mrs. P. Samantha Reddy aged about 44 years has completed masters in Strategy and Leadership from London Business School. She possesses 18 years of experience working

## **RAVILEELA GRANITES LIMITED**

with start ups and MNCs. Her last assignment was with Infosys in Corporate strategy. She will head HR, Marketing (Europe / UK) and MIS for Raileela Granites. She has tremendous exposure working with clients in Continental Europe and UK.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made there under for the appointment of Mrs. P. Samantha Reddy as a Whole-time director for a period of five years commencing 14.08.2014.

Hence, the Board recommends the resolution for your approval.

Except Mrs. P. Samantha Reddy and Mr. P. Srinivas Reddy, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested either financial or otherwise, in the resolution set out at Item No. 5.

### **ITEM NO. 6**

The Board, on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s. N.S.V. KRISHNA RAO & CO, Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 as per the provisions of Section 148 of the Companies Act and Companies (Audit and Auditors) Rules, 2014. In accordance with these provisions, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

During the financial years 2011-12, 2012-13, M/s. N.S.V. KRISHNA RAO & CO, Cost Accountants, were appointed to issue cost compliance certificate to the Company and full fledged cost audit report for 2013-14 as per the provisions rules under Companies Act, 1956. They are well experienced in the field of Cost Audit with highly experienced partners who shall undertake the Cost Audit. The fee prescribed is in line with the Standards in Industry based on the size of your Company.

Accordingly, your Directors recommend this resolution for your ratification and approval as an ordinary resolution.

None of the Directors or Key Managerial Personnel or relatives of Directors and Key Managerial Personnel are concerned or interested in this resolution

### **ITEM NO. 7**

The members may note that Ms. P. Harshini Reddy was inducted into Board as Additional Director of the Company, with effect from 14.08.2014 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and holds office as such up to the date of ensuing Annual General Meeting. The Company has received notice in writing from member of the Company along with the requisite deposit under Section 160 of the Companies Act, 2013 proposing the candidature of the above said person for the office of Director.

As per the provisions of section 160 of the Act, any such proposal ought to be approved by the members in the General Meeting.

Hence, the Board recommends the resolution for your approval.

## **RAVILEELA GRANITES LIMITED**

Except Ms. P. Harshini Reddy, Ms. P. Samantha Reddy and Mr. P. Srinivas Reddy being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

### **ITEM NO. 8**

Due to the enactment of majority provisions of the Companies Act, 2013 certain changes are required to be made in the Articles of Association of the Company. Some new Articles/ clauses are proposed to be inserted in relation to use of electronic mode for voting by members, participation in meeting of the Board by Directors, service of documents and maintenance of registers and records.

A general clause is also proposed to be inserted to the effect that if any provision as mentioned in the Articles is inconsistent with the provisions of the Companies Act, 2013 and Rules made therein, then the provisions of the Companies Act, 2013 and rules made therein shall override the provisions of these Articles.

The Board therefore recommends the resolution under section 14 of the Companies Act, 2013 as a special resolution for your approval.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested in the resolution.

For and on Behalf of the Board  
**RAVILEELA GRANITES LIMITED**

Sd/-

**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

Place: Hyderabad  
Date : 14.08.2014

## **RAVILEELA GRANITES LIMITED**

### **DIRECTORS' REPORT**

Dear Shareholders,

Your Directors take pleasure in presenting the 24th Annual Report and the Audited Accounts of your Company for the year ended March 31, 2014 together with the Auditor's Report thereon.

### **FINANCIAL RESULTS:**

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

Particulars	(Rupees in Lakhs)	
	31.03.2014	31.03.2013
Total Income	2621.01	1857.45
Expenditure	2190.51	1514.29
Profit before exceptional items and Tax	430.50	343.16
Exceptional Item	-	11.54
Profit/(Loss) Before Tax	430.50	331.62
Less: Deferred Tax	144.29	80.89
Less: Provision of MAT	32.85	-
Net Profit/ (loss) after Tax	253.36	250.73

### **PERFORMANCE REVIEW:**

Pursuant to BIFR Order dated 08.07.2013, the company has made listing application for listing of 1,05,86,000 equity shares of Rs. 10/- each and obtained listing approval from BSE Limited. The company has completed necessary formalities for Revocation of Suspension in trading of equity shares and BSE approval is awaited.

### **DIVIDEND:**

Keeping the Company's revival plans in mind, your Directors have decided not to recommend dividend for the year.

### **DIRECTORS:**

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement. With the changes in the Companies Act, the Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by the provisions of Companies Act, 2013. In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint existing independent directors, as Independent Directors on the Board of the Company for a term up to five consecutive years. A brief profile of proposed Independent Directors, including nature of their expertise, is provided in this Annual Report.

Notices have been received from Members proposing candidature of the Directors namely Mr. M. Mohan Reddy and Mr. D. Surendranath Reddy for the office of Independent Directors of the Company. In the opinion of the Board, they fulfil the conditions specified in the Companies Act, 2013 and the Rules made there under for appointment as Independent Directors of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company [www.ravileelagranites.co](http://www.ravileelagranites.co)

### **PUBLIC DEPOSITS:**

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

## **RAVILEELA GRANITES LIMITED**

### **STATUTORY AUDITORS:**

The Statutory auditors of the company, M/s. S.V. Rao & Associates, Chartered Accountants, retire in accordance with the provisions of Companies Act, 1956 and are eligible for re-appointment. M/s. S.V. Rao & Associates, Chartered Accountants have sought the re-appointment and have confirmed that their re-appointment if made shall be within the limits of Section 224 (IB) of the Companies Act, 1956. The Audit Committee and the Board of Directors recommends the re-appointment of M/s. S.V. Rao & Associates, Chartered Accountants as the Auditors of the Company.

### **PARTICULARS OF EMPLOYEES:**

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

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

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

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

(i) that in the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;

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

(iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) that the directors had prepared the annual accounts for the financial year ended 31st March, 2014 on a going concern basis.

### **MANAGEMENT DISCUSSION AND ANALYSIS:**

A detailed Management Discussion and Analysis is provided as annexure to Directors' report.

### **REPORT ON CORPORATE GOVERNANCE:**

Your Company is committed to maintain the highest standards of Corporate Governance. As required under Clause 49 of the Listing Agreement entered with BSE Limited, a report on Corporate Governance is given as annexure to Directors' report.

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

### **FINANCIAL REVIEW:**

The Company has recorded a total revenue of Rs. 26,21,01,124/- and made a net profit of Rs.2,53,35,682/- in the current year as compared to Rs.18,57,45,508/- and net profit of Rs.2,50,73,272/- for the financial year 2012-13. The Company has been continuously working to improve the performance to a greater extent.

For the year 2013-14, deferred tax stood at Rs. 1,44,29,271 compared to Rs. 80,88,857 for the year 2012-13.

### **CODE OF CONDUCT:**

The Code of Conduct has been circulated to all the members of the Board and Senior Management

## **RAVILEELA GRANITES LIMITED**

and the compliance of the same has been affirmed by them.

