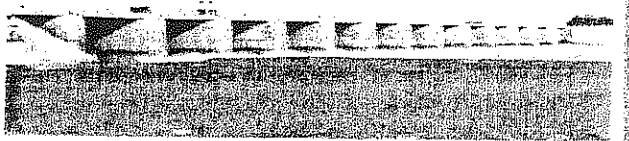
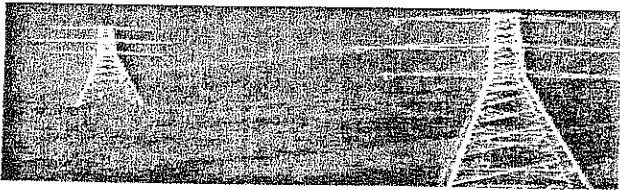
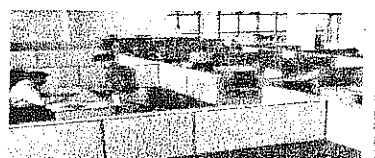
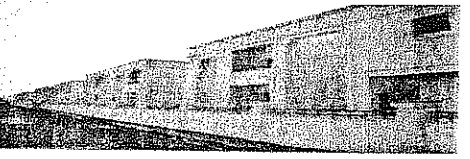
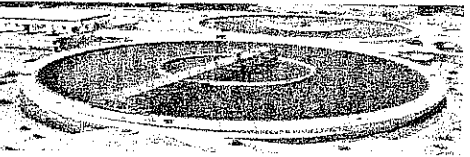
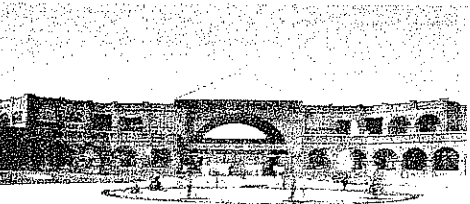
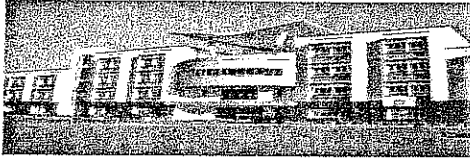




TECHNICAL SUPPORT & SERVICE

RAMKY INFRASTRUCTURE LIMITED



16th ANNUAL REPORT 2009-10

Regd. Office: 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500 082, A.P.

Phone No. 040-23310091 (30 LINES) Fax No. 040-23302353

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BOARD OF DIRECTORS

Mr. A. Ayodhya Rami Reddy	---	Chairman
Mr. Y. R. Nagaraja	---	Managing Director
Mr. Rajiv Maliwal	---	Director
Ms. Archana Niranjan Hingorani	---	Director
Mr. Kamlesh Shivji Vikamsey	---	Independent Director
Mr. V. Harish Kumar	---	Independent Director
Mr. V. Murahari Reddy	---	Independent Director
Mr. P. V. Narasimham	---	Independent Director
Dr. P. G. Sastry	---	Independent Director

STATUTORY AUDITORS

M/s. Visweswara Rao & Associates
“SRI” Plot No.512A1, Road No.31
Jubilee Hills, Hyderabad – 500033
Phone: +91-40 – 23546705

JOINT STATUTORY AUDITORS

BSR & Co
Chartered Accountants
Reliance Humsafar, IV Floor,
Banjara Hills, Road no.11
Hyderabad – 500 034

INTERNAL AUDITORS

M/s. K.P. Rao & Associates
Chartered Accountants
7-1-59/4&8,Ameerpet,
Hyderabad – 500 016

REGISTERED OFFICE

6-3-1089/G/10&11, 1st Floor, Gulmohar Avenue
Rajbhavan Road, Somajiguda
Hyderabad – 500082
Phone: 040-23306773
Fax : 040-23305726

REGISTRAR AND TRANSFER AGENT

Karvy Computershare Private Limited
Plot no. 17-24, Vithalrao Nagar,
Madhapur, Hyderabad 500 081,
Andhra Pradesh, India.
Telephone: +91 40 2342 0818

COMPANY SECRETARY

Mr. V.Phani Bhushan,
Company Secretary

BANKERS

State Bank of India
Development Credit Bank Limited
ING Vysya Bank Ltd.
Standard Chartered Bank
ICICI Bank Limited
IndusInd Bank Limited
Punjab National Bank

State Bank of Hyderabad

Axis Bank Limited
Yes Bank Limited
Indian Bank
IDBI Bank Limited
Andhra Bank

Ramky Infrastructure Limited

Regd. Office: 6-3-1089/G/10&11, 1st Floor Gulmohar Avenue, Rajbhavan Road,
Somajiguda, Hyderabad – 500082

Notice of Sixteenth Annual General Meeting

Notice is hereby given that the Sixteenth Annual General Meeting of the members of Ramky Infrastructure Limited will be held on Wednesday, the 15 September 2010 at registered office at 6-3-1089/G/10&11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500082 at 10.00 a.m to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Report of Directors, P&L Account for the year ended 31 March 2010 and Balance Sheet as at that date and the report of Auditors thereon.
2. To appoint a director in place of Mr. P.V. Narasimham, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. P.G. Sastry, who retires by rotation and being eligible offers himself for re-appointment.
4. *To appoint statutory auditors and fix their remuneration and for this purpose to consider and if thought fit to pass with or without modifications, the following as an ordinary resolution*

“RESOLVED THAT M/s Visweswara Rao & Associates, Chartered Accountants, Hyderabad (Registration No 005774S) be and are hereby appointed as auditors of the company to hold office until the conclusion of the next annual general meeting of the company at a remuneration to be fixed by the Board of Directors/Committee thereof of the Company.”

5. *To appoint Joint statutory auditors and fix their remuneration and for this purpose to consider and if thought fit to pass with or without modifications, the following as an ordinary resolution*

“RESOLVED THAT M/s BSR & Co, Chartered Accountants, Hyderabad (Registration No 101248W) be and are hereby appointed as Joint Statutory auditors of the company to hold office until the conclusion of the next annual general meeting of the company at a remuneration to be fixed by the Board of Directors/Committee thereof of the Company.”

SPECIAL BUSINESS

6. *To consider and if thought fit to pass with or without modification the following resolution as a Special resolution*

TO RE-APPOINT AND CONFIRM THE REMUNERATION PAYABLE TO SHRI A.AYODHYA RAMI REDDY, EXECUTIVE CHAIRMAN OF THE COMPANY

“RESOLVED THAT pursuant to provisions of Sections 198, 269, 309 & 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the company be and is here by accorded for re- appointment of Shri A. Ayodhya Rami Reddy as Executive Chairman of the company for further period of 3 years w.e.f 01/04/2010 .

“FURTHER RESOLVED THAT pursuant to provisions of Section 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, having considered the entire aspects and subject to the requisite approvals and approval of the remuneration committee, approval of the company be and is here by accorded for the payment of remuneration to Sri A. Ayodhya Rami Reddy by way of Salary, Dearness Allowance, Perquisites, Commission and other allowance up to a maximum amount equivalent to 5% of the net profits of the Company for the remaining period of his tenure i.e upto 31/03/2013.

“FURTHER RESOLVED THAT Shri A. Ayodhya Rami Reddy be paid the above remuneration subject to a limit of Rupees Ninety (90) Lakhs per annum towards Salary, DA and other allowances and upto 1% of Net Profits as Commission for the Financial Year 2010-11 which shall be reviewed from time to time and shall continue until changed .”

“FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any year during his tenure, Sri A. Ayodhya Rami Reddy shall be paid a minimum remuneration as provided in Schedule XIII of The Companies Act, 1956, as in force in each year and such remuneration shall be paid either monthly or quarterly or half yearly or otherwise as may be agreed to between the Executive Chairman and the Remuneration Committee of the company”.

7. *To consider and if thought fit to pass with or without modification the following resolution as a Special resolution*

TO DETERMINE THE REMUNERATION PAYABLE TO SHRI Y.R.NAGARAJA, MANAGING DIRECTOR OF THE COMPANY

“**RESOLVED THAT** pursuant to provisions of Section 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, having considered the entire aspects and subject to the requisite approvals and pursuant to the approval of the remuneration committee, Consent of the Members of the company be and is here by accorded for the payment of remuneration to Sri Y. R. Nagaraja, Managing Director by way of Salary, Dearness Allowance, Perquisites, Commission and other allowance up to a maximum amount equivalent to 5% of the net profits of the Company for the remaining period of his tenure i.e upto 31/03/2012.

“**FURTHER RESOLVED THAT** Shri Y. R. Nagaraja be paid the above remuneration subject to a limit of Rupees Seventy Five (75) Lakhs per annum towards Salary, DA and other allowances for the Financial Year 2010-11 which shall be reviewed from time to time and shall continue until changed .”

“**FURTHER RESOLVED THAT** in the event of absence or inadequacy of profits in any year during his tenure, Sri Y. R. Nagaraja shall be paid a minimum remuneration as provided in Schedule XIII of The Companies Act, 1956, as in force in each year and such remuneration shall be paid either monthly or quarterly or half yearly or otherwise as may be agreed to between the Managing Director and the Remuneration Committee of the company”.

By Order of the Board,
For Ramky Infrastructure Limited

Dated: 21/07/2010
Place : Hyderabad.

Sd/-
(Y.R.Nagaraja)
Managing Director

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, instead of himself/herself. The proxy, so appointed, need not be a member of the company. In order to be effective, the proxy forms duly completed and signed should reach the registered office the company at least 48 hours before the commencement of the meeting.
2. An Explanatory Statement under section 173(2) of the Companies Act, 1956 is annexed hereto in respect of item no.6 & 7 of the Notice is attached. The statement of the particulars of Directors seeking reappointment as required under clause 49 of the Listing Agreement is enclosed as **Annexure A.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956:

Item No. 6

The Board of Directors of the company vide circular resolution effective dated 01 April 2010 have re-appointed Mr. A.Ayodhya Rami Reddy as Executive Chairman of the company for a period of 3 Years w.e.f 01 April 2010. The company has achieved the tremendous growth under the able guidance and stewardship of Mr. A. Ayodhya Rami Reddy, Executive Chairman. It was felt appropriate to revise the current remuneration of Mr. A. Ayodhya Rami Reddy, to commensurate with the operations and performance of the Company. The remuneration Committee of the Board in its meeting held on 30 April 2010 has reviewed and recommended a overall remuneration by way of Salary, Dearness Allowance, Perquisites, Commission and other allowances upto a maximum amount equivalent to 5% of the net profits of the Company for the remaining period of his tenure i.e. upto 31 March 2013.

It also recommended (i) subject to a limit of rupees ninety (90) lakhs per annum towards Salary, Dearness Allowance, Perquisites, and other allowances and upto 1% of the Net Profits as Commission for the FY 2010-11 and the same shall be reviewed and revised by the Board of Directors or any committee of the Board on yearly basis subject to the overall limits of 5% of the Net Profits of the Company and shall continue until changed (ii) in the event of the absence or inadequacy of profits in any year during his tenure, Mr. A. Ayodhya Rami Reddy shall be paid a minimum remuneration as provided in Schedule XIII of the Companies Act, 1956, as in force in relevant year and such remuneration shall be paid either monthly or quarterly or half yearly or otherwise as may be agreed to between Mr. A. Ayodhya Rami Reddy and the Board of Directors or any committee of the Board.

The Board has accepted the recommendations of the Remuneration committee and has revised the remuneration and re-appointment as mentioned above for the approval of the members in accordance with the provisions of Section 198, 269, 309 & 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956.

This may be treated as an abstract of the terms and conditions of the re-appointment and revised remuneration to Mr. A. Ayodhya Rami Reddy in terms of Section 302 of the Companies Act, 1956. None of the directors are interested in the above transaction except Mr. A. Ayodhya Rami Reddy.

Your Directors commend the resolution for your approval.

Item No. 7

Mr. Y. R. Nagaraja has made a commendable contribution to the growth of the company. It was felt appropriate to revise the current remuneration of Mr. Y. R. Nagaraja, to commensurate with the operations and performance of the Company. The remuneration Committee of the Board in its meeting held on 30 April 2010 has reviewed and recommended a overall remuneration by way of Salary, Dearness Allowance, Perquisites, Commission and other allowances upto a maximum amount equivalent to 5% of the net profits of the Company for the remaining period of his tenure i.e. upto 31 March 2012.

It also recommended (i) subject to a limit of rupees seventy Five (75) lakhs per annum towards Salary, Dearness Allowance, Perquisites, and other allowances for the FY 2010-11 and the same shall be reviewed and revised by the Board of Directors or any committee of the Board on yearly basis subject to the overall limits of 5% of the Net Profits of the Company and shall continue until changed (ii) in the event of the absence or inadequacy of profits in any year during his tenure, Mr. Y. R. Nagaraja shall be paid a minimum remuneration as provided in Schedule XIII of the Companies Act, 1956, as in force in relevant year and such remuneration shall be paid either monthly or quarterly or half yearly or otherwise as may be agreed to between Mr. Y. R. Nagaraja and the Board of Directors or any committee of the Board.

The Board has accepted the recommendations of the committee and has proposed the revision of remuneration as mentioned above for the approval of the members in accordance with the provisions of Section 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956.

This may be treated as an abstract of the terms and conditions of the revised remuneration to Mr. Y. R. Nagaraja in terms of Section 302 of the Companies Act, 1956. None of the directors are interested in the above transaction except Mr. Y. R. Nagaraja.

Your Directors commend the resolution for your approval.

By Order of the Board,
For Ramky Infrastructure Limited

Sd/-
(Y.R.Nagaraja)
Managing Director

Dated: 21/07/2010
Place : Hyderabad.

Annexure A.

Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting (pursuant to clause 49 of the Listing Agreement)

Name of Director	P.G. Sastry	P.V. Narasimham
Date of Birth	14.02.1937	28.09.1941
Date of Appointment	26.10.2007	26.10.2007
Expertise in specific functional areas	He was an Alaxendar Von Humboldt Post Doctoral Fellow on global Competition and carried out ground water modelling. Presently, he is the Dean, Administration and Academic of Srinidhi Institute of Science and Technology and has also been designated as Advisor to Andhra Pradesh Government on Technical Education.	He has served as Chairman and Managing Director of the Industrial Finance Corporation of India and has been associated with the RBI and the Industrial Development Bank of India in various capacities. Currently he is serving as the Director General of K.J. Somaiya Institute of Management and Research Studies, Mumbai.
Qualification	He has a Bachelor's Degree in Civil Engineering (Honours) and a Master's Degree in Civil Engineering from the Indian Institute of Technology, Kharagpur as well as a Doctorate in Engineering from Technical University, Dresden, Germany	He has a Masters Degree in Economics from the Andhra University, Waltair
List of other companies in which Directorship is held as on 31 st March, 2010	<ul style="list-style-type: none"> • Everest Infratech Management Services and Training Private Limited • Aquagreen Engineering Management Private Limited 	<ul style="list-style-type: none"> • National Securities Clearing Corporation Limited • Swarna Tollways Private Limited • Appu Hotels Limited • Maheshwar Hydel Power Corporation Limited • Sundar Tajmahal Hotels Private Limited • Ashoka Builders and Developers Limited
Chairman/Members of the Committees of the Board of the Companies in which he is a Director as on 31 st March, 2010	Nil	Appu Hotels Limited- <ul style="list-style-type: none"> • Audit Committee – Member • Remuneration committee - Member
Equity Shares held in the Company	Nil	Nil
Relationship between Directors inter-se	Nil	Nil

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 16th Report on the business and operations of your Company for the financial year ended March 31, 2010.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31 March 2010 is summarized below:

(Rs. in million)

Particulars	31.03.2010	31.03.2009
Gross Turnover	20023.37	14592.31
Other Income	69.97	81.88
Total Income	20093.34	14674.19
Total Expenditure except Depreciation	18688.97	13721.85
Profit before Interest, Depreciation, Extraordinary items & Tax (PBIDT)	2016.37	1486.24
Depreciation	104.86	92.37
Profit before Interest, Extraordinary items & Tax (PBIDT)	1911.51	1393.87
Interest	612.00	533.90
Profit before taxes	1299.51	859.97
Prior Period Expenses	--	24.66
Provision for Tax	272.00	190.75
Profit after Tax (PAT)	1027.51	644.56
Balance brought forward from previous year	1934.77	1290.21
Profit available for appropriation	2962.28	1934.77
Appropriations		
Transfer to General Reserve	Nil	Nil
Proposed Dividend on existing shares	Nil	Nil
Corporate Dividend Tax	Nil	Nil
Total	Nil	Nil
Balance carried to Balance Sheet	2962.28	1934.77

REVIEW OF PERFORMANCE

Your Company achieved a gross turnover of INR 20023.37 million for the year ended 31 March 2010 as against INR 14592.31 million for the previous financial year registering an incremental turnover of INR 5431.06 million at a growth rate of 37.21% over the previous year. Profit before tax stood at INR 1299.5 million and Profit after tax at INR

1027.5 million as against INR 859.97 million and INR 644.56 million respectively of previous year.

CORPORATE EVENTS

Dividend

Although your Company has earned profits during the year directors have decided to plough back the profits into the Company. Therefore, your Directors have decided not to recommend any dividend for the FY 2009-10.

BUSINESS

We operate in two principal business segments: (i) a construction business which is operated by our Company, and (ii) a developer business which is operated through 10 Subsidiaries and 4 Associates. A majority of our development projects are public private partnerships and are operated by separate special purpose vehicles promoted by our Company and the Government. Our wholly owned Subsidiary in the UAE, Ramky Engineering and Consulting Services FZC, operates a small consultancy business in areas such as infrastructure development, waste management, environment and property development.

Construction

Under this vertical company operates in the following sectors:

- a) Water and Waste Water:
- b) Buildings:
- c) Transportation:
- d) Power transmission and distribution projects:
- e) Industrial:
- f) Irrigation:

This vertical has generated revenue aggregating to INR 20023.37 Crores as against INR 14592.31 Crores of previous year's at a growth rate of 37.21%. In aggregate 1807 employees were deployed under this vertical under different projects.

Developer

This vertical operates through subsidiaries / special purpose vehicles/ Associates formed for the development of BOOT / BOT projects.

Special Purpose Vehicles/ Subsidiaries

1) Ramky Pharma City (India) Limited

This special purpose vehicle formed for the purpose of developing Jawaharlal Nehru Pharma City near Visakhapatnam, in the State of Andhra Pradesh. The project is a perpetual BOO project in a joint venture with Andhra Pradesh Industrial Infrastructure Corporation, which owns 11% of RPCIL. RIL holds 51% stake in this SPV. This SPV has reported revenues of INR 6885.5 Lakhs for the FY 2009-10 as against of INR 6147.4 Lakhs for the previous year. It reported net profit 2214.8 Lakhs as against of INR 1032.87 lakhs for the previous year.

2) MDDA-Ramky IS Bus Terminal Limited.

This special purpose vehicle is incorporated for the purpose of developing bus terminal and commercial mall. RIL holds 100% stake in this SPV. This SPV has reported gross revenues of INR 205.04 Lakhs for the FY 2009-10 as against of INR 172.19 Lakhs for the previous year. It is reported net profit of INR 13.55 Lakhs as against the loss of INR 38.13 Lakhs for the previous year

3) Gwalior Bypass Projects Limited

RIL holds 51% in this special purpose vehicle incorporated for the development of Gwalior Bypass Road project in Madhya Pradesh. The construction work is in progress.

4) Ramky Food Park (Chattisgarh) Limited

This special purpose vehicle is incorporated for the purpose of developing, designing, marketing, operating and maintaining the food processing park on a BOT basis. RIL holds 100% stake in this SPV. Authorization Agreement was entered into with the Chattisgarh State Industrial Development Corporation. The business of the Company has yet to be started and this SPV has been reported gross revenue of INR 0.79 Lakhs towards interest income and reported a net profit of INR 0.06 Lakh in this financial year.

5) Ramky Herbal and Medicinal (Chattisgarh) Limited

This special purpose vehicle is incorporated for the purpose of developing, designing, marketing, operating and maintaining the herbal and medicinal park on a BOT basis. RIL holds 100% stake in this SPV. Authorization Agreement was entered into with the Chattisgarh State Industrial Development Corporation. Possession of land is yet to be handed over to the company for the development. The business of the Company has yet to be started and this SPV has been reported gross revenue of INR Nil and reported loss of INR 0.37 Lakh in this financial year.

6) Naya Raipur Gems and Jewellery SEZ Limited

This special purpose vehicle is incorporated for the purpose of developing, designing, marketing, operating and maintaining the gems and jewellery park on a BOT basis. RIL holds 100% stake in this SPV. Authorization Agreement was entered into with the Chattisgarh State Industrial Development Corporation. The business of the Company has yet to be started and It has been reported a net profit of INR nil amount and reported a net loss of INR 4.64 Lakhs in this financial year.

7) Ramky Elsamex Hyderabad Ring Road Limited

This special purpose vehicle is incorporated for the purpose of Design, Construction, Development, Finance, Operation and Maintenance of Eight lane access controlled Expressway under Phase-IIA programme as an extension of Phase-I of ORR to Hyderabad City, in the state of Andhra Pradesh, India, for the package from Tukuguda to Shamshabad from Km 121.00 to Km 133.63 on Build, Operate and Transfer (BOT)

(Annuity) Basis. RIL holds 74% in this SPV. The construction work of the project has been completed. .

8) Ramky MIDC Agro Processing SEZ Limited

This special purpose vehicle is incorporated for the purpose of developing, designing, marketing, operating and maintaining the Agro processing SEZ on a BOOT basis. RIL holds 100% stake in this SPV. Authorization Agreement was entered into with the Maharashtra Industrial Development Corporation. The business of the Company has yet to be started and this SPV has been reported gross revenue of INR 0.12 Lakh and reported a net loss of INR 0.37 Lakh in this financial year.

9) Ramky Engineering & Consulting Consultancy Services (FZC), Sharjah, U.A.E

This subsidiary company is engaged in providing Business Consultancy Services in the field of engineering. RIL holds 98% in this subsidiary. This subsidiary has reported revenues of INR 9.4 Lakhs for the FY 2009-10 as against of INR nil for the previous year. It reported net loss of 86.7 Lakhs as against of INR 98.61 Lakhs for the previous year.

10) Ramky Towers Limited

This subsidiary is incorporated for the purpose of developing residential cum commercial complex in accordance with the contract executed with Andhra Pradesh Housing Board. RIL holds 51% stake in this entity. This subsidiary has reported revenues of INR 5881.4 Lakhs for the FY 2009-10 as against of INR 2054.90 for the previous year. It reported net profit of 328.1 Lakhs as against of INR 178.56 Lakhs for the previous year.

11) Ramky Enclave Limited

This subsidiary is incorporated for the purpose of developing residential cum commercial complex in accordance with the contract executed with Andhra Pradesh Housing Board. RIL holds 89.01% stake in this entity. This subsidiary has reported revenues of INR 766 Lakhs for the FY 2009-10 as against of INR 0.001 Lakhs for the previous year. It is reported net profit of INR 72.4 Lakhs as against the net loss of INR 4.82 Lakhs for the previous year.

Associates :

12) Narketpalli Addanki Expressway Limited

Narketpalli Addanki Expressway Limited was incorporated on December 29, 2009 under the provisions of the Companies Act and is currently engaged in design, construction, operation and maintenance of four laning of the Narketpalli-Addanki-Medaramitla Road (SH-2) in Andhra Pradesh. This company was incorporated originally to be execute the above. However subsequent to receiving a letter of intent with respect to the Narketpalli-Addanki-Medaramitla road project, Andhra Pradesh Road Development Corporation Limited rejected on technical grounds our approach to have the Narketpalli-Addanki-Medaramitla road project executed by this SPV company. We therefore incorporated NAM Expressway Ltd on June 15, 2010 for the purpose of executing the Narketpalli-Addanki-Medaramitla road project.

13) Jorabat Shillong Expressway Limited

Jorabat Shillong Expressway Limited was incorporated on June 18, 2010. Our Company has acquired a 50% interest in Jorabat Shillong Limited for the purpose of developing four lanes of the Jorabat Shillong (Barapani) section of NH-40 from Km. 0.000 to Km 61.800 in the state of Assam and Meghalaya on a “design, build, finance, operate and transfer” basis under the Special Accelerated Road Development Programme for North East Regions on a BOT (Annuity) Basis. The business of the Company has yet to be started.

14) NAM Expressway Limited

NAM Expressway Limited was incorporated on June 15, 2010. Our Company has acquired a 50% interest in NAM Expressway Limited for purpose of designing, constructing, operating and maintaining four lanes of the Narketpalli-Addanki-Medaramitla Road (SH-2) in Andhra Pradesh. The business of the Company has yet to be started.

15) Ramky Integrated Township Limited

Ramky Integrated Township Limited was incorporated on December 4, 2007 under the provisions of the Companies Act and is engaged in the business of builders, engineers, general construction, civil contractor, mechanical contractor, design engineer, turnkey contractors, real estate etc. and is currently engaged in the business of developing operating and maintaining an integrated township at Srinagar village. RIL holds 29.19% stake in this entity.

PUBLIC DEPOSITS

Your Company has not accepted any deposits and as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet for the year ended 31 March 2010.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and pursuant to Article 51 of the Articles of Association of the company Mr. P.V. Narasimham and Mr. P.G. Sastry, Directors of the company, are retire by rotation at the ensuing Annual General Meeting of the company and being eligible offer themselves for re-appointment. The Board recommends their respective re-appointments.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanations relating to material departures :

- ii. The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2010 and of the profit of the Company for the financial year ended on that date.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

CORPORATE GOVERNANCE

Pursuant to the provisions of Section 292A of the Companies Act, 1956, a report on the Corporate Governance, which, *inter alia*, includes the composition and constitution of Audit Committee, is featuring as a part of Annual Report. Your company will continue to adhere in letter and spirit to the good corporate governance policies.

