



Annual Report **2011**
Ramky Infrastructure Limited



Contents

Annual Report 2011

2	Ramky Infra - An overview	18	Board of Directors
4	Growth is our way of life	19	Notice
6	Building Momentum	25	Directors' Report
8	Managing growth	29	Management Discussion and Analysis
9	Ability to grow the order book	35	Report on Corporate Governance
10	Innovate to offer customer friendly projects	47	Auditors' Report
11	Spread geographically to create opportunities	52	Balance Sheet
12	Presence in multiple verticals	53	Profit and Loss Account
13	Take risks that we can manage	54	Cash Flow Statement
14	Ensure adequate funding of projects	56	Schedules to the accounts
15	Manage human resources optimally	79	Statement regarding subsidiary companies
16	The way forward	81	Consolidated Financial Statements
17	RAMKY Group	111	Attendance slip/Proxy

Towards sustainable growth

Ramky Infrastructure is setting trends with first-movers' advantage in demand-led verticals and innovating with successful forays into niche development projects. The proven track record of execution capabilities has ensured that the Company delivers on its promises. The Company defines itself by being far sighted, customer focused, leaner and agile to convert opportunities into business.

Despite the pressures in the economy, Ramky Infra demonstrated resilience with a revenue growth of 40% and rise in bottom line of 41% CAGR over the past 4 years. The organisation stands stress tested and is well positioned with a balanced portfolio paving the way for sustained growth.

The objective is clear. Ramky Infra is striving to build a sustainable growth oriented enterprise. Indeed, the team is building a premier infrastructure company, better and stronger than ever before.



An overview

The Company

Ramky Infra is an integrated construction and infrastructure development and execution company with two principal business segments:

- Construction business which is operated by the Company
- Developer business which is operated through subsidiaries and associates

Construction business of the Company focuses on sectors including water and waste water, roads, buildings, irrigation projects, industrial construction and power (transmission & distribution). The developer business presently focuses on needs of 'Hassle-free manufacturers,' industrial parks, roads, buildings and transport terminals. New and niche areas are being explored.

Ramky has been approached by several international companies for a strategic partnership and is planning to move in this direction, to leverage the in-house competencies and exploit emerging overseas opportunities.

Ramky Infrastructure

Vision

Ramky shall be a leading global enterprise in world class infrastructure development and environment management through sustainable growth.

We shall ensure quality, reliability and continuous technology upgradation thereby enhancing the value for all stakeholders.

Values

At Ramky Infra, we cherish our values:

- Integrity
- Customer satisfaction
- Work culture
- Employee sense of belonging
- Innovation
- Health, safety & environment
- Social commitment

Promoters

The Company is promoted by first generation promoters, Mr. A. Ayodhya Rami Reddy and Mr. Y.R. Nagaraja who between them hold 62.86% of the equity. Managed by a team of experienced professionals, Ramky Infra had 2,429 employees on its rolls, of whom 41% were engineers, as at March 31, 2011.

Ramky has an eminent and well balanced board with a professional management team across all business segments which facilitate transparency and efficiency in decision making.

Track Record

Robust growth with a diversified portfolio of projects

₹ crore	2007	2010	2011	4 Year CAGR
Order book	2230.8	7431.7	10998.8	49%
Revenue	711.1	1861.3	2730.5	40%
EBITDA	76.7	201.6	299.9	41%
Net income	39.7	102.7	157.4	41%

Business Mix

Construction

- Water & Waste Water
- Irrigation
- Roads & bridges
- Building construction
- Industrial projects
- Power

Developer

- Industrial parks
- Roads
- Transport terminals
- Integrated townships



FROM THE DESK OF THE EXECUTIVE CHAIRMAN

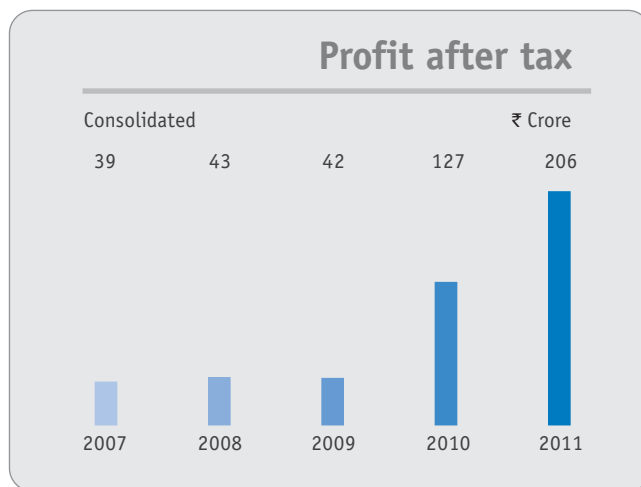
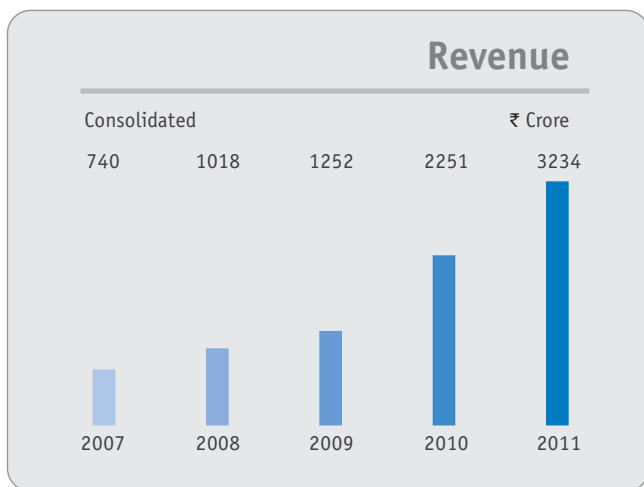
Growth is our way of life

We have set a clear vision of what we want to achieve and where we belong. We will accelerate to further improve traction in our business.



Infrastructure industry has opportunities and growth prospects like never before. Aspiration levels of the people, needs of the economy and commitment of the government are triggers that are compelling infrastructure companies to step up to the plate and deliver valuable assets. The demands on the industry are being matched by the sustained performance of all players in the business.





We at Ramky Infra believe that the best is yet to come. A brief perspective of where we are and the potential can be appreciated from the following indicators:

- 11th Five Year Plan targeted ₹20 lakh crore (US\$ 500 billion) for infrastructure development of the country, double the amount achieved in the 10th Five Year Plan;
- A high level committee on financing infrastructure in the Planning Commission has projected investment of ₹40.99 lakh crore (US\$ 1,025 billion) during the 12th Five Year Plan period (2012-17) to achieve a share of 9.95% as a proportion of the GDP.

We are aware that infrastructure bottlenecks or inadequacies in several sectors need immediate attention. Capacities in areas such as energy, ports, railways and highways need to be hugely enhanced, all of which provide opportunities to technically competent and financially sound companies like Ramky Infra to increase their presence, deliver projects and expand service levels.

As I welcome the new shareholders who joined us after the IPO in October 2010, I would like to express my confidence in our abilities to meet expectations and optimism in growth

potential for the Company. In fact, we strive to make growth a way of life at Ramky Infra.

At Ramky Infra, we believe that infrastructure opportunities are vast and shall continue to be so in the foreseeable future. We shall explore these opportunities by participating in the growth story. We also believe that these efforts are part of nation building. Ramky Infra would however, like to derisk itself by ensuring sectoral and geographical diversification and prudent application of the capital deployed in the EPC business.

We have set a clear vision of what we want to achieve and where we belong. We will accelerate to further improve traction in our business. We are also aware that there may be challenges not entirely in our control. Yet, we need to raise the bar, better the industry average on our way to becoming one of the best infrastructure companies in the country. My team and I shall make you proud of your association with us.

With warm regards

A. Ayodhya Rami Reddy
Executive Chairman



FROM THE DESK OF THE MANAGING DIRECTOR

Building Momentum

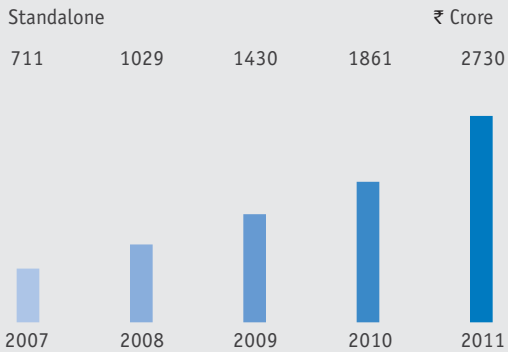
While ensuring the business grew faster than in the past, we strived to stay the path of prudence and discipline.



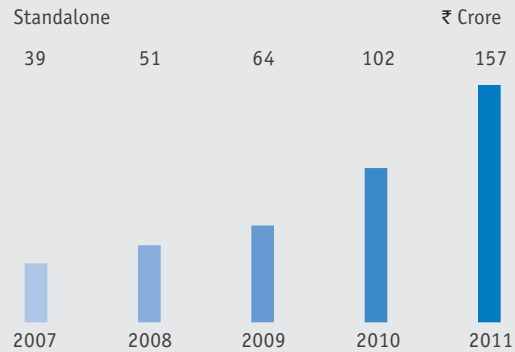
We were keen that every project executed and every transaction was ethically appropriate and enhanced the Ramky brand.

As in the previous years, we have reported a robust performance. Our financial results are a testimony of our achievements in a highly competitive market. My team and I are gratified that we have maintained our growth momentum and in many respects, we are further building on them.

Revenue



Profit after tax



We delivered quality, reliability and thereby enhanced value for all stakeholders. Measured on every key parameter, we did better than our own track record. We saw order intake climb higher than any year in the past; we executed well and saw a new high in revenues; the year end order backlog is the highest ever; the EBITDA margin was maintained; Return on net assets (RONA) was also a new high; profit after tax was another new record for the Company; and more important, we had a successful IPO and now have a large family of shareholders. In short, we executed our corporate vision and are powering ahead towards our stated goal of emerging as a leading infrastructure company.

While ensuring the business grew faster than in the past, we strived to stay the path of prudence and discipline. We were keen that every project executed and every transaction was ethically appropriate and enhanced the Ramky brand.

Our business model is robust because we are strengthening both our EPC business as well as our developer profile. Our ability to complete projects as an EPC player improves the viability of every developer project.

Looking ahead, we will continue to be seen as one of the most competitive bidders in the market; we will execute as well as the customer desires; we will maintain the focus on being cash flow positive; we will strive to ensure that our margins are protected with emphasis on being cost conscious and time bound in completion of projects; and overall, we will sustain the momentum to be a value generator both in the medium and long term.

With warm regards

Y.R. Nagaraja
Managing Director



Managing growth

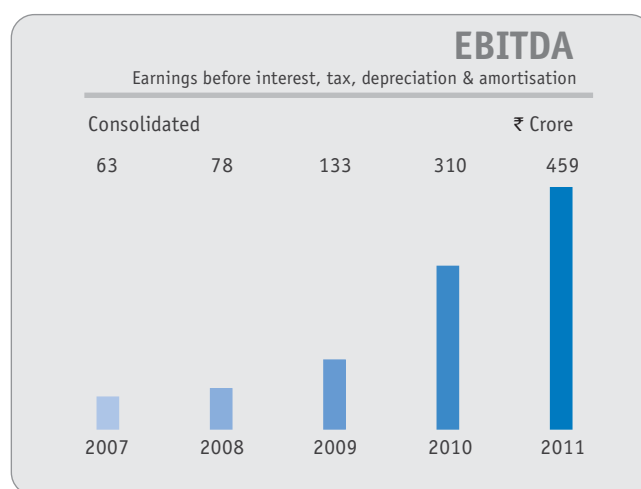
Brand Ramky Infra is well recognized in the infrastructure industry in a range of different market segments. It represents the Company's promise and offering: innovative and reliable engineering and construction solutions even in demanding environments. Based on latest technology and in-depth know-how, we at Ramky Infra strive to give our customers something they cannot get from others. This is what we have done for more than 15 years.

Our strategic cornerstones are to:

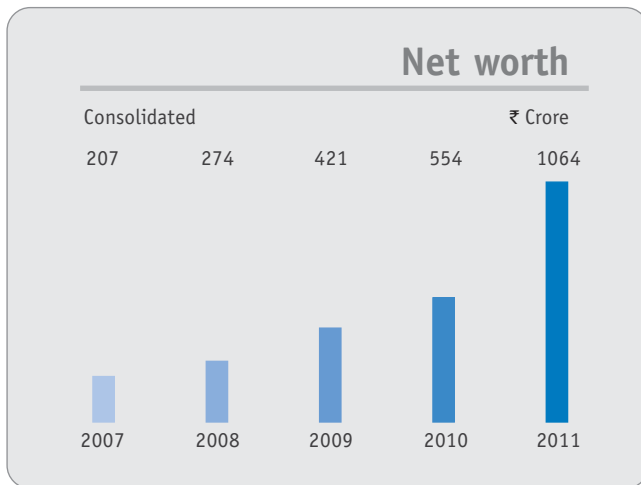
- Innovate to offer customers tailor-made solutions;
- Excel in all respects;
- Continue portfolio management for sustained growth.

This ability to be different with demonstrated expertise has been achieved while managing the challenges of growth. We have worked to improve our operational structure and internal processes, built capacity and increased our agility and speed in implementing projects. These were accomplished over the years, are time tested and we now have a better structure that ensures efficiency in delivering projects and services.

In the following pages, we briefly describe the critical processes that enable Ramky Infra to manage its growth and maintain superior performance.



Ability to grow the order book



The order book as at March 31, 2011 stood at ₹10998 crore, approximately 4 times the revenues achieved in 2010-11. Prudent and conscious efforts are made to procure high value contracts in complex and niche projects and sustain the bid-to-order conversion ratios.

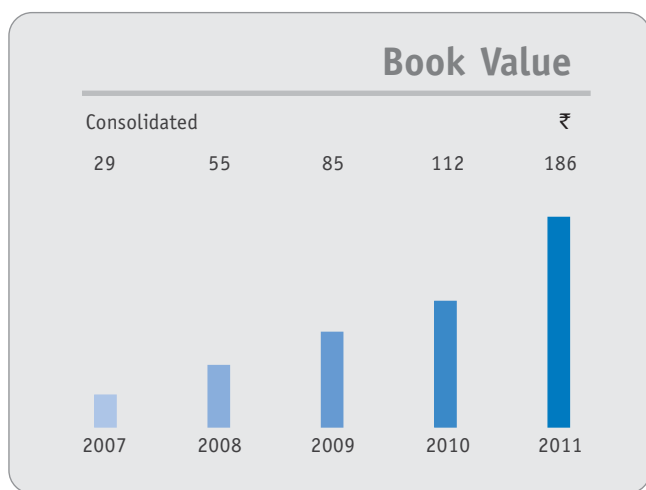
We have at Ramky Infra a healthy hit rate in our bid-to-order conversion ratio, primarily because we do a close assessment of the project site and its surrounding environment, value engineering of the project and all other qualitative aspects prior to bidding. Our presence in six fast track verticals is another factor that helps build a diversified portfolio.

More importantly, we believe in bidding at rates that are fair to both the customer and Ramky, which have often helped the customers to award contracts to us. Our alignment with the customers begins right from the bidding process.

We are conservative in bidding, even as we are aggressive while executing the orders. Ramky Infra strikes a fine balance between a robust order book, capacity to deliver quality on time and high visibility of revenues.

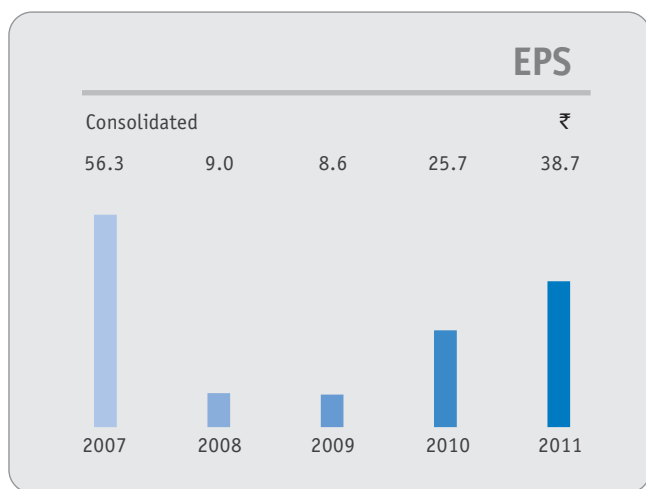


Innovate to offer customer friendly projects



Ramky Infra believes in spotting opportunities early, building competency and diversifying risks. We are pioneers in sectors such as water & waste water and in developing industrial parks including Ramky Pharma City at Visakhapatnam, Ramky Herbal and Medicinal Park & Ramky Food Park, both at Chhattisgarh and a few others.

While each of them was a challenge initially, they were taken up as opportunities and are being successfully implemented. These ventures offer the customers manufacturing facilities, where all the primary conveniences, amenities and utilities are provided and environmental permissions are pre-obtained. The industrial parks are offered on 'plug & play model.'



Today, Ramky Infra seizes new business opportunities with its first mover advantage and has a proven track record to execute them. The ability to enter less crowded, high value niche sectors offers the Company, potential for fast tracked growth. This is a unique strength that translates into building a portfolio, demonstrates technical competence and establishes traction and leadership in the industry.

Spread geographically to create opportunities

We continue to build stronger positions in all our verticals through development in several markets. We now have a significantly better geographic structure with respect to efficiency and flexibility to respond to market needs and growth dynamics.

Our strategy is predicated on the belief that we will be found wherever there are opportunities to complete and deliver viable infrastructure projects. Taking this mission forward, the Company has made an impact across the country and today has a pan India presence. The order book has a healthy, even, spread across sectors and states with no over dependence on any one region. For instance, no state accounts for over 30% of our order book of ₹10998 crore.

With several state governments allocating funds for infrastructure development, and the stated need for implementing programs from both the central and state governments, there is a demand for technically qualified and financially sound infrastructure companies that can deliver performance quality on agreed dates. Ramky Infra

The order book has a healthy, even, spread across sectors and states with no over dependence on any one region.

has continued to improve its portfolio and geographic balance.

The team at Ramky Infra anticipates the needs of each location and energetically meets the challenges of shortage of skilled labor, logistics management and ensures that there are adequate local vendors/sub-contractors even in distant locations to complete the projects, on time.



Presence in multiple verticals

Our broad exposure to a variety of sectors and the ability to successfully compete in each of those markets is a unique expertise that differentiates us. We straddle six verticals having built competence and capacity to take larger number of high value orders. Presence in multiple yet allied verticals adds depth in skill sets and more important, augments our competence in bidding for projects across markets.

The Company has the following set of core competencies:

- a. Design and engineering, especially in the water and waste water infrastructure segment;
- b. In-house augmentation of critical asset base and best-in-class processes for execution, which enable the Company to plan and execute projects in a timely manner;
- c. Prudent management of capital deployment, enabling an optimum turnover of the capital so employed, thus leading to higher return on capital.

The core competencies have been leveraged and the following strategies have been set to attain the planned growth:

- a. Increase net income steadily from own assets to overcome cyclicalities of EPC business;
- b. Ensure controlled growth through both geographical and sector diversification.

c. Cherry-pick orders based on the following criteria:

- Preference for orders with Central or external funding. If not, ensure sufficient mitigation measures are in place to protect the capital of the Company;
- Risk mapping and our ability to mitigate risk; and,
- Capital deployment to enable optimum turnover of capital.

d. Build own assets out of internal accruals from the project as well as from building such projects.

Our robust presence in all verticals is primarily because we work in close interaction with our customers and conduct assignments hallmarked by a high degree of expertise, quality and cost effectiveness. The Company has been boosting its leading-edge expertise, competitiveness and profitability through continued specialization and training programmes to secure the necessary competencies, which is partly the reason for a faster growth in order book.

Widening the market has brought a natural hedge and has improved revenue visibility while minimizing the impact of uncertainties in any sector or region. Sustainability of growth stands considerably improved.



Our operations and value are continuously protected by identifying risks at an early stage which facilitates managing them better.

Take risks that we can manage

Our complex operating environment calls for effective risk management, governance and reporting. Risk is inherent to every project and is hence managed, right from bidding stage. We at Ramky Infra believe that business opportunities need to be balanced against inherent business risks. Our operations and value are continuously protected by identifying risks at an early stage which facilitates managing them better.

At all times, we take the risks that we can afford to take. While we build a stretch and work within prudential limits, our risk diffusion strategy limits us from over exposure to any sector or state. Our endeavour is to keep our aggregate exposure to a sector within 20% of the total order book. There are occasions when order intake is higher in a sector, increasing the ratio of the sector in the order book. A

disciplined approach is taken to monitor and control exposure levels, as well as efforts are made to win viable contracts in all other sectors and minimize imbalances in the order book. We at Ramky Infra seek to grow with manageable risks.

The Company reviews and assigns the appropriate priorities and manages its risks as systematically and efficiently as possible. We adopt a linear top-down/bottom-up risk management process based on the sensitivity attached to the business' value chain. There are identified risk champions who prioritise, manage and mitigate risks.

While the procedures are adequate at present, the system is being further reviewed to incorporate enterprise wide risk management process in its entirety into the organizational structure.



Ensure adequate funding of projects

Our cash flow remains strong. Our objective is to ensure that the business produces a relatively stable cash flow. At Ramky Infra, as part of financial discipline, we stay focused on managing costs and profitability, and equally important, on cash flow as well. Project leaders are encouraged to have a perspective where the project is not complete until the cash is reflected in the books.

We ensure that we have an adequate capital and resource base to aggressively develop the sectors in which we have the best potential for long term value creation. Care is taken on a daily basis to ensure that capital is never put to risk.

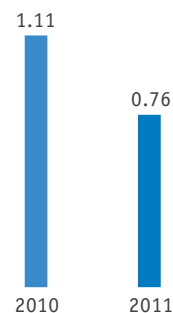
Our debt-equity ratio is watched closely with the result the gearing at year end on March 31, 2011 (standalone) was 0.76. Our receivables are well below industry levels and we have adequate bank limits. As at year end, the utilization of bank limits was around 75% of approved limits. Our interest costs are 2.5% of revenue and the average cost of funds are around 10.5%.

Our return on net assets (RONA) performance matrix renders our value growth transparent and quantifiable. We measure our performance on the RONA for all our order intake, portfolio build up and investment decisions. This measure ensures that we always protect our earnings power and stakeholder interest.

In future, the focus will be on further improving the Company's cost structure. We will strive to generate a higher return on our investments than relevant benchmarks and industry average.

Debt-equity ratio

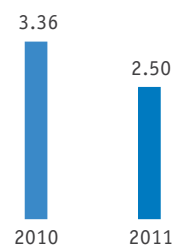
Standalone



Interest & finance charges to revenue

Standalone

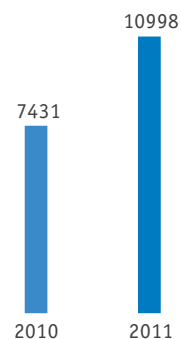
%



Orders on hand

March 31

₹ Crore



Manage human resources optimally

Ours is a people business. We are conscious that only by developing our human resources, we can continue to create value.

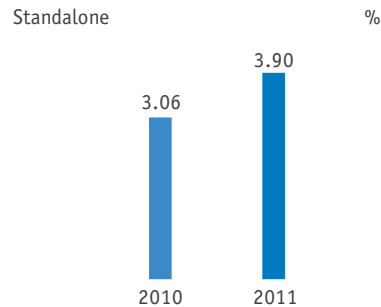
To achieve the business goal of growth in a highly competitive market, the Company is dependent on attracting the most talented individuals and developing a corporate culture based on a wide breadth of experience and expertise. We recruit some of the best talent in the country and develop an engaged workforce by providing all employees with opportunities to learn, grow and advance.

This philosophy has helped us retain talent in an environment of shortage of skilled resources and achieve an attrition rate better than the industry. At the same time, the Company offers lifetime employment to those who can deliver results.

At Ramky Infra, we attach a premium to team work and encourage individuals to connect all the dots even as we provide a platform for career growth to result oriented professionals.

We will continue to do well because we have been building competencies in our people, improving their accountability matrix and ensuring the leadership stays professional and hands-on. We lay emphasis on execution capabilities and train the in-house resources to cater to both present needs and future dynamics.