### **ACKNOWLEDGEMENTS:**

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

For and on Behalf of the Board  
**RAVILEELA GRANITES LIMITED**

Sd/-

Place: Hyderabad  
Date : 14.08.2014

**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

### **Particulars Regarding Energy CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO :**

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

#### **A. Conservation of Energy:**

##### **Power:**

	<b>2013-2014</b>	<b>2012-2013</b>
No. of Units consumed KWH	1892146	1464960
Units Rate (Rs.)	8.12	7.22
Total Amount (Rs.)	15370179	10576472

##### **Fuel:**

No.of Units Consumed	36920	33615
Unit Rate (per ltr.) (Rs.)	54.32	44.98
Total Amount (Rs.)	2005500	1512000

**Research & Development: NIL**

**Absorption of Technology: NIL**

#### **Foreign Exchange Earnings and outgo:**

The Foreign Exchange out go and Earnings are as follows:

Earnings:	For the Year ended	For the Year ended
	31.03.2014	31.03.2013
Export FOB	2559.82	1790.62

#### **Out go**

Import of RM, Consumables, Spares	248.31	288.93
Capital Goods and Foreign Travelling		

For and on Behalf of the Board  
**RAVILEELA GRANITES LIMITED**

Sd/-

Place: Hyderabad  
Date : 14.08.2014

**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

## **RAVILEELA GRANITES LIMITED**

### **MANAGEMENT'S DISCUSSION & ANALYSIS REPORT**

#### **a) Economic Overview**

India's economic growth stood at 4.7 percent in 2013-14 fiscal year and 4.6 percent in the fourth quarter of the financial year from January to March this year. A decline in manufacturing and mining output is blamed for the sluggish growth rate which, however, is a little higher than the 4.5 percent in 2012-13 fiscal year but fell short of the Central Statistics Office's advance estimate of 4.9 percent. Mining and quarrying contracted 0.4 percent in the January- March quarter as against a decline of 4.8 percent in the same period of 2012-13. During 2013-14, the sector's output shrank 1.4 percent compared with a 2.2 percent dip in production in 2012-13. Much of the country's mining reserve exists in remote areas. Infrastructure improvements are necessary to sustain and achieve higher growth rates in future.

#### **b) Industry Structure, Development and Outlook**

India, which is blessed with unique colors and large deposits of granite, has already claimed its privileged status as the Number one Country for granites so far as colour, variety, quality and pricing are concerned. Despite this, the industry could not perform as expected due to non-availability of good quality blocks for processing, Shortage of power and high dependency on diesel affecting the production as well as the cost of finished goods, lack of proper infrastructure for movement of raw materials and finished goods, Spiraling raw material cost coupled with the continuous increase in other input costs is also hampering growth of the industry. The real challenge lies in getting over these bottle neck and achieving the growth. However the performance of the Company remained satisfactory in comparison to previous financial years.

#### **c) Business performance and Segment Reporting**

During the year under review, the Company has recorded revenue of Rs. 2621.01 lacs and made a net profit of Rs. 253.36 lacs against revenue of Rs. 1857.45 lacs and net profit of Rs. 250.73 in the previous financial year 2012-13.

The company is engaged in the business of Granite, which as per Accounting Standard 17 is considered the only reportable business.

#### **d) Internal Control System and its adequacy**

The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting Records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Reports are prepared and circulated to Senior Management and action taken to strengthen controls where necessary.

#### **e) Outlook:**

Presently the outlook is very promising.

#### **f) Risks and Concerns:**

- The product is at once subjected to local, national and international competition.
- Any adverse change in the policies of the Government, Recession etc may further adversely affect the profitability.

#### **g) Human resources and Industrial relations**

Your company continues to have cordial relations with its employees.

### **REPORT ON CORPORATE GOVERNANCE**

#### **I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Fairness, accountability, disclosures and transparency, forms company's philosophy on code of governance.

The governance practices followed by your Company are continuously reviewed and the same are benchmarked to the best governed companies.



## **RAVILEELA GRANITES LIMITED**

Your Company has complied with the regulations stipulated by the Securities Exchange Board of India (SEBI) in the Listing Agreement.

### **2. Board of Directors:**

#### **Composition:**

The Board of Directors comprises two Executive Director and three Non-Executive Directors. During the Year 6 Board Meetings were held on 30.05.2013, 12.08.2013, 06.11.2013, 20.12.2013, 10.02.2014 and 14.02.2014.

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

S.No	Name of the Directors	Category Directorship	No. of Board Meetings at Attend	Attendance at last AGM	Committee Membership in other cos.
1.	Mr. P. Srinivas Reddy	Promoter & Executive Director	6	Yes	NIL
2.	Mr. D. Surendranath Reddy	Non Executive Director	6	Yes	NIL
3.	Mr. M. Mohan Reddy	Non Executive Director	6	Yes	NIL
4.	Mrs. P. Samantha Reddy*	Promoter & Non Executive Director	0	No	NIL
5.	Ms. P. Harshini Reddy*	Promoter & Non Executive Director	0	No	NIL

\* Appointed on 14.08.2014

#### **AUDIT COMMITTEE**

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

The Audit Committee comprises of 2 (Two) Non-executive Independent Directors and One executive director. The Audit Committee met 4 (Four) times during the year under review on 30.05.2013, 12.08.2013, 6.11.2013 and 10.02.2014.

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

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

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

#### **Stakeholders Relationship Committee:**

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

## **RAVILEELA GRANITES LIMITED**

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

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

#### **Nomination & Remuneration Committee:**

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

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

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

Remuneration to the extent of Rs. 1,00,000/- per month has been provided for the Executive Director during the year. There was no remuneration paid for any non Executive Director during the year.

#### **Details on General Body Meetings :**

Financial Year	Date	Time	Location	Special Resolution
2012-13	30/12/2013	11 A.M	Regd. Off.S.No 203, Sampannabolu(V), Shameerpet(M) R.R.Dist	1. Appointment of Mr. P. Srinivas Reddy as Managing Director.
2011-12	17/11/2012	11 A.M	Regd. Off.S.No 203, Sampannabolu(V), Shameerpet(M) R.R.Dist	1. Reduction of capital under section 76 r.w. section 100 of the Companies Act, 1956. 2. Amendment of Articles of Association by inserting two new Articles No.70A & 135A allowing Directors and Members to participate in General and Board Meetings through video conferencing.
2010-2011	30/09/2011	11 A.M	Regd. Off.S.No 203, Sampannabolu(V), Shameerpet(M) R.R.Dist	1. Appointment of Mr. U. Satish Kumar as Independent Director.

#### **OTHER DISCLOSURES**

- There were no significant related party transactions that may have potential conflict with the interests of the Company at large.
- In the preparation of financial statements, no treatment materially different from that prescribed in Accounting Standards had been followed.
- There were no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets at any time during the last 3 years.

## **RAVILEELA GRANITES LIMITED**

- (d) Whistle Blower policy: We have established a mechanism for employees to report concerns about unethical behavior, fraud or violation of code of conduct of the company. The mechanism provided direct access to the Managing Director/Chairman of the Audit Committee for exceptional cases. All employees can also directly meet the Audit Committee members of the company.
- (e) The Company has complied with the non-mandatory requirements relating to remuneration committee and Whistle Blower policy.
- (f) Managing Director of the Company has furnished the requisite Certificates to the Board of Directors under Clause 49 of the Listing Agreement.

