



To,  
BSE Limited  
P. J. Towers, Dalal Street  
Mumbai - 400 001

Date: 17.09.2016

Dear Sir/ Madam,

Sub: 26<sup>th</sup> Annual General Meeting (AGM) and Voting Results:-  
Ref: Scrip Code: 526095

With reference to the subject cited, this is to inform the Exchange that at the 26<sup>th</sup> Annual General Meeting of M/s. Ravileela Granites Limited held on Friday, the 16th day of September, 2016 at 10.00 A.M. at Registered office of the company situated at Survey No. 203, Sampannabolu, Shameerpet Mandal, R R Dist, Telangana.

In this regard, Please find enclosed the following-

1. Summary of proceedings as required under Regulation 30, Part-A of Schedule -III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as **Annexure – I**
2. Voting results as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as **Annexure – II.**
3. Report of Scrutinizer dated September 13, 2016, Pursuant to Section 108 of the Companies Act, 2013 and Rule 20(4) (xii) of the Companies (Management and Administration) Rules, 2014.
4. Annual Report for the financial year 2015-16 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

The Voting Results of the 26<sup>th</sup> Annual General Meeting ('AGM') is available on the company's website: [www.ravileelagranites.co](http://www.ravileelagranites.co)

This is for the kind information and records of the Exchange, please.

Thanking you.

Yours faithfully,  
For Ravileela Granites Limited

  
P. Srinivas Reddy  
Managing Director  
(DIN: 00359139)



H.No.6-3-668/10/35  
Durganagar Colony  
Punjagutta, Hyderabad - 500 082.

*Ravi Beela*  
**GRANITES LTD**

CIN#L14102AP1990PLCO11909  
Tel : 23413733, Fax : 23413732  
E-mail : [ravileel@yahoo.com](mailto:ravileel@yahoo.com)

**RAVILEELA GRANITES LIMITED**

**26TH ANNUAL REPORT  
2015-2016**



## CORPORATE INFORMATION

### BOARD OF DIRECTORS:

Mr. P. Srinivas Reddy	- Managing Director (DIN: 00359139)
Mrs. P. Samantha Reddy	- Whole-time Director Cum CFO (DIN: 00141961)
Mr. K. Nandakumar	- Independent Director (DIN: 07080571)
Mr. M. Mohan Reddy	- Independent Director (DIN: 02525646)
Mr. Sree Rama Krishna Grandhi	- Independent Director (DIN: 06921031)
Mr. B. Venkateshwara Rao	- Chief Executive Officer (PAN: ACXBE4059P)
Mr. Eshwar Sharma Yellapragada	- Company Secretary (PAN: AGWPY6726H)

### REGISTERED OFFICE :

Ravileela Granites Limited  
Survey No.203, Sampannabolu  
Shameerpet Mandal, R R Dist.,  
Telangana.

### CORPORATE OFFICE:

6-3-668/10/35, Durganagar Colony  
Panjagutta, Hyderabad-500082  
Tel: +91 - 40 - 23413733 / 34

### STATUTORY AUDITORS:

S.V. Rao Associates,  
Chartered Accountants  
8-2-293/82/A/796-B,  
Road No. 36, Jubilee Hills,  
Hyderabad - 500 033

### INTERNAL AUDITOR:

M/s. Dagliya & Co.,  
Chartered Accountants,  
II Floor Srinivasa Bldg., Ranigunj,  
Secunderabad - 500 003

### SECRETARIAL AUDITOR:

M/s. S. S. Reddy & Associates  
Practicing Company Secretaries  
Plot No.6-3-354/13, A1, Suryateja Apartments,  
Hindi Nagar, Panjagutta, Hyderabad-500034

### CORPORATE IDENTITY NUMBER:

L14102AP1990PLC011909

**AUDIT COMMITTEE :**

1. Mr. K. Nanda Kumar - Chairman
2. Mr. M. Mohan Reddy - Member
3. Mr. Sree Rama Krishna Grandhi - Member

**NOMINATION & REMUNERATION COMMITTEE:**

1. Mr. K. Nanda Kumar - Chairman
2. Mr. M. Mohan Reddy - Member
3. Mr. Sree Rama Krishna Grandhi - Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

1. M. Mohan Reddy - Chairman
2. Mr. Sree Rama Krishna Grandhi - Member
3. Mrs. P. Samantha Reddy - Member

**RISK MANAGEMENT COMMITTEE:**

1. Mr. P. Srinivas Reddy - Chairman
2. Mr. K. Nanda Kumar - Member
3. Mrs. P. Samantha Reddy - Member

**REGISTRAR & SHARE TRANSFER AGENTS:**

Aarhi Consultants Private Limited,  
1-2-285, Domalguda, Hyderabad-500029  
Ph.Nos.040-27638111/27634445  
Email : info@aarhiconsultants.com

**LISTED AT :**

BSE Limited

**DEMAT ISIN NUMBER IN NSDL& CDSL:**

INE427E01027

**WEBSITE:**

www.ravileelagranites.co

**INVESTOR E-MAIL ID:**

investor@ravileelagranites.com

**NOTICE**

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Shareholders of M/s. Ravileela Granites Limited will be held on Friday, the 16th day of September 2016 at 10.00 a.m at the registered office of the company at Survey No. 203, Sampannabolu (V), Shameerpet Mandal, R. R Dist, Telangana, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. P. Srinivas Reddy (holding DIN: 00359139), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. S.V. Rao Associates., Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at remuneration as may be fixed by the Board.

**SPECIAL BUSINESS:****4. REMUNERATION OF SMT.P. SAMANTHA REDDY (DIN: 00141961) , WHOLE-TIME DIRECTOR CUM CFO OF THE COMPANY:**

To consider, and if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:

**"RESOLVED THAT** in modification of the Resolution No.5 passed by the shareholders at the Annual general meeting held on September 30, 2014 and pursuant to the provisions of Section 197 read with Schedule V to the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the Rules prescribed there under, the consent of the shareholders of the Company be and is hereby accorded to the Board to fix, alter or vary from time to time the remuneration payable to Smt. P. Samantha Reddy (DIN No. 00141961) in such manner as it may deem fit including doubling the limits (without the approval of the Central Government) as prescribed under Schedule V of the Companies Act, 2013 including any Statutory modifications(s) in force or that may hereinafter be made thereto by the Central Government as may be agreed by the Board of Directors and Smt. P. Samantha Reddy (DIN No.00141961)."

**"RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Smt. P. Samantha Reddy (DIN No. 00141961) as whole-time Director cum CFO, the remuneration, perquisites and other allowances, if any fixed by the Board of Directors shall be governed by the limits prescribed in Schedule V to the Act."

For and on behalf of the Board of  
**Ravileela Granites Limited**  
Sd/-

Place: Hyderabad  
Date: 21.07.2016

**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 12.09.2016 to 16.09.2016 (Both days inclusive).
5. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
6. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
7. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
8. 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.
9. Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company for the payment of dividend. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
10. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Aarthi Consultants Pvt. Ltd.)
11. As a measure of austerity, copies of the annual report will not be distributed at the

Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.

12. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to M/s. Aarthi Consultants Pvt. Ltd., Share Transfer Agents of the Company for their doing the needful.
13. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
14. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission/transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
15. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
16. Electronic copy of the Annual Report for 2015-2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-2016 is being sent in the permitted mode.
17. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report for 2015-2016 will also be available on the Company's website [www.ravileelagranites.co](http://www.ravileelagranites.co) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [investors@ravileelagranites.com](mailto:investors@ravileelagranites.com)
18. Voting through electronic means  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for e-voting are as under:

**(A) In case of members receiving e-mail:**

- i. The voting period begins on 13.09.2016 at 9.00 A.M. and ends on 15.09.2016 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (08.09.2016)



- may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - iii. Click on Shareholders.
  - iv. Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - v. Next enter the Image Verification as displayed and Click on Login.
  - vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any

- other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - xi. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
  - xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - xviii. Shareholders can also cast their vote using CDSL's mobile app M-voting available for android based mobiles. The M-voting app can be downloaded from google play store.  
Please follow the instructions as promptly by the mobile app while voting on your mobile.

**(II) In case of members receiving the Physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:**

- A. Please follow all steps from sl. no. (ii) to sl. no. (xvii) above, to cast vote.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- B. The voting period begins on 13.09.2016 at 9.00 A.M. and ends on 15.09.2016 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 08.09.2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- C. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 08.09.2016.
20. Mr.S.Sarveswar Reddy, Practicing Company Secretary, bearing C.P. Number 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process.
21. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
21. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ravileelagranites.co](http://www.ravileelagranites.co) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
22. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/ uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

For and on behalf of the Board of  
**Ravileela Granites Limited**

Place: Hyderabad  
Date: 21.07.2016

Sd/-  
**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

**EXPLANATORY STATEMENT**

[Pursuant to Section 102 of the Companies Act, 2013]

**ITEM NO. 4:**

At the Annual General Meeting of the Company held on 30th September, 2014, the shareholders of the Company approved the remuneration to Smt. P. Samantha Reddy Reddy (DIN No. 00141961) whole-time Director cum CFO as Rs.3,50,000/- per month including perquisites and other entitlements.

Having regard to the knowledge, experience of Smt. P. Samantha Reddy (DIN No. 00141961) and the responsibilities shouldered on her, considering the recommendation of Nomination & Remuneration committee, the Board accorded its approval at the meeting held on 21.07.2016, subject to the approval of shareholders of the Company by way of special resolution, to revise the salary payable to Smt. P. Samantha Reddy (DIN No. 00141961) within the limits of managerial remuneration (without the approval of the Central Government) including doubling the limits as prescribed under Section 197 read with Schedule V to the Companies Act, 2013 till the expiry of her respective tenure. The Nomination & Remuneration committee had approved the remuneration payable to Smt. P. Samantha Reddy (DIN No. 00141961) by passing the necessary resolution in its meeting held on 21.07.2016 in terms of Schedule V to the Companies Act, 2013.

It is therefore, proposed that the remuneration to Smt. P. Samantha Reddy (DIN No. 00141961) as prescribed under Section 197 read with Schedule V to the Companies Act, 2013, be approved by the shareholders of the company at the forthcoming Annual General Meeting.

The Board of Directors recommends the passing of the above resolution as a Special Resolution.

Except the Directors, Smt. P. Samantha Reddy and Mr. P. Srinivas Reddy, none of the other directors, key managerial personnel and their relatives are concerned or interested in the above said resolution.

**Information in accordance with Schedule V of Companies Act, 2013****I. GENERAL INFORMATION**

1	<b>Nature of Industry :</b> Granites		
2	<b>Date or expected date of commencement of commercial:</b> The Company started its commercial operations in the year 1999-2000.		
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable		
4	<b>Financial performance based on given indications</b>		
(A)	Net Profit or loss under section 198 of the Companies Act, 2013 on consolidated basis		
	(Rs. in Lakhs)		
	<b>Particulars</b>	<b>2015 to 2016</b>	<b>2014 to 2015</b>
	Turnover	3966.80	2670.61
	Net profit after Tax	211.84	230.58
5.	<b>Export performance and net foreign exchange collaborations:</b> Ravileela Granites Limited being 100% EOU has made all its revenues from the export of Granites to foreign countries like USA, Europe and others.		

**II. INFORMATION ABOUT THE APPOINTEE:****1. Background Details:**

Mrs. P. Samantha Reddy aged about 44 years has completed masters in Strategy and Leadership from London Business School. She possesses 18 years of experience working with start ups and MNCs. Her last assignment was with Infosys in Corporate strategy. She will head HR, Marketing (Europe / UK) and MIS for Raileela Granites. She has tremendous exposure working with clients in Continental Europe and UK.

2. **Past Remuneration:** The remuneration drawn by Smt. P. Samantha Reddy Whole-Time Director cum CFO is Rs.3,50,000 /- per month.

3. **Recognition or awards :** Not Applicable

4. **Job Profile and his suitability:** Smt. P. Samantha Reddy whole-time Director of the Company overseas both finance and marketing. She is responsible for new client additions in various geographics around the world as well as to manage relationships with stakeholders including Banks and Government Institutions.

