



Raasi Enterprises Limited



**29TH
ANNUAL REPORT
2012 - 2013**

CORPORATE INFORMATION**BOARD OF DIRECTORS**

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

AUDITORS

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

BANKERS

Indian Bank
Indian Overseas Bank
Punjab National Bank

**REGISTRARS AND
SHARE TRANSFER AGENTS**

M/s. 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

LISTING

The Bombay Stock Exchange

ANNUAL GENERAL MEETING

Date: 31st August 2013,
Time: 11.00 AM
Venue: Administrative Building, Dr.B.V.Raju Foundation,
Vishnupur, Bhimavaram, W.G.District

REGISTERED OFFICE

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

Message to the Shareholders

Dear Shareholders

Subject: Green Initiative – Electronic Mode of Service of Notices / Documents

The Ministry of Corporate Affairs, Government of India has taken, "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. As per the recent circular no.17/2011 dated 21.04.2011 and Circular No.18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs, Companies can now send notices and documents, including annual report, to its shareholders through electronic mode to the registered e-mail address of shareholders. If Company sends communication through email, it will be in compliance with the Section 53 of the Companies Act, 1956. Your Company supports and welcomes this laudable initiative of the Government for e-communication. The Company is sure that shareholders too as responsible citizens of country will support this initiative by registering themselves with the Company for e-communication.

It is a welcome for the large society, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a Greener Environment. This is a Golden Opportunity for every shareholder of Raasi Enterprises Limited to contribute to the Corporate Social Initiative of the Company. You will be able to receive communications promptly and without loss in transit.

It is proposed that henceforth documents like Notices of Meetings, Annual Reports, Directors' Report, Auditors' Report and other Shareholders' Communications be sent electronically through email to the email addresses provided to Depository viz. NSDL/CDSL or to the Registrars and Transfer Agents.

We are sure that you would appreciate the "Green Initiative" taken by MCA and your Company's desire to participate in such initiatives.

You are requested to kindly update your email ID with DP with whom you have your demat account or to the Registrars and Transfer Agents (Shareholders holding the shares in the Physical Form) as and when there is a change in your email address.

Thanking you

Yours faithfully
For RAASI ENTERPRISES LIMITED

K.V.Vishnu Raju
Chairman

NOTICE

Notice is hereby given that the **Twenty Ninth** Annual General Meeting of the members of the Company will be held on 31st August 2013 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 2013 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 P.V.R.L. Narasimha Raju, Director who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Sri S.Ram Kumar, Director who retires by rotation and being eligible offers himself for re-appointment.
4. 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:

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

"Resolved that pursuant to the provisions of sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of 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 and subject to the approval of the Central Government (if required), and subject to such approvals as may be required being read with the applicable provisions of Articles of Association of the company, the consent of the company be and is hereby accorded for the re-appointment of Mr. R.Ravichandran as whole-time director (Independent) of the company for the period from 01st November 2012 to 31st October 2015 with a remuneration to the extent of Rs.15,00,000/- per annum including basic, perquisites, commission and other benefits.

"FURTHER RESOLVED THAT in case of absence or inadequacy of profits during any financial year during the tenure of office of Shri R.Ravichandran, Wholetime 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 Notifications of MCA vide GSR No.534(E) dated 14th July 2011.

"Further Resolved that the Board of Directors of the company be and is hereby authorised and empowered to make such improvements in the terms of remuneration to Mr. R.Ravichandran as may become permissible under and by any amendments to schedule XIII of the Companies Act, 1956 or by way of any Government guidelines or instructions, the intention being that no further approval of the Company will be required so long as remuneration of the whole-time director is not in excess of the maximum permissible under relevant law, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this meeting."

For Raasi Enterprises Limited

Place : Hyderabad
Date : 28.05.2013

K.V.Vishnu Raju
Chairman



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 29th 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 29th 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 27th August 2013 to 31st August 2013 (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 31.03.2013
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 are 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 5: Re-Appointment of Mr.R.Ravichandran as Wholetime Director of the Company

The present term of Mr.R.Ravichandran was valid upto 31st October 2012. The Board of Directors in its meeting held on 14th August 2012 re-appointed the term of Mr. R.Ravichandran, whole-time Director, upto 31st October 2015.

Approval of the Members by way of special resolution is sought at this Annual General Meeting for the extension of services of Mr. R.Ravichandran on terms as set out in the text of the resolution.

This statement read along with the resolution may be deemed as an abstract of the terms of extension in services of Mr. R.Ravichandran as Whole-time Director, to be sent to the Members of the Company in terms of section 302 of the Companies Act, 1956.

- | | |
|------------------------------------|---|
| 1. General Information | : The Company has commenced its operations. |
| 2. Information about the appointee | : He is IIM Ahmadabad and expert in Accounts and Information Technology |
| 3 Other Information | : The Company is planning to acquire a construction company to do more business |
| 4. Disclosure | : It is proposed to pay a remuneration of Rs.15,00,000/- p.a |

None of the Directors of the Company is interested in the resolution except Mr. R.Ravichandran, whose services are proposed to be re-appointed as a Whole-time Director.

By order of the Board

Place : Hyderabad
Date : 28.05.2013

K.V.Vishnu Raju
Chairman

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

None of the Directors of the Company is interested in the resolution except Mr. R.Ravichandran, whose services are proposed to be re-appointed as a Whole-time Director.

| | |
|--|--------------------------------|
| Name | R.Ravichandran |
| Age | : 50 Years |
| Qualification | : IIM - Calcutta |
| Expertise | : Finance |
| Other Directorships | : 02 |
| Shareholding in the Company | : Nil |
| Name | S.Ram Kumar |
| Age | : 62 Years |
| Qualification | : B.Com, IICA - Banking |
| Expertise | : Finance |
| Other Directorships | : 02 |
| Shareholding in the Company | : Nil |
| Name | P.V.R.L. Narasimha Raju |
| Age | : 49 Years |
| Qualification | : B.Com |
| Expertise | : Industrialist |
| Other Directorships | : 05 |
| Shareholding in the Company (No of shares) | : 800 |

DIRECTORS' REPORT

The Members of
M/s. Raasi Enterprises Limited

The Directors have pleasure in presenting the 29th Annual Report of the Company together with audited Annual Accounts for the year ended 31st March 2013.

Financial results

(` in lakhs)

| Particulars | Consolidated | | Standalone | |
|--|--------------|------------|------------|------------|
| | Year ended | | Year ended | |
| | 31-03-2013 | 31-03-2012 | 31-03-2013 | 31-03-2012 |
| Total income | 1649.45 | 1426.78 | 110.35 | 105.82 |
| Operating profit before interest, depreciation and tax | 181.09 | 173.09 | 72.91 | 75.92 |
| Interest and financial charges | 105.47 | 86.36 | 56.85 | 58.04 |
| Depreciation | 53.57 | 43.66 | 12.50 | 12.76 |
| Profit before taxation | 22.32 | 43.07 | 3.56 | 5.12 |
| Provisions for taxation | 20.39 | 15.39 | 33.94 | 2.53 |
| Profit after taxation | 42.72 | 27.68 | 37.50 | 2.59 |
| Less: Minority interest | 1.36 | 6.54 | - | - |
| Transfer to General Reserves | - | - | - | - |
| Provision for dividend | - | - | - | - |
| Provision for dividend tax | - | - | - | - |
| Surplus carried to Balance Sheet | 41.36 | 21.14 | 37.50 | 2.59 |

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 Rs. 13.00 Crs to Rs.16.49 Crs giving us a strong 27% 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 Rs.4,00,00,000/- (Rupees Four Crore only) as on 31st March, 2013.

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 and exemption to Companies from complying with Section 212, provided such Companies publish the audited consolidated financial statements in the Annual Report. Accordingly, the Annual Report 2012-13 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. P.V.R.L.Narasimha Raju and Sri. S.Ram Kumar 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 29th 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 29th 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, 2013 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, 2013 and of the loss of the Company for that year.
3. The proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts for the year ended 31st March 2013, 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.

CERTIFICATE

The Company has obtained a compliance certificate in accordance with the provisions of Section 383A of the Companies Act, 1956. The certificate is attached there to.