### **MEANS OF COMMUNICATION**

The quarterly, half yearly and yearly financial results will be sent to the stock Exchanges immediately after the Board approves the same and these results will also be published in one English newspaper and in one vernacular newspaper and also in the website of the Company i.e, www.ravileelagranites.co.

### **General Shareholder Information :**

#### **1. Annual General Meeting:**

Day, Date and Time: Tuesday, 30th September, 2014 at 11.30 A.M

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

#### **Financial Calendar (tentative): Financial Year April 2014 to March 2015**

First quarter results : 14.08.2014

Second quarter results : 14.11 2014

Third quarter results : 14.02.2015

Fourth quarter results : 30.05.2015

#### **2. Book Closure Dates:** 27th September, 2014 to 30th September, 2014

(both days inclusive for the purpose of AGM)

#### **3. Listing on Stock Exchanges:** The Company Shares are listed on BSE Limited

#### **4. Stock Market Price Data:**

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

#### **5. Registrar and Share Transfer Agents:**

Karvy Computershare Private Limited

Plot No. 17 to 24, Vittalrao Nagar,

Madhapur, Hyderabad - 500 081.

Tel: +91-40-23428412

Fax: +91-40-23440814

Email: chandrasekhar.r@karvy.com

### **Share Transfer System :**

The Physical shares transfers are processed and the share certificates are returned to the shareholders within a maximum period of 15 days from the date of receipt, subject to the document being valid and complete in all respects.

Any transferee who wishes to demat the shares may approach a Depository Participant along with a duly filled Demat Request Form, who shall, on the basis of the Share Certificate, generate a demat request and send the same to the Registrar and Share Transfer Agents (RTA). On receipt, the Depository/Registrar confirms the request.

## **RAVILEELA GRANITES LIMITED**

All the requests for Dematerialization of shares are processed and the confirmation is given to the respective Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 21 days on receipt.

### **Karvy Computershare Private Limited**

Plot No. 17 to 24, Vittalrao Nagar,

Madhapur, Hyderabad - 500 081.

Tel: +91-40-23428412

Fax: +91-40-23440814

### **j) Shareholding Pattern as on 31st March,2014:**

S.No	Category	No. of shares held	Percentage of shareholding
A	Shareholding of Promoter and Promoter group		
1.	Indian Individual	7868348	74.33
2.	Foreign Individual	-	-
	Sub-Total A	7868348	74.33
B	Public Shareholding		
1.	Institutions	-	-
2.	Non Institutions		
	a. Bodies Corporate	166200	2551452
	a. Indian Public and others	1.57	24.10
	Sub Total B	2717652	25.67
	Grand Total (A+B)	10586000	100.00

### **Dematerialization of Shares:**

The Company's shares are dematerialized on National Securities Depositories limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's ISIN is INE427E01019. As on 31st March, 2014, 13,520 equity shares are dematerialized and out of which 3,520 equity shares are in CDSL and 10,000 shares are in NDSL and the balance are in physical form.

### **Address for Investor Correspondence:**

H.No. 6-3-668/10/35,

Durga Nagar Colony,

Punjagutta, Hyderabad – 500 082.

Ph. 040 -23413733

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

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

#### **The shareholders**

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

For and on behalf of the Board of Directors of

For **Ravileela Granites Limited**

Sd/-

Place: Hyderabad

Date: 14.08.2014

**P Srinivas Reddy**

Managing Director

(DIN: 00359139)

## **RAVILEELA GRANITES LIMITED**

Dear Shareholder,

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

### **MANAGING DIRECTOR CERTIFICATE**

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

1. We have reviewed the financial statements for the year 2013-14 and that to the best of our knowledge and belief:
  - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) These statements present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of Company's code of conduct.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.
4. We indicate to the Auditors and to the Audit Committee:
  - (a) Significant changes in internal controls over financial reporting during the year;
  - (b) Significant changes in the accounting policies during the year;
  - (c) No instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

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

For and on behalf of the Board of Directors of  
**For Ravileela Granites Limited**

Sd/-

Place: Hyderabad

Date: 14.08.2014

**P Srinivas Reddy**

Managing Director

(DIN: 00359139)

## **RAVILEELA GRANITES LIMITED**

### **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of  
Ravileela Granites Limited

We have examined the Compliance with conditions of Corporate Governance of M/s. Ravileela Granites Limited for the year ended 31st March, 2014 as stipulated in clause 49 of the Listing Agreement with stock Exchanges.

The Compliance with the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management's, we certify that the company has complied with conditions of the Corporate Governance as stipulated in Clause 49 of the above mentioned Listing agreement.

As required by the guidance note issued by the institute of Chartered Accountants of India, we have to state that no grievances of investors are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For **S V Rao & Associates**  
Chartered Accountants  
FRN: 003152S

Sd/-

**SVS Prasad**

Partner

Mem.No.207540

Place: Hyderabad

Date: 14.08.2014

**INDEPENDENT AUDITOR'S REPORT****S.V.RAO ASSOCIATES**

Chartered Accountants

To the Members of

M/s RAVILEELA GRANITES LIMITED

**Report on the Financial Statements**

We have audited the accompanying financial statements of RAVILEELA GRANITES LIMITED which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash flows of the Company in accordance with the Accounting Standards Referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ( "the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Sec.133 of the Companies Act, 2013 . This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Basis for Qualified Opinion**

The Provision for Gratuity made in the financial statements is not in accordance with the Accounting Standard-15 on Employee Benefits which constitutes a departure from the Accounting Standards referred to in sub-section (3C) of section 211 of the Act and the consequential effect on the Statement of Profit and Loss and Balance Sheet could not be ascertained due to insufficient information.

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss , of the profit for the period; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act,1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 .
  - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place: Hyderabad

Date: 19-05-2014

For **S V Rao Associates**

Chartered Accountants

FRN: 003152S

Sd/-

**SVS Prasad**

Partner

Mem.No.207540

**ANNEXURE TO THE AUDITORS REPORT**

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of RAVILEELA GRANITES LIMITED on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management during the year. There is annual verification of fixed assets which in our opinion is reasonable having regard to the size of the company and nature of its assets. We are informed that no material discrepancies have been noticed by the management on such verification as compared with the records of Fixed Assets maintained by the company.
- (b) In our opinion and according to the information and explanations given to us, no substantial part of the fixed assets have been disposed off during the year.



