

RAVILEELA GRANITES LIMITED

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Members of the Company will be held on Tuesday the 30th SEPTEMBER, 2008 at 11.00 a.m. at Regd. Office situated at S.No 203, SAMPANNABOLU VILLAGE, SHAMEERPET MANDAL, RANGA REDDY DISTRICT, to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March 2008 along with Directors' Report and Auditors Report thereon.
2. To appoint a Director in place of Mr. D. Surendranath Reddy who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Sec. 224 and other applicable provisions of the Companies Act, 1956, M/s. S.V. Rao Associates, Chartered Accountants, Hyderabad be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration of Rs.60,000 plus out pocket expenses on actual basis."

By Order of the Board
For RAVILEELA GRANITES LIMITED

Regd. Office:
S.No. 203, SAMPANNABOLU VILLAGE,
SHAMEERPET MANDAL, R.R DISTRICT
Date: 27.08.2008

Sd/-
(P.SRINIVAS REDDY)
MANAGING DIRECTOR

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS TO BE VALID SHALL BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer books of the Company will be closed from 25.09.2008 to 30.09.2008 (Both days inclusive)
3. The Members are requested to bring Annual Report along with them at the time of Annual General Meeting and are also requested to send their queries, if any, on the adoption of accounts well in advance, so as to enable to place relevant records and information at the time of Annual General Meeting.
4. Register of directors shareholdings shall open during business hour.

RAVILEELA GRANITES LIMITED

DIRECTORS' REPORT

To,
The Members of
RAVILEELA GRANITES LIMITED
Your Directors hereby submit the 18th Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2008.

	Current Year Ended 31.03.2008	(Rs. in lakhs) Previous Year Ended 31.03.2007
1. Sales and Other Income	666.73	917.46
2. Profit before interest, Depreciation and Impairment of Asst	(785.95)	(538.59)
3. Interest	15.65	110.04
4. Depreciation	80.94	80.97
5. Impairment of Asset	54.87	
6. Profit/(Loss) for the year	(937.40)	(729.60)
7. Adjustments relating to previous year	5.01	3.54
8. Provision for Deferred Tax	(421.31)	193.43
9. Provision for Fringe Benefit Tax	0.24	0.53
10. Loss brought forward from previous year	(1102.13)	(561.89)
11. Balance	(1623.47)	(1102.13)

Management's Discussion and Analysis :

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, the Management's discussion and Analysis Report is enclosed as a part of this Report as Annexure -1.

Directors :

Mr. M. Mohan Reddy retiring by rotation at this Annual General Meeting and being eligible offers himself for reappointment.

Director's Responsibility Statement:

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 with respect to the Directors Responsibility Statement, your Directors wish to confirm that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
2. Such accounting policies have been selected and applied consistently and judgements and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period.
3. 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 any fraud or other irregularities has been taken.
4. Accounts for the financial year ended on 31st March, 2008 are prepared on a going concern basis.

Auditors :

M/s. S.V. Rao Associates, Chartered Accountants, Hyderabad, the Statutory Auditors of the Company retire at this Annual General Meeting and are eligible for reappointment. They have signified their willingness for reappointment and have confirmed their eligibility under Section 224 (1B) of the Companies Act, 1956.

Replies to Auditor's Report :

1. After detailed discussions and negotiations with various parties an amount of Rs.4.40 lakhs have been written back and accordingly there will not be any claim nor counter claim in future.

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- Fixed Assets register is in the process of updation.
- Provident Fund, Employees State Insurance, Professional Tax, Tax deducted at Source amounts are being remitted during the current year.
- Since the Granite Industry is not falling under prescribed schedule of Industries Development Regulations Act, provisions of SICA not applicable and no application is made to BIFR.
- Other observations made in the report are self explanatory as given in the Notes of Accounts.

Fixed Deposits:

The Company has not raised any fixed Deposits as on 31st March, 2008 so as to attract the provisions of section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975 as amended from time to time. There is no outstanding or due to any deposit holder.

Particulars of Employees:

In pursuance of section 217(2A) of the Companies Act, 1956 none of the employee of the company was drawing a remuneration exceeding Rs. 24,00,000/- per annum or Rs.2,00,000/- per month or part thereof.

Personnel:

Your Directors place on record their appreciation for the services rendered by the employees. The relation between the management and the employees has been cordial throughout the year.

Energy Conservation Technology Absorption:

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

	2007-2008	2006-2007
1. Conservation of Energy		
POWER		
No. of Units consumed	311104	360462
Unit Rate (Rs)	17.20	17.14
Total Amount (Rs)	5349999	6178334
FUEL		
No. Of Units consumed	—	—
Unit Rate (per ltr.) (Rs.)	—	—
Total Amount (Rs)	—	—
RESEARCH & DEVELOPMENT	NIL	NIL
ABSORPTION OF TECHNOLOGY	NIL	NIL

Foreign Exchange Earnings and Outgo:

The Foreign Exchange out go and earnings are as follows: (Rs. in lacs)

	For the year ended 31.03.2008	For the year ended 31.03.2007
Earnings :		
Out go :	65.53	180.96
For Import of Consumables	57.58	78.22
Raw Blocks	123.12	27.19

Listing :

The Shares of the company are listed on Hyderabad Stock Exchange and Mumbai Stock Exchanges.

Dematerialisation of Shares:

Application is being made to NSDL & CDSL for demat of shares. Presently the Shares are being traded in Mumbai Stock Exchange under trade to trade basis.

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Corporate Governance:

In accordance with Clause 49 of the Listing Agreement, your company has complied with mandatory recommendations. A report on Corporate on Governance is annexed herewith as Annexure-II.

Acknowledgements:

Your Directors wish to express their thanks for the guidance and assistance received from various departments of State and Central Government and Bankers. Your Directors also wish to thank all the Shareholders for their confidence reposed in the Company.