**5. Remuneration proposed**

As set out in the resolutions for the item No.4, the remuneration to Smt. P. Samantha Reddy, whole-time Director cum CFO has the approval of the Nomination and Remuneration Committee

6. **Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of her origin)**

Taking into consideration of the size of the Company, the profile of Smt. P. Samantha Reddy and the responsibilities shouldered on her, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.

7. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Beside, the remuneration proposed, she is holding 2,75,000 Equity Shares of the Company.

**III. OTHER INFORMATION:**

1. **Reasons for inadequate profits or negative effective capital:** The Company is in the mode of expansion of the business which generally requires spending lot of money upfront leading to minimal profits in the initial years. All this expenditure will result in to revenues over a period of next two to three years.

2. **Steps taken or proposed to be taken for improvement:** Necessary efforts are being made to increase the clientele both in USA and Europe who in turn contribute for the growth of the business as well as the profitability.

3. **Expected increase in productivity and profit in measurable terms:** The company achieved a turnover of Rs. 60.00 Crores - Net profits of Rs. 6.30Crores.

For and on behalf of the Board of  
**Ravileela Granites Limited**

Sd/-

**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

Place: Hyderabad  
Date: 21.07.2016

**DIRECTOR'S REPORT**

To the Members,

The Directors have pleasure in presenting before you the 26th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016. The Company's performance is summarized below:

**FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:**

The performance during the period ended 31st March, 2016 has been as under:

(Rs. In Lakhs)

<b>Particulars</b>	<b>2015-2016</b>	<b>2014-2015</b>
Total Income	<b>3966.80</b>	2739.38
Expenditure	<b>2499.33</b>	2304.99
Profit before exceptional items and Tax	<b>467.47</b>	434.39
Exceptional Item	—	25.28
Profit/(Loss) Before Tax	<b>467.47</b>	459.67
Less: Extra Ordinary Items	—	57.66
Less: Deferred Tax	<b>160.32</b>	133.03
Less: Provision of MAT	<b>95.31</b>	38.39
Net Profit/ (loss) after Tax	<b>211.84</b>	230.58
Balance Carried to Balance Sheet	<b>(102.02)</b>	(313.86)

During the year under review, the Company has recorded an income of Rs. 3966.80 Lakhs and profit of Rs. 211.84 Lakhs as against the income of Rs. 2739.38 Lakhs and profit of Rs. 230.58 Lakhs in the previous financial year ending 31.03.2015.

The Board is of the view that the future of the Industry is bright and expects liberal Govt. Policies

**CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

During the period under review and the date of Board's Report there was no change in the nature of Business.

**DEPOSITS FROM PUBLIC:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**TRANSFER TO RESERVES:**

Directors have decided not to transfer any amount to reserves for the year.

**DIVIDEND:**

Keeping the Company's revival plans in mind, your Directors have decided not to recommend dividend for the year.

**REVISION OF FINANCIAL STATEMENTS:**

There was no revision of the financial statements for the year under review.

**DISCLOSURES UNDER SECTION 134 (3) (I) OF THE COMPANIES ACT, 2013:**

There have been no material changes and commitments, affecting the financial position of the Company which occurred during between the end of the financial year to which the financial statements relate and the date of this report.

**DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:**

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.

**DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1) (d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.

**DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:**

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

**DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:**

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

**DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS, COURTS, TRIBUNALS, IMPACTING THE GOING CONCERN BASIS OF THE COMPANY:**

There were no significant material orders passed by regulators, courts, tribunals, impacting the going concern basis of the Company.

**CORPORATE GOVERNANCE:**

A Separate section titled "Report on Corporate Governance" along with the Auditors' Certificate on Corporate Governance as stipulated under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as a part of this Annual Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management discussion and analysis report for the year under review as stipulated under Regulation 4(3) read with schedule V , Part B of SEBI(Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is presented in a separate section forming part of the annual report.

**DIRECTOR RETIRING BY ROTATION:**

As per law, two-thirds of non-executive and non independent Directors should retire by rotation. One third of these Directors are required to retire every year and if eligible, offer them for reappointment. Mr. P. Srinivas Reddy would retire in upcoming AGM and being eligible, has offered herself for re-appointment. A brief profile of Mr. P. Srinivas Reddy is as follows.

Sri. P. Srinivas Reddy holds MS degree in Industrial Engineering from USA Under his strategic direction, the company repositioned itself from the state of BIFR reference to healthy and positive state of affairs of the company heads the supervisory board of Ravileela Granites Limited and focuses on strategic direction, corporate planning, corporate governance and regulatory aspects of running a publicly listed company. His primary focus is creating shareholder value by ensuring compliance with various aspects of the organization are adding value to stakeholders like clients, employees, partners, industry and society. He was instrumental in putting together a world class executive management team and successfully repositioning the company as an Export company. Ravileela Granites Limited being 100% EOU has made all its revenues from the export of Granites to foreign countries like USA, Europe and others.

**EXTRACT OF ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report.

**AUTHORISED AND PAID UP CAPITAL OF THE COMPANY:**

The authorized capital of the company stands at 12,00,00,000 /- divided into 1,20,00,000 equity shares of Rs.10/- each and The company's paid up capital at 10,58,60,000 divided into 1,05,86,000 equity shares of ` 10/- each.

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received declarations from Mr. M Mohan Reddy, Mr. Konduri Nandakumar and Mr. Sree Rama Krishna Gandhi, Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (7) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates 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;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the



- assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and
  - e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
  - f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES:**

The company does not have any subsidiary Company (ies) during the financial year 2015-16

**STATUTORY AUDITOR:**

M/s. S.V. Rao Associates, Statutory Auditors of the company retires at the ensuing annual general meeting and is eligible for reappointment. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has received a written consent from the auditors to their re-appointment and a certificate to the effect that their re-appointment, if made, would be in accordance with the Companies Act, 2013 and the rules framed there under and that they have satisfied the criteria provided in Section 141 of the Companies Act, 2013.

The Board recommends the re-appointment of M/s. S.V. Rao Associates., as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting.

**INTERNAL AUDITOR:**

In terms of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company has appointed M/s. Dagliya & Co., Chartered Accountants, Secunderabad (Firm Reg No.671S) as the Internal Auditor of the Company.

**SECRETARIAL AUDITOR :**

The Board had appointed M/s. S. S. Reddy & Associates, Practicing Company Secretaries, Hyderabad, having CP No.7478 to conduct Secretarial Audit for the financial year 2015-16, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form MR - 3 for the financial year 2015- 16 is enclosed herewith as Annexure A to this Report. The Secretarial Audit Report does not contain any observation or adverse remark.

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S. S. Reddy & Associates, Practicing Company Secretaries is annexed to this Report as annexure.

**AUDIT REPORTS:****(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2016 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the

existing system and procedures to meet all kinds of challenges that may occur in the industry.

**(b) Secretarial Audit Report:**

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013 and there are no qualifications in the report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

**A. Conservation of Energy:**

<b>Power:</b>	<b>2015-16</b>	<b>2014-15</b>
No. of Units consumed	<b>1700060</b>	1658630
Unit Rate (Rs.)	<b>7.61</b>	7.61
Total Amount (Rs.)	<b>12940188</b>	12631042
<b>Fuel:</b>		
No. of Units Consumed (Ltrs)	<b>6000</b>	33120
Unit Rate (per Ltr.) (Rs.)	<b>54.71</b>	61.29
Total Amount (Rs.)	<b>328240</b>	2929819

**B. Technology Absorption:**

1. Research and Development (R&D): **NIL**
2. Technology absorption, adoption and innovation: **NIL**

**C. Foreign Exchange Earnings and Out Go:**

The Foreign exchange out go and Earnings are as follows:

<b>Earnings:</b>	<b>2015-16</b>	<b>2014-15</b>
Exports FOB	<b>3877.32</b>	2618.16
Foreign Exchange Outgo:		
Import of RM, Consumables, Spares Capital goods and Foreign Travelling	<b>245.59</b>	237.97

**CORPORATE SOCIAL RESPONSIBILITY POLICY:**

Since your Company does not have net worth of Rs. 500 Crore or more or turnover of Rs. 1000 Crore or more or a net profit of Rs. 5 Crore or more during the financial year, The promoters in their individual capacity volunteer time and donate to a Charitable cause that provides holistic & housing care for underprivileged rural children and their families who are treated at Cancer Centre in Hyderabad. Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

**SECRETARIAL STANDARDS:**

The company is in compliance with Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

**INSURANCE:**

The properties and assets of your Company are adequately insured.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not given loans, Guarantees or made any investments during the year under review.

**CREDIT & GUARANTEE FACILITIES:**

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company, from Andhra Bank Ltd. Personal Guarantee was given by the Mr. P. Srinivas Reddy Managing Director and Mrs. P. Samantha Reddy, whole-time Director without any consideration for obtaining Bank Guarantees.

**DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal control systems, which commensurate with its size, nature of business and complexity of its operations and are designed to provide a reasonable degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguard for assets, internal control over financial reporting, and compliance with applicable laws and regulations. Internal audit function evaluates the adequacy of and compliance with policies, plans, regulatory and statutory requirements.

The Internal Auditors directly report to the Board's Audit Committee, thus ensuring the independence of the process. It also evaluates and suggests improvement in effectiveness of risk management, controls and governance process. The Audit committee and Board provides necessary oversight and directions to the Internal audit function and periodically reviews the findings and ensures corrective measures are taken.

**RISK MANAGEMENT POLICY:**

Your Company follows a comprehensive system of Risk Management. Your Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at [www.ravileelagranites.co](http://www.ravileelagranites.co).

Your Directors draw attention of the members to Note 14 (5) (a) to the financial statement

which sets out related party disclosures.

**DISCLOSURE ABOUT COST AUDIT:**

Cost Audit is not applicable for the financial year 2015-16.

**EMPLOYEE RELATIONS:**

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 8,50,000/- and above per month or Rs.1,02,00,000/- and above in aggregate per annum, the limits prescribed under Section 134 of the Companies Act, 2013.

**RATIO OF REMUNERATION TO EACH DIRECTOR:**

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies(Appointment & Remuneration) Rules, 2014, the ratio of remuneration to maiden employees is 1: 12.72 times in case of Mr. P. Srinivas Reddy and 1:6.36 times in case of Mrs. P. Samantha Reddy, Whole-time Director cum CFO of the Company.

**NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

**INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:**

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

**INDUSTRIAL RELATIONS:**

Industrial relations remained cordial during the year. Employees' competencies and skills were enhanced by exposing them to several internal and external training programs. Various measures were taken to improve motivation level of employees.

**HEALTH & SAFETY:**

The Company provides a safe and healthy workplace for its employees by establishing the right safety culture across the organisation. The senior leadership is fully committed to the ultimate goal of zero injury to its employees and all stakeholders who are associated with the Company's operations. Emphasis is laid on creating a participatory safety governance model.

**ENVIRONMENT AND POLLUTION CONTROL:**

The Company is well aware of its responsibility towards a better and clean environment. Our efforts in environment management go well beyond mere compliance with statutory requirements. The Company has always maintained harmony with nature by adopting eco-friendly technologies and upgrading the same from time to time incidental to its growth programs.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place a Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Internal Complaints Committee (ICC) has been set up to redress complaints regarding sexual harassment, if any. The Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**APPRECIATION & ACKNOWLEDGEMENT:**

Your company satisfactorily outperformed the industry in this challenging year and continues to maintain its leadership position. It has been surpassing all the international quality and cost benchmarks and continues to build shareholder value. Your Director looks to the future with confidence.

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

For and on behalf of the Board of  
**Ravileela Granites Limited**

Place: Hyderabad  
Date: 21.07.2016

Sd/-  
**P.Samantha Reddy**  
Whole-Time Director cum CFO  
(DIN: 00141961)

Sd/-  
**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY:**

As provided under clause 17 (5) (a) of the SEBI (LODR) Regulation 2015 all Board Members and the Senior Management personnel have confirmed compliance with the Business Ethics and Code of Conduct for the year ended on March 31, 2016.