Personnel costs to revenue



Employee strength



The way forward

We will stay focused and selective to achieve increasing returns. Vigorous efforts are on-going to procure high value contracts in complex and niche projects. Our efforts will continue towards ensuring that conversion ratios from bid to order are maintained.

The new businesses that we propose to enter are likely to be those that have high entry barriers and are consistently rewarding with higher value. We are exploring such niche markets. At the same time, we are stepping up our foray into countries where opportunities are being opened up and where the competitive pressures are as yet low.

We will strive for excellence and leadership in every part of our operation. The common thread that unites our large

pool of human resource is a business driven and change positive culture. The entrepreneurial and professional power of such a culture will fuel our momentum.

We look forward to the year 2011-12 as one of continual change and increased opportunity. Given our balance sheet strength, we have a sound base for enhancing profitable growth. By implementing our time tested strategies, Team Ramky Infra will work to ensure the revenue streams lead to long term sustainability.

While we will succeed only as an enterprise by serving our customers to their satisfaction, our relentless focus will remain on financial discipline and clearly defined elements of value creation.



RAMKY Group

Ramky Infrastructure Limited is the flagship company of Ramky Group, a specialist multi-disciplinary organization founded in 1994. The Group has over 6,000 employees across its professionally managed companies with presence in more than 55 locations in India, in addition to branch offices at Saudi Arabia, UAE, Singapore and Africa.

Some of the more well known companies in the Group are Ramky Enviro Engineers Limited, Ramky Estates and Farms Limited, Ramky Life Sciences Limited and Ramky Finance & Investment Private Limited.

The Group, with revenues of about Rs.4500 crore, has a common vision, plays a pioneering role and is evolving into a leading infrastructure conglomerate. The focus is on areas such as civil, environmental & waste management infrastructure with specific emphasis on 'Public Private Partnership' projects.

The basic principle at the Ramky Group is that whatever we do should be a major contribution to the society, and the country should be proud of it. We have done fairly well on that front, with a string of firsts like India's first integrated hazardous waste facility, India's first biomedical waste facility and also India's first integrated municipal solid waste facility. We are now the market leaders with over 50% market share in Solid Waste Management (SWM) with 60 projects on ground/under setup including medical waste management, hazardous waste management and municipal waste management.

These are in addition to our massive road-building and other infrastructure works... nothing short of building the country's backbone.



Board of Directors

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

STATUTORY AUDITORS

M/s. Visweswara Rao & Associates
 'SRI' Plot No.512A1, Road No.31
 Jubilee Hills, Hyderabad - 500033

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 : +91 40 2331 0091

REGISTRAR AND TRANSFER AGENT

Karvy Computershare Private Limited
 Plot No. 17-24, Vittalrao Nagar
 Madhapur, Hyderabad - 500 081
 Phone: +91 40 4465 5000

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. V. Phanibhushan

BANKERS

State Bank of India
 State Bank of Hyderabad
 Axis Bank Limited
 Yes Bank Limited

ING Vysya Bank Limited
 Standard Chartered Bank
 ICICI Bank Limited
 IndusInd Bank Limited

Kotak Mahindra Bank Limited
 Development Credit Bank Limited
 IDBI Bank Limited
 Andhra Bank

Notice

NOTICE OF SEVENTEENTH ANNUAL GENERAL MEETING

Notice is hereby given that the 17th Annual General Meeting of the Members of Ramky Infrastructure Limited will be held on **Friday, the August 12, 2011 at K.L.N. Prasad Auditorium, 3rd Floor, Federation House, FAPCCI Marg, 11-6-841, Red Hills, Hyderabad - 500 004 at 3.00 p.m.** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2011 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend for the financial year ended March 31, 2011 on Equity Shares.
3. To appoint a Director in place of Mr. V. Harish Kumar, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajiv Maliwal, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint the statutory auditors and fix their remuneration and for this purpose to consider and, if thought fit to pass, with or without modifications, the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT M/s. Visweswara Rao & Associates, Chartered Accountants, Hyderabad (Registration No. 005774S) be and are hereby appointed as 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 or Committee thereof."
6. 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 Resolution as an **Ordinary Resolution:**

"RESOLVED THAT M/s. BSR & Co, Chartered Accountants, Hyderabad (Registration No. 101248W) be and are hereby

appointed as 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 or Committee thereof."

SPECIAL BUSINESS

7. To consider and, if thought fit to pass, with or without modifications, the following Resolution as an **Ordinary Resolution:**

"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, having considered the entire aspects and subject to the requisite approvals and pursuant to approval of the Remuneration Committee, approval of the Company be and is hereby accorded for the payment of remuneration to Mr. A. Ayodhya Rami Reddy, Executive Chairman 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 March 31, 2013.

"FURTHER RESOLVED THAT Mr. A. Ayodhya Rami Reddy, Executive Chairman be paid the above remuneration subject to a limit of Rupees 1.50 crore per annum towards salary, dearness allowance and other allowances and upto 1% of net profits as Commission for the Financial Year 2011-12 which shall be reviewed by the Remuneration Committee from time to time and shall remain the same until changed.

"FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any year during his tenure, Mr. A. Ayodhya Rami Reddy, Executive Chairman 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 monthly or quarterly or half yearly or otherwise as may be agreed to between the Executive Chairman and the Remuneration Committee of the Company."



8. To consider and, if thought fit to pass, with or without modifications the following Resolution as an **Ordinary Resolution:**

"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, having considered the entire aspects and subject to the requisite approvals and pursuant to the approval of the Remuneration Committee, approval of the Company be and is hereby accorded for the payment of remuneration to Mr. 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 March 31, 2012.

"FURTHER RESOLVED THAT Mr. Y. R. Nagaraja, Managing Director be paid the above remuneration subject to a limit of Rupees 1.00 crore per annum towards salary, dearness allowance and other allowances for the Financial Year 2011-12 which shall be reviewed from time to time by the Remuneration Committee and shall remain the same until changed.

"FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any year during his tenure, Mr. Y. R. Nagaraja, Managing Director 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 monthly or quarterly or half yearly or otherwise as may be agreed to between the Managing Director and the Remuneration Committee of the Company."

9. To consider and if thought fit to pass with or without modification the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 163 of the Companies Act, 1956, approval of the members be and is hereby accorded for keeping the Register of Members, Register of Debenture holders, Indices of Members and Debenture holders if any, and copies of Annual Returns prepared under Section 159 together with the copies of all certificates and documents required to be annexed under Section 161 of the Act at the office of the Company's Registrar & Share Transfer Agent M/s. Karvy Computershare Private Limited, at Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad 500 081, Andhra Pradesh and the same shall be open for inspection by the persons entitled to it as specified in Section 163 of the Companies Act, 1956."

By Order of the Board,

Hyderabad
May 26, 2011

Y.R. Nagaraja
Managing Director



Notes:

1. An Explanatory Statement under Section 173(2) of the Companies Act, 1956 in respect of items 6 to 9 of the Notice is attached. The statement of the particulars of Directors seeking re-appointment as required under Clause 49 of the Listing Agreement is enclosed as Annexure A.
 2. **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies, in order to be valid and effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
 3. The Register of Members and the Share Transfer Books of the Company will remain closed from August 6, 2011 to August 12, 2011 (both days inclusive).
 4. Members are requested to bring the Admission Slip duly filled in and hand over the same at the entrance to the venue of the Meeting.
 5. Members who hold shares in dematerialised form are requested to bring their depository account Number (Client ID and DP ID) for easier identification and recording of the attendance at the Meeting.
 6. Members/Proxies are requested to bring their copies of Annual Report to the Meeting. As an austerity measure, copies of Annual Report will not be distributed at the Meeting.
 7. Members desirous of seeking any information on the accounts or operations of the Company are requested to write to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
 8. Members holding shares in physical form can avail of the nomination facility by filing the Form 2B (in duplicate) as prescribed under the Companies Act, 1956 with the Registrar & Share Transfer Agents and in case of shares held in demat form, the nomination has to be lodged with their respective Depository Participants (DPs).
 9. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar & Share Transfer Agents, M/s. Karvy Computershare Private Limited. Members holding shares in electronic form must send the advice about the change of address to their respective Depository Participants (DPs) and not to the Company. Non-resident Indian shareholders are requested to inform us immediately the change in the residential status on return to India for permanent settlement.
 10. Members holding shares under multiple folios are requested to consolidate their holdings, if the shares are held in the same name or in the same order of names.
 11. The equity shares of the Company have been notified for compulsory trading in demat form. The Company has signed a tripartite agreement with National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) and M/s. Karvy Computershare Private Limited to facilitate dematerialisation of shares. Members are requested to avail of this facility and have their shareholding converted into dematerialised form.
 12. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m., up to the date of the Annual General Meeting.
 13. The Register of Director shareholding shall be open for inspection during the period beginning 14 days before the Annual General Meeting and ending 3 days after its conclusion.
 14. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing paperless compliances by companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, Members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses in respect of the dematerialised holdings with their respective Depository Participants.
- Members who hold shares in physical form are requested to fill the required details in the Green Initiative form available on the Company's website: www.ramkyinfrastructure.com
- Members may download the form and forward to the Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited.



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

ITEM 7

The Board of Directors of the Company vide circular resolution effective dated April 1, 2010 have re-appointed Mr. A. Ayodhya Rami Reddy as Executive Chairman of the Company for a period of three years with effect from April 1, 2010. The Company has achieved 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 at its meeting held on May 26, 2011 has reviewed and recommended an 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 March 31, 2013.

It also recommended,

- i. subject to a limit of Rupees 1.50 crore per annum towards salary, dearness allowance, perquisites, and other allowances and upto 1% of the net profits as Commission for the Financial Year 2011-12 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, Executive Chairman 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 monthly or quarterly or half yearly or otherwise as may be agreed to between Mr. A. Ayodhya Rami Reddy, Executive Chairman 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 as mentioned above for the approval of the Members in accordance with the provisions of Sections 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 engagement of Mr. A. Ayodhya Rami Reddy, Executive Chairman in terms of Section 302 of the Companies Act, 1956.

None of the Directors are interested in the above Resolution except Mr. A. Ayodhya Rami Reddy.

Your Directors commend the Resolution for your approval.

ITEM 8

Your Company has achieved a significant allaround growth under the leadership of Mr. Y. R. Nagaraja, Managing Director. It was felt appropriate to revise the current remuneration of Mr. Y. R. Nagaraja, Managing Director, commensurate with the operations and performance of the Company. The Remuneration Committee of the Board at its meeting held on May 26, 2011 has reviewed and recommended an 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 March 31, 2012.

It also recommended,

- i. subject to a limit of Rupees 1.00 crore per annum towards salary, dearness allowance, perquisites, and other allowances for the Financial Year 2011-12 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, Managing Director 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 monthly or quarterly or half yearly or otherwise as may be agreed to between Mr. Y. R. Nagaraja, Managing Director 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 Sections 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 revised remuneration to Mr. Y. R. Nagaraja, Managing Director in terms of Section 302 of the Companies Act, 1956.

None of the Directors are interested in the above Resolution except Mr. Y. R. Nagaraja.

Your Directors commend the Resolution for your approval

ITEM 9

The Company's shares are traded on the stock exchanges in compulsory dematerialised form, as per SEBI directions. The company has appointed M/s. Karvy Computershare Private Limited as common agency to look after both physical and demat share transfer work of the Company.

In order to facilitate smooth functioning of share transfer work and timely furnishing of information to the shareholders, the Register of Members and Index of Members, annual returns prepared under Sections 159 and 160 of the Companies Act, 1956, together with the copies of the certificates and documents required to be annexed to the annual returns need to be kept at the office of the Registrar and Transfer Agent and maintained and updated by them.

As per the provisions of Section 163 of the Companies Act, 1956, in order to maintain such registers/documents at a place other than the Registered Office of the Company within the city in which the registered office of the company is situated, provided such other place is approved by the Members by way of a Special Resolution and an advance copy of the above Resolution to be furnished to the Registrar of Companies.

Accordingly a copy of the proposed Resolution has been given in advance to the Registrar of Companies, Andhra Pradesh, Hyderabad.

The Board recommends the Resolution for your approval.

None of the Directors of the Company is concerned or interested in the Resolution.

By Order of the Board,

Hyderabad
May 26, 2011

Y.R. Nagaraja
Managing Director



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	Mr. V. Harish Kumar	Mr. Rajiv Maliwal
Date of Birth	November 30, 1966	November 26, 1960
Date of Appointment	October 26, 2007	December 22, 2006
Expertise in specific functional areas	He had set up his practice as a company secretary and thereafter he has been practising as a corporate lawyer under the name and style of Harish Kumar & Associates. At present, he is a member of the Andhra Pradesh High Court Advocates Association, Bar Council, Andhra Pradesh, Institute of Company Secretaries of India. He is also a member of the Rotary Organization, 41 clubs of India (in association with the ex-members of Round Table of India) and a member of the Society of Free Masons.	He was co-founder of Sabre Capital Worldwide Incorporated and has 25 years of experience in managing large businesses in the financial services industry. He has previously worked with Lotus India, Standard Chartered Bank in Singapore, ANZ Grindlays, Goldman Sachs in Hong Kong, JP Morgan in Singapore and Citibank India. He was involved in the recapitalization and restructuring by Sabre Group of Centurion Bank and in setting up an asset management business, Lotus India, as a joint venture with a subsidiary of Temasek Holdings.
Qualification	He holds a Bachelor's Degree in Commerce, a Post Graduate Diploma in Direct Taxes and a Bachelor's Degree in Law, all from the Osmania University, Hyderabad. He is also a company secretary having qualified for the membership of the Institute of Company Secretaries of India.	He holds a Degree in Mechanical Engineering (Honours) from Birla Institute of Technology and Science, Pilani and a Post Graduate Degree in Business Administration from IIM, Bangalore.
List of other companies in which directorship is held as on March 31, 2011	<ul style="list-style-type: none"> ● Nettlelix Limited ● Net Matrix Limited 	<ul style="list-style-type: none"> ● ECI Engineering & Construction Company Limited ● Man Infra Construction Limited ● Praj Industries Limited
Chairman/member of the committees of the Board of the companies in which he is a director as on March 31, 2011	<ul style="list-style-type: none"> ● Nettlelix Limited 	<ul style="list-style-type: none"> ● Man Infra Construction Limited
Equity shares held in the Company	Nil	Nil
Relationship between Directors <i>inter-se</i>	Nil	Nil

Directors' Report

Dear Members,

Your Directors have pleasure in presenting their 17th Report on the business and operations of your Company for the financial year ended March 31, 2011.

FINANCIAL RESULTS

The financial performance of the Company for the financial year ended March 31, 2011 is summarized below:

(₹ Crore)

Particulars	2010-11	2009-10
Gross Turnover	2730.52	1861.25
Other Income	13.95	7.00
Total Income	2744.47	1868.25
Total Expenditure except Depreciation and Interest	2444.61	1666.61
Profit before Interest, Depreciation, Extraordinary items & Tax	299.86	201.64
Depreciation	19.27	10.49
Profit before Interest, Extraordinary items & Tax	280.59	191.15
Interest	68.42	62.68
Profit before taxes	212.17	128.47
Provision for Tax	54.81	25.72
Profit after Tax	157.36	102.75
Balance brought forward from previous year	296.23	193.48
Profit available for appropriation	453.59	296.23
Appropriations		
Transfer to General Reserve	20.00	-
Proposed Dividend on existing shares	25.74	-
Corporate Dividend Tax	4.18	-
Balance carried to Balance Sheet	403.67	296.23

REVIEW OF PERFORMANCE

Your Company had a robust year with execution of several infrastructural projects, while experiencing a good order inflow. The overall performance has been commensurate with the expectations set for the year under review.

Members will notice that the revenues climbed by 46% to ₹2730 crore from ₹1861 crore, while the profit before tax was increased to ₹212 crore, a growth of 65% from ₹128 crore achieved in the previous year. These results were a consequence of your Company's focus to execute and deliver projects on time, step up operating margins, control costs and achieve operational efficiencies.

The profit after tax for the year under review was ₹157 crore, an increase of 53% from ₹102 crore reported in the previous year. The Earnings per Share was ₹29.57 on the post-IPO enhanced equity, as compared to ₹20.79 in 2009-10.

During the year under review, your Company was awarded projects totaling ₹6297 crore across all verticals, with the result the order book at year end stood at a healthy ₹10998 crore. The significant increase of 48% over the previous year end order book balance of ₹7431 crore is a testimony to the strength of your Company's brand, technical competence and execution capabilities.

OUTLOOK

Today, your Company sees traction in all six verticals and is increasing its presence in a highly competitive market. Looking ahead, your Company sees high revenue visibility on the strength of the pace of execution of the orders on hand. The order inflow continues to be robust supplementing the existing order book, which in the infrastructure industry translates to revenues normally in about 24 to 30 months.

While the existing verticals are expected to grow at an accelerated rate, your Company is exploring opportunities in newer and niche verticals which are in line with your Company's core competence, both in India and overseas. The focus will remain on leveraging the organizational strengths to win high-value projects and strive to improve market share. At the same time, your Company adheres to prudential norms right from bidding for projects and ensures fiscal discipline until their execution. Members will be gratified to know that sustained long term growth will remain the hallmark of the Company.

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹4.50 per share for the year 2010-11 on the capital of 5,71,97,791 equity shares of ₹10 each. The dividend, if approved by the Members, would involve a cash outflow of ₹29.92 crore including tax on dividend.

TRANSFER TO RESERVES

Your Company transferred ₹20 crore to the General Reserve out of the amount available for appropriation and ₹403.67 crore is retained in the Profit and Loss Account.

SHARE CAPITAL

The paid up share capital of your Company was increased from ₹49,42,00,140 to ₹57,19,77,910 by allotment of 77,77,777 equity shares of ₹10 each at a premium of ₹440 per share on October 5, 2010, pursuant to the Initial Public Offer (IPO). As Members are aware, your Company had come out with an IPO by issue of

77,77,777 Equity Shares of ₹10 per share at a price of ₹450 per share (including share premium of ₹440 per share) aggregating ₹350 crore and the same were listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited on October 8, 2010. The utilisation of IPO proceeds as on March 31, 2011 is as under:

(₹ in crore)

Particulars	Amount
Funds received through IPO	350.00
Utilisation of funds	
Investment in capital equipment	56.40
Working capital requirements	175.00
Repayment of term loans	25.00
General Corporate Purposes	54.84
IPO expenses	14.41
Total funds utilised up to March 31, 2011	325.65
Balance as on March 31, 2011*	24.35

*As on March 31, 2011 the balance unutilised funds have been temporarily invested in short term fixed deposit with banks.

DIRECTORS

Mr. P.V. Narasimham, resigned as a Director of the Company on May 26, 2011. Your Board has placed on record its sincere appreciation for the services rendered by him during his tenure.

Mr. V. Harish Kumar and Mr. Rajiv Maliwal, Directors, retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment as Directors whose office shall be liable to retire by rotation. The necessary resolution is being placed before the Members for approval.

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:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- 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 March 31, 2011 and of the profit of the Company for the financial year ended on that date;

- 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
- the annual accounts of the Company have been prepared on a 'going concern' basis.

CORPORATE GOVERNANCE

In pursuance of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, a separate Report on Corporate Governance along with a certificate from AGR Reddy & Co, Practising Company Secretary regarding its compliance is annexed and forms part of this Report. Your Company will continue to adhere in letter and spirit to good corporate governance policies.

MANAGEMENT DISCUSSION & ANALYSIS

A report on Management Discussion & Analysis forms part of this Annual Report.

CONSOLIDATION OF ACCOUNTS

The standalone accounts of your Company broadly represents the EPC business plus the investment that have gone into the 14 BOT or SPV assets of the Company, and the consolidated business represents the consolidation of the EPC business and the integrated infrastructure development business,

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-27 on Financial Reporting of Interests in Joint Ventures, your Directors have pleasure in attaching the Consolidated Financial Statements as part of the Annual Report.

Pursuant to the provision of Section 212(8) of the Act, the Ministry of Corporate Affairs vide its circular dated February 8, 2011 has granted general exemption from attaching the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies with the Annual Report of the parent company. Accordingly the Company has availed the exemption from attaching the accounts of the subsidiary companies.

A statement containing brief financial details of the subsidiaries for the financial year ended March 31, 2011 is annexed. The annual accounts of these subsidiaries and the related detailed information will be made available to any Member of the Company/its subsidiaries seeking such information at any point of time and are also available for inspection by any Member of the Company/its subsidiaries at the registered office of the Company. The annual accounts of the subsidiaries will also be available for inspection, as above, at registered offices of the respective subsidiary companies.

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 re-appointment as Statutory Auditors of the Company until the next Annual General Meeting. The Company has received their offer in writing about their willingness for re-appointment as statutory auditors of your Company along with a certificate under Section 224 (1B) of the Companies Act, 1956.

The Auditors M/s. BSR & Co, Chartered Accountants, Hyderabad who retire at the ensuing Annual General Meeting of the company, are eligible for re-appointment as Statutory Auditors of the Company till the next Annual General Meeting. The Company has received their offer in writing about their willingness for appointment as statutory auditors of the Company along with a certificate under Section 224 (1B) of the Companies Act, 1956.

The Board of Directors recommend their respective re-appointments. Appropriate resolutions form part of the agenda at the ensuing Annual General Meeting.

REPLIES TO AUDITORS' REPORT

With reference to observations made in Auditors' Report, the notes of account is self explanatory and therefore do not call for any further comments. There are no qualifications in the Auditors Report.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public. As such, there was no principal or interest outstanding on the date of the Balance Sheet.

STATUTORY INFORMATION

Particulars of employees who were in receipt of remuneration of ₹60,00,000 or more per annum or ₹5,00,000 or more per month are set out as annexure to this Report. None of the employees listed in the annexure is related to any Director of the Company.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars regarding conservation of energy, technology absorption and conservation of energy, which is an ongoing process in the Company's construction activities, is not furnished as the relative rule is not applicable to your Company.

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 nor 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 so as to be more competitive in the prevailing environment.

Foreign exchange earnings: ₹30,53,77,703

Foreign exchange outgo : ₹58,39,53,833

AWARDS AND REWARDS

The following are the awards conferred on the Company during the year:

1. Silver Category of the prestigious "Greentech Environment Excellence Award 2010" in service sector for outstanding achievement in Environment Management at the 80 MLD sewage treatment plant at Airoli, Mumbai;
2. The Water Digest "Water Awards 2010-2011" as the "Distinguished Water Company" for outstanding contribution in the field of water in India;
3. Prestigious "10th Annual Greentech Safety Award 2011" in Gold Category in Construction Sector for outstanding achievement in safety management;

INDUSTRIAL RELATIONS

Your Company enjoyed cordial relations with its employees during the year under review and the Board appreciates all the employees across the cadres for their dedicated service to the Company, and looks forward to their continued support and higher level of productivity for achieving the targets set for the future.

ACKNOWLEDGEMENTS

Your Directors wish to express their appreciation of the support and co-operation of the central and the state governments, customers, bankers, financial institutions, suppliers, associates and subcontractors, and seeks their continued patronage in future as well.

For and on behalf of the Board

A. Ayodhya Rami Reddy
Chairman

Hyderabad
May 26, 2011



Annexure

Information under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended March 31, 2011

Employeed throughout the year

Name of the Employee	Designation & nature of duties	Remuneration	Qualification	Exper-ience (Years)	Date of commencement of employment	Age	Last employment	% of equity shares held in the Company
Mr. A. Ayodhya Rami Reddy	Executive Chairman	3,06,48,206	M.E. (Civil)	29	April 15, 1994	48	Naveega Engineers Private Limited	59.93
Mr. Y.R. Nagaraja	Managing Director	73,53,804	B.E. (Civil)	29	April 15, 1994	49	Naveega Engineers Private Limited	2.93
Mr. Shuvendu Sekhr Mohanty	Chief Executive Officer	66,99,996	B.E. (Mech.)	34	July 8, 2010	58	RSB Transmission, Pune	-

Employed for a part of the year

Mr. G. Sanjiv Iyer	Chief Financial Officer	79,15,992	CA	30	November 3, 2008	49	Dhofar Power Co	-
Mr. G. Emmanuel David	Head HR	10,63,334	PGDM-PM & IR	28	December 1, 2008	52	GMR Corporate Centre Limited	-

Management Discussion and Analysis

INFRASTRUCTURE INDUSTRY - AN OVERVIEW

Investment in infrastructure is estimated to climb to 7.55% of gross domestic product (GDP) during the 11th Five Year Plan from 5.15% achieved during the 10th Five Year Plan period. A high level committee on financing infrastructure in the Planning Commission has projected investment of ₹40.99 lakh crore (US\$ 1,025 billion) during the 12th Five Year Plan period (2012-17) to achieve a share of 9.95% as a proportion of the GDP.