AUDITORS

The Auditors M/s. Visweswara Rao & Associates, Chartered Accountants, Hyderabad, who retire at the ensuing Annual General Meeting of the company, are eligible for reappointment as Statutory Auditors of the Company till the next Annual General Meeting. The Company has received their willingness for re-appointment as auditors of the Company and a Certificate under Section 224 (1B) of the Companies Act, 1956.

The Auditors M/s BSR & Co, Chartered Accountants, Hyderabad who retires at the ensuing Annual General Meeting of the company, are eligible for reappointment as Joint Statutory Auditors of the Company till the next Annual General Meeting. The Company has received their willingness for appointment as Joint statutory auditors of the Company and a Certificate under Section 224 (1B) of the Companies Act, 1956.

The Board of Directors recommends their respective re-appointment.

STATUTORY INFORMATION

Particulars of employees who were in receipt of remuneration of Rs.24,00,000 or more per annum or Rs.2,00,000 or more per month are set out as **Annexure – B** to this Report.

Particulars regarding Conservation of Energy, Technology Absorption and Conservation of Energy, which is an on going process in the Company's construction activities, is not furnished as the relative rule is not applicable to your company.

Foreign Exchange Earnings : Nil
Foreign Exchange outgo : Rs 73,626

There is no information to be furnished regarding Technology Absorption as your company has not undertaken any research and development activity in any manufacturing activity not any specific technology is obtained from any external sources which needs to be absorbed or adapted.

Innovation is a culture in the Company to achieve cost efficiency in the construction activity to be more and more competitive in the prevailing environment that cannot be quantified.

MANAGEMENT DISCUSSION & ANALYSIS

A report on Management Discussion & Analysis is set out as **Annexure - C** to this Report.

AWARDS AND REWARDS

These are the awards and rewards that the company received during the year:

- Received Greentech Safety Silver Award 2010 from M/s Greentech Foundation;
- Received ISO 9001:2008 certification in accordance with TUV NORD CERT procedures for the entire operations of our Company

INDUSTRIAL RELATIONS

The company enjoyed cordial relations with the employees during the year under review and the Management appreciates the employees of all cadres for their dedicated services to the Company, and expects continued support, higher level of productivity for achieving the targets set for the future.

ACKNOWLEDGEMENTS

The Directors wish to express their appreciation of the support and co-operation of the Central and the State Government, bankers, financial institutions, suppliers, associates and subcontractors, and expects the same in future as well for sustaining the growth rates achieved in the past.

**//For and on behalf of the Board//
For RAMKY INFRASTRUCTURE LIMITED**

**Place: Hyderabad
Date: 21/07/2010**

**Sd/-
(A. Ayodhya Rami Reddy)
Chairman**

Annexure – B

ANNEXURE-A

STATEMENT ON PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956 AS ON 31.03.2010

Sl.No	Name of the Employee	Designation	Remuneration per month	Nature of employment	Nature of duties	Qualification & Experience		Date of Commencement of employment	age	Last employment held before joining the company	% of equity shares held in the Company	Whether a relative of any director, if yes, name of the Director	DOL
1	A Ayodhya Rami Reddy	Chairman	525000	Permanent	Chairman	ME(Civil)	28	15 Apr-94	46.7	Naveega Engineers Pvt Ltd	37614520	NA	NA
2	Y R Nagaraja	Managing Director	500000	Permanent	Managing Director	BE(Civil)	28	15 Apr-94	47.4	Naveega Engineers Pvt Ltd	1674480	NA	NA
3	D P Rege	AVP	216670	Permanent	Head - W&WW	Dip.in.Env.Tech'90	20	01 Mar 05	43.5	Botliboi Environmental Engineers Ltd	3600	NA	NA
4	Aspun F Battiwala	VP	283340	Permanent	Project Coordination	BE'85,MS.Const'88	24	12 Sept 05	46.7	Stup Consultants P Ltd, Mumbai	6000	NA	NA
5	Dhires Nigam	VP	316670	Permanent	Head Central Zone	BE'83	26	12 May 06	48.2	MP Road Development Corporation	9000	NA	NA
6	Dilip Solanki	VP	250000	Permanent	Head West Zone	BE'85	24	18 Apr 07	46.9	Bhushan Steels & Strips Ltd, Angul	-	NA	NA
7	T Haribabu	GM	250000	Permanent	Head Transportation	ME'93	20	12 Jul 07	43.7	Louis Berger Group Inc. U.S.A.	-	NA	NA
8	P Mahendra Kumar	VP	200000	Permanent	Head-SCM	M.Tech,DMM, GDMM	31	10 Feb 05	56.7	M/s.Voltas Ltd	6000	NA	NA
9	KVVS Narayana Rao	AVP	208333	Permanent	Head-HR	MSW(IRPM), MBA(HR)	18	27 May 09	41.7	Mytas Infra Ltd	-	NA	NA
10	Vinod Kumar	VP	222920	Permanent	Head-North Zone	BE, Civil, M.Tech(Civil)	30	26 June 09	55.2	Reliance Retail Ltd	-	NA	NA
11	B Srinivas	VP	275000	Permanent	Head-South Zone	B.Tech(Civil), PGDIM	19	04 Sept 09	43.7	Mytas Infra Ltd	-	NA	NA
12	G Sanjiv Iyer	CFO	609668	Permanent	CFO	CA	31	03 Nov 08	48.0	Dhofar Power Co	-	NA	NA
13	G Emmanuel David	Head-HR	531667	Permanent	Group Head-HR	PGDM-PM&IR	28	01 Dec 08	50.7	GMR Corporate Centre Ltd	-	NA	NA
14	Sanjay Kumar Sultania	Deputy CFO	266667	Permanent	Dy.CFO	CA	16	15 Jul 09	39.2	M/s.Stallion Group	-	NA	NA
15	A P Kurian	Head Operations	300000	Permanent	Hear Operations	BE'86, PGDBM'04	25	24 May 04	46.1	Backbone Projects Pvt Ltd	18000	NA	12.11.2009

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS**INFRASTRUCTURE – INDUSTRY OVERVIEW**

The Indian construction industry has witnessed rapid growth over the last few years, with the growth of the sector having been strongly linked to the overall growth and development of the Indian economy. Investments in construction account for nearly 11.0% of India's GDP, and almost 50.0% of the gross fixed capital formation, which is the value of additions to the existing pool of fixed assets in India less fixed assets sold off or scrapped. (Source: *Infrastructure: Construction, CRISIL Research, September 2009*)

Construction expenditure is expected to almost double to Rs.12,189 billion during the period from 2008-2009 to 2012-2013 from Rs.6,217 billion expended during the period from 2003-2004 to 2007-2008 (based on 2008-2009 prices). Currently, the size of the construction industry is Rs.1,866 billion (based on 2008-2009 prices). (Source: *Infrastructure: Construction, CRISIL Research, September 2009*)

Expenditure on industrial construction is expected to grow by 2.2 times over the next five years (the period from 2008-2009 to 2012-2013) as compared to the previous five year period from 2003-2004 to 2007-2008. Industrial investment will maintain its growth momentum due to the increased government focus on this area. CRISIL Research expects construction expenditure of Rs.2,641 billion to be incurred in the industrial segment over the next five years (in the period from 2008-2009 to 2012-2013). (Source: *Infrastructure: Construction, CRISIL Research, September 2009*)

The Government's emphasis on infrastructure development holds significant promise for the construction industry. Over the next five years, infrastructure development will account for 78.3% of all construction expenditure in India. CRISIL Research estimates that infrastructure construction opportunities will almost double over the next five years, from Rs.5,006 billion in the period from 2003-2004 to 2007-2008 (based on 2008-2009 prices), to Rs.9,548 billion in the period from 2008-2009 to 2012-2013. (Source: *Infrastructure: Construction, CRISIL Research, September 2009*)

Traditionally, the government has played a key role in supplying and regulating infrastructure services in India. However, the Indian government is actively encouraging private investments in infrastructure, especially in solid waste management, power, urban water supplies and mass rapid transport system. The investment in infrastructure during the Tenth Five-Year Plan was Rs.8,877,940 million, which constituted 5.1% of GDP. This included Rs.1,752,030 million of investment by the private sector. (Source: *Private Participation in Infrastructure, Planning Commission Report, June 2009*)

In order to overcome the infrastructure deficit, the Eleventh Five-Year Plan projects an investment of Rs.20,561,500 million, which would imply an investment of 7.6% of GDP during the course of the Plan and 9.0% of GDP in the final year of the Plan (2011-12). This includes public sector investment of Rs.7,656,220 million in the central government projects and Rs.6,709,370 million in the state government projects, leaving the remaining Rs.6,195,910 million to be invested by the private sector. Private capital is thus expected to fund approximately 30.0% of the total investment during the Eleventh Plan, as compared to 20.0% during the Tenth Plan. (Source: *Private Participation in Infrastructure, Planning Commission Report, June 2009*)

Further, private participation in the infrastructure industry through PPPs not only provides needed funding, it enables the government to transfer construction and commercial risks to the private sector. Such arrangements are increasingly becoming the preferred vehicle for infrastructure construction, given the large investment needs.

OPPORTUNITIES AND THREATS :

The Company has the following set of core competencies:

- a) Design and engineering specialiaaly in the Water and waste water infra segment of cusiness.
- b) Mobilisation and execution processes which enables the company to plan and execute projects in a timely manner
- c) Management of capital deployment enabling an optimum turnover of the capital so employed thus leading to high return on capital.

The Company has leveraged these core competencies and set itself the following strategies to attain growth:

- a) Steadily increase net income from own assets to overcome cyclically of EPC business
- b) Ensure controlled growth through both geographical and sector diversification.
- c) Cherry pick orders based on the following criteria: i) preference for orders with secondary source of funding. If not ensure sufficient mitigation measures are in place to protect the capital of the company ii) Orders with least of uncontrollable risk iii) capital deployment to enable optimum turnover of capital.
- d) Build own assets out of internal accruals either from the project or from building such projects.

The company operates the construction business in the following sectors:

1. Water and waste water projects such as water treatment plants, water transmission and distribution systems, elevated reservoirs and ground level service reservoirs, sewage treatment plants, common effluent treatment plants, tertiary treatment plants, underground drainage systems and lake restorations (the “Water and Waste Water” sector);
2. Irrigation projects such as cross-drainage works, lift irrigation projects, dams and barrages (the “Irrigation” sector);
3. Industrial construction projects such as industrial parks, SEZs and related works (the “Industrial” sector);
4. Transportation projects such as expressways, highways, bridges, flyovers and dedicated service corridors (the “Transportation” sector);
5. Building construction, which includes commercial, residential, public, institutional and corporate buildings, mass housing projects and related infrastructure and facilities such as hospitals and shopping malls (the “Building Construction” sector); and

6. Power transmission and distribution projects such as electricity transmission networks, substation feeder lines and low tension distribution lines (the "Power Transmission and Distribution" sector).

The company has diversified its business portfolio which helps us in mitigating the risk of slowdown in any one particular segment. The company is exploring to enter into more verticals which will pave way for mitigating the risk by a proper business mix. Over the years the company has developed engineering, planning and project execution skills. The company is recognized for its well organized and timely completion of the projects with quality consciousness. With the inherent capabilities and strengths and skill sets with the employees, will help to improve the performance of the company. The company is exploring the various International business opportunities which are expected to be bagged by the company in the fiscal year to come.

In Fiscal 2010, we earned a net profit, as restated, on a consolidated basis of Rs. 1,288.47 million. The value of our Order Book was Rs. 74,317.09 million at March 31, 2010 compared with Rs. 59,237.91 million as at March 31, 2009.

RIL – A Fast track Company :

Revenues :

The turnover of the company for FY 09-10 of INR 20023 Million has grown by 37.22% YoY, compared to INR 14592 Million during the FY 08-09. The main sectors which have contributed to the increase in top line during the financial year are Road, Buildings and Water & Waste Water. These three sectors together contribute close to 85% of turnover. Also RIL currently has a closing order book of around INR 74,317.09 million.

Profits :

The Earnings before Interest Depreciation, Taxes and Amortization (EBIDTA) for FY09-10 at Rs.2016.37 million is 10.07% of the Gross turnover for the FY09-10 under review as against 10.18% for the financial year 08-09. There is a slight decrease in EBIDTA for FY09-10 when compared to FY 08-09.

The PAT for the FY 09-10 is 5.13% of revenue, compared to 4.42% for FY 08-09.

The PAT for FY 09-10 has increased by 71 basis points compared to previous financial year due to decrease in Financial Charges by 0.60% and Depreciation by 0.11%.

Employee costs as a % of turnover for FY 09-10 is 2.85% compared 3.34% for FY 08-09, a 50 basis point decrease mainly due to increase in Topline per employee.

Loan Funds :

The total secured loans by way of working capital cash credit, project specific term loans and hire purchase loans for fixed assets as on 31.3.10 is Rs.4739.01 million compared to Rs.3898.95 million as on 31.3.09. Hence during the financial year, there is a net increase of Rs. 840.06 million in the loan funds. This increased borrowings has financed the increased working capital needs, necessitated by a rapid growth in the turnover during the year.

However, as on 31.3.10, the debt equity ratio is comfortable at 1.11 times of net worth. However the debt equity ratio for the previous financial year as on 31.3.09 is 1.21 times of net worth. Hence though the utilization of loan funds in absolute terms has gone up during the

financial year, the debt equity ratio for the year still remains in the comfort zone. The borrowings have increased substantially as the proposed IPO of the company could not take place during the financial year under review.

Net Worth:

The net worth of the company as on 31.3.10 is Rs.4262.61 million, compared to Rs.3235.11 million on 31.3.09 showing an increase of Rs.1027.50 million. The main contributor to this increase in net worth is solely retained and carried forward profits generated during the year.

Current Assets & Current Liabilities :

The gross current assets as on 31.3.10 are Rs.16070.61 million compared to Rs.11777.67 million as on 31.3.09. The current liabilities and provisions as on 31.3.10 is Rs.9063.09 million compared to 6566.85 million as on 31.3.09. Hence the net current assets at the end of the financial year 09-10 are Rs. 7007.52 million compared to Rs.5210.82 million during the previous financial year, showing an increase of Rs. 1796.69 million in the net current assets during the year. The net current assets as a percentage of turnover as on 31.3.10 is 35% compared 35.71% during the previous financial year.

Fixed Assets :

The gross fixed assets as on 31.3.10 is Rs.1699.90 million compared to Rs.1575.54 million as on 31.3.09, showing an additional asset acquisition of Rs.124.36 million during the financial year under review. The company is making conscious efforts to increase the fixed asset base so as to increase the element of mechanization in the execution of projects to reduce manpower cost and for speedier completion of projects.

The strong order book position coupled with thrust given by the Government for Infrastructure sector augurs a bright future for your company as one of the major companies involved in the infrastructure development.

The company is consciously focusing its new projects with only high value contracts so as to increase the focus and improve the operating margins. The company is also focusing towards creating a balance of revenues to be generated from the Public Private Partnership segments which are scheduled to commence from the current year.

The company is consciously making efforts to accept new projects only with in built clauses for price escalation, to protect the margins, in view of high inflation.

Water and Waste Water projects continue to be the core competence of the Company. RIL has become a formidable player in the Water & Water related infrastructure construction, by its focused efforts in this area over more than a decade.

Some of the significant projects currently under execution in the Water & Waste Water Sector are given below: -

1. Comprehensive Sewerage Scheme For the Urban Areas of Puducherry
2. Drinking Water Plan at Kanpur Extension under JNNURM Programme (Phase-II)
3. Akola Underground Drainage Scheme

Buildings Sector stands tall in RIL both in terms of volume and for the diversity & versatility.

Some of the significant projects currently under execution in the Buildings Sector are given below: -

1. Construction of Buildings for Rajiv Gandhi University of Knowledge Technologies IIIT at Nuziveedu in Krishna District valued 25057.42 Lacs.
2. Manyawar Sri Kanshiram Ji University of Agriculture and Technology; Banda, U.P valued 86414.00 Lacs.

RIL is steadily improving its pre-qualifications and capabilities in the Road Sector to undertake large projects and multilane projects.

Some of the significant projects currently under execution in the Road Sector are given below: -

1. Improvement/Upgradation of Bihar-Naubatpur-Newa-Dumri-Beldarichak-Kansari-Daniyan and Chandi-Noorsarai-Bhaganbigha-Rahui-Bind-Gopalbad-Sarmera Road(SH-78) length 100.4 km
2. Widening of Moradabad Bareilly section of NH-24 from Km 148+000 to Km 190+000

The Irrigation Division of the company, though in a nascent stage, has substantially improved its performance during the period under review. The Irrigation Sector is showing further promise in view of the substantial out lays in this sector by various state governments, particularly governments of Andhra Pradesh & Karnataka in Southern India where the company is undertaking major irrigation projects.

Some of the significant projects currently under execution in the Irrigation Sector are given below: -

1. Construction of Sluices,Cross Masonry & Cross Drainage works lining for the reach from Km.0.500 to Km.15.00 (KARJALLI) of the proposed barrage A/c River Pranahitha near Tummidu Hetti (V),Koutala (M),Adilabad District
2. Krishna Western Bank canal from Km 45.200 to Km 86.600 and branches and its distributaries (pkg.24)
3. Package No. 7 Dummugudem Nagarjunasagar Project Tail pond Link Canal – E.W.E & F.E. for Gravity Canal from 115 to Km. 182 i.e. from near Bayyaram (v) to near Tirumalagiri (v) on N.H. 9 to carry 20000 cusecs upto km. 169.80 and 19000 cusecs beyond Km. 169.

The Company has taken a conscious decision to foray into power sector to encash the increasing opportunities in Power Transmission and Rural electrification due to massive investments in this sector.

The Company is executing following major projects under power sector

1. Maha infra-2 Pkg 30 - Supply, test, transport, Construction, erection, testing, and commissioning of subtransmission lines, distribution lines, power transformers, new Sub Stations, augmentation of existing Sub Station, distribution transformers
2. Maha infra-2 Pkg32 - Supply, test, transport, Construction, erection, testing, and commissioning of subtransmission lines, distribution lines, power transformers, new Sub Stations, augmentation of existing Sub Station, distribution transformers

3. Maha infra-2 Pkg 34 - Supply, test, transport, Construction, erection, testing, and commissioning of subtransmission lines, distribution lines, power transformers, new Sub Stations, augmentation of existing Sub Station, distribution transformers

RISKS AND CONCERNS:

The company has substantial controls for project execution so as to achieve the set milestones. The company thrives to mitigate the risks through a through analysis of various risks involved in the execution of the projects. This is being achieved by evaluating the progress of the projects on a daily, weekly, monthly, quarterly , halfyearly and yearly basis.

In the current environment, the company perceives the following risks and concerns

- a. Liquidity risks: Liquidity risk arises out of lack of adequate funds for its day to day operations. The company has support from banks and financial institutions for its working capital and other project requirements. The company has also put in place the effective measures to collect the amounts from clients .the company has in the pipe line to raise funds through an initial public offer. The overall cash flow situation is very encouraging and the company does not foresee any liquidity risk.
- b. Government policy risk : the government policies in the recent times are more stable whereby limiting the inherent policy risk. The residual risk is managed by controlling costs and taking proactive measures to insulate the company business from adverse changes in the policy.
- c. Price Inflation Risk : Volatility in prices and delay in completion of the projects will effect the profitability of the company. The company has a centralized system of purchases by which it can source large volumes at best prices, moreover the contracts have a built in escalation clause which also ensures to compensate rise in raw material costs. in case of non escalation clause in the contracts, the company while bidding itself takes into account the possible increase in the inputs cost so as to insulate .
- d. Government spending: the company has a robust order book. the company is confident of maintaining the present levels of operations .

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

Your Company achieved a gross turnover of INR 20023.37 million for the year ended 31 March 2010 as against INR 14592.31 million for the previous financial year registering an incremental turnover of INR 5431.06 million at a growth rate of 37.21% over the previous year. Profit before tax stood at INR 1299.5 million and Profit after tax at INR 1027.5 million as against INR 859.97 million and INR 644.56 million respectively of previous year.

INTERNAL CONTROL SYSTEMS:

RIL has an Internal Monitoring and Assessment Department (IMAT), which draws up an extensive program of internal audit for its various projects and offices, having periodic review and monitoring of compliance of SOP, systems and progress and suggesting measures for improvement. Internal Audit is also being carried out by an external agency M/s K.P. Rao & Associates, Chartered Accountants. The company is a ISO 9001:2008 certified company. RIL is expected to be ERP enabled with the advanced systems. RIL is investing considerable time, money and efforts to upgrade the company's systems.

NEW VISTAS TO MOVE UP ON VALUE CHAIN:

RIL is geared to take advantage of the widening window in Public-Private-Partnership (PPP) of central and state governments, either directly or through subsidiary companies, by leveraging its project execution capabilities, financial strength and management expertise by actively foraying into projects on BOT/ BOOT basis in sectors like roads, industrial parks, transport terminals, water related projects etc. Thus RIL is making concerted and conscious efforts to move up on the value chain by reducing its dependence on cash contracts and increasing the share of high value added and high margin BOT/ BOOT projects. In this direction,

Now, RIL intends to enter into the new business segments of Railways, ports and Power generations. On these lines more opportunities are being explored to make imprints of RIL.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The company always believes that human resources are one of the biggest assets of the company. The company has implemented several plans to attract and retain skilled manpower at all levels. To further strengthen the focus the management is focusing on the training, welfare and safety aspects . Relations with the employees remained cordial through out the year. The total employee strength as of 31 March 2010 is 1742.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis Report describing the company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied.

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy

Ramky Infrastructure Limited ('the Company') is committed to achieve transparency and accountability, the basic parameters of Corporate Governance norms, across the operations of the Company and in its interaction with all the stakeholders, to establish an enduring relationship with and maximize the wealth of stake holders. The Company believes that these practices will not only result in the growth of the corporate world and will result in the growth of country's economy.

2. Board of Directors

The Company has an Executive Chairman. The Chairman and the Managing Director manage the day-to-day affairs of the Company. The Board of Directors of the Company has a combination of Executive and Non-Executive directors.

a) Composition and category of directors as on March 31, 2010

Category	No. of Directors
Promoter Directors	02
Non-Executive Non-Independent Directors	02
Non-Executive Independent Directors	05
Total	09*

* Mr.Ravi Kant has resigned from the Board w.e.f 08/07/2009.

b) Attendance of each director at the Board meetings held during the year 2009-10 and at the last Annual General Meeting

Name of the Director	Meetings held during the year	Meetings attended	Last AGM
Mr. A. Ayodhya Rami Reddy	06	06	Present
Mr. Y. R. Nagaraja	06	06	Present
Mr. Rajiv Maliwal	06	03	-
Ms. Archana Niranjan Hingorani	06	01	-
Mr. Kamlesh Shivji Vikamsey	06	04	-
Mr. V. Murahari Reddy	06	02	-
Mr. V. Harish Kumar	06	00	-
Dr. P.G. Sastry	06	01	--
Mr. P. V. Narasimham	06	04	-
Mr.Ravi Kant*	06	01	-

* Mr.Ravi Kant has resigned from the Board w.e.f 08/07/2009.

No. of other Boards/Board Committees in which the Directors are either Member or Chairman as at 31 March 2010.

Name of the Director	Board		Committee	
	Chairman	Member	Chairman	Member
Mr. A. Ayodhya Rami Reddy	1	8*	0	0
Mr. Y. R. Nagaraja	0	8	0	0

Mr. Rajiv Maliwal	0	4	0	2
Ms. Archana Niranjani Hingorani	0	25	0	8
Mr. Kamlesh Shivji Vikamsey	0	13	5	9
Mr. V. Murahari Reddy	0	0	0	0
Mr. V. Harish Kumar	0	2	1	2
Dr. P. G. Sastry	0	2	0	0
Mr. P. V. Narasimham	1	6	0	2

**excluding foreign companies*

c) No. of Board Meetings held and dates on which they were held during the year 2009-10

<i>Quarter</i>	<i>No. of Meetings</i>	<i>Dates on which held</i>
April – June	01	30 June 2010
July – September	02	08 July , 2009 & 29 September, 2009
October – December	02	30 November, 2009 & 21 December, 2009
Jan 10 – March 10	01	9 March, 2010 adjourned to 16 March, 2010
Total	06	

3. Audit Committee

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 on July 30, 2005. The Company Secretary acts as Secretary of the Committee. The committee was re-constituted on December 7, 2007 and 8th July, 2009 respectively.

i) Brief description of terms of reference

The terms of reference of the Audit Committee includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into 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.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

ii) Composition, name of members and Chairperson

The Audit Committee comprises of the following directors

1. Mr. Kamlesh Shivji Vikamsey – Chairman
2. Mr. Rajiv Maliwal – Member
3. Mr. V. Harish Kumar – Member
4. Dr. P.G.Sastry – Member
5. Dr. Archana Niranjana Hingorani – Member
6. Mr. P.V.Narasimham

iii) Meetings and attendance during the year 2009 - 10

<i>Name of the Member</i>	Meetings held during the year	Meetings attended
Mr. Kamlesh Shivji Vikamsey	2	2
Mr. Rajiv Maliwal	2	1
Mr. V. Harish Kumar	2	0
Dr. P.G.Sastry	2	1
Dr. Archana Niranjana Hingorani	2	0
Mr. P.V.Narasimham	2	1

4. Remuneration Committee / Compensation Committee

a) Brief description of terms of reference

As Remuneration Committee

The Committee shall determine the policy on specific remuneration packages for executive directors including pension rights and any compensation payment. In the

absence of any such policy the Committee shall determine the remuneration package for executive directors on case to case basis as and when required. Besides, it shall also determine Remuneration to the relatives of Directors, if any.