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 : 28.05.2013

K.V.Vishnu Raju
Chairman



Compliance Certificate

CIN: L65910AP1983PLC004005

Nominal Capital: Rs.5,00,00,000/-

To

The Members

M/s. Raasi Enterprises Limited

Hyderabad, Andhra Pradesh.

1. I, have examined the registers, records, books and papers of **M/s. RAASI ENTERPRISES LIMITED** ("the Company") as required to be maintained under the Companies Act, 1956 ("the Act") and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the period ended on **31st March, 2013** (i.e. from **1st April, 2012 to 31st March, 2013**). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:
2. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this Certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
3. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies, Andhra Pradesh as required under the Act and the rules made there under.
4. The Company being a public limited and Listed company, comments with respect to maximum number of members, subscription of Shares and acceptance of deposits are not required.
5. The Board of Directors duly met 5 (Five) times on 14th May 2012, 14th August 2012, 15th November 2012, 15th December 2012 and 13th February 2013. In respect of which meetings proper notices were given, the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
6. The Company has closed its register of members on 25th September 2012 to 29th September 2012 during the financial year under review.
7. The Annual General Meeting for the Financial year ended on 31st March, 2012 was held on 29th September, 2012 after giving due notice to the members of the Company and other concerned and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
8. No Extra-ordinary General Meeting was held during the financial year under review.
9. The Company has advanced loans to its subsidiary company under section 295 of the Act.
10. The Company has not entered into any contracts during the year to which the provision of Section 297 of the Act applies.
11. The Company has made necessary entries in the register maintained under Section 301 of the Act.
12. As there are no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
13. The Company has not issued any duplicate share certificates during the financial year under review.
14. (i) There was no allotment / transmission of securities during the financial year however the Company has converted few of its partly paid shares into fully-paid Shares.

There were few Share Transfers. With respect to it the Registrar of Share Transfer Agent has complied with the provisions of the Act.

(ii) The Company has not deposited any amount in a separate bank Account as no dividend was declared during the financial year.

- (ii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
- (iii) duly complied with the requirement of Section 217 of the Act.
15. The Board of Directors of the Company is duly constituted.
 16. The Company has reappointed the Whole-time director but not any Managing Director / Manager during the financial year.
 17. The Company has not appointed any sole-selling agents during the year
 18. The Company has not obtained any approvals from the Central Government, Company Law Board, Regional Director, Registrar of Companies during the financial year under review.
 19. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 20. The Company has not issued any Shares, Debentures or other securities during the financial year but has converted few of its partly paid Shares into fully paid Shares.
 21. The Company has not bought back any shares during the financial year.
 22. The Company does not have any Preference Shares or Debentures; hence there was no redemption of Preference Shares or Debentures during the year.
 23. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 24. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
 25. The Company has not made any borrowings during the financial year.
 26. The Company has not made any loans or advances or given guarantees to body corporate and consequently no entries have been made in the register except for the purpose.
 27. The Company has not altered the provisions of the Memorandum with respect to situation of Company's Registered Office from one State to another during the year under scrutiny.
 28. The Company has altered the provisions of the Memorandum with respect to objects of the Company by way of Postal Ballot including the resolution under section 293(1)(a) during the Financial Year.
 29. The Company has not altered the provisions of the Memorandum with respect to the name of the Company.
 30. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the financial year under scrutiny.
 31. The Company has not altered its Articles of Association during the financial year.
 32. There were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
 33. The Company has not received any money as security from its employees during the financial year.
 34. The Company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

For **C K Burma & Co.**
Company Secretaries

Place: Hyderabad
Date: 28th May 2013

C.K. BURMA
Proprietor
CP No.9566

Annexure - A

Registers as maintained by the Company

1. Register of Charges u/s. 143.
2. Register of Members u/s 150.
3. Minutes Book of Meeting of Directors u/s 193.
4. Minutes Book of proceedings of General Meetings u/s 193.
5. Register of Particulars in which Directors are interested under Section 301(3).
6. Register of Directors, Managing Director, Manager u/s. 303.
7. Register of Directors' Shareholdings u/s. 307.

Annexure - B

Forms and Returns as filed by the Company with the Registrar of Companies, Andhra Pradesh, Hyderabad during the financial year ending 31st March, 2012.

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, inturn 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 in the process of expanding its construction activities by constructing residential apartments, commercial complexes and various construction activities.

| Sl. No | Form No./ Return | Status of Filing | SRN | Under Section | Event |
|--------|----------------------|------------------|-----------|---------------|--|
| 1. | Form-23AC &ACA XBRL) | Filed | Q09112707 | 220 | Balance Sheet, Profit & Loss Account for the financial year ended on 31st March, 2012. |
| 2. | Form- 20B | Filed | Q05593124 | 159 | Annual Return for the AGM: held on 29th September, 2012. |
| 3. | Form - 23 | Filed | B60688959 | 192, 309 | Revision of remuneration and Permanent Directorship |
| 4. | Form - 62 | Filed | B64338122 | 192A | Intimation to Registrar of Companies with regard calendar of events of Postal Ballot |
| 5. | Form - 23 | Filed | B68812700 | 192 | Filing of Special Resolution passed through Postal Ballot |
| 6. | Form - 66 | Filed | Q09099615 | 383A | Compliance Certificate for the financial year 2011-12 |

For C K Burma & Co.
Company Secretaries

Place: Hyderabad
Date: 28th May 2013

C.K. BURMA
Proprietor
CP No.9566

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 acquired a food industry as a subsidiary company with stake of 73.95%.

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 Rs.1649.45 lakhs as against Rs.1300.45 lakhs in the previous year.

The consolidated net profit/(loss) for the year was Rs.42.72 lakhs against Rs.27.68 lakhs. The Current Year change is due to excess provision reversal in the last year.

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 in the process of expanding its construction activities by constructing residential apartments, commercial complexes and various construction activities.

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.

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- The Board's overall responsibility;
- Regularly, reviewed for its effectiveness by both the Board and Audit Committee
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Material Development in Human Resources / Industrial Relations:

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

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Cautionary Statement:

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

CORPORATE GOVERNANCE REPORT
COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

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

BOARD OF DIRECTORS:

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

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

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

| S.No. | Name of the | DirectorCategory |
|-------|-------------------------------|-------------------------------|
| 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 as mentioned above.

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, 2013 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 2012-13, the Board of Directors met Five times in the following dates. 14th May 2012, 14th August 2012, 15th November 2012, 15th December 2012 and 13th February 2013.

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 | 05 | 06 | 01 | Nil | Yes |
| 02. | Sri R.Ravi Chandran | 05 | 02 | Nil | Nil | Yes |
| 03. | Sri P.V.R.L.Narasimha Raju | 05 | 05 | 01 | Nil | No |
| 04. | Sri S.Ram Kumar | 05 | 01 | Nil | Nil | Yes |
| 05. | Sri K.Hari Babu | 05 | 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 2012, 14th August 2012, 15th November 2012 and 13th February 2013. The necessary quorum was present for all the meetings.

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

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

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

Sri S. Ram Kumar, Chairman of the Audit Committee had attended the previous 28th 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 2012 to 31st March 2013 the Remuneration Committee met twice on 14th August 2012, 13th February 2013 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, 2012-13, 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 |
|-------------|--|---------------------|----------|
| 2009 - 2010 | Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District | 25th September 2010 | 10.30 AM |
| 2010 - 2011 | Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District | 26th September 2011 | 10.30 AM |
| 2011- 2012 | Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District | 29th September 2012 | 10.30 AM |

POSTAL BALLOT

As per Postal Ballot Rules, 2001 and 2011, Shri Champak Kesari Burma, Company Secretary in Practice has conducted postal Ballot to pass the following resolutions:

01. ALTERATION OF OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION. (Special Resolution)

"2. To carry on the businesses of bakers, confectioners, manufacturers, distributors and sellers of bread, biscuits, crackers, cookies, cakes, pastries and other bakery products, ice creams, beverages, aerated drinks, aerated and artificial water, milk and milk products, sweets, frozen desserts, processed food and frozen food, blenders, bottles, coffee shop, and fast food joint proprietors, cake shop proprietors, milk and snackbar proprietors, ice cream merchants, sweetmeat merchants, refreshment contractors and caterers, supermarkets, retail shops, showrooms, wholesale markets, departmental stores, retail shops whatsoever and other food products in India or in any other part of the world."
02. DISPOSAL OF SOME OF THE ASSETS (Ordinary Resolution):

"RESOLVED THAT pursuant to the provisions of section 293(1)(a) and other applicable provisions, if any, of the Companies Act 1956, the consent of the Company be and is hereby accorded to sell off company's some of the fixed assets (buildings) which are in the name of the Company to M/s. Sri Vishnu Educational Society, owner of the land in which the buildings were constructed at a fair market value and free from all encumbrances and on the terms and conditions as may be set out by the Board of Directors from time to time.