According to the latest CRISIL Research on construction, the total capital investments (industrial and infrastructure) are to grow by 1.7 times over the next five years (2010-11 to 2014-15) to ₹37.3 lakh crore from ₹22.1 lakh crore investments made in 2005-06 to 2009-10. During the same period, construction investments would nearly double from ₹8.9 lakh crore to ₹16.8 lakh crore. CRISIL says this growth will be driven by infrastructure investments, which are expected to double during this five-year period. Within the infrastructure segment, sectors such as roads, power and irrigation are likely to grow at a faster pace vis-à-vis the airports, ports and telecom sectors.

The growth in construction investments during this period will be driven by the infrastructure segment, which is estimated to comprise 85% of the total construction investment. Within the infrastructure segment, sectors such as roads, power, irrigation and urban infrastructure sectors would together contribute around 73% of the total construction investment. During the period 2005-06 to 2009-10, the four sectors collectively accounted for 64% of the total construction investment, the Research report said.

A number of initiatives were taken in the course of the 11th Plan to accelerate the pace of investment in infrastructure. In particular, the government has taken several initiatives for standardising the documents and processes for structuring and award of PPP projects in a transparent and competitive manner. The governments, both central and in the states, are emphasising infrastructure development as one of the inevitable instruments for changing the face of growing India. The momentum in the economy is hence adding traction to the business plans of all infrastructure companies.

COMPANY PERSPECTIVE

Ramky Infra operates in two principal business segments:

- i. EPC business which is operated by the Company, and
- ii. Developer business which is operated through 14 subsidiaries and 3 associates. A majority of the development projects are public private partnerships and are operated by separate special purpose vehicles (SPVs) promoted by the Company and other companies/undertakings.

EPC BUSINESS

The Company operates in the following verticals:

- i. Water & waste water
- ii. Transportation
- iii. Buildings
- iv. Irrigation
- v. Industrial
- vi. Power transmission and distribution

DEVELOPER

The Company conducts its business through subsidiaries/special purpose vehicles/joint ventures/associates formed for the development of BOOT/BOT projects. A brief overview of the SPVs/subsidiaries is given below:

Ramky Pharma City (India) Limited (RPCIL)

This SPV has been formed for developing the Jawaharlal Nehru Pharma City Industrial Park at Parawada, Visakhapatnam. This is an integrated industrial park aimed at bulk drug manufacturers, pharmaceutical companies and fine chemical manufacturers.

This is a perpetual BOO project in a joint venture with Andhra Pradesh Industrial Infrastructure Corporation, which owns 11% of RPCIL while Ramky Infra holds 51% stake. The SPV has reported revenues of ₹10582.04 lakhs for the financial year 2010-11 as compared to ₹6885.46 lakhs in the previous year. Net profit for the year is ₹4214.14 lakhs, a significant improvement over ₹2214.76 lakhs earned in the previous year.

MDDA-Ramky IS Bus Terminal Limited

This SPV has been formed for developing inter-state bus terminal and commercial mall at Dehradun. This is a BOT project in which Ramky Infra holds 100% stake. During the year under review, the subsidiary has reported gross revenues of ₹259.90 lakhs as against ₹205.04 lakhs in 2009-10. It has reported a net loss of ₹48.85 lakhs as against net profit of ₹13.55 lakhs in the previous year.

Gwalior Bypass Projects Limited

This SPV has been formed for developing a 42 km road that will connect the NH-3 & NH-75 highways in Madhya Pradesh. The road is being built on a BOT basis, with semi-annuity payments. 51% of this SPV is held by Ramky Infra. The construction work is in the final stages of completion.

Ramky Elsamex Hyderabad Ring Road Limited

This SPV is formed for 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, for the package from Tukuguda to Shamshabad from Km 121.00 to Km 133.63 on Build, Operate and Transfer (BOT) (Annuity) Basis. Ramky Infra holds 74% of this SPV. The construction work has been completed. The SPV has reported gross revenue ₹5325.41 lakhs as annuity income and a net profit of ₹189.36 lakhs in 2010-11.

Ramky Towers Limited

This SPV is formed for developing an integrated residential and commercial project on 17.10 acres of land in Gachibowli, Hyderabad and Andhra Pradesh in line with the contract executed with Andhra Pradesh Housing Board. Ramky Infra holds 51% stake in this entity. This subsidiary has reported revenues of ₹12308.47 lakhs in the year under review as compared to ₹5881.41 lakhs in the previous year. The net profit for the year is of ₹653.97 lakhs as against of ₹328.07 lakhs achieved in 2009-10.

Ramky Enclave Limited

This SPV is formed for developing an integrated housing project on 32.69 acres of land at Warangal, Andhra Pradesh in line with the contract executed with Andhra Pradesh Housing Board. Ramky Infra holds 89.01% stake in this entity. This subsidiary has reported revenues of ₹909.86 lakhs for 2010-11 as against of ₹766.02 lakhs in the previous year. The net profit for the year is ₹32.30 lakhs as against net loss of ₹72.43 lakhs in the previous year.

Ramky Food Park (Chhattisgarh) Limited

This SPV is formed for developing, designing, marketing, operating and maintaining the food processing park in the district of Rajnandagaon, Chhattisgarh on a BOT basis. Ramky Infra holds 100% stake in this SPV. An Authorization Agreement has been entered into with the Chhattisgarh State Industrial Development Corporation. The business of the Company is yet to commence. The SPV has reported revenue of ₹0.44 lakhs from interest income and a net loss of ₹0.61 lakh during the year under review.

Ramky Herbal and Medicinal Park (Chhattisgarh) Limited

This SPV is formed for developing, designing, marketing, operating and maintaining the herbal and medicinal park in the district of Dhamtari, Chhattisgarh on a BOT basis and Ramky Infra holds 100% stake in this SPV. An Authorization Agreement has been entered into with the Chhattisgarh State Industrial Development Corporation. Possession of land is yet to be handed over to the company for the development, and the business is yet to commence. The SPV has reported gross revenue of ₹0.01 lakh as interest income and loss of ₹0.96 lakh during the financial year.

Naya Raipur Gems and Jewellery SEZ Limited

This SPV is formed for developing, designing, marketing, operating

and maintaining the gems and jewellery park in Raipur District, Chhattisgarh on a BOT basis. Ramky Infra holds 100% stake in this SPV. An Authorization Agreement has been entered into with the Chhattisgarh State Industrial Development Corporation. The business of the company is yet to be started and this SPV has reported gross revenue of ₹0.71 lakh towards interest income and a net loss of ₹5.67 lakhs in the year under review.

Ramky Food Park (Karnataka) Limited

Ramky Food Park (Karnataka) Limited was incorporated on December 22, 2010 for developing food parks at Tumkur in Karnataka in accordance with the contract executed with Karnataka State Government. The company is yet to start its business and there was no income in the financial year and posted a net loss of ₹0.49 lakhs.

Ramky MIDC Agro Processing SEZ Limited

The SPV is formed for developing, designing, marketing, operating and maintaining the agro processing SEZ on a BOOT basis. Ramky Infra holds 100% stake in this SPV. An Authorization Agreement was entered with the Maharashtra Industrial Development Corporation. The Company is yet to commence operations. The SPV has reported gross revenue of ₹0.11 lakh towards interest income and reported a net loss of ₹1.85 lakh in the year under review.

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

Ramky Infra holds 100% stake in this subsidiary which is engaged in providing business consultancy services in the field of engineering. This subsidiary has reported revenues of ₹12124.79 lakhs for 2010-11 as against ₹9.40 lakhs in the previous year. The net profit for the year is ₹2623.90 lakhs as against loss of ₹86.73 lakhs in 2009-10.

Ramky Multi Product Industrial Park Limited

Ramky Multi Product Industrial Park Limited was incorporated on December 13, 2010 for maintaining 'Multiproduct Industrial Park' to meet the requirements of various industrial, manufacturing, service sectors. The company is yet to start business and the SPV has reported gross revenue of ₹0.54 lakh from interest income while the net loss was ₹1.26 lakh in 2010-11.

Srinagar Banihal Expressway Limited

This special purpose vehicle is incorporated with a view to design, build, construct, develop, operate and maintain so as to rehabilitate, strengthen and four laning of Srinagar Banihal section of NH-1A from km 187.00 to km 189.350 (Banihal Bypass) & km 220.700 to km 286.110 and improvement of km 187.000 to Km 220.700 (Existing 2-lane road) on DBFOT (Annuity) basis in the state of Jammu and Kashmir. Ramky Infra holds 74% in this SPV, which is yet to start operations and reported a net loss of ₹2.16 Lakhs

JOINT VENTURES

NAM Expressway Limited

Ramky Infra has acquired a 50% interest in NAM Expressway Limited, which was incorporated on June 15, 2010 for designing, constructing, operating and maintaining four lanes of the Marketpalli-Addanki-Medaramitla Road (SH-2) in Andhra Pradesh. The construction of road work has since started and reported revenue of ₹291.61 lakhs from interest income and profit of ₹25.94 lakhs

Jorabat Shillong Expressway Limited

Ramky Infra has acquired a 50% interest in Jorabat Shillong Expressway, which was incorporated on June 18, 2010 for developing four lanes of the Jorabat Shillong (Barapani) section of NH-40 from Km 0.00 to Km 61.80 in 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 road construction has since started. The SPV has reported a net loss of ₹66.77 lakhs.

ASSOCIATES

Ramky Integrated Township Limited

Ramky Integrated Township Limited, in which Ramky Infra has a 29.19% equity interest, is developing an integrated township project called Discovery City on 374.60 acres of land in Srinagar Village, Maheshwaram Mandal, Ranga Reddy District in Andhra Pradesh on a BOO basis. The business of the company is yet to be started and has reported gross revenue of ₹4.42 lakhs from interest income while the net loss was ₹15.86 lakhs in 2010-11.

STRENGTHS AND OPPORTUNITIES

The Company has the following set of core competencies:

- Design and engineering, especially in the water and waste water infrastructure segment;
- In-house augmentation of critical asset base and best-in-class processes for execution, which enable the Company to plan and execute projects in a timely manner;
- Prudent management of capital deployment, enabling an optimum turnover of the capital so employed, thus leading to higher return on capital.

The Company operates the EPC business in the following sectors:

- Water & 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;

- Transportation** projects such as expressways, highways, bridges, flyovers and dedicated service corridors;
- 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;
- Irrigation** projects such as cross-drainage works, lift irrigation projects, dams and barrages;
- Industrial** construction projects such as aluminium, textile, pharma, power & petroleum industrial parks, SEZs and related works; and
- Power transmission and distribution** projects such as electricity transmission networks, substation feeder lines and low tension distribution lines.

Ramky Infra has diversified its business portfolio which helps to mitigate risk of slowdown in any one particular segment. The Company is exploring to enter into more verticals which in turn will mitigate the risk with a wider business mix. Over the years, core competence has been further developed by the engineering, planning and project execution skills.

The Company is recognised for its well organised and timely completion of projects with quality consciousness. Ramky Infra is exploring international business opportunities to scale up its business in the years to come.

In the financial year 2010-11, the Company earned a net profit, on a consolidated basis of ₹206 crore. The value of the Order Book was ₹10998 crore on March 31, 2011 compared with ₹7431 crore held on March 31, 2010.

RAMKY INFRA - A FAST TRACK COMPANY

Revenues

The turnover of the Company for 2010-11 of ₹2730 crore has grown by 46.70% over the year, compared to ₹1861 crore 2009-10. 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.

Profits

The Earnings before Interest Depreciation, Taxes and Amortization (EBIDTA) for the year under review is ₹299 crore, accounting for 10.98% of the turnover as against 10.83% in 2009-10. There is a marginal increase in EBIDTA during 2010-11 over the previous year

The profit after tax for the year at ₹157 crore is 5.76% of revenue, compared to ₹102 crore which constituted 5.52% of the revenue



in 2009-10. The improvement in the bottom line was primarily from better management of working capital and appropriate deployment of resources.

Personnel costs at ₹106 crore accounted for 3.90% of revenue. There is an increase over the previous year, largely due to addition to the bench strength to manage the increasing order book. In 2009-10, the personnel costs were ₹57 crore constituting 3.06% of the revenue.

Loan funds

The total secured loans by way of working capital, cash credit, project specific term loans and hire purchase loans for fixed assets at the end of the year under review was ₹675 crore compared to ₹473 crore as on March 31, 2010. The net increase of ₹202 crore has financed the increased working capital needs, necessitated by a rapid growth in the turnover during the year.

As on March 31, 2011, the debt-equity ratio was a comfortable 0.76 as compared to 1.11, a year before. Despite higher utilization of loan funds during the financial year, the debt-equity ratio remains in the comfort zone. The IPO made in October 2010 was a contributing factor in improving the ratio.

Interest and finance costs for 2010-11 totalled ₹68 crore, accounting for 2.5% of the revenue. In the previous year, interest and finance costs were 3.3% of revenue at ₹62 crore. This is an indicator of improved debt-equity and better management of funds even in an increasing interest rate scenario.

Net worth

The net worth of the Company as on March 31, 2011 was ₹889 crore, compared to ₹426 crore as on March 31, 2010. The increase in net worth is partly due to the IPO proceeds and partly on account of retained earnings generated during the year.

Fixed assets

The gross fixed assets as on March 31, 2011 was ₹388 crore compared to ₹170 crore on March 31, 2010, an incremental asset acquisition of ₹218 crore. The Company is making conscious efforts to increase the fixed asset base so as to augment mechanization in execution of projects, to reduce manpower cost and for speedier completion of projects.

OUTLOOK

The strong order book position coupled with thrust given by the government for infrastructure sector augurs well for your Company, being one of the leading companies in infrastructure development.

Ramky Infra is striving to secure high value contracts so as to increase the focus and improve on the operating margins. The Company is also working towards generating revenues from Public-Private-Partnership segments and is consciously making efforts to win new projects with in-built clause for price escalation, to protect the margins, and mitigate the impact of inflation.

Water & waste water segment

Ramky Infra has become a formidable player in the water & water related infrastructure construction, with its pioneering efforts in the area for more than a decade. Water & waste water projects continue to be the core competence of the Company.

Some of the significant projects currently under execution in the water & waste water sector are given below:

- a. Provision of drinking water supply at Kanpur for the Government of Uttar Pradesh under the JNNURM programme (Phase 2), at a project cost of ₹315 crore.
- b. Akola underground drainage scheme under the UIDSSMT programme, at a project cost of ₹315 crore.
- c. Comprehensive sewerage scheme for the urban areas of Puducherry for the Government of Puducherry at a project cost of ₹282 crore.
- d. Laying and commissioning of RCC NP3 pipe gravity sewer along with construction of manholes for sewerage network under sewerage zone for PS 3 and PS 5 in Thane city; and design, construction, supply, erection, testing, commissioning seven sewage pumping stations in Thane city at a project cost of ₹194.68 crore.

Transportation sector

Ramky Infra is steadily improving its pre-qualifications and capabilities in the transportation sector to undertake large and multilane projects.

Some of the significant projects currently under execution in the transportation sector are given below:

- a. Design, construction, finance, operation and maintenance of four-laning of Narketpalli - Addanki - Medarametla Road (SH 2) from 0.000 km to 212.500 km in Andhra Pradesh under PPP model on Build, Operate and Transfer (BOT) basis at a project cost of ₹1760 crore.
- b. Rehabilitation, strengthening and four-laning of Srinigar - Banihal section NH 1A from 187.00 km to 189.35 km (Banihal Bypass) and 220.70 km to 286.11 km on DBFOT (Annuity) basis in Jammu and Kashmir (Pkg No NHDP Phase 2/BOT/1/J&K) at a project cost of ₹1600 crore.
- c. Four-laning of Jorbat - Shillong (Barapani) section of NH 40 from 0.000 km to 61.800 km in Assam and Meghalaya on DBFOT pattern under SARDP-NE on BOT (Annuity) basis at a project cost of ₹824 crore.

Buildings sector

Buildings sector stands tall in Ramky Infra both in terms of volume and for the diversity and versatility.

Some of the significant projects currently under execution in the buildings sector are given below:

- a. Construction of 46 blocks, and landscaping works in Manyawar Sri Kanshiramji University of Agriculture and Technology on turnkey basis for UP Jal Nigam at a project cost of ₹864 crore.
- b. Construction of buildings for Rajiv Gandhi University of Knowledge Technologies IIIT at Nuziveedu in Krishna district at a project cost of ₹268 crore.
- c. Construction of commercial and residential buildings including Ramky Towers at Gachibowli in Hyderabad at a project cost of ₹194 crore.

Irrigation Division

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

Some of the significant projects currently under execution in the irrigation sector are given below:

- a. Package No. 7 Dummugudem Nagarjunasagar project Tail Pond Link Canal - EWE & FE for gravity canal from 115.000 km to 182.000 km on NH 9 to carry 20,000 cusecs up to 169.80 km and 19,000 cusecs beyond 169.00 km at a project cost of ₹507 crore.
- b. Construction of sluice cross masonry and cross drainage works lining for the reach from 0.50 km to 15.000 km (Karjalli) of the proposed barrage A/c River Pranahitha in Adilabad district at a project cost of ₹229 crore.
- c. Krishna Western Bank Canal from 45.20 km to 86.60 km and branches and distributaries (Package 24) at a project cost of ₹146 crore.

Power transmission and distribution

The Company has taken a conscious decision to foray into power transmission and distribution sector to cash in on the increasing opportunities in power transmission and rural electrification due to the massive investments being made by both public and private sector.

The Company is executing following major projects under the power transmission and distribution sector:

- a. Maha Infra - 2 pkg 34 - supply, test, transport, construction, erection, testing and commissioning of sub-transmission lines and distribution lines, power transformers, new substations, augmentation of existing substation, distribution transformers at a project cost of ₹168 crore.

- b. Maha Infra - 2 pkg 32 - supply, test, transport, construction, erection, testing and commissioning of sub-transmission lines and distribution lines, power transformers, new substations, augmentation of existing substation, distribution transformers at a project cost of ₹166 crore
- c. Maha Infra - 2 pkg 30 - supply, test, transport, construction, erection, testing and commissioning of sub-transmission lines and distribution lines, power transformers, new substations, augmentation of existing substation, distribution transformers at a project cost of ₹151 crore.

RISKS AND CONCERNS

The Company has adequate control over project execution to achieve set milestones. Ramky Infra endeavours to mitigate the risks by a thorough analysis. This is being achieved by evaluating the progress of the projects on a daily, weekly, monthly, quarterly, half-yearly and yearly basis.

In the current environment, the Company perceives the following risks and concerns:

- a. Liquidity risk: Liquidity risk can arise out of lack of adequate funds for day to day operations. The Company has support from banks and financial institutions for its working capital and project requirements and has adequate line of credit with its bankers. The Company has also put in place effective measures to collect the receivables from clients. 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 recent times are pro-industry and growth, which minimises the inherent policy risk. The residual risk is managed by controlling costs and taking proactive measures to insulate the business from adverse changes in the policy.
- c. Price inflation risk: Volatility in prices and delay in completion of projects can affect the profitability of the Company. Ramky Infra has a centralised system of purchases by which it can source large volumes at best prices; moreover, the contracts have a built-in escalation clause which is a natural hedge to neutralise rise in raw material costs. In case of contracts which have fixed price & non-escalation provisions, the Company while bidding itself takes into account the possible increase in the inputs cost so as to insulate the project from adverse effects.
- d. Government spending: The Company has a robust order book and is confident of maintaining the present level of operations.

INTERNAL CONTROL SYSTEMS

There is an Internal Monitoring and Assessment Department (IMAT), which draws up an extensive programme of internal audit



for its various projects and offices, periodically reviews and monitors compliance of SOP, systems and progress and suggests measures for improvement. Internal audit is being carried out by an external agency M/s. K.P. Rao & Associates, Chartered Accountants.

Ramky Infra is an ISO 9001:2008 certified company and is expected to be ERP enabled with advanced systems. The management is investing considerable time, resources and efforts to upgrade the existing systems to meet the needs of business growth in the years ahead.

NEW VISTAS TO MOVE UP THE VALUE CHAIN

The Company 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 to foray into projects on BOT/BOOT basis in sectors such as roads, industrial parks, transport terminals and water related projects. Ramky Infra is making concerted and conscious efforts to move up the value chain by reducing its dependence on cash contracts and increasing the share of high value added and high margin BOT/BOOT projects.

Ramky Infra aspires to enter into new business segments of railways, ports and power generation. Opportunities are being explored to make an impact on the growth and earnings of the Company.

HUMAN RESOURCES

The Company strongly believes that people are the prime engine of growth. Accordingly, qualified individuals have been recruited and groomed for leadership roles. Ramky Infra is committed to empowering employees, sharing wealth, providing them with intellectually stimulating work content and a host of avenues for self-development.

During the year, the Company has undertaken quality initiatives such as EMS and OHSAS. The existing HR policies have been reworked and brought in line with the best practices in the industry. The recruitment strategy ensured that the employee addition was clearly aligned to business demand. A total of 36 seniors were added in various departments.

We have introduced an employee-friendly PMS policy and format and conducted awareness sessions across the organisation for improving the performance culture among appraisers as well as

appraisees. SBU structures have been created to facilitate and manage the internal accountability processes, to provide for expected increase in business.

The training imparted was more "outside-in" approach. This was done with an emphasis on learning and adopting best practices.

The total employee strength as at March 31, 2011 was 2,429. The technical force of 1,476 and support strength of 953, includes engineers, post graduates, professionals, MBAs and Doctorates.

We have drawn ambitious plans for the next fiscal to enhance productivity/quality through OD/TQM initiatives like Quality Circles (QCs), 5S and town halls. We have set a vision for ourselves to create an environment of empowerment, serve customers through robust processes and build Ramky brand to be among the top five most admired brands in India.

Leadership development is a core part of learning and development programmes. We will identify and nurture potential leaders at the mid-tier to ensure that there is no vacuum. As we grow larger, we are committed to retain the sensitivity, leanness, simplicity and speed of a smaller company.

FORWARD LOOKING STATEMENTS

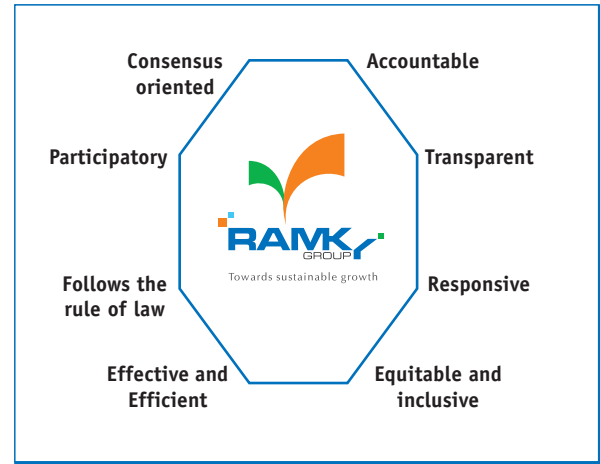
This communication contains statements that constitute 'forward looking statements' including, without limitation, statements relating to the implementation of strategic initiatives and other statements relating to our future business developments and economic performance.

While these forward looking statements represent the management's judgements and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could adversely affect our business and financial performance.

Ramky Infra undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.

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 and maximize the wealth of stakeholders. The Company believes that the best practices will not only result in sustainable growth of the Company but will also result in meeting every stakeholder expectations.