As Compensation Committee

Function as a Compensation Committee with the requisite powers and authority as envisaged under the Guidelines.

b) Composition, name of members and Chairperson

The Remuneration Committee comprises of the following directors

1. Mr. Kamlesh Shivji Vikamsey – Chairman
2. Mr. Rajiv Maliwal – Member
3. Mr. V. Harish Kumar – Member
4. V. Murahari Reddy – Member
5. Dr. Archana Niranjana Hingorani

c) Meetings and Attendance during the year 2009-10 - Nil

d) Remuneration Policy

There is no remuneration policy. Remuneration package will be determined on case to case basis.

e) Details of remuneration to the directors

(In Rs.)

Particulars	Executive Directors		Non-executive Directors
	Mr. A. Ayodhya Rami Reddy	Mr. Y. R. Nagaraja	
Salary	63,00,000	5,535,309	Nil-
Commission	0	0	5,66,667
PF Contribution	0	2,88,000	Nil
Superannuation	0	0	Nil
Gratuity	0	0	Nil
Sitting Fee	0		Nil
Total	63,00,000	58,23,309	5,66,667

5. Investors Grievance Committee

Sl.No.	Name of the Director	Position	Status
Constitution Constituted under the Provisions of Clause 49 of the Listing Agreement.			
01	Mr. V. Harish Kumar	Chairman	Independent
02	Dr. P.G. Sastry	Member	Independent
03	Mr. Y R Nagaraja	Member	Non-Independent

Powers of the Committee: The Committee shall specifically look into the redressal of shareholder and investors complaints which, *inter alia*, includes

1. Transfer of shares,
2. Non-receipt of Balance-sheet
3. Non-receipt of declared dividends
4. Non-receipt of refund orders

5. General Body Meetings

a) Details of last three AGMs

The information about the last three general body meetings is shown below in a tabular form.

Annual General Meeting	Venue	Time & Date	Number of Special Resolutions passed
15 th	6-3-1089/G/10&11, 1 st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500082	10.00 Hrs, Wednesday, the 30 September 2009	1
14 th	6-3-1089/G/10&11, 1 st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500082	15.30 Hrs, Tuesday, the 30 September 2008	3
13 th	6-3-1089/G/10&11, 1 st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500082	10.00 Hrs, Saturday 29 September 2007	3

b) Special Resolutions passed through postal ballot system during the last year and person who conducted the postal ballot exercise. - NA

c) Whether any special resolution proposed to be conducted through postal ballot.- NA

6. The Management Discussion and Analysis Report forms part of the Annual Report.

7. General Shareholder Information

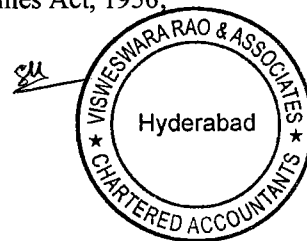
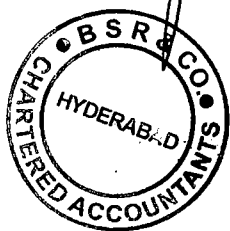
- i) *AGM – Date, Time and Venue* : 15 September, 2010 , 10.00 hrs at
6-3-1029/G/10 & 11, 1st Floor,
Gulmohar Avenue, Rajbhavan Road,
Somajiguda, Hyderabad – 500 082
- ii) *Financial Year* : April 1 to March 31
- iii) *Dividend Payment Date* : *If applicable*, Within 30 days from the date of
AGM

BSR & Co.
8-2-618/2, Reliance Humsafar,
Fourth Floor, Road No. 11,
Banjara Hills
Hyderabad – 500 034

Visweswara Rao & Associates
SRI, Plot No.512A1,
Road No.31, Jubilee Hills
Hyderabad – 500 033

AUDITORS' REPORT TO THE MEMBERS OF RAMKY INFRASTRUCTURE LIMITED

- 1 We have audited the attached balance sheet of Ramky Infrastructure Limited (“the Company”) as at 31 March 2010, the profit and loss account and the cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor’s Report) Order, 2003 (“the Order”), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4 Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) the balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - (iv) in our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) on the basis of written representations received from the directors, as on 31 March 2010, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31 March 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;



RAMKY INFRASTRUCTURE LIMITED

AUDITORS' REPORT (*continued*)

- (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2010;
 - b. in the case of the profit and loss account, of the profit for the year ended on that date; and
 - c. in the case of cash flow statement, of the cash flows for the year ended on that date.

for **BSR & Co.**

Chartered Accountants

Firm Registration No: 101248W



Zubin Shekary

Partner

Membership No: 48814

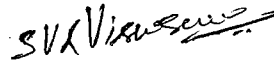
Place : Hyderabad

Date : 21 July 2010

for **Visweswara Rao & Associates**

Chartered Accountants

Firm Registration No: 005774S



S.V.R. Visweswara Rao

Partner

Membership No: 29088

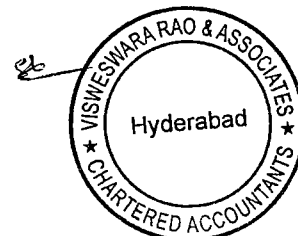
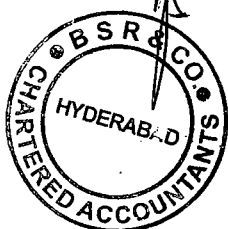
Place : Hyderabad

Date : 21 July 2010

ANNEXURE TO THE AUDITORS' REPORT – 31 March 2010 (continued)

Annexure referred to in paragraph 3 of our report of even date to the members of Ramky Infrastructure Limited:

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
2. The Company has a phased programme of physical verification of its fixed assets by which all fixed assets are verified over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noted on such verification.
3. Fixed assets disposed during the year were not substantial, and therefore, do not affect the going concern assumption.
4. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
5. The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
6. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.
7. The Company has granted a loan to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs. 54,864,268 and the year-end balance of this loan was Rs. 54,864,268.
8. In our opinion, the rate of interest and other terms and conditions on which the aforesaid loan has been granted are not, prima facie, prejudicial to the interests of the Company.
9. We are informed that the principal and interest on the aforesaid loan is repayable/payable on demand. Since no demand has been raised by the Company till the balance sheet date, either for principal or for interest, accordingly, clause 4(iii) (c) of the Order is not applicable.
10. As mentioned in point 9 above, the principal and interest on the aforesaid loan is repayable/ payable on demand. Accordingly, there is no overdue amount.
11. The Company has not taken any loans from companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4(iii) (e),(f),(g) of the Order is not applicable.
12. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods and services. We have not observed any major weakness in the internal control system during the course of our audit.
13. In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
14. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time except for work performed in respect of civil, turnkey contracts and related contract consultancy services which are for the specialised requirements of buyer for which suitable alternative sources are not available to obtain comparable quotations. However, on the basis of information and explanations provided, the same appears reasonable.



ANNEXURE TO THE AUDITORS' REPORT – 31 March 2010 (continued)

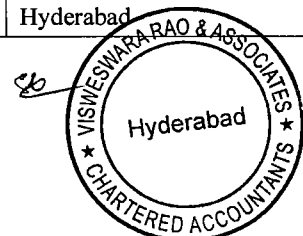
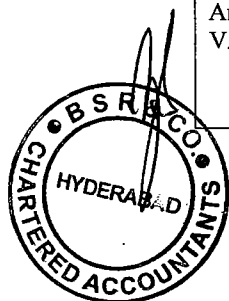
15. The Company has not accepted any deposits from the public.
16. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
17. The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the services rendered by the Company.
18. 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, wealth tax, customs duty, tax deducted at source, employees state insurance, sales tax and other material statutory dues have generally 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 investor education and protection fund and excise duty.

Further, there were no dues on account of Cess under section 441A of the Act, since the date from which the aforesaid section comes into force has not yet been notified by the Central Government.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth tax, sales tax, service tax, customs duty and other material statutory dues were in arrears as at 31 March 2010 for a period of more than six months from the date they became payable.

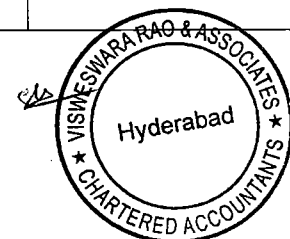
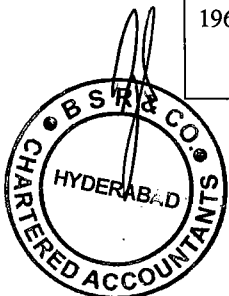
19. According to the information and explanations given to us, there are no dues of customs duty and wealth tax which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, the following dues of sales-tax, service tax and income-tax have not been deposited by the Company on account of disputes:

<i>Name of the statute</i>	<i>Nature of the dues</i>	<i>Amount in Rs.</i>	<i>Period to which the amount relates</i>	<i>Forum where the dispute is pending</i>
<i>General sales tax / Value added tax</i>				
Andhra Pradesh General sales Tax Act, 1957	Sales tax	1,740,746 (Amount paid under protest Rs. 906,633)	2001-02	Sales Tax Appellate Tribunal
Andhra Pradesh General sales Tax Act, 1957	Sales tax	9,065,397 (Amount paid under protest Rs.4,532,698)	2002-03	Sales Tax Appellate Tribunal
Andhra Pradesh General sales Tax Act, 1957	Sales tax	9,367,350 (Amount paid under protest Rs.1,170,919)	2008-09	Commercial Tax Officer, Hyderabad
Andhra Pradesh General sales Tax Act, 1957	Sales tax	19,060,814 (Amount paid under protest Rs.16,594,949)	2005-08	Additional Commissioner (Legal), Hyderabad
West Bengal VAT Act	Sales Tax	33,333,697	2005-07	Additional Commissioner of Commercial Department, Kolkata
Andhra Pradesh VAT Act, 2005	Value Added Tax	24,553,567 (Amount paid under protest Rs.19,543,962)	2005-06	Appellate Deputy Commissioner, Hyderabad
Andhra Pradesh VAT Act, 2005	Value Added Tax	28,430,782 (Amount paid under protest Rs.25,422,767)	2007-08	Appellate Deputy Commissioner, Hyderabad Commercial Tax Officer, Hyderabad



ANNEXURE TO THE AUDITORS' REPORT – 31 March 2010 (continued)

<i>Name of the statute</i>	<i>Nature of the dues</i>	<i>Amount in Rs.</i>	<i>Period to which the amount relates</i>	<i>Forum where the dispute is pending</i>
Andhra Pradesh VAT Act, 2005	Value Added Tax	54,063,064 (Amount paid under protest Rs.42,191,365)	2006-07	Appellate Deputy Commissioner CT Appeals , Hyderabad
Karnataka Value Added Tax, 2003	Value Added Tax	8,759,830 (Amount paid under protest Rs. 4,379,915)	2004-06	Karnataka Appellate Tribunal, Bangalore
The Punjab Value Added Tax, 2005	Value Added Tax	1,020,061 (Amount paid under protest Rs. 255,015)	2006-07	Excise & Taxation Officer, Patiala
<i>Service tax</i>				
Service Tax	Service tax	98,222,255 (Amount paid under protest Rs.35,570,924)	2004-07	Commissioner of Customs, Central Excise & Service Tax, Bangalore.
Service Tax	Service tax and penalty	1,812,020	2008-09	Commissioner of Customs, Central Excise & Service Tax, Hyderabad.
Service Tax	Service tax and penalty	61,283,682	2007-09	Central Excise & Service Tax Tribunal, Bangalore.
Service Tax	Service tax and penalty	8,032,702	2007-09	Central Excise & Service Tax Tribunal, Bangalore
Service Tax	Service Tax	26,380,995	2004-08	Superintendent Service Tax Cell, Hyderabad
Service Tax	Service Tax	39,463,568 (Amount paid under protest Rs. 26,867,111)	2006-08	Assistant Commissioner (Audit) Service tax Cell, Visakhapatnam
Service Tax	Service Tax	142,601,046	2007-09	Commissioner , West Bengal
<i>Income tax</i>				
Income Tax Act, 1961	Income tax deductions disallowed	12,619,040 (Amounts deducted against refund receivable)	2002-03	Income-tax Appellate Tribunal
Income Tax Act, 1961	Income tax deductions disallowed	10,537,804 (Amounts deducted against refund receivable)	2003-04	Income-tax Appellate Tribunal
Income Tax Act, 1961	Income tax deductions disallowed	16,064,740 (Amounts deducted against refund receivable/paid)	2004-05	Income-tax Appellate Tribunal
Income Tax Act, 1961	Income tax deductions disallowed	50,777,088 (Amounts deducted against refund receivable/paid)	2005-06	Income-tax Appellate Tribunal

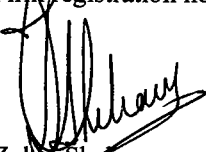


ANNEXURE TO THE AUDITORS' REPORT – 31 March 2010 (continued)

<i>Name of the statute</i>	<i>Nature of the dues</i>	<i>Amount in Rs.</i>	<i>Period to which the amount relates</i>	<i>Forum where the dispute is pending</i>
Income Tax Act, 1961	Income tax deductions disallowed	44,426,473 (Amounts deducted against refund receivable)	2006-07	Commissioner of Income Tax (Appeals)

20. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
21. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers and to any financial institutions during the year.
22. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
23. In our opinion, and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society.
24. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
25. In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.
26. According to the information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
27. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
28. According to the information and explanation given to us the Company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained under Section 301 of the Companies Act, 1956.
29. The Company did not have any outstanding debentures during the year.
30. The Company has not raised any money by public issues during the year.
31. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

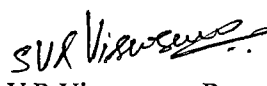
for **BSR & Co.**
Chartered Accountants
Firm registration no: I01248W



Zubin Shekary
Partner
Membership No: 48814

Place : Hyderabad
Date : 21 July 2010

for **Visweswara Rao & Associates**
Chartered Accountants
Firm registration no: 005774S



S.V.R. Visweswara Rao
Partner
Membership No: 29088

Place : Hyderabad
Date : 21 July 2010

Ramky Infrastructure Limited
Balance Sheet as at 31 March 2010

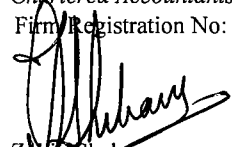
(All amounts in Indian Rupees, except share data and where otherwise stated)

	Schedule	As at 31 March 2010	As at 31 March 2009
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	2	494,200,140	494,200,140
Reserves and surplus	3	3,768,410,844	2,740,911,661
		4,262,610,984	3,235,111,801
Loan funds			
Secured loans	4	4,739,007,452	3,898,950,050
		9,001,618,436	7,134,061,851
APPLICATION OF FUNDS			
Fixed assets			
Gross block	5	1,699,897,306	1,575,536,404
<i>Less:</i> Accumulated depreciation		348,308,928	244,143,697
Net block		1,351,588,378	1,331,392,707
Capital work-in-progress (including capital advances)		34,567,950	33,681,100
		1,386,156,328	1,365,073,807
Investments	6	601,215,798	527,285,798
Deferred tax asset (net)	20(2)	6,725,211	30,875,865
Current assets, loans and advances			
Inventories	7	3,308,687,883	1,798,500,546
Sundry debtors	8	5,743,966,912	5,648,168,252
Retention money		1,821,617,069	1,157,593,974
Cash and bank balances	9	1,384,054,770	618,830,519
Loans and advances	10	3,812,282,168	2,554,582,201
		16,070,608,802	11,777,675,492
Current liabilities and provisions			
Current liabilities	11	9,060,722,866	6,563,106,620
Provisions	12	2,364,837	3,742,491
		9,063,087,703	6,566,849,111
Net current assets		7,007,521,099	5,210,826,381
		9,001,618,436	7,134,061,851
Significant accounting policies	1		
Notes to the accounts	20		


The schedules referred to above form an integral part of the Balance Sheet

As per our report attached

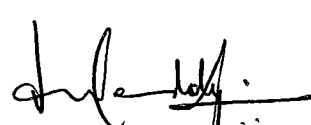
for **BSR & Co.**
Chartered Accountants
Firm Registration No: 101248W



Zulfikar Shekary
Partner
Membership No.: 48814

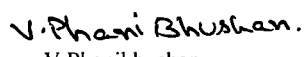
for **Visweswara Rao & Associates**
Chartered Accountants
Firm Registration No: 005774S

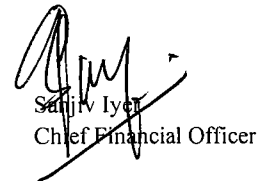

S.V.R. Visweswara Rao
Partner
Membership No.: 29088

for **Ramky Infrastructure Limited**


A Ayodhya Rami Beddy
Executive Chairman


Y R Nagaraja
Managing Director


V. Phanibhushan
Company Secretary


Sanjiv Iyer
Chief Financial Officer

Place: Hyderabad
Date: 21 July 2010

Place: Hyderabad
Date: 21 July 2010

Ramky Infrastructure Limited
Schedules to the Balance Sheet and Profit and Loss Account

1. Significant accounting policies

a) Basis of preparation

The financial statements of Ramky Infrastructure Limited (“RIL” or “the Company”) have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on the accrual basis. Indian GAAP comprises accounting standards notified by the Central Government of India under Section 211 (3C) of the Companies Act, 1956, other pronouncements of Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

c) Fixed assets and depreciation

Fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes purchase price, non-refundable taxes, duties, freight and other incidental expenses related to the acquisition or installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

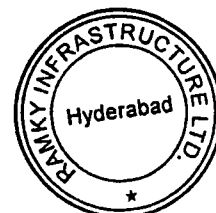
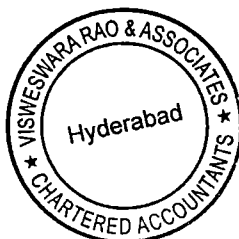
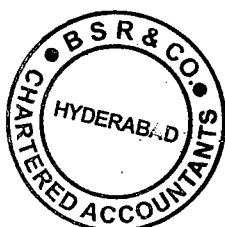
Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed under capital work-in-progress.

Depreciation on fixed assets is provided using the straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956 except for office equipment which is depreciated @ 6.33% based on useful life of the asset. In the opinion of the management, the rates specified in Schedule XIV reflect the economic useful lives of these assets. Depreciation is calculated on a pro-rata basis from/upto the date the assets are purchased/sold. Individual assets costing less than Rs. 5,000 are depreciated in full in the year of acquisition.

d) Investments

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.



Ramky Infrastructure Limited
Schedules to the Balance Sheet and Profit and Loss Account (continued)

e) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost of materials is determined on a weighted average basis.

Contract work-in-progress is valued at cost.

f) Employee benefits

Contributions to the recognised provident fund, which is a defined contribution scheme, are charged to the profit and loss account.

Employee gratuity and long term compensated absences, which are defined benefits, are accrued based on the actuarial valuation at the balance sheet date and are charged to profit and loss account. All actuarial gains and losses arising during the year are recognized in the profit and loss account.

g) Foreign currency transactions and balances

Foreign currency transactions are recorded using the exchange rates prevailing on the date of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the profit and loss account.

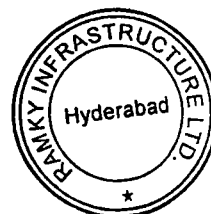
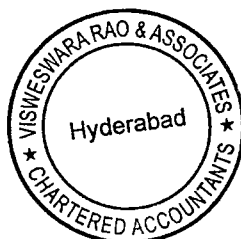
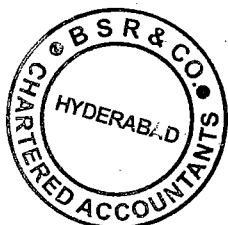
Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year-end rates. The resultant exchange differences are recognised in the profit and loss account. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

Revenue from long term construction contracts is recognized on the percentage of completion method as mentioned in Accounting Standard (AS) 7 "Construction contracts" notified by the Companies Accounting Standards Rules, 2006. Percentage of completion is determined on the basis of physical proportion of work completed and measured at the balance sheet date as compared to the overall work to be performed on the projects as in the opinion of the management, this method measures the work performed reliably. However, profit is not recognized unless there is reasonable progress on the contract. Where the probable total cost of a contract is expected to exceed the corresponding contract revenue, such expected loss is provided for.

Dividend income is recognised when the unconditional right to receive the income is established. Income from interest on deposits and interest bearing securities is recognised on the time proportionate method taking into account the amount outstanding and the rate applicable.



Ramky Infrastructure Limited
Schedules to the Balance Sheet and Profit and Loss Account (continued)

i) *Accounting for joint ventures*

Accounting for joint ventures undertaken by the Company has been done as follows:

Jointly Controlled Assets:

Jointly controlled assets involve the joint control and joint ownership, by the venturers of one or more assets contributed to, or acquired for the purpose of, the joint venture and dedicated to the purposes of the joint venture. These assets are used to obtain economic benefits for the venturers. The Company accounts for its share of jointly controlled assets, liabilities, income and expenses under respective heads in the financial statements.

j) *Income-tax expense*

Income tax expense comprises current tax, deferred tax and fringe benefit tax.

Current tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

Deferred tax

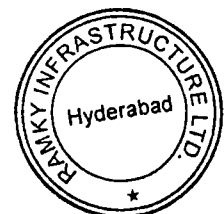
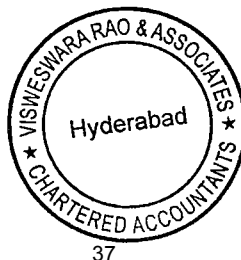
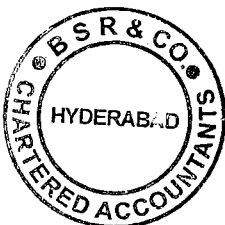
Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and is written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax (MAT) Credit entitlement

MAT credit entitlement represents amounts paid in a year under Section 115 JB of the Income Tax Act 1961 ('IT Act'), in excess of the tax payable, computed on the basis of normal provisions of the IT Act.

Such excess amount can be carried forward for set off against future tax payments for ten succeeding years in accordance with the relevant provisions of the IT Act. Since such credit represents a resource controlled by the Company as a result of past events and there is evidence as at the reporting date that the Company will pay normal income tax during the specified period, when such credit would be adjusted, the same has been disclosed as "MAT Credit entitlement", under "Loans and Advances" in balance sheet with a corresponding credit to the profit and loss account, as a separate line item.

Such assets are reviewed as at each balance sheet date and written down to reflect the amount that will not be available as a credit to be set off in future, based on the applicable taxation law then in force.



Ramky Infrastructure Limited
Schedules to the Balance Sheet and Profit and Loss Account (continued)

Fringe benefit tax

Before the same was abolished with effect from 1 April 2009, the Company used to provide for and disclose Fringe Benefit Tax ('FBT') in accordance with the provisions of Section 115 WC of the Income Tax Act, 1961 and guidance note on FBT issued by the Institute of Chartered Accountants of India (ICAI).

k) Earnings per share

The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). In computing dilutive earnings per share, only potential equity shares that are dilutive and that either reduce earnings per share or increase loss per share are included.

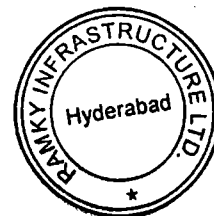
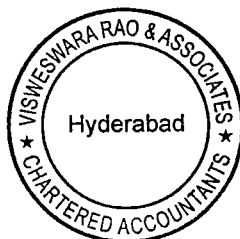
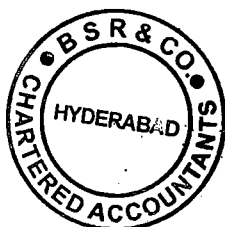
l) Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

m) Impairment of assets

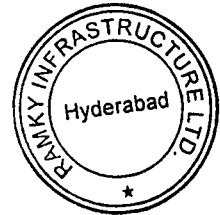
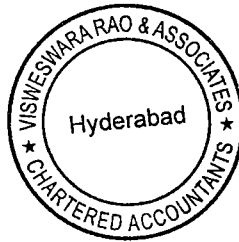
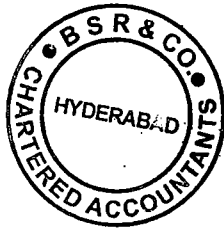
The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.



Ramky Infrastructure Limited
Schedules to the Balance Sheet and Profit and Loss Account (continued)

n) Leases

Assets taken on lease where the company acquires substantially the entire risks and rewards incidental to ownership are classified as finance leases. The amount recorded is the lesser of the present value of minimum lease rental and other incidental expenses during the lease term or the fair value of the assets taken on lease. The rental obligations, net of interest charges, are reflected as secured loans. Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit and loss account on a straight line basis over the lease term.