There are no such proposals at present to pass any resolution to be passed through Postal Ballot.

The Company has followed the procedures of the provisions of Postal Ballot Rules 2001 and 2011 and will follow the procedures in future.

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 newspapers 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-Ninth Annual General Meeting ("the AGM") of the Company will be held on 31st August 2013 at 10.30 AM at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District, Andhra Pradesh.

b) Financial Calendar 2013-2014

(Tentative Schedule)

Annual General Meeting for the financial

Year ending on 31st March, 2014

: before the end of September, 2014

Approval of quarterly results for the

Quarter ending on

June 2013

: before the end of 15th August, 2013

September 30, 2013

: before the end of 15th November, 2013

December 31, 2013

: before the end of 15th February, 2014

March 31, 2014

: before the end of 30th May, 2014

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 41of the Listing Agreement.

c) Dates of Book Closure:

The Register of Members and share transfer books will remain closed from the 27th August 2013 to 31st August 2013 (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: Apr 2012 to March 2013

| Month | Open | High | Low | Close | No. of Shares | No. of Trades | Total Turnover | Deliverable Quantity | % Deli. Qty to Traded Qty | * Spread H-L | C-O |
|--------|-------|-------|-------|-------|---------------|---------------|----------------|----------------------|---------------------------|--------------|------|
| Apr 12 | 15.00 | 15.00 | 15.00 | 15.00 | 100 | 1 | 1,500 | 100 | 100.00 | 0.00 | 0.00 |
| May 12 | 15.75 | 15.75 | 15.75 | 15.75 | 500 | 2 | 7,875 | 500 | 100.00 | 0.00 | 0.00 |
| Aug 12 | 16.25 | 16.25 | 16.25 | 16.25 | 5 | 5 | 81 | 5 | 100.00 | 0.00 | 0.00 |
| Sep 12 | 15.45 | 15.45 | 12.35 | 12.35 | 420 | 14 | 6,003 | 420 | 100.00 | 3.10 | 3.10 |
| Oct 12 | 11.75 | 11.75 | 10.00 | 10.00 | 771 | 18 | 8,261 | 771 | 100.00 | 1.75 | 1.75 |
| Dec 12 | 10.50 | 11.02 | 10.50 | 11.02 | 200 | 3 | 2,152 | 200 | 100.00 | 0.52 | 0.52 |
| Jan 13 | 11.57 | 14.03 | 11.57 | 12.50 | 515 | 14 | 6,460 | 515 | 100.00 | 2.46 | 0.93 |
| Feb 13 | 12.50 | 12.50 | 12.50 | 12.50 | 10 | 1 | 125 | 10 | 100.00 | 0.00 | 0.00 |

* Spread, H-L : High-Low, C-O : Close-Open

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): 23420818.

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 2013 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): 23420818

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 29th 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 29th Annual Report shall be sent by post to those members who make a specific request for physical copy.

By order of the Board

Place : Hyderabad
Date : 28.05.2013

K.V. Vishnu Raju
Chairman

DECLARATION ON CODE OF CONDUCT

This is to inform you that the Board has laid down a Code of Conduct for all Directors and Senior Management Personnel of the Company. It is further confirmed that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March 2013 as envisaged in clause 49 of the Listing Agreement with Stock Exchanges.

By order of the Board

Place : Hyderabad
Date : 28.05.2013

K.V.Vishnu Raju
Chairman

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: 28th May 2013

Whole-time Director

Manager Finance

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Raasi Enterprises Limited

We have examined the compliance of conditions of Corporate Governance by Raasi Enterprises Limited for the year ended 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and 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 explanation given to us, and based on our reliance upon the representations made by the directors and management that there were no transactions of material nature with the management or by relatives that may have potential conflict with the interest of the company at large.

The Share Transfer Agent of the company has certified the number of complaints received from the investors and the number of complaints resolved during the financial year and that there are no complaints pending as at the yearend as stated under serial no. 5 of the Company's Report on Corporate Governance.

We certify that the company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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
Firm Registration No.004595

Place: Hyderabad
Date: 28th May 2013

V.Raghunandan
Partner
Membership No.26255

M.Bhaskara Rao & Co.,

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To
 For M.Bhaskara Rao & Co.,
 Chartered Accountants
 Raasi Enterprises Limited

Report on Financial Statements

We have audited the accompanying financial statements of Raasi Enterprises Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date. Report on Other Legal and Regulatory Requirements

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

For M.Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No.00459S

Place: Hyderabad
Date: 28th May 2013

V.Raghunandan
Partner
Membership No.26255

Annexure
Re: Raasi Enterprises Limited
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 unsecured loans to two parties covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.447.20 lakhs and year end balance of such loans was Rs.342.37 lakhs.
- (b) According to the information given to us, the terms and conditions of such loan is prima facie not prejudicial to the interest of the Company. 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 unsecured loan from two parties covered in Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 123.02lakhs and year end balance was Rs. 119.52lakhs.
- (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, and based on the representations by the management, there are no transactions that needs to be entered into the register in pursuance of Section 301 of the Companies Act, 1956. Accordingly clause (v) (b) of this order is not applicable to the Company for the current year.

- vi. The company has not accepted any deposits from the public.
- vii. The Company has no internal audit system in vogue.
- viii. (d) 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) 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, 2013 which are outstanding for a period of more than six months from the date they became payable except an amount of Rs. 0.62 lakhs (Previous Year Rs. 0.62 lakhs) towards Investor Education and Protection Fund and an amount Rs.2.27 lakhs towards Tax Deducted at source.
- (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 (Rs. 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 2013. 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.

Notes on Financial Statements

- 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 Registration No.00459S

Place: Hyderabad
Date: 28th May 2013

V.Raghunandan
Partner
Membership No.26255

Balance Sheet as at 31st March 2013

| Particulars | Note No. | Amount in ₹ | |
|---|----------|--------------------|--------------------|
| | | As at 31.03.2013 | As at 31.03.2012 |
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholder's Funds | | | |
| Share Capital | 2 | 39,880,401 | 39,880,401 |
| Reserves and Surplus | 3 | 48,659,298 | 44,909,287 |
| 2 Non-Current Liabilities | | | |
| Long-Term Borrowings | 4 | 62,731,106 | 33,225,321 |
| Deferred Tax Liabilities (Net) | 5 | 2,094,066 | 6,134,858 |
| Other Long Term Liabilities | | - | - |
| Long Term Provisions | 6 | - | 447,166 |
| 3 Current Liabilities | | | |
| Short-Term Borrowings | 7 | - | 11,313,545 |
| Other Current Liabilities | 8 | 2,023,555 | 4,804,402 |
| Short-Term Borrowings | 9 | 67,900 | - |
| TOTAL | | 155,456,326 | 140,714,980 |
| II. ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 10 | 74,154,966 | 75,127,696 |
| Non-current investments | 11 | 17,050,003 | 17,155,740 |
| Long term loans and advances | 12 | 40,695,090 | 8,112,974 |
| Current Assets | | | |
| Cash and cash equivalents | 13 | 380,825 | 192,688 |
| Short-term loans and advances | 14 | 23,175,442 | 40,125,882 |
| TOTAL | | 155,456,326 | 140,714,980 |
| Significant of Accounting Policies and Notes on Financial Statements | 1 to 26 | | |