2. BOARD OF DIRECTORS

The Board of Directors of the Company currently consists of nine Directors. The Company has an Executive Chairman. The Chairman and the Managing Director manage the day-to-day affairs of the Company. The Board has an optimum combination of Executive and Non-Executive Directors.

a. Composition and category of Directors as on March 31, 2011

Category	No. of Directors
Promoter Directors	2
Non-Executive Non-Independent Directors	2
Non-Executive Independent Directors	5
Total	9

The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered with the stock exchanges.

b. Attendance of each Director at the Board Meetings held during the year 2010-11 and at the last Annual General Meeting

Name of the Director	Category	Meetings held during the year	Meetings attended	Attendance at last AGM
Mr. A. Ayodhya Rami Reddy	Promoter, Executive Chairman	6	6	Present
Mr. Y. R. Nagaraja	Promoter, Managing Director	6	6	Present
Mr. Rajiv Maliwal	Non-Executive Director	6	4	-
Ms. Archana Niranjana Hingorani	Non-Executive Director	6	3	-
Mr. Kamlesh Shivji Vikamsey	Non-Executive Independent Director	6	3	-
Mr. V. Harish Kumar	Non-Executive Independent Director	6	1	-
Mr. V. Murahari Reddy	Non-Executive Independent Director	6	4	Present
Mr. P. V. Narasimham ¹	Non-Executive Independent Director	6	4	-
Dr. P.G. Sastry	Non-Executive Independent Director	6	3	Present

¹Mr. P. V. Narasimham resigned from the Board on May 26, 2011.

c. No. of other boards/board committees in which the Directors are either member or chairman as at March 31, 2011

Name of the Director	Board		Committee	
	Chairman	Member	Chairman	Member
Mr. A. Ayodhya Rami Reddy	1	4*	-	-
Mr. Y. R. Nagaraja	-	12*	-	3
Mr. Rajiv Maliwal	-	3	-	1
Dr. Archana Niranjana Hingorani	-	7*	2	1
Mr. Kamlesh Shivji Vikamsey	-	10*	4	9
Mr. V. Harish Kumar	-	2	1	2
Mr. V. Murahari Reddy	-	1	-	-
Mr. P. V. Narasimham	1	2	-	-
Dr. P. G. Sastry	-	1	-	-

*excluding foreign and private companies

d. No. of Board Meetings held and dates on which they were held during the year 2010-11

Quarter	No. of Meetings	Dates on which held
April - June, 2010	2	April 30, 2010 May 26, 2010
July - September, 2010	2	July 21, 2010 & July 29, 2010
October - December, 2010	1	November 16, 2010
January - March, 2011	1	February 11, 2011
Total	6	

3. AUDIT COMMITTEE

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 and as per the provisions of Clause 49 of the Listing Agreement. The Audit Committee consists of a combination of Non-Executive Directors and Non-Executive Independent Directors and assists the Board in fulfilling its overall responsibilities. The Company Secretary acts as the Secretary of the Committee.

i. Brief description of terms of reference

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

- a. 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;
- b. Recommend to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d. Review, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. 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;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;

- v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report.
- e. Review with the management, the quarterly financial statements before submission to the Board for approval;
 - f. Review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - g. Review 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;
 - h. Discuss with internal auditors any significant findings and follow up there on;
 - i. Review 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;
 - j. Discuss 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;
 - k. 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;
 - l. Review the functioning of the Whistle Blower mechanism, in case the same is existing;
 - m. Carry out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation: 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:

Name of the Member	Status
Mr. Kamlesh Shivji Vikamsey	Chairman
Mr. Rajiv Maliwal	Member
Dr. Archana Niranjan Hingorani	Member
Mr. V. Harish Kumar	Member
Mr. P.V. Narasimham ¹	Member
Dr. P.G. Sastry	Member

¹Mr. P. V. Narasimham resigned from the Board on May 26, 2011.

iii. Meetings and attendance during the year 2010 - 11

Name of the Member	Meetings held during the year	Meetings attended
Mr. Kamlesh Shivji Vikamsey	4	3
Mr. Rajiv Maliwal	4	4
Dr. Archana Niranjan Hingorani	4	3
Mr. V. Harish Kumar	4	1
Mr. P.V. Narasimham	4	4
Dr. P.G. Sastry	4	3



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 also determines 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:

Name of the Director	Status
Mr. Kamlesh Shivji Vikamsey	Chairman
Mr. Rajiv Maliwal	Member
Dr. Archana Niranjana Hingorani	Member
Mr. V. Harish Kumar	Member
Mr. V. Murahari Reddy	Member

c. Meetings and attendance during the year 2010-11

Name of the Member	Meetings held during the year	Meeting attended
Mr. Kamlesh Shivji Vikamsey	1	1
Mr. Rajiv Maliwal	1	1
Dr. Archana Niranjana Hingorani	1	1
Mr. V. Harish Kumar	1	-
Mr. V. Murahari Reddy	1	1

d. Remuneration Policy

There is no remuneration policy. Remuneration package is determined on a case-to-case basis.

e. Details of remuneration to the Directors

(₹)

Particulars	Executive Directors		Non-Executive Directors
	Mr. A. Ayodhya Rami Reddy	Mr. Y. R. Nagaraja	
Salary	90,00,000	69,93,804	-
Commission	2,16,48,206	-	9,00,000
PF Contribution	-	3,60,000	-
Total	3,06,48,206	73,53,804	9,00,000

Pursuant to the provisions of Section 309 of the Companies Act, 1956, Commission is being paid up to a maximum of ₹300,000 p.a. for Chairman of the Audit Committee and ₹200,000 p.a. for the other Non-Executive Independent Directors proportionate to the participation in the meetings during Financial Year 2010-11.

5. INVESTORS' GRIEVANCE COMMITTEE

i. Constitution and composition of the Investors' Grievance Committee

Name of the Director	Status
Mr. V. Harish Kumar	Chairman
Dr. P.G. Sastry	Member
Mr. Y.R. Nagaraja	Member

Powers of the Committee: The Committee shall specifically look into the redressal of shareholder and investors complaints which, *inter alia*, include transfer of shares, non-receipt of annual report, refund orders and dividends.

- i. The Board has designated Mr. V. Phani Bhushan, Company Secretary, as the Compliance Officer.
- ii. 230 complaints were received and replied to the satisfaction of shareholders during the year. There was one outstanding complaint as on March 31, 2011.
- iii. There are no share transfers pending at the end of the financial year.

6. GENERAL BODY MEETINGS

i. The details of last three Annual General Meetings are as under:

Annual General Meeting	Venue	Time & Date	Number of Special Resolutions passed
2010	6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082	10.00 a.m. Wednesday, September 15, 2010	2
2009	6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082	10.00 a.m. Wednesday, September 30, 2009	1
2008	6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082	3.30 p.m. Tuesday, September 30, 2008	3

ii. The details of last three Extraordinary General Meetings are as under:

Date & time of the Meeting	Venue	Number of Special Resolutions passed
July 23, 2010 at 2.00 p.m.	6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082	1
May 27, 2010 at 4.30 p.m.	6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082	3
March 26, 2010 at 2.30 p.m.	6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082	1

- iii. No special resolution was put through a postal ballot in 2010-11.
- iv. No resolution is proposed to be passed through a postal ballot at the ensuing Annual General Meeting.

7. DISCLOSURES

- i. There are no significant related party transactions with the Company's promoters, Directors, the management or relatives that may have potential conflict with the interest of the Company at large.

Related party transactions have been disclosed in Notes to the Annual Accounts (Refer Schedule 20).

- ii. The Company has complied with all the requirements of the Listing Agreement with the stock exchanges as well as the regulations and guidelines of SEBI. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the last three years. The Company was listed on the exchanges on October 8, 2010.
- iii. The information on Directors seeking re-appointment is provided in the notes to the notice of the Annual General Meeting under the heading 'Additional information on Directors seeking re-appointment at the ensuing Annual General Meeting.'



- iv. The Board has also constituted a committee named as 'Board Committee' for undertaking the regular/day-to-day business activities. The following are the members of the Committee:
- Mr. Y.R. Nagaraja, Chairman
Mr. A. Ayodhya Rami Reddy, Member
- The minutes of the committee meetings are placed before the Board for its approval/ confirmation.
- v. The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.
- vi. The Company has not adopted any of the non-mandatory requirements except the Remuneration Committee as mentioned in Annexure ID of Clause 49 of the Listing Agreement.
- vii. The shareholding of the Non-Executive Directors in the Company as on March 31, 2011 are as under:
- | | |
|------------------------------------|-------------------|
| 1. Dr. Archana Niranjana Hingorani | 210 Equity Shares |
| 2. Mr. P.V. Narasimham | 360 Equity Shares |
- viii. As required under Clause 49 of the Listing Agreement, the Auditors' certificate is given as an annexure to the Directors' Report.
- ix. As required under Clause 49 of the Listing Agreement, the declaration issued by the Managing Director is provided elsewhere in the Annual Report.

8. MEANS OF COMMUNICATION

- i. The Company does not send the quarterly results to each household of shareholders. The quarterly, half yearly and annual results are intimated to the stock exchanges and also are published in prominent daily newspapers such as Financial Express (English) and Andhra Prabha or Andhra Bhoomi (Telugu).
- ii. The Company posts all the vital information relating to the Company, its performance results including the press releases on its website www.ramkyinfrastructure.com for the benefit of the shareholders and public at large.
- iii. The presentations made to the investors are also uploaded on the website of the Company.
- iv. The Management Discussion and Analysis Report is attached and forms part of the Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

i. 17th Annual General Meeting	Date : August 12, 2011 Time : 3.00 p.m. Venue : K.L.N. Prasad Auditorium, 3rd Floor, Federation House, FAPCCI Marg, 11-6-841, Red Hills, Hyderabad - 500 004
ii. Financial Year	April 1 to March 31
iii. Dates of Book Closure	August 6, 2011 to August 12, 2011 (both days inclusive)
iv. Dividend Payment Date	On or before September 10, 2011
v. Listing on Stock Exchanges	National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex Bandra (East), Mumbai - 400 051 Bombay Stock Exchange Limited (BSE) P.J. Towers, Dalal Street, Mumbai - 400 001
vi. Stock Code/Symbol	NSE: RAMKY EQ BSE: 533262/RAMKY EQ

vii. Green Initiative for Paperless Communications

The Ministry of Corporate Affairs ('MCA') has taken a 'Green Initiative in Corporate Governance' by allowing paperless compliances by companies through electronic mode. In accordance with the recent circular No.17/2011 dated April 2, 2011 issued by the Ministry of Corporate Affairs, companies can now send various notices/documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders. This is a golden opportunity for every shareholder of the Company to contribute to the Corporate Social Responsibility initiative of the Company.

Pursuant to the said circular, the Company has forwarded e-mail communication on June 13, 2011 to all share holders whose email-ID were registered in the depository records that the Company intends to use the said email-ID to send various notices/correspondences etc. after providing advance opportunity to register their e-mail address with the Company or Depository Participant and changes therein from time to time.

Equity Shareholders holding shares in physical form can avail the said facility to enable the Company to send the notice/documents through electronic mode. They should download the form from the Company's website (www.ramkyinfrastructure.com) and forward the same to Company's Registrar i.e. Karvy Computershare Private Limited, Unit: Ramky Infrastructure Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081, Fax No.040 - 2342 0814. The Shareholders holding shares in demat mode can register their e-mail address/change their email address with their Depository Participant, in the event they have not done so earlier for receiving notices/documents through electronic mode.

viii. Market Price Data

The monthly high/low prices of shares of the Company and number of shares traded during each month on NSE & BSE are given below:

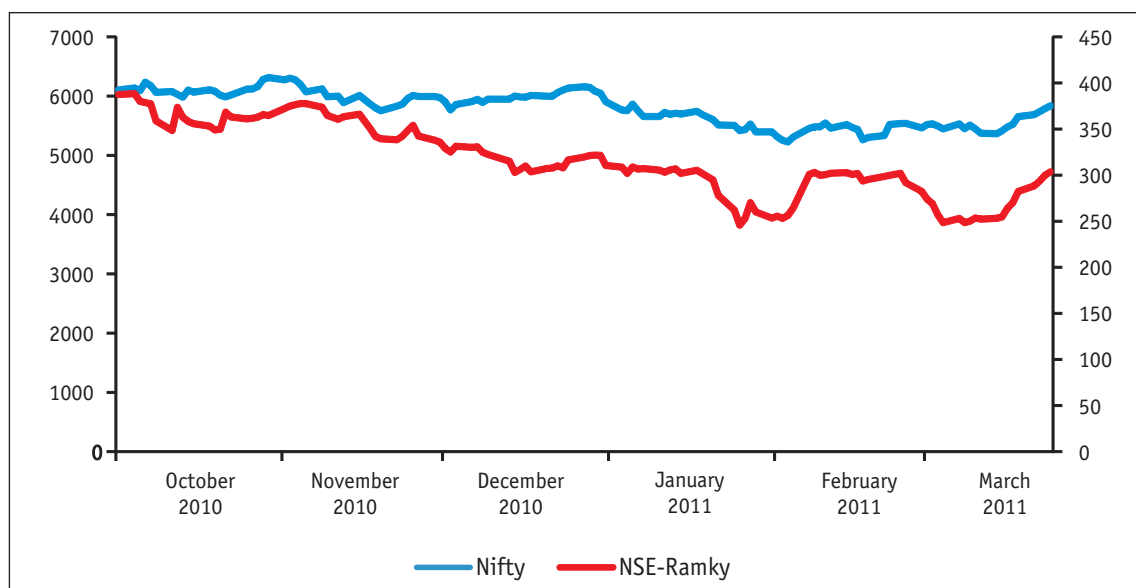
Month	NSE (₹)		Nifty		Total number of shares traded
	High	Low	High	Low	
2010 October	388.30	348.40	6233.90	5982.10	1,43,02,798
November	377.65	338.30	6312.45	5751.95	15,01,228
December	354.00	302.90	6134.50	5766.50	9,45,653
2011 January	321.65	262.05	6157.60	5505.90	5,47,568
February	302.90	245.70	5546.45	5225.80	6,42,539
March	303.40	248.45	5833.75	5364.75	16,12,636

Source: www.nseindia.com

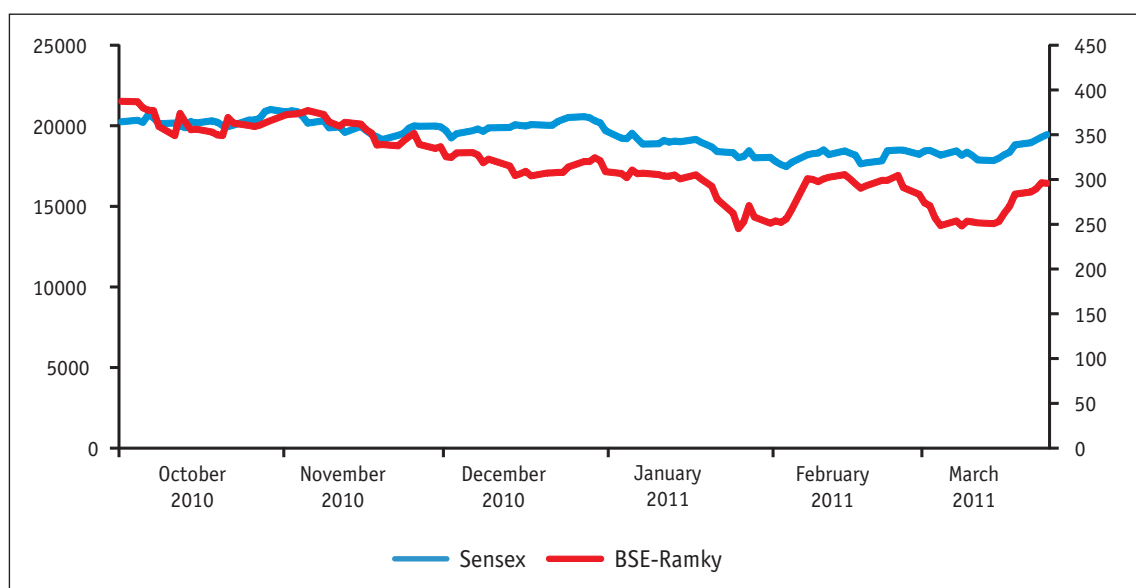
Month	BSE (₹)		Sensex		Total number of shares traded
	High	Low	High	Low	
2010 October	387.35	348.95	20687.88	19872.20	84,23,412
November	377.00	337.55	21004.96	19136.60	5,50,380
December	351.50	304.00	20509.09	19242.40	5,17,679
2011 January	324.30	262.35	20561.05	18327.80	2,40,321
February	305.35	245.05	18506.82	17463.00	1,79,268
March	304.50	248.05	19445.22	17839.10	6,58,439

Source: www.bseindia.com

Ramky Infra share price movement vis-a-vis NSE Nifty



Ramky Infra share price movement vis-a-vis BSE Sensex



ix. Registrars and Share Transfer Agents

The Company has appointed M/s. Karvy Computershare Private Limited, Hyderabad, as the Registrars and Share Transfer Agents for both physical and electronic segment and can be contacted by the investors at the following address:

Karvy Computershare Private Limited

Plot No. 17-24, Vittalrao Nagar,
Madhapur, Hyderabad 500 081,
Andhra Pradesh.

Phone : +91 40 4465 5000

Fax : +91 40 2342 0814

Email : einward.ris@karvy.com

x. Share Transfer System

The Company's shares are traded in the stock exchanges compulsorily in demat form. The Share Transfer Committee approves the transfer of shares in the physical form and the share transfers are registered and returned within the stipulated time, if the documents are clear in all respects.

xi. Capital build up during the financial year

Particulars	Nature of allotment	No. of shares of the face value of ₹10 each	Aggregating to ₹	Date of listing
Capital at the beginning of the year		4,94,20,014	49,42,00,140	NA
Allotment during the year				
Date of allotment October 5, 2010	Public issue of shares	77,77,777	349,99,99,650	NSE & BSE: October 8, 2010
Capital at the end of the year		5,71,97,791		

xii. Distribution of shareholding as on March 31, 2011

Category (Shares)	Number of Shareholders	% of Shareholders	Total shares	Amount (₹)	% of Amount
1 - 5000	22,218	97.83	21,08,052	2,10,80,520	3.69
5001 - 10000	218	0.96	1,67,297	16,72,970	0.29
10001 - 20000	97	0.43	1,38,018	13,80,180	0.24
20001 - 30000	35	0.15	87,214	8,72,140	0.15
30001 - 40000	14	0.06	49,548	4,95,480	0.09
40001 - 50000	11	0.05	50,845	5,08,450	0.09
50001 - 100000	36	0.16	2,57,806	25,78,060	0.45
100001 & above	81	0.36	5,43,39,011	54,33,90,110	95.00
Total	22,710	100.00	5,71,97,791	57,19,77,910	100.00

xiii. Shareholding pattern of the Company as on March 31, 2011

Category	No. of shares held	Percentage of shareholding
Promoters		
Indian promoters	3,80,13,967	66.46
Bodies corporate	2,25,000	0.39
Sub-Total (A)	3,82,38,967	66.85
Public		
a. Banks & financial institutions	6,26,869	1.10
b. Private corporate bodies	31,51,879	5.51
c. Indian public	70,50,807	12.33
d. NRIs/OCBs/FIIs	81,29,269	14.21
Sub-Total (B)	1,89,58,824	33.15
Grand Total (A+B)	5,71,97,791	100.00

xiv. Dematerialisation of shares and liquidity

As on March 31, 2011, 4,99,95,054 shares representing 87.41% were held in dematerialised form. The balance 72,02,737 shares representing 12.59% were in physical form.

The Company's shares are compulsorily traded in dematerialised form and are regularly traded on NSE and BSE. The ISIN Number allotted for the Equity shares is INE874I01013.

xv. Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity

As on March 31, 2011, there were no outstanding GDRs/ADRs/warrants or any convertible instruments of the Company.

xvi. Unclaimed dividend

The Company has not declared any dividend for the equity shareholders since the date of its inception and hence there is no unclaimed dividend.

xvii. Regional offices

The Company operates from various work sites spread across the country and the operations are centralised at the Registered/ Head office at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500 082 and through various zonal offices situated at:

South Zone	TSR Towers, 5th Floor, B Block, # 6-3-1090, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082. Phone: +91 40 4442 2222 E-mail: rilhyd@ramky.com
West Zone	# 213-216, Super Plaza, Near Sandesh Press Road, Vastrapur, Ahmedabad -380 054 Phone: +91 79 4003 0161 Fax: +91 79 4003 0162 E-mail: rilahm@ramky.com
East Zone	# 21/1A/3, Jindal Towers, Block - A, 4th Floor, Darga Road, Kolkata - 700 017 Phone: +91 33 2289 2527/28 Fax: +91 33 2289 2529 E-mail: rilkol@ramky.com
North Zone	# LC-398, 3rd Floor, Jay Kay Plaza, Sector 7, Near Rampal Chowk, Dwaraka, New Delhi 110 075 Phone: +91 11 4350 6070. E-mail: rildelhi@ramky.com
Central Zone	Hall No:1, North Block, GTB Complex, New Market , TT Nagar, Bhopal - 462 003 Phone: +91 755 2551 665/6/7 Fax: +91 755 2550 344 E-mail: rilbhopal@ramky.com

xviii. Address for Correspondence: Investor correspondence may be addressed to:**a. for Physical/Demat mode**

M/s. Karvy Computershare Private Limited
Plot No. 17-24, Vithalrao Nagar,
Madhapur, Hyderabad 500 081,
Andhra Pradesh.
Phone: +91 40 4465 5000 Fax: +91 40 2342 0814
Email: einward.ris@karvy.com

b. for correspondence to the Company

The Company Secretary,
Ramky Infrastructure Limited,
6-3-1089/G/10 & 11, First Floor,
Gulmohar Avenue, Rajbhavan Road,
Somajiguda, Hyderabad - 500 082
Phone: +91 40 2331 0091
Fax : +91 40 2330 2353
Email: investors@ramky.com

xix. Code of Conduct for Board of Directors and senior management

The code has been circulated to all the members of the board and senior management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director is furnished hereunder.

A copy of the Code of Conduct applicable for the Board and senior management has been placed on the website of the Company viz www.ramkyinfrastructure.com.

xx. Details of unclaimed shares

SEBI vide its Circular No. CIR/CFD/DIL/10/2010 dated December 16, 2010 amended the Listing Agreement entered into with stock exchanges wherein under Clause 5A, the Company is required to open an unclaimed suspense account with a depository participant and transfer all the unclaimed share certificates of Members after giving three reminders.

As on March 31, 2011, your Company has 4,99,95,054 equity shares in dematerialised form and 72,02,737 equity shares in physical mode. There are no shares pending credit to the Members. Hence, the balance in the unclaimed suspense account is nil.

Declaration

As stipulated under Clause 49 (I D) (ii) of the Listing Agreement, the Board Members and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2011.

Hyderabad
May 26, 2011

Y.R. Nagaraja
Managing Director

CEO and CFO Certificate

We, Y.R. Nagaraja, Managing Director and R.S. Garg, Chief Financial Officer of Ramky Infrastructure Limited certify that:

- a. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

Hyderabad
May 26, 2011

Y.R. Nagaraja
Managing Director

R.S. Garg
Chief Financial Officer



Certificate on Corporate Governance

To the Members of
Ramky Infrastructure Limited

We have examined the compliance of conditions of Corporate Governance by Ramky Infrastructure Ltd ('the Company') for the year ended on March 31, 2011, as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For **AGR Reddy & Co.**
Company Secretaries

Syed Meera Mohiddin
Partner
Membership No.: 19395

Hyderabad
May 26, 2011



Auditors' Report

To the Members of
Ramky Infrastructure Limited

We have audited the attached Balance Sheet of Ramky Infrastructure Limited ('the Company') as at March 31, 2011, 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.

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.

As required by the Companies (Auditor's Report) Order, 2003, as amended, issued by the Ministry of Corporate Affairs 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.

Further to our comments in the Annexure referred to above, we report that:

- a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. 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;
- e. on the basis of written representations received from the Directors, as at March 31, 2011 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as at March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 on the said date; and
- f. 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:
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - ii. in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **B S R & Co**
Chartered Accountants
Firm Registration No: 101248W

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

Zubin Shekary
Partner
Membership No.: 48814

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

Hyderabad
May 26, 2011



Annexure to the Auditors' report

Annexure referred to in our report to the members of Ramky Infrastructure Limited ('the Company') for the year ended March 31, 2011. We report that:

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified over a period of three years. In our opinion, this 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. No material discrepancies were noticed on such verification.
- c. Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- ii. a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- b. 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.
- c. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. a. According to the information and explanations given to us, the Company has granted loan to one company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was ₹6,05,85,343 and the year-end balance of such loans was ₹6,05,85,343. The Company has not given loans to firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- b. In our opinion, the terms and conditions on which the loan has been granted to the company listed in the register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- c. Loans granted to company listed in the register maintained under Section 301 of the Companies Act, 1956 are receivable on demand and do not have a stipulated repayment schedule. Accordingly, clause 4(iii)(c) of the Order is not applicable.
- d. There is no overdue amount of more than Rupees one lakh in respect of loans granted to the company listed in the register maintained under Section 301 of the Companies Act, 1956 as the Company has not exercised the repayment option.
- e. The Company has not taken loans from Companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- iv. 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 purchase of inventories, fixed assets and sale of services. The business of the Company does not involve sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- v. a. 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.
- b. In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of ₹5 lakh with each 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 to us, the same appears reasonable.
- vi. The Company has not accepted any deposits from the public.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. The Central Government of India 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. The business of the Company does not involve sale of goods.

ix. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities, though there has been a slight delay in a few cases. 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 Companies Act, 1956 since the date from which the aforesaid Section comes into force has not yet been notified by the Central Government of India.