Ramky Infrastructure Limited
Profit and Loss Account for the year ended 31 March 2010
(All amounts in Indian Rupees, except share data and where otherwise stated)

	Schedule	For the year ended 31 March 2010	For the year ended 31 March 2009
Income			
Contract revenues	13	20,023,376,714	14,592,313,985
Other income	14	69,971,763	81,881,068
		20,093,348,477	14,674,195,053
Expenditure			
Contract costs	15	17,054,541,279	12,390,823,199
Personnel costs	16	569,975,117	488,019,899
Administrative and other expenses	17	452,461,240	309,107,768
Finance charges	18	611,996,542	533,900,443
Depreciation	5	104,868,576	92,373,462
		18,793,842,754	13,814,224,771
Profit before prior period expenses and tax		1,299,505,723	859,970,282
Prior period expenses		-	24,665,127
Profit before tax		1,299,505,723	835,305,155
Income tax expense	19	272,006,540	190,741,165
Profit after tax		1,027,499,183	644,563,990
Add: Balance in profit and loss account brought forward		1,934,779,801	1,290,215,811
Balance carried forward to balance sheet		2,962,278,984	1,934,779,801
Earnings per share	20(3)		
Basic and diluted - Par value Rs. 10 per share		20.79	13.04

Significant accounting policies

1

Notes to the accounts

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The schedules referred to above form an integral part of the Profit and Loss Account

As per our report attached

for **BSR & Co.**

for **Visweswara Rao & Associates**

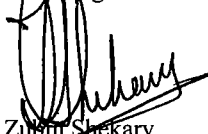
for **Ramky Infrastructure Limited**

Chartered Accountants

Chartered Accountants

Firm Registration No: 101248W

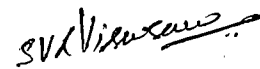
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Zubin Shekary

Partner

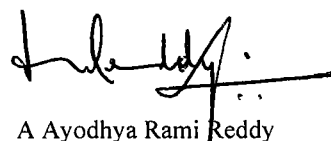
Membership No.: 48814



S.V.R. Visweswara Rao

Partner

Membership No.: 29088



A Ayodhya Rami Reddy

Executive Chairman



Y R Nagaraja

Managing Director

Place: Hyderabad

Place: Hyderabad

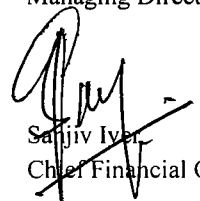
Date: 21 July 2010

Date: 21 July 2010

V. Phani Bhushan.

V. Phani Bhushan

Company Secretary



Sanku Iyer

Chief Financial Officer

Ramky Infrastructure Limited
Cash flow statement for the year ended 31 March 2010
(All amounts are in Indian Rupees except share data)

Particulars	31 March 2010	31 March 2009
Cash flows from operating activities		
Profit before tax	1,299,505,723	835,305,155
Adjustments:		
Interest income	(27,049,943)	(25,553,663)
Interest expense	523,540,187	454,517,857
Loss on sale of fixed assets	663,730	610,759
Depreciation	104,868,576	92,373,462
Preliminary expenses written off	-	23,620,537
Operating profit before working capital changes	<u>1,901,528,273</u>	<u>1,380,874,107</u>
Increase in inventory	(1,510,187,337)	(880,966,006)
Increase in sundry debtors	(95,798,659)	(1,169,095,508)
Increase in loans and advances	(1,649,880,912)	(282,491,383)
Increase in current liabilities and provisions	2,429,072,424	1,787,465,701
Cash generated from operations	<u>1,074,733,789</u>	<u>835,786,911</u>
Income taxes paid	(460,403,317)	(424,767,324)
<i>Net cash from in operating activities</i>	<u><u>614,330,472</u></u>	<u><u>411,019,587</u></u>
Cash flows from investing activities:		
Interest received	19,736,187	14,826,626
Proceeds from sale of fixed assets	1,020,643	601,098
Purchase of investments	(73,930,000)	(331,465,748)
Purchase of fixed assets	(127,635,471)	(770,664,296)
<i>Net cash used in investing activities</i>	<u><u>(180,808,641)</u></u>	<u><u>(1,086,702,320)</u></u>
Cash flows from financing activities:		
Proceeds from borrowings	14,073,639,792	2,855,196,668
Repayment of borrowings	(13,233,582,400)	(1,597,628,686)
Interest paid	(508,354,972)	(457,571,687)
<i>Net cash from financing activities</i>	<u><u>331,702,420</u></u>	<u><u>799,996,295</u></u>
Net increase in cash and cash equivalents	765,224,251	124,313,562
Cash and cash equivalents at beginning of the year (Note 1)	<u>618,830,519</u>	<u>494,516,957</u>
Cash and cash equivalents at end of the year (Note 1)	<u><u>1,384,054,770</u></u>	<u><u>618,830,519</u></u>

Notes:

1. Components of cash and cash equivalents as at	31 March 2010	31 March 2009
Cash in hand	2,420,310	1,722,223
Cheques on hand	188,609,559	55,131,624
Balances with scheduled banks		
- in current accounts	534,939,356	104,654,597
- in deposit accounts	658,085,545	457,322,075
	<u><u>1,384,054,770</u></u>	<u><u>618,830,519</u></u>

As per our report attached.

for **BSR & Co.**

Chartered Accountants

Firm Registration No: 101248W




Zubin Shekary
Partner

Membership No.: 48814

for **Visweswara Rao & Associates**

Chartered Accountants

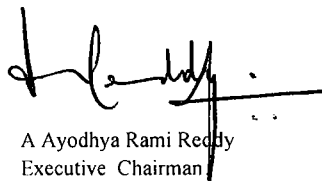
Firm Registration No: 005774S



S.V.R. Visweswara Rao
Partner

Membership No.: 29088

for **Ramky Infrastructure Limited**

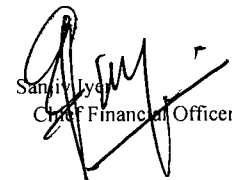


A Ayodhya Rami Reddy
Executive Chairman

V.Phani Bhushan
V.Phani Bhushan
Company Secretary



Y R Nagaraja
Managing Director



Sanjay Jyoti
Chief Financial Officer

Place: Hyderabad

Date: 21 July 2010

Place: Hyderabad

Date: 21 July 2010

Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedules to the Balance Sheet

Schedule 2 : Share capital

	As at 31 March 2010	As at 31 March 2009
Authorised		
70,000,000 (previous year: 70,000,000) equity shares of Rs.10 each	<u>700,000,000</u>	<u>700,000,000</u>
Issued, Subscribed and Paid-up:		
49,420,014 (previous year: 49,420,014) equity shares of Rs. 10 each fully paid up	<u>494,200,140</u>	<u>494,200,140</u>
[Of the above 41,183,345 equity shares of Rs.10 each were issued in financial year 2007-08, as fully paid bonus shares by way of capitalisation of securities premium amount]		

Schedule 3 : Reserves and surplus

	As at 31 March 2010	As at 31 March 2009
Securities premium account	806,131,860	806,131,860
Balance in profit and loss account	2,962,278,984	1,934,779,801
	<u>3,768,410,844</u>	<u>2,740,911,661</u>

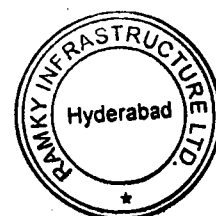
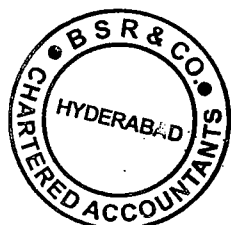
Schedule 4 : Secured loans

	As at 31 March 2010	As at 31 March 2009
From banks		
- Term loans (refer note 1) *	576,142,325	920,472,991
- Working capital loans (refer note 2)	3,840,446,975	2,600,553,583
- Equipment and vehicle loans (refer note 3)	149,701,463	214,024,201
From others		
- Equipment and vehicle loans (refer note 3)	172,716,689	161,211,735
Interest accrued and due	-	2,687,540
	<u>4,739,007,452</u>	<u>3,898,950,050</u>

* Includes amount due within one year Rs.476,142,325 (previous year: Rs.862,813,207)

Notes :

1. Term loans availed in respect of specific projects are secured by a first charge on the present and future movable assets and current assets related to the project. All other term loan facilities from various banks are secured by a pari passu charge on the movable and current asset of the Company and is also guaranteed by the Executive Chairman of the Company.
2. Working capital loans are secured by pari passu charge on the current assets of the Company, present and future.
3. Equipment / vehicle loans are secured by way of hypothecation of the respective equipment / vehicles.



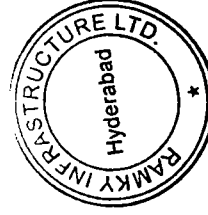
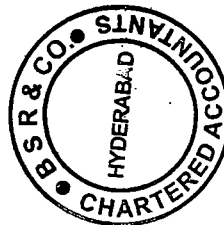
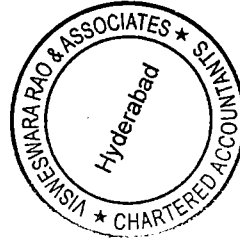
Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedule to the Balance Sheet (continued)

Schedule 5 : Fixed assets

Description	Gross block			Accumulated depreciation			Net block	
	As at	Additions	Deletions	As at	For the year	On deletions	As at	As at
	1 April 2009			31 March 2010	1 April 2009	31 March 2010	31 March 2010	31 March 2009
Freehold land	24,776,963	-	-	24,776,963	-	-	24,776,963	24,776,963
Buildings	2,510,379	15,850,242	-	18,360,621	280,790	-	17,876,494	2,229,589
Plant and machinery	1,215,823,951	81,602,096	957,580	1,296,468,467	134,275,414	292,193	1,095,288,625	1,081,548,537
Furniture and fixtures	25,208,506	3,403,002	-	28,611,508	8,858,611	-	17,694,337	16,349,895
Office equipment	36,825,740	5,193,459	98,990	41,920,209	8,902,009	13,550	30,336,920	27,923,731
Vehicles	209,349,385	8,454,303	1,214,652	216,589,036	66,675,595	359,388	127,681,428	142,673,790
Computers	61,041,480	12,245,517	116,495	73,170,502	25,151,278	38,214	37,933,611	35,890,202
Total	1,575,536,404	126,748,619	2,387,717	1,699,897,306	244,143,697	703,345	1,351,588,378	1,331,392,707
Previous year	811,675,377	765,465,370	1,604,343	1,575,536,404	152,162,721	392,486	244,143,697	1,331,392,707



Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedules to the Balance Sheet (continued)

Schedule 6 : Investments

	As at 31 March 2010	As at 31 March 2009
Long term at cost, unless otherwise specified		
I. Quoted investments - Non-trade		
<i>(a) Equity shares (fully paid-up)</i>		
11,600 (previous year: 11,600) equity shares of Rs.10 each of Canara Bank	406,000	406,000
Total quoted long term investments (I)	<u>406,000</u>	<u>406,000</u>
II. Unquoted investments - Non-trade		
<i>Equity and preference shares (fully paid-up) in subsidiary companies</i>		
9,750,000 (previous year: 9,750,000) equity shares of Rs.10 each of MDDA-Ramky IS BUS Terminal Limited (Refer note: 1)	97,500,000	97,500,000
7,500 (previous year: 7,500) equity shares of AED 100 each in Ramky Engineering and Consulting Services (FZC)	9,176,338	9,176,338
9,180,000 (previous year: 9,180,000) equity shares of Rs.10 each of Ramky Pharma City (India) Limited (Refer note: 2)	91,800,000	91,800,000
25,500 (previous year: 25,500) equity shares of Rs. 10 each of Gwalior Bypass Project Limited (Refer note: 3)	255,000	255,000
14,800,000 (previous year: 7,437,000) equity shares of Rs.10 each of Ramky Elsamex Hyderabad Ring Road Limited (Refer note: 4)	148,000,000	74,370,000
25,500 (previous year: 25,500) equity shares of Rs.10 each of Ramky Towers Limited	255,000	255,000
50,000 (previous year: 50,000) equity shares of Rs. 10 each of Ramky Food Park (Chattisgarh) Limited	500,000	500,000
50,000 (previous year: 50,000) equity shares of Rs.10 each of Naya Raipur Gems and Jewellery SEZ Limited	500,000	500,000
50,000 (previous year: 50,000) equity shares of Rs. 10 each of Ramky Herbal and Medicinal Park (Chattisgarh) Limited	500,000	500,000
44,505 (previous year: 44,505) equity shares of Rs.10 each of Ramky Enclave Limited	445,050	445,050
50,000 (previous year: 50,000) equity shares of Rs.10 each of Ramky - MIDC Agro Processing Park Limited	500,000	500,000
2,240 (previous year: 2,240) cumulative, redeemable preference shares of Rs.100 each of Gwalior Bypass Project Limited at premium	896,000	896,000
25,000,000 (previous year: 25,000,000) cumulative, redeemable, optional, convertible preference shares of Rs.10 each of Ramky Elsamex Hyderabad Ring Road Limited (Refer Note: 4)	250,000,000	250,000,000
<i>Equity shares (fully paid-up) in associates</i>		
18,241 (previous year: 18,241) equity shares of Rs.10 each of Ramky Integrated Township Limited	182,410	182,410
25,000 (previous year: Nil) equity shares of Rs.10 each of Narketpally Addanki Expressway Limited	250,000	-
<i>In equity shares (fully paid-up)</i>		
5,000 (previous year: Nil) equity shares of Rs.10 each of Delhi MSW Solutions Limited	50,000	-
Total unquoted long term investments (II)	<u>600,809,798</u>	<u>526,879,798</u>
Total investments (I+II)	<u>601,215,798</u>	<u>527,285,798</u>
Aggregate cost of quoted investments	406,000	406,000
Aggregate cost of unquoted investments	600,809,798	526,879,798
Market value of quoted investments	4,758,320	1,922,120

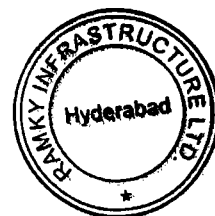
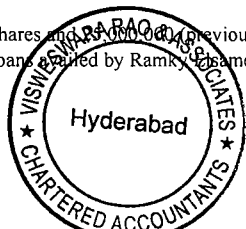
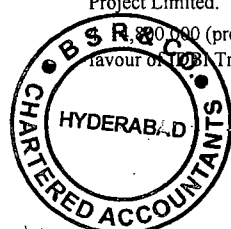
Note:

1. 9,750,000 (previous year: 9,750,000) equity shares have been pledged in favour of Infrastructure Development Finance Company Limited (IDFC) for the loans availed by MDDA-Ramky IS BUS Terminal Limited.

2. 8,942,000 (previous year: 8,942,000) equity shares have been pledged in favour of Axis Bank for loans availed by Ramky Pharma City (India) Limited.

3. 13,005 (previous year: 13,005) equity shares have been pledged in favour of Punjab National Bank for loans availed by Gwalior Bypass Project Limited.

4. 8,800,000 (previous year: 7,437,000) equity shares and 25,000,000 (previous year: 25,000,000) preference shares have been pledged in favour of TCB Trusteeship services Limited for loans availed by Ramky Elsamex Hyderabad Ring Road Limited.



Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedules to the Balance Sheet (continued)

Schedule 7 : Inventories

	As at 31 March 2010	As at 31 March 2009
Materials and supplies	1,062,317,161	962,981,315
Contract work-in-progress	2,246,370,722	835,519,231
	<u><u>3,308,687,883</u></u>	<u><u>1,798,500,546</u></u>

**Schedule 8 : Sundry debtors*
(Unsecured, considered good)**

	As at 31 March 2010	As at 31 March 2009
Debts outstanding for a period exceeding six months	1,496,361,876	1,802,195,115
Other debts	4,247,605,036	3,845,973,137
	<u><u>5,743,966,912</u></u>	<u><u>5,648,168,252</u></u>

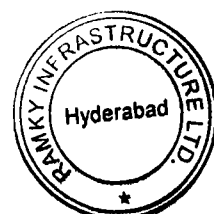
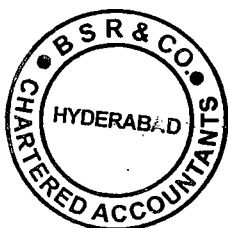
* Includes amounts due from subsidiaries Rs. 1,241,719,115 (previous year: Rs. 1,381,179,756)

* Includes amounts due from companies under the same management (refer note 17 of Schedule 20)

Schedule 9 : Cash and bank balances

	As at 31 March 2010	As at 31 March 2009
Cash in hand	2,420,310	1,722,223
Cheques on hand	188,609,559	55,131,624
Balances with scheduled banks		
In current accounts	534,939,356	104,654,597
In deposit accounts *	658,085,545	457,322,075
	<u><u>1,384,054,770</u></u>	<u><u>618,830,519</u></u>

* Includes Rs. 232,999,960 (previous year: Rs. 192,884,924) representing margin money for letters of credit, bank guarantees issued and term loans granted.



Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedules to the Balance Sheet (continued)

Schedule 10 : Loans and advances*
(Unsecured, considered good)

	As at 31 March 2010	As at 31 March 2009
Loans and advances to subsidiaries	548,803,285	358,787,272
Advances recoverable in cash or in kind or for value to be received	2,046,289,424	1,353,780,175
Earnest money deposits	127,019,888	115,061,272
Share application money pending allotment	477,057,363	265,344,473
Interest accrued and not due on deposits	29,370,147	22,056,391
Prepaid expenses	71,603,982	50,849,905
Advance tax (net of provision for tax)	367,192,950	261,304,657
MAT credit entitlement	91,398,615	55,821,000
Service tax receivable	53,546,514	71,577,056
	<u><u>3,812,282,168</u></u>	<u><u>2,554,582,201</u></u>

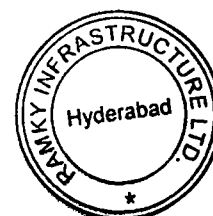
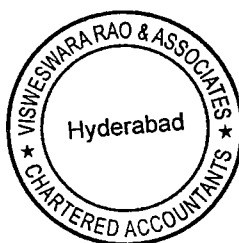
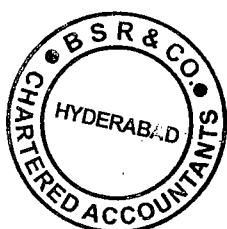
* Includes amounts due from companies under the same management (refer note 18 of Schedule 20)

Schedule 11 : Current liabilities

	As at 31 March 2010	As at 31 March 2009
Sundry creditors		
- total outstanding to micro and small enterprises (Refer note 12 of schedule 20)	-	-
- total outstanding to creditors other than micro and small enterprises	3,740,687,079	2,714,923,821
Amount payable to subsidiaries	-	83,232,038
Mobilisation and other advances	3,592,845,973	2,762,361,689
Security deposits received	742,249,862	429,786,519
Retention money payable	511,331,397	269,436,846
Other liabilities	473,608,555	303,365,707
	<u><u>9,060,722,866</u></u>	<u><u>6,563,106,620</u></u>

Schedule 12 : Provisions

	As at 31 March 2010	As at 31 March 2009
Provision for fringe benefit tax [net of advance fringe benefit tax paid]	-	178,607
Gratuity (Refer note 11 of schedule 20)	570,901	920,882
Long term compensated absences	1,793,936	2,643,002
	<u><u>2,364,837</u></u>	<u><u>3,742,491</u></u>



Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedules to the Profit and Loss Account

Schedule 13 : Contract revenues

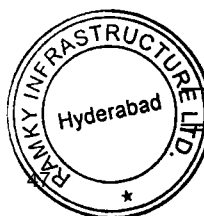
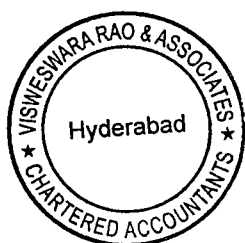
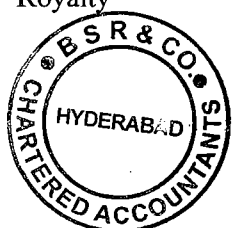
	For the year ended 31 March 2010	For the year ended 31 March 2009
Contract revenues	18,612,525,223	14,303,827,063
<i>Less</i> : Opening contract work-in-progress	(835,519,231)	(547,032,309)
<i>Add</i> : Closing contract work-in-progress	2,246,370,722	835,519,231
	20,023,376,714	14,592,313,985

Schedule 14 : Other income

	For the year ended 31 March 2010	For the year ended 31 March 2009
Interest income	27,049,943	25,553,663
[Tax deducted at source Rs. 2,748,045 (previous year Rs. 3,456,423)]		
Equipment lease / hire charges	9,740,503	29,904,759
Insurance claim received	4,007,004	-
Dividend on shares	92,800	92,800
Sale of scrap	14,905,788	14,711,204
Provision no longer required written back	-	10,866,322
Miscellaneous income	14,175,725	752,320
	69,971,763	81,881,068

Schedule 15 : Contract costs

	For the year ended 31 March 2010	For the year ended 31 March 2009
Contract materials and supplies consumed		
Opening stock	962,981,315	370,502,231
<i>Add</i> : Purchases	4,423,614,193	4,620,524,782
<i>Less</i> : Closing stock	(1,062,317,161)	(962,981,315)
	4,324,278,347	4,028,045,698
Sub-contractor expenses	9,486,025,960	6,173,817,272
Contract wages	1,263,260,802	1,397,525,277
Contract consultancy charges	889,428,860	-
VAT / Work contract tax	344,920,984	255,224,885
Service tax	191,370,246	150,667,094
Hire charges	123,399,870	128,191,327
Power and fuel	138,294,913	121,726,591
Repairs and maintenance - Plant and machinery	48,880,988	34,264,350
Transport expenses	60,401,238	37,849,740
Consumables and other site expenses	103,028,903	23,032,307
Site installation charges	13,875,379	20,019,552
Water charges	11,569,486	15,257,384
Royalty	55,805,303	5,201,722
	17,054,541,279	12,390,823,199



Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

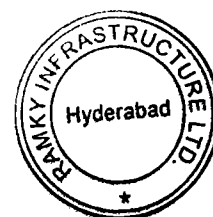
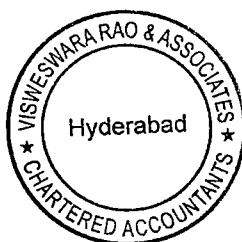
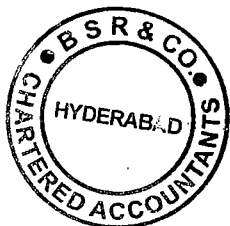
Schedules to the Profit and Loss Account (continued)

Schedule 16 : Personnel costs

	For the year ended 31 March 2010	For the year ended 31 March 2009
Salaries, wages and bonus	492,393,435	416,463,048
Contribution to provident and other funds	23,897,687	20,543,426
Gratuity	2,476,467	2,119,323
Compensated absences	395,868	3,834,445
Workmen and staff welfare expenses	50,811,660	45,059,657
	<u>569,975,117</u>	<u>488,019,899</u>

Schedule 17 : Administrative and other expenses

	For the year ended 31 March 2010	For the year ended 31 March 2009
Legal and professional charges	86,490,433	66,580,189
Rent	41,738,068	28,076,145
Traveling and conveyance	27,504,739	25,236,261
Security charges	28,374,515	22,827,401
Insurance	32,052,040	20,477,238
Electricity charges	17,794,163	16,022,716
Communication expenses	15,468,475	14,736,854
Rates and taxes	27,945,920	11,141,428
Tender forms and registration charges	18,536,188	10,674,089
Printing and stationary	11,970,839	10,617,725
Repairs and maintenance		
- Buildings	11,558,558	5,855,211
- Others	2,180,994	4,262,960
Bad debts written-off	-	9,890,133
Business promotion	4,504,048	5,377,557
Donations and gifts	6,663,676	5,056,692
Advertisement	53,356,195	3,630,338
Loss on sale of assets, net	663,730	610,759
Directors sitting fee	566,666	425,000
Miscellaneous expenses	65,091,993	47,609,072
	<u>452,461,240</u>	<u>309,107,768</u>



Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

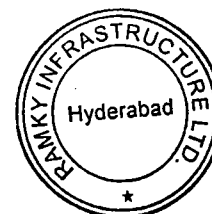
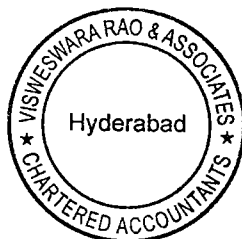
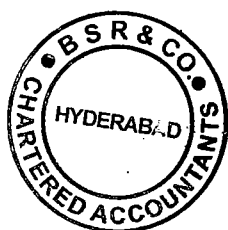
Schedules to the Profit and Loss Account (continued)

Schedule 18 : Finance charges

	For the year ended 31 March 2010	For the year ended 31 March 2009
Interest / financial charges	523,540,187	454,517,857
Bank charges	88,456,355	79,382,586
	<u>611,996,542</u>	<u>533,900,443</u>

Schedule 19 : Income taxes

	For the year ended 31 March 2010	For the year ended 31 March 2009
Income tax	268,648,836	192,667,500
Deferred tax charge	24,150,655	23,454,628
Minimum alternate tax credit	(35,577,615)	(55,821,000)
Fringe benefit tax	2,519	3,655,607
Income tax relating to earlier years	14,782,145	26,784,430
	<u>272,006,540</u>	<u>190,741,165</u>



Ramky Infrastructure Limited

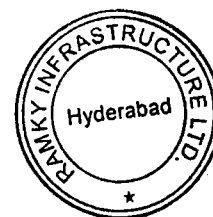
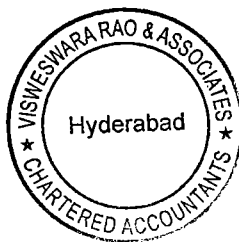
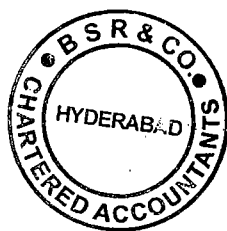
(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)**20. Notes to the accounts****1. Commitments and contingent liabilities:**

	As at 31 March 2010	As at 31 March 2009
i) Commitments / contingent liabilities:		
(a) Guarantees issued by banks	8,437,147,586	8,280,511,856
(b) Guarantees issued by the Company on behalf of subsidiaries, joint ventures and group companies	4,251,600,000	3,841,600,000
(c) Letters of credit outstanding	954,603,967	561,542,130
ii) Claims against the Company not acknowledged as debts in respect of:		
(a) Sales tax / VAT matters, under dispute	189,395,308	107,031,907
(b) Income tax matters, pending decisions on appeals made by the Company with Income Tax Appellate Tribunal relating to income tax deductions disallowed	134,425,145	89,998,672
(c) Service tax matters, under dispute	258,108,594	136,238,672
(d) Disputed claims	67,691,221	58,509,550
iii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,242,569	1,469,212

The Company had claimed deduction under section 80-IA (4) in its returns of income relating to assessment years 2003-04 to 2009-10. IT department is contesting the same on the grounds that the Company was not "developing" the infrastructure facility and disallowed the deduction for assessment years 2003-04 to 2007-08. The Company appealed against these orders with CIT (Appeals), of which assessment years 2003-04 to 2006-07 were dismissed. The Company has preferred an appeal with Income Tax Appellate Tribunal (ITAT) for these years, which is currently pending.