For and on behalf of the Board of  
**Ravileela Granites Limited**

Place: Hyderabad  
Date: 21.07.2016

Sd/-  
**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

## CORPORATE GOVERNANCE

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Ravileela Granites Limited as follows:

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

### 2. BOARD DIVERSITY:

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website, [www.ravileelagranites.co](http://www.ravileelagranites.co)

### 3. BOARD EVALUATION:

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:

- Board dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate governance report. The Board approved the evaluation results as collated by the nomination and remuneration committee.

**4. LISTING AGREEMENT:**

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective December 1, 2015. Accordingly, The Company entered into fresh Listing Agreement with BSE Limited during November 2015.

**5. COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has signed uniform listing agreement with BSE Limited and framed the following policies which are available on Company's website i.e. [www.ravileelagranites.co](http://www.ravileelagranites.co)

- Board Diversity Policy
- Policy on preservation of Documents
- Risk Management Policy
- Whistle Blower Policy
- Familiarisation programme for Independent Directors
- Sexual Harrassment Policy
- Related Party Policy
- Code of Conduct for Board of Directors and Senior Management Personnel

**6. RAVILEELA' CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website [www.ravileelagranites.co](http://www.ravileelagranites.co)

**7. BOARD OF DIRECTORS:**

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic supervision of the company.

As trustees, the Board has a fiduciary responsibility towards all the shareholders and ensures that the company has clear goals aligned to shareholder value and its growth. The Board sets strategic goals and seeks accountability for their fulfillment. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils all stakeholders' aspirations and societal expectations. The Board, as part and parcel of its functioning, also periodically reviews its role.

**8. COMPOSITION OF THE BOARD:**

The composition of the Board of Directors of the company is an appropriate combination

of executive and non-executive Directors with right element of independence. As on March 31, 2016, the Company's Board comprised of five Directors, two promoter Directors including one woman Director. In addition, there are three independent Directors on the Board. In terms of clause 17(1) (b) of SEBI (LODR) Regulations, 2015, the company is required to have one half of total Directors as independent Directors. The non-executive Directors are appointed or re-appointed based on the recommendation of the Nomination & Remuneration Committee which considers their overall experience, expertise and industry knowledge. One third of the non-executive Directors other than independent Directors, are liable to retire by rotation every year and are eligible for reappointment, subject to approval by the shareholders.

#### 9. NUMBER OF BOARD MEETINGS:

The Board of Directors met five (5) times during the financial year, on May 23, August 14, and November 04 in 2015 and on February 12 and February 26 in 2016. The maximum time gap between any two meetings was less than four months. The agenda for each meeting is prepared well in advance, along with explanatory notes wherever required and distributed to all Directors.

#### 10. ATTENDANCE AND DIRECTORSHIPS HELD:

As mandated by the SEBI (LODR) Regulations, 2015, none of the Directors are members of more than ten Board-level committees nor are they chairman of more than five committees in which they are members. Further all the Directors have confirmed that they do not serve as an independent director in more than seven listed companies or where they are whole-time directors in any listed company, then they do not serve as independent director in more than three listed companies.

The names and categories of the Directors on the Board, their attendance at Board meeting during the year and at last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other companies are shown in **Table 1**.

Name of Director	Relationship with other	Category	No. of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM Companies	No. of Directorships of Public	No. of Committee Memberships	No. of Committee Chairmanships
Mr. P. Srinivas Reddy	Husband of Mrs. P. Samantha Reddy	P & E D	5	5	Yes	—	—	—
Mrs. P. Samantha Reddy	Wife of Mr. P. Srinivas Reddy	P & E D	5	5	yes	—	—	—
Mr. Mohan Reddy	None	ID& NED	5	5	Yes	—	—	—
Mr.K.Nanda kumar	None	ID& NED	5	5	Yes	—	—	—
Mr. Sree Rama Krishna Grandhi *	None	ID& NED	5	4	Yes	3	—	—

Notes:

\*Appointed as Director w.e.f. May 23, 2015



**11. INFORMATION SUPPLIED TO THE BOARD:**

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the CFO is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Expansion projects and its status monitoring
- Fatal or serious accidents, injuries or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Substantial non-payment of goods sold by the Company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015.

**12. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

The Board members are provided with necessary documents, reports, internal policies and site visits to enable them to familiarise with the Company's operations, its procedures

and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company business, strategy and risks involved. Detailed presentations on the Company's business segments were made at the meetings of the Directors held during the year. Details of the same are available on [www.ravileelagranites.co](http://www.ravileelagranites.co)

### **13. COMMITTEES OF THE BOARD:**

The Company has four Board-level Committees - Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee and Risk Management Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

### **14. AUDIT COMMITTEE:**

#### **A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:
  - a. Any changes in accounting policies and practices;
  - b. Qualification in draft audit report;
  - c. Significant adjustments arising out of audit;
  - d. The going concern concept;
  - e. Compliance with accounting standards;
  - f. Compliance with stock exchange and legal requirements concerning financial statements and
  - g. Any related party transactions
- Reviewing the company's financial and risk management's policies.
- Disclosure of contingent liabilities.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit character,

the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.

#### B. COMPOSITION, MEETINGS & ATTENDANCE:

There were four (4) Audit Committee Meetings held during the year on 23.05.2015, 14.08.2015, 04.11.2015 and 12.02.2016.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. K. Nanda Kumar	Chairman	NED(I)	4	4
Mr. M. Mohan Reddy	Member	NED(I)	4	4
Mr. Sree Rama Krishna Grandhi	Member	NED(I)	4	4

NED (I) : Non Executive Independent Director

#### 15. NOMINATION AND REMUNERATION COMMITTEE:

The Committee comprises of three non-executive independent Directors

##### A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
  - a. to take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
  - b. to bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the

remuneration for the Directors, key managerial personnel and other employees.

- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.

**B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:**

There was one (1) Nomination and Remuneration Committee Meetings held during the year on 14.08.2015

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. K. Nanda Kumar	Chairman	NED(I)	4	4
Mr. M. Mohan Reddy	Member	NED(I)	4	4
Mr. Sree Rama Krishna Grandhi	Member	NED(I)	4	4

**NED (I) :** Non Executive Independent Director

**16. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

**Policy:**

1. The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
2. In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
  - General understanding of the company's business dynamics, global business and social perspective;
  - Educational and professional background
  - Standing in the profession;
  - Personal and professional ethics, integrity and values;
  - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 2.1 The proposed appointee shall also fulfil the following requirements:
  - shall possess a Director Identification Number;
  - shall not be disqualified under the companies Act, 2013;
  - shall endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
  - shall abide by the code of Conduct established by the company for Directors and

senior Management personnel;

- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, SEBI ( Listing Obligations and Disclosure Requirements) Regulations 2015 and other relevant laws.

### **3. Criteria of independence**

- 3.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.
- 3.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

### **4. Other directorships/ committee memberships**

- 4.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.
- 4.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.
- 4.4 A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

### **17. STAKEHOLDER'S RELATIONSHIP COMMITTEE:**

- i. The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.

ii. The broad terms of reference of the stakeholders' relationship committee are as under:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other securities-holders related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
- The composition of the stakeholders' relationship committee and the details of meetings attended by its members are given below:

There were four (4) Stakeholders' relationship Committee Meetings held during the year on 23.05.2015, 14.08.2015, 04.11.2015 and 12.02.2016.

Name	Designation	Category	No of Meetings held	No of Meetings attended
Mr. K. Nanda Kumar	Chairperson	NED(I)	4	4
Mr. Sree Rama Krishna Grandhi	Member	NED(I)	4	4
Mrs. P. Samantha Reddy	Member	ED	4	4

**NED (I)** : Non Executive Independent Director

**ED**: Executive Director

**18. NAME AND DESIGNATION OF COMPLIANCE OFFICER:**

Mr. Y. Eshwar Sharma , Company Secretary of the company, is the compliance officer of the Company.

**19. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2015-16:**

NUMBER OF COMPLAINTS	NUMBER
Number of complaints received from the investors comprising non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / National Stock Exchange / SCORE and so on	9
Number of complaints resolved	9
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2016	NIL
Complaints pending as on March 31, 2016	NIL
Number of Share transfers pending for approval, as on March 31, 2016	NIL

**20. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED COMPANY:** The Non- Executive Directors have no pecuniary relationship or transactions.

**A. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:**

**Policy:**

**1. Remuneration to Executive Director and key managerial personnel**

- 1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall limit approved by the shareholders.
- 1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.
- 1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:
  - (i) Basic pay
  - (ii) Perquisites and Allowances
  - (iii) Stock Options
  - (iv) Commission (Applicable in case of Executive Directors)
  - (v) Retrial benefits
  - (vi) Annual performance Bonus
- 1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

**2. Remuneration to Non - Executive Directors**

- 2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non - Executive Directors of the Company within the overall limits approved by the shareholders.
- 2.2 Non - Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

**3. Remuneration to other employees**

- 3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**B. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2015-16 AND OTHER DISCLOSURES**

Name of the Director	Salary(Rs)	Sitting fees (Rs)	Number of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Mr. P. Srinivas Reddy	84,00,000	—	7580948	—	—	—	—
Mrs. P. Samantha Reddy	42,00,000	—	275000	—	—	—	—
Mr. M. Mohan Reddy	—	50000	—	—	—	—	—
Mr. K. Nanda Kumar	—	45000	—	—	—	—	—
Mr. Sree Rama Krishna Grandhi	—	60000	160	—	—	—	—

**21. INDEPENDENT DIRECTORS' MEETING:**

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 14.03.2016, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc. The details of the familiarization program is given at company's website ([www.ravileelagranites.co](http://www.ravileelagranites.co) Investor Relations).

**22. REMUNERATION POLICY:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities should and individual performance.

**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:****1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

**2. Terms and References:**

2.1 "Director" means a director appointed to the Board of a Company.



- 2.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- 2.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

### **Remuneration policy for Directors, key managerial personnel and other employees:**

#### **1. Scope:**

- 1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

#### **2. Terms and Reference:**

In this policy the following terms shall have the following meanings:

- 2.1 "Director" means a director appointed to the Board of the company.
- 2.2 "key managerial personnel" means
- (i) The Chief Executive Office or the managing director or the manager;
  - (ii) The company secretary;
  - (iii) The whole-time director;
  - (iv) The chief finance Officer; and
  - (v) Such other office as may be prescribed under the companies Act, 2013
- 2.3 "Nomination and Remuneration committee" means the committee constituted by Board in accordance with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

#### **23. FORMAL ANNUAL EVALUATION:**

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder and regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the independent directors of the company had a meeting on 04/11/2015 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-independent directors. The company has 2 non-independent directors namely:

- i) Mr. P. Srinivas Reddy -Managing Director
- ii) Mrs. P. Samantha Reddy- Whole-time Director

The meeting recognized the significant contribution made by Mr. P. Srinivas Reddy in directing the Company towards the success path and placing the Company globally in Granites Exporting

The meeting also reviewed and evaluated the performance the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

## 24. RISK MANAGEMENT COMMITTEE

### A) COMPOSITION:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. K. Nanda Kumar	Chairperson	NED(1)
Mr. P. Srinivas Reddy	Member	ED
Mrs.P.Samantha Reddy	Member	ED

**NED (I)** : Non Executive Independent Director

**ED** : Executive Director

### ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:

- ◆ Framing of Risk Management Plan and Policy.
- ◆ Overseeing implementation of Risk Management Plan and Policy
- ◆ Monitoring of Risk Management Plan and Policy
- ◆ Validating the process of risk management
- ◆ Validating the procedure for Risk minimisation.
- ◆ Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- ◆ Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

**25. DETAILS ON GENERAL BODY MEETINGS:****A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:**

Financial Year	Date	Time	Location	Special / Ordinary Resolution
2014-15	30.09.2015	10.30 A.M	Regd. Off. S.No 203, Sampannabolu(V), Shameerpet(M) R.R.Dist	1. Appointment Of Mr. Konduri Nandakumar As An Independent Director Of The Company. 2. Appointment of Mr. Sree Rama Krishna Grandhi as an Independent director of the company. 3. Remuneration of Mr. P. Srinivas Reddy (DIN: 00359139), Managing Director Of The Company. 4. Alteration Of Articles Of Association Of The Company.
2013-14	30.12.2014	11.30 A.M	Regd. Off.S.No 203, Sampannabolu(V), Shameerpet(M) R.R.Dist	1. Alteration of Articles of Association as per Companies Act, 2013
2012-13	30.12.2013	11 A.M	Regd. Off.S.No 203, Sampannabolu(V), Shameerpet(M) R.R.Dist	1. Appointment of Mr. P. Srinivas Reddy as Managing Director.