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 : 28.05.2013

Statement of Profit and Loss for the year ended 31st March 2013 Amount in ₹

| Particulars | Note No. | Year Ended 31.03.2013 | Year Ended 31.03.2012 |
|--|----------|-----------------------|-----------------------|
| I Other Income | 15 | 11,035,134 | 10,582,172 |
| II III. Total Revenue (I +II) | | 11,035,134 | 10,582,172 |
| III EXPENSES: | | | |
| Employee Benefit Expense | 16 | 2,717,225 | 2,217,621 |
| Financial Costs | 17 | 5,684,623 | 5,803,876 |
| Depreciation and Amortization Expense | 10 | 1,249,734 | 1,276,222 |
| Other Expenses | 18 | 1,027,215 | 772,815 |
| Total Expenses (IV) | | 10,678,797 | 10,070,534 |
| IV Profit/(Loss) before exceptional and extraordinary items and tax (III - IV) | | 356,337 | 511,638 |
| V Exceptional Items | | - | - |
| VI Profit/(Loss) before extraordinary items and tax (V - VI) | | 356,337 | 511,638 |
| VII Extraordinary Items | | - | - |
| VIII Profit/(Loss) before tax (VII - VIII) | | 356,337 | 511,638 |
| IX Tax expense: | | | |
| (1) Current tax | | 67,900 | 97,493 |
| (2) Prior Year Taxation | | 579,218 | - |
| (3) Deferred tax | | (4,040,792) | 155,052 |
| X Profit/(Loss) for the period (IX - X) | | 3,750,011 | 259,093 |
| XI Earning per equity share: | | | |
| (1) Basic | | 0.94 | 0.06 |
| (2) Diluted | | 0.94 | 0.06 |
| Significant of Accounting Policies and Notes on Financial Statements | 1 to 26 | | |

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 : 28.05.2013

Cash Flow Statement for the year ended 31st March 2013

Amount in ₹

| Particulars | Year Ended 31.03.2013 | Year Ended 31.03.2012 |
|---|--------------------------|--------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Tax and Extraordinary items: | 356,337 | 511,638 |
| Adjustments for: | | |
| Depreciation on fixed assets | 1,249,734 | 1,276,222 |
| Interest and Finance Charges paid | 5,684,623 | 5,803,876 |
| | 6,934,357 | 7,080,098 |
| Operating Profit before Working Capital Changes | 7,290,694 | 7,591,736 |
| Adjustments for: | | |
| (Increase)/Decrease in Inventories | - | - |
| (Increase)/Decrease in Sundry Receivables | - | - |
| (Increase)/Decrease in Loans and Advances | (15,631,676) | (8,008,060) |
| Increase/(Decrease) in Current Liabilities | (14,026,492) | (11,319,629) |
| | (29,658,168) | (3,311,569) |
| Cash Generated from Operations | (22,367,474) | (10,903,305) |
| Direct Taxes paid | (710,632) | (530,658) |
| Net Cash Flow from Operating Activities | (23,078,106) | (10,372,647) |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (660,654) | - |
| (Increase)/ Decrease in Investment | 105,737 | - |
| Proceeds for sale of asset | - | - |
| Net Cash Flow from Investing Activities | (554,917) | - |
| CASH FLOW FROM FINANCIAL ACTIVITIES | | |
| (Repayment)/ Proceeds from Secured Loans | (29,505,785) | (5,057,751) |
| Interest Paid | (5,684,623) | (5,803,876) |
| Calls In Arrears received | - | 84,045 |
| Net Cash Flow from Financing Activities | (23,821,162) | 10,777,582 |
| NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS | 188,139 | (404,935) |
| Cash and Cash Equivalents as at the commencement for the year | 192,686 | 597,621 |
| Cash and Cash Equivalents as at the close of the year | 380,825 | 192,686 |

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

V.Raghunandan
 Partner
 Membership No. : 26255

K.V.Vishnu Raju
 Chairman

R.Ravichandran
 Wholetime Director

 Place: Hyderabad
 Date : 28.05.2013

for and on behalf of Board

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 31.03.2013 | | As at 31.03.2012 | |
|---|------------------|-------------------|------------------|-------------------|
| | 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 | 120,000 | 119,599 |
| TOTAL | <u>3,880,000</u> | <u>39,880,401</u> | <u>3,880,000</u> | <u>39,880,401</u> |

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

| Share Capital | % of Share holding | As at 31.03.2013 | | % of Share holding | As at 31.03.2012 | |
|-----------------|--------------------|------------------|------------|--------------------|------------------|------------|
| | | Number | Amount | | Number | Amount |
| K.V.Vishnu Raju | 37.01 | 1,480,400 | 14,804,000 | 37.01 | 1,480,400 | 14,804,000 |

| Particulars | As at 31.03.2013 | As at 31.03.2012 |
|---|-------------------|-------------------|
| 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 | 16,716,939 | 16,457,846 |
| Add: Net Profit / (Loss) for the yer Current Year | 3,750,011 | 259,093 |
| Closing Balance | <u>20,466,950</u> | <u>16,716,939</u> |
| Total (a to b) | <u>48,659,298</u> | <u>44,909,287</u> |

Notes on Financial Statements

Amount in ₹

| Particulars | As at 31.03.2013 | As at 31.03.2012 |
|-------------------------------------|---------------------|---------------------|
| 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 |
| - Other Parties | 337,639 | - |
| Unsecured: | | |
| - Loans from Others | 62,393,467 | 1,000,000 |
| TOTAL | 62,731,106 | 33,225,321 |

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. The said loan was closed by 26th March 2013
- 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 31.03.2013 | As at 31.03.2012 |
|---|---------------------|---------------------|
| Note No. 5 | | |
| DEFERRED TAX LIABILITIES (NET) | | |
| (a) Deferred Tax Liability comprises of following | | |
| Fixed Assets (Depreciation) | 6,712,471 | 10,186,843 |
| (b) Deferred Tax Assets comprises of following | | |
| Unabsorbed Depreciation | 4,618,405 | 4,051,985 |
| TOTAL NET (a-b) | 2,094,066 | 6,134,858 |
| Note No.6 | | |
| LONG TERM PROVISIONS | | |
| Provision for Taxation | - | 447,166 |
| TOTAL | - | 447,166 |

Notes on Financial Statements

| Particulars | Amount in ₹ | |
|---|---------------------|---------------------|
| | As at 31.03.2013 | As at 31.03.2012 |
| Note No. 7 | | |
| SHORT-TERM BORROWINGS | | |
| Unsecured | | |
| - Others | - | 11,045 |
| - Related Parties | - | 11,302,500 |
| TOTAL | - | <u>11,313,545</u> |
| Note No.8 | | |
| OTHER CURRENT LIABILITIES | | |
| Current Secured maturities of long term debts | - | 3,932,755 |
| Unclaimed Matured Deposits | 61,780 | 61,780 |
| Other Liabilities | 1,961,775 | 809,867 |
| TOTAL | <u>2,023,555</u> | <u>4,804,402</u> |
| Note No.9 | | |
| SHORT-TERM PROVISIONS | | |
| Provision for Taxation | 67,900 | - |
| TOTAL | <u>67,900</u> | <u>-</u> |

Notes on Consolidated Financial Statements

Note No.10
FIXED ASSETS

Amount in ₹

| Sl. No. | Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | | |
|----------|------------------------|------------------|-------------|-------------------|--------------------------|------------------|--------------|-------------------|------------------|------------------|
| | | As at 01.04.2012 | Additions S | Sales/Adjustments | As at 31.03.2013 | As at 01.04.2012 | for the year | Sales/Adjustments | As at 31.03.2013 | As at 31.03.2012 |
| 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 | 11,929,578 | 1,188,692 | - | 60,444,634 | 61,633,327 |
| 3 | Vehicles | 914,064 | 660,654 | 832,981 | 741,737 | 530,413 | 61,042 | 449,332 | 599,614 | 383,651 |
| 4 | Electrical Equipment | 38,777 | - | - | 38,777 | 37,529 | - | - | 1,248 | 1,248 |
| | TOTAL | 86,988,216 | 660,654 | 832,981 | 86,815,889 | 11,860,520 | 1,249,734 | 449,332 | 74,154,966 | 75,127,696 |
| | Previous Year | 88,126,534 | - | 1,138,318 | 86,988,216 | 11,722,616 | 1,276,222 | 1,138,318 | 75,127,696 | 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