The Company has evaluated various judicial precedence on this matter and also the fact of its case. Based on such evaluation and in the pendency of an ITAT ruling in its own case, no provision is made in the financial statements for such amounts.



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)**20. Notes to the accounts (continued)****2. Deferred taxation**

Deferred tax asset, net included in the balance sheet comprises the following:

	As at 31 March 2010	As at 31 March 2009
Deferred tax assets		
Timing differences on disallowances under section 43B of the Income-tax act, 1961 and other timing differences.	100,104,384	98,567,830
Deferred tax liability		
Excess of depreciation allowable under Income-tax law over depreciation provided in accounts	93,379,173	67,691,965
Deferred tax asset, net	6,725,211	30,875,865

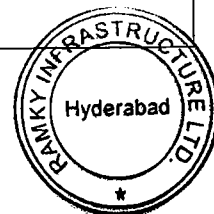
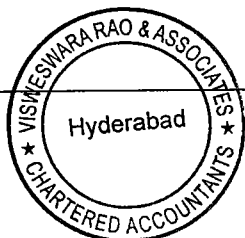
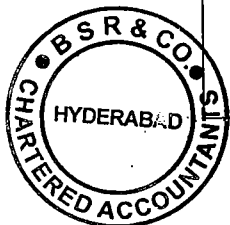
3. Earnings per share (EPS)

The computation of earnings per share is set out below:

	For the year ended 31 March 2010	For the year ended 31 March 2009
Net profit for the year attributable to equity shareholders	1,027,499,183	644,563,990
Weighted average number of equity shares outstanding during the year – Basic and diluted	49,420,014	49,420,014
<i>Earnings per share of par value Rs.10 - Basic and diluted (Rs.)</i>	20.79	13.04

4. Related party disclosures

Key Management personnel and their relative	<ul style="list-style-type: none"> ▪ A. Ayodhya Rami Reddy ▪ Y.R. Nagaraja
Enterprise where significant influence exists (Associate)	<ul style="list-style-type: none"> ▪ Ramky Integrated Township Limited ▪ Narketpally Addanki Express Roadway Limited
Enterprises where key management personnel have significant influence (Significant interest entities)	<ul style="list-style-type: none"> ▪ Ramky Enviro Engineers Limited ▪ Ramky Estates and Farms Limited ▪ Mumbai Waste Management Limited ▪ Ramky Finance & Investment (P) Limited ▪ SembRamky Environmental Management Private Limited ▪ Ramky Global Solutions Private Limited ▪ Tamil Nadu Waste Management Limited ▪ West Bengal Waste Management Limited ▪ Ramky Energy & Environment Limited ▪ Ramky Villas Limited ▪ Ramky foundation ▪ Delhi MSW Solutions Limited ▪ ADR Constructions ▪ NR Environmental Engineers INC



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

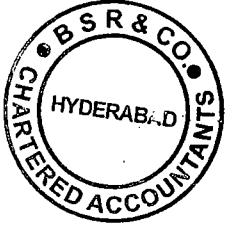
Schedules to the accounts (continued)

20. Notes to the accounts (continued)

Enterprise where control exists

(Subsidiaries)

- Ramky Pharma City (India) Limited
- MDDA – Ramky IS BUS Terminal Limited
- Ramky Food Park (Chattisgarh) Limited
- Naya Raipur Gems and Jewellery SEZ Limited
- Ramky Herbal and Medicinal Park (Chattisgarh) Limited
- Ramky - MIDC Agro Processing Park Limited
- Ramky Engineering and Consulting Services (FZC)
- Gwalior Bypass Project Limited
- Ramky Elsamex Hyderabad Ring Road Limited
- Ramky Towers Limited
- Ramky Enclave Limited



Ramky Infrastructure Limited
(All amounts in Indian rupees, except share data and where otherwise stated)

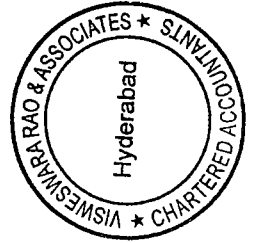
Schedules to the accounts (continued)

20. Notes to the accounts

4. Related party disclosures (continued)

(b) Particulars of related party transactions

S. No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2009
1	Ramky Enviro Engineers Limited	Significant interest entity	Contract revenue Mobilisation advance Paid Security Deposit received Advances received	- 60,883,630 - -	- (60,883,630) 14,550,372 18,410,385	100,314,743 - - -	(220,361,619) - - -
			Sub contract expense Income from hire charges	183,968,352 1,335,000	45,768,166 -	- 5,340,000	- -
2	Ramky Estates and Farms Limited	Significant interest entity	Contract revenue Rent expense Security deposit paid Retention money Rent deposit Advances received Income from hire charges	- 12,816,404 - - - -	(18,999,409) 5,215,347 (10,587,500) -	7,219,360 4,044,862 360,938 -	(235,666,600) 2,937,865 (11,994,563) (1,823,181) (17,396,141) 11,977,163
3	Mumbai Waste Management Limited	Significant interest entity	Income from hire charges	1,462,500	-	5,850,000	-

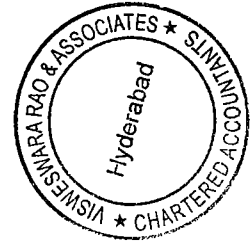


Ramky Infrastructure Limited
(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2009
4	SembRamky Environmental Management Private Limited	Significant interest entity	Contract revenue	-	(2,633,710)	-	(5,913,301)
5	Ramky Pharma City (India) Limited	Subsidiary	Contract revenue	218,607,414	(507,824,146)	395,049,783	(369,183,008)
			Security deposit paid	51,000,000	(73,700,000)	15,700,000	(22,700,000)
			Investment in equity shares	-	(91,800,000)	-	(91,800,000)
6	Ramky Global Solutions Private Limited	Significant interest entity	Rent expense	-	-	477,530	-
			Advances given	-	(1,577,690)	-	(1,577,690)
7	MDDA -Ramky IS BUS Terminal Limited	Subsidiary	Contract revenue	57,973,184	(195,993,195)	72,327,314	(139,179,475)
			Security deposit	-	(5,059,226)	-	(5,059,226)
			Share application money	6,700,000	(43,085,000)	14,535,000	(36,385,000)
			Investments in equity shares	-	(97,500,000)	-	(97,500,000)

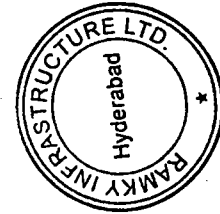
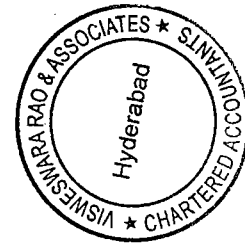


Ramky Infrastructure Limited
(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2009
8	Gwalior Bypass Project Limited	Subsidiary	Investment in preference shares Investment in equity shares	- -	(896,000) (255,000)	- -	(896,000) (255,000)
9	Ramky Energy and Environment Limited	Significant interest entity	Contract revenue	-	(2,530,905)	(100,484)	(2,712,437)
10	Ramky Engineering and Consultancy Services (FZC)	Subsidiary	Share application money Investment in equity shares	10,582,890 -	(23,126,382) (9,176,338)	9,198,750 7,440,000	(12,386,492) (9,176,338)
11	Ramky Integrated Township Limited	Associate	Equity investments Share application money	- -	(182,410) (100,000,000)	182,410 100,000,000	(182,410) (100,000,000)
12	Ramky Foundation	Significant interest entity	Donation	4,500,000	-	3,800,000	-



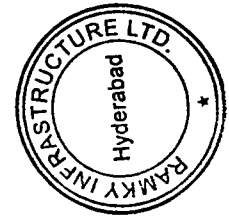
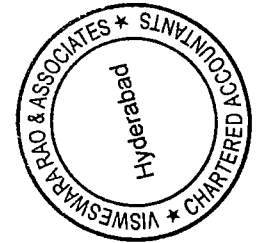
Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2009
13	Ramky Enclave Limited	Subsidiary	Contract revenue	-	(55,119,576)	35,493,682	(203,096,068)
			Investment in equity shares	-	(445,050)	-	(445,050)
			Share application money	195,000,000	(195,000,000)	-	-
14	Naya Raipur Gems and Jewellery SEZ Limited	Subsidiary	Security deposit	-	(137,873,694)	-	(137,873,694)
			Share application money	500,000	(23,420,528)	-	(22,920,528)
			Equity investments	-	(500,000)	-	(500,000)
15	Ramky Food Park (Chattisgarh) Limited	Subsidiary	Amounts paid on behalf of company	-	-	105,019	105,019
			Share application money	-	(11,591,934)	-	(11,591,934)
16	Ramky Herbal and Medicinal Park (Chattisgarh) Limited	Subsidiary	Equity investments	-	(500,000)	-	(500,000)
			Share application money	-	(13,891,933)	300,000	(13,891,933)
			Equity investments	-	(500,000)	-	(500,000)



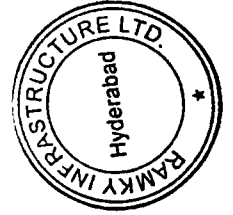
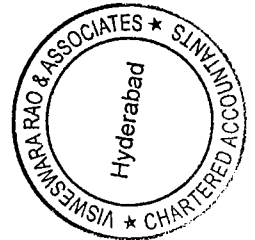
Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2009
17	Ramky – MIDC Agro Processing Park Limited	Subsidiary	Share application money	-	(65,360,586)	263,188	(65,360,586)
			Equity investments	-	(500,000)	-	(500,000)
			Contract revenue	1,247,492,294	(196,476,629)	1,978,706,114	(418,057,772)
18	Ramky Elsamex Hyderabad Ring Road Limited	Subsidiary	Equity investments	73,630,000	(148,000,000)	74,000,000	(74,370,000)
			Inter corporate deposit	54,864,268	(54,864,268)	-	-
			Investment in preference shares	-	(250,000,000)	250,000,000	(250,000,000)
			Mobilisation advance	-	-	-	83,127,019
19	Ramky Towers Limited	Subsidiary	Contract revenue	504,192,104	(286,305,569)	514,982,883	(251,663,433)
			Equity investments	-	(255,000)	-	(255,000)
			Share application money	-	(1,581,000)	-	(1,581,000)
			Security deposit paid	84,151,745	(277,306,097)	25,776,044	(193,154,352)
20	N R Environmental Engineers Inc	Significant interest entity	Sub-contracting charges	353,587	1,212,145	14,110,361	4,161,968

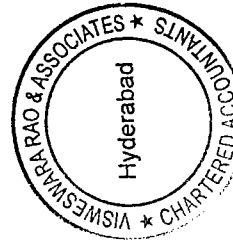


Ramky Infrastructure Limited
(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2009
21	Ramky Finance & Investments Private Limited	Significant interest entity	Other advances	-	-	-	(72,200)
22	Tamil Nadu Waste Management Limited	Significant interest entity	Contract revenue	-	-	45,247,841	(38,588,524)
			Advance received	-	2,307,790	-	(1,070,000)
			Share application money	-	-	-	-
23	West Bengal Waste Management Limited	Significant interest entity	Contract revenue	-	(8,502,592)	10,129,385	(8,502,592)
24	ADR Constructions	Significant interest entity	Sub-contracting charges	-	-	13,389,797	6,459,120
25	Ramky Villas Limited	Significant interest entity	Contract Revenue	-	(20,524,492)	-	(20,524,492)
26	Delhi MSW Solutions Limited	Significant interest entity	Equity investments	50,000	(50,000)	-	-
27	Marketpally Addanki Expressway Limited	Associate	Equity investments	250,000	(250,000)	-	-
28	A.Ayodhya Rami Reddy	Key management personnel	Remuneration	6,300,000	379,021	8,328,500	(342,024)
29	Y.R.Nagaraja	Key management personnel	Remuneration	5,823,309	269,188	6,126,667	(232,894)



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)**20. Notes to the accounts****5. Personnel expenses includes managerial remuneration as given below:**

	For the year ended 31 March 2010	For the year ended 31 March 2009
Salaries, bonus and allowances	11,835,309	14,167,167
Contribution to provident fund	288,000	288,000
Total	12,123,309	14,455,167

The managerial personnel are covered by the personal accident insurance policy and mediclaim insurance policy taken by the Company along with other employees of the Company. The proportionate premium paid towards insurance policies pertaining to the managerial personnel has not been included in the aforementioned disclosures as separate amounts are not available for Directors. Further the above figures do not include provision for gratuity and compensated absences payable to the key managerial personnel as the same are actuarially determined for the Company as a whole.

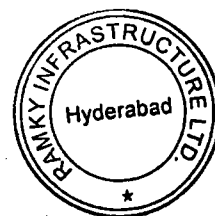
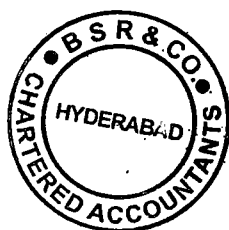
6. Disclosures in terms of revised Accounting Standard (AS) 7 – Construction Contracts:

	For the year ended 31 March 2010	For the year ended 31 March 2009
(i) Contract revenue recognized	20,023,376,714	14,592,313,985
(ii) For contracts that are in progress as at the reporting date:		
- Contract cost incurred and recognised profits (less recognised losses) up to the reporting date	18,691,775,761	14,592,313,985
- Amount of advances received	3,111,480,616	2,366,166,366
- Amount of retentions	1,668,789,595	1,022,054,448

7. Interest in joint ventures

The Company has formed the following Joint Ventures in India as given below which are in the nature of jointly controlled assets. The Company's share in assets, liabilities, income and expenditure are duly accounted for in the accounts of the Company in accordance with such division of assets and therefore does not require separate disclosure.

Name of the Joint Venture	Company's Share (%)
Ramky – Elsamex (J.V.)	90
Ramky – VSM (J.V.)	75
Ramky WPIL (J.V.)	Based on agreed allocation of work
Srishti – Ramky (J.V.)	70
Somdatt Builders – Ramky JV	26



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)**20. Notes to the accounts (continued)**

Following is the line by line break-up of assets, liabilities, income and expenditure of the above Joint Ventures included under the respective heads in the financial statements:

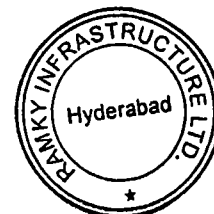
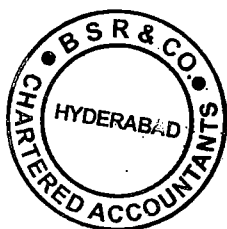
Joint Venture	Assets	Liabilities	Income	Expenditure
<i>Ramky – Elsamex</i>				
31 March 2010	337,832,038	77,212,936	1,259,191,869	1,179,458,021
31 March 2009	566,003,149	358,698,533	1,988,785,669	1,744,163,601
<i>Ramky – VSM</i>				
31 March 2010	286,504,423	213,645,691	508,833,368	486,455,816
31 March 2009	238,615,466	180,520,921	647,362,701	618,396,656
<i>Ramky WPIL</i>				
31 March 2010	38,811,708	21,578,245	46,833,884	42,754,866
31 March 2009	61,885,078	47,306,247	174,975,742	159,336,654
<i>Srishti – Ramky</i>				
31 March 2010	116,416,091	100,964,452	149,380,111	141,976,148
31 March 2009	66,009,742	57,959,548	144,073,602	136,892,808
<i>Somdatt Builders Ramky JV</i>				
31 March 2010	542,171,015	516,652,239	874,399,758	836,255,739
31 March 2009	-	-	-	-

8. Auditors' remuneration (excluding service tax) is as given below:

	For the year ended 31 March 2010	For the year ended 31 March 2009
Audit fees	3,608,103	3,000,000
Other services	2,552,500	500,000
Out of pocket expenses	56,908	-
Total	6,217,511	3,500,000

9. Segment information

The services rendered by the Company primarily include civil contracts, turnkey execution of effluent treatment plant (ETP) & Sewerage Treatment Plant (STP) and related contract consultancy services. The Company is managed organisationally as a unified entity and not along product lines and accordingly, there is only one business and geographical segment.



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)**20. Notes to the accounts (continued)****10. Leases**

The Company is obligated under non-cancellable and cancellable operating lease agreements. Total rental expense for the period under non-cancellable operating leases was Rs. Nil (previous year: Rs. 445,712) and under cancellable leases was Rs. 41,738,068 (previous year: Rs. 27,630,433) has been disclosed as 'rent' in the profit and loss account.

Future minimum lease payments under non-cancellable operating leases are as follows:

Period	As at 31 March 2010	As at 31 March 2009
Not later than 1 year	-	1,440,214
Later than 1 year and not later than 5 years	-	165,412
Total	-	1,605,626

11. Employee benefit plans

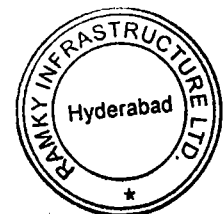
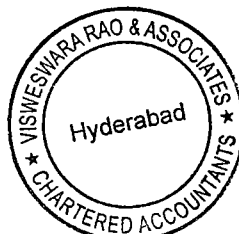
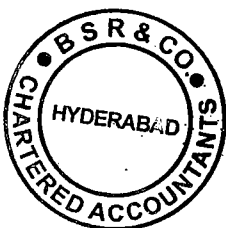
The following tables set out the status of the gratuity plan as required under AS 15

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Particulars	As at 31 March 2010	As at 31 March 2009
Opening defined benefit obligation	3,397,255	2,388,468
Current service cost	2,576,963	300,618
Interest cost	264,985	167,432
Actuarial loss / (gain)	(57,842)	1,836,837
Benefits paid	(1,707,786)	(1,296,100)
Closing defined benefit obligation	4,473,575	3,397,255

Change in the fair value of plan assets

Particulars	As at 31 March 2010	As at 31 March 2009
Fair value of plan assets at the beginning of the year	2,476,373	2,207,150
Expected return on plan assets	307,639	185,564
Actuarial gain / (loss)	-	-
Employer contributions	2,826,448	911,026
Benefits paid	(1,707,786)	(827,367)
Fair value of plan assets at the end of the year	3,902,674	2,476,373



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)**20. Notes to the accounts (continued)****Amount recognized in Balance Sheet**

Particulars	As at 31 March 2010	As at 31 March 2009
Present value of funded obligations	4,473,575	3,397,255
Fair value of plan Assets	(3,902,674)	(2,476,373)
Net Liability	570,901	920,882
Amounts in the balance sheet		
Provision for gratuity	570,901	920,882

Expense recognized in statement of profit and loss account

Particulars	For the year ended 31 March 2010	For the year ended 31 March 2009
Current service cost	2,576,963	300,618
Interest cost on benefit obligation	264,985	167,432
Expected return on plan assets	(307,639)	(185,564)
Net actuarial / (gain) loss recognised in the period / year	(57,842)	1,836,837
Net benefit expense	2,476,467	2,119,323

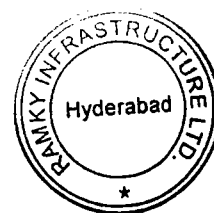
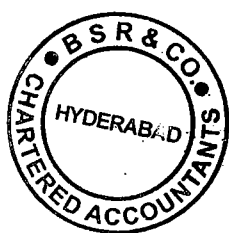
Summary of actuarial assumptions

Particulars	For the year ended 31 March 2010	For the year ended 31 March 2009
Discount rate	7.80%	7.01%
Salary escalation	10%	10%
Attrition rate	20%	20%

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.



Ramky Infrastructure Limited

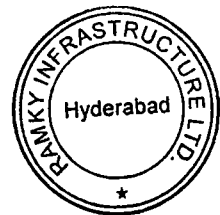
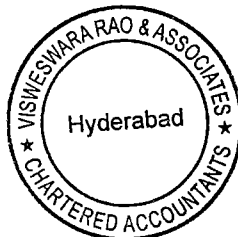
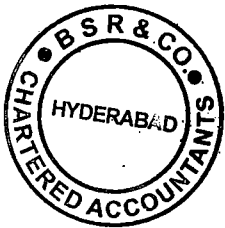
(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)**20. Notes to the accounts (continued)**

12. The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2010 has been made in the financials statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

	For the year ended 31 March 2010	For the year ended 31 March 2009
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period / year;	Nil	Nil
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the period / year;	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period / year) but without adding the interest specified under this Act;	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the period / year;	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

13. The Company does not have balance which is denominated in foreign currency as at the year ended 31 March 2010 and as at 31 March 2009 and hence there is no un-hedged exposure in foreign currency at these dates.



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)**20. Notes to the accounts (continued)****14. CIF value of imports**

	For the year ended 31 March 2010	For the year ended 31 March 2009
Plant and machinery	-	150,234,420
Materials	-	3,855,835

15. Expenditure in foreign currency

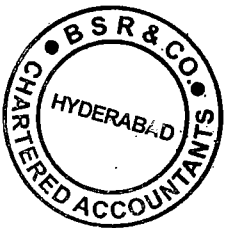
	For the year ended 31 March 2010	For the year ended 31 March 2009
Travel	73,626	20,403
Total	73,626	20,403

16. Imported and indigenous material consumed

	For the year ended 31 March 2010		For the year ended 31 March 2009	
	Value	% of total consumption	Value	% of total consumption
Imported	-	0%	3,855,837	0.10%
Indigenous	4,324,278,347	100.00%	4,024,189,863	99.90%
Total	4,324,278,347	100.00%	4,028,045,700	100.00%

17. Sundry debtors include the following amounts due from companies under the same management:

	As at 31 March 2010	As at 31 March 2009
Ramky Energy and Environment Limited	2,530,905	2,712,437
Ramky Enviro Engineers Limited	-	220,361,619
Ramky Estates and Farms Limited	18,999,409	235,666,600
SembRamky Environmental Management Private Limited	2,633,710	5,913,301
Tamilnadu Waste Management Limited	-	38,588,524
West Bengal Waste Management Limited	8,502,592	8,502,592
Ramky Villas Limited	20,524,492	20,524,492



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)**20. Notes to the accounts (continued)**

18. Loans and advances include the following amounts to companies under same management:

	As at 31 March 2010	As at 31 March 2009
Ramky Estates and Farms Limited	17,125,340	29,476,685
Ramky Finance and Investment Private Limited	-	72,200
Ramky Global Solutions Private Limited	1,577,690	1,577,690
Tamilnadu Waste Management Limited	-	1,070,000
Ramky Integrated Township Limited	100,000,000	100,000,000
Ramky Enviro Engineers Limited	60,883,630	55,800,000

19. Previous year's figures

Previous year's figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

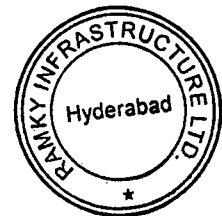
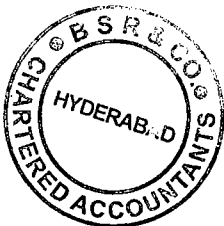
for Ramky Infrastructure Limited

A. Ayodhya Rami Reddy
Executive Chairman

Y.R. Nagaraja
Managing Director

V. Phanibhushan
Company Secretary

Sanjiv Iyer
Chief Financial Officer

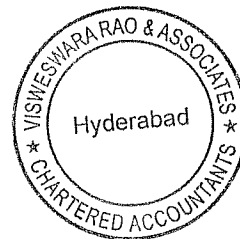
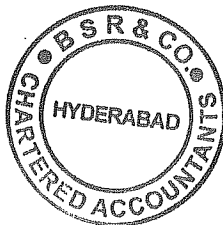


BSR & Co.
8-2-618/2, Reliance Humsafar,
Fourth Floor, Road No. 11,
Banjara Hills
Hyderabad – 500 034

Visweswara Rao & Associates
SRI, Plot No.512A1,
Road No.31, Jubilee Hills
Hyderabad – 500 033

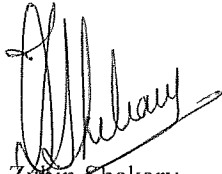
**AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF RAMKY
INFRASTRUCTURE LIMITED ON THE CONSOLIDATED FINANCIAL
STATEMENTS OF RAMKY INFRASTRUCTURE LIMITED AND ITS
SUBSIDIARIES**

1. We have audited the attached Consolidated Balance Sheet of Ramky Infrastructure Limited (“the Company”) and its subsidiaries (collectively referred to as the “Ramky’s Group”) as at 31 March 2010 and also the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The financials statements of certain subsidiaries and associates for the year ended 31 March 2010 have been audited by one of the joint auditors, M/s. Visweswara Rao & Associates, whose reports have been furnished to us and accordingly relied upon by us. The said financial statements reflect the total assets of Rs.9,038.58 million as at 31 March 2010 and the total revenues of Rs.1,346.51 million for the year ended 31 March 2010.
4. The financials statements of certain subsidiaries for the year ended 31 March 2010 have been audited by other auditors namely, M/s. N.R. Doshi & Co and M/s. S. R. Goyal & Co, whose reports have been furnished to us and accordingly relied upon by us. The said financial statements reflect the total assets of Rs.2,884.18 million as at 31 March 2010 and total revenues of Rs.0.94 million for the year ended 31 March 2010.