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, service tax, works contract tax, customs duty and other material statutory dues that were in arrears as at March 31, 2011 for a period of more than six months from the date they became payable.

b. 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. However, the Company disputes the dues in respect of sales tax, works contract tax, service tax and income tax as set out in Appendix 1.

x. 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.

xi. 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 or any financial institutions during the year. The Company did not have any outstanding debentures or dues to any financial institutions during the year.

xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund/ nidhi/mutual benefit fund/society.

xiv. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

xv. 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 interests of the Company.

xvi. According to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.

xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short-term basis have not been used for long-term investment.

xviii. 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.

xix. The Company did not have any outstanding debentures during the year.

xx. We have verified the end use of funds raised by public issue during the year as disclosed in Note 2 of Schedule 20 to the financial statements.

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

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

Zubin Shekary
Partner
Membership No.: 48814
Hyderabad
May 26, 2011

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

Appendix 1 as referred to in Para ix (b) of Annexure to the Auditors' Report

Name of the Statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
General sales tax/Value added tax				
Andhra Pradesh General Sales Tax Act, 1957	Tax	17,40,746 (9,06,633)*	2001-02	Appeal filed with High Court of Andhra Pradesh
Andhra Pradesh General Sales Tax Act, 1957	Tax	90,65,397 (45,32,699)*	2002-03	Sales Tax Appellate Tribunal, Hyderabad
Andhra Pradesh VAT Act, 2005	Tax	55,53,920 (41,65,440)*	2005-06	Appellate Deputy Commissioner (ADC), Hyderabad
Andhra Pradesh VAT Act, 2005	Tax	1,48,39,623 (1,11,29,717)*	2006-07	ADC, Hyderabad
Andhra Pradesh VAT Act, 2005	Tax	45,02,965 (33,77,226)*	2007-08	ADC, Hyderabad
Andhra Pradesh VAT Act, 2005	Interest and penalty	1,36,65,194	2005-08	Commercial Tax Officer, Hyderabad
Andhra Pradesh VAT Act, 2005	Tax, interest and penalty	1,71,49,281 (66,29,158)*	2008-09	Commercial Tax Officer, Hyderabad
Andhra Pradesh VAT Act, 2005	Tax and penalty	1,18,94,979 (43,44,845)*	2007-08	Commercial Tax Officer, Hyderabad
Andhra Pradesh VAT Act, 2005	Tax and interest	8,75,46,525 (8,50,80,660)*	2005-08	Commercial Tax Officer, Hyderabad
Karnataka Value Added Tax, 2003	Tax	87,59,830 (87,59,830)*	2004-06	Commercial Tax Officer, Bangalore
The Punjab Value Added Tax, 2005	Tax	10,20,061 (2,55,015)*	2006-07	Dy. Excise & Taxation Commissioner (Appeals), Punjab
West Bengal Value Added Tax, 2003	Tax	82,55,424	2005-06	Commercial Tax Department, Kolkata
West Bengal Value Added Tax, 2003	Tax	2,50,78,273	2006-07	West Bengal Tribunal, Kolkata
Service Tax				
Finance Act, 1994	Tax and penalty	3,05,02,660	2004-07	Commissioner of Customs, Central Excise & Service Tax (CCCE&S), Bangalore
Finance Act, 1994	Tax	7,43,41,004 (3,55,70,924)*	2004-07	CCCE&S, Hyderabad
Finance Act, 1994	Tax	2,56,289	2004-07	CCCE&S, Ahmedabad
Finance Act, 1994	Tax	6,12,87,432	2007-09	Central Excise & Service Tax Tribunal (CESTAT), Bangalore
Finance Act, 1994	Tax	2,29,97,813	2009-10	CCCE&S, Hyderabad
Finance Act, 1994	Tax	98,45,722	2007-09	CESTAT, Bangalore
Finance Act, 1994	Tax	19,08,709	2009-10	CCCE&S, Hyderabad
Finance Act, 1994	Tax and penalty	46,89,53,094 (2,67,56,523)*	2004-08	CCCE&S, Visakhapatnam
Finance Act, 1994	Tax	19,87,370 (1,10,588)*	2005-08	Asst. Commissioner (Audit), Service Tax Cell, Visakhapatnam

Appendix 1 (Contd.)

Name of the Statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Service Tax (Contd.)				
Finance Act, 1994	Tax	14,26,06,046	2007-09	CCCE&S, Kolkata
Finance Act, 1994	Tax	79,82,189	2004-07	CCCE&S, Kolkata
Finance Act, 1994	Tax	3,77,246	2007-08	CCCE&S (Appeals), Chennai
Finance Act, 1994	Tax	1,78,96,099 (79,13,167)*	2005-07	CCCE&S, Bhubaneswar
Finance Act, 1994	Tax	43,23,907	2007-10	Addl. CCCE&S, Hyderabad
Finance Act, 1994	Tax	88,36,619	2007-09	CCCE&S, Hyderabad
Finance Act, 1994	Tax	2,80,70,720	2005-10	CCCE&S, Hyderabad
Finance Act, 1994	Tax	1,38,81,404	2005-09	CCCE&S, Hyderabad
Income Tax				
Income Tax Act, 1961	Deductions disallowed	1,26,19,038 **	2002-03	Income-tax Appellate Tribunal
Income Tax Act, 1961	Deductions disallowed	1,05,37,804 **	2003-04	Income-tax Appellate Tribunal
Income Tax Act, 1961	Deductions disallowed	1,60,64,740 **	2004-05	Income-tax Appellate Tribunal
Income Tax Act, 1961	Deductions disallowed	5,07,77,088 **	2005-06	Income-tax Appellate Tribunal
Income Tax Act, 1961	Deductions disallowed	4,44,26,473 **	2006-07	The Commissioner of Income-tax (Appeals)
Income Tax Act, 1961	Deductions disallowed	6,47,80,599 **	2007-08	The Commissioner of Income-tax (Appeals)

* The amounts in parenthesis represent the payment made under protest.

** These amounts have been deducted against refund receivable.



Balance Sheet as at March 31, 2011

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

	Schedule	As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	2	57.20	49.42
Reserves and surplus	3	831.80	376.84
		889.00	426.26
Loan funds			
Secured loans	4	641.68	473.90
Unsecured loans	5	33.97	-
		675.65	473.90
Deferred tax liability, net	20(6)	3.15	-
		1,567.80	900.16
APPLICATION OF FUNDS			
Fixed assets			
Gross block	6	388.27	170.00
Less: Accumulated depreciation		(53.85)	(34.84)
Net block		334.42	135.16
Capital work-in-progress (Including capital advances)		30.89	3.46
		365.31	138.62
Investments	7	214.10	60.13
Deferred tax asset, net	20(6)	-	0.67
Current assets, loans and advances			
Inventories	8	361.39	330.87
Sundry debtors	9	1,061.35	574.40
Cash and bank balances	10	99.86	138.41
Retention monies		322.52	182.14
Loans and advances	11	687.59	381.23
		2,532.71	1,607.05
Current liabilities and provisions			
Current liabilities	12	1,509.77	906.07
Provisions	13	34.55	0.24
		1,544.32	906.31
Net current assets		988.39	700.74
		1,567.80	900.16
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 **B S R & Co.**
Chartered Accountants
Firm Registration No: 101248W

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

for **Ramky Infrastructure Limited**

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

Hyderabad
May 26, 2011

V. Phanibhushan
Company Secretary

R.S. Garg
Chief Financial Officer

Profit and Loss Account for the year ended March 31, 2011

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

	Schedule	Year ended March 31, 2011	Year ended March 31, 2010
INCOME			
Income from operations		2,730.52	1,861.25
Other income	14	13.95	7.00
		<u>2,744.47</u>	<u>1,868.25</u>
EXPENDITURE			
Contract costs	15	2,273.24	1,564.36
Personnel costs	16	106.54	57.00
Administrative and other expenses	17	64.83	45.25
Interest and finance charges	18	68.42	62.68
Depreciation	6	19.27	10.49
		<u>2,532.30</u>	<u>1,739.78</u>
Profit before tax		212.17	128.47
Income tax expense	19	54.81	25.72
Profit after tax		157.36	102.75
Balance in Profit and Loss Account brought forward		296.23	193.48
Profit Available for appropriation		453.59	296.23
Appropriations:			
Transferred to General Reserve		20.00	-
Proposed dividend on equity shares		25.74	-
Tax on proposed dividend		4.18	-
Balance carried forward to Balance Sheet		403.67	296.23
Earnings per Share (par value of ₹10 per share)	20(5)		
Basic and Diluted		29.57	20.79
Significant accounting policies	1		
Notes to the accounts	20		

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

As per our report attached
for **B S R & Co.**
Chartered Accountants
Firm Registration No: 101248W

for **Visweswara Rao & Associates**
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May 26, 2011

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Company Secretary

R.S. Garg
Chief Financial Officer



Cash Flow Statement for the year ended March 31, 2011

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

	Year ended March 31, 2011	Year ended March 31, 2010
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	212.17	128.47
Adjustments:		
Depreciation	19.27	10.49
Interest expense	56.13	52.35
Provision for doubtful debts	3.35	-
Loss on sale of fixed assets	0.38	0.07
Interest income	(6.65)	(2.70)
Dividend received on investments	(0.01)	(0.01)
Unrealised foreign exchange loss	0.47	-
Operating profit before working capital changes	285.11	188.67
Increase in inventory	(30.52)	(151.02)
Increase in sundry debtors	(490.31)	(9.58)
Increase in other current assets	(140.38)	(66.38)
Increase in loans and advances	(283.37)	(89.72)
Increase in current liabilities and provisions	607.52	249.62
Cash generated from operations	(51.95)	121.59
Income taxes paid	(57.63)	(37.45)
Net cash used in/provided by operating activities	(109.58)	84.14
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(246.55)	(12.76)
Proceeds from sale of fixed assets	0.22	0.10
Purchase of investments	(167.20)	(28.57)
Sale of investments	0.03	-
Interest received	3.50	1.97
Dividend income on lang term investments	0.01	0.01
Net cash used in investing activities	(409.99)	(39.25)

(Contd.)

Cash Flow Statement (Contd.)

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

	Year ended March 31, 2011	Year ended March 31, 2010
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	350.00	-
Share issue expenses	(14.41)	-
Term loans received	60.00	40.63
Term loans repaid	(57.61)	(75.06)
Net proceeds from working capital loans	63.54	123.98
Proceeds from unsecured loans	31.78	-
Hypothecation loans taken	141.28	12.16
Hypothecation loans repaid	(39.42)	(17.45)
Interest paid	(54.14)	(52.62)
Net cash provided by financing activities	481.02	31.64
Net increase/(decrease) in cash and cash equivalents	(38.55)	76.53
Cash and cash equivalents at beginning of the year (Refer Schedule 10)	138.41	61.88
Cash and cash equivalents at end of the year (Refer Schedule 10)	99.86	138.41

As per our report attached
for **B S R & Co.**
Chartered Accountants
Firm Registration No: 101248W

for **Visweswara Rao & Associates**
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for **Ramky Infrastructure Limited**

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Y.R. Nagaraja
Managing Director

Hyderabad
May 26, 2011

V. Phanibhushan
Company Secretary

R.S. Garg
Chief Financial Officer



Schedules to the Balance Sheet and Profit and Loss Account

Schedule 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 Company overview

Ramky Infrastructure Limited (RIL) is an integrated construction, infrastructure development and management company headquartered in Hyderabad, India. The Company diversified in a range of construction and infrastructure projects in various sectors such as water and waste water, transportation, irrigation, industrial construction & parks (including SEZs), power transmission and distribution, and residential, commercial & retail property. RIL operates in two principal business segments: The construction business operated directly by the Company; and the developer business operated through its subsidiaries, jointly controlled entities and associates. A majority of the development projects are based on public private partnerships and are operated by separate special purpose vehicles promoted by RIL, JV partners and respective governments.

1.2 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards (AS) prescribed by Companies (Accounting Standards) Rules, 2006, other pronouncements of the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956, (the 'Act') to the extent applicable. The financial statements are presented in Indian rupees crore, unless otherwise stated.

1.3 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.

1.4 Inventories

- i. Inventories are carried at the lower of cost and net realisable value.
- ii. 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. The method of determination of cost is as follows:
 - a. **Materials and supplies:** on a weighted average method.

- b. **Contract work in progress:** Work in progress for projects under execution as at balance sheet date are valued at cost less provision, if any, for estimated losses. The costs of projects in respect of which revenue is recognised under the Company's revenue recognition policies but have not been billed are adjusted for the proportionate profit recognised. The cost comprises of expenditure incurred in relation to execution of the project. Provision for estimated losses, in any, on uncompleted contracts are recorded in the period in which such losses become probable based on current estimates.

1.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

1.6 Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash in hand and balance in bank in current accounts, deposit accounts and in margin money deposits.

1.7 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.

The Company 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 Company 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 financial asset model applies when the operator has an unconditional right to receive cash or another financial asset from the grantor. The Company recognises 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 incomes arising on account of the Receivables under Service Concession Arrangements are recognized in the profit and loss account using the effective interest rate method.

The intangible asset model applies where the operator is paid by the users or where the concession grantor has not provided a contractual guarantee in respect of the recoverable amount. The Company recognises intangible asset to the extent that it has an unconditional contractual right to receive toll charges from the users of the facilities developed by the Company. Such intangible assets are classified as 'Concession intangible assets' under shown under the head fixed assets.

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.

1.8 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. 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 ₹5,000 are depreciated in full in the year of acquisition.

1.9 Foreign exchange transactions

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.

1.10 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.

1.11 Employee benefits

Contributions payable to the recognized provident fund, which is a defined contribution scheme, are charged to the profit and loss account on accrual basis.

Contributions to superannuation fund, which is a defined contribution scheme, are made at pre-determined rates to the Life Insurance Corporation of India on a monthly basis.

Employee gratuity and long term compensated absences, which are defined benefit schemes, are accrued based on actuarial valuation at the balance sheet date, carried out by an independent actuary 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.

1.12 Borrowing costs

Borrowing costs directly attributable to the acquisition/construction of the qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

1.13 Leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased asset are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

1.14 Earnings per Share

The basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.



The Company does not have any potentially dilutive equity shares.

1.15 Taxation

Income tax expense comprises current tax, deferred tax and Minimum Alternative 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 recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization 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 realized. 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.

1.16 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset (including goodwill) or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash in flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. 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 depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised.

1.17 Accounting for interest in joint ventures

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 by way of proportionate consolidation as per AS-27.

1.18 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 recognized 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.

Schedules forming part of the Balance Sheet

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

	As at March 31, 2011	As at March 31, 2010
Schedule 2		
SHARE CAPITAL		
Authorised		
7,00,00,000 (previous year: 7,00,00,000) equity shares of ₹10 each	70.00	70.00
Issued, Subscribed and Paid-up		
57,197,791 (previous year: 4,94,20,014) equity shares of ₹10 each fully paid up	57.20	49.42
Note:		
(Of the above 4,11,83,345 equity shares of ₹10 each were issued during the financial year 2007-08, as fully paid bonus shares by way of capitalisation of Securities Premium Account.)		
Of the above, 77,77,777 equity shares (previous year: Nil) were issued as part of its initial public offering during the year by the Company at a premium of ₹440 per share (Refer Note 2 of Schedule 20).		
Schedule 3		
RESERVES AND SURPLUS		
Securities Premium Account		
Balance at the beginning of the year	80.61	80.61
Add: Addition during the year (Refer Note 2 of Schedule 20)	342.22	-
	422.83	80.61
Less: Share issue expenses	(14.70)	-
	408.13	80.61
General Reserve	20.00	-
Balance in Profit and Loss Account	403.67	296.23
	831.80	376.84



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

	As at March 31, 2011	As at March 31, 2010
Schedule 4		
SECURED LOANS		
From banks		
Term loans*	60.00	57.62
Working capital loans	447.58	384.04
Equipment and vehicle loans**	47.53	14.97
From others		
Equipment and vehicle loans**	86.57	17.27
	641.68	473.90
* Includes amount repayable within one year ₹60 crore (previous year: ₹47.61 crore)		
** Includes amount repayable within one year ₹45.05 crore (previous year: ₹23.83 crore)		
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 assets of the Company and are also guaranteed by the Executive Chairman of the Company.		
2. Working capital loans are secured by pari passu charge on the present and future current assets of the Company.		
3. Equipment/vehicle loans are secured by way of hypothecation of the respective equipment/vehicles.		
Schedule 5		
UNSECURED LOANS		
From others - Corporate*	25.00	-
Buyers credit from banks**	6.98	-
Interest accrued and due	1.99	-
	33.97	-
* Repayable on demand; interest payable monthly @ 14% p.a.		
** Includes amount repayable within one year ₹6.98 crore (previous year: Nil).		

Schedule 6

FIXED ASSETS

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

Description	Gross block			Accumulated depreciation				Net block		
	As at April 1, 2010	Additions	Deletions	As at March 31, 2011	As at April 1, 2010	For the year	On deletions	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
Freehold land	2.48	-	-	2.48	-	-	-	-	2.48	2.48
Buildings	1.84	0.87	-	2.71	0.05	0.06	-	0.11	2.60	1.79
Plant and machinery	129.65	161.22	0.76	290.11	20.12	13.61	0.21	33.52	256.59	109.53
Furniture and fixtures	2.86	1.04	0.01	3.89	1.09	0.55	-	1.64	2.25	1.77
Office equipment	4.19	3.63	0.01	7.81	1.16	0.45	-	1.61	6.20	3.03
Vehicles	21.66	49.17	0.07	70.76	8.89	3.25	0.04	12.10	58.66	12.77
Computers	6.43	2.17	0.00	8.60	3.37	1.16	0.01	4.52	4.08	3.06
Intangible assets	0.89	1.02	-	1.91	0.16	0.19	-	0.35	1.56	0.73
Total	170.00	219.12	0.85	388.27	34.84	19.27	0.26	53.85	334.42	135.16
Previous year	157.57	12.67	0.24	170.00	24.42	10.49	0.07	34.84	135.16	

Note: Gross block consists of share of joint venture assets ₹4.95 crore (previous year: ₹4.64 crore) and Net block of ₹4.39 crore (previous year: ₹4.30 crore).

	As at March 31, 2011	As at March 31, 2010
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Schedule 7

INVESTMENTS

Long term at cost, unless otherwise specified

I. Quoted investments - Non-trade; at cost

Equity shares (fully paid-up)

11,600 (previous year: 11,600) equity shares of ₹10 each of Canara Bank

0.04

0.04

Total quoted investments (I)

0.04

0.04

II. Unquoted investments - trade; at cost

a. Equity and preference shares (fully paid-up) in subsidiary companies:

1,06,47,700 (previous year: 97,50,000) equity shares of ₹10 each of

MDDA-Ramky IS Bus Terminal Limited (Refer Note: 1)

14.24

9.75

1,48,00,000 (previous year: 148,00,000) equity shares of ₹10 each of

Ramky Elsamex Hyderabad Ring Road Limited (Refer Note: 2)

14.80

14.80

2,50,00,000 (previous year: 2,50,00,000) cumulative, redeemable, optional,

convertible preference shares of ₹10 each of Ramky Elsamex

Hyderabad Ring Road Limited (Refer Note: 2)

25.00

25.00

91,80,000 (previous year: 91,80,000) equity shares of ₹10 each of

Ramky Pharma City (India) Limited (Refer Note: 3)

9.18

9.18

22,28,686 (previous year: 50,000) equity shares of ₹10 each of

Ramky - MIDC Agro Processing Park Limited

6.59

0.05

4,36,397 (previous year: 50,000) equity shares of ₹10 each of

Ramky Food Park (Chhattisgarh) Limited

1.21

0.05

8,40,684 (previous year: 50,000) equity shares of ₹10 each of

Naya Raipur Gems and Jewellery SEZ Limited

2.42

0.05

(Contd.)

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

	As at March 31, 2011	As at March 31, 2010
Investments (Contd.)		
5,13,064 (previous year: 50,000) equity shares of ₹10 each of Ramky Herbal and Medicinal Park (Chhattisgarh) Limited	1.44	0.05
7,500 (previous year: 7,500) equity shares of AED 100 each in Ramky Engineering and Consulting Services (FZC)	0.92	0.92
26,458 (previous year: 25,500) equity shares of ₹10 each of Ramky Towers Limited	0.18	0.03
44,505 (previous year: 44,505) equity shares of ₹10 each of Ramky Enclave Limited	0.04	0.04
25,500 (previous year: 25,500) equity shares of ₹10 each of Gwalior Bypass Project Limited (Refer note: 4)	0.02	0.02
2,240 (previous year: 2,240) cumulative, redeemable preference shares of ₹100 each of Gwalior Bypass Project Limited at premium	0.09	0.09
38,889 (previous year: Nil) Equity shares @ ₹10 of Srinagar Banihal Expressway Limited	0.04	-
50,000 (previous year: Nil) Equity Shares @ ₹10 of Ramky Multi Product Industrial Park Limited	0.05	-
50,000 (previous year: Nil) Equity Shares @ ₹10 of Ramky Food Park (Karnataka) Limited	0.05	-
b. Equity shares (fully paid-up) in jointly controlled entities:		
11,67,55,000 (previous year: Nil) Equity Shares @ ₹10 of NAM Expressway Limited	116.76	-
2,10,00,000 (previous year: Nil) Equity Shares @ ₹10 of Jorabat Shillong Expressway Limited	21.00	-
c. Equity shares (fully paid-up) in associates:		
18,241 (previous year: 18,241) equity shares of ₹10 each of Ramky Integrated Township Limited	0.02	0.02
Nil (previous year: 25,000) equity shares of ₹10 each of Marketpally Addanki Expressway Limited	-	0.03
d. Equity shares (fully paid-up) of other companies		
5,000 (previous year: 5,000) equity shares of ₹10 each fully paid-up of Delhi MSW Solutions Limited	0.01	0.01
Total unquoted investments (II)	214.06	60.09
Total investments (I+II)	214.10	60.133
Cost of quoted investments	0.04	0.04
Market value of quoted investments	0.73	0.48

Note:

- 97,50,000 (previous year: 97,50,000) 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.
- 1,48,00,000 (previous year: 1,48,00,000) Equity shares and 2,50,00,000 (previous year: 2,50,00,000) Preference shares have been pledged in favour of IDBI Trusteeship Services Limited for loans availed by Ramky Elsamex Hyderabad Ring Road Limited.
- 89,42,000 (previous year: 89,42,000) Equity shares have been pledged in favour of Axis Bank for loans availed by Ramky Pharma City (India) Limited.
- 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.

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

	As at March 31, 2011	As at March 31, 2010
Schedule 8		
INVENTORIES		
Materials and supplies	157.91	106.23
Contract work-in-progress	203.48	224.64
	<u>361.39</u>	<u>330.87</u>
Schedule 9		
SUNDRY DEBTORS*		
(Unsecured)		
Debts outstanding for a period exceeding six months		
Considered good	243.97	149.64
Considered doubtful	3.35	-
Other debts	817.38	424.76
	<u>1,064.70</u>	<u>574.40</u>
Less: Provision for doubtful debts	(3.35)	-
	<u>1,061.35</u>	<u>574.40</u>
* Includes amounts due from subsidiaries and associates ₹357.66 crore (previous year: ₹124.17 crore)		
* Includes amounts due from companies under the same management (Refer Note 9 of Schedule 20)		
Schedule 10		
CASH AND BANK BALANCES		
Cash in hand	0.49	0.24
Cheques on hand	8.38	18.87
Balances with scheduled banks		
In current accounts	22.12	53.49
In deposit accounts*	68.87	65.81
	<u>99.86</u>	<u>138.41</u>
* Deposits include ₹25.22 crore (previous year: ₹23.30 crore) representing margin money for Letters of Credit, bank guarantees issued, earnest money deposit and term loans granted.		



