

**18th
Annual Report
2001 - 2002**



RAASI FINANCE & INVESTMENT LIMITED

Vishnupur, Durgapur, Garagaparru Road,
Bhimavaram - 534 202, W.G.District.



RAASI FINANCE & INVESTMENT LIMITED

BOARD OF DIRECTORS

Shri K.V.Vishnu Raju
Chairman

Shri M.Ravindra Varma
Director

Shri B.V.N.Satyanarayana Raju
Director

Shri K.Bala Vishnu Raju
Director

Bankers

Andhra Bank
Indian Bank

Auditors

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

Report  junction.com

Registered Office

Vishnupur, Durgapur,
Garagaparu Road,
Bhimavaram,
West Godavari Dist.,
Pin - 534 202

**RAASI FINANCE & INVESTMENT LIMITED**

NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Company will be held on 26th December, 2002 at 10.30 AM at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Garagaparru Road, Bhimavaram, W.G.District, Andhra Pradesh to transact the following items of business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Annual Accounts and the reports of the Directors and the Auditors thereon for the year ended 30th September, 2002.
2. To appoint a Director in place of Shri. B. V. N. Satyanarayana Raju who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri. K. Bala Vishnu Raju who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

For **RAASI FINANCE & INVESTMENT LIMITED.,**

Place : Hyderabad
Date : 26.11.2002

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 and the Proxy need not be a Member of the Company. The proxy instruments should be deposited at the Registered Office of the Company not later than 48 hours before the time for holding the meeting.
2. The Register of Members of the Company will remain closed from 24.12.2002 to 26.12.2002 both days inclusive.
3. Members are requested to notify any change in their address immediately to the Company.



RAASI FINANCE & INVESTMENT LIMITED

DIRECTORS' REPORT

To
The Members,

With profound regrets, we, the Directors inform the sudden demise of Padmabhushan Dr.B.V.Raju, Founder Chairman of the Company on 08.06.2002. He has contributed for the growth of industry, education and service to society. He has held highest positions like Chairman of Cement Corporation of India, Advisor to the Govt. of India, Govt. of Sri Lanka etc., He was Chairman of the Raasi Group of Industries.

Your directors place on record, their deep sense of appreciation for the invaluable services rendered by Dr.B.V.Raju to your Company in particular and to the industry and society in general.

Your Directors are pleased to present the 18th Annual Report of the Company together with the Audited Accounts of the Company for the Financial Year Ended 30th September 2002.

FINANCIAL RESULTS:

| | 30.09.2002 | 31.03.2001 |
|------------------------------------|--------------------|--------------------|
| | Rs. | Rs. |
| | (18 months) | (12 months) |
| Profit/(Loss) before Tax | (57,83,988) | (3,81,03,590) |
| Provision for Taxation | Nil | Nil |
| Profit / (Loss) after Tax | (57,83,988) | (3,81,03,590) |
| Prior Year Taxation | Nil | Nil |
| Prior Year Adjustments | Nil | Nil |
| Profit / (Loss) after Taxation | (57,83,988) | (3,81,03,590) |
| B/F Profit/ (Loss) | 88,04,351 | 4,69,07,941 |
| From Previous Years | | |
| Profit available for appropriation | 30,20,364 | 88,04,351 |
| Transfer to Reserve Fund | Nil | Nil |
| Interim Dividend | Nil | Nil |
| General Reserve | Nil | Nil |
| Corporate Dividend Tax | Nil | Nil |
| Balance Carried to Balance Sheet | 30,20,364 | 88,04,351 |

DIVIDEND:

In view of the losses suffered by the Company, your Board regrets for its inability to recommend dividend for the year ended 30th September, 2002.

OPERATIONS:

The Company could not generate enough business volume in financial service activities due to competition by the entry of Private Sector and Foreign Banks. And also depressed money marketing conditions forcing negligible growth for lease, finance activities. In view of that the Company has decided to take up other profitable ventures apart from financial services.



RAASI FINANCE & INVESTMENT LIMITED

DEPOSITS:

The aggregate Deposits in your Company as on 30th September, 2002 stood at Rs.61780/-(Unclaimed) (Previous Year Rs.161780/-).

DIRECTORS:

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company your Directors Shri. B. V. N. Satyanarayana Raju and Shri. K. Bala Vishnu Raju retire by rotation and being eligible offer themselves for re-appointment at this 18th Annual General Meeting.

PARTICULARS OF EMPLOYEES:

PARTICULARS OF EMPLOYEES REQUIRED UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956.

NOT APPLICABLE

AUDITORS:

M/s. M. Bhaskara Rao & Co., Chartered Accountants, who are the Auditors of the Company, retire at the close of the ensuring Annual General Meeting and being eligible offers them-selves for re-appointment.

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:

Your Directors place on record, their deep appreciation for the co-operation extended by the Company's Bankers, Andhra Bank, Indian Bank, and the investors of the Company and look forward to their continued patronage.

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 : 26.11.2002

K. V. VISHNU RAJU
CHAIRMAN



RAASI FINANCE & INVESTMENT LIMITED

AUDITOR'S REPORT

To
The Members of
M/s. RAASI FINANCE & INVESTMENT LIMITED.

We have audited the attached Balance Sheet of M/s. RAASI FINANCE & INVESTMENT LIMITED as at 30th September 2002 and also the Profit and Loss Account of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annex hereto a statement referred to in paragraph 4 & 5 of the said order.
2. Further to our comments in paragraph 1 above, we report that :
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of accounts, as required by law, have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion the Balance Sheet and the Profit & Loss Account dealt with by this report comply with the applicable Accounting Standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors of the Company, as on 30th September 2002, and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 30th September 2002 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of Companies Act, 1956.
 - f) In our opinion and to the best of our information and explanations given to us, the said accounts read together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 30th September, 2002 and
 - ii) in the case of the Profit and Loss Account, of the **LOSS** of the Company for the year ended on that date.

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

V.K.Muralidhar
Partner

Place : Hyderabad
Date : 26.11.2002



STATEMENT REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

1. The Company has maintained proper records showing full particulars including quantitative details of Fixed Assets. No physical verification was carried out by the management during the year.
2. None of the Fixed Assets have been revalued during the year.
3. The Company has not taken any Loans, secured or unsecured from Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. In terms of sub - section 6 of Section 370 of the Companies Act, 1956, provisions of Section 370 are not applicable.
4. The Company has granted unsecured loan to Companies, firms and other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. According to the information and explanations given to us the terms and conditions of such loan are not prejudicial to the interests of the Company. In terms of sub - section 6 of Section 370 of the Companies Act, 1956, the provisions of Section 370 are not applicable.
5. Certain loans and advances are treated as Non Performing Assets, for which provisions have been made as per the norms stipulated by the Reserve Bank of India. Except for the above, the parties to whom loans or advances in the nature of loans have been given by the Company are generally repaying the principal amounts as stipulated and are regular in payment of interest.
6. In our opinion and according to the information and explanations given to us, the internal control procedures are commensurate with the size of the Company and the nature of its business.
7. According to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and services aggregating during the year to Rs.50,000/- or more in respect of each party listed in the register maintained U/s. 301 of the Companies Act, 1956 are reasonable having regard to the prevailing market prices for such goods materials or services or the prices at which transactions for similar goods materials or services have been made with other parties.
8. The Company has complied with the provisions of Section 58A of the Companies Act and the rules framed thereunder and directives issued by the Reserve Bank of India.
9. There is no internal audit system in vogue during the year.