

28th
Annual Report
2011-2012



Raasi Enterprises Limited

CORPORATE INFORMATION

Board of Directors

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

Auditors

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

Bankers

Indian Bank
Indian Overseas Bank

Registrars and Share Transfer Agents

M/s. Karvy Computershare Private Limited
Plot No.17 to 24, Vithal Rao Nagar, Madhapur,
Hyderabad - 500 081.
Phone No(s): 040-23420815 - 24, Fax No.040 - 23420814

Registered Office

Vishnupur, Garagaparru Road,
Bhimavaram - 534 202
West Godavari District



NOTICE

Notice is hereby given that the **Twenty Eighth** Annual General Meeting of the members of the Company will be held on Saturday the 29th September 2012 at 10.30 AM at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Garagaparru Road, Bhimavaram, W.G.District, and Andhra Pradesh to transact the following items of business:

ORDINARY BUSINESS:

Ordinary business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2012 and the Profit and Loss Account for the year ended on that date, Notes and Schedules to Accounts and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Sri K.Hari Babu, Director who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M. Bhaskara Rao & Co., Chartered Accountants, Hyderabad as auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and authorise the Board of Directors to fix their remuneration.

Special business:

4. APPOINTMENT OF SHRI K.V.VISHNU RAJU, CHAIRMAN AS A PERMANENT DIRECTOR (FOR LIFE), WHOSE OFFICE IS NOT LIABLE TO RETIREMENT BY ROTATION.

To Consider and if thought fit, to pass with or without modifications, the following resolutions as an Ordinary Resolution.

RESOLVED THAT pursuant to the Provisions of Section 255 read with Section 256 of the Companies Act, 1956, Memorandum and Articles of Association of the Company and any other applicable provisions, if any, Shri K.V.Vishnu Raju, Chairman of the Company is hereby appointed as a Permanent Director (for life) of the Company and whose period of office shall not be liable for determination for retirement by rotation at the Annual General Meetings of the Company.

5. REVISION OF REMUNERATION OF SHRI R. RAVICHANDRAN, WHOLE-TIME DIRECTOR.

To Consider and if thought fit, to pass with or without modifications, the following resolutions as an Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310 read with Schedule XIII to the Companies Act, 1956, Notification of MCA vide GSR No.534(E) dated 14th July, 2011, other applicable provisions of the Notifications and Circulars issued by the Ministry of Corporate Affairs from time to time and in super session of the earlier resolution (s) passed in this regard, the consent of the Company be and is hereby accorded to revise the remuneration payable to **Shri R. Ravichandran, Whole-time Director** of the Company with effect from 2nd November, 2011 to the extent of ₹ 15,00,000/- per annum including basic, perquisites, commission and other benefits.

RESOLVED FURTHER THAT in case of absence or inadequacy of profits during any financial year during the tenure of office of Shri R. Ravichandran, Whole-time Director, the above remuneration shall be payable subject to the limits prescribed under Section II, Part II of Schedule XIII to the Companies Act, 1956 and provisions of Notification of MCA vide GSR No.534(E) dated 14th July, 2011 ".

For Raasi Enterprises Limited

Place : Hyderabad
Date : 14.08.2012

R.Ravichandran
Wholetime Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
2. The relevant explanatory statement required by Section 173 (2) of the Companies Act, 1956, in respect of the special business set out above is annexed hereto.
3. As per the circular no. 18/2011 issued by The Ministry of Corporate Affairs with respect to the Green Initiative in the Corporate Governance members those who are having their e-mail ID's shall be sent the soft copies of the 28th Annual Report of the Company by e-mail. Physical copies shall be sent to those investors who are not having their e-mail ID's. A copy of the 28th Annual Report shall be sent by post to those members who make a specific request for physical copy. Hence members are requested to send their email-ID's to the Registrar and Share Transfer Agent / to the Company for proper correspondence.
4. The Register of members and Share Transfer Books of the Company will remain closed from 25th September 2012 to 29th September 2012 (both days inclusive).
5. Voting is by show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution, or by those holding paid-up capital of at least Rs 50,000. A proxy shall not vote except on a poll.
6. It may be noted that no claim will be entertained against the Company or the Investor Education and Protection Fund in respect of the said unclaimed dividend amount transferred to the fund. There were no outstanding unpaid dividends amount as at 31.03.2012.
7. Members who hold shares in dematerialized form are requested to write their client ID and DP ID. Those who hold shares in physical form are required to write their Folio Number in the Attendance slip for attending the meeting.
8. Members holding shares in physical form are requested to notify/send any change in their address to the Company's share transfer agents, or to the Company at its Registered Office.
9. Members holding shares in dematerialisation form are requested to notify/send any changes in their address to the concerned depository participant (s).
10. In case of joint holders attending the Meeting, only such joint holders who is higher in the order of names will be entitled to vote.
11. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.
12. Section 109A of the Companies Act, 1956 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form 2B.
13. Members/Proxies should bring duly filled in attendance slips sent herewith for attending the meeting along with the copies of annual reports to the Annual General Meeting.
14. Pursuant to the requirement of Corporate Governance code under the Listing Agreement entered into by the Company, the information about the Directors proposed to be appointed/re-appointed is given in the **Annexure to this Notice.**



Explanatory Statement

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

Item 4: Appointment of Shri K. V. Vishnu Raju as permanent Director of the Company.

Shri K.V.Vishnu Raju is the core promoter of the Company. He is qualified in Chemical Engineering. He has been Associated with the Company for the last 25 years since the inception of the Company. He is instrumental in development and growth of the Company by virtue of his vast experience and knowledge in various facets of Corporate World. The Company thought fit to use his knowledge and experience on continuous basis and has proposed this resolution.

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

Item 5: Revision of Remuneration of Shri R. Ravichandran, Whole-time Director.

Shri R. Ravichandran is the Whole-time Director of the Company and he is not having any interest in the Capital of the Company directly or indirectly and not related to the Directors or Promoters of the Company at any point of time and is having graduate level qualification with expert and specialized knowledge in the field of his profession. Since his induction to the Board, he steered the Company with total dedication, hard work and effective leadership into diversified activities, resulting in the profitable growth of the Company's operations. In spite of the slowdown of the business for a very long period during the past, the Company has always kept its spirit high both in words and action due to the untiring efforts of Shri R. Ravichandran.

The Board reviewed the performance achieved by the Company during the year under review and appreciated the management for their untiring efforts in achieving the exponential growth, both in terms of total income and profitability. The Board is excited about the projections given by the Whole-time Director and has decided to remunerate him suitably to encourage, motivate him. It is proposed to revise the remuneration as mentioned in the above resolution. Remuneration Committee has approved the said proposal.

The Board of Directors proposes to revise the remuneration payable to him as mentioned in the above resolution. Such proposal requires the approval of members in general meeting as per the Companies Act, 1956 and Notification of MCA vide GSR No.534(E) dated 14th July, 2011. Remuneration Committee has approved the revision in remuneration payable to him and the same was noted in the Board Meeting.

The explanatory statement together with the accompanying notice may be treated as an abstract of the terms of remuneration payable to Shri R. Ravichandran pursuant to Section 302 of the Companies Act, 1956.

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

For Raasi Enterprises Limited

Place : Hyderabad
Date : 14.08.2012

R.Ravichandran
Wholetime Director

Additional information
(As per Clause 49 of the Listing Agreement)

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

Name	R.Ravichandran
Age	: 49 Years
Qualification	: IIM - Calcutta
Expertise	: Industrialist
Other Directorships	: 02
Shareholding in the Company	: Nil

Name	S.Ram Kumar
Age	: 61 Years
Qualification	: B.Com, IICA - Banking
Expertise	: Finance
Other Directorships	: 02
Shareholding in the Company	: Nil

Name	P.V.R.L. Narasimha Raju
Age	: 48 Years
Qualification	: B.Com
Expertise	: Industrialist
Other Directorships	: 05
Shareholding in the Company (No of shares)	: 800

Name	K.Hari Babu
Age	: 57 years
Qualification	: B.Com
Expertise	: Business
Other Directorships	: Nil
Shareholding in the Company	: Nil

DIRECTORS' REPORT

The Members of
M/s. Raasi Enterprises Limited

The Directors have pleasure in presenting the 28th Annual Report of the Company together with audited Annual Accounts for the year ended 31st March 2012.

Financial results

(₹ in lakhs)

Particulars	Consolidated		Standalone	
	Year ended		Year ended	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011
Total income	1426.78	1299.59	105.82	99.63
Operating profit before interest, depreciation and tax	173.09	146.60	75.92	67.30
Interest and financial charges	86.36	54.92	58.04	25.64
Depreciation	43.66	42.57	12.76	12.70
Profit before taxation	43.07	49.11	5.12	28.96
Provisions for taxation	15.39	13.16	2.53	8.73
Profit after taxation	27.68	35.95	2.59	20.23
Less: Minority interest	6.54	4.10	-	-
Transfer to General Reserves	-	-	-	-
Provision for dividend	-	-	-	-
Provision for dividend tax	-	-	-	-
Surplus carried to Balance Sheet	21.14	31.85	2.59	20.23

Results of operations

Effective operations are instrumental in driving the success of any organization. Our company has continued to show robust triple digit growth with Sales up from ₹11.80 Crs to ₹13.00 Crs giving us a strong 15% increase. Our goal is to increase EBIDTA margins in the long run though we are prepared to sacrifice margins on the short run in exchange for more rapid growth. Detailed planning coupled with a strong financial base, forms the elixir of success. The strength of our financials imparts confidence in our actions that lead us to our success. We continue to explore innovative financing routes that can optimise the financial engineering of our growth.