**26. BPASSING OF RESOLUTIONS BY POSTAL BALLOT**

There were no resolutions passed by the Company through Postal Ballot during the financial year 2015-16.

**27. MEANS OF COMMUNICATION**

The Company regularly intimates its financial results, audited/limited reviewed, to the Stock Exchanges, as soon as the same are taken on record/approved. These financial results are published in the Financial Express in English and Telugu language newspapers Andhra Prabha, respectively. These results are not distributed/ sent individually to the shareholders.

In terms of the requirements of SEBI (Listing Obligations & Disclosures Requirements), the un-audited financial results as well as audited financial results, shareholding pattern of the Company and Corporate Governance Report are electronically submitted, unless there are technical difficulties and are displayed through Corporate

Filing and Dissemination System viz., on [www.listing.bseindia.com](http://www.listing.bseindia.com). The un-audited financial results as well as audited financial results, shareholding pattern of the Company and Report on Corporate Governance are displayed on [www.bseindia.com](http://www.bseindia.com).

All important information and official press releases are displayed on the website for the benefit of the public at large. Analysts' Reports/ Research Report, if any, are also uploaded on the website of the Company. The Company's website can be accessed at [www.ravileelagranites.co](http://www.ravileelagranites.co)

**28. GENERAL SHAREHOLDER INFORMATION:****A. ANNUAL GENERAL MEETING:**

The Twenty-Sixth Annual General Meeting of the Company will be held as per the following schedule:

Day	Friday
Date	16th September, 2016
Time	10.00 a.m
Venue	S.No 203, Sampannabolu(V), Shameerpet(M),R.R.Dist

**B. VENUE: FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR 2016-17 (TENTATIVE SCHEDULE)**

The financial calendar (tentative) shall be as under:

Financial Year	2016-17
First Quarterly Results	21.07.2016
Second Quarterly Results	11.11.2016
Third Quarterly Results	12.02.2017
Fourth Quarterly Results	14.04.2017
Annual General Meeting for year ending 31st March, 2017	30.09.2017

**C. DIVIDEND PAYMENT DATE:** No Dividend was declared during the Financial Year 2015-16.

**D. NAME AND ADDRESS OF EACH STOCK EXCHANGE WHERE THE COMPANIES SECURITIES ARE LISTED:**

**EXCHANGE: BSE LIMITED**, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

**E. STOCK CODE: RALEGRA (BSE Limited)**

**F. STOCK MARKET PRICE DATA:** Trading of shares is in suspension, hence data is not available.

**G. IN CASE SECURITIES ARE SUSPENDED FROM TRADING:** Trading in company at present is under suspension in BSE Limited. However the company complied with all requirements of listing regulations and the BSE limited was pleased to revoke the suspension in trading of shares. Accordingly trading in shares is expected within a months' time.

**H. REGISTRAR AND SHARE TRANSFER AGENTS:**

Aarhi Consultants Private Limited,  
1-2-285, Domalguda, Hyderabad-500029  
Ph.Nos.040-27638111/27634445  
Email : info@aarhiconsultants.com

**I. SHARE TRANSFER SYSTEM:**

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is/are duly transferred and dispatched within a period of 15 days from the date of receipt.

**J. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH , 2016:**

HOLDING	NUMBER OF SHAREHOLDERS	%	NUMBER OF SHARES	%
1 - 5000	20901	99.85	2203428	20.81
5001 - 10000	13	0.06	97003	0.92
10001 - 20000	7	0.03	97227	0.92
20001 - 30000	2	0.01	45108	0.43
30001 - 40000	1	0.00	30166	0.28
40001 - 50000	1	0.00	42360	0.40
50001 - 100000	3	0.01	217760	2.06
100001 and above	5	0.02	7852948	74.18

**K. DEMATERIALISATION & LIQUIDITY OF SHARES:**

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE218G01017. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form. The Shares of the Company are under suspension in BSE Limited. Shares held in demat and Physical mode as on March 31, 2016 is as follows:

Particulars	No. of Shares	% Share Capital
NSDL	18880	0.10
CDSL	78,71,868	74.36
PHYSICAL	27,04,132	25.54
Total	1,05,86,000	100.00

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with respective depository participants.

**L. PLANT LOCATIONS:** The factory of the company is situated at Survey No 203, Sampannabolu Village, Shameerpet Mandal, R R Dist., Telangana.**M. ADDRESS FOR CORRESPONDANCE:**

Mr .Y. Eshwar Sharma  
Address: 6-3-668/10/35, Durganagar Colony  
Punjagutta, Hyderabad - 500 082  
Tel: +91 - 40 - 23413733 / 34

**N. BOOK CLOSURE DATE:**

The date of Book Closure for the purpose of Annual General Meeting and determining the shareholders' entitlement for dividend shall be from Monday, 12th September, 2016 to Friday, 16th September, 2016 (both days inclusive).

**O. LISTING ON STOCK EXCHANGES:**

The equity shares of the Company are listed on BSE Ltd. The Company has paid the listing fees for the year 2015-16 to BSE limited.

**P. ELECTRONIC CONNECTIVITY:**

Demat ISIN Number: INE427E01027

**Q. NATIONAL SECURITIES DEPOSITORY LIMITED**

Trade World, Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel  
Mumbai - 400 013.

**R. CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED**

PhirozeJeejeebhoy Towers, 28th Floor  
Dalal Street, Mumbai - 400 023.

**S. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016:**

S. No	Category	No. of shares held	Percentage of shareholding
A	Shareholding of Promoter and Promoter group		
1.	Indian		
	Individual	78,69,188	74.34
2.	Foreign	—	—
	Individual	—	—
	Sub-Total A	78,69,188	74.34
B	Public Shareholding		
1.	Institutions	—	—
2.	Non Institutions		
	a. Bodies Corporate	1,66,200	1.57
	b. Indian Public and others	25,50,612	24.09
	Sub Total B	27,16,812	25.66
	Grand Total (A+B)	1,05,86,000	100.00

**11. OTHER DISCLOSURES:**

- A. COMPLIANCES: There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

**B. WHISTLE BLOWER POLICY:**

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

**C. WEB-LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED.**

The company does not have any material' subsidiaries for the financial year 2015-16.

**D. WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's Website [www.ravileelagranites.co](http://www.ravileelagranites.co) The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and Listing Regulations.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, Accordingly, the disclosure of Related.

Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

**E. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:**

Price and demand of the Company's finished products are inherently volatile and remain strongly influenced by global economic conditions. Any fluctuation in finished product prices or currency has direct impact on the Company's revenue and profits.

The Company considers exposure to commodity price fluctuations to be an integral part of our business and its usual policy is to sell its products at prevailing market prices. The Company has a well-defined policy framework wherein no speculative positions are taken and limited commodity hedging is done with an and endeavours to achieve month-average rates both in currency and metal prices. The Company follows the policy of taking forward cover for net foreign exposure, if the net is payable in foreign currency, with negligible exposure in non USD currencies All policies are periodically reviewed basis local and global economic environment.

**F. DISCLOSURE OF PENDING CASES / INSTANCES OF NON-COMPLIANCE:**

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

**G. COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER LISTING REGULATIONS:**

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- The Board & Separate posts of Chairman and CEO: The positions of the Chairman and the CEO are separate of the company. All other requirements of the Board during the year have been complied with.
- Shareholders' rights: The quarterly results along with the press release are uploaded on the website of the Company [www.ravileelagranites.co](http://www.ravileelagranites.co). The soft copy of the quarterly results is also sent to the shareholders who have registered their e-mail addresses.
- Audit qualifications: Company's financial statements are unqualified.
- Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.
- Modified opinion in Audit Report: The listed may move towards a regime of financial statements with unmodified audit opinion.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2) (a) of the Listing Regulations.

**H. DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company follows the guidelines of Accounting Standards referred to in section 133 of The Companies Act, 2013 read with Rule 7 of The Companies (Accounts) Rules, 2014 together with early adoption of Accounting Standard (AS) 30 'Financial instruments: Recognition and Measurement' and the consequential limited revisions to certain Accounting Standards issued by the Institute of Chartered Accountants of India.

**I. MISCELLANEOUS:**

- **BANK DETAILS:** Shareholders holding shares in physical form are requested to notify / send the following information to the Registrar and Share Transfer Agent of the Company:
- Any change in their address/mandate/bank details etc.; and
- Particulars of the bank account in which they wish their dividend to be credited (in case the same has not been furnished earlier); and should include the following



particulars namely, Bank Name, Branch Name, Account Type, Account Number and MICR Code (9 digits).

- **PERMANENT ACCOUNT NUMBER:**

The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agent.

- **NOMINATION FACILITY:**

- Shareholders holding shares in physical form and desirous of submitting/changing nomination in respect of their shareholding in the Company may submit requisite Form as per the provisions of the Companies Act, 2013, to the Company's Registrar and Share Transfer Agent.

For and on behalf of the Board of  
**Ravileela Granites Limited**

Place: Hyderabad  
Date: 21.07.2016

Sd/-  
**P.Samantha Reddy**  
Whole-Time Director cum CFO  
(DIN: 00141961)

Sd/-  
**P. Srinivas Reddy**  
Managing Director  
(DIN: 00359139)

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## MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENTS:

India, which is blessed with unique colors and large deposits of granite, has already claimed its privileged status as the Number one Country for granites so far as colour, variety, quality and pricing are concerned. Despite this, the industry could not perform as expected due to non availability of good quality blocks for processing; Spiralling raw material cost coupled with the continuous increase in other input costs is also hampering growth of the industry. The real challenge lies in getting over these bottle necks and achieving the growth. However the performance of the Company remained satisfactory in comparison to previous financial years.

Our company is a 100% export oriented, located at Shameerpet, Telangana. Our company exports to more than 25 countries.

### GRANITE SLABS:

Granite slab unit has installed capacity of 1,20,000 square meters per annum.

### COMPANY STRENGTHS:

Ravileela Granites is one of the earliest processed granite exporters out of India. We have built our reputation over the last few decades and currently export to over 25 countries. The processing unit is located in Telangana with a Client centric approach Well developed marketing network which has been built over the last 20 years

transparent dealings and ethical business practices good HR practices to maintain a continuity

and uniformity in product quality and processing.

**SEGMENT:**

During the year under review, the Company has recorded revenue of Rs. 2621.01 lacs and made a net profit of Rs. 253.36 lacs against revenue of Rs. 1857.45 lacs and net profit of Rs. 250.73 in the previous financial year 2014-15. The company is engaged in the business of Granite, which as per Accounting Standard 17 is considered the only reportable business.

**OUTLOOK:**

Granite is a high working capital intensive industry with the requirement to Stock material when available. The company plans to augment working capital requirement to sustain the growth in the volume of business. The company will continue to invest in upgrading machinery to ensure productivity.

We are positive on the long term prospects of the industry and positioning ourselves to be the supplier of choice for our customers.

**RISK AND CONCERNS:**

Your Company operates in a business environment characterized by increasing globalization and intensifying competition. As a result, risk is integral to its business and is managed by your Company by regular monitoring and corrective actions.

- The company is a 100% EOU Export oriented unit and the end clientele include Building projects, Consumer market and Funerary market. Shortage of raw material due to quarries closing down due to withdrawal of environmental clearance or inability of quarries to expand production due to non receipt of environmental clearance is a concern. It may not adversely affect Telangana and AP quarries where the company sources majority of its raw material.
- A significant part of our revenue is earned from our customers in United States of America. Any change in consumption pattern in these markets affected by political or economic events specific to them could potentially affect our result. The company has put in risk mitigation measures for geo risk by including a diversified clientele in UK, continental and eastern Europe as well as large and mid- sized clientele.
- Fluctuations in currency exchange rates may impact your Company's financial condition and results of operations and may affect the comparability of results between your Company's financial periods.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting Records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Reports are prepared and circulated to Senior Management and action taken to strengthen controls where necessary.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

Your Company recognizes the value addition of its employees and their contribution to the growth and development of the Company. In turn, the Company is committed to train and

develop its people and motivate them. Industrial relations have been cordial and mutually beneficial.

**COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATION, 2015**

To The Board of Directors  
Ravileela Granites Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Ravileela Granites Limited ("the Company"), to the best of our knowledge and belief certify that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2016 and to the best of our knowledge and belief, we state that:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- D. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- E. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- (1) significant changes, if any, in the internal control over financial reporting during the year;
  - (2) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place: Hyderabad  
Date: 21.07.2016

Sd/-  
**P.Samantha Reddy**  
Whole-Time Director cum CFO

Sd/-  
**B. Venkateswar Rao**  
Chief Executive Officer

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To The Members of  
Ravileela Granites Limited

We have examined the compliance of conditions of corporate governance by RAVILEELA GRANITES LIMITED ('the Company') for the year ended 31 March, 2016, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with BSE Limited.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited 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 regulations.

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 **S V Rao Associates**  
Chartered Accountants  
FRN: 003152S

Place: Hyderabad  
Date: 21.07.2016

Sd/-  
**SVS Prasad**  
Partner  
Mem.No.207540

**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**

(Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

To  
The Members of  
M/s. Ravileela Granites Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Ravileela Granites limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2015 and ended 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Ravileela Granites Limited ("The Company") for the financial year ended on 31st March, 2016, according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came in to effect from 12th September, 2013 and sections and Rules notified and came in to effect from 1st April, 2014;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
  - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) is furnished hereunder for the financial year 2015-16.
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not Applicable. Except yearly and event based disclosures.
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable.

- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable.
  - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable.
  - v. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; Not Applicable.
  - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 Not Applicable.
  - vii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable.
  - viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading regulations; The Company has framed code of conduct for regulating & reporting trading by Insiders and for fair disclosure, 2015 and displayed the same on company's Website i.e www.ravileelagranites.co and all required disclosures from time to time as and when applicable are complied with.
  - ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable and
    - The Company has signed uniform listing agreement with BSE Limited:
    - The Company has framed the policies as mentioned below and displayed the same on the Company's website i.e www.ravileelagranites.co.
      - ◆ Board Diversity Policy
      - ◆ Policy on preservation of Documents
      - ◆ Risk Management Policy
3. During the year the company has conducted 5 Board meetings, 4 Audit committee meetings 4 shareholder relationship committee meeting, and 1 Independent Directors Committee meeting. We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
  - ii. Listing Agreements (till November 30, 2015) entered into by the Company with BSE Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (From December 01, 2015 to March 31, 2016)
4. During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations;

**OBSERVATIONS:**

- (a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
- i. The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
    - External Commercial Borrowings were not attracted to the Company under the financial year under report;
    - Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
    - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
  - ii. As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.
- (b) We further report that:-
- i. The company has a company secretary namely Mr.Y.Eshawar Sharma and CFO Namely Mrs.P.Samantha Reddy
  - ii. The Company has the internal auditors namely M/s. Dagliya & Co. Chartered Accountants, Secunderabad.
5. I have relied on the Management Representation made by the Whole-time Director for systems and mechanism formed by the Company to ensure the compliances under other applicable Acts, Laws and Regulations which are listed below:
- a. The Mines Act, 1952 and Rules made thereunder; however the company does not have any Mining activities during the period under review.
  - b. Factories Act 1948
  - c. Industries (Development and Regulation) Act, 1951
  - d. Labour laws and Incidental laws related to Labour and Employees appointed by the Company either on its payroll or on contractual basis as related to Wages, Gratuity, Provident Fund , ESIC ,Compensation etc.,
  - e. Acts prescribed under Prevention and Control of pollution
  - f. Labour welfare Act
  - g. Clearance from Various Local Authorities.
6. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of

Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the review of the compliance/ certificates of the Company Secretary which were taken on record by the Board of Directors, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For **S S Reddy & Associates**

Sd/-

**S. Sarveswar Reddy**

Practising Company Secretary

C.P. No. : 7478

Place: Hyderabad

Date: 21.07.2016



To  
The Members of  
M/s. Ravileela Granites Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **S S Reddy & Associates**

Place: Hyderabad  
Date: 21.07.2016

Sd/-  
**S. Sarveswar Reddy**  
Practising Company Secretary  
C.P. No. : 7478

## FORM MGT - 9

## EXTRACT OF ANNUAL RETURN

As on the Financial Year Ended on 31.03.2016

(Pursuant of Section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014)

## I. REGISTRATION &amp; OTHER DETAILS :

i	CIN	L14102AP1990PLC011909
ii	Registration Date	29-10-1990
iii	Name of the Company	RAVILEELA GRANITE LIMITED
iv	Category/Sub-category of the Company	Company Limited by shares / Non - Government Company
v	Address of the Registered office & contact details	Survey No. 203, Sampannabolu (V), Shameerpet Mandal, Andhra Pradesh - 500082.
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Aarthi Consultants Private Limited 1-2-285, Domalaguda, Hyderabad - 500029. Ph. Nos. : 040-27638111 / 27634445 E-mail : info@arthiconsultants.com

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product	% to total turnover of the company /service
1.	Granites	NA	100%

## III PARTICULARS OF HOLDING , SUBSIDIARY &amp; ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Not Applicable	NA	NA	NA	NA

## IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year-1st April, 2014				No. of Shares held at the end of the year 31st March, 2015				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian	7869188	-	7869188	74.34	7869188	-	7869188	74.34	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/Fl	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL:(A) (1)</b>	<b>7869188</b>	<b>-</b>	<b>7869188</b>	<b>74.34</b>	<b>7869188</b>	<b>-</b>	<b>7869188</b>	<b>74.34</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>7869188</b>	<b>-</b>	<b>7869188</b>	<b>74.34</b>	<b>7869188</b>	<b>-</b>	<b>7869188</b>	<b>74.34</b>	<b>-</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates	-	-	-	-	-	-	-	-	-
i) Indian	-	166200	166200	1.57	-	166200	166200	1.57	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	11520	2243951	2255471	21.30	11520	2243951	2255471	21.30	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	293141	-	2.77	-	293141	-	2.77	-
c) Others (specify) NRI	2000	-	2000	0.02	-	2000	2000	0.02	-
Trust									
<b>SUB TOTAL (B)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>13520</b>	<b>2703792</b>	<b>2716812</b>	<b>25.66</b>	<b>13520</b>	<b>2703292</b>	<b>2716812</b>	<b>25.66</b>	<b>*-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Grand Total (A+B+C)	<b>7882708</b>	<b>2703292</b>	<b>10586000</b>	<b>100</b>	<b>7882708</b>	<b>2703292</b>	<b>10586000</b>	<b>100</b>	<b>-</b>

## (ii) Shareholding of Promoters

Sl. No	Shareholder's Name	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1.	P Srinivas Reddy #	2581948	—	2581948	24.39	7580948	—	7580948	71.61	47.22
2.	P Samantha Reddy	275000	—	275000	2.60	275000	—	275000	2.60	—
3.	P Leelavathi	8400	—	8,400	0.08	8400	—	8,400	0.08	
4.	P Ravindra Reddy#	4999000	—	4999000	47.22	4999000	—	—	—	
5.	Harshini Reddy	4840	—	4840	0.04	4000	—	4000	0.04	

#Shares transmitted to Mr. P. Srinivas Reddy on 15.02.2016.

## (iii) Change in Promoters' Shareholding ( please specify, if there is no change)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year	
	P. Srinivas Reddy	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2581948	24.39	2581948	24.39
	Transmitted	49,99,000	47.22	7580947	71.61
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g.allotment / transfer /bonus/sweat equity etc)				
	At the End of the year	7580947	71.61	7580947	71.61

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Increase / Decrease in shareholding		Share holding at end of the year	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares
1	N. Narayanamma	24600	0.23	—	—	24600	0.23
2	N. Jayanth Reddy	20508	0.19	—	—	20508	0.19
3	V. Ramachandra Rao	17200	0.16	—	—	17200	0.16
4	N. Chinnapa Reddy	14748	0.14	—	—	14748	0.14
5	Suresh Todi	11320	0.11	—	—	11320	0.11
6	J. Shashi Kumar	10040	0.09	—	—	10040	0.09
7	N Lavanya Reddy	10000	0.09	66915	—	76915	0.73
8	Anirudh Agarwal	10000	0.09	—	—	10000	0.09
9	J Madhan Mohan Reddy	8000	0.08	—	—	8000	0.08
10	J Vasantha Reddy	8000	0.08	126944	—	134944	1.27
	Date wise Increase /Decrease in top 10 Shareholders Share Holding during the year specifying the reasons for increase/ decrease(e.g. allotment / transfer /bonus/ sweat equity etc): NIL						
	At the end of the year	—	—	—	—	—	—

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Share holding at the end of the year	
1.	P. Srinivas Reddy	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2581948	24.39	2581948	24.39
Date wise Increase /Decrease in Director any Key Managerial personnel holding during the year specifying the reasons for increase/ decrease (e.g.allotment / transfer /bonus/sweat equity etc)					
	At the End of the year	7580947	71.61	7580947	71.61
Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Share holding at the end of the year	
2.	P. Samantha Reddy	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2,75,000	2.60	—	—
Date wise Increase /Decrease in Director any Key Managerial personnel Share holding during the year specifying the reasons for increase/ decrease (e.g.allotment / transfer /bonus/sweat equity etc)					
	At the End of the year	2,75,000	2.60	—	—

**V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Indebtedness at the beginning of the financial year	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	73,56,918	—	—	73,56,918
Total (i+ii+iii)	73,56,918	—	—	73,56,918
Change in Indebtedness during the financial year Addition / Reduction	8,88,462	—	—	8,88,462
Net Change	8,88,462	—	—	8,88,462
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	8,20,77,506	—	—	8,20,77,506
Total (i+ii+iii)	8,20,77,506			8,20,77,506

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of : P. Srinivas Reddy P. Samantha Reddy		Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Remuneration to managing Director Rs.700,000/- Per Month (700000*12) =84,00,000	Remuneration to Whole time Director cum CFO Rs. 3,50,000/- per Month (3,50,000*12) = 42,00,000/-	Rs.1,26,00,000
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission - as % of profit - Others, specify...	—	—	—
5.	Others, please specify	—	—	—
6.	Total (A)	—	—	—
7.	Ceiling as per the Act	—	—	—

## B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Director K.Nanda Kumar/ M.Mohan Reddy/ Sree ramakrishna Grandi				Total Amount
	3. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	45000	50000	60000	—	155000
	Total (1)	45000	50000	60000	—	155000
	4. Other Non-Executive Directors • Fee for attending board / committee meetings •commission • Others, please specify	—	—	—	—	—
	Total (2)	—	—	—	—	—
	Total (B)=(1+2)	45000	50000	60000	--	155000
	Total Managerial Remuneration	—	—	—	—	—
	Overall Ceiling as per the Act	—	—	—	—	—

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary (Y. Eshwar Sharma)	CFO	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	625000*12 months = 75,00,000	14,000*12 months=1,68,000	—	76,68,000/-
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
6.	Total	75,00,000	1,68,000		76,68,000/-

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made if any give Details)
<b>A. COMPANY</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>B. DIRECTORS</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Board of Directors  
M/s Ravileela Granites Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

S/d-

**M. Mohan Reddy**  
(Independent Director)

Date: 16.04.2016  
Place: Hyderabad



**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Board of Directors  
M/s Ravileela Granites Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

S/d-

**K. Nanda Kumar**  
(Independent Director)

Date: 16.04.2016  
Place: Hyderabad

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Board of Directors  
M/s Ravileela Granites Limited

Dear Sir,

I undertake to comply with the conditions laid down in Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

- (a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.
- (b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.
- (c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:
  - (i) the statutory audit firm or the internal audit firm that is associated with the Company and
  - (ii) the legal firm(s) and consulting firm(s) that have a material association with the company
- (d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours Faithfully,

S/d-

**Sree Rama Krishna Gandhi**  
(Independent Director)

Date: 16.04.2016  
Place: Hyderabad

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**INDIPENDENT AUDITORS' REPORT**

To the members of **RAVILEELA GRANITES LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of RAVILEELA GRANITES LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and 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**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, 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 on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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; of the state of affairs of the Company as at March 31, 2016; and its Profit for the year ended on that date;

**Report on other Legal and Regulatory Requirements**

1. As required by the the Companies (Auditor's Report) Order, 2016. ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure- A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and 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 those books.
  - c) the Balance Sheet and the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f) on the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
  - g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - h) with respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
    - i. There were no pending litigations which would impact the financial position of the Company.
    - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Hyderabad  
Date: 16.04.2016

**For S.V. RAO ASSOCIATES**

Chartered Accountants

FRN. 31525

Sd/-

**S.V.S. Prasad**

Partner

Mem No. 207540

**Annexure to the Auditors' Report in term of sub-section (11) of section 143 of the Companies Act,2013,**

The Annexure referred to in our report to the members of RAVILEELA GRANITES LIMITED for the year Ended on 31st March,2016.