## RAVILEELA GRANITES LIMITED

- ii) (a) According to the information and explanations given to us the Inventory has been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.  
(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the company and the nature of its business.  
(c) On the basis of our examination of the inventory records, in our opinion, the maintenance of records are satisfactory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material.
- iii) (a) In our opinion and according to the information and explanations given to us, the company has not granted any loans secured or unsecured to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause 4(iii), a to d of the Companies (Auditors Report) Order, 2003 are not applicable.  
(b) The Company has not taken any long term loans during the year from the parties listed in the register maintained under Sec 301 of the Companies Act, 1956. However the company has taken such loans in earlier years and the outstanding amount as at the year end is Rs.757.39 lakhs.(Previous Year Rs. 923.64 Lakhs).  
(c) According to the information and explanations given to us, the terms and conditions of above mentioned interest free unsecured loan taken from the parties, in our opinion, are not prima facie prejudicial to the interest of the company.  
(d) There is no overdue amount of loans taken from the parties listed in the register maintained under section 301 of the Companies Act, 1956.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods or services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any major weaknesses in the aforesaid internal control procedures.
- v) (a) On the basis of our examination of the books of account and according to the information and explanations given to us, the company has no transactions that need to be entered in to the register maintained under Section 301 of the companies Act, 1956.  
(b) In view of our comment in paragraph v(a) above, paragraph v(b) of the aforesaid order in our opinion is not applicable.
- vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public and therefore, the provisions of Section 58 A and 58AA of the Companies Act, 1956 and Rules there under are not applicable to the Company.
- vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii) We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix) (a) According to the information and explanations given to us, and according to books and records as produced and examined by us, in our opinion, the Company is depositing the undisputed statutory dues in respect of Provident fund, ESI, VAT, Excise duties etc regularly, except for Fringe Benefit Tax, as applicable to the company, with the appropriate authorities regularly. The undisputed amounts which were in arrears as at balance sheet date for a period of more than six months from the date of they became payable are given below :-

## RAVILEELA GRANITES LIMITED

S.No	Name of Statute	Nature of the dues	Amount (In Rupees)	Financial Year to which matter pertains
1	Income Tax Act.1961	Fringe benefit tax	30,022 23,783 53,462 68,648	2008-09 2007-08 2006-07 2005-06

- x) The accumulated loss as on 31.03.2014 is more than 50% of the net worth, and the company has not incurred cash loss during the current financial year. There was no cash loss in the preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the company has no borrowings from Financial institutions or Banks.
- xii) In our opinion and according to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) As the company is not a chit fund or a nidhi/mutual benefit fund/society, the provisions of paragraph 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv) In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of Paragraph 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi) According to information and explanations given to us, the company has not raised any term loans during the year.
- xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The company has not issued any debentures during the year and hence the question of creation of security or charge does not arise.
- xx) The company has not raised any money by public issue during the year.
- xxi) During the course of examination, of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.

Place: Hyderabad  
Date: 19-05-2014

For **S V Rao Associates**  
Chartered Accountants  
FRN: 003152S  
Sd/-  
**SVS Prasad**  
(Partner)  
Mem.No. : 207540

**RAVILEELA GRANITES LIMITED**
**BALANCE SHEET AS AT 31st MARCH, 2014**

PARTICULARS	Note No	Amount in Rs.	
		As At 31 March 2014	As At 31 March 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Holders Funds	B 1	105,667,600	105,667,600
(b) Reserves and Surplus	B 2	(52,943,424)	(78,279,106)
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	B 3	75,738,992	92,363,992
<b>(3) Current Liabilities</b>			
(a) Trade payables	B 4	13,816,569	8,481,403
(b) Other current liabilities	B 5	38,164,491	66,512,663
(c) Short-term provisions	B 6	14,131,202	8,730,728
<b>Total</b>		<b>194,575,430</b>	<b>203,477,280</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	B 7		
- Tangible assets		51,553,905	57,759,703
(b) Deferred tax Asset (Net)		32,782,296	47,211,567
(c) Long term loans & advances	B 8	2,439,305	2,051,053
<b>(2) Current assets</b>			
(a) Inventories	B 9	58,531,165	56,316,066
(b) Trade receivables	B 10	38,191,174	32,186,558
(c) Cash and cash equivalents	B 11	288,934	1,18,324
(d) Short-term loans & advances	B 12	10,788,651	7,834,009
<b>Total</b>		<b>194,575,430</b>	<b>230,477,280</b>
<b>Notes to accounts</b>	B 13		

As per our report of even date

 for **S.V.RAO ASSOCIATES**

Chartered Accountants

Firm Registration No.003152S

**For and on behalf of the board**

 Sd/-  
**(S.V.S.Prasad)**  
 PARTNER  
 (Mem No.207540)

 Sd/-  
**(P. Samantha Reddy)**  
 Director

 Sd/-  
**(P. Srinivas Reddy)**  
 Managing Director

 DATE : 19 May 2014  
 PLACE : HYDERABAD

**RAVILEELA GRANITES LIMITED**
**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014**

PARTICULARS	Note No	(Amount in Rs.)	
		For the period ending 31- Mar- 2014	For the period ending 31-Mar- 2013
<b>I</b> Revenue from operations	P 1	257,056,299	180,565,537
<b>II</b> Other Income	P 2	5,044,825	5,179,971
<b>III Total Revenue</b>		<b>262,101,124</b>	<b>185,745,508</b>
<b>IV Expenses:</b>			
Cost of materials consumed	P 3	105,873,269	76,706,122
Purchase of Stock In Trade	P 4	826,619	598,560
Changes in Inventories	P 5	(10,765,088)	(15,232,470)
Employee benefit expenses	P 6	31,839,302	23,335,800
Finance Cost	P 7	300,207	-
Depreciation and amortization expense	B 7	7,608,691	7,606,047
Other expenses	P 8	83,368,120	58,414,949
<b>V Total Expenses</b>		<b>219,051,120</b>	<b>151,429,008</b>
<b>VI Profit before exceptional items &amp; Tax</b>		<b>43,050,004</b>	<b>34,316,500</b>
<b>VII Exceptional Item</b>		<b>-</b>	<b>1,154,371</b>
<b>VIII Profit/(Loss) for the year before tax</b>		<b>43,050,004</b>	<b>33,162,129</b>
<b>VII Tax expenses:</b>			
Less : Deferred tax		14,429,271	8,088,857
Provision for Tax		3,285,051	-
<b>VIII Profit after Tax (V-VII)</b>		<b>25,335,682</b>	<b>25,073,272</b>
<b>IX Earning per equity share:</b>	P 9		
(1) Basic		2.39	2.37
(2) Diluted		2.39	2.37
<b>X Significant Accounting Policies Notes on Financial Statements</b>	<b>A</b>		

As per our report of even date

 for **S.V.RAO ASSOCIATES**

Chartered Accountants

Firm Registration No.003152S

**For and on behalf of the board**

 Sd/-  
**(S.V.S.Prasad)**  
 PARTNER  
 (Mem No.207540)

 Sd/-  
**(P. SAMANTHA Reddy)**  
 Director

 Sd/-  
**(P. Srinivas Reddy)**  
 Managing Director

 DATE : 19 May 2014  
 PLACE : HYDERABAD

**RAVILEELA GRANITES LIMITED**
**NOTES TO THE BALANCE SHEET**

PARTICULARS	Amount (Rs.)			
	Figures As At 31 March 2014		Figures As At 31 March 2013	
	Number	Amount	Number	Amount
<b>NOTE -B1</b>				
<b>SHARE CAPITAL</b>				
<b>Authorised</b>				
Equity Shares of Rs.10/- each	12,000,000	120,000,000	12,000,000	120,000,000
	-			
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of Rs.10/- each	10,586,000	105,860,000	10,586,000	105,860,000
Less: Calls in arrears (96200 Shares @ Rs.5/- each) from Others	38,480	192,400	38,480	192,400
	10,586,000	105,667,600	10,586,000	105,667,600

Details of Shares in the company held by each shareholder holding more than 5 percent shares