For and on behalf of the Board of Directors

Place: Hyderabad
Date : 27.08.2008

Sd/-
Managing Director

Sd/-
Director

ANNEXURE – I TO DIRECTOR'S REPORT MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

A) Industry Structure and Development, Opportunities & Threats, Performance, Outlook and Risks & Concerns :

As informed earlier, the Granite industry is performing satisfactorily and the demand for granite slabs is ever increasing. Overall global economic and infrastructural growth is the main cause for demand for granite slabs. Indian market has unique feature of supplying various colours to the world market whereby the demand for Indian granite slabs is high.

During the year three quarries located at chityala(V), Nalgonda Dist. have been standardized by initiating suitable steps. A technical report to this effect was also obtained.

Your company is planning to expand its capacity and also install/upgrade plant and machinery so as to achieve better productivity with less breakdowns. Your management is optimistic in achieving better performance during the current year with an overall improvement in inventory levels, liquidate funds and market share.

B) Internal Control System and adequacy :

Internal Auditor is carrying Internal Audit regularly in all financial areas which is being reviewed by time to time by Audit Committee. The Managing Director is personally monitoring the activities on day to day basis. The Board of Directors at their Meetings also review the Internal Control at macro level.

C) Financial and Operational Performance :

Highlights of financial and operational performances are given below:

	As at 31.03.2008 (Rs. in Lacs)
Income from Operations	644.65
Other Income	31.86
Profit before interest and Tax	(926.76)
Interest	15.65
Profit(Loss) for the year	(942.41)

D) Human Resources, Industry Development relations:

The company is maintaining good employee relations and no man days are lost during the year due to employees unrest. The company continued within policy of Human Resources Development and retention.

ANNEXURE –II TO DIRECTOR'S REPORT CORPORATE GOVERNANCE

i) Board of Directors :

The Board of Directors comprises a Managing Director and 3 Non- Executive Directors.

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During the Year 6 Board Meetings were held on 30/04/2007, 31/07/2007, 31/08/2007, 30/10/2007, 16/12/2007 & 31/01/2008.

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

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorships	Committee Membership Co. Others
Mr.P.Srinivas Reddy	Promoter Executive Director	6	YES	2	3 -
Mr.D.Surendranath Reddy	Non Executive Director	6	YES	-	4 -
Mr.Mohan Reddy	Non Executive Director	6	YES	1	4 -
Dr.Babu S.Ramdev	Non Executive Director	-	No	-	1 -

*NRI Director

ii) Details of Directors proposed for reappointment :

Mr. M. Mohan Reddy retires by rotation and being eligible offers himself for reappointment. Mr. M. Mohan Reddy is a Post Graduate and worked in Government Sector. He is also director in M/s. Trendswear Exports (I) Pvt. Ltd.

iii) Audit Committee :

The Audit Committee is regularly meeting and reviewing as per the scope given in the Listing Agreement.

Compositions:

The Audit Committee comprises of Board of Directors was formed in 2002 and as on today it comprises 3 Non-Executive Independent Directors. The Committee met 5 times during the year and the attendance of members at the meetings was as follows:

Name of Member	Status	No. of Meetings attended
Mr.M.Mohan Reddy	Chairman	5
Mr.D.Surendranath Reddy	Member	5
Dr. Babu S.Ramdev	Member	-

The Statutory Auditor is a permanent invitee. The Practicing Company secretary is the Secretary of the Committee.

iv) Remuneration Committee:

a) Terms of reference:

To review, assess and recommend the appointment of Executive and Non- Executive Director and to review their remuneration package, to recommend compensation to the Non- Executive Directors in accordance with the provisions of the Companies Act, 1956.

b) Composition:

The committee comprises 3 Non-Executive Directors. The Committee has not met so far since no activities took place in this direction during the period under review.

c) Remuneration Policy:

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Remuneration of employees largely consists of base remuneration, perquisites and performance incentives.

Details of Directors' remuneration paid for the year ended 31.03.08

i) Executive Directors : Mr. P.Srinivas Reddy
Managing Director Nil

ii) Non-Executive Directors : —

v) Share Transfer & Grievances Committee:

a) Terms of reference:

To look into the investor's complaints, if any and to redress the same expeditiously. The committee approves requests for issue of Duplicate Share Certificates, and requests for issue of new certificates on split/consolidation etc., as also requests for transmission of Shares, as may be referred to it by the Share Transfer Committee.

b) Composition:

The Shareholder's Grievance Committee comprises two Non-Executive Directors and Managing Director.

During the year, the Committee held 5 meetings and the attendance of Members was as follows.

Name	Status	No. of Meetings attended
Mr. D.Surendranath Reddy	Chairman	5
Mr. Mohan Reddy	Member	5
Mr. P.Srinivas Reddy	Member	5

The Secretarial Officer is the Compliance Officer. During the year 9 letters/complaints were received from the investors and the same have been replied/resolved to their satisfaction.

vi) The Board has delegated the powers to approve transfer of the Securities received by the Share Transfer Committee. The Committee held 5 Meetings during the year and approved the transfer of the Shares lodged with the Company.

As on 28/02/07 Share Transfers have been effected for a total of 500 shares and duly endorsed share certificates dispatched.

vii) Generalbody Meetings:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2005-2006	25/9/2005	2.00P.M	Regd.Off. S.No 203, Sampannabolu(V) Shameerpet (M), R.R District.
2004-2005	30/9/2004	2.00P.M	Regd.Off. S.No 203, Sampannabolu(V) Shameerpet (M), R.R District.
2003-2004	30/9/2003	2.00P.M	Regd.Off. S.No 203, Sampannabolu(V) Shameerpet (M), R.R District.

No resolutions were required to be put through postal ballot last year.

viii) Disclosures:

1. Details of related party transactions have been disclosed under Note 10 of Schedule 16 on the financial statements.
2. There were no instances of non-compliance on any matter related to the capital markets, during the last four years.

ix) Means of communication:

1. No Halfyearly reports were sent to Shareholders, however, Unaudited Quarterly Results are furnished to the Stock Exchanges.