Outlook

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

Share Capital

The paid-up Share Capital of your Company stands at ₹4,00,00,000/- (Rupees Four Crore only) as on 31st March, 2012.

SUBSIDIARIES

We have one subsidiary Company i.e. M/s. Sai Aditya Foods and Retail Private Limited. As per Section 212 of the Companies Act, 1956, we are required to attach the Directors' Report, Balance Sheet and Profit and Loss Account of our subsidiaries. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has provided an exemption to Companies from complying with Section 212, provided such Companies publish the audited consolidated financial statements in the Annual Report. Accordingly, the Annual Report 2011-12 does not contain the financial statements of your subsidiaries. The audited annual accounts and related information of our subsidiaries, where applicable, will be made available upon request. These documents will also be available for inspection during business hours at our registered office.

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

OPERATIONS AND FUTURE PLANS

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

FUTURE OUTLOOK

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

DEPOSITS

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

DIRECTORS:

In accordance with the provisions of Section 255 & 256 the Companies Act, 1956 and the Articles of Association of the Company, Sri K.V.Vishnu Raju and Sri K.Hari Babu shall retire by rotation and being eligible offer themselves for re-appointment.:

GREEN INITIATIVE WITH RESPECT TO CORPORATE GOVERNANCE:

As per the circular no. 18/2011 issued by The Ministry of Corporate Affairs with respect to the Green Initiative in the Corporate Governance members those who are having their e-mail ID's shall be sent the soft copies of the 28th Annual Report of the Company by e-mail. Physical copies shall be sent to those investors who are not having their e-mail ID's. A copy of the 28th Annual Report shall be sent by post to those members who make a specific request for physical copy.

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

MANAGEMENT DISCUSSION AND ANALYSIS:

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

CASH FLOW ANALYSIS

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



CONSOLIDATED FINANCIAL STATEMENTS

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. That in the preparation of the accounts for the year ended 31st March, 2012 the applicable accounting standards have been followed.
2. That such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the financial year ended 31st March, 2012 and of the profit of the Company for that year.
3. The proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts for the year ended 31st March 2012, have been prepared on a going concern basis.

CORPORATE GOVERNANCE

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

AUDITORS:

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

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

PARTICULARS OF EMPLOYEES:

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

PERSONNEL

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

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

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

ACKNOWLEDGEMENTS

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

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

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

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

By order of the Board

Place : Hyderabad
Date : 14.08.2012

R.Ravichandran
Wholetime Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

INDUSTRY STRUCTURE AND DEVELOPMENT

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

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

Opportunities and Challenges:

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

Segment Wise Performance

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

Outlook

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

This system of internal control is:

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

Discussion on Financial Performance with respect to Operation Performance:

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

The Consolidated sales and other income were at ₹1426.79 lakhs as against ₹1299.59 lakhs in the previous year.

The consolidated net profit/(loss) for the year was ₹21.14 lakhs against ₹31.85 lakhs. The Current Year change is due to excess provision reversal in the last year.

Material Development in Human Resources/Industrial Relations:

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

Cautionary Statement:

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

Particulars	2011-12	2010-11
Consolidated Sales and Other Income	1426.79	1299.59
Consolidated Net Profit/(Loss)	21.14	31.85
Consolidated Total Assets	10000.00	9000.00
Consolidated Total Liabilities	10000.00	9000.00
Consolidated Total Equity	10000.00	9000.00



CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

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

BOARD OF DIRECTORS:

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

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

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

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

Brief profile of Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Clause 49 of the Listing Agreement.

None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2012 have been made by the Directors.

BOARD PROCEDURE:

BOARD MEETINGS:

The details about performance of the Company, financial position, statutory compliance's market environment and all other aspects of the Company, which are relevant for review of the Board of Directors, are being given

in a structured format at each meeting. The said information substantially complies with the requirements of the code of Corporate Governance with regard to the information to be placed before the Board of Directors.

During the financial year 2011-12, the Board of Directors met Four times in the following dates. 14th May 2011, 12th August 2011, 14th November 2011 and 13th February 2012.

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

S.No.	Name	No. of Board Meetings Attended	No. of Directorships in other Public Companies	Membership held in Committee of other Public Companies	Chairmanship held in Committee of other Public Companies	Attendance of each Director at last AGM
01.	Sri K.V.Vishnu Raju	04	07	01	Nil	Yes
02.	Sri R.Ravi Chandran	04	02	Nil	Nil	Yes
03.	Sri P.V.R.L.Narasimha Raju	04	04	01	Nil	Yes
04.	Sri S.Ram Kumar	04	01	Nil	Nil	Yes
05.	Sri K.Hari Babu	04	01	Nil	Nil	Yes

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

AUDIT COMMITTEE

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

Meetings: The Audit Committee met 4 times during the year under review on the following dates: 14th May 2011, 12th August 2011, 14th November 2011 and 13th February 2012. The necessary quorum was present for all the meetings.

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

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

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

Sri S. Ram Kumar, Chairman of the Audit Committee had attended the previous 27th Annual General Meeting. The Audit Committee invites such of the executives as it considers appropriate (particularly the head of the finance function), representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings.

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

01. Overseeing of the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible.



02. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
03. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - a) Any changes in accounting policies and practices.
 - b) Major accounting entries based on exercise of judgment to management.
 - c) Qualifications in draft audit report.
 - d) Significant adjustments arising out of audit.
 - e) The going concern assumption.
 - f) Compliance with accounting standards.
 - g) Compliance with stock exchanges and legal requirement concerning financial statements.
 - h) Any related party transactions.
04. Discussion with external auditors before the audit commences, nature and scope of audit as well as post audit discussion to ascertain any area of concern.
05. Reviewing the Company's financial and risk management policies.
06. Such other matters as may be entrusted to the Committee from time to time.

REMUNERATION COMMITTEE

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

01. Sri P.V.R.L.Narasimha Raju
02. Sri S.Ram Kumar
03. Sri R.Ravichandran

During the year from 1st April 2011 to 31st March 2012 the Remuneration Committee met twice on 14th August 2010, 12th February 2011 which was attended by all members of the Committee.

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

Sl.No.	Name of the Director	No. of Shares Held.
01.	Sri K.V.Vishnu Raju	14,80,400
02.	Sri R.Ravichandran	Nil
03.	Sri S.Ram Kumar, Chairman	Nil
04.	Sri P.V.R.L.Narasimha Raju	800
05.	Sri K.Hari Babu	Nil

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

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

During the year, 2011-12, the Company paid Sitting Fees per meeting to its Non-Executive Directors for attending meetings of the Board and meetings of Committees of the Board.

SHARE TRANSFER & SHARE HOLDERS GRIEVANCE COMMITTEE:

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

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

S.No	Name of the Director	No of Meetings held	No of Meetings attended
01.	Sri S.Ram Kumar, Chairman	4	4
02.	Sri R.Ravichandran	4	4
03.	Sri K.Hari Babu	4	4

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

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

Terms of Reference:

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

GENERAL BODY MEETINGS:

Year	Location	Date	Time
2008-2009	Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District	09 th September 2009	10.30 AM
2009-2010	Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District	25 th September 2010	10.30 AM
2010-2011	Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District	26 th September 2011	10.30 AM

DISCLOSURES

Disclosure regarding materially significant related party transactions:

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

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

Disclosure of non-compliance by the Company:

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

Compliance of non-mandatory clause:

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

MEANS OF COMMUNICATIONS:

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

SHAREHOLDER INFORMATION

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

a) Annual General Meeting:

The Twenty-Eight Annual General Meeting ("the AGM") of the Company will be held on 29th September 2012 at 10.30 AM at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District, Andhra Pradesh.

b) Financial Calendar 2012-2013
 (Tentative Schedule)

Annual General Meeting for the financial Year ending on 31 st March, 2013	:	before the end of September, 2013
Approval of quarterly results for the Quarter ending on June 2012	:	before the end of 15 th August, 2012
September 30, 2012	:	before the end of 15 th November, 2012
December 31, 2012	:	before the end of 15 th February, 2013
March 31, 2013	:	before the end of 15 th May, 2013

Quarterly results will be approved & Disclosed by the Board in compliance with the Clause 41 of the Listing Agreement.

The audited results for the year ending on 31st March, 2013 will be approved and disclosed by the Board in Compliance with the Clause 41 of the Listing Agreement.

c) Dates of Book Closure:

The Register of Members and share transfer books will remain closed from the 25th September 2012 to 29th September 2012 (both days inclusive)

d) Listing on Stock Exchanges:

The Equity Shares of the company are listed with **Bombay Stock Exchange Limited**

e) Stock Code:

The Stock Code of the Company is: **511153**

The ISIN number of the Equity Shares of the company is as follows.