NAME OF SHAREHOLDER	"No. of "Shares held"	Percentage	"No. of "Shares held"	Percentage
Mr. P Srinivas Reddy	2,581,948	24.39%	2,581,948	24.39%
Mr P Ravindar Reddy	4,996,890	47.20%	4,996,890	47.20%

**RAVILEELA GRANITES LIMITED**
**NOTES TO THE BALANCE SHEET**

PARTICULARS	(Amount in Rs.)	
	Figures As At 31 March 2014	Figures As At 31 March 2013
<b>NOTE -B2</b>		
<b>RESERVES AND SURPLUS</b>		
<b>(a) Capital Reserve</b>		
State Subsidy	1,500,000	1,500,000
<b>Surplus in Statement of Profit and Loss</b>		
Opening balance	(79,779,106)	(165,853,778)
Less-Adjustment on Account of reduction in cpital.	-	61,001,400
(+) Net Profit/(Net Loss) For the current year	25,335,682	25,073,272
Closing Balance	(54,443,424)	(79,779,106)
	(52,943,424)	(78,279,106)
<b>NOTE -B3</b>		
<b>LONG-TERM BORROWINGS</b>		
<b>Unsecured</b>		
(a) From Directors	68,375,000	85,000,000
(b) From other Related parties	7,363,992	7,363,992
<b>Long Term Borrowings</b>	75,738,992	92,363,992
<b>NOTE -B4</b>		
<b>TRADE PAYABLES</b>		
For Goods	9,705,668	5,202,223
For Service	4,110,901	3,279,180
<b>TOTAL</b>	13,816,569	8,481,403
<b>NOTE -B5</b>		
<b>OTHER CURRENT LIABILITIES</b>		
(a) Due to Directors	-	29,053,493
(b) Advance from Customers	36,254,549	35,063,422
(c) Creditors for Capital Expenditure	485,000	-
(d) Others	1,424,942	2,395,748
	38,164,491	66,512,663
<b>NOTE -B6</b>		
<b>SHORT-TERM PROVISIONS</b>		
(a) Provision for employee benefits:		
i) Salaries, Wages & Bonus	3,480,113	3,411,927
ii) Provident Fund and ESI	273,220	263,217
iii) Gratuity	6,042,574	5,055,584
(b) Provision for Directors remuneration	1,050,244	-
(c) Provision for taxation	3,285,051	-
	14,131,202	8,730,728

FIXED ASSET SCHEDULE (NOTE NO : B7)		Amount in Rs.			
		Gross Block	Accumulated Depreciation	Net Block	
S/No	Fixed Assets	Balance as at 01-04-2013	Balance as at 01-04-2013 charge for Depreciation	Balance as at 31-03-2014	Balance as at 31-03-2013
<b>a</b>	<b>Tangible Assets</b>				
1	Land	271,143	-	271,143	271,143
2	Building	30,185,416	1,008,193	19,119,983	11,065,463
3	Quarries	5,486,693	-	5,486,693	-
4	Plant & Machinery	135,553,709	6,452,946	98,288,176	37,619,618
5	Pump Sets	1,468,497	69,754	552,187	916,310
6	Office Equipment	515,961	24,508	103,472	412,487
7	Computer Printer	8,300	1,345	1,745	6,555
8	Computer	359,149	18,181	359,474	22,675
10	Vehicles	331,518	331,517	331,517	1
11	Furniture and Fixtures	472,120	22,426	246,909	225,211
<b>b</b>	<b>Intangible Assets</b>				
	ERP Software	-	11,339	11,339	50,751
<b>c</b>	<b>Work-in-Progress</b>				
	Building	-	-	-	963,690
	<b>Total</b>	<b>174,652,506</b>	<b>7,608,691</b>	<b>124,501,494</b>	<b>51,553,905</b>
	<b>Previous Year</b>	<b>169,425,185</b>	<b>7,606,047</b>	<b>116,892,803</b>	<b>46,738,319</b>

NOTES TO THE BALANCE SHEET

PARTICULARS	(Amount in Rs.)	
	As At 31 March 2014	As At 31 March 2013
<b>NOTE -B8</b> <b>LONG TERM LOANS AND ADVANCES</b> (UNSECURED, CONSIDERED GOOD)		
a. Other loans and advances		
Deposit with Govt Authorities	2,260,891	1,867,591
Other Deposits	178,414	183,462
	<b>2,439,305</b>	<b>2,051,053</b>
<b>NOTE -B9</b> <b>INVENTORIES</b>		
a. Raw Materials	179,849	10,063,893
b. Raw Material in transit	-	340,066
b. Work-in-progress	43,929,446	32,871,828
c. Finished goods	8,643,711	8,936,241
d. Stores and spares	5,637,337	4,042,220
e. Packing Material	140,822	61,818
	<b>58,531,165</b>	<b>56,316,066</b>
<b>NOTE -B10</b> <b>TRADE RECEIVABLES</b> (UNSECURED, CONSIDERED GOOD)		
Debts outstanding for a period exceeding six months	769,424	769,424
Other Debts	38,191,174	32,186,558
	<b>38,960,598</b>	<b>32,955,982</b>
Less: Allowance for Bad and Doubtful Debts	769,424	769,424
	<b>38,191,174</b>	<b>32,186,558</b>
<b>NOTE -B11</b> <b>CASH AND CASH EQUIVALENTS</b>		
A.Cash on hand;	94,050	1,608
B.Balances with banks in Current Accounts	194,884	116,716
	<b>288,934</b>	<b>118,324</b>
<b>NOTE -B12</b> <b>SHORT-TERM LOANS AND ADVANCES</b> (Unsecured, considered good)		
a.Advance to Suppliers	2,938,452	716,667
b.Service Tax Input Credit	742,880	596,458
c.Vat Receivalbe	6,683,659	6,397,822
d.Staff Advances	11,265	-
e.Others	412,395	123,062
	<b>10,788,651</b>	<b>7,834,009</b>



**RAVILEELA GRANITES LIMITED**
**NOTES TO THE STATEMENT OF PROFIT AND LOSS (Amount in Rs.)**

PARTICULARS	For the Year 2013-14	For the Year 2012-13
<b>NOTE -P1</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sale of Products	257,173,767	180,764,095
<b>Gross Revenue from Operations</b>	257,173,767	180,764,095
<b>Less:</b>		
Excise Duty	117,468	198,558
<b>Net Revenue from Operations</b>	257,056,299	180,565,537
<b>NOTE -P2</b>		
<b>OTHER INCOME</b>		
(a) Scrap Sales	474,856	393,126
(b) Interest Income	138,878	185,016
(c) Other non-operating income	302	1,687,744
(d) Foreign exchange Gain/(Loss)	4,430,789	2,914,085
	5,044,825	5,179,971
<b>NOTE -P3</b>		
<b>Materials Consumed</b>		
<b>a) Raw Material</b>		
Opening Stock	10,403,958	12,568,347
Purchases	88,267,188	68,846,955
	98,671,146	81,415,302
Closing Stock	179,849	10,403,958
	98,491,297	71,011,344
<b>b) Packing Material Consumed</b>		
Opening Stock	61,818	-
Purchases	7,460,976	5,756,596
	7,522,794	5,756,596
Closing Stock	140,822	61,818
	7,381,972	5,694,778
	105,873,269	76,706,122
<b>NOTE - P4</b>		
<b>Purchases of Stock In Trade</b>	826,619	598,560
<b>NOTE - P5</b>		
<b>CHANGES IN INVENTORIES</b>		
A. Inventories (at close)		
Finished Goods	8,643,711	8,936,241
Stock-in-Process	43,929,446	32,871,828
	52,573,157	41,808,069
<b>Less</b>		
<b>B. Inventories (at commencement)</b>		
Finished Goods	8,936,241	6,319,891
Stock-in-Process	32,871,828	20,255,708
	41,808,069	26,575,599
<b>Net (Increase) /Decrease In stock</b>	(10,765,088)	(15,232,470)