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2. The Shareholding pattern on a quarterly basis submitted to Stock Exchanges.
3. Management's Discussion & analysis forms part of the Annual Report, which is mailed to the shareholders of the Company.

x) General Shareholder's information:

a) Annual General Meeting is to be held on 25th SEPTEMBER, 2008 at 2.00 p.m. at Regd. Office ie., S.No 203, SAMPANNABOLU VILLAGE, SHAMEERPET MANDAL, RANGA REDDY DISTRICT.

b) Financial Calendar

Annual results of previous year : 30.04.2008

Mailing of Annual Reports : 30.08.2008

Annual General Meeting : 25.09.2008

Payment of Dividend : Nil

First Quarter Results : End July, 2008

Second Quarter Results : End October, 2008

Third Quarter Results : End January, 2009

Fourth Quarter Results : End April, 2009

c) Dates of book closures : 20.09.2008 to 25.09.2008
(Both days inclusive)

d) Dividend payment date : Nil

e) Listing of equity shares : The Hyderabad Stock Exchange Ltd.,
(Regional Stock Exchange) & The Stock
Exchange, Mumbai.

f) Stock Market Data : Shares are not significantly traded on any
Stock Exchange during the year under
review hence not provided.

g) Address for Correspondence : The Compliance Officer,
& Compliance Officer : Shares Division : Plot No.19,
Siripuri Colony, Karkhana,
SECUNDERABAD-15.
Phone Nos : 27743733
Fax : 27743732
E-mail: ravileel@yahoo.com

h) Share Transfer System : The Company's shares are traded in the Stock Exchanges under Trade to Trade basis. Shares in physical mode which are lodged for transfer are processed and returned to the shareholders within the stipulated time after making necessary endorsements.

i) Distribution of shareholding as on 31st March, 2008.

NO. OF SHARES	SHAREHOLDERS		SHAREHOLDING	
	Nos.	%	Nos.	%
Upto 500	19541	93.032	3323500	32.53
501-1000	901	4.285	741700	7.26
1001-2000	330	1.57	493200	4.83
2001-3000	79	0.38	201300	1.97
3001-4000	44	0.21	158950	1.56
4001-5000	29	0.14	136600	1.34
5001-10000	33	0.16	289925	2.64
Above 10001	49	0.23	4889825	47.87
TOTAL	21006	100.00	10215000	100.00

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j) Categories of Shareholders as on 31st March, 2008.

Category	No. of Shares held	% Share holding
Promoter's Holding	3845000	37.641
Banks	0	0
Private Corporate Bodies	423600	4.150
Indian Public	5716100	55.957
NRIs/OCBs	230300	2.252
TOTAL	10215000	100.00

k) Dematerialization of Shares and liquidity:

Application is being made to NSDL & CDSL for demat of shares. Presently the shares are being traded in Mumbai Stock Exchange under trade to trade basis.

l) Plant Location : The Company's plant is located at Survey No 203,
Sampannabolu Village, Shameerpet Mandal, R R District, A.P.

AUDITORS' CERTIFICATE

To the Members of
RAVILEELA GRANITES LIMITED

We have examined the compliance of conditions of Corporate Governance by RaviLeela Granites Limited for the year ended 31st March, 2008 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of Conditions of corporate governance is the responsibility of the management. Our examination was limit to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Shareholders Grievance Committee.

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

For S.V. RAO ASSOCIATES
Chartered Accountants

Place: Hyderabad
Date : 27.08.2008

Sd/-
S.V. RAO
Partner

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of RAVILEELA GRANITES LIMITED as on 31st March 2008 and 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 about 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure to statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to 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 account as required by law have been kept by the company so far as appears from our examination of the books;
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the above books of account;
 - d) In our opinion, the Balance sheet, Profit & loss account and cash flow statement comply with the accounting standards referred to in sub-section(3C) of Section 211 of the Companies Act, 1956.
 - e) As per the information and explanations given to us, none of the Directors of the company is disqualified from being appointed as a Director under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the 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 subject to Note no.4 regarding non provision of interest on bank loans amounting to Rs.85.12lacs and note no.6 about the deviation of accounting standard regarding employee benefits for which the amount is not ascertainable:
 - i) In the case of the Balance sheet, of the State of affairs of the Company as at 31st March, 2008 and,
 - ii) In the case of the Profit and Loss Account, of the Loss for the year ended on that date and
 - iii) In the case of the Cash flow statement of the cash flow for the year ended on that date.

Place: Hyderabad
Date : 27.08.2008

for S.V.RAO ASSOCIATES
Chartered Accountants

Sd/-
(S.V.Rao)
Partner
Membership No.23903

ANNEXURE TO THE AUDITORS' REPORT

- i) (a) The Company is in the process of preparation of records of the fixed assets to show full particulars including quantitative details and situation of fixed assets. The fixed assets were physically verified during the year by the management and the discrepancy, if any, will be ascertained only after the completion of the records.
- (b) In our opinion and according to the information and explanations given to us, no substantial part of the fixed assets have been disposed off during the year.
- ii) (a) The Inventory has been physically verified by the management at the year end. In our opinion the frequency of verification is adequate.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the maintenance of records are satisfactory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material.
- iii) (a) In our opinion and according to the information and explanations given to us, the company has not granted any loans secured or unsecured to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause 4(iii), a to d of the Companies (Auditors Report) Order, 2003 are not applicable.
- (b) The Company has taken unsecured loans from TWO parties listed in the register maintained under section 301 of the Companies Act, 1956 amounting to Rs.398.40 lacs.
- (c) According to the information and explanations given to us, the said loans do not bear any interest, and there are no specific terms and conditions concerning the repayment of the loan.
- (d) As the said loans do not contain any terms and conditions the question of overdue amounts 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 nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods or services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any major weaknesses in the aforesaid internal control procedures.
- v) (a) On the basis of our examination of the books of account and according to the information and explanations given to us, the company has no transactions that needs to be entered in to the register maintained under Section 301 of the companies Act, 1956.
- (b) In view of our comment in paragraph V(a) above, paragraph V(b) of the aforesaid order in our opinion is not applicable.
- vi) The company has not accepted any deposits from the public within the meaning of Sections 58 A and 58AA of the Companies Act, 1956 and the rules framed there under.
- vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii) The maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 for any of the products of the company for the year under review.
- ix) (a) According to the information and explanations given to us, and according to books and records as produced and examined by us, in our opinion, the Company is not regular in depositing the undisputed statutory dues in respect of Provident fund, income tax, service tax and other material statutory dues as applicable to the company, with the