ISIN	Description	Company	Type
INE096I01013	RAASI ENTERPRISES LIMITED EQ	RAASI ENTERPRISES LIMITED	EQUITY SHARE

f) Market Price Data:

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

Company: Raasi Enterprises Ltd. (511153)

Period (April 2011 to April 2012)

Month	Open Price	High Price	Low Price	Close Price	No.of Shares	No.of Trades	Total Turnover (₹)	*Spread (₹)	
								H.L.	C.O.
Apr11	14.02	15.48	14.02	15.48	200	2	2,950	1.46	1.46
Aug11	16.25	16.25	15.45	15.45	200	2	3,170	0.80	-0.80
Apr12	15.00	15.00	15.00	15.00	100	1	1,500	0.00	0.00

g) Performance in Comparison to Indices:

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

h) Registrar and Transfer Agents:

The Registrar and Transfer Agents of the company is M/s. Karvy Computershare Private Limited, located at Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, Andhra Pradesh. The Contact numbers for any type of query are Phone No(s): 2342 0818.

i) Share Transfer System:

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

j) Distribution of shareholding:

Shareholder statistics and Distribution of Shareholdings as on 31st March 2012 was as follows:

Category (No of Shares)	No of Shareholders	No of Shares	% to Total Equity
001 - 500	4218	748070	18.70
501 - 1000	124	101100	2.53
1001 - 2000	64	109900	2.75
2001 - 3000	9	21500	0.54
3001 - 4000	15	59250	1.48
4001 - 5000	3	15000	0.38
5001 - 10000	3	17850	0.44
10001 & above	27	2927330	73.18
TOTAL	4463	40000000	100.00

k) Dematerialization of Shares:

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

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

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

Address for correspondence: Any of the investor contact the Registrar and Transfer Agent M/s. Karvy Computershare Private Limited, Plot No.17 to 24, Vithal Rao Nagar, Madhapur, Hyderabad – 500 081. The Contact numbers for any type of query are Phone No(s): 2342 0818.

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

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



- m) As per the circular no. 18/2011 issued by The Ministry of Corporate Affairs with respect to the **Green Initiative in the Corporate Governance** members those who are having their e-mail ID's shall be sent the soft copies of the 28th Annual Report of the Company by e-mail. Physical copies shall be sent to those investors who are not having their e-mail ID's. A copy of the 28th Annual Report shall be sent by post to those members who make a specific request for physical copy.

For Raasi Enterprises Limited.,

Place : Hyderabad
Date : 14.08.2012

R.Ravichandran
Wholetime Director

DECLARATION ON CODE OF CONDUCT

This is to inform you that the Board has laid down a Code of Conduct for all Directors and Senior Management Personnel of the Company. It is further confirmed that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March 2012 as envisaged in clause 49 of the Listing Agreement with Stock Exchanges.

Place : Hyderabad
Date : 14.08.2012

R.Ravichandran
Wholetime Director

CEO/CFO CERTIFICATION

The CEO, and the CFO any other person heading the finance function discharging that function shall certify to the Board that:

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Hyderabad
Date : 14.08.2012

Whole-time Director

Manager Finance

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To the Members of
Raasi Enterprises Limited

We have examined the compliance of conditions of Corporate Governance by Raasi Enterprises Limited (formerly Raasi Finance & Investment Limited) for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

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

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

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

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

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

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

**Place : Hyderabad
Date : 14.08.2012**



AUDITOR'S REPORT

To
The Members of
Raasi Enterprises Limited

1. We have audited the attached Balance Sheet of Raasi Enterprises Limited (formerly Raasi Finance & Investment Limited) as at 31st March 2012, the Profit and Loss Account and also Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the annexure referred to in paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law, have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) to Section 274 of Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2012;
 - ii. in the case of the Profit and Loss Account, of the profit of the company for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement of the cash flow for the year ended on that date.

for M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Reg No: 000459S

V.Raghunandan
(Partner)
Membership No. 26255

Place : Hyderabad
Date : 14.08.2012

RE: RAASI ENTERPRISES LIMITED**Statement referred to in Paragraph (3) of our report of even date**

- i. (a) The company has compiled the fixed assets register showing full particulars including quantitative details, location and situation of the fixed assets.
- (b) No physical verification of fixed assets was carried out by the management during the year; hence we are unable to comment on the discrepancies, if any.
- (c) According to the information and explanations given to us, the company has not disposed off substantial part of fixed assets and hence, reporting on the going concern status in this regard does not arise.
- ii. According to the information and explanations given to us, there are no inventories. Therefore the provisions of Clause 4 (ii) (a), (b) and (c) of Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
- iii. (a) According to the information and explanations given to us, the Company has granted interest free unsecured loans to four parties covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹91.70 lakhs and year end balance of such loans was ₹91.70akhs.
- (b) According to the information given to us, the terms and conditions of such loan is prima facie not prejudicial to the interest of the Company. Since the loans granted are repayable on demand, question of overdue amounts does not arise. Therefore commenting under Clause 4 (iii) (c) and (d) of Companies (Auditor's Report) Order, 2003 as amended does not arise.
- (e) According to the information and explanations given to us, the Company has taken interest free unsecured loan from three parties covered in Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹116.52lakhs and year end balance was ₹113.02lakhs.
- (f) Since the loans taken are repayable on demand, question of overdue amounts does not arise. Therefore commenting under Clause 4 (iii) (g) of Companies (Auditor's Report) Order, 2003 as amended does not arise.
- iv. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets, sale of goods and services. In our opinion and according to the information given to us, there is no continuing failure to correct major weaknesses in the Internal Control System of the Company.
- v. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts and arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered in the register maintained under the said section have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements to be entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. The company has not accepted any deposits from the public.
- vii. *The Company has no internal audit system in vogue.*
- viii. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 for the activities of the Company. Therefore, the provisions of clause 4(viii) of Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
- ix. (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund,



Employees' State Insurance, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other applicable statutory dues with the appropriate authorities. According to information and explanation given to us, there are no arrears of statutory dues as at 31st March, 2012 which are outstanding for a period of more than six months from the date they became payable except an amount of ₹0.62 lakhs (Previous Year ₹0.62 lakhs) towards Investor Education and Protection Fund.

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

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

- x. The company has no accumulated losses as on 31st March 2012. The company has not incurred any cash losses in the financial year under report and in the immediately preceding financial year.
- xi. According to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions and banks.
- xii. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- xiii. The company is not a Chit Fund/Nidhi/Mutual Benefit Fund/Society. Therefore, the provisions of clause 4(xiv) of Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
- xiv. The company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us during the course of the audit, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- xvii. On the basis of an overall examination of the balance sheet of the company in our opinion and according to information and explanation given to us, there are no funds raised on short term basis which have been used for long term investment.
- xviii. During the year under report the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- xix. The company has not issued any debentures.
- xx. The Company has not raised any money by public issues during the year.
- xxi. In accordance with the information and explanations given to us and our examination of books and records, no fraud on or by the company has been noticed or reported during the year.

for M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Reg No: 000459S

V.Raghunandan
(Partner)
Membership No. 26255

Place : Hyderabad
Date : 14.08.2012

Balance Sheet as at 31st March 2012

Amount in ₹

Particulars	Note No.	As at 31.03.2012	As at 31.03.2011
I. EQUITY AND LIABILITIES			
1 Shareholder's Funds			
Share Capital	2	39,880,401	39,796,356
Reserves and Surplus	3	44,909,287	44,650,194
2 Non-Current Liabilities			
Long-Term Borrowings	4	33,225,321	38,283,072
Deferred Tax Liabilities (Net)	5	6,134,858	5,979,805
Other Long Term Liabilities		-	-
Long Term Provisions	6	447,166	880,331
3 Current Liabilities			
Short-Term Borrowings	7	11,313,545	802,747
Other Current Liabilities	8	4,804,402	3,995,571
TOTAL		140,714,980	134,388,076
II. ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	75,127,696	76,403,918
Non-current investments	10	17,155,740	17,155,740
Long term loans and advances	11	8,112,974	3,091,422
Current Assets			
Cash and cash equivalents	12	192,688	597,622
Short-term loans and advances	13	40,125,882	37,139,374
TOTAL		140,714,980	134,388,076
Significant of Accounting Policies and Notes on Financial Statements	1 to 25		

