



**RAGHAVA**  
estates & properties ltd

**Twenty-Fifth Annual Report  
2012 - 2013**

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### ***TWENTY-FIFTH ANNUAL GENERAL MEETING***

*at 10.00 a.m.*

*On Monday 30th September, 2013*

*at 64-9-2, Kanuru Subbaiah Buildings, Beside Eenadu*

*Vijayawada - 520 010.*

*Regd. Office : 64-9-2, Kanuru Subbaiah Buildings, Beside Eenadu, Vijayawada - 520 010.*

## **BOARD OF DIRECTORS**

Sri L. Ravindra Rao	Chairman & Managing Director
Sri L. Tulasi Prasad	Joint Managing Director
Sri T. Sri Rambabu	Director
Sri K. Harischandra Prasad	Director
Sri Ch. Anjaneyulu	Director
Sri A. Srinivas	Director
Sri K. Koteswara Rao	Director
Sri M.K.S. Prakasa Rao	Director
Sri P.S.P. Bhushan Maruthi	Director
Sri B.V.R Kumar Maruthi	Director

## **AUDITORS**

**Suresh and Babu**  
Chartered Accountants  
36-14-3/1, Moghalrajapuram  
Vijayawada- 10.

## **BANKERS**

State Bank of India  
ING Vysya Bank Limited

### **NOTICE**

NOTICE is hereby given that the Twenty-fifty Annual General Meeting of the Company will be held at 10.00 a.m. on Monday, the 30<sup>th</sup> day of the September, 2013 at the Registered Office of the company at Door No.64-9-2, Patamatalanka, Vijayawada-10 to transact the following business:-

#### **ORDINARY BUSINESS:**

01. To receive, consider and adopt the audited Financial Statement for the year ended March 31st 2013 together with the reports of the Directors' and the Auditors' thereon.
02. To appoint a Director in place of Sri K.Harischandra Prasad who retires by rotation and being eligible, offers himself for re-appointment.
03. To appoint a Director in place of Sri Ch.Anjaneyulu who retires by rotation and being eligible, offers himself for re-appointment.
04. To appoint a Director in place of Sri M.K.S Prakasa Rao who retires by rotation and being eligible, offers himself for re-appointment.
05. To consider, and if thought fit, to pass, with or without modification (s) the following resolution as Ordinary Resolution.

**"RESOLVED THAT** the retiring Auditors **M/s.SURESH AND BABU** Chartered Accountants be and are hereby re-appointed as auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and fix their remuneration in addition to reimbursement of actual out of pocket expenses incurred in connection with the audit of the books of account of the company"

For and on behalf of the Board

Sd/-

(L.RAVINDRA RAO)  
Managing Director

Place : Vijayawada  
Date : 04.09.2013

**Note:**

1. A member entitled to attend and vote 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 instrument appointing proxy should, however, be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
2. The Register of the members will also remain closed from 20-09-2013 to 30-09-2013 (both days inclusive). The transfer books of the company will remain closed for the aforesaid period.
3. Explanatory statement pursuant to section 173(2) of the companies Act, 1956 is annexed hereto.
4. The members are requested to :-
  - (a) Intimate change, if any, in their registered address immediately.
  - (b) Quote ledger folio number in all their correspondence.

Additional information on Directors seeking reappointment at the Annual General Meeting (Pursuant to Clause (49) of the listing Agreement)

**Item no. 1:**

Sri K.Harischandra Prasad, Aged 58 years is a Graduate in Mechanical Engineering and has rich experience in trading and marketing business. He is the member of the Share holders committee, Share Transfer Committee and Audit Committee of the Company.

**Item no.2 :**

Sri Ch.Anjaneyulu, aged 60 years is a Graduate in Structural Engineering and has rich experience in trading and marketing business. He is the member of the share holders committee and Share Transfer Committee of the Company.

**Item no.3 :**

Sri M.K.S.Prakasa Rao, Aged 54 years is a Graduate In commerce and has rich experience in trading and marketing business.

### DIRECTORS' REPORT

Your Directors have great pleasure in presenting 25th Annual report together with the annual Audited Accounts for the financial year ended 31st March 2013.

( Rs. in Lakhs)

Particulars	For the Year Ended 31-03-2013	For the Year Ended 31-03-2012
<b>FINANCIAL RESULT</b>		
Total Revenues	3328.60	1325.48
Total Expenditure	2497.49	1734.11
Earnings before Interest, Depreciation & Tax	831.11	(408.63)
Interest	811.21	60.28
Depreciation	9.98	11.94
Profit/(Loss) before tax	9.92	(480.85)
Provision for Taxes	0.44	(0.31)
Profit after tax	10.36	(480.54)
Surplus/(Deficit) brought forward		
from Pervious year	539.72	1020.26
Balance in Profit & Loss Account	550.08	539.72

#### **DIVIDEND:**

In view of the working capital requirements for the on going & forthcoming projects, the Board has not recommended any dividend.

#### **FUTURE PROPOSECTS:**

Your company views the future with optimism, as the demand for Housing is growing day by day and keeping in view the demand the management is anticipating good increase in turnover during the forthcoming years.

#### **DIRECTORS :**

Sri K.Harischandra Prasad, who retires by rotation and being eligible offers himself for reappointment.

Sri Ch. Anjaneyulu, who retires by rotation and being eligible offers himself for reappointment.