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appropriate authorities regularly. There are undisputed amounts payable in respect Provident Fund amounting Rs.22.21 lacs, Tax deducted at source amounting Rs. 9.76 lacs, Fringe benefit tax amounting to Rs.1.33 lacs and Professional Tax amounting Rs. 4.47 lacs were in arrears as at balance sheet date for a period of more than six months from the date of they became payable

- (b) According to the information and explanations given to us, and according to records of the company examined by us, there are no disputed statutory dues / taxes outstanding as on 31st March, 2008
- x) The accumulated loss as on 31.03.2008 is more than 50% of the net worth, and the company has incurred a cash loss of Rs.790.54 lakhs during the year and Rs.652.70 lacs in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of dues to banks to the tune of Rs.265.28 lakhs towards Term Loans including Interest and an amount of Rs.384.68 lakhs is due towards Working Capital Loan. In addition to these the bank has not renewed the existing working capital limit of Rs.375 lakhs which has been fully utilized by the Company.
- xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion the company is not a chit fund or nidhi /mutual benefit fund/society. Therefore the provisions of Paragraph 4 (xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv) In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of Paragraph 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi) According to information and explanations given to us, the company has not raised any term loans during the year.
- xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The company has not issued any debentures during the year and hence the question of creation of security or charge does not arise.
- xx) The company has not raised any money by public issue during the year.
- xxi) During the course of examination, of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.

Place: Hyderabad
Date : 27.08.2008

for S.V.RAO ASSOCIATES
Chartered Accountants

Sd/-
(S.V.Rao)
Partner
Membership No.23903

RAVILEELA GRANITES LIMITED

BALANCE SHEET AS AT 31st MARCH, 2008

PARTICULARS	SCHEDULE NO.	AS AT 31-03-2008 Rs.	AS AT 31-03-2007 Rs.
I SOURCE OF FUNDS:			
Share Holders Funds:			
Share Capital	1	101669000	101669000
Reserves & Surplus	2	1500000	1500000
Loan Funds:			
Secured Loans	3	101688150	108439261
Unsecured loans	4	47672987	31810339
		<u>252530137</u>	<u>243418600</u>
I APPLICATION OF FUNDS:			
Fixed Assets:			
Gross Block	5	185728322	185728322
Less: Depreciation		109351773	95771124
Net Block		<u>76376549</u>	<u>89957198</u>
Investments:	6	0	15110000
Deferred Tax Asset		81606852	39475837
Current Assets:			
Loans & Advances			
a. Inventories	7	12820310	34544522
b. Sundry debtors		22027588	22573540
c. Cash and bank balances		358844	3191062
d. Other current assets		70733	0
e. Loans & advances		8485394	33047310
		<u>43762868</u>	<u>93356433</u>
Less: Current Liabilities and Provisions	8	111563282	104694183
Net Current Assets		<u>(67800415)</u>	<u>(11337750)</u>
Profit & Loss Account		162347151	110213316
		<u>252530137</u>	<u>243418600</u>
Notes on Accounts	16		

As per our report of even date
for S.V.RAO ASSOCIATES
Chartered Accountants

For and On behalf of the Board

Sd/-
(S.V.RAO)
PARTNER
PLACE : HYDERABAD
DATE : 27.08.2008

Sd/-
(M. MOHAN REDDY)
DIRECTOR

Sd/-
(P. SRINIVASA REDDY)
MANAGING DIRECTOR

RAVILEELA GRANITES LIMITED
PROFIT AND LOSS ACCOUNT FOR THE PERIOD 31st MARCH, 2008

PARTICULARS	SCHEDULE NO.	AS AT 31-03-2008 Rs.	AS AT 31-03-2007 Rs.
I. INCOME :			
Sales		64465175	88428604
Less: Excise Duty		978010	521662
		<u>63487165</u>	<u>87906942</u>
Other Income	9	3185830	3839237
Variation in stocks	10	<u>(12538161)</u>	<u>(19281019)</u>
		<u>54134834</u>	<u>72465159</u>
II. EXPENDITURE :			
Materials Consumed	11	57309818	43037959
Personnel cost	12	12586661	16202898
Manufacturing expenses	13	21857640	26905888
Administration and Selling expenses	14	40975426	40177538
Financial Charges	15	1564945	11003671
Depreciation	5	8093957	8097405
Provision for Impairment of Asset	5	<u>5486692</u>	<u>0</u>
		<u>147875138</u>	<u>145425358</u>
Loss for the year		<u>(93740304)</u>	<u>(72960199)</u>
Prior period adjustments		500765	354201
Loss for the period after adjustments		<u>(94241069)</u>	<u>(73314400)</u>
Less: Deferred tax		<u>(42131017)</u>	<u>(19343505)</u>
Provision for fringe benefit tax		23783	53462
Loss after tax		<u>(52133835)</u>	<u>(54024357)</u>
Loss brought forward		<u>(110213316)</u>	<u>(56188959)</u>
Balance transferred to Balance Sheet		<u>(162347151)</u>	<u>(110213316)</u>
Earnings per share (EPS) par value			
Rs.10 each, Basic/diluted		(5.13)	(5.31)
Notes on accounts	16		