**RAVILEELA GRANITES LIMITED**
**NOTES TO THE STATEMENT OF PROFIT AND LOSS (Amount in Rs.)**

PARTICULARS	For the Year 2013-14	For the Year 2012-13
<b>NOTE -P6</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries , wages, Bonus and Gratuity	29,200,321	21,329,724
Contribution to provident and other funds	1,593,353	1,459,731
Staff welfare expenses	1,045,628	546,345
	31,839,302	23,335,800
<b>NOTE -P7</b>		
<b>FINANCE COST</b>		
Interest expense	50,207	7,361
Other borrowing cost	250,000	-
	300,207	7,361
<b>NOTE -P8</b>		
<b>OTHER EXPENSES :</b>		
(a) Consumables Stores	31,126,320	24,702,482
(b) Power & Fuel	17,375,679	12,132,714
(c) Rent	732,645	693,000
(d) Security Charges	617,289	565,427
(e) Repairs and Maintenance- Plant & Machinery	9,073,165	5,281,886
(f) Insurance	10,951	-
(g) Rates and Taxes	650,787	605,718
(h) Filing Fee	570	16,484
(i) Auditors Remuneration :		
- For Statutory Audit	112,360	112,360
- For Taxation	28,090	28,090
- for Other expenses	2,178	2,845
(j) Carriage Outward	13,938,364	11,103,148
(k) Travelling and Conveyance	4,807,997	1,407,637
(l) Prior Period Expenses	87,599	55,808
(m) Misc. Expenses	4,804,126	1,699,989
	83,368,120	58,414,949
<b>NOTE -P8</b>		
<b>EARNINGS PER SHARE (EPS)</b>		
i) Net Profit after tax as per Statement of Profit and Loss	25,335,682	25,073,272
ii) Weighted Average number of equity shares	10,586,000	10,566,760
iii) Basic Earnings per share	2.39	2.37
iii) Diluted Earnings per share	2.39	2.37
iv) Face Value per equity share ( Rs 10/-)		

**CASH FLOW STATEMENT**

(Rs. in lakhs)

PARTICULARS	31-03-2014	31-03-2013
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(loss) before tax and extraordinary items	430.50	331.62
<b>Adjustments for :</b>		
Exceptional Items	-	11.54
Provision for Income Tax	(32.85)	-
Depreciation	76.09	76.06
OPERATING PROFIT BEFORE W/C CHANGES	473.74	419.23
<b>Adjustments for :</b>		
(Increase)/Decrease Trade and other Receivables	(93.48)	(169.90)
(Increase)/Decrease Inventories	(22.15)	(119.55)
(Increase)/Decrease Long Term Borrowings	(166.25)	-
(Decrease)/Increase Trade Payables & Other payables	(176.13)	27.68
<b>Cash generated from Operations</b>	15.74	157.45
CASH FLOW FROM OPERATING ACTIVITIES	15.74	157.45
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment on Fixed Assets	(14.03)	(205.41)
Sale of Fixed Assets	-	7.59
NET CASH USED IN INVESTING ACTIVITIES	(14.03)	(197.82)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Share Capital	-	-
Proceeds from Long Term Borrowings	-	-
NET CASH USED IN FINANCING ACTIVITIES	-	-
NET INCREASE IN CASH AND CASH EQUIVALENT	1.71	(40.37)
Opening Balance	1.18	41.55
Closing Balance	2.89	1.18

For and On Behalf of the Board

Sd/- Sd/-  
**(P. SAMANTHA REDDY) (P.SRINIVASA REDDY)**  
 DIRECTOR MANAGING DIRECTOR

**AUDITOR'S CERTIFICATE**

We have verified the above Cash Flow Statement of M/s.RAVILEELA GRANITES LTD., derived from Audited Financial Statements for the year ended 31st March, 2014 and found the same in accordance there with, and also with the requirement of clause 32 of the Listing agreement with Stock Exchanges.

**For S V RAO ASSOCIATES**  
 Firm Registration No.003152S  
 Chartered Accountants  
 Sd/-  
**S V S Prasad**  
 PARTNER  
 Membership No.207540

PLACE : HYDERABAD  
 DATE : 19 May 2014

NOTE-B13 : NOTES FORMING PART OF FINANCIAL STATEMENTS :-

**1. SIGNIFICANT ACCOUNTING POLICIES:**

**a) Basis of Presentation :**

The financial statements of the Company are prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles applicable in India and the relevant provisions of the Companies Act, 1956.

The preparation of the financial statements in conformity with the relevant accounting principles requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

**b) Fixed Assets:** Fixed assets are capitalized at cost inclusive of legal, installation and other allowable expenses. Fixed assets are valued at Cost less accumulated depreciation.

**c) Inventories :**

i) Raw material, Stores and Spare parts and work in progress are valued at cost. Cost is determined on first in first out basis.

ii) Finished goods are valued at lower of cost or net realizable value.

**d) Depreciation** has been provided on the Straight Line method at the rates specified in Schedule XIV to the Companies Act 1956. In the absence of details like life of the mines and their potentiality, no depreciation is provided on capitalized cost of quarries and mines. Depreciation is provided on pro-rata basis for additions during the year.

**e) Foreign Currency Transactions:** Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction and exchange differences arising from foreign currency transactions are recognized in the Profit & Loss account, Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange of the balance sheet date and resultant gain or loss is recognized in the profit and loss account. Non monetary assets and liabilities are translated at the rate prevailing on the date of transaction.

**f) Borrowing Costs :**

Borrowing costs that are attributable to the acquisition of assets are capitalized as part of cost of such assets. All other costs are charged to Revenue.

**g) Employee Benefits:**

i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account for the year in which the related service is rendered.

ii) Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of amounts payable based on the estimates. Refer note no.3.

**h) Earnings per share:** The basic and diluted earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year.

**i) Leasing:**

The Company has taken building on operating lease. The lease payments have been charged to Profit & loss account considering the lease arrangements are in the nature of operating lease as defined by AS 19.

## RAVILEELA GRANITES LIMITED

### j) Taxes on Income :

Current Tax is determined on the amount of tax payable in respect of taxable income for the period. Deferred Tax is recognized on timing difference being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets and Liabilities have been computed on the timing differences applying the enacted tax rates.