As per our report of even date attached
for **M.BHASKARA RAO & CO.,**
CHARTERED ACCOUNTANTS

for and on behalf of Board

V.Raghunandan
Partner
Membership No. : 26255

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

Place: Hyderabad
Date : 14.08.2012

Statement of Profit and Loss for the year ended 31st March 2012

Particulars		Note No.	Year Ended 31.03.2012	Year Ended 31.03.2011
I	Other Income	14	10,582,172	9,962,765
II	III. Total Revenue (I +II)		10,582,172	9,962,765
III	EXPENSES:			
	Employee Benefit Expense	15	2,217,621	2,132,669
	Financial Costs	16	5,803,876	2,563,671
	Depreciation and Amortization Expense	9	1,276,222	1,270,002
	Other Expenses	17	772,815	1,100,275
	Total Expenses (IV)		10,070,534	7,066,617
IV	Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		511,638	2,896,148
V	Exceptional Items		-	-
VI	Profit/(Loss) before extraordinary items and tax (V - VI)		511,638	2,896,148
VII	Extraordinary Items		-	-
VIII	Profit/(Loss) before tax (VII - VIII)		511,638	2,896,148
IX	Tax expense:			
	(1) Current tax		97,493	537,000
	(2) Prior Year Taxation		-	(63,000)
	(3) Deferred tax		155,052	399,443
X	Profit/(Loss) for the period (IX - X)		259,093	2,022,705
XI	Earning per equity share:			
	(1) Basic		0.06	0.51
	(2) Diluted		0.06	0.51
	Significant of Accounting Policies and Notes on Financial Statements	1 to 25		

As per our report of even date attached
for **M.BHASKARA RAO & CO.,**
CHARTERED ACCOUNTANTS

for and on behalf of Board

V.Raghunandan
Partner
Membership No. : 26255

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

Place: Hyderabad
Date : 14.08.2012

Cash Flow Statement for the year ended 31st March 2012

Amount in ₹

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items:	511,638	2,896,148
Adjustments for:		
Depreciation on fixed assets	1,276,222	1,270,002
Interest and Finance Charges paid	5,803,876	2,563,671
	7,080,098	3,833,673
Operating Profit before Working Capital Changes	7,591,736	6,729,821
Adjustments for:		
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Sundry Receivables	-	(59,092)
(Increase)/Decrease in Loans and Advances	(8,008,060)	(26,067,490)
Increase/(Decrease) in Current Liabilities	11,319,629	(3,409,931)
	3,311,569	(29,536,513)
Cash Generated from Operations	10,903,305	(22,806,692)
Direct Taxes paid	(530,658)	(737,000)
Net Cash Flow from Operating Activities	10,372,647	(23,543,692)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Net Cash Flow from Investing Activities	-	-
CASH FLOW FROM FINANCIAL ACTIVITIES		
(Repayment)/ Proceeds from Secured Loans	(5,057,751)	26,148,368
Interest Paid	(5,803,876)	(2,563,671)
Calls In Arrears received	84,045	338,076
Net Cash Flow from Financing Activities	(10,777,582)	23,922,773
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		
	(404,935)	379,081
Cash and Cash Equivalents as at the commencement for the year	597,621	218,542
Cash and Cash Equivalents as at the close of the year	192,686	597,621

As per our report of even date attached
for **M.BHASKARA RAO & CO.**,
CHARTERED ACCOUNTANTS

for and on behalf of Board

V.Raghunandan
Partner
Membership No. : 26255

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

Place: Hyderabad
Date : 14.08.2012



SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

Note No.1

I. SIGNIFICANT ACCOUNTING POLICIES:

A. ACCOUNTING CONVENTION:

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

B. FIXED ASSETS:

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

C. DEPRECIATION

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

D. INVESTMENTS:

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

E. BORROWING COSTS:

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

F. TAXES ON INCOME

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

G. REVENUE RECOGNITION:

Interest and other income are recognized on accrual basis.

H. EMPLOYEE BENEFITS:

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

I. CONTINGENT LIABILITIES:

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

J. IMPAIRMENT OF ASSETS:

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

Notes on Financial Statements

Amount in ₹

Particulars	As at 31.03.2012		As at 31.03.2011	
	Number	Amount	Number	Amount
Note No. 2				
SHARE CAPITAL				
AUTHORIZED				
50,00,000 Equity Shares of ₹10/- each.	5,000,000	50,000,000	5,000,000	50,000,000
	5,000,000	50,000,000	5,000,000	50,000,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL				
4000000 Equity Shares of ₹10/- each, Fully Paid up Share capital by allotment	4,000,000	40,000,000	4,000,000	40,000,000
Less: Calls in Arrears	120,000	119,599	564,900	203,644
TOTAL	3,880,000	39,880,401	3,435,100	39,796,356

Notes

a) Shares in the Company held by each share holders more than 5%

Share Capital	% of Share holding	As at 31.03.2012		% of Share holding	As at 31.03.2011	
		Number	Amount		Number	Amount
K.V.Vishnu Raju	37.01	1,480,400	14,804,000	33.01	1,320,400	13,204,000

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 3		
RESERVE AND SURPLUS		
1 General Reserve		
Opening Balance	6,930,294	6,930,294
Add: Transfer	-	-
Less: Utilised	-	-
Closing Balance	6,930,294	6,930,294
2 Reserve Fund		
Opening Balance	18,946,054	18,946,054
Add: Transfer	-	-
Less: Utilised	-	-
Closing Balance	18,946,054	18,946,054
3 Investment Allowance Reserve		
Opening Balance	2,316,000	2,316,000
Add: Transfer	-	-
Less: Utilised	-	-
Closing Balance	2,316,000	2,316,000
4 Surplus (Profit & Loss Account)		
Opening Balance	16,457,846	14,435,141
Add: Net Profit / (Loss) for the yer Current Year	259,093	2,022,705
Closing Balance	16,716,939	16,457,846
Total (1 to 4)	44,909,287	44,650,194

Notes on Financial Statements

Amount in ₹

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 4		
NON-CURRENT LIABILITIES		
(i) Long Term Borrowings:		
Secured:		
a) Term Loans from banks		
- Rupee Loan (Refer Note No. a & b)	32,225,321	37,283,072
- Other Parties	-	-
Unsecured:		
- Loans from Others	1,000,000	1,000,000
TOTAL	33,225,321	38,283,072

Notes :

- a) The term loan from Indian Overseas Bank, Bhimavaram Branch, is secured against the Lease Rentals receivable on the buildings let out to Sri Vishnu Educational Society, Bhimavaram. Further they are secured by equitable mortgage on land and building situated at Bhimavaram. Sri K.V.Vishnu Raju, Chairman of the Company in his personal capacity and Sri Vishnu Educational Society stood as guarantors for the said loan.
- b) Terms of Repayment
Loans taken from Indian Overseas Bank is repayable in 81 Equated Monthly Installment of ₹7,49,696/- each commencing from April 2011; Interest @13.25%.

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 5		
DEFERRED TAX LIABILITES (NET)		
(a) Deferred Tax Liability comprises of following		
Fixed Assets (Depreciation)	10,186,843	9,772,937
(b) Deferred Tax Assets comprises of following		
Unabsorbed Depreciation	4,051,985	3,793,132
TOTAL NET (a-b)	6,134,858	5,979,805
Note No.6		
LONG TERM PROVISIONS		
Provison for Taxation	447,166	880,331
TOTAL	447,166	880,331

Notes on Financial Statements

Particulars	Amount in ₹	
	As at 31.03.2012	As at 31.03.2011
Note No. 7		
SHORT-TERM BORROWINGS		
Unsecured		
- Others	11,045	585,203
- Related Parties	11,302,500	217,544
TOTAL	11,313,545	802,747
Note No.8		
OTHER CURRENT LIABILITIES		
Current Secured maturities of long term debts	3,932,755	3,396,479
Unclaimed Matured Deposits	61,780	61,780
Other Liabilities	809,867	537,312
TOTAL	4,804,402	3,995,571



Notes on Financial Statements

Note No.9

FIXED ASSETS

Amount in ₹

Sl. No.	Particulars	Gross Block			Accumulated Depreciation			Net Block		
		As at 01.04.2011	Additions	Adjustments	As at 31.03.2012	As at 01.04.2011	for the year	Sales/ Adjustments	As at 31.03.2012	As at 31.03.2011
I	Tangible Assets									
1	Land	13,109,470	-	-	13,109,470	-	-	-	13,109,470	13,109,470
2	Building	72,925,905	-	-	72,925,905	1,188,695	-	-	61,633,327	62,822,022
3	Furnitures & Fixtures	378,449	-	378,449	-	-	378,449	-	-	-
4	Vehicles	914,064	-	-	914,064	443,577	-	-	530,413	470,487
5	Office Equipment	240,873	-	240,873	-	240,873	240,873	-	-	-
6	Computer	268,183	-	268,183	-	268,183	268,183	-	-	-
7	Air Conditioner	27,930	-	27,930	-	27,930	27,930	-	-	-
8	Wooden Partitions	222,883	-	222,883	-	222,883	222,883	-	-	-
9	Electrical Equipment	38,777	-	-	38,777	36,838	691	-	37,529	1,248
	TOTAL	88,126,534	-	1,138,318	86,988,216	11,722,616	1,276,222	1,138,318	11,860,520	75,127,696
	Previous Year	88,126,534	-	-	88,123,534	10,452,614	1,270,002	-	11,722,616	76,403,918

Note:

Buildings situated at Bhimavaram, W.G. District are constructed on a land belonging to Sri Vishnu Educational Society, a society registered under the Public Registration Societies Act, 1860.