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

	As at March 31, 2011	As at March 31, 2010
Schedule 11		
LOANS AND ADVANCES		
(Unsecured, considered good)		
Dues from subsidiaries*	144.79	54.88
Advances recoverable in cash or in kind or for value to be received*	373.57	204.63
Earnest money deposits	17.38	12.70
Share application money pending allotment*	60.91	47.71
Interest accrued and not due on deposits	6.08	2.94
Prepaid expenses	27.00	7.16
Advance tax [net of provision for tax ₹78.33 crore (previous year: ₹36.33 crore)]	48.05	36.72
MAT credit entitlement	4.45	9.14
Service tax receivable	5.36	5.35
	687.59	381.23
* Includes amounts due from companies under the same management (Refer Note 8 of Schedule 20)		
Schedule 12		
CURRENT LIABILITIES		
Sundry creditors		
Outstanding to micro and small enterprises (Refer Note 12 of Schedule 20)		
Outstanding to creditors other than micro and small enterprises	550.06	374.07
Mobilisation and other advances	750.63	359.28
Security deposits received	95.03	74.23
Retention money payable	77.13	51.13
Other liabilities	36.92	47.36
	1,509.77	906.07
Schedule 13		
PROVISIONS		
Proposed dividend	25.74	-
Dividend distribution tax	4.18	-
Gratuity (Refer Note 13 of Schedule 20)	1.01	0.06
Compensated absences	3.62	0.18
	34.55	0.24

Schedules forming part of the Profit and Loss Account

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

	Year ended March 31, 2011	Year ended March 31, 2010
Schedule 14		
OTHER INCOME		
Interest on fixed deposits and others	6.65	2.70
[Gross of tax deducted at source ₹0.16 crore (previous year: ₹0.27 crore)]		
Equipment lease/hire charges	0.09	0.97
Dividend income	0.01	0.01
Sale of scrap	0.97	1.49
Miscellaneous income	6.23	1.83
	<u>13.95</u>	<u>7.00</u>
Schedule 15		
CONTRACT COSTS		
Contract materials and supplies consumed	722.99	432.43
Decrease/(Increase) in contract work in progress	21.15	(141.09)
Sub-contractor expenses	1,157.07	948.60
Contract wages	186.48	126.33
Contract consultancy charges	25.05	88.94
Rate and taxes	79.07	53.63
Hire charges	24.70	12.34
Power and fuel	20.05	13.83
Transport expenses	8.24	6.04
Royalty	7.24	5.58
Site installation charges	6.90	1.39
Repairs and maintenance - plant and machinery	6.45	4.89
Consumables and other site expenses	6.41	10.29
Water charges	1.44	1.16
	<u>2,273.24</u>	<u>1,564.36</u>
Schedule 16		
PERSONNEL COSTS		
Salaries, wages and bonus	87.42	48.06
Contribution to provident and other funds	4.37	2.39
Managerial remuneration	3.85	1.18
Workmen and staff welfare expenses	6.10	5.08
Gratuity	1.13	0.25
Compensated absences	3.67	0.04
	<u>106.54</u>	<u>57.00</u>



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

	Year ended March 31, 2011	Year ended March 31, 2010
Schedule 17		
ADMINISTRATIVE AND OTHER EXPENSES		
Rent	5.25	4.17
Security charges	4.88	2.84
Traveling and conveyance	4.36	2.75
Insurance	4.25	3.20
Legal and professional charges	4.09	8.65
Provision for doubtful debts	3.35	-
Electricity charges	2.98	1.78
Rates and taxes	2.31	2.79
Tender documents	2.40	1.85
Communication expenses	2.10	1.55
Printing and stationary	1.80	1.20
Repairs and maintenance		
Buildings	2.16	1.15
Others	0.84	0.22
Donations	1.37	0.67
Advertisement	0.96	5.34
Business promotion expenses	0.55	0.45
Loss on sale of assets, net	0.38	0.07
Foreign exchange loss	0.47	-
Directors sitting fee	-	0.06
Miscellaneous expenses	20.33	6.51
	<u>64.83</u>	<u>45.25</u>
Schedule 18		
INTEREST AND FINANCE CHARGES		
Interest/finance charges	56.13	52.35
Bank charges	11.64	8.85
Other interest	0.65	1.48
	<u>68.42</u>	<u>62.68</u>
Schedule 19		
INCOME TAX EXPENSE		
Income tax	50.99	26.87
Deferred tax charge	3.82	2.41
Minimum alternate tax credit	-	(3.56)
	<u>54.81</u>	<u>25.72</u>

Schedules to the Accounts

Schedule 20

NOTES TO THE ACCOUNTS

1. Commitments and contingent liabilities

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

Particulars	As at March 31, 2011	As at March 31, 2010
i. Commitments:		
a. Equity commitments towards subsidiaries and joint ventures	249.39	61.99
b. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	6.62	0.22
ii. Contingent liabilities:		
a. Guarantees issued by banks	1,162.88	843.71
b. Guarantees issued by the Company on behalf of subsidiaries, joint ventures and group companies	470.32	425.16
c. Letters of credit outstanding	54.06	95.46
iii. Claims against the Company not acknowledged as debts (including interest and penalty demanded) in respect of:		
a. Sales tax/VAT matters, under dispute	20.91	18.94
b. Income tax matters	66.16	50.05
c. Service tax matters, under dispute	89.61	25.81
d. Disputed claims from customers and vendors	5.90	6.77

The Company has claimed deduction under Section 80-IA (4) in its returns of income relating to assessment years 2003-04 to 2011-12. The Income Tax 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 2008-09. 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 pronouncements on this matter and also the facts of this 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 for the assessment years 2003-04 to 2011-12.

2. Public issue of equity shares

During the year, the Company issued 77,77,777 equity shares having a face value of ₹10 per share at a price of ₹450 per share (including share premium of ₹440 per share) through an initial public offering ('IPO'). Out of the proceeds aggregating ₹350 crore, a sum of ₹7.78 crore is credited to Share Capital and the balance amount of ₹342.22 crore is credited to Securities Premium Account. Share issue expenses aggregating ₹14.70 crore (excluding ₹7.56 crore incurred on behalf of shareholders whose holdings were divested at the time of the IPO and which were recovered from the shareholders) have been charged to the Securities Premium Account in accordance with the provisions of Section 78(2) of the Companies Act, 1956.

The amount raised ₹350 crore has been utilized in the following manner as on March 31, 2011:

Particulars	Amount
Funds received through IPO	350.00
Utilisation of funds	
Investment in capital equipment	56.40
Working capital requirements	175.00
Repayment of term loans	25.00
General corporate purposes	54.84
IPO expenses	14.41
Total funds utilised up to March 31, 2011	325.65
Balance as on March 31, 2011*	24.35

* As on March 31, 2011 balance unutilised funds have been temporarily invested in short term fixed deposit with banks.

3. Auditors' remuneration

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

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Audit fees	0.57	0.36
Other services*	0.56	0.26
Out of pocket expenses	0.01	0.01
Total	1.14	0.63

Excluding service tax and education cess thereon.

* Professional charges of ₹0.56 crore (previous year: 0.25 crore) paid in connection with issue of equity shares through its initial public offer are treated as share issue expenses and adjusted to Securities Premium Account.

4. Leases

The Company is obligated under cancellable operating lease agreements. Total rental expense for the period under cancellable leases was ₹5.25 crore (previous year: ₹4.17 crore) has been disclosed as 'rent' in the Profit and Loss Account.

5. Earnings per share (EPS)

The computation of earnings per share is set out below:

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Net profit for the year attributable to equity shareholders	157.36	102.75
<i>Shares</i>		
Number of equity shares at the beginning of the year	4,94,20,014	4,94,20,014
Add: Equity shares issued during the year in initial public offer	77,77,777	-
Total number of equity shares outstanding at the end of the year	5,71,97,791	4,94,20,014
Weighted average number of equity shares outstanding during the year		
- Basic and Diluted	5,32,13,012	4,94,20,014
Earnings per share in Rupees - Par value of ₹10 per share		
Basic and diluted	29.57	20.79

6. Deferred taxation

Deferred tax asset/(liability), net included in the Balance Sheet comprises the following:

Particulars	As at March 31, 2011	As at March 31, 2010
Deferred tax assets		
Other timing differences (Primarily on disallowances under Section 43B of the Income Tax Act, 1961)	10.55	10.01
Deferred tax liability		
Excess of depreciation allowable under Income tax law over depreciation provided in accounts	13.70	9.34
Deferred tax asset (liability), net	(3.15)	0.67

7. Related party disclosures

a. List of related parties	
Enterprise where control exists (Subsidiaries)	<ul style="list-style-type: none"> ● Ramky Pharma City (India) Limited ● MDDA - Ramky IS Bus Terminal Limited ● Ramky Food Park (Chhattisgarh) Limited ● Naya Raipur Gems and Jewellery SEZ Limited ● Ramky Herbal and Medicinal Park (Chhattisgarh) 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 ● Srinagar Banihal Expressway Limited ● Ramky Multi Product Industrial Park Limited ● Ramky Food Park (Karnataka) Limited
Enterprises where joint control exists (Joint controlled entities)	<ul style="list-style-type: none"> ● NAM Expressway Limited ● Jorabat Shillong Expressway Limited
Enterprises where significant influence exists (Associates)	<ul style="list-style-type: none"> ● Ramky Integrated Township Limited ● Narketpally Addanki Expressway 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 (Private) Limited ● Semb Ramky 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 Advisory Services Limited ● Delhi MSW Solutions Limited ● Smilax Laboratories Limited ● Ramky Foundation ● NR Environmental Engineers Inc ● Ramky Academy of Culture & Education ● Dakshayani Academy
Key Management Personnel (KMP) and their relatives	<ul style="list-style-type: none"> ● Mr. A. Ayodhya Rami Reddy ● Mr. Y. R. Nagaraja



7. Related party disclosures (continued)

b. Particulars of related party transactions

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

S. No.	Name of the transacting party	Relationship	Nature of transactions	March 31, 2011		March 31, 2010	
				Transactions during the year	Amount payable/ (receivable)	Transactions during the year	Amount payable/ (receivable)
1.	Ramky Pharma City (India) Limited	Subsidiary	Contract revenue	28.03	(20.62)	21.86	(50.78)
			Security deposit paid	42.00	(49.37)	5.10	(7.37)
			Investment in equity shares	-	(9.18)	-	(9.18)
			Corporate guarantee given by the Company	-	(77.51)	-	(77.51)
2.	MDDA – Ramky IS Bus Terminal Limited	Subsidiary	Contract revenue	3.03	(22.63)	5.80	(19.60)
			Security deposit	2.43	(2.94)	-	(0.51)
			Share application money	0.20	(0.02)	0.67	(4.31)
			Investments in equity shares	4.49	(14.24)	-	(9.75)
			Corporate guarantee given by the Company	-	(9.75)	-	(9.75)
3.	Ramky Elsamex Hyderabad Ring Road Limited	Subsidiary	Contract revenue	11.65	(28.54)	124.75	(19.65)
			Equity investments	-	(14.80)	7.36	(14.80)
			Inter-Corporate Deposit	-	(5.41)	5.41	(5.41)
			Interest Income	0.64	(0.65)	0.08	(0.08)
			Investment in preference shares	-	(25.00)	-	(25.00)
			Security deposit paid	40.78	(40.78)	-	-
			Corporate guarantee given by the Company	-	(287.90)	-	(287.90)
4.	Ramky Towers Limited	Subsidiary	Contract revenue	69.03	(63.00)	50.42	(28.63)
			Equity investments	0.15	(0.18)	-	(0.03)
			Share application money	-	-	-	(0.15)
			Security deposit paid	4.12	(31.86)	8.42	(27.73)
			Corporate guarantee given by the Company	-	(50.00)	-	(50.00)
5.	Ramky Enclave Limited	Subsidiary	Contract revenue	-	(5.51)	-	(5.51)
			Investment in equity shares	-	(0.04)	-	(0.04)
			Share application money	-	(19.50)	19.50	(19.50)
			Security deposit	-	(0.57)	-	(0.57)
			Other advances	-	(13.22)	-	(13.22)
6.	Ramky Engineering and Consultancy Services (FZC)	Subsidiary	Share application money	7.98	(10.29)	1.06	(2.31)
			Investment in equity shares	-	(0.92)	-	(0.92)
			Corporate guarantee given by the Company	18.16	(18.16)	-	-
7.	Gwalior Bypass Project Limited	Subsidiary	Investment in preference shares	-	(0.09)	-	(0.09)
			Investment in equity shares	-	(0.03)	-	(0.03)
8.	Ramky Food Park (Chhattisgarh) Limited	Subsidiary	Share application money	-	-	-	(1.16)
			Equity investments	1.16	(1.21)	-	(0.05)
9.	Naya Raipur Gems and Jewellery SEZ Limited	Subsidiary	Share application money	0.92	(0.89)	0.05	(2.34)
			Equity investments	2.37	(2.42)	-	(0.05)
10.	Ramky Herbal and Medicinal Park (Chhattisgarh) Limited	Subsidiary	Share application money	-	-	-	(1.39)
			Equity investments	1.39	(1.44)	-	(0.05)
11.	Ramky – MIDC Agro Processing Park Limited	Subsidiary	Share application money	-	-	-	(6.54)
			Equity investments	6.54	(6.59)	-	(0.05)

(Contd.)

Particulars of related party transactions (Contd.)

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

S. No.	Name of the transacting party	Relationship	Nature of transactions	March 31, 2011		March 31, 2010	
				Transactions during the year	Amount payable/(receivable)	Transactions during the year	Amount payable/(receivable)
12.	Srinagar Banihal Expressway Limited	Subsidiary	Equity investments	0.04	(0.04)	-	-
			Share application money	0.50	(0.50)	-	-
13.	Ramky Multi Product Industrial Park Limited	Subsidiary	Share application money	19.70	(19.70)	-	-
			Equity investments	0.05	(0.05)	-	-
14.	Ramky Food Park (Karnataka) Limited	Subsidiary	Equity investments	0.05	(0.05)	-	-
15.	Ramky Integrated Township Limited	Associate	Equity investments	-	(0.02)	-	(0.02)
			Share application money	-	(10.00)	-	(10.00)
16.	NAM Expressway Limited	Associate	Contract revenue	204.85	(193.96)	-	-
			Mobilisation advance	65.00	65.00-	-	-
			Equity investments	116.76	(116.76)	-	-
17.	Jorabat Shillong Expressway Limited	Associate	Contract revenue	26.00	(23.40)	-	-
			Mobilisation advance	-	-	-	-
			Equity investments	21.00	(21.00)	-	-
			Corporate guarantee given by the Company	27.00	(27.00)	-	-
18.	Narketpally Addanki Expressway Limited	Associate	Equity investments	(0.03)	-	0.03	(0.03)
19.	Ramky Enviro Engineers Limited	Significant interest entity	Mobilisation advance paid	-	(3.34)	6.09	(6.09)
			Security deposit received	5.48	6.94	-	1.46
			Advance against works	4.45	6.29	-	1.84
			Subcontract paid	61.56	9.79	18.40	4.58
			Income from hire charges	-	-	0.13	-
20.	Ramky Estates and Farms Limited	Significant interest entity	Contract revenue	0.38	(1.52)	0.32	(1.90)
			Rent paid	0.35	-	0.19	0.52
			Security deposit paid	-	(1.06)	-	(1.06)
			Rent paid/deposit	0.26	(0.39)	0.77	(0.65)
			Advance paid	22.00	(22.00)	-	-
21.	Mumbai Waste Management Limited	Significant interest entity	Contract revenue	1.76	(0.56)	-	-
			Advances received	-	-	-	1.07
			Income from hire charges	-	-	0.15	-
22.	SembRamky Environmental Management Private Limited	Significant interest entity	Contract revenue/rent received	0.05	(0.31)	-	(0.26)
23.	Ramky Global Solutions Private Limited	Significant interest entity	Other advances	0.02	(0.14)	-	(0.16)
24.	Tamil Nadu Waste Management Limited	Significant interest entity	Advance received	-	-	-	0.23
25.	West Bengal Waste Management Limited	Significant interest entity	Contract revenue	-	-	-	(0.85)
26.	Ramky Energy and Environment Limited	Significant interest entity	Contract revenue	-	-	-	(0.25)

(Contd.)

Particulars of related party transactions (Contd.)

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

S. No.	Name of the transacting party	Relationship	Nature of transactions	March 31, 2011		March 31, 2010	
				Transactions during the year	Amount payable/ (receivable)	Transactions during the year	Amount payable/ (receivable)
27.	Ramky Villas Limited	Significant interest entity	Contract revenue	-	(2.05)	-	(2.05)
28.	Ramky Advisory Services Limited	Significant interest entity	Consultancy charges paid	5.51	(0.94)	-	-
29.	Delhi MSW Solutions Limited	Significant interest entity	Contract revenue	7.89	(3.66)	-	-
			Mobilisation advance	0.25	0.14	-	-
			Security deposit paid	0.30	(0.30)	-	-
			Equity investments	-	(0.01)	0.01	(0.01)
30.	Smilax Laboratories Limited	Significant interest entity	Advance	3.00	(3.00)	-	-
31.	Ramky Foundation	Significant interest entity	Donation	1.15	-	0.45	-
			Advance	0.01	(0.01)	-	-
32.	N R Environmental Engineers Inc	Significant interest entity	Subcontracting charges	0.74	0.34	0.04	0.12
33.	Ramky Academy of Culture & Education	Significant interest entity	Training expenses	0.01	-	-	-
34.	Dakshayani Academy	Significant interest entity	Advance	0.90	(0.90)	-	-
35.	Mr. A. Ayodhya Rami Reddy	KMP	Remuneration	3.06	1.54	0.63	0.04
36.	Mr. Y.R. Nagaraja	KMP	Remuneration	0.70	0.04	0.58	0.03

8. Loans and Advances include the following amounts outstanding as at year end and the maximum amounts outstanding from companies under the same management as defined under Section 370(1B) of the Companies Act, 1956:

Name of the Company	Balance as on		Maximum outstanding	
	March 31, 2011	March 31, 2010	2010-11	2009-10
Ramky Towers Limited	31.86	27.89	32.01	27.89
Ramky Pharma City (India) Limited	49.37	7.37	49.37	7.37
Ramky Enclave Limited	33.29	33.29	33.29	33.29
Ramky Engineering and Consulting Services (FZC)	10.30	2.31	10.30	2.31
Ramky Elsamex Hyderabad Ring Road Limited	46.84	5.49	46.84	5.49
Ramky Multi Product Industrial Park	19.70	-	19.70	-
Naya Raipur Gems and Jewellery SEZ	0.89	2.34	3.25	2.34
Srinagar Banihal Expressway Limited	0.50	-	0.50	-
MDDA-Ramky IS Bus Terminal Limited	2.96	4.81	7.45	4.81
Ramky Estates and Farms Limited	23.45	1.71	23.71	2.95
Ramky Global Solutions Private Limited	0.14	0.16	0.16	0.16
Ramky Integrated Township Limited	10.00	10.00	10.00	10.00
Ramky Enviro Engineers Limited	3.34	6.09	6.09	6.09
Ramky Advisory Services Limited	0.94	-	2.51	-
Smilax Laboratories Limited	3.00	-	3.00	-
Delhi MSW Solutions Limited	0.30	-	0.30	-

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

9. Sundry debtors include the following amounts due from companies under the same management as defined under Section 370(1B) of the Companies Act, 1956:

Name of the Company	As at March 31, 2011	As at March 31, 2010
Ramky Energy and Environment Limited	–	0.25
Ramky Estates and Farms Limited	1.52	1.90
Semb Ramky Environmental Management Private Limited	0.31	0.26
West Bengal Waste Management Limited	–	0.85
Ramky Villas Limited	2.05	2.05

10. Personnel expenses includes managerial remuneration as given below:

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Salaries, bonus and allowances	1.60	1.18
Commission to chairman	2.16	–
Commission to independent directors	0.09	–
Contribution to provident fund	0.04	0.03
Total	3.89	1.21

The Executive Directors are covered under the Company's gratuity policy along with the other employees of the Company. The above figures do not include provision for gratuity and compensated absences payable as the same is determined for the Company as a whole on an actuarial basis.

Computation of net profit and Directors' commission under Section 309(5) of the Companies Act, 1956 and commission payable to Directors:

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Profit after taxation as per Profit and Loss Account	157.36	102.75
Add:		
Income tax expense	54.81	25.72
Provision for wealth tax	0.05	0.02
Directors' sitting fees	–	0.06
Managerial remuneration to Directors	3.89	1.21
Depreciation as per books of accounts	19.27	10.49
Loss on sale of fixed assets, net	0.38	0.07
Less:		
Depreciation as envisaged under Section 350 of the Companies Act, 1956	19.27	10.49
Profit for the purpose of calculating Director's remuneration as per the provisions of the Companies Act, 1956	216.49	129.83
Maximum permissible remuneration payable to Whole-time Directors under Section 198 of the Companies Act, 1956 @ 10% of the profits computed as above	21.65	12.89
Maximum commission allowed to Non-Executive Directors as per the Companies Act, 1956 (1%)	2.16	1.30

11. Segment information

a. Business Segment

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 organizationally as a unified entity and not along product lines and accordingly, there is only one business segment.



b. Geographical Segment

During the year under report, the Company has engaged in its business primarily within India. The conditions prevailing in India being uniform, no separate geographical disclosure is considered necessary.

12. The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2011 has been made in the financial 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.

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
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. Employee benefit plans

- Liability for retiring gratuity as on March 31, 2011 is ₹1.46 crore (March 31, 2010: ₹0.45 crore) of which ₹0.45 crore (March 31, 2010: ₹0.39 crore) is funded with the Life Insurance Corporation of India. The balance of ₹1.01 crore (March 31, 2010: ₹0.06 crore) is included in Provision for Gratuity.
- Liability for cost of compensated absence as on March 31, 2011 is ₹3.62 crore (March 31, 2010: ₹0.18 crore). Cost of compensated liability is a non-funded liability.
- The liability for gratuity and cost of compensated absences has been actuarially determined and provided for in the books.
- 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 March 31, 2011	As at March 31, 2010
Opening defined benefit obligation	0.45	0.34
Current service cost	0.42	0.26
Interest cost	0.03	0.03
Actuarial loss/(gain)	0.71	(0.01)
Past service cost	0.01	-
Benefits paid	(0.16)	(0.17)
Closing defined benefit obligation	1.46	0.45

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

Change in the fair value of plan assets

Particulars	As at March 31, 2011	As at March 31, 2010
Fair value of plan assets at the beginning of the year	0.39	0.25
Expected return on plan assets	0.04	0.03
Actuarial gain/(loss)	-	-
Employer contributions	0.18	0.28
Benefits paid	(0.16)	(0.17)
Fair value of plan assets at the end of the year	0.45	0.39

Amount recognized in Balance Sheet

Particulars	As at March 31, 2011	As at March 31, 2010
Present value of funded obligations	1.46	0.45
Fair value of plan assets	(0.45)	(0.39)
Net liability	1.01	0.06
Amounts in the Balance Sheet		
Provision for gratuity	1.01	0.06

Expense recognized in statement of Profit and Loss Account

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Current service cost	0.42	0.26
Interest cost on benefit obligation	0.03	0.03
Expected return on plan assets	0.01	(0.03)
Past service cost	(0.04)	-
Net actuarial/(gain) loss	0.71	(0.01)
Net benefit expense	1.13	0.25

Summary of actuarial assumptions

Particulars		Year ended March 31, 2011	Year ended March 31, 2010
Discount rate	%	7.80	7.80
Salary escalation	%	22.30	10.00
Attrition rate	%	20.70	20.00

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.