Sri M K S Prakasa Rao, who retires by rotation and being eligible offers himself for reappointment.

**AUDITORS:**

M/s SURESH AND BABU, Chartered Accountants, Vijayawada Auditors of the Company retire and are eligible for re-appointment for the Current financial Year.

**INFORMATION AS PER SEC. 217(2A) OF THE COMPANIES ACT, 1956****PARTICULARS OF EMPLOYEES:**

There were no employees in receipt of remuneration in excess of the amounts specified in Section 217(2A) of the Companies Act, 1956.

**CONSERVATION of Energy ,Technology absorption, Foreign Exchange and outgo:**

Information regarding compliance of rules relating to conservation of Energy and Technology absorption is not provided, as the same is not applicable to the Company.

**Foreign exchange earning and out go : Nill****CORPORATE GOVERNANCE:**

As per clause 49 of the Listing Agreement our company has obtained corporate governance report from the statutory auditors of the company and annexed to this report and a separate section on Management Analysis and Discussion has been forming part of this report.

**Directors' Responsibility Statement:**

Pursuant to the requirement U/s 217(2AA) of the Companies Act, 1956, with respect to Directors responsibility statement, it is hereby confirmed

- i) That in the presentation of Annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- iv) That the Directors have prepared the accounts for the financial year ended 31st March 2013 on a going concern basis.

**ACKNOWLEDGEMENT:**

Your Directors take this opportunity to express their thanks to the various State Government Departments, Development Authorities, Banks & Financial Institutions, Customers and Suppliers for their valuable assistance and support.

Your Directors wish to place on record their appreciation of the efforts put in by the employees of your company at all levels.

For and on behalf of the Board

Sd/-

**LINGAM RAVINDRA RAO**  
*Managing Director*

Place : Vijayawada  
Date : 04.09.2013



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Over view:**

The financial statements have been prepared in compliance with the requirements of the provisions of the Companies Act, 1956 and Generally Accepted Accounting Principles in India. The estimates and judgments relating to the financial statements have been on a prudent and reasonable basis, in order that the statements reflect, in a true and fair manner, the state of affairs and profits for the year. This report may also contain certain statements that the company believes are or may be considered to be 'Forward Looking Statements' which are subject to certain risks and uncertainties.

### **INDUSTRY AND STRUCTURE**

#### **Construction Industry:**

India by population stood in second place in the World. India has a vast land and natural resources but they are not utilizing proportionately. Each and every common man wanted primary needs such as food, shelter and clothes. The Indian Real Estate sector after being on a high for almost three years is witnessing a slight correction throughout the country. Growth over these last three years was characterized by strong economic fundamentals, increasing purchase capacity of the investors, leading to rise in demand which in turn, led to increase in supply by developers who wanted to capitalize on the opportunity.

The company feels that the fundamentals will remain positive in 2014 and prices may moderate in the markets, however, the property market may witness a slowdown with some moderate correction which will vary from region to region. The demand - supply gap is anticipated to be much closer this year. The company expects that developers will be reluctant to reduce prices and may indulge in adding sweeteners to their deals rather than engaging in direct reduction in prices. The company's main aspect to provide shelter within the affordable price and quality construction.

#### **Company Infrastructure:**

Your company operates from its registered office at Vijayawada. The company's site offices are at 2 locations, one at Poranki, Penamaluru Mandal, Krishna District about 6 KM from the registered office at Vijayawada and the second one at Edupugallu Village, Krishna District about 9 Kms from the registered office at Vijayawada.

#### **Internal Control Systems:**

The Company has an effective internal control system in place and this is continually reviewed for effectiveness and is amplified by written policies and guidelines. The company's overall system of internal control is adequate given the size and nature of operations and effective implementation of internal control procedures.

The internal control system of the company is subject matter of Audit Committee's periodical review, suggestions and recommendations, if any are made by the committee will be carried out.

### **OPPORTUNITIES AND THREATS**

With the tax exemptions offered by the Government and ample services of the private and public financial institutions, Geographical area of city limits are expanding vastly by mobilisation of the people from one place to another for getting employment, which results the more opportunities for the company.

In rare occasions, uncertainty of land and material costs, chronic deviations in getting of land acquisition permits from the competent authorities.

#### **Risks and concerns:**

The Company's Current and Fixed assets are adequately insured against various risks. The Company constantly strives to adequately protect itself from various business risks and concerns and takes appropriate measures to address the same.

#### **Operational Performance :**

<b>Particulars</b>	<b>March 31, 2013</b>	<b>March 31, 2012</b>
Net Sales	33,28,59,794	13,15,54,541
Other Income	0.00	9,93,284
Work in Progress	5,75,32,650	86,63,762
Total Income	33,28,59,794	13,25,47,825
PBDIT	8,31,10,607	(4,08,63,054)
Finance Charges	8,11,20,947	60,27,999
Depreciation	9,97,535	11,93,802
Profit before Tax	9,92,125	(4,80,84,855)
Profit after Tax	10,36,230	(4,80,53,860)
EPS – Basic	0.34	(15.92)
Net Worth	8,52,00,376	8,41,64,146

#### **Sales Turnover:**

Your Company is developing Housing colonies and Apartments in various locations. In this financial year major part of construction and infrastructure activities are completed. Your company achieved a turn of Rs.3328.59 Lakhs.