As per our report of even date
for S.V.RAO ASSOCIATES
Chartered Accountants

For and On behalf of the Board

Sd/- (S.V.RAO) PARTNER
Sd/- (M. MOHAN REDDY) DIRECTOR
Sd/- (P. SRINIVASA REDDY) MANAGING DIRECTOR

PLACE : HYDERABAD
DATE : 27.08.2008

RAVILEELA GRANITES LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET

PARTICULARS	SCHEDULE No	AS AT 31-03-2008 Rs.	AS AT 31-03-2007 Rs.
SHARE CAPITAL	1		
Authorized Capital 1,20,00,000			
Equity Shares of Rs.10/- each		120000000	120000000
Issued, Subscribed and Paidup Capital			
10215000 Shares of Rs.10/- each fully called up		102150000	102150000
Less : Calls in arrears		481000	481000
96200 shares of Rs.5/-(partly paid) each		<u>101669000</u>	<u>101669000</u>
RESERVES AND SURPLUS	2		
Capital Reserve			
State subsidy		1500000	1500000
		<u>1500000</u>	<u>1500000</u>
SECURED LOANS	3		
Term Loans :			
from SBI - FITL		9094074	9694074
from SBH		2554810	7554810
from SBI - WCTL		14171342	14771342
Working Capital Loans :			
Bill Discounting SBI		21779462	22584400
Export Packing Credit		45400784	45400784
SBI - OD Account		8687679	8433852
		<u>101688150</u>	<u>108439261</u>
UNSECURED LOANS	4		
From Directors		32340095	0
From Others		15332892	31810339
		<u>47672987</u>	<u>31810339</u>

SCHEDULE 5 : FIXED ASSETS YEAR 2007 - 08

(Amount in Rs.)

Sl. No.	Name of Assets	GROSS BLOCK		DEPRECIATION		Adjust-ments	Upto 31.03.08	NET BLOCK	
		As At 01.04.07	As At 31.03.08	Upto 01.04.07	For 2007-08			As At 31.03.08	As At 31.03.07
1	LAND	271143	271143	0	0	0		271143	271143
2	BUILDINGS	30185416	30185416	12052632	1008193		13070825	17114591	18122784
3	QUARIES	5486693	5486693	0	0	5486692	5486692	1	5486693
4	PLANT & MACHINERY	148452018	148452018	82633671	7051471		89685142	58766876	65818347
5	PUMP SETS	443946	443946	275330	21067		296417	147529	168616
7	OFFICE EQUIPMENT	97918	97918	16868	4651		21509	76409	81060
8	COMPUTERS	270049	270049	270049	0		270049	0	0
9	VEHICLES	331518	331518	331518	0		331518	0	0
10	FURNITURE & FIXTURES	189621	189621	181066	8665		189621	0	8665
		<u>185728322</u>	<u>185728322</u>	<u>95771124</u>	<u>8093967</u>	<u>5486692</u>	<u>109351773</u>	<u>76376549</u>	<u>89957197</u>
	PREVIOUS YEAR	189005458	185728322	90867536	8097405	0	95771124	89957197	114420083

RAVILEELA GRANITES LIMITED

PARTICULARS	SCHEDULE No	AS AT 31-03-2008 Rs.	AS AT 31-03-2007 Rs.
INVESTMENTS (Long Term-Non Trade)	6		
Quoted Investments			
Ravileela Dairy Products Ltd		7280000	7280000
(Agrigate Market Value is Nil)			
Less: Permanent diminution of investments		(7280000)	(7280000)
B2b Software Technologies Ltd		0	15110000
(P.Y. aggregate Market Value of Rs.15533080)			
Unquoted Investments:			
Futura Leasing & Finance Pvt Ltd		120000	120000
Less: Permanent diminution of investments		(120000)	(120000)
		<u>0</u>	<u>15110000</u>
CURRENT ASSETS, LOANS & ADVANCES	7		
A. INVENTORIES			
(As Certified by management)			
a) Raw material		187774	8298664
b) Work-in-Progress		9999942	19402080
c) Finished Goods		71122	3207145
d) Stores and spare parts		2561472	3636633
		<u>12820310</u>	<u>34544522</u>
B. SUNDRY DEBTORS			
(Unsecured, considered good)			
Outstanding for more than six months		15376202	22573540
Other debts		6651385	
		<u>22027588</u>	<u>22573540</u>
C. CASH AND BANK BALANCES			
Cash on Hand		82195	3170757
Balances with Schedule Banks in current accounts		276649	20305
		<u>358844</u>	<u>3191062</u>
D. OTHER CURRENT ASSETS			
Interest receivable		70733	0
		<u>70733</u>	<u>0</u>
E. LOANS & ADVANCES			
(unsecured, considered good, recoverable in cash or in kind or value to be received)			
Deposits		2131048	2397452
TDS receivable		18351	0
Vat Receivable		3514170	1126222
Advance for purchases		2213486	3258067
Other advances		608339	26265569
		<u>8485394</u>	<u>33047310</u>
TOTAL CURRENT ASSETS		<u>43762868</u>	<u>93356434</u>

RAVILEELA GRANITES LIMITED

PARTICULARS	SCHEDULE No	As At 31-03-2008 Rs.	As At 31-03-2007 Rs.
CURRENT LIABILITIES & Provisions:	8		
A. Current Liabilities:			
Creditors for Purchases		22205708	9802348
Creditors for expenses		21566551	25336654
Advance against Sales		64615380	66638136
		<u>108387639</u>	<u>101777138</u>
B. Provisions:			
Provision for Gratuity		3029750	2794935
Provision for Fringe Benefit Tax		145893	122110
		<u>3175643</u>	<u>2917045</u>
		<u>111563282</u>	<u>104694183</u>
SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT			
OTHER INCOME	9		
Interest Reced. On ACD - Gross (TDS Rs.18351, Previous year 25313)		89084	91457
CST & VAT Reimbursement		2656176	2121929
Forex Fluctuations		0	269162
Write Back Parties		440570	726991
Interest received on L C Margin Money		0	629698
		<u>3185830</u>	<u>3839237</u>
VARIATION OF STOCK OF FINISHED GOODS	10		
Closing stock of			
Work-in-Progress		9999942.00	19402080
Finished Goods		71122.00	3207145
		<u>10071064</u>	<u>22609225</u>
Opening stock of			
Work-In-Progress		19402080	37371526
Finished Goods		3207145	4518718
		<u>22609225</u>	<u>41890244</u>
INCREASE / (DECREASE) IN STOCKS		<u>(12538161)</u>	<u>(19281019)</u>
MATERIALS CONSUMED	11		
RAW MATERIAL			
Opening stock		8298664	12195420
Add : Purchases		48408128	37435065
		<u>56706792</u>	<u>49630485</u>
Less : Closing stock		187774	8298664
RAW MATERIAL CONSUMED		<u>56519018</u>	<u>41331821</u>
Packing Material Consumed		790800	1706138
		<u>57309818</u>	<u>43037959</u>
PERSONNEL COST	12		
Salaries, wages & bonus		11387053	14670591
Contribution to Provident fund and other funds		1056657	1262833
Staff welfare		142951	269474
		<u>12586661</u>	<u>16202898</u>