### k) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

### l) Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

2. Balances of Trade Receivables and Trade Payables are subject to confirmation.

3. The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

#### Defined Contribution Plan-

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:

	In Rs. Mar 31,2014	In Rs. Mar 31,2013
Employer's Contribution to Provident Fund	9,70,261	8,99,983
Employer's Contribution to ESI	6,22,959	5,59,748

#### Defined Benefit Plan -

The provision for gratuity has been made on an estimated basis with out considering actuarial assumptions and discounting factors. No contribution is being made to a Fund.

#### Gratuity (Unfunded)

	2013-14	2012-13
a. Reconciliation of Opening and Closing balances of Defined Benefit Obligation		
Defined Benefit obligation at beginning of year	50,55,584	41,67,262
Current service cost	11,17,305	9,11,979
Benefits paid	1,30,315	23,657
Defined Benefit obligation at end of the year	60,42,574	50,55,584
b. Reconciliation of opening and closing balances of fair value of plan assets.		
Fair value of plan assets at the beginning of the year	- NA-	-NA-
c. Reconciliation of fair value of assets and obligations.		

## RAVILEELA GRANITES LIMITED

Fair value of plan assets	-NA-	-NA-
Present value of obligation	60,42,574	50,55,584
Amount recognized in the balance sheet	60,42,574	50,55,584

### d. Expenses recognized during the year (under head personnel cost as per schedule 12)

Current service cost	11,17,305	9,11,979
e. Investment details	-NA-	-NA-
f. Actuarial assumptions	-NA-	-NA-

Note: The Company has not provided the post employment benefits as per the norms prescribed in the Accounting Standard 15, but an estimated provision is made in the books of accounts. The effect on the profit cannot be ascertained since sufficient information is not available.

### 4. Leasing :

a. The details of future minimum lease payments for each of the following periods are as Follows:

	Amount 2013-2014	Amount 2012-2013
1. Not later than one year	7,64,028	7,27,644
2. Later than one year and not later than 5 years	-	-
3. Later than 5 years	-	-
b. The lease payments recognized in profit & loss account	7,27,644	6,93,000
c. General description of lease terms.		
i. Lease rentals are paid on basis of agreed terms.		
ii. Buildings are taken on lease for a period of 12 Months which expires on 31.3.2015.		
5. i) Components of deferred tax :		(Rs. in lacs)

As on 31.03.14    As on 31.03.13

#### A. Deferred Tax Liability

On account of Depreciation	70.10	79.00
b. Deferred Tax Asset Expenditure disallowed	21.61	18.33
Unabsorbed Allowances	376.32	532.79
Total	<u>397.92</u>	<u>551.12</u>
Deferred Tax Asset (Net)	<u>327.82</u>	<u>472.12</u>

### 6. Related party disclosures

Disclosures as required by the accounting standard 18 "Related Party disclosures" are given below :

#### a. Names of related parties

I. Key management personnel - P Srinivasa Reddy, Managing Director

II. Relatives of key managerial personnel -

1) P Ravindra Reddy

2) P Samantha Reddy

b. Transactions with Related Parties during the financial year and Outstanding Balances as on 31.03.2013

**RAVILEELA GRANITES LIMITED**

Nature of Transaction	( Rs. Lakhs)	
	Key management personnel	Relatives of key management personnel
(i) Unsecured Loans :-		
Received	Nil (Nil)	-
Amount repaid	166.25 (Nil)	-
Balance Outstanding	683.75 (850.00)	73.64 (73.64)
(ii) Due to Directors:		
Amount Received	155.14 (138.75)	-
Amount repaid	445.67 (175.50)	-
Balance Outstanding	Nil (290.53)	-
(iii) Remuneration:		
Directors remuneration	12.00 (Nil)	-

(Figures in brackets represent previous year transactions)

7. Capital Commitments not provided (Net of Advances) as at 31st March, 2014 -Nil - (Prev.Year - Nil)		
8. Information pursuant to Paragraphs 5 of Part II schedule VI to the Company's Act 1956.		
Particulars	2013-14	2012-13
a) Sales Value	(Rs. Lacs)	(Rs. Lacs)
Finished Granite Slabs	2,571.74	1,807.64
b) Closing Stock of finished goods & WIP (As certified by the Management)		
i) Finished Granite Slabs	86.44	89.36
ii) Semi-finished Slabs	439.29	328.72
c) Opening stocks of Finished goods & WIP		
i) Finished Granite Slabs	89.36	63.20
ii) Semi-finished Slabs	328.72	202.56
d) Materials consumed		
Raw blocks	984.91	710.11
Stock in Trade	8.27	5.99
Total Material Consumed	993.18	716.10

**RAVILEELA GRANITES LIMITED**

e) CIF Value of Imports (Rs. Lacs)				
Raw Material		7.84		Nil
Consumable & Spares		213.08		145.83
Capital Items		Nil		136.97
f) Expenditure in foreign currency on account of Travelling	27.39			6.13
g) FOB Value of Exports ( Rs.Lacs)	2559.82			1790.62
h) Consumption:	Amount Rs.	%	Amount Rs.	%
Raw Material:				
- Indigenous	975.92	99.09%	690.45	97%
- Imported	8.99	0.91%	19.66	3%
Finished Slabs for Trading:				
- Indigenous	8.27	100%	5.99	100%
- Imported	-	-	-	-
Packing Material:				
- Indigenous	73.82	100%	56.95	100%
- Imported	-	-	-	-
Consumables, Stores & Spares				
- Indigenous	102.99	33.09%	117.29	42%
- Imported	208.27	66.91%	164.33	58%

9. Figures of the previous year have been regrouped wherever considered necessary to conform to those of the current year.

**SIGNATURES TO SCHEDULES 1 TO 13**

As per our report of even date For and On behalf of the Board  
for **S.V. RAO ASSOCIATES**  
Firm Registration No: 003152S  
Chartered Accountants

Sd/-  
**(S.V.S. Prasad)**  
PARTNER  
Membership No.207540

Sd/-  
**(P. SAMANTHA REDDY)**  
DIRECTOR

Sd/-  
**(P. SRINIVASA REDDY)**  
MANAGING DIRECTOR

PLACE : HYDERABAD  
DATE : 19-May-2014



**RAVILEELA GRANITES LIMITED**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

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

Amount in Rs.Thousands

**I REGISTRATION DETAILS**

Registration No.	<b>01-11909</b>	State Code	<b>01</b>
Balance Sheet Date	<b>31-03-2014</b>		

**II CAPITAL RAISED DURING THE YEAR**

Public Issue	<b>NIL</b>	Rights Issue	<b>NIL</b>
Bonus Issue	<b>NIL</b>	Private placement	<b>NIL</b>
Share application money	<b>NIL</b>		

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

TOTAL LIABILITIES	<b>194,575</b>	TOTAL ASSETS	<b>194,575</b>
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SOURCES OF FUNDS

Paid up Capital	<b>105,668</b>
Share application money	<b>NIL</b>
Reserves & Surplus	<b>1,500</b>
Secured Loans	<b>NIL</b>
Unsecured Loans	<b>57,739</b>
Profit & loss a/c	<b>(54,443)</b>
Current Liabilities	<b>66,122</b>

APPLICATION OF FUNDS

Net Fixed Assets	<b>51,554</b>
Investments	<b>NIL</b>
Long Term Loans & Advances	<b>2,4,39</b>
Current Assets	<b>107,800</b>
Deferred Tax Asset	<b>32,782</b>
Miscellaneous Expenditure	<b>NIL</b>