Notes on Financial Statements

Amount in ₹

Particulars	As at 31.03.2012	As at 31.03.2011
Note No: 10		
NON CURRENT INVESTMENT		
Other Investments - Quoted - Non traded		
Investment in Equity Instrument		
M/s. Regency Ceramics Limited 100 (Previous Year 100) equity shares of ₹10/- each	1,789	1,789
M/s. Andhra Pradesh Steels Limited 10,200 (Previous Year 10,200) equity shares of ₹10/- each	1	1
M/s. Spardeck Ceramics Limited 50 (Previous Year 50) equity shares of ₹10/- each	3,950	3,950
Other Investments - Unquoted - Non traded		
M/s. Sai Aditya Foods and Retail Private Limited 1,20,946 (Previous Year 1,20,946) equity shares of ₹100/- each	17,000,000	17,000,000
Investments in Government or Trust Securities		
Government Securities - 14% Loan 2006	100,000	100,000
Investment in Mutual Funds - Traded		
- In Morgan Stanely 5000 (Previous Year 5000) units of ₹10/- each	50,000	50,000
TOTAL	17,155,740	17,155,740
Aggregate amount of Quoted Investments	5,740	5,740
Aggregate amount of Unquoted Investments	17,000,000	17,000,000
Aggregate Market Value of Quoted Investments	646	646
Aggregate Market Value of Mutual Funds	275,000	255,000
Note No. 11		
LONG TERMS LOANS AND ADVANCES		
Unsecured, Considered Good		
Capital Advances	5,000,000	
Other Loans and Advances		
Advance tax	1,497,180	1,497,180
TDS Receivables	1,615,794	1,594,242
Unsecured, Considered Doubtful		
Other Loans and Advances	286,828	286,828
Sub Total	8,399,802	3,378,250
Less: Provision for Doubtful other loans and advances	286,828	286,828
TOTAL	8,112,974	3,091,422

**Notes on Financial Statements**

Amount in ₹

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 12		
CASH AND CASH EQUIVALENTS		
Cash-in-Hand		
Cash Balance	3,503	6,538
Sub Total (A)	<u>3,503</u>	<u>6,538</u>
Bank Balance		
In Current Accounts	122,405	524,304
In Unclaimed Deposits - Escrow A/c (Refer Note)	66,780	66,780
Sub Total (B)	<u>189,185</u>	<u>591,084</u>
TOTAL [A to B]	<u>192,688</u>	<u>597,622</u>

Note:

Section 205 of the Companies Act, 1956 mandates that companies transfer dividend/deposits that has been unclaimed for a period of seven years from unpaid dividend/deposit account to the Investor Education and Protection Fund (IEPF). Accordingly, if dividend/deposit is unclaimed for a period of seven years, it will be transferred to IEPF.

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 13		
SHORT TERMS LOANS AND ADVANCES		
Capital Advances	29,214,045	-
Other Loans and Advances		
Advance to Related Parties	7,685,865	32,082,054
Advances to Employees	175,972	57,320
Other Advances	3,050,000	5,000,000
TOTAL	<u>40,125,882</u>	<u>37,139,374</u>
Note No. 14		
Other Income		
Interest on Loans	215,519	605,909
Others	10,366,653	9,356,856
TOTAL	<u>10,582,172</u>	<u>9,962,765</u>
Note No 15		
EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	1,958,000	1,797,600
Contribution to Provident Fund and Other Funds	189,611	126,795
Workman and Staff Welfare Expenses	70,010	208,274
TOTAL	<u>2,217,621</u>	<u>2,132,669</u>

Notes on Financial Statements

Amount in ₹

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 16		
FINANCIAL COST		
Interest Expenses		
(a) Interest on Term loan	5,678,525	2,033,259
(b) Interest on Other loans	120,000	126,791
(c) Bank Charges	5,351	403,621
TOTAL	5,803,876	2,563,671
Note No. 17		
OTHER EXPENSES		
Advertisement and Publicity	152,013	175,891
Auditors Remuneration		
for Audit Fees	33,708	30,390
For Tax Audit Fees	16,854	16,545
for Certification Fee	33,399	33,090
for Out of Pocket Expenses	13,787	12,076
Books and Periodicals	9,900	-
General Expenses	2,525	30,125
Insurance	12,145	-
Licence and Fees	54,271	-
Listing Fee, Board and General Meeting Expenses	2,000	316,786
Printing and Stationery Expenses	51,821	58,000
Professional Charges	97,392	139,307
Rent Rates and Taxes	245,400	210,000
Telephone, Postage and Telegram	47,540	77,065
Travelling Expenses	60	1,000
TOTAL	772,815	1,100,275

NOTES ON ACCOUNTS:

18. Estimated amount of contracts, remaining to be executed on Capital account and not provided for (net of advances) ₹Nil (Previous year ₹Nil).

19. CONTINGENT LIABILITIES NOT PROVIDED FOR:

- I. Disputed Income Tax demands year 1998-99 ₹6.80 lakhs towards in respect of which company has filed an appeal with Commissioner Income Tax (Appeals).
- II. Disputed Income Tax Liability for A.Y.2004-05 ₹9.78 lakhs towards lease income from buildings in respect of which the company has filed an appeal with Commissioner Income Tax (Appeals).

20. Aggregated Related Party Disclosures
Related Parties

Enterprises owned or significantly influenced by Key Management personnel or relatives

- Anjani Portland Cement Limited
- Sri Vishnu Educational Society
- Dr.B.V.Raju Foundation

Subsidiary Company

- Sai Aditya Foods and Retail Private Limited

Key Management Personnel

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

Following are the transactions with related parties during the year ended 31.03.2012.

Particulars	Subsidiary Company	Key Managerial Personnel	Relatives of the key Managerial Personnel	Enterprises of Key Managerial Personnel
Rentals received from Sri Vishnu Educational Society	-	-	-	1,03,65,600 82,90,642
Interest on Loan received from Anjani Portland Cement Limited	-	-	-	2,15,519 6,05,098
Balances outstanding as on 31.03.2012				
Anjani Portland Cement Limited - Unsecured loan	-	-	-	Nil 16,34,401 (Dr)
Sri Vishnu Educational Society	-	-	-	1,06,52,502 (Cr) 3,08,32,826 (Dr)
Dr.B.V.Raju Foundation	-	-	-	6,50,000 (Cr) 1,50,000 (Cr)
Sai Aditya Food and Retail Private Limited	76,70,115 (Dr) 67,544 (Cr)			

Figures in italics represent previous year's figures

21. Particulars of remuneration paid to Whole -Time Director :

Particulars	Rupees	
	Current Year	Previous Year
Salary	12,27,500	11,37,500
Provident & other funds	69,000	63,000
TOTAL	12,96,500	12,00,500

22. Statutory Auditors remuneration:

Particulars	2011-12	2010-11
Audit Fee	33,708	30,390
Taxation	16,854	16,545
Certification Fee	33,399	33,090
Out of Pocket Expenses	13,787	12,076
TOTAL	97,748	92,101

23. Earnings per share:

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
a) Profit/(Loss) after tax	2,59,093	20,22,705
b) Weighted average No. Of shares	40,00,000	40,00,000
c) Earnings per share- Basic and Diluted	0.06	0.51

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

25. The Company has made relevant disclosures which are applicable as per revised schedule VI and the figures for the previous years are reclassified / regrouped and rearranged wherever necessary.

As per our report of even date attached
for **M.BHASKARA RAO & CO.,**
CHARTERED ACCOUNTANTS

for and on behalf of Board

V.Raghunandan
Partner
Membership No. : 26255

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

Place: Hyderabad
Date : 14.08.2012

Particulars	2017-18	2016-17
Revenue	1,17,11.11	1,17,11.11
Expenses	1,17,11.11	1,17,11.11
Profit	0.00	0.00

Consolidated Financial Statements of Raasi Enterprises Limited

Particulars	2017-18	2016-17
Revenue	1,17,11.11	1,17,11.11
Expenses	1,17,11.11	1,17,11.11
Profit	0.00	0.00

For and on behalf of the Board

(Signature)

(Signature)

(Signature)

AUDITORS' REPORT ON CONSOLIDATED ACCOUNTS

The
Directors
Raasi Enterprises Limited
Hyderabad

We have examined the attached Consolidated Balance Sheet of the Raasi Enterprises Limited (formerly Raasi Finance & Investment Limited) and its subsidiary Sai Aditya Foods and Retail Private Limited (formerly Sai Aditya Hotels & Supermarkets Private Limited) as at 31st March 2012, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year there ended.

These financial statements are the responsibility of the Raasi Enterprises Limited's management. Our responsibility is to express an opinion on these financial statements based on our Audit. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiary, whose financial statements reflect total asset of ₹883.95 lakhs as at March 31, 2012 and the total revenue of ₹1320.97 lakhs for the year ended. These financial statements have been audited by other auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditor.

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

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of Raasi Enterprises Limited and its subsidiary, and drawing attention without qualification in respect to Note 2 regarding the method of depreciation followed by subsidiary company and Note 8 regarding pending reconciliation and confirmation of scheduled banks, Unsecured Loans, Loans and Advances of the parent Company, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Raasi Enterprises Limited and its subsidiary as at March 31, 2012.
- b) in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of Raasi Enterprises Limited and its subsidiary for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flow of Raasi Enterprises Limited and its subsidiary for the year ended on that date.