RAVILEELA GRANITES LIMITED

PARTICULARS	SCHEDULE No	AS AT	AS AT
		31-03-2008 Rs.	31-03-2007 Rs.
MANUFACTURING EXPENSES	13		
Consumables consumed		14308565	19112944
Machinery Repairs & Maintenance		2199076	1614610
Power & Fuel		5349999	6178334
		<u>21857640</u>	<u>26905888</u>
ADMINISTRATIVE AND SELLING EXP.	14		
Rent		133650	143000
Rates & Taxes		483522	635089
Traveling Expenses & Conveyance		218349	310027
Printing & Stationary		34654	81529
Postage & Telephones		224493	348973
Vehicle Maintenance		10031	47498
Office Maintenance		74145	148830
Security Services		185479	235515
Forex Fluctuation		2701	0
Auditors remuneration			
As auditors		67416	67344
For tax matters		16854	16836
For expenses		1917	5008
Rebates and discounts		1723442	3192206
Consultancy Charges		776512	750655
Insurance		137872	327564
Carriage outwards		1383904	2509821
Bad debts written off		1550977	7071092
Advance written off		27622620	0
Loss on Investment		4283899	0
Loss on sale of fixed asset		0	182586
Commission on sales		1482382	650000
Misc. expenses		560607	23453966
		<u>40975426</u>	<u>40177538</u>
FINANCIAL CHARGES	15		
Interest on			
Fixed loans		0	2637686
Other loans		1453827	7896294
Bank charges		111118	469691
		<u>1564945</u>	<u>11003671</u>

RAVILEELA GRANITES LIMITED

SCHEDULE 16: NOTES FORMING PART OF THE ACCOUNTS

1. ACCOUNTING POLICIES & STANDARD :
a) Basis of Presentation :

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

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

b) Fixed Assets: Fixed assets are capitalised at cost inclusive of legal, installation and other allowable expenses.

Fixed assets are valued at Cost less accumulated depreciation.

c) Inventories :

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

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

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

In case of additions during the year, depreciation is provided on prorata basis.

e) Investments being long term in nature are stated at cost. Permanent diminution, if any has been provided.

f) Foreign Currency Transactions: Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction and exchange differences arising from foreign currency transactions are recognized in the Profit & Loss account, except those relating to acquisition of fixed assets which are adjusted to the carrying cost of such assets. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange of the balance sheet date and resultant gain or loss is recognized in the profit and loss account. Non monetary assets and liabilities are translated at the rate prevailing on the date of transaction.

g) Borrowing Costs: The interest on working capital management is charged to revenue account for the year in which it is incurred. Interest on borrowings for capital assets is capitalized till the date of commencement of commercial use of the asset.

h) Employee Benefits:

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

2) Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of amounts payable based on the estimates. Refer note no.6

i) Earnings per share: The basic and diluted earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. Refer below note no : 7

j) Leasing: The Company has taken building on operating lease. The lease payments have been charged to Profit & loss account considering the lease arrangements are in the nature of operating lease as defined by AS 19. Details are given in note no. 8

k) Taxes on Income :

a. No Provision for IT made for current year in accounts, as there is no taxable income.

RAVILEELA GRANITES LIMITED

b. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry forwards. Current taxes are measured at the amounts expected to be paid using the applicable tax rates and tax laws. Deferred tax assets and liabilities are measured using tax rates that have been enacted or subsequently enacted by the balance sheet date. The measurement of deferred tax assets if necessary by a valuation allowance for any tax benefit for which it is more likely than not that some portion or all such benefits will not be realized. Details as per Note no.9.

l) Preliminary expenses: Preliminary expenses and public issue expenses have been amortized at the rate of 10% on total expenditure.

2. SECURED LOANS :

a. Term Loan with State Bank of India secured by Land admeasuring 5 Acres situated at Sampannabolu Village, Shameerpet Mandal in Survey No.203 together with Buildings constructed thereon and by hypothecation of Plant & Machinery and charge on Book Debts and on other current assets on pari-passu with State Bank of Hyderabad and the loan is further guaranteed by promoter directors in their personnel capacity.

b. i) Term Loan with State Bank of Hyderabad secured by Land admeasuring 5 Acres situated at Sampannabolu Village, Shameerpet Mandal in Survey No.203 together with Buildings constructed thereon and by hypothecation of Plant & Machinery and second charge on Book Debts and other current assets on pari-passu with State Bank of India.

ii) During the year the Company has entered into a compromise arrangement with State Bank of Hyderabad and the loan has been rescheduled but it has no financial impact on the Company.

c. The Export packing credit and Bill Discounting facilities amounting to Rs.1075 lacs with SBI secured by First charge on all movable assets of the company including raw materials, stock in progress, finished goods, consumables, book debts and other receivables.

3. Balance of Sundry Debtors and Sundry Creditors are subject to confirmation.

4. The Company has not provided interest to State Bank of India, SAM Branch, SBH on term loan amounting to Rs.29,24,308, interest on EPC amounting to Rs.48,80,584 and SBH on term loan amounting to Rs. 7,07,322, since the company has made an application for one time settlement. If the interest has been provided the loss would have been higher by Rs.85,12,214 and the secured loans would have been higher by Rs.85,12,214.

5. On account of revival measures taken by the management and based on the opinion of a technical expert, the management is of the opinion that provision for impairment of Assets is not required.