| Particulars | Amount in ₹ | |
|--|---------------------|---------------------|
| | As at 31.03.2013 | As at 31.03.2012 |
| Note No: 11 | | |
| 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 | 1,789 |
| M/s. Andhra Pradesh Steels Limited 10,200 (Previous Year 10,200) equity shares of ₹10/- each | 1 | 1 |
| M/s. Sparteck Ceramics Limited 50 (Previous Year 50) equity shares of ₹10/- each | 1 | 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 |
| Investment in Mutual Funds - Traded | | |
| - In Morgan Stanely 5000 (Previous Year 5000) units of ₹10/- each | 50,000 | 50,000 |
| TOTAL | 17,050,003 | 17,155,740 |
| Aggregate amount of Quoted Investments | - | 5,740 |
| Aggregate amount of Unquoted Investments | 17,000,000 | 17,000,000 |
| Aggregate Market Value of Quoted Investments | - | 646 |
| Aggregate Market Value of Mutual Funds | 275,000 | 255,000 |
| Note No. 12 | | |
| LONG TERMS LOANS AND ADVANCES | | |
| Unsecured, Considered Good | | |
| Capital Advances | 38,500,000 | 5,000,000 |
| Other Loans and Advances | | |
| Advance tax | 1,497,180 | 1,497,180 |
| TDS Receivables | 475,216 | 1,615,794 |
| Income Tax Refunds | 222,694 | - |
| Unsecured, Considered Doubtful | | |
| Other Loans and Advances | 286,828 | 286,828 |
| Sub Total | 40,981,918 | 8,399,802 |
| Less: Provision for Doubtful other loans and advances | 286,828 | 286,828 |
| TOTAL | 40,695,090 | 8,112,974 |

Notes on Financial Statements

Amount in ₹

| Particulars | As at 31.03.2013 | As at 31.03.2012 |
|---|---------------------|---------------------|
| Note No. 13 | | |
| CASH AND CASH EQUIVALENTS | | |
| Cash-in-Hand | | |
| Cash Balance | 16,349 | 3,503 |
| Sub Total (A) | 16,349 | 3,503 |
| Bank Balance | | |
| In Current Accounts | 297,696 | 122,405 |
| In Unclaimed Deposits - Escrow A/c (Refer Note) | 66,780 | 66,780 |
| Sub Total (B) | 364,476 | 18,9185 |
| TOTAL [A to B] | 380,825 | 19,2688 |

Note:

Section 205 of the Companies Act, 1956 mandates that companies transfer dividend/depositors 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 31.03.2013 | As at 31.03.2012 |
|--|---------------------|---------------------|
| Note No. 14 | | |
| SHORT TERMS LOANS AND ADVANCES | | |
| Capital Advances | 15,750 | 29,214,045 |
| Other Loans and Advances | | |
| Advance to Related Parties | 20,468,767 | 7,685,865 |
| Advances to Employees | - | 175,972 |
| Other Advances | 26,909,25 | 3,050,000 |
| TOTAL | 23,175,442 | 40,125,882 |
| Note No. 15 | | |
| Other Income | | |
| Interest on Loans | 669,534 | 2,15519 |
| Others | 10,365,600 | 10,366,653 |
| TOTAL | 110,351,34 | 10,582,172 |
| Note No 16 | | |
| EMPLOYEE BENEFIT EXPENSES | | |
| Salaries and Wages | 23,990,00 | 1,958,000 |
| Contribution to Provident Fund and Other Funds | 1,64625 | 189,611 |
| Workman and Staff Welfare Expenses | 1,53600 | 70,010 |
| TOTAL | 2,717,225 | 2,217,621 |

Notes on Financial Statements

| Particulars | Amount in ₹ | |
|---|---------------------|---------------------|
| | As at 31.03.2013 | As at 31.03.2012 |
| Note No. 17 | | |
| FINANCIAL COST | | |
| Interest Expenses | | |
| (a) Interest on Term loan | 5,168,506 | 5,678,525 |
| (b) Interest on Other loans | 173,779 | 120,000 |
| (c) Bank Charges | 342,338 | 5,351 |
| TOTAL | 5,684,623 | 5,803,876 |
| Note No. 18 | | |
| OTHER EXPENSES | | |
| Advertisement and Publicity | 225,065 | 152,013 |
| Auditors Remuneration | | |
| for Audit Fees | 33,708 | 33,708 |
| For Tax Audit Fees | 16,854 | 16,854 |
| for Certification Fee | 39,220 | 33,399 |
| for Out of Pocket Expenses | 16,854 | 13,787 |
| Books and Periodicals | 7,500 | 9,900 |
| General Expenses | 16,748 | 2,525 |
| Insurance | - | 12,145 |
| Licence and Fees | 33,836 | 54,271 |
| Listing Fee, Board and General Meeting Expenses | 3,000 | 2,000 |
| Printing and Stationery Expenses | 70,613 | 51,821 |
| Professional Charges | 137,366 | 97,392 |
| Rent Rates and Taxes | 252,175 | 245,400 |
| Telephone, Postage and Telegram | 84,890 | 47,540 |
| Travelling Expenses | - | 60 |
| Loss on Sale of Asset | 89,386 | - |
| TOTAL | 772,815 | 1,100,275 |

NOTES ON ACCOUNTS:

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

20. 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).

21. 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 31.03.2013.

| 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 <i>103,65,600</i> |
| Balances outstanding as on 31.03.2013 | | | | |
| Anjani Portland Cement Limited - Unsecured loan | - | - | - | <i>2,55,000,000(Dr)</i> <i>Nil</i> |
| Sri Vishnu Educational Society | - | - | - | <i>4,96,61,737(Cr)</i> <i>1,06,52,502(Dr)</i> |
| Dr.B.V.Raju Foundation | - | - | - | <i>6,50,000(Cr)</i> <i>650,000 (Cr)</i> |
| Sai Aditya Food and Retail Private Limited | <i>87,37,037 (Dr)</i> <i>76,70,115 (Cr)</i> | | | |

Figures in italics represent previous year's figures

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

Rupees

| Particulars | Current Year | Previous Year |
|-------------------------|------------------|------------------|
| Salary | 14,62,500 | 12,27,500 |
| Provident & other funds | 81,000 | 69,000 |
| TOTAL | 15,43,500 | 12,96,500 |

23. Statutory Auditors remuneration:

| Particulars | 2012-13 | 2011-12 |
|------------------------|----------------|---------------|
| Audit Fee | 33,708 | 33,708 |
| Taxation | 16,854 | 16,854 |
| Certification Fee | 39,220 | 33,399 |
| Out of Pocket Expenses | 16,852 | 13,787 |
| TOTAL | 106,636 | 97,748 |

24. Earnings per share:

| Particulars | Year ended 31.03.2013 | Year ended 31.03.2012 |
|--|--------------------------|--------------------------|
| a) Profit/(Loss) after tax | 37,50,011 | 2,59,093 |
| b) Weighted average No. Of shares | 40,00,000 | 40,00,000 |
| c) Earnings per share- Basic and Diluted | 0.94 | 0.06 |

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

26. 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 : 28.05.2013

Consolidated
Financial Statements of
Raasi Enterprises Limited

INDEPENDENT AUDITORS' REPORT

To
The Board of Directors
Raasi Enterprises Limited
Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Raasi Enterprises Limited ("the Company") and its subsidiary Sai Aditya Foods and Retail Private Limited (formerly Sai Aditya Hotels & Supermarkets Private Limited) Private Limited, which comprise the consolidated balance sheet as at March 31, 2013, the consolidated statement of profit and loss and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We did not audit the financial statements of the subsidiary, whose financial statements reflect total asset of Rs.1071.87 lakhs as at March 31, 2013 and the total revenue of Rs. 1673.25 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