We report that:

- i. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. (a) The Company has a regular programme of physical verification of its inventory. In our opinion the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. Material discrepancies noticed on physical verification have been properly dealt with in the books of account;
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, paragraph 3(iii)(a) and (b) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans or provided guarantees or investments under the provisions of section 185 and 186 of the Act, during the year. Accordingly paragraph 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public.
- vi. The maintenance of cost records as has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, read with the Companies (Cost Records and Audit) Rules, 2014 is not applicable to the Company for the time being.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in

- arrears as at 31 March 2016 for a period of more than six months.
- (b) According to the information and explanations given to us, there are no material dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute.
- viii. The company has not defaulted in repayment of dues to its banks. The Company did not have any outstanding dues to financial institutions or debenture holders during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans raised during the year were applied for the purpose for which they have been obtained.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Hyderabad

Date: 16.04.2016

**For S.V. RAO ASSOCIATES**

Charetered Accountants

FRN. 31525

Sd/-

**S.V.S. Prasad**

Partner

Mem No. 207540

**Annexure - B to the Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of RAVILEELA GRANITES LIMITED ("the Company") as of 31 March ,2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide

reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad

Date: 16.04.2016

**For S.V. RAO ASSOCIATES**

Chartered Accountants  
FRN. 31525

Sd/-

**S.V.S. Prasad**

Partner

Mem No. 207540



## Balance Sheet As at 31st March, 2016

PARTICULARS	Note No's	AS AT Mar'31, 2016	AS AT Mar' 31,2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Holders Funds	B 1	<b>105,860,000</b>	105,860,000
(b) Reserves and Surplus	B 2	<b>(8,701,329)</b>	(29,885,641)
<b>(2) Non-Current Liabilities</b>			
<b>Long Term Borrowings</b>			
(a) Secured Loans	B 3	<b>5,905,874</b>	284,891
(b) Un Secured Loans		<b>64,683,500</b>	75,375,000
<b>(3) Long Term Provisions</b>	B 4	<b>3,907,391</b>	3,225,899
<b>(4) Current Liabilities</b>			
(a) Trade payables	B 5	<b>9,542,083</b>	11,799,536
(b) Other current liabilities	B 6	<b>41,811,155</b>	45,324,924
(c) Short Term Borrowings	B 7	<b>82,077,506</b>	—
(c) Short-term provisions	B 8	<b>22,397,274</b>	11,983,355
<b>Total</b>		<b>327,483,453</b>	<b>223,967,964</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	B 9		
- Tangible assets		<b>48,499,880</b>	43,874,236
(b) Deferred tax Asset (Net)		<b>3,447,465</b>	19,478,880
(c) Long term loans and advances	B 10	<b>2,691,303</b>	2,451,668
<b>(2) Current assets</b>			
(a) Inventories	B 11	<b>88,258,531</b>	95,697,365
(b) Trade receivables	B 12	<b>95,202,723</b>	52,483,171
(c) Cash and cash equivalents	B 13	<b>50,283,556</b>	737,846
(d) Short-term loans and advances	B 14	<b>39,099,995</b>	9,244,798
<b>Total</b>		<b>327,483,453</b>	<b>223,967,964</b>
<b>Notes to accounts</b>	B 15		

As per on report of even date

For and on behalf of the Board

For **S.V. RAO ASSOCIATES**  
Chartered Accountants  
Firm Registration No.0031525

Sd/-  
**(S.V.S. Prasad)**  
Partner  
(Mem No. 207540)

Sd/-  
**(P. Samantha Reddy)**  
Whole Time Director Cum CFO  
(DIN : 00141961)

Sd/-  
**(P. Srinivas Reddy)**  
Managing Director  
(DIN : 00359139)

Date : 16-Apr-2016  
Place : Hyderabad

Sd/-  
**(Y Eswara Sharma)**  
Company Secretary

## Statement of Profit and Loss Account for the year ended 31st March, 2016

PARTICULARS	Note No's	For the period ending Mar'31, 2016	For the period ending Mar' 31,2015
<b>I Revenue from operations</b>	P 1		
Revenue from Operations		388,835,760	267,061,120
		<u>388,835,760</u>	<u>267,061,120</u>
<b>II Other Income</b>	P 2	7,843,804	6,876,702
<b>III Total Revenue</b>		<b>396,679,564</b>	<b>273,937,822</b>
<b>IV Expenses:</b>			
Cost of materials consumed	P 3	199,008,934	131,665,389
Changes in Inventories	P 4	728,797	(19,260,382)
Employee benefit expenses	P 5	49,546,896	36,051,262
Finance Cost	P 6	9,060,762	141,569
Depreciation and amortization expense	B 7	3,948,587	6,398,628
Other expenses	P 7	87,638,621	75,502,632
<b>V Total Expenses</b>		<b>349,932,598</b>	<b>230,499,098</b>
<b>VI Profit before exceptional &amp; extra ordinary items and Tax</b>		46,746,966	43,438,724
<b>VII Add: Exceptional Item</b>		—	2,527,875
<b>VIII Profit before extra ordinary items and Tax</b>		46,746,966	45,966,599
Less: Extraordinary Items		—	5,765,970
		<b>46,746,966</b>	<b>40,200,629</b>
<b>VII Tax expenses:</b>			
Less : Deferred tax		16,031,415	13,303,416
Provision for Tax		9,531,239	3,839,430
<b>VIII Profit after Tax (V-VII)</b>		<u>21,184,312</u>	<u>23,057,783</u>
<b>IX Earning per equity share:</b>	P 9		
(1) Basic		2.00	2.18
(2) Diluted		2.00	2.18
<b>X Significant Accounting Policies Notes on Financial Statements</b>			

As per on report of even date

For and on behalf of the Board

For **S.V. RAO ASSOCIATES**  
Chartered Accountants  
Firm Registration No.0031525

Sd/-  
**(S.V.S. Prasad)**  
Partner  
(Mem No. 207540)

Sd/-  
**(P. Samantha Reddy)**  
Whole Time Director Cum CFO  
(DIN : 00141961)

Sd/-  
**(P. Srinivas Reddy)**  
Managing Director  
(DIN : 00359139)

Date : 16-Apr-2016  
Place : Hyderabad

Sd/-  
**(Y Eswara Sharma)**  
Company Secretary

## Notes to the Balance Sheet

PARTICULARS	Figure As at 31 March 2016		Figure As at 31 March 2015	
	<b>NOTE : B1 - SHARE CAPITAL</b>			
<b>Authorised</b> Equity Shares of Rs.10/- each	<b>12,000,000</b>	<b>120,000,000</b>	12,000,000	120,000,000
<b>Issued, Subscribed &amp; Paid up</b> Equity Shares of Rs.10/- each Less: Calls in arrears (96200 Shares @ Rs.5/- each) from Others	<b>10,586,000</b>	<b>105,860,000</b>	10,586,000	105,860,000
	<b>10,586,000</b>	<b>105,860,000</b>	10,586,000	105,860,000
<b>Details of Shares in the company held by each shareholder holding more than 5 percent shares</b>				
<b>NAME OF SHAREHOLDER</b>	<b>No. of Shares held</b>	<b>Percentage</b>	<b>No. of Shares held</b>	<b>Percentage</b>
Mr. P Srinivas Reddy	<b>7,580,948</b>	<b>72.61%</b>	2,581,948	24.39%
Mrs. P Samantha Reddy	<b>275,000</b>	<b>2.60%</b>	275,000	2.60%
Mr. P Ravindar Reddy	—	—	4,996,890	47.20%

**NOTE -B2****RESERVES AND SURPLUS**

Particulars	Figures As At 31 Mar 2016	Figures As At 31 Mar 2015
<b>(a) Capital Reserve</b>		
State Subsidy	<b>1,500,000</b>	1,500,000
<b>Surplus in Statement of Profit and Loss</b>		
Opening balance	<b>(31,385,641)</b>	(54,443,424)
(+) Net Profit/(Net Loss) For the current year	<b>21,184,312</b>	23,057,783
Closing Balance	<b>(10,201,329)</b>	(31,385,641)
	<b>(8,701,329)</b>	(29,885,641)

**NOTE -B3****LONG-TERM BORROWINGS****Secured**

(a) Vehicle Loan

**5,905,874**

284,891

**5,905,874**

284,891

**Unsecured**

(a) From Directors

**64,683,500**

75,375,000

**64,683,500**

75,375,000

**Long Term Borrowings****70,589,374**

75,659,891

**NOTE -B4****LONG TERM PROVISIONS**

Provision for Employee Benefits

**3,907,391**

3,225,899

**TOTAL****3,907,391**

3,225,899

Particulars	Figures As At 31 Mar 2016	Figures As At 31 Mar 2015
<b>NOTE -B5</b>		
<b>TRADE PAYABLES</b>		
For Goods	5,113,800	9,026,171
For Services	4,428,283	2,773,365
<b>TOTAL</b>	<b>9,542,083</b>	<b>11,799,536</b>
<b>NOTE -B6</b>		
<b>OTHER CURRENT LIABILITIES</b>		
(a) Current Maturities of Long Term Debts	922,730	153,736
(b) Advance from Customers	39,482,434	42,111,598
(c) Creditors for Capital Expenditure	—	279,000
(d) Others	1,405,991	2,780,591
	<b>41,811,155</b>	<b>45,324,925</b>
<b>NOTE -B7</b>		
<b>SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
a) Andhra Bank CC Limit	66,896,409	—
b) Andhra Bank - Adhoc CC Limit	15,181,097	—
	<b>82,077,506</b>	<b>—</b>
<b>NOTE -B8</b>		
<b>SHORT-TERM PROVISIONS</b>		
(a) Provision for employee benefits:		
i) Salaries, Wages & Bonus	6,644,543	3,421,838
ii) Provident Fund and ESI	301,544	309,367
iii) Gratuty & Leave Encashment	244,721	201,681
(b) Provision for Directors remuneration	1,058,296	925,988
(c) Provision for taxation	14,148,170	7,124,481
	<b>22,397,274</b>	<b>11,983,355</b>

Vehicle Loan is obtained from M/s.Kotak Mahindra Prime Ltd aggregating to Rs.2,84,891/- and Rs.153,736/- disclosed under Long Term borrowings and Current maturities of long term debt respectively, is secured by first and exclusive charge on the Vehicle, and carries an Interest rate of around 18%. The loan is repayable in 36 EMI's of Rs.16240/-.

Vehicle Loan obtained from M/s.BMW Financial Service aggregating to Rs.6918291/- disclosed under Long Term borrowings and Current maturities of long term debt respectively, is secured by first and exclusive charge on the Vehicle, and carries an Interest rate of around 10.21%. The loan is repayable in 84 EMI's of Rs.115597/-.

Short Term borrowing being Cash Credit of Rs.600 lacs and FBP facility of Rs.200 lacs from Andhra Bank is secured by Hypothecation of Stocks and Receivables and further secured by Hypothecation of Plant and Machinery and Land and buildings of the company situated at Sampannabolu village Shameerpet Mandal

Short Term borrowing being Adhoc Cash Credit of Rs.150 lacs obtained from Andhra Bank is secured by Hypothecation of Stocks and Receivables and is repayable within 90 days from the date of disbursement.