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

Defined Contribution Plan

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

	In Rs.	In Rs.
	Mar 31,2008	Mar 31,2007
Employer's Contribution to Provident Fund	700055	789537
Employer's Contribution to ES	356609	355907

Defined Benefit Plan

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

RAVILEELA GRANITES LIMITED

	Gratuity (Unfunded)	
	2007-08	2006-07
a. Reconciliation of Opening and Closing balances of Defined Benefit Obligation		
Defined Benefit obligation at beginning of year	2794935	371259
Current service cost	234815	2423676
Defined Benefit obligation at end of the year	3029750	2794935
b. Reconciliation of opening and closing balances of fair value of plan assets.		
Fair value of plan assets at the beginning of the year	-NA-	-NA-
As at 31 st March		
	2008	2007
c. Reconciliation of fair value of assets and obligations.		
Fair value of plan assets	-NA-	-NA-
Present value of obligation	3029750	2794935
Amount recognized in the balance sheet	3029750	2794935
d. Expenses recognized during the year (under head personnel cost as per schedule 12)		
Current service cost	234815	2423676
e. Investment details	-NA-	-NA-
f. Actuarial assumptions	-NA-	-NA-
Note: The Company has not provided the post employment benefits as per the norms prescribed in the Accounting Standard 15, but an estimated provision is made in the books of accounts. The effect on the profit cannot be ascertained since sufficient information is not available.		
7. Earnings per share :	March 31,2008	March 31,2007
	Rs.	Rs.
Profit computation for both Basic and Diluted earnings per share		
Net Profit/(Loss) as per Profit & Loss A/c	(521.334)	(540.24)
Weighted average No. of Equity shares Outstanding	10166900	10166900
Basic and diluted earnings per share in Rupees of face value Rs.10/-	(5.13)	(5.31)
8. Leasing :		
a. The details of future minimum lease payments for each of the following periods are as follows :		
1. Not later than one year		1,40,333
2. Later than one year and not later than 5 years		1,09,148
3. Later than 5 years		Nil
b. The lease payments recognized in profit & loss account		1,33,650
c. General description of lease terms.		
i. Lease rentals are paid on basis of agreed terms.		
ii. Buildings are taken on lease for a period of 36 Months.		

RAVILEELA GRANITES LIMITED

9. i) Components of deferred tax :	(Rs. in lacs)	
	As on 31.03.08	As on 31.03.07
A. Deferred Tax Liability		
Depreciation	190.24	227.12
B. Deferred Tax Asset		
Expenditure disallowable	67.40	77.73
Unabsorbed Allowances	544.15	544.15
Total	611.55	621.88
Deferred Tax Asset (Net)	421.31	394.76

10. Related party disclosures

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

a. Names of related parties

i) Associate Companies

1) Ravileela Dairy Products Ltd

ii) Enterprises in which Key Management Personnel have significant influence

1) Futura Leasing & Finance Pvt Ltd

iii) Key management personnel

1) P Srinivasa Reddy, Managing Director

2) D Surendranath Reddy, Director

3) M Mohan Reddy, Director

iv) Relatives of key managerial personnel

1) P Ravindra Reddy

2) P Samantha Reddy

b. Transaction with related parties during the financial year and outstanding balances as on 31.03.08.

Nature of Transaction	Associated Company's	Enterprises in which key management Personnel have Significant influence	Key management persons	Relatives key management persons
Loans repaid	-	-	-	-
Loan Received	-	-	323.40	75.00
Managerial remuneration - Outstanding	-	-	-	NIL

11. Loans & Advances and Debtors

Loans to Companies in which the Directors are interested Rs. Nil.

12. The company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act 2006. Hence disclosures if any relating to amounts unpaid as at the year end together with interest paid/payable as required under the said act have not been made.

RAVILEELA GRANITES LIMITED

13. Information pursuant to Paragraphs 3 and 4 of Part II Schedule VI to the Company's Act 1956.	2007-08	2006-07
a) Managerial Remuneration	Nil	Nil
b) Installed Capacity	Sqm 1,55,400	1,55,400
c) Production intended for sale		
Tiles	Sft 0	0
Slabs	Sft 407075	424944
	(Rs. in lacs)	(Rs. in lacs)
d) Sales Quantity		
Finished Granite manufactured	Sft	
Tiles	Sft 0	0
Slabs	Sft 291734	438397
Value	Rs. 644.64	884.29
e) Closing Stock of finished goods & WIP (As certified by the Management)		
i) Finished Granite		
Tiles quantity	Sft 0	5,139
Value	Rs. 0	7.19
Slabs quantity	Sft 376	6541
Value	Rs. 0.71	24.88
ii) Semi-finished		
Quantity	Sft 67,410	1,20,450
Value	Rs. 100.00	194.02
f) Opening stocks of Finished goods & WIP		
i) Finished Granite		
Quantity	Sft 11,680	24,242
Value	Rs. 32.07	45.18
ii) Semi-finished		
Quantity	Sft 1,20,450	2,17,620
Value	Rs. 373.72	373.72
g) Materials consumed		
Raw blocks	Nos 0	1561
Quantity	Cbm 1629.028	1439.362
Value	Rs. 544.86	413.32
Note a) Raw blocks of 210.617 cbm amounting to Rs.81.83 lacs has been reduced from the closing stock and treated as consumption, as the same are not commercially viable for production.		
h) Value of imports calculated on CIF basis (Rs. in lacs)		
Raw blocks	Rs. 123.12	27.19
Consumables	Rs. 57.58	78.22
i) Expenditure in foreign currency during the financial year on account of Technical knowhow fee	Rs. Nil	Nil

RAVILEELA GRANITES LIMITED

j) Consumptions :

	Amount		%	
	Rs.		Rs.	%
Raw material				
- Indigenous	439.68	77.79	386.13	93.42
- imported	125.51	22.21	27.19	6.58
	565.19	100	413.32	100
Stores and spares				
- Indigenous	82.24	57	89.34	47
- imported	60.85	43	101.79	53
	143.09	100	191.13	100

Note : Imported stores and spares includes freight import.

k) i) Exports :

FOB Value Rs. 65.53 180.96

ii) EOU to EOU & Deemed Exports :

FOB Value Rs. 507.91 664.74

l) Contingent liability on account of

a. Letters Of Credit Rs. NIL NIL

15. Figures of the previous year have been regrouped wherever considered necessary to confirm to those of the current year.