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

V.Raghunandan
(Partner)
Membership No. 26255

Place : Hyderabad
Date : 14.08.2012

Consolidated Balance Sheet as at 31st March 2012

Amount in ₹

Particulars	Note No.	As at 31.03.2012	As at 31.03.2011
I. EQUITY AND LIABILITIES			
1 Shareholder's Funds			
Share Capital	2	39,880,401	39,796,356
Reserves and Surplus	3	51,737,360	49,622,941
2 Minority Interest			
		5,530,302	4,876,735
3 Non-Current Liabilities			
Long-Term Borrowings	4	54,365,794	49,077,111
Deferred Tax Liabilities (Net)	5	6,718,653	5,979,805
Other Long Term Liabilities	6	4,689,940	-
Long Term Provisions	7	447,166	880,331
4 Current Liabilities			
Short-Term Borrowings	8	26,459,891	13,623,447
Trade Payables	9	7,923,235	5,777,935
Other Current Liabilities	10	14,226,685	10,346,055
Short-Term Provisions	11	601,062	442,500
TOTAL		212,580,489	180,423,216
II ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	135,711,358	104,394,283
Capital Work In Progress		-	2,615,822
Goodwill		8,131,353	8,131,353
Non-current investments	13	155,740	155,740
Long term loans and advances	14	8,112,974	3,091,422
Current Assets			
Inventories	15	13,093,082	11,836,218
Trade Receivables	16	5,937,397	6,606,697
Cash and Cash equivalents	17	1,658,859	1,969,208
Short-term loans and advances	18	39,779,726	41,622,473
TOTAL		212,580,489	180,423,216
Significant of Accounting Policies and Notes on Financial Statements			
	1 to 36		

 As per our report of even date attached
 for **M.BHASKARA RAO & CO.,**
 CHARTERED ACCOUNTANTS

for and on behalf of Board

V.Raghunandan
 Partner
 Membership No. : 26255

K.V.Vishnu Raju
 Chairman

R.Ravichandran
 Wholetime Director

 Place: Hyderabad
 Date : 14.08.2012

Consolidated Statement of Profit and Loss for the year ended 31st March 2012 Amount in ₹

Particulars	Note No.	Year Ended 31.03.2012	Year Ended 31.03.2011
I Revenue from Operations			
Sale of Products		130,044,728	118,139,818
II Other Income	19	12,634,127	11,818,836
III. Total Revenue (I+II)		142,678,855	129,958,654
III EXPENSES:			
Cost of Materials Consumed	20	41,733,559	40,119,824
Purchase of Traded Goods		49,994,493	42,672,278
Changes in Inventories of Finished Goods and Stock in Trade	21	(1,140,460)	(1,293,043)
Employee Benefit Expense	22	18,047,434	17,138,647
Financial Costs	23	8,636,287	5,491,553
Depreciation and Amortization Expense	12	4,365,518	4,257,365
Other Expenses	24	16,734,697	16,661,052
Total Expenses (IV)		138,371,528	125,047,676
IV Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		4,307,327	4,910,978
V Exceptional Items		-	-
VI Profit/(Loss) before extraordinary items and tax (V-VI)		4,307,327	4,910,978
VII Extraordinary Items		-	-
VIII Profit/(Loss) before tax (VII-VIII)		4,307,327	4,910,978
IX TAX EXPENSE:			
(1) Current tax		800,493	979,500
(2) Prior Year Taxation		-	(63,000)
(3) Deferred tax		738,847	399,443
X Consolidated Profit/(Loss) for the period before adjustment of Minority Interest (IX-X)		2,767,987	3,595,035
XI Less: Share of Minority Interest in Profit/(Loss)		653,567	409,592
Consolidated Profit/(Loss) after Minority Interest		2,114,420	3,185,443
Balance in Profit and Loss account brought forward		21,430,593	18,245,150
Balance Carried to Balance Sheet		23,545,012	21,430,593
XII Earning per equity share:			
(1) Basic		0.53	0.80
(2) Diluted		0.53	0.80
Significant of Accounting Policies and Notes on Financial Statements	1 to 36		

As per our report of even date attached for **M.BHASKARA RAO & CO.,** CHARTERED ACCOUNTANTS

for and on behalf of Board

V.Ragunandan
Partner
Membership No. : 26255

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

Place: Hyderabad
Date : 14.08.2012

**Consolidated Cash Flow Statement for the year ended 31st March 2012** Amount in ₹

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items:	4,307,327	4,910,978
Adjustments for:		
Depreciation on fixed assets	4,365,518	4,257,365
Interest and Finance Charges paid	8,636,287	5,491,553
	13,001,805	9,748,918
Operating Profit before Working Capital Changes	17,309,132	14,659,896
Adjustments for:		
(Increase)/Decrease in Inventories	(1,256,864)	(2,153,288)
(Increase)/Decrease in Trade Receivables	669,300	(325,051)
(Increase)/Decrease in Loans and Advances	(3,178,805)	(24,905,276)
Increase/(Decrease) in Current Liabilities	18,862,374	(6,219,513)
	15,096,005	(33,603,128)
Cash Generated from Operations	32,405,137	(18,943,232)
Direct Taxes paid	(1,075,096)	(1,180,496)
Net Cash Flow from Operating Activities	31,330,041	(20,123,728)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(35,682,591)	(1,292,488)
(Increase)/Decrease in Capital Work In Progress	2,615,822	
Increase/(Decrease) in Capital Purchases	4,689,940	
Net Cash Flow from Investing Activities	(28,376,829)	(1,292,488)
CASH FLOW FROM FINANCIAL ACTIVITIES		
(Repayment)/Proceeds from Secured Loans	5,288,681	27,231,023
Interest Paid	(8,636,287)	(5,491,553)
Calls In Arrears received	84,045	338,076
Net Cash Flow from Financing Activities	(3,263,561)	22,077,546
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
	(310,349)	661,330
Cash and Cash Equivalents as at the commencement for the year	1,969,208	1,307,880
Cash and Cash Equivalents as at the close of the year	1,658,859	1,969,208

As per our report of even date attached
for **M.BHASKARA RAO & CO.,**
CHARTERED ACCOUNTANTS

for and on behalf of Board

V.Raghunandan
Partner
Membership No. : 26255

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

Place: Hyderabad
Date : 14.08.2012

CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

Note No.1

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

SIGNIFICANT ACCOUNTING POLICIES:

1. Principles of Consolidation:

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

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

2. FIXED ASSETS:

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

3. DEPRECIATION

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

4. INVESTMENTS:

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

5. INVENTORIES:

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

6. REVENUE RECOGNITION:

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



7. EMPLOYEE BENEFITS:

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

8. BORROWING COSTS:

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

9. TAXES ON INCOME:

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

10. CONTINGENT LIABILITIES:

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

11. IMPAIRMENT OF ASSETS:

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

Notes on Consolidated Financial Statements Amount in ₹

Particulars	As at 31.03.2012		As at 31.03.2011	
	Number	Amount	Number	Amount
Note No. 2				
SHARE CAPITAL				
AUTHORIZED				
50,00,000 Equity Shares of ₹10/- each.	5,000,000	50,000,000	5,000,000	50,000,000
	<u>5,000,000</u>	<u>50,000,000</u>	<u>5,000,000</u>	<u>50,000,000</u>
ISSUED, SUBSCRIBED & PAID UP CAPITAL				
4000000 Equity Shares of ₹10/- each, Fully Paid up Share capital by allotment	4,000,000	40,000,000	4,000,000	40,000,000
Less: Calls in Arrears	120,000	119,599	564,900	203,644
TOTAL	<u>3,880,000</u>	<u>39,880,401</u>	<u>3,435,100</u>	<u>39,796,356</u>

Notes

a) Shares in the Company held by each share holders more than 5%

Share Capital	% of Share holding	As at 31.03.2012		% of Share holding	As at 31.03.2011	
		Number	Amount		Number	Amount
K.V.Vishnu Raju	37.01	1,480,400	14,804,000	33.01	1,320,400	13,204,000

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 3		
RESERVE AND SURPLUS		
1 General Reserve		
Opening Balance	6,930,294	6,930,294
Add: Transfer	-	-
Less: Utilised	-	-
Closing Balance	<u>6,930,294</u>	<u>6,930,294</u>
2 Reserve Fund		
Opening Balance	18,946,054	18,946,054
Add: Transfer	-	-
Less: Utilised	-	-
Closing Balance	<u>18,946,054</u>	<u>18,946,054</u>
3 Investment Allowance Reserve		
Opening Balance	2,316,000	2,316,000
Add: Transfer	-	-
Less: Utilised	-	-
Closing Balance	<u>2,316,000</u>	<u>2,316,000</u>
4 Surplus (Profit & Loss Account)		
Opening Balance	21,430,593	18,245,150
Add: Net Profit/(Loss) for the yer Current Year	2,114,420	3,185,443
Closing Balance	<u>23,545,012</u>	<u>21,430,593</u>
TOTAL (1 to 4)	<u>51,737,360</u>	<u>49,622,941</u>