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

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date

For M.Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No.00459S

V.Raghuandan
Partner
Membership No.26255

Place: Hyderabad
Date: 28th May 2013

Consolidated Balance Sheet as at 31st March 2013

| Particulars | Note No. | Amount in ₹ | |
|---|----------------|--------------------|--------------------|
| | | As at 31.03.2013 | As at 31.03.2012 |
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholder's Funds | | | |
| Share Capital | 2 | 39,880,401 | 39,880,401 |
| Reserves and Surplus | 3 | 55,873,059 | 51,737,360 |
| Minority | | 5,666,166 | 5,530,302 |
| Share Application Money | | 2,900,000 | - |
| 2 Non-Current Liabilities | | | |
| Long-Term Borrowings | 4 | 82,767,827 | 54,365,794 |
| Deferred Tax Liabilities (Net) | 5 | 3,675,020 | 6,718,653 |
| Other Long Term Liabilities | 6 | 6,836,122 | 4,689,940 |
| Long Term Provisions | 7 | - | 447,166 |
| 3 Current Liabilities | | | |
| Short-Term Borrowings | 8 | 15,621,423 | 26,459,891 |
| Trade Payables | 9 | 8,973,629 | 7,923,235 |
| Other Current Liabilities | 10 | 9,498,421 | 14,226,685 |
| Short-Term Provisions | 11 | 345,934 | 601,062 |
| TOTAL | | 232,038,002 | 212,580,489 |
| II ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 12 | 148,873,415 | 135,711,356 |
| Goodwill | | 8,131,353 | 8,131,353 |
| Non-current investments | 13 | 50,003 | 155,740 |
| Long term loans and advances | 14 | 27,695,090 | 8,112,974 |
| Current Assets | | | |
| Inventories | 15 | 19,783,657 | 13,093,082 |
| Trade Receivables | 16 | 7,461,405 | 5,937,397 |
| Cash and Cash equivalents | 17 | 1,234,785 | 1,658,862 |
| Short-term loans and advances | 18 | 18,808,294 | 39,779,726 |
| TOTAL | | 232,038,002 | 212,580,489 |
| 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 : 28.05.2013

Consolidated Statement of Profit and Loss for the year ended 31st March 2013 Amount in ₹

| Particulars | Note No. | Year Ended 31.03.2013 | Year Ended 31.03.2012 |
|--|----------------|-----------------------|-----------------------|
| I Revenue from Operations | | | |
| Sale of Products | | 164,945,309 | 130,044,728 |
| II Other Income | 19 | 13,414,850 | 12,634,127 |
| III. Total Revenue (I+II) | | 178,360,159 | 142,678,855 |
| III EXPENSES: | | | |
| Cost of Materials Consumed | 20 | 57,127,836 | 41,733,559 |
| Purchase of Traded Goods | | 57,238,150 | 49,994,493 |
| Changes in Inventories of Finished Goods and Stock in Trade | 21 | (3,572,499) | (1,140,460) |
| Employee Benefit Expense | 22 | 24,614,711 | 18,047,434 |
| Financial Costs | 23 | 10,546,780 | 8,636,287 |
| Depreciation and Amortization Expense | 12 | 5,357,386 | 4,365,518 |
| Other Expenses | 24 | 24,815,349 | 16,734,697 |
| Total Expenses (IV) | | 176,127,713 | 138,371,528 |
| IV Profit/(Loss) before exceptional and extraordinary items and tax (III-IV) | | 2,232,446 | 4,307,327 |
| V Exceptional Items | | - | - |
| VI Profit/(Loss) before extraordinary items and tax (V-VI) | | 2,232,446 | 4,307,327 |
| VII Extraordinary Items | | - | - |
| VIII Profit/(Loss) before tax (VII-VIII) | | 2,232,446 | 4,307,327 |
| IX TAX EXPENSE: | | | |
| (1) Current tax | | 425,298 | 800,493 |
| (2) Prior Year Taxation | | 579,218 | - |
| (3) Deferred tax | | (3,043,633) | 738,847 |
| X Consolidated Profit/(Loss) for the period before adjustment of Minority Interest (IX-X) | | 4,271,563 | 2,767,987 |
| XI Less: Share of Minority Interest in Profit/(Loss) | | 135,864 | 653,567 |
| Consolidated Profit/(Loss) after Minority Interest | | 4,135,699 | 2,114,420 |
| Balance in Profit and Loss account brought forward | | 23,545,013 | 21,430,593 |
| Balance Carried to Balance Sheet | | 27,680,712 | 23,545,013 |
| XII Earning per equity share: | | | |
| (1) Basic | | 1.03 | 0.53 |
| (2) Diluted | | 1.03 | 0.53 |
| 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 : 28.05.2013

Consolidated Cash Flow Statement for the year ended 31st March 2013

Amount in ₹

| Particulars | Year Ended 31.03.2013 | Year Ended 31.03.2012 |
|---|--------------------------|--------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Tax and Extraordinary items: | 2,232,446 | 4,307,327 |
| Adjustments for: | | |
| Loss on Sale of Asset | 89,386 | - |
| Depreciation on fixed assets | 5,357,386 | 4,365,518 |
| Interest and Finance Charges paid | 10,546,780 | 8,636,287 |
| | 15,993,552 | 13,001,805 |
| Operating Profit before Working Capital Changes | 18,225,998 | 17,309,132 |
| Adjustments for: | | |
| (Increase)/Decrease in Inventories | (6,690,575) | (12,56,864) |
| (Increase)/Decrease in Trade Receivables | (1,524,008) | 669,300 |
| (Increase)/Decrease in Short Term Lons and Advances | 20,971,432 | 1,842,747 |
| Increase/(Decrease) in Short Term Borrowings | (10,838,468) | 12,836,444 |
| Increase/(Decrease) in Short Trade payables | 1,050,394 | 2,145,300 |
| Increase/(Decrease) in Short Term Current Liabilities | (4,983,392) | 12,827,368 |
| Cash Generated from Operations | (2,014,617) | 29,064,295 |
| Direct Taxes paid | 16,211,381 | 46,373,427 |
| Net Cash Flow from Operating Activities | 1,854,796 | (1,075,096) |
| | 18,066,177 | 45,298,331 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (18,070,112) | (35,682,591) |
| (Increase)/Decrease in Capital Work In Progress | - | 2,615,822 |
| Increase/(Decrease) in Investments | 105,737 | - |
| Net Cash Flow from Investing Activities | (17,964,375) | (33,066,769) |
| CASH FLOW FROM FINANCIAL ACTIVITIES | | |
| (Repayment)/Proceeds from Secured Loans | 28,402,033 | 5,288,683 |
| Interest Paid | (10,546,780) | (8,636,287) |
| (Increase)/ Decrease in Long Term Loan And Advances | (19,582,116) | (5,021,552) |
| (Increase)/ Decrease in Other Long Term Liabilities | (1,699,016) | (4,256,795) |
| Proceeds from Share Application Money | 2,9000,000 | - |
| Calls In Arrears received | - | 84,045 |
| Net Cash Flow from Financing Activities | (525,879) | (12,541,906) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | (424,077) | (310,344) |
| Cash and Cash Equivalents as at the commencement for the year | 1,658,862 | 1,969,208 |
| Cash and Cash Equivalents as at the close of the year | 1,234,785 | 1,658,862 |

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
Place: Hyderabad
Date : 28.05.2012

K.V.Vishnu Raju
Chairman

R.Ravichandran
Wholetime Director

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 said loan is declared on 26th March 2013

- 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 whichever is lower and Raw materials, Stores & Spares are valued at cost in the books of Subsidiary.

6. REVENUE RECOGNITION:

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

7. EMPLOYEE BENEFITS:

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

8. BORROWING COSTS:

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

9. TAXES ON INCOME:

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

10. CONTINGENT LIABILITIES:

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

11. IMPAIRMENT OF ASSETS:

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

Notes on Consolidated Financial Statements

Amount in ₹

| Particulars | As at 31.03.2013 | | As at 31.03.2012 | |
|---|------------------|-------------------|------------------|-------------------|
| | 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 | 120,000 | 119,599 |
| TOTAL | <u>3,880,000</u> | <u>39,880,401</u> | <u>3,880,000</u> | <u>39,880,401</u> |

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

| Share Capital | % of Share holding | As at 31.03.2013 | | % of Share holding | As at 31.03.2012 | |
|-----------------|--------------------|------------------|------------|--------------------|------------------|------------|
| | | Number | Amount | | Number | Amount |
| K.V.Vishnu Raju | 37.01 | 1,480,400 | 14,804,000 | 37.01 | 1,480,400 | 14,804,000 |

| Particulars | As at 31.03.2013 | As at 31.03.2012 |
|---|-------------------|-------------------|
| 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 | 23,545,012 | 21,430,593 |
| Add: Net Profit/(Loss) for the yer Current Year | 4,135,699 | 2,114,420 |
| Closing Balance | <u>27,680,711</u> | <u>23,545,012</u> |
| TOTAL (a to d) | <u>55,873,059</u> | <u>51,737,360</u> |