## FIXED ASSET SCHEDULE (NOTE NO : B9)

Amount in Rs.

S.No	Fixed Assets	Gross Block		Accumulated				Net Block		
		Balance as at 01-Apr-2015	Additions	Adjustments	Balance as at 31-Mar-16	Balance as at 01-Apr-2015	Depreciation charge for the year	On Adjustments	Balance as at 31-Mar-16	Balance as at 31-Mar-15
<b>a</b>	<b>Tangible Assets</b>									
1	Land	271,143	—	—	271,143	-	-	—	271,143	271,143
2	Building	32,858,878	304,162	—	33,163,040	20,028,829	981,722	—	12,152,489	12,830,049
3	Quarries	5,486,693	—	—	5,486,693	5,486,693	-	—	—	—
4	Plant and Machinery	43,746,277	—	—	43,746,277	15,111,662	1,837,962	—	26,796,653	28,634,615
5	Pump Sets	1,038,087	—	—	1,038,087	217,775	68,529	—	751,782	820,312
6	Office Equipment	422,937	—	—	422,937	225,597	171,543	—	25,798	197,340
7	Computer	152,875	51,014	-	203,889	38,783	48,774	—	116,332	114,092
8	Vehicles	779,055	8,219,056	-	8,998,111	32,802	796,298	—	8,169,011	746,253
9	Furniture and Fixtures	291,980	—	—	291,980	69,882	31,072	—	191,026	222,098
<b>b</b>	<b>Intangible Assets</b>									
1	ERP Software	62,090	—	—	62,090	23,757	12,688	—	36,444	38,333
	<b>Total</b>	<b>85,110,015</b>	<b>8,574,232</b>	<b>—</b>	<b>93,684,247</b>	<b>41,235,779</b>	<b>3,948,587</b>	<b>—</b>	<b>48,499,880</b>	<b>43,874,236</b>
	<b>Previous Year</b>	<b>176,055,399</b>	<b>7,158,393</b>	<b>98,103,777</b>	<b>85,110,015</b>	<b>124,501,494</b>	<b>6,398,629</b>	<b>89,664,344</b>	<b>43,874,235</b>	<b>51,553,905</b>

## NOTES TO THE BALANCE SHEET

Particulars	As At 31 Mar 2016	As At 31 Mar 2015
<b>NOTE -B10</b>		
<b>LONG TERM LOANS AND ADVANCES</b> (UNSECURED, CONSIDERED GOOD)		
<b>a. Other loans and advances</b>		
Deposit with Govt Authorities	2,511,476	2,260,891
Other Deposits	179,827	190,777
	<b>2,691,303</b>	<b>2,451,668</b>
<b>NOTE -B11</b>		
<b>INVENTORIES</b>		
a. Raw Materials	8,683,632	17,182,678
b. Work-in-progress	70,199,830	70,559,295
c. Finished goods	904,912	1,274,245
d. Stores and spares	7,339,386	5,672,724
e. Packing Material	1,130,771	1,008,424
	<b>88,258,531</b>	<b>95,697,365</b>
<b>NOTE -B12</b>		
<b>TRADE RECEIVABLES</b> (UNSECURED, CONSIDERED GOOD)		
Debts outstanding for a period exceeding six months	5,705,030	1,606,111
Other Debts	90,910,405	50,877,060
	<b>96,615,435</b>	<b>52,483,171</b>
Less: Allowance for Bad and Doubtful Debts	1,412,712	—
	<b>95,202,723</b>	<b>52,483,171</b>
<b>NOTE -B13</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
A.Cash on hand;	125,548	30,497
B.Balances with banks in Current Accounts	50,158,008	707,349
	<b>50,283,556</b>	<b>737,846</b>
<b>NOTE -B14</b>		
<b>SHORT-TERM LOANS AND ADVANCES</b> (Unsecured, considered good)		
a. Advance to Suppliers	31,807,031	6,687,517
b. Service Tax Input Credit	744,931	465,470
c.Vat Receivalbe	4,034,341	1,614,454
d.Staff Advances	73,092	50,777
e.Others	2,440,600	426,580
	<b>39,099,995</b>	<b>9,244,798</b>

## NOTES TO THE STATEMENT OF PROFIT AND LOSS

Particulars	As At 31 Mar 2016	As At 31 Mar 2015
<b>NOTE -P1</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sale Income	388,964,637	267,673,242
Less: Excise Duty	128,877	612,122
<b>Net Revenue from Operations</b>	<b>388,835,760</b>	<b>267,061,120</b>
<b>NOTE -P3</b>		
<b>OTHER INCOME</b>		
(a) Scrap Sales	304,187	543,888
(e) Sale of Pine Wood	—	143,321
(f) Sales Tax Claim	435,980	240,179
(c) Other non-operating income	379,491	2,600,826
(b) Interest Income	171,216	209,545
(d) Foreign exchange Gain/(Loss)	4,983,824	3,138,943
(g) Credit balances written back	1,569,106	—
	<b>7,843,804</b>	<b>6,876,702</b>
<b>NOTE -P4</b>		
<b>Materials Consumed</b>		
<b>a) Raw Material</b>		
Opening Stock	17,182,678	179,849
Purchases	184,801,104	143,795,060
	<b>201,983,782</b>	<b>143,974,909</b>
Closing Stock	8,683,632	17,182,678
	<b>193,300,150</b>	<b>126,792,232</b>
<b>b) Packing Material Consumed</b>		
Opening Stock	1,008,424	140,822
Purchases	5,831,131	5,740,760
	<b>6,839,555</b>	<b>5,881,582</b>
Closing Stock	1,130,771	1,008,424
	<b>5,708,785</b>	<b>4,873,158</b>
	<b>199,008,934</b>	<b>131,665,389</b>
<b>NOTE - P5</b>		
<b>CHANGES IN INVENTORIES</b>		
<b>A. Inventories (at close)</b>		
Finished Goods	904,912	1,274,245
Stock-in-Process	70,199,830	70,559,295
	<b>71,104,742</b>	<b>71,833,539</b>
<b>Less</b>		
<b>B. Inventories (at commencement)</b>		
Finished Goods	1,274,245	8,643,711
Stock-in-Process	70,559,295	43,929,446
	<b>71,833,539</b>	<b>52,573,157</b>
<b>Net (Increase) /Decrease In stock</b>	<b>728,797</b>	<b>(19,260,382)</b>

## NOTES TO THE STATEMENT OF PROFIT AND LOSS

Particulars	As At 31 Mar 2016	As At 31 Mar 2015
<b>NOTE -P6</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries , wages, Bonus and Gratuity	46,367,979	33,560,471
Contribution to provident and other funds	2,045,277	1,805,343
Staff welfare expenses	1,133,640	685,448
	<b>49,546,896</b>	<b>36,051,262</b>
<b>NOTE -P7</b>		
<b>FINANCE COST</b>		
Interest expense	9,060,762	141,569
	<b>9,060,762</b>	<b>141,569</b>
<b>NOTE -P8</b>		
<b>OTHER EXPENSES :</b>		
(a) Consumables Stores	24,855,698	28,162,824
(b) Power & Fuel	13,268,428	14,660,861
(c) Rent	835,225	781,928
(d) Security Charges	967,928	737,768
(e) Repairs and Maintenance- Plant & Machinery	6,532,510	8,129,066
(f) Insurance	1,580,939	569,318
(g) Rates and Taxes	494,983	798,014
(h) Filing Fee	33,240	27,191
(i) Auditors Remuneration :		
- For Statutory Audit	114,500	112,360
- For Taxation	28,625	28,090
- Internal Audit	45,700	
- for Audit Committee Meeting Exp.	25,000	48,090
(j) Carriage Outward	20,239,518	13,805,368
(k) Travelling and Conveyance	9,907,181	3,666,120
(l) Prior Period Expenses	—	87,376
(m) Misc. Expenses	8,709,145	3,888,258
	<b>87,638,621</b>	<b>75,502,632</b>
<b>NOTE -P9</b>		
<b>EARNINGS PER SHARE (EPS)</b>		
i) Net Profit after tax as per Statement of Profit and Loss	21,184,312	23,057,783
ii) Weighted Average number of equity shares	10,586,000	10,586,000
iii) Basic Earnings per share	2.00	2.18
iii) Diluted Earnings per share	2.00	2.18
iv) Face Value per equity share ( Rs 10/-)		



## CASH FLOW STATEMENT

PARTICULARS	31-Mar-16	31-Mar-15
<b>A Cash Flow from Operating activities</b>		
Net Profit/(loss) before tax and extraordinary items	<b>48,616,812</b>	40,200,629
<b>Adjustments for :</b>		
Extraordinary Items	—	5,765,970
Depreciation	<b>3,948,587</b>	6,398,629
Interest / Dividends	<b>9,060,762</b>	141,569
<b>Operating profit before Working capital changes</b>	<b>61,626,161</b>	52,506,797
<b>Adjustments for :</b>		
Trade and other Receivables	<b>(72,814,384)</b>	(12,760,507)
Inventories	<b>5,568,988</b>	(37,166,201)
Long Term Borrowings & Provisions	<b>(4,389,025)</b>	3,146,798
Trade Payables & Other payables	<b>77,188,964</b>	(843,877)
<b>Cash generated from Operations</b>	<b>67,180,704</b>	<b>4,883,010</b>
<b>Income Tax paid</b>		
<b>Interest Paid</b>	<b>(9,060,762)</b>	<b>(141,569)</b>
<b>Cash frlo from Operating activities</b>	<b>58,119,942</b>	4,741,441
<b>B Cash flow from Insting activities</b>		
Investment on Fixed Assets	<b>(8,574,232)</b>	(4,484,929)
Sale of Fixed Assets	—	—
<b>Net Cash used in investing activities</b>	<b>(8,574,232)</b>	(4,484,929)
<b>C Cash flow from financing activities</b>		
Proceeds from issue of Share Capital	—	192,400
Proceeds from Long Term Borrowings	—	—
Net Cash used in investing activities	—	192,400
<b>Net increase in cash and cash equivalent</b>	<b>49,545,710</b>	448,912
Opening Balance	<b>737,846</b>	288,934
Closing Balance	<b>50,283,556</b>	737,846

For and on behalf of the Board

Sd/-

**(P. Samantha Reddy)**  
Whole Time Director Cum CFO  
(DIN : 00141961)

**(P. Srinivas Reddy)**  
Managing Director  
(DIN : 00359139)

Sd/-

**(Y Eswara Sharma)**  
Company Secretary

## 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,2016 and found the same in accordance there with, and also with the requirement of SEBI (Listing obligations & disclosure requirements) Regulations, 2015.

**For S V RAO ASSOCIATES**  
**Firm Registration No: 003152S.**

Chartered Accountants

Sd/-

**S V S Prasad**  
Partner

PLACE : Hyderabad  
DATE : 16-Apr-2016

**Note - B 14: NOTES FORMING PART OF FINANCIAL STATEMENTS****SIGNIFICANT ACCOUNTING POLICIES:****a) Basis of Presentation**

The financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles applicable in India (India GAAP) to comply with the accounting standards specified under Sec, 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 as applicable. The financial statements have been prepared under the historical cost convention on accrual basis.

**b) Use of estimates**

The preparation of the financial statements requires the management makes estimates and assumptions that affect the reported balances of assets and liabilities, and disclosures relating to contingent liabilities as at the date of the financial statements, and the reported amounts of Income and expenses during the reporting period. Examples of such estimates include provisions for the doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment. Further results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

c) Fixed Assets: Fixed assets are capitalized at cost inclusive of legal, installation and other allowable expenses. Fixed assets are valued at Cost less accumulated depreciation.

**d) 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 realizable value.

e) Depreciation on tangible and intangible assets is provided on the Straight Line Method over the useful life of the Assets estimated by the Management in accordance with Part C of Schedule II of the Companies Act, 2013 as per the following rates. Depreciation for Assets purchased or Sold during the year is proportionately charged on pro-rata basis.