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

14. Disclosures pursuant to Accounting Standard (AS) 7 – Construction Contracts

In terms of the disclosures required to be made under the Accounting Standard 7 for 'Construction Contracts' as notified in the Companies (Accounting Standards) Rules, 2006, the amounts considered in the financial statements up to the Balance Sheet date are as follows:

Particulars	2010-11	2009-10
i. Contract revenue recognized	2,730.52	1,861.25
ii. Contract cost incurred and recognised profits (less recognised losses) up to the reporting date	2,730.52	1861.25
iii. Advances received, net of recoveries from progressive bills	647.19	311.15
iv. Gross amount due from customers for contract works	1,064.70	574.40
v. Retention money	322.52	182.14

15. 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 the jointly controlled assets. The following is the share of Company's interest in joint ventures:

Name of the joint venture	Company's Share (%)
Ramky - Elsamex JV	90
Ramky - VSM JV	75
Ramky WPIL JV	Based on agreed allocation of work
Srishti - Ramky JV	70
Somdatt Builders - Ramky JV	26
ZVS Ramky Progressive JV	20

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	Contingent liabilities
Ramky - Elsamex					
March 31, 2011	74.12	49.54	11.80	13.28	1.19
March 31, 2010	33.78	7.72	125.92	117.95	-
Ramky - VSM					
March 31, 2011	26.11	18.47	11.49	10.95	8.43
March 31, 2010	28.65	21.36	50.88	48.65	6.13
Ramky WPIL					
March 31, 2011	7.16	4.74	11.80	10.76	1.18
March 31, 2010	3.88	2.16	4.68	4.27	0.98
Srishti - Ramky					
March 31, 2011	11.04	8.17	39.56	37.58	-
March 31, 2010	11.64	10.10	14.94	14.20	-
Somdatt Builders - Ramky					
March 31, 2011	57.82	51.03	121.74	115.47	-
March 31, 2010	54.22	51.67	87.44	83.63	-
ZVS Ramky Progressive JV					
March 31, 2011	1.63	1.31	12.94	12.27	-
March 31, 2010	-	-	-	-	-

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

16. Quantitative details

The Company is engaged in the business of providing contractual services, operating and maintenance services. The activities are not capable of being expressed in any generic unit. Accordingly, it is not possible to give the quantitative details of such services and certain information as required under paragraphs 3, 4C and 4D of Part II of Schedule VI of Companies Act, 1956.

17. Expenditure/(Earnings) in foreign currency incurred during the year (On accrual basis)

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Contract revenues	(30.54)	-
Consultancy charges	0.73	-
Travel	0.33	0.01

18. Value of imports on C.I.F. basis (on accrual basis) made

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Plant and machinery	54.25	-
Materials	3.08	-

19. Imported and indigenous material consumed

Particulars	Year ended March 31, 2011		Year ended March 31, 2010	
	Value	% of total consumption	Value	% of total consumption
Imported	3.08	0.43	-	-
Indigenous	719.91	99.57	432.43	99.90
Total	722.99	100.00	432.43	100.00

20. The Company has the following un-hedged exposure in foreign currency at March 31, 2011:

Particulars	EURO	₹
Mobilisation advance from client	0.30	19.10

21. Previous year's figures

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

As per our report attached
for **B S R & Co.**
Chartered Accountants
Firm Registration No: 101248W

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

for **Ramky Infrastructure Limited**

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

Hyderabad
May 26, 2011

V. Phanibhushan
Company Secretary

R.S. Garg
Chief Financial Officer



Balance Sheet abstract and Company's general business profile

I. Registration details

Registration No. U 7 4 2 1 0 A P 1 9 9 4 P L C 0 1 7 3 5 6
 State code 0 1
 Balance Sheet date 3 1 0 3 2 0 1 1

II. Capital raised during the year (Amount in ₹ thousands)

Public issue 7 7 7 7 7 Rights issue N I L
 Bonus issue N I L Private placement N I L

III. Position of mobilization and deployment of funds (Amount in ₹ thousands)

Total liabilities 1 5 6 7 7 9 7 2 Total assets 1 5 6 7 7 9 7 2

SOURCES OF FUNDS

Paid-up capital 5 7 1 9 7 8 Reserves & surplus 3 1 8 0 0 4
 Secured loans 6 4 1 6 8 1 1 Unsecured loans 3 3 9 7 0 5

APPLICATION OF FUNDS

Net fixed assets 3 6 5 3 0 6 1 Investments 2 1 4 1 0 3 5
 Net current assets 9 8 8 3 8 7 5 Accumulated losses N I L

IV. Performance of Company (Amount in ₹ thousands)

Turnover 2 7 3 0 5 1 9 1 Total expenditure 2 5 3 2 2 9 9 6
 + / - Profit/Loss before tax + / - Profit/Loss after tax
 + 2 1 2 1 6 8 8 + 1 5 7 3 6 2 1
 Earnings per Share in ₹
 Diluted 2 9 . 5 7

V. Generic names of principal products/services of Company

(As per monetary terms)

Item code No.(ITC code)

Product description CONSTRUCTION WORKS
 TURNKEY EXECUTION OF EFFLUENT TREATMENT PLANTS
 SEWAGE TREATMENT PLANTS

As per our report attached
 for **B S R & Co.**
 Chartered Accountants
 Firm Registration No: 101248W

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

for **Ramky Infrastructure Limited**

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

Hyderabad
 May 26, 2011

V. Phanibhushan
 Company Secretary

R.S. Garg
 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 Elsamex Hyderabad Ring Road Limited	Ramky Herbal & Medicinal (Chhattisgarh) Limited	Ramky Food Park/Park (Chhattisgarh) Limited
1.	Financial year of the subsidiary ended on	March 31, 2011	March 31, 2011	March 31, 2011	March 31, 2011	March 31, 2011	March 31, 2011	March 31, 2011
2.	Date from which they became subsidiary	April 19, 2006	November 2, 2006	August 9, 2006	May 30, 2006	July 18, 2007	September 14, 2007	September 14, 2007
3.	Share of subsidiary held by the company as on March 31, 2011							
	a. Number & face value	91,80,000 equity shares of ₹10each	1,06,47,700 equity shares of ₹10each	25,500 equity shares of ₹10each	7,500 equity shares of ₹10each	1,48,00,000 equity shares of ₹10each	5,13,064 equity shares of ₹10each	4,36,397 equity shares of ₹10each
	b. Extent of holding (%)	51	100	51	100	74	100	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, 2011	₹2,149,21,184	₹48,84,625	₹(1,17,583)	AED 2,15,23,586 or ₹26,65,07,558	₹1,40,12,980	₹(95,660)	₹(60,500)
	ii. Upto the previous financial years of the subsidiary company	₹24,80,34,861	₹(1,40,55,460)	₹14,88,306	AED (25,62,535) or ₹(3,04,90,202)	₹(26,35,653)	₹(36,839)	₹6,150
	b. Dealt with in the holding company's accounts							
	i. For the financial year ended March 31, 2011	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

Statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary companies (Contd.)

Sr. No.	Name of the subsidiary	Ramky Towers Limited	Naya Raipur Gems & Jewellery Limited	Ramky Enclave Limited	Ramky MIDC Agro Processing Park Limited	Ramky Food Park Karnataka Limited	Sringar Banihal Expressway Limited	Ramky Multi Product Industrial Park Limited
1.	Financial year of the subsidiary ended on	March 31, 2011	March 31, 2011	March 31, 2011	March 31, 2011	March 31, 2011	March 31, 2011	March 31, 2011
2.	Date from which they became subsidiary	July 26, 2007	September 14, 2007	November 2, 2007	February 25, 2008	December 22, 2010	October 4, 2010	December 13, 2010
3.	Share of subsidiary held by the company as on March 31, 2011							
	a. Number & face value	26,458 equity shares of ₹10each	8,40,684 equity shares of ₹10each	44,505 equity shares of ₹10each	22,28,686 equity shares of ₹10each	50,000 equity shares of ₹10each	38,889 equity shares of ₹10each	50,000 equity shares of ₹10each
	b. Extent of holding (%)	51	100	89.01	100	100	74	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, 2011	₹3,33,52,284	₹(5,67,352)	₹28,74,948	₹(1,85,216)	₹(49,718)	₹(1,59,525)	₹(1,25,907)
	ii. Upto the previous financial years of the subsidiary company	₹2,58,38,064	₹(4,63,891)	₹60,17,789	₹(37,445)	-	-	-
	b. Dealt with in the holding company's accounts							
	i. For the financial year ended March 31, 2011	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

For and on behalf of Board of Directors

Hyderabad
May 26, 2011

A. Ayodhya Rami Reddy
Chairman

Statement pursuant to direction under Section 212(8) of the Companies Act, 1956 relating to subsidiary companies

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

Sr. No.	Name of the Company	Capital	Reserves	Total assets	Total liabilities	Details of investment (except in case of investment in subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed dividend
1.	MDDA-Ramky IS Bus Terminal Limited	10.64	3.59	19.40	19.40	-	2.59	(0.71)	(0.23)	(0.48)	-
2.	Ramky Pharma City (India) Limited	18.00	76.00	102.20	102.20	-	105.82	43.56	1.42	42.14	12.00
3.	Gwalior Bypass Project Limited	23.06	69.32	347.75	347.75	-	-	(0.02)	0.0023	(0.02)	-
4.	Ramky Engineering and Consulting Services (FZC)	10.05	22.32	32.97	32.97	-	120.12	26.06	-	26.06	-
5.	Ramky Eisamex Hyderabad Ring Road Limited	45.00	1.53	326.32	326.32	-	53.25	2.36	0.47	1.89	-
6.	Ramky Towers Limited	0.05	11.91	42.76	42.76	-	123.08	9.95	3.41	6.54	-
7.	Ramky Enclave Limited	0.05	0.99	33.70	33.70	-	9.09	0.46	0.14	0.32	-
8.	Ramky Food Park (Chhattisgarh) Limited	0.43	0.77	1.20	1.20	-	0.0044	(0.0076)	(0.0016)	(0.0060)	-
9.	Ramky Herbal & Medicinal Park (Chhattisgarh) Limited	0.51	0.92	1.43	1.43	-	0.00	(0.011)	(0.0024)	(0.0095)	-
10.	Naya Raipur Gems and Jewellery SEZ Limited	0.84	1.58	3.30	3.30	-	0.0071	(0.03)	0.01	(0.02)	-
11.	Ramky-MIDC Agro Processing Park Limited	2.22	4.35	6.58	6.58	-	0.001	(0.02)	(0.0058)	(0.01)	-
12.	Srinagar Banihal Expressway Limited	0.052	-	0.55	0.55	-	-	(0.02)	-	(0.02)	-
13.	Ramky Multi Product Industrial Park Limited	0.05	-	19.74	19.74	-	0.0054	(0.01)	(0.0038)	(0.01)	-
14.	Ramky Food Park (Karnataka) Limited	0.05	-	0.054	0.054	-	-	(0.0063)	0.001	(0.0049)	-

Note: Exchange rate as on March 31, 2011: AED = ₹12.109.

Auditors' Report

on Consolidated Financial Statements

To the Board of Directors of
Ramky Infrastructure Limited on the
Consolidated Financial Statements of
Ramky Infrastructure Limited and its Subsidiaries

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 March 31, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date together known as "Consolidated Financial Statements" annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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.

The financials statements of certain subsidiaries, an associate and a jointly controlled entity for the year ended March 31, 2011 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 of subsidiaries reflect the total assets of ₹1,003.15 crore as at March 31, 2011, the total revenues of ₹293.88 crore (including other income) and net cash outflows of ₹3.95 crore for the year ended March 31, 2011 (before adjustments on consolidation). The said financial statements of jointly controlled entity whose financial statements include the Group's share of total assets of ₹252.26 crore as at March 31, 2011, total revenue (including other income) of ₹1.46 crore net cash inflows amounting to ₹75.85 crore for the year then ended (before adjustments on consolidation). The said financial statements of an associate, whose financial statement include Group's share of

loss ₹0.05 crore for the year ended March 31, 2011 have been considered on the basis of financial statements for the year then ended.

The financials statements of certain subsidiaries and a jointly controlled entity for the year ended March 31, 2011 have been audited by other auditors, whose reports have been furnished to us and accordingly relied upon by us. The said financial statements of subsidiaries reflect the total assets of ₹414.62 crore as at March 31, 2011, the total revenues of ₹121.38 crore (including other income) and net cash inflows of ₹9.31 crore for the year ended March 31, 2011 (before adjustments on consolidation). The said financial statements of jointly controlled entity whose financial statements include the Group's share of total assets of ₹121.03 crore as at March 31, 2011 and net cash inflows amounting to ₹18.83 crore for the year then ended (before adjustments on consolidation).

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.

Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached 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 March 31, 2011;
- (ii) in the case of the 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 the 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

Hyderabad
May 26, 2011

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

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



Consolidated Balance Sheet as at March 31, 2011

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

	Schedule	As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	2	57.20	49.42
Reserves and surplus	3	1,007.50	505.49
		<u>1,064.70</u>	<u>554.91</u>
Minority Interest		171.55	148.00
Loan funds			
Secured loans	4	1,233.00	1,011.02
Unsecured loans	5	67.70	0.91
		<u>1,300.70</u>	<u>1,011.93</u>
Deferred tax liabilities, net	21(6)	<u>37.88</u>	<u>30.16</u>
		<u>2,574.83</u>	<u>1,745.00</u>
APPLICATION OF FUNDS			
Fixed assets			
Gross block	6	688.80	195.11
Less: Accumulated depreciation		(63.36)	(40.50)
Net block		<u>625.44</u>	<u>154.61</u>
Capital work-in-progress (Including capital advances)		34.08	125.46
		<u>659.52</u>	<u>280.07</u>
Goodwill		2.13	2.13
Deferred tax assets, net	21(6)	1.21	0.70
Investments	7	87.54	87.61
Receivables under service concession arrangements		881.08	669.56
Current assets, loans and advances			
Inventories	8	602.32	552.74
Sundry debtors	9	1,011.46	502.04
Cash and bank balances	10	229.26	167.76
Retention money		322.58	182.14
Loans and advances	11	716.90	364.14
		<u>2,882.52</u>	<u>1,768.82</u>
Current liabilities and provisions			
Current liabilities	12	1,885.95	1,061.50
Provisions	13	53.22	2.39
		<u>1,939.17</u>	<u>1,063.89</u>
Net current assets		<u>943.35</u>	<u>704.93</u>
		<u>2,574.83</u>	<u>1,745.00</u>
Significant accounting policies	1		
Notes to consolidated accounts	21		

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

As per our report attached
for **B S R & Co.**
Chartered Accountants
Firm Registration No: 101248W

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

for **Ramky Infrastructure Limited**

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

Hyderabad
May 26, 2011

V. Phanibhushan
Company Secretary

R.S. Garg
Chief Financial Officer

Consolidated Profit and Loss Account for the year ended March 31, 2011

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

	Schedule	Year ended March 31, 2011	Year ended March 31, 2010
INCOME			
Income from operations	14	3,146.96	2,041.64
Other income	15	87.50	68.56
		3,234.46	2,110.20
EXPENDITURE			
Contract costs	16	2,592.89	1,690.77
Personnel costs	17	109.93	63.18
Administrative and other expenses	18	71.75	45.98
Interest and finance charges	19	140.10	108.45
Depreciation	6	23.14	11.66
		2,937.81	1,920.04
Profit before prior period expenses and tax		296.65	190.16
Prior period expenses		0.58	-
Profit before tax		296.07	190.16
Income tax expense	20	63.81	42.16
Profit after tax before minority interest		232.26	148.00
Minority interest		26.08	20.62
Share of loss from associate companies		0.05	0.02
Profit after minority interest		206.13	127.36
Balance in Profit and Loss Account brought forward		337.51	163.76
Profit available for appropriation		543.64	291.12
Transferred to General Reserve		25.00	-
Proposed dividend on equity shares		25.74	-
Tax on proposed dividend		5.17	-
Balance carried forward to Balance Sheet		487.73	291.12
Earnings per share (par value of ₹10 per share)	21(5)		
Basic and Diluted		38.74	25.77
Significant accounting policies	1		
Notes to consolidated accounts	21		

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

As per our report attached

for **B S R & Co.**

Chartered Accountants

Firm Registration No: 101248W

for **Visweswara Rao & Associates**

Chartered Accountants

Firm Registration No: 005774S

for **Ramky Infrastructure Limited**

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

Hyderabad

May 26, 2011

V. Phanibhushan

Company Secretary

R.S. Garg

Chief Financial Officer

Consolidated Cash Flow Statement for the year ended March 31, 2011

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

	Year ended March 31, 2011	Year ended March 31, 2010
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	296.07	190.16
Adjustments:		
Depreciation	23.14	11.66
Interest expense	121.18	99.44
Provision for doubtful debts	3.35	-
Loss on sale of fixed assets	0.40	0.07
Interest income	(74.91)	(63.48)
Dividend received on investments	(0.01)	(0.01)
Foreign exchange loss	0.50	-
Operating profit before working capital changes	369.72	237.84
Increase in inventory	(49.58)	(154.60)
Increase in sundry debtors	(512.77)	(59.73)
Increase in other current assets	(140.44)	(66.38)
Increase in loans and advances	(328.74)	(103.82)
Increase in current liabilities and provisions	828.99	266.29
Cash generated from operations	167.18	119.60
Increase in long term receivables due to service concession arrangements	(211.52)	(249.29)
Income taxes paid	(67.43)	(40.24)
Net cash generated by/(used in) operating activities	(111.77)	(169.93)
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(403.26)	(20.02)
Proceeds from sale of fixed assets	0.26	0.15
Purchase of investments	-	(0.01)
Sale of investments	0.02	-
Interest received	71.37	62.74
Dividend income on lang term investments	0.01	0.01
Net cash used in investing activities	(331.60)	42.87

(Contd.)

Consolidated Cash Flow Statement (Contd.)

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

	Year ended March 31, 2011	Year ended March 31, 2010
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	350.00	-
Share issue expenses	(14.41)	-
Proceeds from minority	1.89	8.00
Term loans received	141.59	264.37
Term loans repaid	(86.50)	(75.71)
Net proceeds from working capital loans	65.08	123.98
Proceeds from unsecured loans	64.57	(1.95)
Hypothecation loans taken	141.26	12.16
Hypothecation loans repaid	(39.43)	(17.55)
Interest paid	(119.18)	(99.97)
Net cash from financing activities	504.87	213.33
Net increase/(decrease) in cash and cash equivalents	61.50	86.27
Cash and cash equivalents at beginning of the year (Refer Schedule 10)	167.76	81.49
Cash and cash equivalents at end of the year (Refer Schedule 10)	229.26	167.76

As per our report attached
for **B S R & Co.**
Chartered Accountants
Firm Registration No: 101248W

for **Visweswara Rao & Associates**
Chartered Accountants
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for **Ramky Infrastructure Limited**

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Managing Director

Hyderabad
May 26, 2011

V. Phanibhushan
Company Secretary

R.S. Garg
Chief Financial Officer



Schedules to the Consolidated Balance Sheet and Profit and Loss Account

Schedule 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The Consolidated Financial Statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards (AS) prescribed by Companies (Accounting Standards) Rules, 2006, other pronouncements of the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956, (the 'Act') to the extent applicable. The Consolidated Financial Statements are presented in Indian rupees crore, unless otherwise stated.

1.2 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.

1.3 Principles of consolidation

The consolidated financial statements relate to "Ramky Infrastructure Limited" and its subsidiary companies and jointly controlled entities (the 'Group'). The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company and its 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 as per AS - 21 'Consolidated Financial Statements' issued under Companies (Accounting Standards) Rules, 2006. 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 consolidated foreign subsidiary has been identified as non integral operations in accordance with the requirements of AS - 11 (Revised 2003) 'Effect of Changes in Foreign Exchange rates' which is effective

for the accounting periods commencing on or after April 1, 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.
- 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 equity attributable to minorities at the date on which investment in a subsidiary is made; and (b) the minorities' share of movements in equity since the date the parent subsidiary relationship came into existence
- 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" issued under Companies (Accounting Standards) Rules, 2006 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.
- Interest in jointly controlled entities have been consolidated by using the 'proportionate consolidation' method as per Accounting Standard (AS) 27 - 'Financial Reporting of Interests in Joint Ventures' notified by the Companies (Accounting Standards) Rules, 2006.
- The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company i.e. March 31, 2011.

- 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.

1.4 Inventories

- Inventories are carried 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. The method of determination of cost is as follows:
 - Materials and supplies:** on a weighted average method.
 - Uncertified contract work-in-progress:** at cost
 - Inventories:** 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.

1.5 Consolidated cash flow statement

Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

1.6 Cash and cash equivalents

Cash and cash equivalents in the consolidated cash flow statement comprise cash in hand and balance in bank in current accounts, deposit accounts and in margin money deposits.

1.7 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. 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 ₹5,000 are depreciated in full in the year of acquisition.

1.8 Revenue recognition

Revenue is recognized 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 financial asset model applies when the operator has an unconditional right to receive cash or another financial asset from the grantor. The Group has recognized 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 4 of Schedule 21 to the financial statements.

The intangible asset model applies where the operator is paid by the users or where the concession grantor has not provided a contractual guarantee in respect of the recoverable amount. The intangible asset corresponds to the right granted by the concession grantor to the operator to charge users of the public service. The Group has recognized an intangible asset to the extent that it has an unconditional contractual right to receive the revenue from toll collections from the users of the public service developed by the group. Such intangible assets are classified as 'Concession intangibles' under fixed assets.

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.

1.9 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 recognized in the profit and loss account. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

1.10 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.

1.11 Employee benefits

Contributions payable to the recognized provident fund, which is a defined contribution scheme, are charged to the profit and loss account on accrual basis.

Contributions to superannuation fund, which is a defined contribution scheme, are made at pre-determined rates to the Life Insurance Corporation of India on a monthly basis.

Employee gratuity and long term compensated absences, which are defined benefit schemes, are accrued based on actuarial valuation at the balance sheet date, carried out by an independent actuary 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.

1.12 Borrowing costs

Borrowing costs directly attributable to the acquisition/construction of the qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

1.13 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.

1.14 Leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased asset are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

1.15 Earnings per Share

The basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The Company does not have any potentially dilutive equity shares.

1.16 Taxation

Income tax expense comprises current tax, deferred tax charge or credit and Minimum Alternative 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 realization 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 realized. 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.

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.

1.17 Intangible Assets and amortisation

Intangible assets comprise of software and costs incurred by the group for development of commercial rights under an 'Operation and Maintenance' agreement of a toll road project. Intangible assets are reported at acquisition cost with deductions for accumulated amortisation and impairment losses, if any. Acquired intangible assets are reported separately from goodwill if they fulfil the criteria for qualifying as an asset, implying they can be separated or they are based on contractual or other legal rights and that

their market value can be established in a reliable manner.

An impairment test of intangible assets is conducted annually or more often if there is an indication of a decrease in value. The impairment loss, if any, is reported in the Profit and Loss Account

Intangible assets are amortised on a 'straight line' basis over their estimated useful lives. The amount paid for acquisition of the rights under the 'Operations and Maintenance' agreement, is amortised over the minimum balance period of the concession agreement relating to the corresponding toll road project as it existed at the time of acquisition

1.18 Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset (including goodwill) or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash in flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. 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 depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognized.

1.19 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 recognized 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.