Notes on Consolidated Financial Statements

| Particulars | Amount in ₹ | |
|--|---------------------|---------------------|
| | As at 31.03.2013 | As at 31.03.2012 |
| Note No. 4 | | |
| NON-CURRENT LIABILITIES | | |
| (i) Long Term Borrowings: | | |
| Secured: | | |
| Term Loans from banks | | |
| - Rupee Loan (Refer Note No. a, b & c) | 11,845,332 | 46,615,528 |
| - Vehicle Lons | 2,016,028 | 39,066 |
| Unsecured: | | |
| - Loans from Directors | - | 900,000 |
| - Loans from Others | - | 6,811,200 |
| TOTAL | 68,906,467 | 54,365,794 |
| | 82,767,827 | |

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. The said loan was closed on 26th March 2013
- 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 | Amount in ₹ | |
|---|---------------------|---------------------|
| | As at 31.03.2013 | As at 31.03.2012 |
| Note No. 5 | | |
| DEFERRED TAX LIABILITES (NET) | | |
| (a) Deferred Tax Liability comprises of following | | |
| Fixed Assets (Depreciation) | 8,293,425 | 10,770,638 |
| (b) Deferred Tax Assets comprises of following | | |
| Unabsorbed Depreciation | 4,618,405 | 4,051,985 |
| TOTAL NET (a-b) | 3,675,020 | 6,718,653 |
| Note No.6 | | |
| OTHER LONG TERM LIABILITIES | | |
| Sundry Creditors - Capital Purchases | 6,836,122 | 4,689,940 |
| Other Liabilities | - | - |
| TOTAL | 6,836,122 | 4,689,940 |

Notes on Consolidated Financial Statements

Amount in ₹

| Particulars | As at 31.03.2013 | As at 31.03.2012 |
|---|---------------------|---------------------|
| Note No.7 | | |
| LONG TERM PROVISIONS | | |
| - Provison for Taxation | - | 447,166 |
| TOTAL | <u>-</u> | <u>447,166</u> |
| Note No. 8 | | |
| SHORT-TERM BORROWINGS | | |
| Secured | | |
| - Working Capital Loans (Refer Note 1) | 15,621,423 | 15,146,346 |
| Unsecured | | |
| - Other | - | 11,045 |
| - Related Parties | - | 11,302,500 |
| TOTAL | <u>15,621,423</u> | <u>26,459,891</u> |
| 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 | 8,973,629 | 7,923,235 |
| TOTAL | <u>8,973,629</u> | <u>7,923,235</u> |
| Note | | |
| Out of the Said amount of Rs.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 | 2,988,000 | 9,877,935 |
| - Unclaimed Matured Deposits | 61,780 | 61,780 |
| - Other Liabilities | 6,448,641 | 4,286,970 |
| TOTAL | <u>9,498,421</u> | <u>14,226,685</u> |
| Note No. 11 | | |
| SHORT TERM PROVISION | | |
| - Provision for Income Tax | 345,934 | 601,062 |
| TOTAL | <u>345,934</u> | <u>601,062</u> |

Notes on Financial Statements

Note No.12
FIXED ASSETS

| Sl. No. | Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | | |
|---------|------------------------|------------------|------------|-------------------|--------------------------|------------------|--------------|-------------------|------------------|------------------|
| | | As at 01.04.2012 | Additions | Sales/Adjustments | As at 31.03.2013 | As at 01.04.2013 | for the year | Sales/Adjustments | As at 31.03.2013 | As at 31.03.2012 |
| I | Tangible Assets | | | | | | | | | |
| 1 | Land | 19,826,470 | - | - | 19,826,470 | - | - | - | 19,826,470 | 19,826,470 |
| 2 | Building | 107,869,456 | 3,537,213 | - | 111,406,669 | 15,059,324 | 2,186,415 | - | 94,160,929 | 92,810,132 |
| 3 | Plant and Machinery | 26,494,473 | 10,320,902 | - | 36,815,375 | 11,706,381 | 1,503,607 | - | 23,605,387 | 14,788,092 |
| 4 | Furnitures & Fixtures | 14,254,586 | 1,568,732 | - | 15,823,318 | 6,935,809 | 951,965 | - | 7,887,774 | 7,318,777 |
| 5 | Vehicles | 2,578,114 | 3,314,010 | 832,981 | 5,059,143 | 1,994,375 | 414,992 | 449,332 | 1,960,035 | 3,099,108 |
| 6 | Office Equipment | - | - | - | - | - | - | - | - | 583,739 |
| 7 | Computer | 1,772,106 | 162,236 | - | 1,934,342 | 1,389,206 | 300,407 | - | 1,689,613 | - |
| 8 | Air Conditioner | - | - | - | - | - | - | - | - | - |
| 9 | Wooden Partitions | - | - | - | - | - | - | - | - | - |
| 10 | Electrical Equipment | 38,777 | - | - | 38,777 | 37,529 | - | - | 1,248 | - |
| | TOTAL | 172,833,982 | 18,903,093 | 832,981 | 190,904,094 | 37,122,624 | 5,357,386 | 449,332 | 42,030,679 | 135,711,358 |
| | Previous Year | 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 |

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 31.03.2013 | As at 31.03.2012 |
|---|---------------------|---------------------|
| 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 | 1,789 |
| M/s. Andhra Pradesh Steels Limited 10,200 (Previous Year 10,200) equity shares of ₹10/- each | 1 | 1 |
| M/s. Sparteck Ceramics Limited 50 (Previous Year 50) equity shares of ₹10/- each | 1 | 3,950 |
| Investments in Government or Trust Securities | | |
| Government Securities - 14% Loan 2006 | - | 100,000 |
| Investment in Mutual Funds - Traded | | |
| - In Morgan Stanely 5000 (Previous Year 5000) units of ₹10/- each | 50,000 | 50,000 |
| TOTAL | 50,003 | 155,740 |
| Aggregate amount of Quoted Investments | 3 | 5,740 |
| Aggregate Market Value of Quoted Investments | - | 646 |
| Aggregate Market Value of Mutual Funds | 275,000 | 255,000 |
| | | |
| Note No. 14 | | |
| LONG TERMS LOANS AND ADVANCES | | |
| Unsecured, Considered Good | | |
| Capital Advances | 25,500,000 | 5,000,000 |
| Other Loans and Advances | | |
| Advance tax (Net off) | 1,497,180 | 1,497,180 |
| TDS Receivables | 475,216 | 1,615,794 |
| Income Tax Refund | 222,694 | - |
| Unsecured, Considered Doubtful | | |
| Other Loans and Advances | 286,828 | 286,828 |
| Sub Total | 27,981,918 | 8,399,802 |
| Less: Provision for Doubtful other loans and advances | 286,828 | 286,828 |
| TOTAL | 27,695,090 | 8,112,974 |

Notes on Consolidated Financial Statements

| Particulars | Amount in ₹ | |
|---|---------------------|---------------------|
| | As at 31.03.2013 | As at 31.03.2012 |
| Note No. 15 | | |
| INVENTORIES | | |
| Raw and Packing Materials | 7,370,240 | 4,252,164 |
| Finished Goods | 12,413,417 | 8,840,918 |
| TOTAL | 19,783,657 | 13,093,082 |
| Note No. 16 | | |
| TRADE RECEIVABLES | | |
| Unsecured - Considered Good | 7,461,405 | 5,937,397 |
| Outstanding from More than Six Months | - | - |
| TOTAL | 7,461,405 | 5,937,397 |
| Note No. 17 | | |
| CASH AND CASH EQUIVALENTS | | |
| Cash-in-Hand | | |
| Cash Balance | 551,189 | 1,367,369 |
| Sub Total (A) | 551,189 | 1,367,369 |
| Bank Balance | | |
| In Current Accounts | 616,816 | 224,713 |
| In Unclaimed Deposits - Escrow A/c (Refer Note) | 66,780 | 66,780 |
| Sub Total (B) | 683,596 | 291,493 |
| TOTAL [A to B] | 1,234,785 | 1,658,862 |