**Notes on Consolidated Financial Statements**

Amount in ₹

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 4		
NON-CURRENT LIABILITIES		
(i) Long Term Borrowings:		
Secured:		
Term Loans from banks		
- Rupee Loan (Refer Note No. a, b and c)	46,615,528	40,240,252
- Vehicle Loans	39,066	120,884
Unsecured:		
- Loans from Directors	900,000	900,000
- Loans from Others	6,811,200	7,815,975
TOTAL	54,365,794	49,077,111

Notes :

- a) The term loan from Indian Overseas Bank, Bhimavaram Branch, is secured against the Lease Rentals receivable on the buildings let out to Sri Vishnu Educational Society, Bhimavaram. Further they are secured by equitable mortgage on land and building situated at Bhimavaram. Sri K.V.Vishnu Raju, Chairman of the Company in his personal capacity and Sri Vishnu Educational Society stood as guarantors for the said loan.
- b) **Terms of Repayment**
Loans taken from Indian Overseas Bank is repayable in 81 Equated Monthly Installment of ₹7,49,696/- each commencing from April 2011; Interest @13.25%
- c) In case of Subsidiary Company M/s Sai Aditya Foods and Retail Private, the term loans are from Indian Bank, Daba Gardens Branch, Visakhapatnam is secured and equitable mortgage against the land and buildings of the Company as well as one of the Director situated at visakhapatnam.

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 5		
DEFERRED TAX LIABILITES (NET)		
(a) Deferred Tax Liability comprises of following		
Fixed Assets (Depreciation)	10,770,638	9,772,937
(b) Deferred Tax Assets comprises of following		
Unabsorbed Depreciation	4,051,985	3,793,132
TOTAL NET (a-b)	6,718,653	5,979,805

Note No.6**OTHER LONG TERM LIABILITIES**

Sundry Creditors - Capital Purchases	4,689,940	-
Other Liabilities	-	-
TOTAL	4,689,940	-

Notes on Consolidated Financial Statements

Amount in ₹

Particulars	As at 31.03.2012	As at 31.03.2011
Note No.7 LONG TERM PROVISIONS		
Provision for Taxation	447,166	880,331
TOTAL	447,166	880,331
Note No. 8 SHORT-TERM BORROWINGS		
Secured		
- Working Capital Loans (Refer Note 1)	15,146,346	12,820,700
Unsecured		
- Others	11,045	585,203
- Related Parties	11,302,500	217,544
TOTAL	26,459,891	13,623,447
Note:		
Cash Credit facility with Indian Bank, Main Branch, Visakhapatnam is secured by hypothecation of stocks of Raw Materials, finished goods and book debts and personal guarantee of Director		
Note No. 9 TRADE PAYABLES		
- Dues to Micro and Small Enterprises	-	-
- Suppliers	7,923,235	5,777,935
TOTAL	7,923,235	5,777,935
Note:		
Out of the Said amount of ₹Nil pertains to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 on the information available with the Company		
Note No.10 OTHER CURRENT LIABILITIES		
Current Secured maturities of long term debts	9,877,935	7,592,661
Unclaimed Matured Deposits	61,780	61,780
Other Liabilities	4,286,970	2,691,614
TOTAL	14,226,685	10,346,055
Note No. 11 SHORT TERM PROVISIONS		
Provision for Income Tax	601,062	442,500
TOTAL	601,062	442,500



Notes on Consolidated Financial Statements

Note No.12

FIXED ASSETS

Amount in ₹

Sl. No.	Particulars	Gross Block			Accumulated Depreciation			Net Block		
		As at 01.04.2011	Additions	Adjustments	As at 31.03.2012	As at 01.04.2011	for the year	Adjustments	As at 31.03.2012	As at 31.03.2011
I	Tangible Assets									
1	Land	13,109,470	6,717,000	-	19,826,470	-	-	-	19,826,470	13,109,470
2	Building	87,370,262	20,499,194	-	107,869,456	12,939,566	2,119,758	-	92,810,132	74,430,696
3	Plant and Machinery	19,154,555	7,339,918	-	26,494,473	10,438,072	1,268,309	-	11,706,381	8,716,483
4	Furnitures & Fixtures	13,807,397	825,638	378,449	14,254,586	6,590,537	723,721	378,449	6,935,809	7,216,860
5	Vehicles	2,578,114	-	-	2,578,114	1,837,641	156,734	-	1,994,375	740,473
6	Office Equipment	240,873	-	240,873	-	240,873	-	240,873	-	-
7	Computer	1,739,448	300,841	268,183	1,772,106	1,561,084	96,305	268,183	1,389,206	178,364
8	Air Conditioner	27,930	-	27,930	-	27,930	-	27,930	-	-
9	Wooden Partitions	222,883	-	222,883	-	222,883	-	222,883	-	-
10	Electrical Equipment	38,777	-	-	38,777	36,838	691	-	37,529	1,939
	TOTAL	138,289,709	35,682,591	1,138,318	172,833,982	33,895,424	4,365,518	1,138,318	37,122,624	104,394,285
	Previous Year	88,126,534	-	-	88,123,534	10,452,614	1,270,002	-	11,722,616	77,673,920

Note:

Buildings situated at Bhimavaram, W.G.District are constructed on a land belonging to Sri Vishnu Educational Society, a society registered under the Public Registration Societies Act, 1860.

Notes on Consolidated Financial Statements Amount in ₹

Particulars	As at 31.03.2012	As at 31.03.2011
Note No: 13		
NON CURRENT INVESTMENT		
Other Investments - Quoted - Non traded		
Investment in Equity Instrument		
M/s. Regency Ceramics Limited 100 (Previous Year 100) equity shares of ₹10/- each	1,789	1,789
M/s. Andhra Pradesh Steels Limited 10,200 (Previous Year 10,200) equity shares of ₹10/- each	1	1
M/s. Spardeck Ceramics Limited 50 (Previous Year 50) equity shares of ₹10/- each	3,950	3,950
Investments in Government or Trust Securities		
Government Securities - 14% Loan 2006	100,000	100,000
Investment in Mutual Funds - Traded		
- In Morgan Stanely 5000 (Previous Year 5000) units of ₹10/- each	50,000	50,000
TOTAL	155,740	155,740
Aggregate amount of Quoted Investments	5,740	5,740
Aggregate Market Value of Quoted Investments	646	646
Aggregate Market Value of Mutual Funds	275,000	255,000
Note No. 14		
LONG TERMS LOANS AND ADVANCES		
Unsecured, Considered Good		
Capital Advances	5,000,000	-
Other Loans and Advances		
Advance tax (Net off)	1,497,180	1,497,180
TDS Receivables	1,615,794	1,594,242
Unsecured, Considered Doubtful		
Other Loans and Advances	286,828	286,828
Sub Total	8,399,802	3,378,250
Less: Provision for Doubtful other loans and advances	286,828	286,828
TOTAL	8,112,974	3,091,422

**Notes on Consolidated Financial Statements** Amount in ₹

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 15		
INVENTORIES		
Raw and Packing Materials	4,252,164	4,135,760
Finished Goods	8,840,918	7,700,458
TOTAL	13,093,082	11,836,218
Note No. 16		
TRADE RECEIVABLES		
Unsecured - Considered Good	5,937,397	6,606,697
Outstanding from More than Six Months	-	-
TOTAL	5,937,397	6,606,697
Note No. 17		
CASH AND CASH EQUIVALENTS		
Cash-in-Hand		
Cash Balance	1,367,366	1,254,768
Sub Total (A)	1,367,366	1,254,768
Bank Balance		
In Current Accounts	224,713	647,660
In Unclaimed Deposits - Escrow A/c (Refer Note)	66,780	66,780
Sub Total (B)	291,493	714,440
TOTAL [A to B]	1,658,859	1,969,208

Note:

Section 205 of the Companies Act, 1956 mandates that companies transfer dividend/deposits that has been unclaimed for a period of seven years from unpaid dividend/deposit account to the Investor Education and Protection Fund (IEPF). Accordingly, if dividend/deposit is unclaimed for a period of seven years, it will be transferred to IEPF.