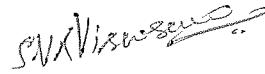
5. The consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21- Consolidated Financial Statements, Accounting Standard 23- Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard 27- Financial Reporting of Interests in Joint Ventures, as specified in Companies (Accounting Standards) Rules, 2006.
6. In our opinion and to the best of our information and according to the explanations given to us, the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of Ramky's Group as at 31 March 2010 ;
 - (ii) in the case of Consolidated Profit and Loss Account, of the consolidated results of operations of Ramky's Group for the year ended on that date; and
 - (iii) in the case of Consolidated Cash Flow Statement, of the consolidated cash flows of Ramky's Group for the year ended on that date.

for B S R & Co.
Chartered Accountants
Firm Registration No: 101248W



Zubin Shekary
Partner
Membership No: 48814

for Visweswara Rao & Associates
Chartered Accountants
Firm Registration No: 005774S



S.V.R. Visweswara Rao
Partner
Membership No: 29088

Place : Hyderabad
Date : 21 July 2010

Place : Hyderabad
Date : 21 July 2010

Ramky Infrastructure Limited
Consolidated Balance Sheet as at 31 March 2010
(All amounts in Indian Rupees, except share data and where otherwise stated)

	Schedule	As at 31 March 2010	As at 31 March 2009
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	2	494,200,140	494,200,140
Reserves and surplus	3	<u>5,055,051,980</u>	<u>3,716,750,567</u>
		<u>5,549,252,120</u>	<u>4,210,950,707</u>
Secured loans	4	10,110,221,877	7,042,715,061
Unsecured loan	5	<u>9,095,885</u>	<u>28,562,459</u>
		<u>10,119,317,762</u>	<u>7,071,277,520</u>
Minority interest		1,480,016,028	748,574,086
Deferred tax liability (net)	21(4)	294,590,573	-
		<u>17,443,176,483</u>	<u>12,030,802,313</u>
APPLICATION OF FUNDS			
Fixed assets			
Gross block	6	1,951,128,296	1,824,035,661
Less: Accumulated depreciation		<u>405,046,586</u>	<u>289,205,738</u>
Net block		1,546,081,710	1,534,829,923
Capital work-in-progress		<u>1,254,613,256</u>	<u>5,027,389,317</u>
		<u>2,800,694,966</u>	<u>6,562,219,240</u>
Goodwill		21,266,796	21,266,796
Investments	7	876,068,098	875,966,698
Receivables under service concession arrangements	21(3)	6,695,576,386	-
Deferred tax asset (net)	21(4)	-	30,939,593
Current assets, loans and advances			
Inventories	8	5,527,342,407	3,981,456,801
Sundry debtors	9	5,020,418,381	4,423,123,372
Retention money		1,821,617,069	1,157,593,974
Cash and bank balances	10	1,677,700,305	814,856,698
Loans and advances	11	<u>3,641,414,209</u>	<u>2,446,259,040</u>
		<u>17,688,492,371</u>	<u>12,823,289,885</u>
Current liabilities and provisions			
Current liabilities	12	10,615,010,614	8,275,868,518
Provisions	13	<u>23,911,520</u>	<u>7,011,382</u>
		<u>10,638,922,134</u>	<u>8,282,879,900</u>
Net current assets		7,049,570,237	4,540,409,985
		<u>17,443,176,483</u>	<u>12,030,802,313</u>

Significant accounting policies

1

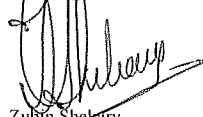
Notes to the accounts

21

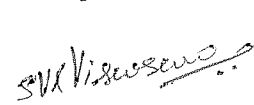
The schedules referred to above form an integral part of the Balance Sheet

As per our report attached

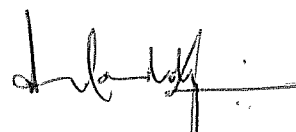
for **BSR & Co.**
Chartered Accountants
Firm Registration No: 101248W



Zubin Shakary
Partner
Membership No.: 48814

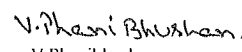
for **Visweswara Rao & Associates**
Chartered Accountants
Firm Registration No: 005774S

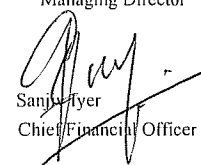

S.V.R. Visweswara Rao
Partner
Membership No.: 29088

for **Ramky Infrastructure Limited**


A Ayodhya Rami Reddy
Executive Chairman


Y R Nagaraja
Managing Director


V. Phanibhushan
Company Secretary


Sanjay
Chief Financial Officer

Place: Hyderabad
Date: 21 July 2010

Place: Hyderabad
Date: 21 July 2010

Place: Hyderabad
Date: 21 July 2010

Ramky Infrastructure Limited
Consolidated Profit and Loss Account for the year ended 31 March 2010
(All amounts in Indian Rupees, except share data and where otherwise stated)


	Schedule	For the year ended 31 March 2010	For the year ended 31 March 2009
Income			
Contract revenues	14	21,827,248,446	12,413,354,987
Other income	15	685,650,371	115,309,981
		22,512,898,817	12,528,664,968
Expenditure			
Contract costs	16	18,318,561,100	10,395,917,297
Personnel costs	17	631,715,332	460,434,878
Administrative and selling expenses	18	459,726,157	316,240,859
Finance charges	19	1,084,513,480	534,448,856
Depreciation	6	116,565,179	101,729,542
Share of loss in associate companies		198,600	-
		20,611,279,848	11,808,771,432
Profit before prior period expenses and tax		1,901,618,969	719,893,536
- Prior period expenses		-	25,458,166
Profit before tax		1,901,618,969	694,435,370
Income tax expense	20	421,678,169	210,572,686
Profit after tax before minority interest		1,479,940,800	483,862,684
Minority interest		206,214,806	59,309,326
Profit after minority interest		1,273,725,994	424,553,358
Add: Balance in profit and loss account brought forward		1,637,612,726	1,213,059,368
Balance carried forward to balance sheet		2,911,338,720	1,637,612,726
Earnings per share			
	21(5)		
Basic - Par value Rs. 10 per share		25.77	8.59
Diluted - Par value Rs. 10 per share		25.77	8.59

Significant accounting policies 1
Notes to the accounts 21

The schedules referred to above form an integral part of the Profit and Loss Account

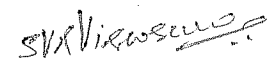
As per our report attached

for **BSR & Co.**
Chartered Accountants
Firm Registration No: 101248W



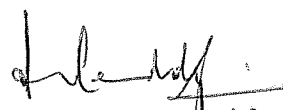
Zubin Shekary
Partner
Membership No.: 48814

for **Visweswara Rao & Associates**
Chartered Accountants
Firm Registration No: 005774S



S.V.R. Visweswara Rao
Partner
Membership No.: 29088

for **Ramky Infrastructure Limited**

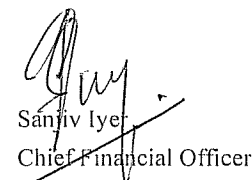


A Ayodhya Ram Reddy
Executive Chairman



Y R Nagaraja
Managing Director

V. Phani Bhushan
V. Phani Bhushan
Company Secretary



Sanjiv Iyer
Chief Financial Officer

Place: Hyderabad
Date: 21 July 2010

Place: Hyderabad
Date: 21 July 2010

Place: Hyderabad
Date: 21 July 2010

Ramky Infrastructure Limited
Cash flow statement for the year ended 31 March 2010
 (All amounts are in Indian Rupees except share data and where otherwise stated)

Particulars	31 March 2010	31 March 2009
Cash flows from operating activities		
Profit before tax	1,901,618,969	694,435,370
Adjustments:		
Interest income	(45,443,125)	(44,737,200)
Interest expense	994,365,314	458,430,561
Loss on sale of fixed assets	663,730	610,759
Depreciation	116,565,179	101,729,542
Preliminary expenses written off	-	126,850
Operating profit before working capital changes	<u>2,967,770,067</u>	<u>1,210,595,882</u>
Increase in inventory	(1,545,885,605)	(1,387,787,182)
Increase in sundry debtors	(597,295,009)	(643,409,949)
Increase in loans and advances and retention money	(1,702,309,772)	(529,011,670)
Decrease in miscellaneous expenses	-	24,047,459
Increase in current liabilities and provisions	<u>2,662,882,575</u>	<u>2,373,146,646</u>
Cash generated from operations	<u>1,785,162,256</u>	<u>1,047,581,188</u>
Increase in long term receivables due to service concession arrangements	(2,492,905,815)	-
Income taxes paid	<u>(402,419,564)</u>	<u>(409,641,450)</u>
<i>Net cash from operating activities</i>	<u><u>(1,110,163,123)</u></u>	<u><u>637,939,738</u></u>
Cash flows from investing activities:		
Interest received	38,144,306	34,534,214
Proceeds from sale of fixed assets	1,485,550	601,098
Purchase of investments	(101,400)	(182,410)
Purchase of fixed assets	<u>(200,174,851)</u>	<u>(4,163,712,945)</u>
<i>Net cash used in investing activities</i>	<u><u>(160,646,395)</u></u>	<u><u>(4,128,760,042)</u></u>
Cash flows from financing activities:		
Proceeds from borrowings	16,487,260,782	5,592,812,944
Repayment of borrowings	(13,414,578,462)	(1,740,174,060)
Repayment of unsecured loan	(19,466,574)	(11,520,665)
Grant received from Hyderabad Urban Development Authority	-	166,255,000
Proceeds from minority interest	79,978,195	57,000,000
Interest paid	<u>(999,540,816)</u>	<u>(458,958,014)</u>
<i>Net cash from financing activities</i>	<u><u>2,133,653,125</u></u>	<u><u>3,605,415,205</u></u>
Net increase in cash and cash equivalents	862,843,607	114,594,901
Cash and cash equivalents at beginning of the year (Note 1)	<u>814,856,698</u>	<u>700,261,797</u>
Cash and cash equivalents at end of the year (Note 1)	<u><u>1,677,700,305</u></u>	<u><u>814,856,698</u></u>

Notes:

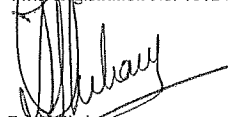
1. Components of cash and cash equivalents as at	31 March 2010	31 March 2009
Cash in hand	3,015,287	1,991,857
Cheques on hand	188,609,559	55,131,624
Balances with scheduled banks		
- in current accounts	675,831,628	226,537,787
- in deposit accounts	<u>810,243,831</u>	<u>531,195,430</u>
	<u><u>1,677,700,305</u></u>	<u><u>814,856,698</u></u>

As per our report attached.

for **BSR & Co.**

Chartered Accountants

Firm Registration No: 101248W



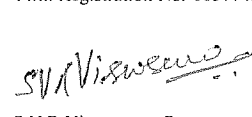
Zubin Shukary
Partner

Membership No.: 48814

for **Visweswara Rao & Associates**

Chartered Accountants

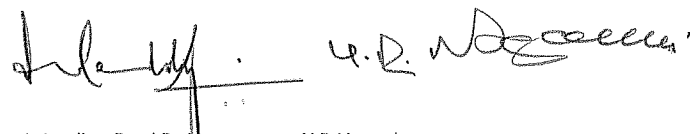
Firm Registration No: 005774S



S.V.R. Visweswara Rao
Partner

Membership No.: 29088

for **Ramky Infrastructure Limited**



A Ayodhya Rami Reddy
Executive Chairman

Y R Nagaraja
Managing Director

V. Phani Bhushan
V. Phani Bhushan
Company Secretary

Saajiv Iyer
Chief Financial Officer

Place: Hyderabad
Date: 21 July 2010

Place: Hyderabad
Date: 21 July 2010

Place: Hyderabad
Date: 21 July 2010

Ramky Infrastructure Limited
Schedules to the Consolidated Balance Sheet and Profit and Loss Account

1. Significant accounting policies

a) Basis of preparation

The consolidated financial statements have been prepared and presented in accordance with the Indian Generally Accepted Accounting Principles (“GAAP”) under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India under Section 211 (3C) of the Companies Act, 1956, other pronouncements of Institute of Chartered Accountants of India, the provisions of Companies Act, 1956.

b) Use of estimates

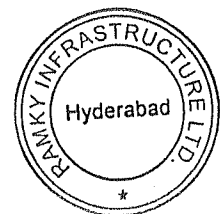
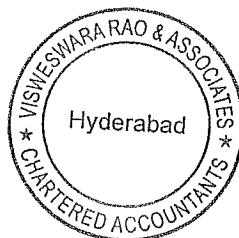
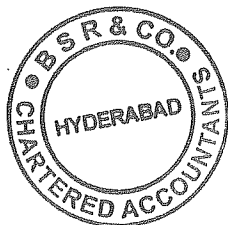
The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

c) Principles of consolidation

The consolidated summary statement include the financial statements of the Company, all of its subsidiary companies, in which the Company has more than one-half of the voting power of an enterprise or where the Company controls the composition of the board of directors. In accordance with AS-27 “Financial Reporting of Interests in Joint Ventures”, issued under Companies (Accounting Standards) Rules, 2006, the Group has accounted for its proportionate share of interest in a joint venture by the proportionate consolidation method.

The consolidated summary statements have been prepared on the following basis:

- The financial statements of the parent company and the subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profits in full. Unrealised losses resulting from intra-group transactions have also been eliminated in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the subsidiaries.
- The Group accounts for investments by the equity method of accounting in accordance with AS-23 “Accounting for Investment in Associates in Consolidated Financial Statements”, where it is able to exercise significant influence over the operating and financial policies of the investee. Inter company profits and losses have been proportionately eliminated until realised by the investor or investee.
- The proportionate share of Group’s interest in Joint Ventures (including arrangements which involve joint control and joint ownership by the venturers of one or more assets contributed to or acquired for the purpose of the joint venture, “jointly controlled assets”), is combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group transactions and resulting unrealised profits, to the extent it pertains to the Group.



1. Significant accounting policies (continued)

Principles of consolidation (Continued)

- The excess / deficit of cost to the parent company of its investment in the subsidiaries and associate over its portion of equity at the respective dates on which investment in such entities were made is recognised in the financial statements as goodwill / capital reserve. The parent company's portion of equity in such entities is determined on the basis of the book values of assets and liabilities as per the financial statements of such entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant transactions, up to the date of investment.
- Minority interest in the net assets of consolidated subsidiaries consists of: (a) the amount of share capital attributable to minorities at the date on which investment in a subsidiary is made; and (b) the minorities' share of movements in share capital since the date the parent subsidiary relationship came into existence.
- The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.
- The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

d) Fixed assets and depreciation

Fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes purchase price, non-refundable taxes, duties, freight and other incidental expenses related to the acquisition or installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed under capital work-in-progress.

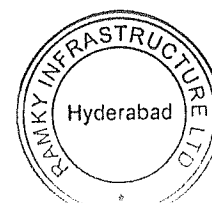
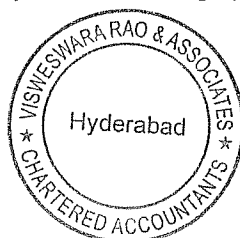
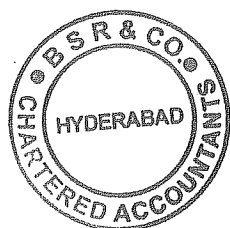
Depreciation on fixed assets is provided using the straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956 except for office equipment which is depreciated @ 6.33% based on useful life of the asset. In the opinion of the management, the rates specified in Schedule XIV reflect the economic useful lives of these assets.

Depreciation is calculated on a pro-rata basis from/upto the date the assets are purchased/sold. Individual assets costing less than Rs. 5,000 are depreciated in full in the year of acquisition.

e) Investments

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.



1. Significant accounting policies (continued)

f) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Uncertified contract work -in-progress is valued at cost.

Cost of materials is determined on a weighted average basis.

In case of the real estate activity, the inventories comprise of lands, development of lands, Plots, Houses and Flats. It is valued at direct development cost including related incidental expenditure attributable to the said property to bring it to the marketable stage.

g) Employee benefits

Contributions to the recognised provident fund, which is a defined contribution scheme, are charged to the profit and loss account.

Employee gratuity and long term compensated absences, which are defined benefits schemes, are accrued based on the actuarial valuation at the balance sheet date and are charged to profit and loss account. All actuarial gains and losses arising during the year are recognized in the profit and loss account.

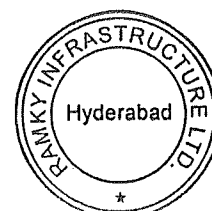
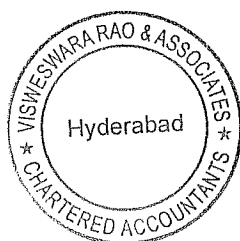
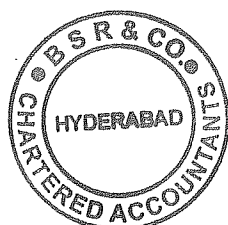
h) Foreign currency transactions, balances and translation of financial statements of foreign subsidiaries

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions or at an average monthly rate that approximates the actual rate at the date of transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the profit and loss account.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at year-end rates. The resultant exchange differences are recognised in the profit and loss account. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

The consolidated foreign subsidiary has been identified as non integral operations in accordance with the requirements of AS -11(Revised 2003) "The Effect of Changes in Foreign Exchange rates" which is effective for the accounting periods commencing on or after 1 April 2004. In accordance with AS -11 (Revised 2003) , the financial statements of such non-integral foreign operations are translated into Indian rupees as follows:

- All assets and liabilities, both monetary and non-monetary, are translated using the closing rate.
- Revenue items are translated at the respective monthly average rates.
- The resulting net exchange difference is credited or debited to a foreign currency translation reserve.
- Contingent liabilities are translated at the closing rate.



1. Significant accounting policies (continued)

i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

Revenue from long term construction contracts is recognized on the percentage of completion method as prescribed in Accounting Standard (AS) 7 “Construction contracts” notified by the Companies Accounting Standards Rules, 2006. Percentage of completion is determined on the basis of physical proportion of work completed and measured at the balance sheet date as compared to the overall work to be performed on the projects as in the opinion of the management, this method measures the work performed reliably. However, profit is not recognized unless there is reasonable progress on the contract. Where the probable total cost of a contract is expected to exceed the corresponding contract revenue, such expected loss is provided for.

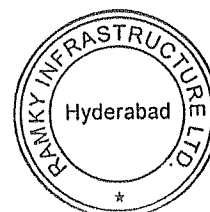
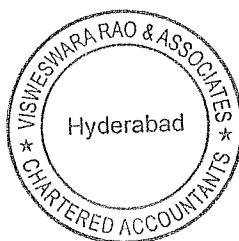
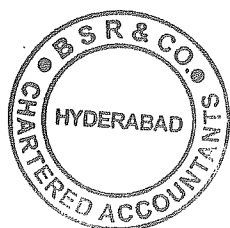
In case of project related development activities, revenue is recognized by reference to the stage of completion of the development activity as at the balance sheet date as laid down in Guidance note on Recognition of Revenue by Real Estate Developers read with Accounting Standard -7 “Accounting for Construction Contracts”. The stage of completion is determined at the proportion cost incurred to date to the total estimated cost of the project.

The Group builds infrastructure facilities (roads) under public-to-private Service Concession Arrangements (SCAs) which it operates and maintains for periods specified in the SCAs. These projects that are in the nature of ‘Build Operate and Transfer’ (BOT) meet the characteristics of a public-to-private service concession arrangement. The Group recognises and measures revenue in accordance with Accounting Standard (AS) 7 ‘Construction Contracts’ and Accounting Standard (AS) 9 ‘Revenue Recognition’ for the construction or upgrade and operating and maintenance services it performs under the contract or arrangement as prescribed in the Exposure Draft Guidance note on Accounting for Service Concession Arrangements.

The Group has recognised a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the grantor for the construction and operation and maintenance services. Such financial assets are classified as “Receivables under Service Concession Arrangements”. Interest income arising on account of the Receivables under Service Concession Arrangements is recognized in the profit and loss account using the effective interest rate method. The change in accounting policy is more fully explained in Note 3 of Schedule 21 to the financial statements.

Income from other operation and maintenance contracts is recognised on the basis of utilisation of the facility by the clients and is based on the agreements entered into with the clients.

Dividend income is recognised when the unconditional right to receive the income is established. Income from interest on deposits and interest bearing securities is recognised on the time proportionate method taking into account the amount outstanding and the rate applicable.



1. Significant accounting policies (continued)

j) *Income-tax expense*

Income tax expense comprises current tax, deferred tax charge or credit and fringe benefit tax.

Current tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and is written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Group has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Fringe benefit tax

Consequent to the introduction of Fringe Benefit Tax (“FBT”) effective 1 April 2005, the Group provides for and discloses the FBT in accordance with the provisions of Section 115 WC of the Income Tax Act, 1961 and guidance note on FBT issued by the ICAI.

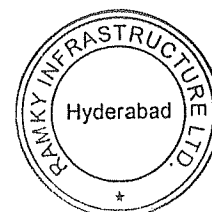
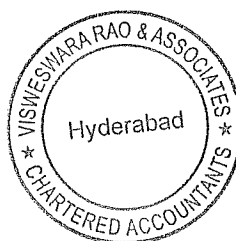
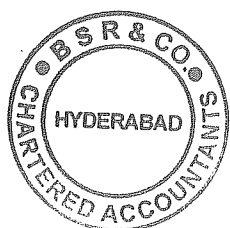
k) *Borrowing cost:*

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time i.e., more than 12 months to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

l) *Segment reporting*

The Company’s operating businesses are organized and managed separately according to the nature of business and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs. General corporate income and expense items are not allocated to any business segment.



1. Significant accounting policies (continued)

m) *Earnings per share*

The basic earnings per share (“EPS”) is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). In computing dilutive earnings per share, only potential equity shares that are dilutive and that either reduce earnings per share or increase loss per share are included.

n) *Provisions and contingent liabilities*

The Group creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

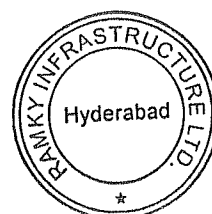
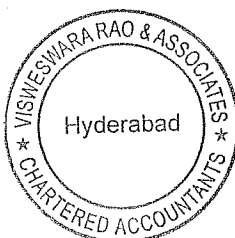
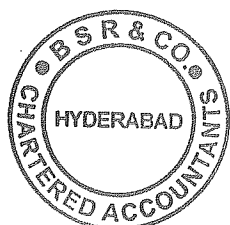
Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

o) *Impairment of assets*

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

p) *Leases*

Assets taken on lease where the Group acquires substantially the entire risks and rewards incidental to ownership are classified as finance leases. The amount recorded is the lesser of the present value of minimum lease rental and other incidental expenses during the lease term or the fair value of the assets taken on lease. The rental obligations, net of interest charges, are reflected as secured loans. Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit and loss account on a straight line basis over the lease term.



Ramky Infrastructure Limited
(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedules to the Consolidated Balance Sheet

Schedule 2 : Share capital

	As at 31 March 2010	As at 31 March 2009
Authorised:		
70,000,000 (previous year: 70,000,000) equity shares of Rs.10 each	<u>700,000,000</u>	<u>700,000,000</u>
Issued, Subscribed and Paid-up:		
49,420,014 (previous year: 49,420,014) equity shares of Rs. 10 each fully paid-up	<u>494,200,140</u>	<u>494,200,140</u>
[Of the above 41,183,345 equity shares of Rs.10 each were issued in financial year 2007-08, as fully paid bonus shares by way of capitalisation of securities premium amount]		

Schedule 3 : Reserves and surplus

	As at 31 March 2010	As at 31 March 2009
Capital reserve	875,378,288	875,378,288
Securities premium account	806,131,860	806,131,860
<i>Grant received from Hyderabad Urban Development Authority</i>		
Opening balance	399,012,000	-
Add: Received during the year	-	399,012,000
Less: Cumulative effect of change in accounting policy for service concession arrangements (Refer note 3 of Schedule 21)	(399,012,000)	-
	<u>-</u>	<u>399,012,000</u>
<i>Foreign exchange translation reserve</i>	(1,650,010)	(1,384,307)
<i>Profit and loss account:</i>		
Opening balance	1,637,612,726	1,213,059,368
Add: Profit for the year	1,273,725,994	424,553,358
Add: Cumulative effect of change in accounting policy for service concession arrangements (Refer note 3 of Schedule 21)	463,853,122	-
	<u>3,375,191,842</u>	<u>1,637,612,726</u>
	<u>5,055,051,980</u>	<u>3,716,750,567</u>

Schedule 4 : Secured loans

	As at 31 March 2010	As at 31 March 2009
From banks		
- Term loans (refer note 1) *	4,739,529,856	3,350,429,313
- Working capital loans (refer note 2)	3,840,446,975	2,600,553,583
- Equipment and vehicle loans (refer note 3)	149,970,822	215,294,729
From others		
-Term loans	1,207,519,120	710,011,784
- Equipment and vehicle loans (refer note 3)	172,716,689	161,211,735
Interest accrued and due	38,415	5,213,917
	<u>10,110,221,877</u>	<u>7,042,715,061</u>

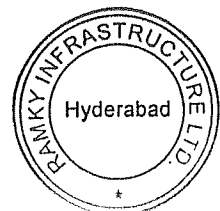
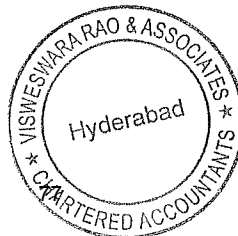
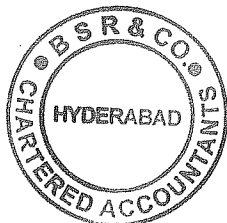
* Includes amount due within one year Rs 1,293,873,420 (previous year: Rs.1,019,040,495)

Notes :

1. Term loans availed in respect of specific projects are secured by a first charge on land, present and future movable assets and current assets related to the project. All other term loan facilities from various banks are secured by a pari passu charge on the movable and current asset of the Company and are guaranteed by the Executive Chairman of the Company.
2. Working capital loans are secured by pari passu charge on the current assets of the Company, present and future.
3. Equipment / vehicle loans are secured by way of hypothecation of the respective equipment / vehicles.