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 | 15,750 | 29,214,045 |
| Other Loans and Advances | | |
| Advance to Related Parties | 11,731,730 | 24,688 |
| Advances to Employees | 1,948,953 | 3,577,462 |
| Other Advances | 4,101,067 | 4,397,010 |
| Advances to Suppliers | 1,010,794 | 2,566,521 |
| TOTAL | 18,808,294 | 39,779,726 |

Notes on Consolidated Financial Statements

Amount in ₹

| Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--|---------------------|---------------------|
| Note No. 19 | | |
| OTHER INCOME | | |
| Interest on Loans | 669,534 | 215,519 |
| Others | 12,745,316 | 12,418,608 |
| TOTAL | 13,414,850 | 12,634,127 |
| | | |
| Note No. 20 | | |
| Cost of Materials Consumed | | |
| Raw and Packing Materials | 57,127,836 | 41,733,559 |
| TOTAL | 57,127,836 | 41,733,559 |
| | | |
| Note No. 21 | | |
| CHANGES IN INVENTORIES | | |
| Opening | 8,840,918 | 7,700,458 |
| Closing | 12,413,417 | 8,840,918 |
| TOTAL | (3,572,499) | (1,140,460) |
| | | |
| Note No. 22 | | |
| EMPLOYEE BENEFIT EXPENSES | | |
| Salaries and Wages | 23,229,467 | 16,859,440 |
| Contribution to Provident Fund and Other Funds | 1,231,644 | 1,117,984 |
| Workman and Staff Welfare Expenses | 153,600 | 70,010 |
| TOTAL | 24,614,711 | 18,047,434 |
| | | |
| Note No. 23 | | |
| Financial Cost | | |
| Interest Expenses | | |
| (a) Interest on Term loan | 7,719,362 | 6,417,811 |
| (b) Interest on Term loan | 1,903,755 | 1,857,183 |
| (c) Interest on Other loans | 557,900 | 245,194 |
| (d) Bank Charges | 365,763 | 116,099 |
| TOTAL | 10,546,780 | 8,636,287 |

Notes on Consolidated Financial Statements

Amount in ₹

| Particulars | As at 31.03.2013 | As at 31.03.2012 |
|---|---------------------|---------------------|
| Note No. 24 | | |
| OTHER EXPENSES | | |
| Advertisement and Publicity | 269,109 | 203,835 |
| Auditors Remuneration | | |
| for Audit Fees | 84,270 | 84,270 |
| For Tax Audit Fees | 16,854 | 16,854 |
| for Certification Fee | 39,220 | 33,399 |
| for Out of Pocket Expenses | 60,691 | 40,014 |
| Books and Periodicals | 7,500 | 9,900 |
| General Expenses | 437,037 | 363,100 |
| Insurance | 81,883 | 57,957 |
| Licence and Fees | 33,836 | 54,271 |
| Listing Fee, Board and General Meeting Expenses | 3,000 | 2,000 |
| Printing and Stationery Expenses | 494,302 | 319,299 |
| Professional Charges | 434,703 | 130,142 |
| Rent Rates and Taxes | 4,837,013 | 4,931,203 |
| Telephone, Postage and Telegram | 432,793 | 328,578 |
| Travelling Expenses | 515,341 | 107,700 |
| Transport Charges | 659,094 | 302,566 |
| Electricity Charges | 3,701,405 | 2,900,140 |
| Repairs and Maintenance | | |
| Equipment and Fuel | 5,884,830 | 3,525,798 |
| ShowRoom Maintenance | 1,260,158 | 767,986 |
| Generator Maintenance | 328,957 | 180,608 |
| Vehicle/Car Maintenance | 3,617,507 | 1,119,154 |
| Sales Commission | 578,217 | 253,965 |
| Business Promotion Expenses | 127,608 | 124,412 |
| Car Hire Charges | 20,000 | 185,034 |
| Security Charges | 499,707 | 410,785 |
| Office and Factory Maintenance | 264,928 | 201,727 |
| Loss on sale of assets | 89,386 | - |
| TOTAL | 24,815,349 | 16,734,697 |

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 Brach, Visakhapatnam. The cash credit facility extended by Indian Bank, Dabagardens Branch, Visakhapatnam is secured by a charge on all inventories (Stocks & Goods) in favour of Indian Bank, Visakhapatnam.

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 31.03.2013.

| Particulars | Key Managerial Personnel | Relatives of the key Managerial Personnel | Enterprises of Key Managerial Personnel |
|--|--------------------------|---|---|
| Rentals received from Sri Vishnu Educational Society | - | - | 10,365,600 1,03,65,600 |
| Sri Vishnu Educational Society | - | - | 4,96,61737(Cr) 1,06,52502(Dr) |
| Dr.B.V.Raju Foundation | - | - | 6,50,000 (Cr) 65,0000 (Cr) |

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 | 2012-13 | 2011-12 |
|------------------------|-----------------|-----------------|
| Audit Fee | 84,270 | 84,270 |
| Taxation and Others | 16,854 | 16,854 |
| Certifications, Fees | 39,220 | 33,399 |
| Out of Pocket Expenses | 60,691 | 4,0014 |
| TOTAL | 2,010,35 | 1,745,37 |

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 31.03.2013 | As at 31.03.2012 |
|---|------------------|------------------|
| a) Deferred Tax Asset - (Unabsorbed Losses) | 4,618,405 | 4,051,985 |
| b) Deferred Tax Liability - (Depreciation) | 8,293,425 | 10,770,638 |
| c) Net Deferred Tax Liability/(Asset) (b-a) | (3,675,020) | 6,718,653 |

35. Earnings per share:

| Particulars | Year ended 31.03.2013 | Year ended 31.03.2012 |
|-----------------------------------|-----------------------|-----------------------|
| a) Consolidated Profit/(Loss) | 4,135,699 | 21,14,420 |
| b) Weighted average No. Of shares | 40,00,000 | 40,00,000 |
| c) Earnings per share - Basic | 1.03 | ₹0.53 |
| - Diluted | 1.03 | ₹0.53 |

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

K.V.Vishnu Raju

R.Ravichandran

Partner

Chairman

Wholetime Director

Membership No. : 26255

Place: Hyderabad

Date : 28.05.2013

Consolidated Statement vide General Circle 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 | 48,659,298 | 5,392,577 | 55,873,059 |
| c) | Minority Interest | | | 5,666,166 |
| d) | Deferred Tax - Liability | 2,094,066 | 1,580,954 | 3,675,020 |
| e) | Total Assets | 74,154,966 | 74,718,449 | 148,873,415 |
| f) | Total Liabilities | 64,822,561 | 67,957,832 | 132,780,393 |
| g) | Details of Investments (except in case of investments in subsidiaries) | - | - | - |
| h) | Goodwill | 50,003 | - | 50,003 |
| i) | Turnover | - | - | 8,131,353 |
| j) | Profit before Taxation | 11,035,134 | 167,325,025 | 178,360,159 |
| k) | Provision for Taxation | 356,337 | 1,876,106 | 2,232,446 |
| l) | Profit after Tax | (3,393,674) | 1,354,557 | (2,039,117) |
| m) | Proposed Dividend | 3,750,011 | 521,552 | 4,271,563 |
| | | - | - | - |

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 : 28.05.2013

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

| S.No | Name of the Subsidiary Company | Sai Aditya Foods and Retail Private Limited |
|------|--|--|
| 01. | The Financial Year of the Subsidiary Company ended on | 31.03.2013 |
| 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 |
| | a.) 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 2013 | Rs.1,35,864 |
| | For the previous financial years of the Subsidiary Company since it became the Holding Company's subsidiary | Rs.68,28,215 |
| | A. Dealt with in Holding Company's Accounts for the financial year ended 31st March 2013 | - |
| | 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 Ninth Annual General Meeting of the Company, to be held on 31st August 2013 at 10.30 AM and at any adjournment thereof.

Signed this _____ day of _____ 2013.

Signature of the Proxy
Attested

Signature



Signature of the Member

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



Raasi Enterprises Limited

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

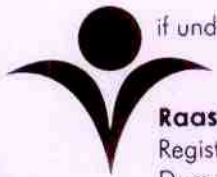
Folio : _____

No of Shares held : _____

I hereby record my presence at the Twenty Ninth Annual General Meeting of Raasi Enterprises Limited at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District, on 31st August 2013 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.