**IV PERFORMANCE OF COMPANY**

TOTAL TURNOVER	<b>262,101</b>	TOTAL EXPENDITURE	<b>129,051</b>
Profit / (loss) before tax	<b>43,050</b>	Profit / (loss) after tax	<b>25,336</b>
Earning per Share in Rs.		Dividend Rate	<b>NA</b>
- Basic	<b>2.39</b>		
- Diluted	<b>NIL</b>		

**V Generic Norms of Three Principal Products / Services of Company (as per Monetary Terms)**  
**PRODUCT**

ITEM CODE NO

PRODUCT DESCRIPTION: POLISHED GRANITES - SLABS - MONUMENT MARKERS

As per our report of even date

For and On behalf of the Board

for **S.V.RAO ASSOCIATES**

Firm Registration No.003152S

Chartered Accountants

Sd/-

**(S.V.S.Prasad)**  
PARTNER (Mem No.207540)

Sd/-

**(P. SAMATHA REDDY)**  
DIRECTOR

Sd/-

**(P. SRINIVASA REDDY)**  
MANAGING DIRECTOR

DATE : 19 May 2014

PLACE : HYDERABAD

**RAVILEELA GRANITES LIMITED**

**RAVILEELA GRANITES LIMITED**

Survey No.203, Sampannabolu (VIII), Shameerpet (M), R.R.Dist., Andhra Pradesh.

**Form No. MGT-11**

**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L14102AP1990PLC011909  
Name of the company: Ravileela Granites Limited  
Registered office: Survey No. 203, Sampannabolu(V), Shameerpet Mandal, Andhra Pradesh.

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

- Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ..... or failing him
- Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ..... or failing him
- Name : .....  
Address : .....  
E-mail Id : .....  
Signature : .....

**RAVILEELA GRANITES LIMITED**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the company, to be held on the 30th day of September, 2014 at 11.30 a.m. at Survey No. 203, Sampannabolu (V), Shameerpet Mandal, R. R Dist, Andhra Pradesh and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Approval of financial statements for the year ended 31.03.2014.
2. Appointment of statutory auditors and fixation of their remuneration.
3. Appointment of Mr. M. Mohan Reddy as Independent Director.
4. Appointment of Mr. D. Surendranath Reddy as Independent Director.
5. Appointment of Mrs. P. Samantha as Promoter & Non – Executive Director
6. Alteration of Articles of Association as per Companies Act, 2013.

Signed this ..... day of..... 2014

Signature of shareholder

Signature of Proxy holder(s)

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

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**RAVILEELA GRANITES LIMITED**

Survey No.203, Sampannabolu (Vill), Shameerpet (Mon), R.R.Dist., Andhra Pradesh.

**ATTENDANCE SLIP**

(Please present this slip at the Meeting venue)

I hereby record my presence at the 24th Annual General Meeting of the Company to be held on 30th September, 2014 at 11.30 a.m. at the registered office of the company.

Shareholders/Proxy's Signature\_\_\_\_\_

Shareholders/Proxy's full name\_\_\_\_\_  
(In block letters)

Folio No. / Client ID\_\_\_\_\_

No. of shares held\_\_\_\_\_

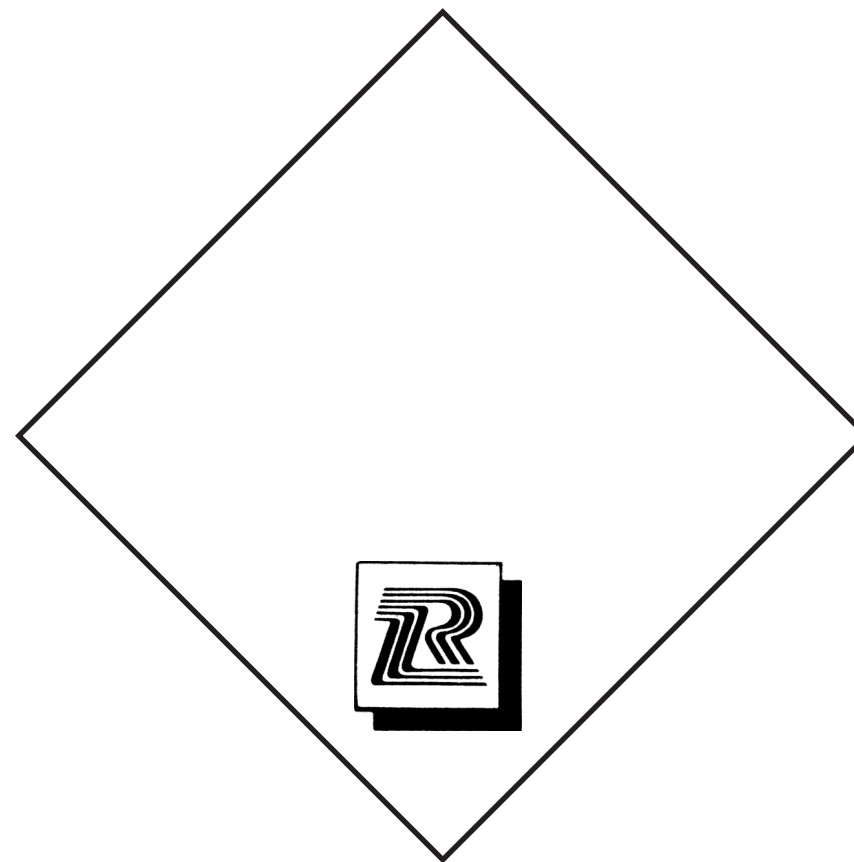
**Note:** Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

**Note:** Please read the instructions printed under the Note no. 13 to the Notice dated 14.08.2014 of the 24th Annual General Meeting.

**RAVILEELA GRANITES LIMITED**

**BOOK - POST  
PRINTED MATTER**

**24<sup>th</sup>  
ANNUAL REPORT  
2013 - 2014**



*Ravi Leela*  
Granites Limited



*If undelivered please return to :*



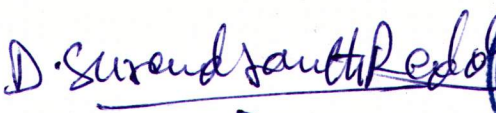





**RAVILEELA GRANITES LIMITED**

H.No. 6-3-668/10/35, Durga Nagar Colony,  
Punjagutta, Hyderabad – 500 082.



FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the Company	Ravileela Granites Limited
2.	Annual Financial Statements for the Year ended	31st March 2014
3.	Type of Audit Observation	NIL
4.	Frequency of Observation	Not Applicable
5.	Signed by:	
	Managing Director	 
	Chairman of the Audit Committee	 
	Auditor of the Company	 S.V.S. PRASAD MEM NO. 207540. 
	CFO	 

CIN#L14102AP1990PLC011909

H.No.6-3-668/10/35  
Durganagar Colony  
Punjagutta, Hyderabad - 500 082.

**Ravi Beela**  
**GRANITES LTD**

CIN#L14102AP1990PLC011909

Tel : 23413733, Fax : 23413732

E-mail : ravileel@yahoo.com