Note No. 18**SHORT TERMS LOANS AND ADVANCES**

Capital Advances	29,214,045	-
Other Loans and Advances		
Advance to Related Parties	24,688	32,082,054
Advances to Employees	3,577,462	2,221,782
Other Advances	4,397,010	6,120,105
Advances to Suppliers	2,566,521	1,198,532
TOTAL	39,779,726	41,622,473

Notes on Consolidated Financial Statements Amount in ₹

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 19		
OTHER INCOME		
Interest on Loans	215,519	605,909
Others	12,418,608	11,212,927
TOTAL	12,634,127	11,818,836
Note No. 20		
Cost of Materials Consumed		
Raw and Packing Materials	41,733,559	40,119,824
TOTAL	41,733,559	40,119,824
Note No. 21		
CHANGES IN INVENTORIES		
Opening	7,700,458	6,407,415
Closing	8,840,918	7,700,458
TOTAL	(1,140,460)	(1,293,043)
Note No. 22		
EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	16,859,440	15,996,410
Contribution to Provident Fund and Other Funds	1,117,984	933,963
Workman and Staff Welfare Expenses	70,010	208,274
TOTAL	18,047,434	17,138,647
Note No. 23		
Financial Cost		
Interest Expenses		
(a) Interest on Term loan	6,417,811	3,317,722
(b) Interest on Term loan	1,857,183	1,449,137
(c) Interest on Other loans	245,194	133,861
(d) Bank Charges	116,099	590,833
TOTAL	8,636,287	5,491,553



Notes on Consolidated Financial Statements

Amount in ₹

Particulars	As at 31.03.2012	As at 31.03.2011
Note No. 24		
OTHER EXPENSES		
Advertisement and Publicity	203,835	186,973
Auditors Remuneration		
for Audit Fees	84,270	80,025
For Tax Audit Fees	16,854	16,545
for Certification Fee	33,399	33,090
for Out of Pocket Expenses	40,014	32,690
Books and Periodicals	9,900	-
General Expenses	363,100	412,007
Insurance	57,957	53,593
Licence and Fees	54,271	-
Listing Fee, Board and General Meeting Expenses	2,000	316,786
Printing and Stationery Expenses	319,299	390,701
Professional Charges	130,142	267,380
Rent Rates and Taxes	4,931,203	4,362,302
Telephone, Postage and Telegram	328,578	360,952
Travelling Expenses	107,700	274,910
Transport Charges	302,566	353,387
Electricity Charges	2,900,140	2,814,786
Repairs and Maintenance		
Equipment and Fuel	3,525,798	3,348,039
ShowRoom Maintenance	767,986	995,100
Generator Maintenance	180,608	184,185
Vehicle/Car Maintenance	1,199,154	1,115,649
Sales Commission	253,965	122,115
Business Promotion Expenses	124,412	138,161
Car Hire Charges	185,034	207,449
Security Charges	410,785	387,781
Office and Factory Maintenance	201,727	206,446
TOTAL	16,734,697	16,661,052

CONSOLIDATED NOTES ON ACCOUNTS:

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

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

26. In respect of Subsidiary Company Fixed Assets comprising of 44.64% of total Consolidated Fixed Assets have been depreciated on written down value method as against the straight line method followed by the Holding Company.

27. Estimated amount of contracts, remaining to be executed on Capital account and not provided for (net of advances) ₹ Nil (Previous year ₹ Nil).

28. CONTINGENT LIABILITIES NOT PROVIDED FOR:

- i) Disputed Income Tax demands for the years 1998-99 amounting to ₹6.80 lakhs (previous year ₹ 6.80 lakhs).
- ii) Disputed Income Tax Liability for A.Y.2004-05 ₹9.78 towards lease income from buildings in respect of which the company has filed an appeal with Commissioner Income Tax (Appeals).

29. Buildings situated at Bhimavaram, W.G.District are constructed on a land belonging to Sri Vishnu Educational Society, a society registered under the Public Registration Societies Act, 1860.

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

b) In the books of Subsidiary the term loan is secured on the whole of the various items of Machinery & Interior Wood work etc., by a deed of Hypothecation with Indian Bank, Dabagardens Branch, Visakhapatnam. The cash credit facility extended by Indian Bank, Dabagardens Branch, Visakhapatnam is secured by a charge on all inventories (Stocks & Goods) in favour of Indian Bank, Visakhapatnam.

31. Aggregated Related Party Disclosures**Related Parties**

Enterprises owned or significantly influenced by Key Management personnel or relatives

- Anjani Portland Cement Limited
- Sri Vishnu Educational Society
- Dr.B.V.Raju Foundation

Key Management Personnel

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

Following are the transactions with related parties during the year ended 31.03.2012.

Particulars	Key Managerial Personnel	Relatives of the key Managerial Personnel	Enterprises of Key Managerial Personnel
Rentals received from Sri Vishnu Educational Society	-	-	1,03,65,600 <i>82,90,642</i>
Interest on Loan received from Anjani Portland Cement Limited	-	-	2,15,519 <i>6,05,098</i>
Anjani Portland Cement Limited-Unsecured loan	-	-	Nil <i>16,34,401 (Dr)</i>
Sri Vishnu Educational Society	-	-	1,06,52,502(Cr) <i>302,32,826(Dr)</i>
Dr.B.V.Raju Foundation	-	-	6,50,000 (Cr) <i>1,50,000 (Cr)</i>

Figures in italics represent previous year's figures

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

33. Statutory Auditors remuneration:

Particulars	2011-12	2010-11
Audit Fee	33,708	33,090
Taxation and Others	33,708	33,090
Certifications Fees	20,332	Nil
Out of Pocket Expenses	10,000	10,000
TOTAL	97,748	76,180

34. Deferred Tax Asset/Liability:

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

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

Particulars	As at 31.03.2012	As at 31.03.2011
a) Deferred Tax Asset - (Unabsorbed Losses)	40,51,985	37,93,132
b) Deferred Tax Liability - (Depreciation)	1,07,70,638	97,72,937
c) Net Deferred Tax Liability/(Asset) (b-a)	67,18,653	59,79,805

35. Earnings per share:

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
a) Consolidated Profit/(Loss)	21,14,420	31,85,443
b) Weighted average No. Of shares	40,00,000	40,00,000
c) Earnings per share - Basic	₹0.53	₹0.80
- Diluted	₹0.53	₹0.80

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

As per our report of even date attached
for **M.BHASKARA RAO & CO.,**
CHARTERED ACCOUNTANTS

for and on behalf of Board

V.Raghunandan
Partner
Membership No. : 26255

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

Place: Hyderabad
Date : 14.08.2012



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

Sl. No.	Details	Raasi Enterprises Limited - Holding Company	Sai Aditya Foods and Retail Private Limited	Consolidated Total
a)	Capital	39,880,401	-	39,880,401
b)	Reserves	44,909,287	4,871,025	49,780,312
c)	Minority Interest			5,530,302
d)	Deferred Tax - Liability	6,134,858	583,795	6,718,653
e)	Total Assets	75,127,696	60,583,662	135,711,358
f)	Total Liabilities	49,790,434	66,584,516	116,374,950
g)	Details of Investments (except in case of investments in subsidiaries)	- 155,740	- -	- 155,740
h)	Goodwill	-	-	8,131,353
i)	Turnover	10,582,172	132,096,683	142,678,855
j)	Profit before Taxation	511,638	3,795,689	4,307,327
k)	Provision for Taxation	252,545	1,286,795	1,539,340
l)	Profit after Tax	259,093	2,508,894	2,767,987
m)	Proposed Dividend	-	-	-

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

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

for and on behalf of the Board

Place : Hyderabad
Date : 14.08.2012

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

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

Name of the Subsidiary Company	Sai Aditya Foods and Retail Private Limited
01. The Financial Year of the Subsidiary Company ended on	31.03.2012
02. Date from which they become Subsidiary Company	01.04.2005
03. a. Number of Shares held by Raasi Enterprises Limited with its nominee in the Subsidiary at the end of the financial year of the Subsidiary Company.	1,20,946 equity shares of 100/- each Fully Paid Up
b. Extent interest of Holdings Company at the end of Financial Year of the Subsidiary Company	73.95%
04. The net aggregate amount of the Subsidiary Company Profit /(Loss) so far as it concerns the members of the Holding Company	
A. Not dealt with in the Holding Company Accounts for the Financial Year ended 31st March 2012	₹18,56,067
For the previous financial years of the Subsidiary Company since it became the Holding Company's subsidiary	₹49,69,148
B. Dealt with in Holding Company's Accounts for the financial year ended 31st March 2012	-
For the previous financial years of the Subsidiary Company since it became the Holding Company's subsidiary	-



Raasi Enterprises Limited

Vishnupur, Bhimavaram - 534 202, W.G. District.

Folio : _____

No of Shares held : _____

FORM OF PROXY

I/We _____ Of _____ in the district Of _____ being a Member/Members of the Above named Company, hereby appoint Sri/Smt. _____ of _____ in the district of _____ or failing him /her/Sri/Smt. _____ of _____ in the district of _____ as my/our Proxy in vote for me/us and on my/our behalf at the Twenty Eighth Annual General Meeting of the Company, to be held on 29th September 2012 at 10.30 AM and at any adjournment thereof.

Signed this _____ day of _____ 2012.

Signature of the Proxy
Attested

Signature

Affix
Stamp of
30 ps

Signature of the Member

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



Raasi Enterprises Limited

Vishnupur, Bhimavaram - 534 202, W.G. District.

Folio : _____

No of Shares held : _____

I hereby record my presence at the Twenty Eighth Annual General Meeting of Raasi Enterprises Limited at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District, on 29th September 2012 at 10.30 A.M.

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

- To be filled in if the Proxy attends instead of the Member



**Printed Matter
Book - Post**



If undelivered, Please return to:

Raasi Enterprises Limited

Registered Office: Vishnupur,
Durgapur, Garagaparru Road,
Bhimavaram-534 202, W.G. District, A.P.