Category Of Assets	Estimated Useful Life
Buildings	30 years
Plant & Machinery & Pump Sets	15 years
Furniture & Fixtures	10 Years
Computers	3 Years
Vehicles	10 Years
Office Equipment	5 years
Computer Software	3 Years

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. 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:**

Borrowing costs that are attributable to the acquisition of assets are capitalized as part of cost of such assets. All other costs are charged to Revenue.

**h) Employee Benefits:**

i. Provident Fund: A retirement benefit in the form of provident fund scheme is a defined contribution plan and the contribution is recognized .

ii. Gratuity: Gratuity liability is a defined benefit obligation and provided for on the basis of an actuarial valuation made using projected unit credit method. Actuarial gains and losses are recognized in full in period in which they occur.

iii. Compensated absences : Compensated absences are in the nature of long term benefits and are provided for on the basis of an actuarial valuation made using projected unit credit methods . Actuarial gains and losses are recognized in full in the period in which they occur.

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.

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.

k) Taxes on Income :

Current Tax is determined on the amount of tax payable in respect of taxable income for the period. Deferred Tax is recognized on timing difference being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets and Liabilities have been computed on the timing differences applying the enacted tax rates.

l) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

m) Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in

prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

- 1 Balances of Trade Receivables and Trade Payables are subject to confirmation.
- 2 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. Mar 31, 2016	In Rs. Mar 31, 2015
Employer's Contribution to Provident Fund	13,17,680	11,41,846
Employer's Contribution to ESI	7,27,597	6,63,526

Defined Benefit Plan -

The provision for gratuity and leave encashment for the year ended March, 2016 has been made basis of Actuarial Valuation made using projected unit credit method.

Provision for Gratuity:-

The Provision for gratuity has been made based on considering actuarial assumptions and discounting factors. No consideration is being made to a Fund..

Profit & Loss Account	2014-15	2015-16
Current Service Cost	1,18,962	1,43,270
Interest Cost on benefit obligation	—	2,42,108
Expected return on plan assets		
Net Actuarial (gain). Loss recognized in the year	31,48,481	1,87,850
past services cost		
Net Benefit expense	32,67,443	5,73,228
Actual return on plan assets		
Opening defined benefit obligation	—	30,26,652
Interest cost	—	2,42,108
Current services cost	1,18,962	1,43,270
Benefits paid	(2,41,091)	—
Actuarial (gains)/losses on obligation	31,48,481	1,87,850
closing defined benefit obligation	30,26,352	35,99,580
Assumptions	%	%
Salary Rise	5	5
Discount rate	8	8
Attrition Rate	5	5

Leave Encashment :-	2014-15	2015-16
Current Service Cost	1,19,566	45,089
Interest Cost on benefit obligation	—	32,098
Expected return on plan assets		
Net Actuarial (gain). Loss recognized in the year past services cost	2,81,662	74,117
Net Benefit expense	4,01,228	1,51,304
Actual return on plan assets		
Balance Sheet		
Opening defined benefit obligation	—	4,01,228
Interest cost	—	32,098
Current services cost	1,19,566	45,089
Benefits paid	—	—
Actuarial (gains)/losses on obligation	2,81,662	74,117
closing defined benefit obligation	4,01,228	5,52,532
The principal assumptions used in determining leave and post employment medical benefit obligations for the company's plans are shown below:		
Assumptions	%	%
Salary Rise	5	5
Discount rate	8	8
Attrition Rate	5	5

2. Leasing :

- a. The details of future minimum lease payments for each of the following periods are as follows:

	2015-16 Amount	2014-15 Amount
i. Not later than one year	8,42,300	8,01,900
ii. Later than one year and not later than 5 years	—	—
iii. Later than 5 years	—	—
b. The lease payments recognized in profit & loss account	8,02,224	7,64,028
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 12 Months which expires on 31.3.2017.		

4. Components of deferred tax :	(Rs. in lacs)	
	As on 31.03.16	As on 31.03.15
a. Deferred Tax Liability		
On account of Depreciation	43.54	40.77
b. Deferred Tax Asset		
Expenditure disallowed	11.12	11.12
Unabsorbed Allowances	66.90	224.44
Total	78.02	235.56
Deferred Tax Asset (Net)	34.48	194.79

## 5. Related party disclosures

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

## a. Names of related parties

Key managerial personnel	
P Srinivas Reddy	Managing Director
P Samantha Reddy	Director

## b. Transactions with Related Parties during the financial year and Outstanding Balances as on 31.03.2016

(Rs.Lakhs)

Nature of Transaction	Key Managerial Personnel	Relative of KMP
Unsecured Loans Received	— (—)	— (—)
Unsecured Loans Repaid	106.92 (—)	— (3.64)
Remuneration	126.00 (43.50)	— (—)
Balances outstanding at the end of the Year		
Unsecured Loans	646.83 (753.75)	— —
Remuneration payable	10.58 (43.50)	— —

(Figures in brackets represent previous year transactions)

## 6. Capital Commitments not provided (Net of Advances) as at 31st March, 2016 -Nil - (Prev.Year - Nil)

7. Information pursuant to Paragraphs 5 of Part II schedule VI to the Company's Act 1956.

Particulars	2015-16		2014-15	
a) Sales Value	(Rs. Lacs)		(Rs. Lacs)	
Finished Granite Slabs	3889.65		2676.73	
Closing Stock of finished goods & WIP (As certified by the Management)				
i) Finished Granite Slabs	9.05		12.74	
ii) Semi-finished Slabs	702.00		705.59	
c) Opening stocks of Finished goods & WIP				
i) Finished Granite Slabs	12.74		86.44	
ii) Semi-finished Slabs	705.59		439.29	
d) Materials consumed				
Raw blocks	929.95		930.16	
Stock in Trade	1003.05		337.76	
Total Material Consumed	1933.00		1267.92	
e) CIF Value of Imports (Rs. Lacs)				
Raw Material	—		63.83	
Consumable & Spares	172.13		161.59	
Capital Items	Nil		Nil	
f) Expenditure in foreign currency on account of Travelling	73.46		12.51	
g) FOB Value of Exports (Rs.Lacs)	3877.32		2618.16	
h) Consumption:	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
	<b>Rs.</b>		<b>Rs.</b>	
Raw Material:				
Indigenous	873.93	93.98%	913.36	98.19%
Imported	56.02	6.02%	16.80	1.81%
Finished Slabs for Trading:				
Indigenous	1003.05	100%	337.36	100%
Imported	-	-	-	-
Packing Material:				
Indigenous	57.09	100%	48.73	100%
Imported	-	-	-	-
Consumables, Stores & Spares				
Indigenous	71.53	28.78%	112.80	40.05%
Imported	177.03	71.22%	168.83	59.95%

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

As per on report of even date

For and on behalf of the Board

For **S.V. RAO ASSOCIATES**

Chartered Accountants

Firm Registration No.0031525

Sd/-

**(S.V.S. Prasad)**

Partner

(Mem No. 207540)

Sd/-

**(P. Samantha Reddy)**

Whole Time Director Cum CFO

(DIN : 00141961)

Sd/-

**(P. Srinivas Reddy)**

Managing Director

(DIN : 00359139)

Date : 16-Apr-2016

Place : Hyderabad

Sd/-

**(Y Eswara Sharma)**

Company Secretary

**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

<b>I</b>	<b>REGISTRATION DETAILS</b>		
	Reeistration No.	<b>01-11909</b>	State Code <b>01</b>
	Balance Sheet Date	<b>31-03-2016</b>	
<b>II</b>	<b>CAPITAL RAISED DURINe THE YEAR</b>		
	Public Issue	<b>N I L</b>	Riehts Issue <b>N I L</b>
	Bonus Issue	<b>N I L</b>	Private placement <b>N I L</b>
	Share application money	<b>N I L</b>	
<b>III</b>	<b>POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS</b>		
	TOTAL LIABILITIES	<b>327,483</b>	TOTAL ASSETS <b>327,483</b>
	SOURCES OF FUNDSAPPLICATION OF FUNDS		
	Paid up Capital	105,860	Net Fixed Assets 48,500
	Share application money	-	Investments Nil
	Reserves & Surplus	1,500	Long term Loans & Advances 2,691
	Secured Loans	5,906	Current Assets 272,845
	Unsecured Loans	64,684	Deferred Tax Asset 3,447
	Profit & Loss A/c	(10,201)	Miscellaneous Expenditure Nil
	Current Liabilities	159,735	
<b>IV</b>	<b>PERFORMANCE OF COMPANY</b>		
	TOTAL TURNOVER	396,680	TOTAL EXPENDITURE 349,933
	Profit / (loss) before tax	46,747	Profit / (loss) after tax 21,184
	Earnine per Share in Rs.		
	- Basic 2.00	Dividend Rate	N A
	- Diluted Nil		
<b>V</b>	Generic Norms of Three Principal Products / Services of Company (as per Monetary Terms)		
	PRODUCT	POLISHED GRANITES	
	ITEM CODE NO	SLABS	
	PRODUCT DESCRIPTION	MONUMENT MARKERS	

As per on report of even date  
For **S.V. RAO ASSOCIATES**  
Chartered Accountants  
Firm Registration No.0031525

For and on behalf of the Board

Sd/-  
**(S.V.S. Prasad)**  
Partner  
(Mem No. 207540)

Sd/-  
**(P. Samantha Reddy)**  
Whole Time Director Cum CFO  
(DIN : 00141961)

Sd/-  
**(P. Srinivas Reddy)**  
Managing Director  
(DIN : 00359139)

Date : 16-Apr-2016  
Place : Hyderabad

Sd/-  
**(Y Eswara Sharma)**  
Company Secretary



**Form No. MGT-11**  
**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L14102AP1990PLC011909  
Name of the company: Ravileela Granites Limited  
Registered office: Survey No. 203, Sampannabolu (V)  
Shameerpet Mandal, Telangana, 500072

Name of the member(s) : Registered Address : E-mail Id : Folio No. /Client ID : DP ID :
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I/We, being the member (s) of .....shares of the above named company, hereby appoint

1. Name :  
Address :  
E-mail Id :  
Signature: ....., or failing him
2. Name :  
Address :  
E-mail Id :  
Signature: ....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Friday, 16th day of September, 2016 at 10.00 a.m at Survey No. 203, Sampannabolu (V), Shameerpet Mandal, R. R Dist, Telangana and at any adjourned meeting thereof in respect of such resolutions as are indicated below:

**Resolution No.**

1. Approval of financial statements for the year ended 31.03.2016.
2. Appointment of Mr. P. Srinivas Reddy as Director who retires by rotation.
3. Appointment of statutory auditors and fixation of their remuneration.
4. Remuneration of Smt.P. Samantha Reddy (din: 00141961), whole-time director cum CFO of the company:

Signed this ..... day of..... 2016

Signature of shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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## Form No. MGT-12

### POLLING PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

CIN : L14102AP1990PLC011909  
Name of the Company : Ravileela Granites Limited  
Registered office : Survey No. 203, Sampannabolu (V), Shameerpet Mandal,  
R. R Dist, Telangana

BALLOT PAPER		
Sl.No.	Particulars	Details
1.	Name of the First Named Shareholder (in block letters)	
2.	Postal Address	
3.	Registered No./ * Clint ID No. (* Acceptable to investors holding shares in dematerialized from)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of Financial Statements.			
2.	Re-appointment of Director.			
3.	Appointment of Auditors.			
4.	Remuneration of Smt. P.Samantha Reddy, whole-time director cum CFO of the company:			

Place:

Date:

(Signature of the shareholder)

# **RAVILEELA GRANITES LIMITED**

Survey No. 203, Sampannabolu (V), Shameerpet Mandal, Telangana - 500072

## **ATTENDANCE SLIP**

(Please present this slip at the Meeting venue)

I hereby record my presence for the 26th Annual General Meeting of the members to be held on Friday, 16th day of September, 2016 at 10.00 a.m at Survey No. 203, Sampannabolu (V), Shameerpet Mandal, R. R Dist, Telangana and at any adjourned meeting thereof.

Shareholders/Proxy's Signature \_\_\_\_\_

Shareholders/Proxy's full name \_\_\_\_\_  
(In block letters)

Folio No./ Client ID \_\_\_\_\_

No. of shares held \_\_\_\_\_

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.