SIGNATURES TO SCHEDULES 1 TO 16

As per our report of even date For and On behalf of the Board
for **S.V.RAO ASSOCIATES**
Chartered Accountants

Sd/-
(S.V.RAO)
PARTNER
Membership No.23903

Sd/-
(M. MOHAN REDDY)
DIRECTOR

Sd/-
(P. SRINIVASA REDDY)
MANAGING DIRECTOR

PLACE : HYDERABAD
DATE : 27.08.2008

RAVILEELA GRANITES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

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

Amount in Rs.Thousands

I REGISTRATION DETAILS

Registration No.	01-11909	State Code	01
Balance Sheet Date	31-03-2008		

II CAPITAL RAISED DURING THE YEAR

Public Issue	0	Rights Issue	NIL
Bonus Issue	NIL	Private placement	NIL
Share application money	NIL		

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

TOTAL LIABILITIES	252530	TOTAL ASSETS	252530
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SOURCES OF FUNDS APPLICATION OF FUNDS

Paid up Capital	101669	Net Fixed Assets	76377
Share application money	NIL	Investments	0
Reserves & Surplus	1500	Net Current Assets	-67800
Secured Loans	101688	Deferred Tax Asset	81607
Unsecured Loans	47673	Miscellaneous Expenditure	0
		Profit & loss a/c	162347

IV PERFORMANCE OF COMPANY

TOTAL TURNOVER	54135	TOTAL EXPENDITURE	106269
Profit / (loss) before tax	(52134)	Profit / (loss) after tax	(52134)
Earning per Share in Rs.			
- Basic	(5.13)	Dividend Rate	NA
- Diluted	NIL		

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

PRODUCT

ITEM CODE NO

PRODUCT DESCRIPTION

POLISHED GRANITES
SLABS
MONUMENT MARKERS

For and On Behalf of the Board

Sd/-
(M. MOHAN REDDY)
DIRECTOR

Sd/-
(P.SRINIVAS REDDY)
MANAGING DIRECTOR

PLACE : HYDERABAD
DATE : 27.08.2008

RAVILEELA GRANITES LIMITED
CASH FLOW STATEMENT

(Rs. in lakhs)

PARTICULARS	31-03-2008	31-03-2007
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(loss) before tax and extraordinary items	(937.40)	(729.60)
Adjustments for :		
Loss on sale of fixed assets	-	1.83
Depreciation	80.94	51.04
Impairment of assets	54.87	-
Interest / Dividends	15.65	110.04
OPERATING PROFIT BEFORE W/C CHANGES	(785.95)	(566.70)
Adjustments for :		
(Increase)/Decrease Trade and other Receivables	250.37	591.50
(Increase)/Decrease Inventories	217.24	278.72
(Decrease)/Increase Trade Payables	68.45	(99.40)
Cash generated from Operations	(249.88)	204.12
Interest Paid	(15.65)	(98.84)
Cash Flow Before extraordinary items	(265.53)	105.28
Extraordinary Items	(5.01)	(5.37)
CASH FLOW FROM OPERATING ACTIVITIES	(270.54)	99.91
B CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	-	32.77
Adjustment of Investment	151.10	-
NET CASH USED IN INVESTING ACTIVITIES	151.10	32.77
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	-	-
Proceeds from Long Term Borrowings	91.12	(160.97)
NET CASH USED IN FINANCING ACTIVITIES	91.12	(160.97)
NET INCREASE IN CASH AND CASH EQUIVALENT	(28.32)	(28.29)
Opening Balance	31.91	60.20
Closing Balance	3.59	31.91

For and On Behalf of the Board

Sd/-
(M. MOHAN REDDY) DIRECTOR

Sd/-
(P.SRINIVASA REDDY) MANAGING DIRECTOR

AUDITOR'S CERTIFICATE

We have verified the above Cash Flow Statement of M/s.RAVILEELA GRANITES LTD., derived from Audited Financial Statements for the year ended 31st March,2008 and found the same in accordance there with, and also with the requirement of clause 32 of the Listing agreement with Stock Exchanges.

For S V RAO ASSOCIATES
Chartered Accountants
Sd/-
S V RAO
PARTNER
Membership no.23903

PLACE : HYDERABAD
DATE : 27.08.2008

RAVILEELA GRANITES LIMITED

RAVILEELA GRANITES LIMITED

REGD.OFFICE : Sy. NO 203, SAMPANNABOLU VILLAGE,
SHAMEERPET MANDAL, R.R.DISTRICT.

ATTENDANCE SLIP

Name of the Shareholder/Proxy* Folio No. No. of Shares held

I hereby record my presence at the 18th Annual General Meeting held at Survey No.203, Sampannabolu Village, Shameerpet Mandal, R.R.District. (A.P) on Tuesday, 30th September, 2008, at 11.00 A.M.

SIGNATURE OF THE SHAREHOLDER/PROXY

*Strike out whichever is not applicable

Note: Please handover the slip at the entrance of the Meeting venue.


RAVILEELA GRANITES LIMITED

REGD.OFFICE : Sy. NO 203, SAMPANNABOLU VILLAGE,
SHAMEERPET MANDAL, R.R.DISTRICT.

PROXY FORM

I/We _____ of _____ in the district of _____ being a Member(s) of the above named Company hereby appoint* _____ of _____ or failing him/her _____ of _____ in the district of _____ of my/our proxy to attend and vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on Tuesday, 30th September, 2008, at 11.00 A.M. at Sy. No. 203, Sampannabolu Village, Shameerpet Mandal, R.R. District, and at any adjournment thereof.

Signed at _____ this _____ day of _____ 2008.

Folio No. Signature

Number of Shares held:

Notes: 1. The proxy need not be a member
2. The form of proxy, duly signed across 0.15 NP revenue stamp should reach the Company, not less than 48 hours before the time fixed for the meeting.

Affix
1/-
Revenue
stamp