Schedule 5: Unsecured loan

	As at 31 March 2010	As at 31 March 2009
From others - corporate	<u>9,095,885</u>	<u>28,562,459</u>
	<u>9,095,885</u>	<u>28,562,459</u>



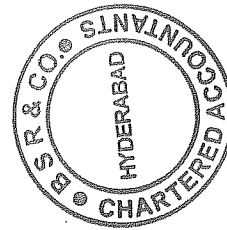
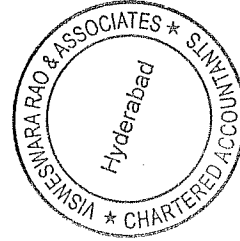
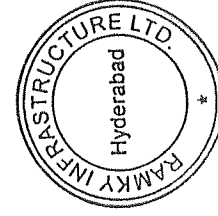
Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedules to the Consolidated Balance Sheet (continued)

Schedule 6 : Fixed assets

Description	Gross block			Depreciation			Net block		
	As at 1 April 2009	Additions	Deletions	As at 31 March 2010	As at 1 April 2009	For the year	On deletions	As at 31 March 2010	As at 31 March 2009
Freehold land	90,021,348	-	-	90,021,348	-	-	-	90,021,348	90,021,348
Buildings	79,083,932	15,850,242	-	94,934,174	18,658,444	4,032,015	-	72,243,716	60,425,488
Plant and machinery	1,255,919,156	82,373,289	1,443,473	1,336,848,972	136,293,309	69,130,519	313,178	1,131,738,322	1,119,625,847
Furniture and fixtures	28,214,811	4,207,457	-	32,422,268	9,917,060	2,305,575	-	20,199,633	18,297,751
Office equipment	58,745,724	5,670,053	98,990	64,316,787	14,123,209	3,804,334	13,550	46,402,794	44,622,515
Vehicles	215,553,453	8,454,303	1,214,652	222,793,104	67,802,462	23,202,053	359,388	132,147,977	147,750,991
Computers	66,250,316	13,364,901	116,495	79,498,722	27,897,081	11,061,908	38,214	40,577,947	38,353,235
Roads, water supply, drainage system and sewerage treatment plant	30,246,921	46,000	-	30,292,921	14,514,173	3,028,775	-	12,749,973	15,732,748
Total	1,824,035,661	129,966,245	2,873,610	1,951,128,296	289,205,738	116,565,179	724,330	405,046,586	1,534,829,923
Previous year	989,619,512	836,020,492	1,604,343	1,824,035,661	186,211,288	101,729,542	392,486	289,205,738	1,534,829,923



Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedules to the Consolidated Balance Sheet (continued)

Schedule 7 : Investments

	As at 31 March 2010	As at 31 March 2009
Long term at cost, unless otherwise specified		
I. Quoted investments:- Non-trade		
<i>(a) Equity shares (fully paid-up)</i>		
11,600 (previous year: 11,600) equity shares of Rs. 10 each of Canara Bank	406,000	406,000
Total quoted long term investments (I)	406,000	406,000
II. Unquoted investments:- Trade		
<i>Equity shares (fully paid-up) in associates</i>		
18,241 (previous year: nil) equity shares of Rs.10 each of Ramky Integrated Township Limited	875,384,177	875,560,698
25,000 (previous year: Nil) equity shares of Rs.10 each of Narketpally Addanki Expressway Limited	227,921	-
<i>In equity shares (fully paid-up)</i>		
5,000 (previous year: Nil) equity shares of Rs.10 each of Delhi MSW Solutions Limited	50,000	-
Total unquoted long term investments (II)	875,662,098	875,560,698
Total investments (I+II)	876,068,098	875,966,698
Aggregate cost of quoted investments	406,000	406,000
Aggregate cost of unquoted investments	875,662,098	875,560,698
Market value of quoted investments	4,758,320	1,924,440

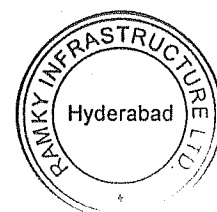
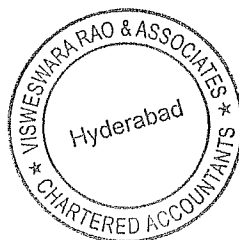
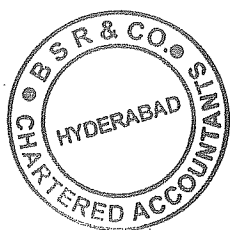
Schedule 8 : Inventories

	As at 31 March 2010	As at 31 March 2009
Materials and supplies	1,064,771,280	962,981,315
Contract work-in-progress	4,462,571,127	3,018,475,486
	5,527,342,407	3,981,456,801

Schedule 9 : Sundry debtors*
(Unsecured, considered good)

	As at 31 March 2010	As at 31 March 2009
Debts outstanding for a period exceeding six months	1,156,609,734	1,440,005,903
Other debts	3,863,808,647	2,983,117,469
	5,020,418,381	4,423,123,372

* Includes amounts due from companies under the same management (refer note 13 of Schedule 21)



Ramky Infrastructure Limited
(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedules to the Consolidated Balance Sheet (continued)

Schedule 10 : Cash and bank balances

	As at 31 March 2010	As at 31 March 2009
Cash in hand	3,015,287	1,991,857
Cheques on hand	188,609,559	55,131,624
Balances with scheduled banks		
In current accounts	675,831,628	226,537,787
In deposit accounts *	810,243,831	531,195,430
	<u>1,677,700,305</u>	<u>814,856,698</u>

* Includes Rs.233,799,960 (previous year: Rs. 193,967,770) representing margin money for letters of credit, bank guarantees issued and term loans granted.

Schedule 11 : Loans and advances*
(Unsecured, considered good)

	As at 31 March 2010	As at 31 March 2009
Advances recoverable in cash or in kind or for value to be received	2,751,061,290	1,730,527,602
Security and other deposits	33,228,835	29,775,106
Earnest money deposits	127,019,888	115,061,277
Share application money pending allotment	100,000,000	101,070,000
Interest accrued and not due on deposits	29,398,592	22,099,773
Prepaid expenses	73,829,352	52,537,978
Advance tax [net of provision for tax]	378,386,058	265,782,057
MAT credit entitlement	92,786,671	55,821,000
Service tax receivable	55,703,523	73,584,247
	<u>3,641,414,209</u>	<u>2,446,259,040</u>

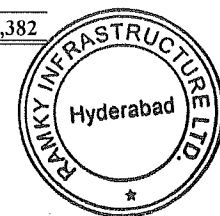
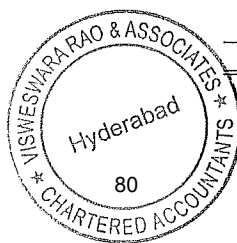
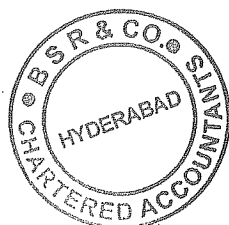
*Includes loans and advances to companies under same management. (refer note 14 of schedule 21)

Schedule 12 : Current liabilities

	As at 31 March 2010	As at 31 March 2009
Sundry creditors		
- total outstanding due to micro and small enterprises (Refer note 9 of schedule 21)	-	-
- total outstanding due to creditors other than micro and small enterprises	3,792,252,501	2,763,455,207
Mobilisation and other advances	5,016,879,936	4,133,976,097
Advance received	24,100,000	350,991,805
Security deposits received	762,938,044	432,231,350
Retention money payable	511,331,398	269,436,846
Other liabilities	507,508,735	325,777,213
	<u>10,615,010,614</u>	<u>8,275,868,518</u>

Schedule 13 : Provisions

	As at 31 March 2010	As at 31 March 2009
Provision for income tax [net of advance tax]	20,019,813	234,083
Gratuity (Refer note 8 of schedule 21)	1,375,001	3,479,331
Compensated absences (long term)	2,516,706	3,297,968
	<u>23,911,520</u>	<u>7,011,382</u>



Ramky Infrastructure Limited

(All amounts in Indian Rupees except share data and where otherwise stated)

Schedules to the Consolidated Profit and Loss Account

Schedule 14 : Contract revenues

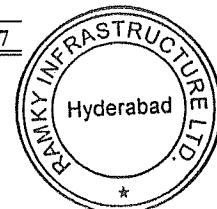
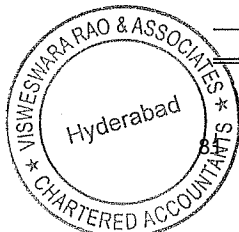
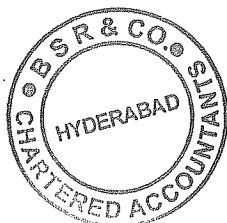
	For the year ended 31 March 2010	For the year ended 31 March 2009
Contract revenues	20,220,155,136	12,038,632,963
<i>Less</i> : Opening contract work-in-progress	(835,519,231)	(547,032,309)
<i>Add</i> : Closing contract work-in-progress	2,246,370,722	835,519,231
Operating and maintenance revenue	196,241,819	86,235,102
	<u>21,827,248,446</u>	<u>12,413,354,987</u>

Schedule 15 : Other income

	For the year ended 31 March 2010	For the year ended 31 March 2009
Interest income	45,443,125	44,737,200
Interest on receivables under service concession arrangements	589,422,834	-
Equipment lease / hire charges	9,740,503	29,904,759
Insurance claim	4,007,004	-
Dividend on shares	92,800	92,800
Sale of scrap	14,905,788	14,711,204
Miscellaneous income	22,038,317	25,864,018
	<u>685,650,371</u>	<u>115,309,981</u>

Schedule 16 : Contract costs

	For the year ended 31 March 2010	For the year ended 31 March 2009
Contract materials and supplies consumed		
Opening stock	962,981,315	370,502,231
<i>Add</i> : Purchases	4,240,359,685	3,944,996,298
<i>Less</i> : Closing stock	<u>(1,064,771,280)</u>	<u>(962,981,315)</u>
	4,138,569,720	3,352,517,214
Sub-contractor expenses	9,708,411,778	5,093,881,514
Contract costs:		
Development expenses	1,475,493,383	327,195,050
Contract wages	1,008,245,134	1,066,716,719
Contract Consultancy charges	888,190,395	-
VAT / Work contract tax	340,439,510	220,783,619
Service tax	182,296,631	138,450,376
Hire charges	120,731,681	5,141,449
Power and fuel	99,911,500	63,228,949
Repairs and maintenance - Plant and Machinery	46,007,949	28,694,904
Transport expenses	44,687,492	27,337,831
Consumables and other site expenses	55,800,045	7,740,648
Site installation charges	12,056,889	8,516,835
Water charges	6,463,123	12,229,244
Royalty charges	55,460,251	4,835,944
Operating and maintenance expenses	135,795,619	38,647,001
	<u>18,318,561,100</u>	<u>10,395,917,297</u>



Ramky Infrastructure Limited
(All amounts in Indian Rupees, except share data and where otherwise stated)

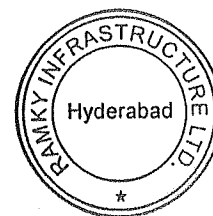
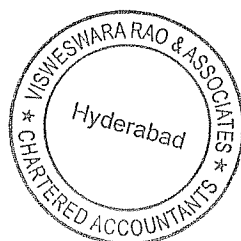
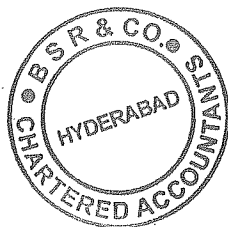
Schedules to the Consolidated Profit and Loss Account (continued)

Schedule 17 : Personnel Costs

	For the year ended 31 March 2010	For the year ended 31 March 2009
Salaries, wages and bonus	550,193,136	389,774,728
Contribution to provident and other funds	25,054,487	21,578,170
Workmen and staff welfare expenses	50,712,064	42,664,590
Gratuity	3,198,491	2,558,431
Compensated absences	2,557,154	3,858,959
	<u>631,715,332</u>	<u>460,434,878</u>

Schedule 18 : Administrative and selling expenses

	For the year ended 31 March 2010	For the year ended 31 March 2009
Legal and professional charges	87,054,162	66,112,147
Rent	39,149,860	23,645,887
Traveling and conveyance	29,416,069	25,692,969
Security charges	24,915,757	19,415,740
Insurance	30,962,109	18,549,846
Electricity charges	16,019,228	14,681,244
Communication expenses	16,021,254	14,869,308
Rates and taxes	29,270,604	11,533,421
Tender forms and registration charges	18,612,620	10,675,608
Printing and stationary	11,996,977	10,107,336
Repairs and maintenance		
- Buildings	13,895,879	6,320,722
- Others	3,193,716	1,840,807
Bad debts written-off	-	9,890,133
Business promotion	17,460,074	5,378,571
Donations and gifts	6,790,316	4,900,134
Advertisement	53,992,259	3,284,546
Loss on sale of assets, net	663,730	610,759
Directors sitting fee	566,666	425,000
Preliminary expenses written-off	-	126,850
Miscellaneous expenses	59,744,877	68,179,831
	<u>459,726,157</u>	<u>316,240,859</u>



Ramky Infrastructure Limited

(All amounts in Indian Rupees, except share data and where otherwise stated)

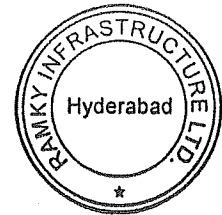
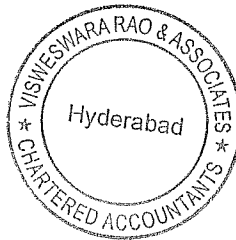
Schedules to the Consolidates Profit and Loss Account (continued)

Schedule 19 : Finance charges

	For the year ended 31 March 2010	For the year ended 31 March 2009
Interest charges	994,365,314	458,430,561
Bank charges	90,148,166	76,018,295
	<u>1,084,513,480</u>	<u>534,448,856</u>

Schedule 20 : Income taxes

	For the year ended 31 March 2010	For the year ended 31 March 2009
Income tax	294,864,791	210,225,160
Deferred tax charge	149,042,545	23,390,904
Minimum alternate tax credit	(36,965,671)	(55,821,000)
Fringe benefit tax	4,139	3,900,686
Income tax relating to earlier years	14,732,365	28,876,936
	<u>421,678,169</u>	<u>210,572,686</u>



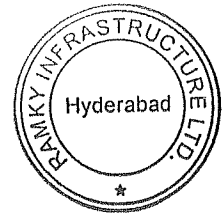
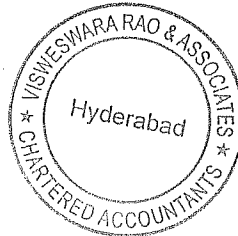
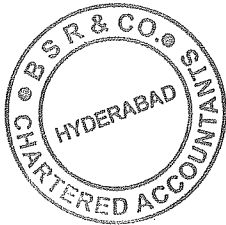
Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)**21. Notes to the consolidated accounts**

1. Ramky Infrastructure Limited (“the Company”) has following subsidiaries and associates (collectively referred to as “the Group”), which are included in consolidated financial statements and Company’s holding there in are as follows:

Entity	Country of incorporation	% Holding
Subsidiaries:		
MDDA Ramky IS Bus Terminal Limited	India	100%
Ramky Engineering and Consultancy Services (FZC)	United Arab Emirates	100%
Ramky Pharma City (India) Limited	India	51%
Gwalior Bypass Project Limited	India	51%
Ramky Elsamex Hyderabad Ring Road Limited	India	74%
Ramky Towers Limited	India	51%
Ramky Food Park (Chhattisgarh) Limited	India	100%
Naya Raipur Gems and Jewellery SEZ limited	India	100%
Ramky Herbal and Medicinal Park (Chhattisgarh) Limited	India	100%
Ramky Enclave Limited	India	89.01%
Ramky MIDC Agro Processing Park Limited	India	100%
Associate:		
Ramky Integrated Township Limited	India	29.19%
Narketpalli Addanki Expressway Limited	India	50%



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

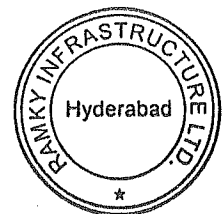
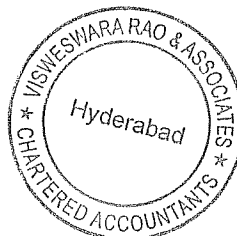
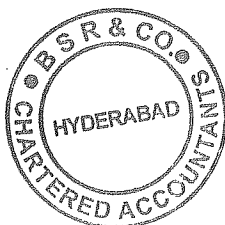
2. Commitments and contingent liabilities:

	As at 31 March 2010	As at 31 March 2009
i) Commitments / contingent liabilities:		
(a) Guarantees issued by banks	8,444,737,586	8,288,101,856
(b) Guarantees issued by the Group on behalf of enterprises where principal shareholders, management personnel have control or significant influence	-	90,000,000
(c) Letters of credit outstanding	954,603,967	561,542,130
ii) Claims against the Group not acknowledged as debts in respect of:		
(a) Sales tax / VAT matters, under dispute	189,395,308	107,031,907
(b) Income tax matters, pending decisions on appeals made by the Group with Income Tax Appellate Tribunal and various other levels relating to income tax deductions disallowed	134,425,145	89,998,672
(c) Service tax matters, under dispute	258,476,119	136,238,672
(d) Disputed claims	67,691,221	64,516,990
iii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	525,448,569	2,475,087,885

The Group had claimed tax deductions under section 80-IA (4) in its returns of income relating to assessment years 2003-04 to 2009-10. IT department is contesting the same on the grounds that the Group was not "developing" the infrastructure facility and disallowed the deduction for assessment years 2003-04 to 2007-08. The Group appealed against these orders with CIT (Appeals), of which assessment years 2003-04 to 2006-07 were dismissed. The Group has preferred an appeal with Income Tax Appellate Tribunal (ITAT) for these years, which is currently pending.

The Group has evaluated various judicial precedence on this matter and the facts of its case. Based on such evaluation and in the pendency of an ITAT ruling in its own case, no provision is made in the financial statements for such amounts.

The Group has approached Musshorie Dehradun Development Authority ("concessing authority") for waiver of bid variable charges of Rs. 8,930,000 (previous year: Rs 8,506,000) as some of the obligations under concession agreement have not been fulfilled by concessing authority. The concessing authority has accepted request for waiver of the bid variable charges and the Group is of the opinion that the said charges will be waived off. Hence, no provision is made in the books of account.



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

3. Service Concession Arrangements

Change in accounting policy for Service Concession arrangements

On March 31 2010, the Group voluntarily decided to revise its accounting policy by adopting the Exposure Draft of the Guidance Note on Accounting for Service Concession Arrangements for certain construction service contracts that in substance are Build Operate, Transfer (BOT) contracts. Management believes that in the absence of an existing prescribed accounting standard in India on accounting for such contracts, developing and applying an accounting policy similar to the accounting treatment prescribed by the Exposure Draft of the guidance note is relevant to the economic decision making needs of users and reflects the economic substance of such contracts. Further, management also believes that the revised accounting policy results in the financial statements providing reliable and more relevant information. As per the transitional provisions laid down in the Exposure Draft, the revised accounting policy is treated as a change in accounting policy and accordingly the cumulative impact of such change in accounting policy amounting to Rs. 64,841,122 has been accounted in the opening reserves and surplus as of 1 April 2009 representing the net effect of increase in opening balance in profit and loss account of Rs.463,853,122, net of taxes, and decrease in grant received from Hyderabad Urban Development Authority of Rs.399,012,000.

Description of the arrangement

Ramky Elsamex Hyderabad Ring Road Limited and Gwalior Bypass Project Limited which are subsidiaries of Ramky Infrastructure Limited, have entered into a service concession arrangement(s) (SCA) with the Hyderabad Metropolitan Development Authority (HMDA) and National Highway Authority of India (NHAI) respectively for Design, Construction, Development, Finance, Operation and Maintenance of Road Projects on Build, Operate and Transfer (BOT) (Annuity) basis.

Ramky Elsamex Hyderabad Ring Road Limited (REHRRL):

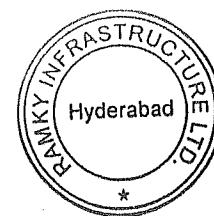
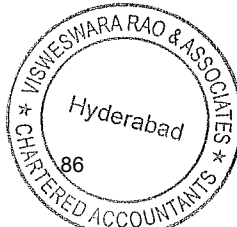
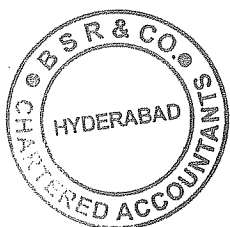
The Concession under the SCA has been granted to REHRRL for a period of fifteen (15) years from commencement date i.e. November 27, 2007 including construction period of two years and six months. REHRRL is required to operate and maintain the Road and is required to resurface the Road, at its cost in the manner so defined in the SCA, for the balance period of the service concession thereafter. In consideration for performing its obligations under the SCA, REHRRL will be entitled to an annuity of predefined sums receivable on dates specified in the annuity payment schedule of the SCA. The premature termination is permitted only upon the happening of force majeure events or upon the parties defaulting on their respective obligations. The SCA does not provide for any renewal of this arrangement.

HMDA will retain the right to levy and collect fees from users of the Road and to permit advertisements, hoardings and other commercial activity at the Road site. At the end of the concession period REHRRL will hand over the Road to HMDA for no consideration.

Having regard to the terms of the arrangement, the right to receive annuity has been classified as a financial asset (i.e. "Receivables under the Service Concession Arrangement").

Gwalior Bypass Project Limited (GBPL):

The Concession under the SCA has been granted to GBPL for a period of twenty (20) years from the commencement date i.e. April 7, 2007 including the construction period of two years and six months. GBPL is required to operate and maintain the Road and is required to resurface the Road, at its cost in the manner so defined in the SCA, either by itself or through a qualified contractor for the balance service concession period thereafter. In consideration for performing its obligations under the SCA, GBPL will be entitled to an annuity of predefined sums receivable on dates specified in the SCA. The premature termination is permitted only upon the happening of force majeure events or upon the parties defaulting on their obligations. The SCA does not provide for any renewal of this arrangement.



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

3. Service Concession Arrangements (continued)

NHAI will retain the right to levy and collect fees from users of the Road and to permit advertisements, hoardings and other commercial activity at the Road site. At the end of the concession period GBPL will hand over the Road to NHAI for no consideration.

Having regard to the terms of the arrangement, the right to receive annuity has been classified as a financial asset (i.e. "Receivables under the Service Concession Arrangement").

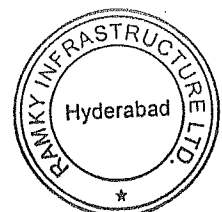
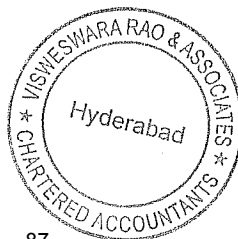
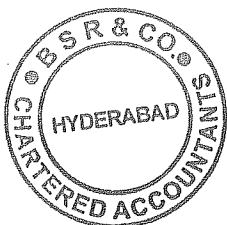
The fair value of consideration for construction services and the effective interest rate in the case of financial assets of the Group covered under service concession arrangements included as a part of "Receivables under Service Concession Arrangements" have been estimated by the management having regard to the contractual provisions, the evaluations of the future operating and maintenance costs and the overlay / renewal costs and the timing thereof as budgeted by the management, the key elements having been tabulated below :

	31 March 2010
Profit margin on the construction services recognized in respect of financial assets for the year	306,235,389
Carrying amounts of financial assets included under Receivables against Service Concession Arrangements as at the year end	6,695,576,386
Revenue recognized on financial asset including interest income on the basis of effective interest method for the year	3,073,913,815

4. Deferred taxation

Deferred tax asset, net included in the balance sheet comprises the following:

	As at 31 March 2010	As at 31 March 2009
Deferred tax assets		
Timing differences primarily on disallowances under section 43B of the Income-Tax Act, 1961 and other differences	100,493,605	98,787,255
Deferred tax liability		
Excess of depreciation allowable under Income Tax Act, 1961 over depreciation provided in books of account	93,705,106	67,847,662
On account of financial asset (receivables) recognised based on adoption of exposure draft of the guidance note on accounting for service concession arrangements (Refer note 3 above)	301,379,072	-
Deferred tax asset/(liability), net	(294,590,573)	30,939,593



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

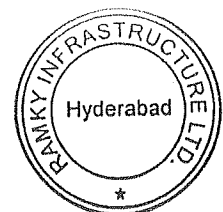
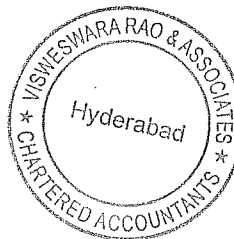
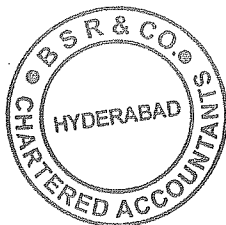
5. Earnings per share (EPS)

The computation of earnings per share is set out below:

	For the year ended 31 March 2010	For the year ended 31 March 2009
Net profit for the year attributable to equity shareholders	1,273,725,994	424,553,358
Weighted average number of equity shares outstanding during the year – Basic and Diluted	49,420,014	49,420,014
<i>Earnings per share of par value Rs.10 – Basic and Diluted (Rs.)</i>	25.77	8.59

6. Related party disclosures

Key Management personnel and their relatives (KMP)	<ul style="list-style-type: none">▪ A. Ayodhya Rami Reddy▪ Y.R. Nagaraja▪ Dr K S M Rao▪ Madan Mohan Sharma▪ Pradyot Kumar
Enterprises where significant influence exists (Associate)	<ul style="list-style-type: none">▪ Ramky Integrated Township Limited▪ Narketpally Addanki Express Roadway Limited
Enterprises where principal shareholders/management personnel have control or significant influence (Significant interest entities)	<ul style="list-style-type: none">▪ Ramky Enviro Engineers Limited▪ Ramky Estates and Farms Limited▪ Mumbai Waste Management Limited▪ Ramky Finance & Investment (P) Limited▪ SembRamky Environmental Management Private Limited▪ Ramky Global Solutions Private Limited▪ Tamil Nadu Waste Management Limited▪ West Bengal Waste Management Limited▪ Ramky Energy & Environment Limited▪ Ramky Villas Limited▪ Elsamex SA▪ Era Infra Engineering Limited▪ ADR Construction▪ N R Environment Engineers Limited▪ Ramky Foundation▪ Delhi MSW Solutions Limited▪ Smilax Laboratories Limited



Ramky Infrastructure Limited
(All amounts in Indian rupees, except share data and where otherwise stated)

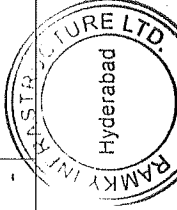
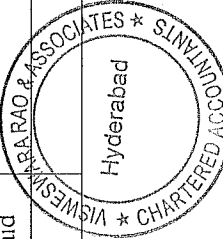
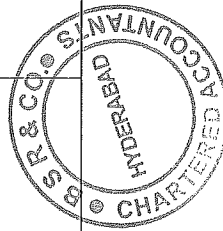
Schedules to the accounts (continued)

21. Notes to the consolidated accounts

6. Related party disclosures (continued)

Particulars of related party transactions

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2009
1	Ramky Enviro Engineers Limited	Significant interest entity	Contract revenue	-	-	100,314,743	(220,361,619)
			Income from hire charges	1,335,000	-	5,340,000	-
			Mobilisation advance	60,883,630	(60,883,630)	-	-
			Rent income	6,00,000	-	-	-
			Advances received	-	18,410,385	-	-
			Contract, consultancy and other expenses	286,895,252	53,993,100	197,797,649	2,193,099
2	Ramky Estates and Farms Limited	Significant interest entity	Operation and maintenance revenue	54,74,939	-	-	-
			Security deposit received	15,500,000	30,050,372	-	-
			Contract revenue	-	(18,999,409)	7,219,360	(235,666,600)
			Rent Paid	12,816,404	5,215,347	4,044,862	2,937,865
			Advance received	-	-	349,410,764	419,691,755
			Security deposit paid	-	(10,587,500)	360,938	(11,994,563)
			Retention money	-	-	-	(1,823,181)



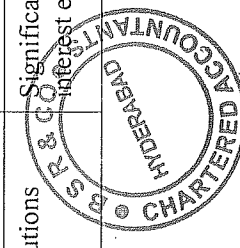
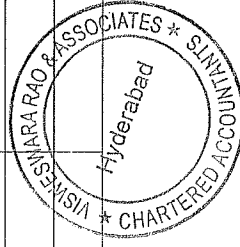
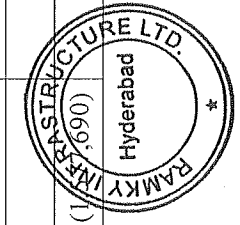
Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2009
			Interest received	6,133,740	-	-	-
			Inter corporate deposit/unsecured loan given	125,000,000	-	-	-
			Inter corporate deposit/unsecured loan (received back)	(125,000,000)	-	-	-
			Rent deposit	-	(6,537,840)	-	(17,396,141)
			Creditors repaid	28,412	-	-	28,412
			Equity investments	-	68,699,950	-	68,699,950
			Share application money received / (repaid)	(326,891,805)	24,100,000	332,479,500	350,991,805
3	Mumbai Waste Management Limited	Significant Interest entity	Advances received	-	10,680,364	5,154,836	11,977,163
			Income from hire charges	1,462,500	-	5,850,000	-
4	SembRamky Environmental Management Private Limited	Significant interest entity	Contract revenue	-	(2,633,710)	-	(5,913,301)
5	Ramky Global Solutions Private Limited	Significant interest entity	Rent expense	-	(1,577,690)	477,530	-
			Advances given	-	-	-	(1,577,690)



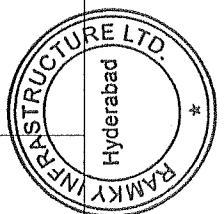
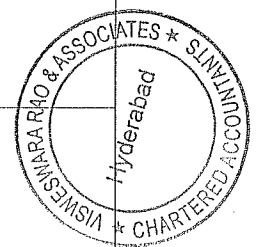
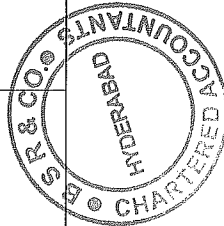
Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2009
6	Ramky Energy and Environment Limited	Significant interest entity	Contract revenue	-	(2,530,905)	(100,484)	(2,712,437)
7	Ramky Foundation	Significant interest entity	Donation	4,500,000	-	3,800,000	-
8	N R Environmental Engineers Inc	Significant interest entity	Sub-contracting charges	353,587	1,212,145	14,110,361	4,161,968
9	Ramky Finance & Investments Private Limited	Significant interest entity	Other advances	-	-	-	(72,200)
10	Tamil Nadu Waste Management Limited	Significant interest entity	Contract revenue	-	-	45,247,841	(38,588,524)
			Share application money	-	-	-	(1,070,000)
11	West Bengal Waste Management Limited	Significant interest entity	Advances received	-	2,307,790	-	-
			Contract revenue	-	(8,502,592)	10,129,385	(8,502,592)
12	Ramky Villas Limited	Significant interest entity	Contract revenue	-	(20,524,492)	-	(20,524,492)
13	Elsamex SA	Significant interest entity	Equity investments in group	25,870,000	52,000,000	26,000,000	26,130,000



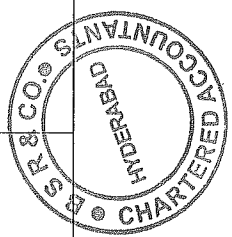
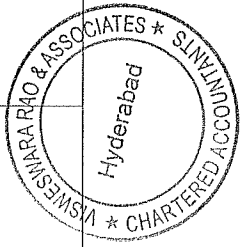
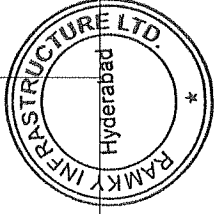
Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2009
14	Era Infra Engineering Limited	Significant interest entity	Labour charges	1,395,120,000	(156,507,000)	692,775,199	(626,627,652)
			Advance given / (recovered) against execution of project	(412,971,000)		193,860,369	
15	ADR Constructions	Significant interest entity	Sub-contracting charges	-	-	13,389,797	6,459,120
16	Delhi MSW Solutions Limited	Significant interest entity	Equity investments	50,000	(50,000)	-	-
17	Smilax Laboratories Limited	Significant interest entity	Operation and maintenance revenue	2,67,30,189	(3,80,41,357)	1,02,71,585	(1,38,91,043)
			Development income	40,18,050	-	59,82,112	-
			Interest received	548,493	-	-	-
			Inter corporate deposit given	20,000,000	-	-	-
18	Narketpalli Addanki Expressway Limited	Associate	Inter corporate deposit received back	(20,000,000)	-	-	-
			Equity investments	2,50,000	(2,50,000)	-	-



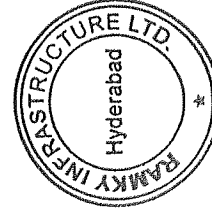
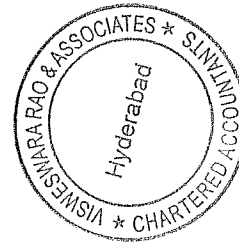
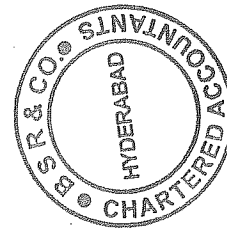
Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2010		31 March 2009	
				Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2010	Volume of transactions during the year	Amount payable/ (receivable) as at 31 March 2009
19	Ramky Integrated Township Limited	Associate	Equity investments	-	(182,410)	182,410	(182,410)
			Share application money	-	(100,000,000)	100,000,000	(100,000,000)
20	A.Ayodhya Rami Reddy	KMP	Remuneration	6,300,000	379,021	8,328,500	342,024
21	Y.R.Nagaraja	KMP	Remuneration	58,23,309	269,188	6,126,667	232,894
22	DR K S M Rao	KMP	Remuneration	-	-	497,488	-
23	Madan Mohan Sharma	KMP	Remuneration	543,051	-	5,803	72,530
24	Pradyot Kumar	KMP	Remuneration	562,317	86,993	-	-



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

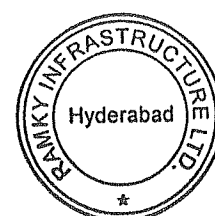
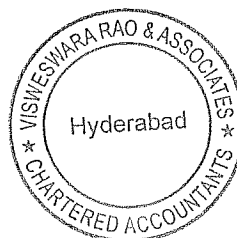
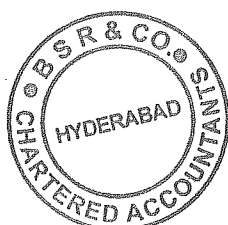
21. Notes to the consolidated accounts

7. Segment information

The Group operates primarily in Construction and Developer divisions. Segmental information as per Accounting Standard (AS) 17 – “Segment Reporting” issued under Companies (Accounting Standards) Rules, 2006 for the year ended 31 March 2010 and year ended 31 March 2009 as under:

(a) Information about business segments for the year ended 31 March 2010 as per AS-17

Particulars	Construction Business	Developer Business	Elimination	Total
Revenue				
External	17,995,111,717	3,832,136,729	-	21,827,248,446
Inter-Segment	2,028,264,996	-	(2,028,264,996)	-
Total	20,023,376,713	3,832,136,729	(2,028,264,996)	21,827,248,446
Result				
Operating Profit	1,192,531,823	23,635,375	-	1,216,167,198
Interest income	26,200,756	608,665,203	-	634,865,959
Other income	-	-	-	50,784,412
Profit Before Tax	-	-	-	1,901,817,569
Less: Income tax expenses	-	-	-	(421,678,169)
Less: Share of loss from associates	-	-	-	(198,600)
Net Profit after Tax				1,479,940,800
Other information				
Segment assets	16,165,253,460	11,895,578,361	-	28,060,831,821
Unallocable assets				21,266,796
Segment liabilities	13,802,095,153	6,956,144,724	-	20,758,239,877
Unallocable liabilities	-	-	-	1,774,606,620
Capital expenditure	127,635,468	80,515,405	-	208,150,873
Depreciation (included in segment expense)	104,868,576	11,696,603	-	116,565,179
Non cash expenses (other than depreciation included in segment expense)	663,730	-	-	663,730



Ramky Infrastructure Limited

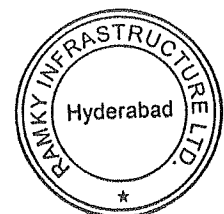
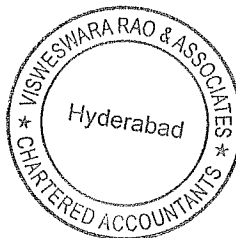
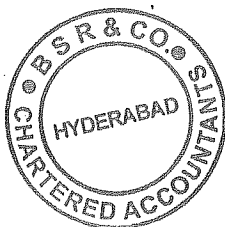
(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

(b) Information about business segments for the year ended 31 March 2009 as per AS-17

Particulars	Construction business	Developer business	Elimination	Total
Revenue				
External	11,595,754,209	817,600,778	-	12,413,354,987
Inter-Segment	2,996,559,776	-	(2,996,559,776)	-
Total	14,592,313,985	817,600,778	(2,996,559,776)	12,413,354,987
Result				
Operating Profit/Loss before prior period items	489,924,341	114,659,211	-	604,583,555
Interest income	25,553,663	19,183,537	-	44,737,200
Other income				70,572,781
Prior period item	(24,665,12)	(793,039)	-	(25,458,166)
Profit Before Tax				694,435,370
Less: Income tax expenses				(210,572,686)
Net Profit after tax				483,862,684
Other information				
Segment assets	12,074,934,224	8,217,481,192	-	20,292,415,416
Unallocable assets	-	-	-	21,266,796
Segment liabilities	10,735,593,369	4,618,564,051	-	15,354,157,420
Unallocable corporate liabilities	-	-	-	748,547,086
Capital expenditure	767,455,607	3,394,705,745	-	4,162,161,352
Depreciation (included in segment expense)	92,373,462	9,356,081	-	101,729,543
Non cash expenses (other than depreciation included in segment expense)	10,500,892	126,850		10,627,742



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

8. Employee benefit plans

The following tables set out the status of the gratuity plan as required under AS 15

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as at 31 March 2010

Particulars	As at 31 March 2010	As at 31 March 2009
Opening defined benefit obligation	4,290,354	3,031,761
Current service cost	2,895,371	550,424
Interest cost	336,432	167,432
Actuarial loss / (gain)	347,177	1,836,837
Benefits paid	(1,707,786)	(1,296,100)
Closing defined benefit obligation	6,161,548	4,290,354

Change in the fair value of plan assets

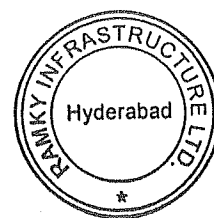
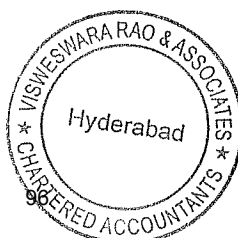
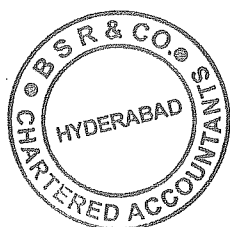
Particulars	As at 31 March 2010	As at 31 March 2009
Fair value of plan assets at the beginning of the year	3,287,396	2,207,150
Expected return on plan assets	380,489	233,587
Actuarial gain / (loss)	-	-
Employer contributions	2,826,448	1,674,026
Benefits paid	(1,707,786)	(827,367)
Fair value of plan assets at the end of the year	4,786,547	3,287,396

Amount recognized in Balance Sheet

Particulars	As at 31 March 2010	As at 31 March 2009
Present value of funded obligations	6,161,548	4,290,354
Fair value of plan Assets	(4,786,547)	(3,287,396)
Net Liability	1,375,001	1,002,958
Amounts in the balance sheet		
Provision for gratuity	1,375,001	1,002,958

Expense recognized in statement of profit and loss account

Particulars	For the year ended 31 March 2010	For the year ended 31 March 2009
Current service cost	2,895,371	550,424
Interest cost on benefit obligation	336,432	167,432
Expected return on plan assets	(380,489)	(233,587)
Net actuarial / (gain) loss recognised in the year	347,177	1,836,837
Net benefit expense	3,198,491	2,321,106



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

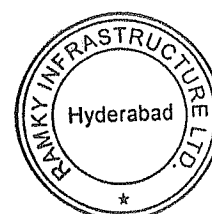
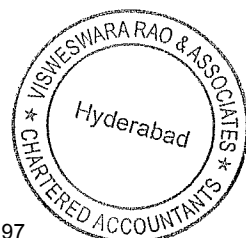
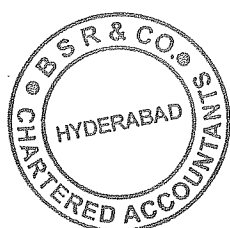
Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Summary of actuarial assumptions as at 31 March 2010 and 31 March 2009

Particulars	31 March 2010	31 March 2009
Discount rate	7.01% - 8.00%	7.01% - 8.00%
Salary escalation	4% - 10%	4% - 10%
Attrition rate	0 - 20%	0 - 20%

9. The management has identified enterprises which have provided goods and services to the Group and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2010 has been made in the financials statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

	For the year ended 31 March 2010	For the year ended 31 March 2009
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the year;	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

10. Disclosures in terms of revised Accounting Standard (AS) 7 – Construction Contracts:

	For the year ended 31 March 2010	For the year ended 31 March 2009
(i) Contract revenue recognized	21,806,106,120	12,327,119,885
For contracts in progress at the reporting date:		
(i) Contract cost incurred and recognised profits (less recognised losses) up to the reporting date	21,806,106,120	12,327,119,885
(ii) Advances received	4,483,286,778	2,283,039,347
(iii) Amount of retention	1,668,789,595	1,022,054,448

11. Leases

The Group is obligated under non-cancellable and cancellable operating lease agreements. Total rental expense under non-cancellable operating leases was Rs 1,637,989 (previous year: Rs. 844,741) and under cancellable leases was Rs. 37,511,871 (previous year: Rs. 22,801,146) and has been disclosed as 'rent' in the profit and loss account.

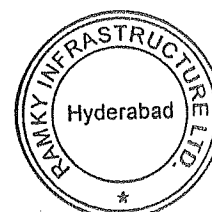
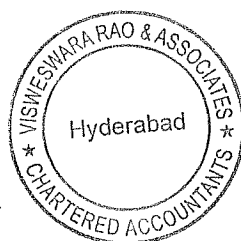
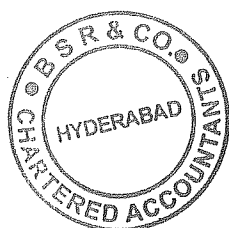
Future minimum lease payments under non-cancellable operating leases are as follows:

Period	As at 31 March 2010	As at 31 March 2009
Not later than 1 year	5,627,514	1,726,495
Later than 1 year and not later than 5 years	10,458,807	165,412
Total	16,086,321	1,891,907

12. The Company does not have balances which are denominated in foreign currency as at 31 March 2010 and 31 March 2009 and hence there is no un-hedged exposure in foreign currency at these dates respectively.

13. Sundry debtors include the following amounts due from companies under the same management:

	As at 31 March 2010	As at 31 March 2009
Ramky Energy and Environment Limited	2,530,905	2,712,437
Ramky Enviro Engineers Limited	-	220,361,619
Ramky Estates and Farms Limited	18,999,409	235,666,600
SembRamky Environmental Management Pvt Ltd	2,633,710	5,913,301
Tamilnadu Waste Management Limited	-	38,588,524
West Bengal Waste Management Limited	8,502,592	8,502,592
Ramky Villas Limited	20,524,492	20,524,492



Ramky Infrastructure Limited

(All amounts in Indian rupees, except share data and where otherwise stated)

Schedules to the accounts (continued)

21. Notes to the consolidated accounts (continued)

14. Loans and advances include the following amounts to companies under same management:

	As at 31 March 2010	As at 31 March 2009
Ramky Estates and Farms Limited	17,125,340	31,213,885
Ramky Finance and Investment Private Limited	-	72,200
Ramky Global Solutions Private Limited	1,577,690	1,577,690
Tamilnadu Waste Management Limited	-	1,070,000
Ramky Enviro Engineers Limited	60,883,630	-
Era Infra Engineering Limited	156,507,000	626,627,652
Ramky Integrated Township Limited	100,000,000	100,000,000

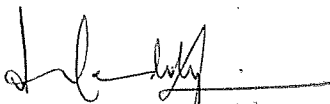
15. Capitalised amount of Borrowing cost


The Group has been developing a commercial complex and industrial park which will take a substantial period of time to get ready for their intended use. An amount of Rs.16,885,362 (previous year Rs. 4,064,058) towards borrowing cost incurred were taken into the capital work in progress in compliance with Accounting Standard 16 -- "Borrowing costs".

16. Previous year's figures

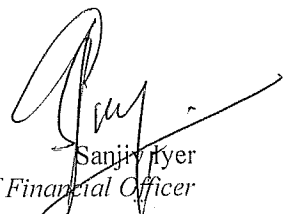
Previous year's figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

for Ramky Infrastructure Limited


A. Ayodhya Ram Reddy
Executive Chairman


Y.R. Nagaraja
Managing Director

V. Phani Bhushan
V. Phani Bhushan
Company Secretary


Sanjay Tyer
Chief Financial Officer

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Sr No.	Name of the Subsidiary	Ramky Pharma City (India) Limited	MDDA-Ramky IS Bus Terminal Limited	Gwalior Bypass Projects Limited	Ramky Engineering & Consulting Services (FZC)	Ramky Eisamex Hyderabad Ring Road Ltd	Ramky Herbal & Medicinal Park (Chattisgarh) Ltd	Ramky Food Park (Chattisgarh) Ltd	Ramky Towers Ltd	Naya Raipur Gems & Jewellery SEZ Ltd	Ramky Enclave Ltd	Ramky MIDC Agro Processing Park Ltd.
1	Financial Year of the Subsidiary ended on	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10
2	Date from which they became Subsidiary	19 th April, 2006	02 nd Nov,2006	09 th August,2006	30 th May, 2006	18 th July, 2007	14 th September, 2007	14 th September, 2007	26 th July, 2007	14 th September, 2007	02 nd Nov,2007	25 th February, 2008
3	Share of subsidiary held by the company as on March 31, 2010											
	a) Number & face value	9180000 equity shares of Rs.10/- each	9750000 equity shares of Rs.10/- each	25500 equity shares of Rs.10/- each	7500 equity shares of AED 100 each	14800000 equity shares of Rs.10/- each	50000 equity shares of Rs.10/- each	50000 equity shares of Rs.10/- each	25500 equity shares of Rs.10/- each	50000 equity shares of Rs.10/- each	44505 equity shares of Rs.10/- each	50000 equity shares of Rs.10/- each
	b) Extent of Holding	51%	100%	51%	100%	74%	100%	100%	51%	100%	89.01%	100%
4	The net aggregate amount of the subsidiary companies Profit /(loss) so far as it concerns the member of the holding company											
	*a) Not dealt with in the holding company's accounts											
	i) For the financial year ended March 31, 2010	INR 112952818	INR 1355466	INR (136037)	AED (678731) or Rs (8673052)	INR (2635653)	INR (36839)	INR 6150	INR 16731328	INR (463891)	INR 6446693	INR (37445)
	ii) Upto the previous financial years of the subsidiary company	INR 135082044	INR (15410927)	INR 1624343	AED (1883804) or Rs (21817117)	-	-	-	INR 9106736	-	INR (428904)	-
	b) Dealt with in the holding Company's accounts											
	i) For the financial year ended March 31, 2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) For the previous financial year of the subsidiary company since they become the holding company's subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	

Place : Hyderabad
Date : 21/07/2010

For and on behalf of Board of Directors

Sd/-
(A.Ayodhya Rami Reddy)
Chairman

Annual Reports of the Subsidiaries

1. MDDA-Ramky IS Bus Terminal Limited
2. Ramky Pharma City (India) Limited
3. Ramky Engineering and Consulting Services FZC
4. Gwalior Bypass Project Limited
5. Ramky Elsamex Hyderabad Ring Road Limited
6. Ramky Towers Limited
7. Ramky Enclave Limited
8. Ramky Food Park (Chattisgarh) Limited
9. Ramky Herbal and Medicinal Park (Chattisgarh) Limited
10. Naya Raipur Gems and Jewellery SEZ Limited.
11. Ramky MIDC Agro Processing Park Limited

RAMKY INFRASTRUCTURE LIMITED

Regd.Office: 6-3-1089/10&11, 1st Floor, Gulmohar Avenue,
Rajbhavan Road, Somajiguda, Hyderabad - 500082

FORM OF PROXY

I / We being a Member / Members of Ramky Infrastructure Limited hereby appoint Mr./Mrs./Ms.....of in the district of of failing him / her Mr./Mrs./Ms. of in the district of as my / our proxy to vote for me / us on my / our behalf at the Annual General Meeting of the Company to be held on Wednesday, the 15th day of September 2010 at 10.00 a.m at the Regd.Office of the Company situated at 6-3-1089/10&11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500082, and at any adjournment thereof.

Regd Folio No.

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No. of Shares held

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Please
affix
Re.1/-

(Signature of Member/s as per specimen signature on Company’s record)

Note : Proxies in order to be valid must be duly filled in, stamped, signed and deposited at the Registered Office of the Company not less than 48 hours before the time of commencement of the Meeting.

RAMKY INFRASTRUCTURE LIMITED

Regd.Office: 6-3-1089/10&11, 1st Floor, Gulmohar Avenue,
Rajbhavan Road, Somajiguda, Hyderabad - 500082

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER
AT THE ENTRANCE OF THE MEETING HALL

Member / Proxy
(First) (Middle) (Surname)

I hereby record my presence at the Annual General Meeting of the Company held on Wednesday, the 15th day of September, 2010 at 10.00 a.m at the Registered Office of the Company situated at 6-3-1089/10&11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082

Regd Folio No.

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No. of Shares held

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(Signature of Member / Proxy)

Note: Persons attending the Annual General Meeting are required to bring their copies of Annual Reports as the practice of distribution of copies of the Report at the meeting has been discontinued.