Schedules forming part of the Consolidated Balance Sheet

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

	As at March 31, 2011	As at March 31, 2010
Schedule 2		
SHARE CAPITAL		
Authorised		
7,00,00,000 (previous year: 7,00,00,000) equity shares of ₹10 each	70.00	70.00
Issued, Subscribed and Paid-up		
5,71,97,791 (previous year: 4,94,20,014) equity shares of ₹10 each fully paid up	57.20	49.42
Note:		
(Of the above, 4,11,83,345 equity shares of ₹10 each were issued during the financial year 2007-08, as fully paid bonus shares by way of capitalisation of Securities Premium Account.)		
Of the above, 77,77,777 equity shares (previous year: Nil) were issued as part of its initial public offering during the year by the Company at a premium of ₹440 per share (Refer Note 3 of Schedule 21).		
Schedule 3		
RESERVES AND SURPLUS		
Capital Reserve	87.54	87.54
Securities Premium Account		
Balance at the beginning of the year	80.61	80.61
Add: Addition during the year (Refer Note 3 of Schedule 21)	342.22	-
	422.83	80.61
Less: Share issue expenses	(14.70)	-
	408.13	80.61
Grant received from Hyderabad Urban Development Authority		
Opening balance	-	39.90
Less: Cumulative effect of change in accounting policy for service concession arrangements (Refer Note 4 of Schedule 21)	-	(39.90)
Foreign exchange translation reserve		
As at the commencement of the year	(0.17)	(0.14)
Add: Translation of foreign subsidiaries with non-integral operations	(1.67)	(0.03)
As at the end of the year	(1.84)	(0.17)
General Reserve		
Opening balance	-	-
Add: Transferred from Profit and Loss Account	25.00	-
	25.00	-
Profit and Loss Account		
Opening balance	337.51	163.76
Add: Profit for the year	206.11	127.36
Add: Cumulative effect of change in accounting policy for service concession arrangements (Refer Note 4 of Schedule 21)	-	46.39
Less: Transferred to General Reserve	25.00	-
Less: Proposed dividend on equity shares	25.74	-
Less: Tax on proposed dividend	5.17	-
Add: Deferred tax asset pertaining to earlier years	0.94	-
	488.67	337.51
	1,007.50	505.49

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

	As at March 31, 2011	As at March 31, 2010
Schedule 4		
SECURED LOANS		
From banks		
Term loans	525.44	473.96
Working capital loans	449.12	384.04
Equipment and vehicle loans	47.53	15.00
From institutions		
Term loans	124.34	120.75
Equipment and vehicle loans	86.57	17.27
	<u>1,233.00</u>	<u>1,011.02</u>
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 <i>pari passu</i> charge on the movable and current asset of the Company and are also guaranteed by the Executive Chairman of the Company.		
2. Working capital loans are secured by <i>pari passu</i> charge on the present and future current assets of the Company.		
3. Equipment/vehicle loans are secured by way of hypothecation of the respective equipment/vehicles.		
Schedule 5		
UNSECURED LOANS		
From others - corporate	58.73	0.91
Buyers credit form banks	6.98	-
Interest accrued and due	1.99	-
	<u>67.70</u>	<u>0.91</u>



Schedule 6

FIXED ASSETS

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

Description	Gross block			Accumulated depreciation				Net block		
	As at April 1, 2010	Additions	Deletions	As at March 31, 2011	As at April 1, 2010	For the year	On deletions	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
Tangible Assets										
Freehold land	9.00	0.18	-	9.18	-	-	-	-	9.18	9.00
Buildings	9.49	74.05	-	83.54	2.27	1.55	-	3.82	79.72	7.22
Plant and machinery	133.68	209.60	0.76	342.52	20.51	15.05	0.20	35.36	307.16	113.17
Furniture and fixtures	3.24	1.25	0.01	4.48	1.22	0.58	0.00	1.80	2.68	2.02
Office equipment	6.43	9.10	0.01	15.52	1.79	0.63	0.00	2.42	13.10	4.64
Vehicles	22.28	53.56	0.16	75.68	9.06	3.52	0.08	12.50	63.18	13.22
Computers	7.07	2.28	0.01	9.34	3.74	1.22	0.00	4.96	4.38	3.33
Roads, water supply	3.03	6.75	-	9.78	1.75	0.40	-	2.15	7.63	1.28
	194.22	356.77	0.95	550.04	40.34	22.95	0.28	63.01	487.03	153.88
Intangible Assets										
Softwares	0.89	1.02	-	1.91	0.16	0.19	-	0.35	1.56	0.73
Concession intangibles	-	136.85	-	136.85	-	-	-	-	136.85	-
	0.89	137.87	-	138.76	0.16	0.19	-	0.35	138.41	0.73
Total	195.11	494.64	0.95	688.80	40.50	23.14	0.28	63.36	625.44	154.61
Previous year	182.40	13.00	0.29	195.11	28.92	11.66	0.08	40.50	154.61	

Note: Gross Block consists of share of Joint Venture assets ₹4.95 crore (previous year: ₹4.64 crore) and Net Block of ₹4.39 crore (previous year: ₹4.30 crore).

	As at March 31, 2011	As at March 31, 2010
Schedule 7		
INVESTMENTS		
Long term at cost, unless otherwise specified		
I. Quoted investments - Non-trade; at cost		
Equity shares (fully paid-up)		
11,600 (previous year: 11,600) equity shares of ₹10 each of Canara Bank	0.04	0.04
II. Unquoted investments - trade; at cost		
a. Equity shares (fully paid-up) in associates:		
18,241 (previous year: 18,241) equity shares of ₹10 each of		
Ramky Integrated Township Limited	87.49	87.54
Nil (previous year: 25,000) equity shares of ₹10 each of		
Marketpally Addanki Expressway Limited	-	0.02
b. Equity shares (fully paid-up) of other companies		
5,000 (previous year: 5,000) equity shares of ₹10 each fully paid-up of		
Delhi MSW Solutions Limited	0.01	0.01
	87.54	87.61
Cost of quoted investments	0.04	0.04
Market value of quoted investments	0.73	0.48

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

	As at March 31, 2011	As at March 31, 2010
Schedule 8		
INVENTORIES		
Materials and supplies	183.27	106.48
Property development cost	215.57	221.62
Contract work-in-progress	203.48	224.64
	<u>602.32</u>	<u>552.74</u>
Schedule 9		
SUNDRY DEBTORS		
(Unsecured)		
Debts outstanding for a period exceeding six months		
a. Considered good	182.81	115.66
b. Considered doubtful	3.35	-
Other debts	828.65	386.38
	<u>1,014.81</u>	<u>502.04</u>
Less: Provision for doubtful debts	(3.35)	-
	<u>1,011.46</u>	<u>502.04</u>
Schedule 10		
CASH AND BANK BALANCES		
Cash in hand	0.62	0.30
Cheques on hand	8.43	18.86
Balances with scheduled banks		
In current accounts	39.26	67.58
In deposit accounts*	180.95	81.02
	<u>229.26</u>	<u>167.76</u>
* Deposits include ₹26.53 crore (previous year: ₹23.38 crore) representing margin money for Letters of Credit, bank guarantees issued, earnest money deposit and term loans granted.		



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

	As at March 31, 2011	As at March 31, 2010
Schedule 11		
LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	561.19	275.11
Security and other deposits	20.63	3.32
Earnest money deposits	17.38	12.70
Share application pending allotment	10.00	10.00
Interest accrued and not due on deposits	6.48	2.94
Prepaid expenses	28.27	7.38
Advance tax [net of provision for tax ₹78.33 crore (previous year: ₹36.33 crore)]	56.97	37.84
MAT credit entitlement	10.63	9.28
Service tax receivable	5.35	5.57
	716.90	364.14
Schedule 12		
CURRENT LIABILITIES		
Sundry creditors		
Outstanding to creditors other than micro and small enterprises	779.52	379.23
Mobilisation and other advances	869.45	501.69
Advances received	-	2.41
Security deposits received	105.19	76.29
Retention money payable	77.47	51.13
Other liabilities	54.32	50.75
	1,885.95	1,061.50
Schedule 13		
PROVISIONS		
Proposed dividend	31.62	-
Dividend distribution tax	6.12	-
Provision for income tax	10.70	2.00
Gratuity (Refer Note 9 of Schedule 21)	1.09	0.14
Compensated absences	3.69	0.25
	53.22	2.39
Schedule 14		
INCOME FROM OPERATIONS		
Contract revenues	3,118.39	2,022.02
Operating and maintenance revenue	27.14	19.62
Sale of traded goods	1.43	-
	3,146.96	2,041.64

Schedules forming part of the Consolidated Profit and Loss Account

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

	Year ended March 31, 2011	Year ended March 31, 2010
Schedule 15		
OTHER INCOME		
Interest on fixed deposits and others [Gross of tax deducted at source ₹0.76 crore (previous year: ₹0.33 crore)]	9.15	4.54
Interest on receivables under service concession arrangements	65.76	58.94
Dividend income	0.01	0.01
Sale of scrap	0.97	1.49
Miscellaneous income	11.61	3.58
	<u>87.50</u>	<u>68.56</u>
Schedule 16		
CONTRACT COSTS		
Contract materials and supplies consumed	714.14	413.86
Decrease/(Increase) in contract work in progress	21.15	(141.09)
Sub-contractor expenses	1,187.43	970.84
Development expenses	228.57	147.55
Contract wages	179.33	100.82
Contract consultancy charges	76.82	88.82
Rates and taxes	78.59	52.27
Hire charges	25.06	12.07
Power and fuel	20.24	9.99
Transport expenses	10.19	4.47
Royalty	7.23	5.55
Site installation charges	6.70	1.21
Repairs and maintenance - plant and machinery	6.54	4.60
Consumables and other site expenses	6.26	5.58
Water charges	1.32	0.65
Operating and maintenance expenses	23.32	13.58
	<u>2,592.89</u>	<u>1,690.77</u>
Schedule 17		
PERSONNEL COSTS		
Salaries, wages and bonus	90.59	55.02
Contribution to provident and other funds	4.37	2.51
Managerial remuneration	3.85	-
Workmen and staff welfare expenses	6.29	5.07
Gratuity	1.13	0.32
Compensated absences	3.70	0.26
	<u>109.93</u>	<u>63.18</u>



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

	Year ended March 31, 2011	Year ended March 31, 2010
Schedule 18		
ADMINISTRATIVE AND OTHER EXPENSES		
Rent	6.18	3.91
Legal and professional charges	5.15	8.71
Traveling and conveyance	4.92	2.94
Security charges	4.70	2.49
Insurance	4.39	3.10
Rates and taxes	3.53	2.93
Provision for doubtful debts	3.35	-
Electricity charges	2.59	1.60
Repairs and maintenance		
Buildings	2.58	1.39
Others	1.18	0.32
Tender forms and registration charges	2.40	1.86
Business promotion expenses	2.32	1.75
Communication expenses	2.22	1.60
Printing and stationery	1.93	1.20
Donations	1.40	0.68
Advertisement	1.02	5.40
Foreign exchange loss	0.50	-
Loss on sale of assets, net	0.40	0.07
Directors sitting fee	-	0.06
Miscellaneous expenses	20.99	5.97
	71.75	45.98
Schedule 19		
INTEREST AND FINANCE CHARGES		
Interest/finance charges	121.18	99.44
Bank charges	18.07	9.01
Other interest	0.85	-
	140.10	108.45
Schedule 20		
INCOME TAXES		
Income tax	61.70	30.96
Deferred tax charge	8.15	14.90
Minimum alternate tax credit	(6.04)	(3.70)
	63.81	42.16

Schedules to the Consolidated Accounts

Schedule 21

NOTES TO THE ACCOUNTS

1. Description of the Group

Ramky Infrastructure Limited (RIL) is an integrated construction, infrastructure development and management company headquartered in Hyderabad, India. The Company diversified in a range of construction and infrastructure projects in various sectors such as water and waste water, transportation, irrigation, industrial construction & parks (including SEZs), power transmission and distribution, and residential, commercial & retail property. RIL operates in two principal business segments: The construction business operated directly by the Company; and the developer business operated through its subsidiaries, jointly controlled entities and associates. A majority of the development projects are based on public private partnerships and are operated by separate special purpose vehicles promoted by RIL, JV partners and respective governments.

Ramky Infrastructure Limited ('the Company') has following subsidiaries, jointly controlled entities 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 2010-11	% Holding 2009-10
Subsidiaries			
MDDA Ramky IS Bus Terminal Limited	India	100	100
Ramky Engineering and Consulting Services (FZC)	Sharjah, United Arab Emirates	100	100
Ramky Pharma City (India) Limited	India	51	51
Gwalior Bypass Project Limited	India	51	51
Ramky Elsamex Hyderabad Ring Road Limited	India	74	74
Ramky Towers Limited	India	51	51
Ramky Food Park (Chhattisgarh) Limited	India	100	100
Naya Raipur Gems and Jewellery SEZ limited	India	100	100
Ramky Herbal and Medicinal Park (Chhattisgarh) Limited	India	100	100
Ramky Enclave Limited	India	89.01	89.01
Ramky MIDC Agro Processing Park Limited	India	100	100
Srinagar Banihal Expressway Limited	India	74	-
Ramky Food Park (Karnataka) Limited	India	100	-
Ramky Multi Product Industrial Park Limited	India	100	-
Joint Ventures			
Jorabat Shillong Expressway Limited	India	50	-
N.A.M. Expressway Limited	India	50	-
Associates			
Ramky Integrated Township Limited	India	29.19	29.19
Narketpally Addanki Expressway Limited	India	-	50



2. Contingent Liabilities:

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

Particulars	As at March 31, 2011	As at March 31, 2010
i. Contingent liabilities		
a. Guarantees issued by banks	1162.88	844.47
b. Corporate Guarantees	18.16	-
c. L Letters of credit outstanding	71.77	95.46
d. Others	0.11	-
ii. Claims against the Group not acknowledged as debts in respect of		
a. Sales tax/VAT matters, under dispute	20.91	18.94
b. Income tax matters	66.16	50.05
c. Service tax matters, under dispute	89.61	25.81
d. Disputed claims	6.19	7.06
iii. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	1012.04	52.54

The Company had claimed tax deductions under Section 80-IA (4) in its returns of income relating to assessment years 2003-04 to 2011-12. Income Tax 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 2008-09. 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 pronouncements 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 for the Assessment years 2003-04 to 2011-12.

In case of MDDA - Ramky IS Bus Terminal Limited, in connection with 'Bid Variable Charges' payable to Mussorie Dehradun Development Authority (MDDA) (Concessioning Authority) amounted to ₹0.47 (March 31, 2010, ₹1.74). The company, based on opinion believes that the Concessioning Authority will waive the said charges, which is due to non fulfillment of certain obligations by Concessioning Authority as mentioned in Concession Agreement.

Based on the internal assessment and/or legal opinion, the management is confident that for the above mentioned Contingent Liabilities no provision is required to be made as of March 31, 2011.

3. Public issue of equity shares

During the year, the Company issued 7,777,777 equity shares having a face value of ₹10 per share at a price of ₹450 per share (including share premium of ₹440 per share) through an initial public offering ("IPO"). Out of the proceeds aggregating ₹350 crore, a sum of ₹7.78 crore is credited to Share Capital and the balance amount of ₹342.22 crore is credited to Securities Premium Account. Share issue expenses aggregating ₹14.70 crore (excluding ₹7.56 crore incurred on behalf of shareholders whose holdings were divested at the time of the IPO and which were recovered from the shareholders) have been charged to the Securities Premium Account in accordance with the provisions of Section 78(2) of the Companies Act, 1956.

The amount raised ₹350 crore has been utilized in the following manner as on March 31, 2011:

Particulars	Amount
Funds received through IPO	350.00
Utilisation of funds	
Investment in capital equipment	56.40
Working capital requirements	175.00
Repayment of term loans	25.00
General corporate purposes	54.84
IPO expenses	14.41
Total funds utilised up to March 31, 2011	325.65
Balance as on March 31, 2011*	24.35

* As on March 31, 2011 balance unutilised funds have been temporarily invested in short term fixed deposit receipts with banks.

4. 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 ₹6.48 crore has been accounted in the opening reserves and surplus as of April 1, 2009 representing the net effect of increase in opening balance in profit and loss account of ₹46.39 crore and decrease in grant received from Hyderabad Urban Development Authority of ₹39.90 crore.

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 during the year 2007-08 and 2006-07 respectively.

During the year, Jorabat Shillong Expressway Limited and N.A.M. Expressway Limited which are Jointly controlled entities of Ramky Infrastructure Limited, have entered into a service concession arrangement(s) (SCA) with the National Highway Authority of India (NHAI) and Andhra Pradesh Road Development Corporation (APRDC) respectively for design, construction, development, finance, operation and maintenance of road projects on Build, Operate and Transfer (BOT) (Annuity) basis and (BOT) (Toll) basis respectively.

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.

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').

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

Jorabat Shillong Expressway Limited (JSEL)

The Concession under the SCA has been granted to JSEL for a period of twenty (20) years from the commencement date i.e. January 12, 2011 including the construction period of three years. JSEL 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, JSEL 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.

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 JSEL 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').

N.A.M. Expressway Limited (NAMEL)

The Concession under the SCA has been granted to NAMEL for a period of twenty Four (24) years from the commencement date including the construction period of two years and six months. NAMEL 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, NAMEL will be entitled to collect toll/user charges from the users of road. NAMEL will be entitled to a 'grant' by way of cash support from APRDC. 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. At the end of the concession period NAMEL will hand over the road to NHAI for no consideration.

Having regard to the terms of the arrangement, based on toll based SCA, has been classified as a intangible asset (i.e. 'Intangible assets as Concession intangibles' under fixed assets).

Disclosures

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:

Particulars	As at March 31, 2011	As at March 31, 2010
Profit margin on the construction services recognized in respect of financial assets for the year	12.16	30.62
Carrying amounts of financial assets included under Receivables against Service Concession Arrangements as at the year end	881.08	669.56
Revenue recognized on financial asset including interest income on the basis of effective interest method for the year	211.52	307.39

The fair value of right to receive the revenue from the projects covered under service concession arrangements included as a part of 'Concession intangibles' have been estimated by the management having regard to the contractual provisions, the evaluations of the future toll collections from users of the road, operating and maintenance costs and the resurfacing of the road and the timing thereof as budgeted by the management, the key elements having been tabulated below:

Particulars	As at March 31, 2011	As at March 31, 2010
Profit margin on the construction services recognized in respect of intangible assets for the year	-	-
Carrying amounts of Concession intangibles as at the year end	136.85	-

5. Earnings per share (EPS)

The computation of earnings per share is set out below: (All amounts in Indian Rupees crore, except share data and where otherwise stated)

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Net profit for the year attributable to equity shareholders	206.09	127.37
<i>Shares</i>		
Number of equity shares at the beginning of the year	49,420,014	49,420,014
Add: Equity shares issued during the year in initial public offer	7,777,777	-
Total number of equity shares outstanding at the end of the year	57,197,791	49,420,014
Weighted average number of equity shares outstanding during the year		
- Basic and Diluted	53,213,012	49,420,014
Earnings per share in Rupees - Par value of ₹10 per share		
Basic and diluted	38.74	25.77

6. Components of Deferred tax Assets/(Liabilities)

Deferred tax liability, net included in the Balance Sheet comprises the following:

Particulars	As at March 31, 2011	As at March 31, 2010
Deferred tax assets		
Carry forward losses	2.17	0.40
Timing differences primarily on disallowances under Section 43B of the Income-Tax Act, 1961 and other differences	10.62	10.05
	12.79	10.45
Deferred tax liability		
Excess of depreciation allowable under Income tax Act, 1961 over depreciation provided in books of account	(16.03)	(9.37)
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 4 above)	(33.43)	(30.54)
	(49.46)	(39.91)
Net Deferred tax liability	(36.67)	(29.46)
Break up of net deferred tax liability is as follows:		
Deferred tax assets	1.21	0.70
Deferred tax liabilities	37.88	30.16



7. Related party disclosures

List of related parties	
Key Management Personnel and their relatives (KMP)	<ul style="list-style-type: none"> ● Mr. A. Ayodhya Rami Reddy ● Mr. Y.R. Nagaraja ● Dr K.S.M. Rao ● Mr. Madan Mohan Sharma ● Mr. Pradyot Kumar ● Mr. Vishnu Kumar Prasad
Enterprises where joint control exists (Jointly controlled entities)	<ul style="list-style-type: none"> ● Jorabat Shillong Expressway Limited ● N.A.M. Expressway Limited
Enterprises where significant influence exists (Associate)	<ul style="list-style-type: none"> ● Ramky Integrated Township Limited ● Narketpally Addanki Expressway Limited
Enterprises where principal shareholders/ management personnel have control or significant influence (Significant interest entities) (SIE)	<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 ● Era Infrastructure (India) Limited ● N R Environment Engineers Limited ● Ramky Foundation ● Delhi MSW Solutions Limited ● Smilax Laboratories Limited ● Visakha Solvents Limited ● Ramky Advisory Services Limited ● R VAC Facilities Management (I) Limited ● Elsamex India Private Limited. ● Ramky Academy of Culture & Eductaion ● Dakshayani Academy

7. Related party disclosures (continued)

Particulars of related party transactions

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

S. No.	Name of the transacting party	Relationship	Nature of transactions	March 31, 2011		March 31, 2010	
				Volume of transactions during the year	Amount payable/(receivable)	Volume of transactions during the year	Amount payable/(receivable)
1.	Ramky Enviro Engineers Limited	SIE	Income from hire charges	-	-	0.19	-
			Mobilisation advance	1.30	(3.37)	6.09	(6.09)
			Interest received	0.04	-	-	-
			Advances received	4.45	6.29	-	1.84
			Contract, consultancy and other expenses	84.76	14.50	28.69	5.40
			Operation and maintenance revenue	0.27	-	0.55	-
			Security deposit received	5.48	8.49	1.55	3.01
			Inter-Corporate Deposit given	10.00	-	-	-
			Inter-Corporate Deposit received back	10.00	-	-	-
			2.	Ramky Estates and Farms Limited	SIE	Contract revenue	0.38
Contract Expenses	19.96	-				-	-
Rent Paid	0.35	-				0.32	0.52
Security deposit paid	-	(1.06)				-	(1.06)
Mobilisation advance paid	28.59	(28.59)				-	-
Interest received	0.16	-				0.61	-
Inter-Corporate Deposit/unsecured loan given	15.00	(15.00)				12.50	-
Inter-Corporate Deposit/unsecured loan received back	-	-				12.50	-
Rent deposit	0.26	(0.39)				0.77	(0.65)
Creditors repaid	-	-				0.01	-
Equity investments	0.01	6.87				-	6.86
Loans & advances	22.00	(22.00)				-	-
Share application money received	3.40	-				-	2.41
Share application money repaid	5.81	-				32.69	-
3.	Mumbai Waste Management Limited	SIE				Contract Revenue	1.76
			Advances received	-	-	-	1.07
			Income from hire charges	-	-	0.15	-
4.	SembRamky Environmental Management Private Limited	SIE	Contract revenue	0.05	(0.31)	-	(0.26)
5.	Ramky Global Solutions Private Limited	SIE	Advances given	0.02	(0.14)	-	(0.16)
6.	Ramky Energy and Environment Limited	SIE	Contract revenue	-	-	-	(0.25)
7.	Ramky Foundation	SIE	Donation	1.15	-	0.45	-
			Advance paid	0.01	(0.01)	-	-
8.	N R Environmental Engineers Inc	SIE	Sub-contracting charges/O&M	0.74	0.34	0.04	0.12
9.	Tamil Nadu Waste Management Limited	SIE	Advances received	-	0.23	-	0.23
10.	West Bengal Waste Management Limited	SIE	Contract revenue	-	-	-	(0.85)

(Contd.)

Particulars of related party transactions (Contd.)

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

S. No.	Name of the transacting party	Relationship	Nature of transactions	March 31, 2011		March 31, 2010	
				Volume of transactions during the year	Amount payable/ (receivable)	Volume of transactions during the year	Amount payable/ (receivable)
11.	Ramky Villas Limited	SIE	Contract revenue	-	(2.05)	-	(2.05)
12.	Ramky Advisory Services Limited	SIE	Consultancy charges paid	5.51	(0.94)	-	-
			Professional charges paid	1.55	-	-	-
13.	R VAC Facilities Management (I) Limited	SIE	Professional charges paid	0.04	0.04	-	-
14.	Visakha Solvents Limited	SIE	Operations and maintenance revenue	0.08	(0.08)	-	-
15.	Elsamex SA	SIE	Equity investments	-	5.20	2.59	5.20
			Fee for technical services	2.26	1.55	-	-
16.	Elsamex India Private Limited	SIE	O&M Expenses	1.40	0.99	-	-
17.	Era Infra Engineering Limited	SIE	Labour charges	51.54	(3.72)	139.51	(15.65)
			Advance given/recovered against execution of project	19.30		41.30	
18.	Era Infrastructure (India) Limited	SIE	Inter Corporate deposit accepted	33.72	33.72	-	-
19.	Ramky Academy of Culture & Education	SIE	Training expenses	0.01	-	-	-
20.	Dakshayani Academy	SIE	Advance	0.90	(0.90)	-	-
21.	Delhi MSW Solutions Limited	SIE	Contract Revenue	7.89	(3.66)	-	-
			Mobilisation advance	0.25	0.14	-	-
			Security deposit paid	0.30	(0.30)	-	-
			Equity investments	-	(0.01)	0.01	(0.01)
22.	Smilax Laboratories Limited	SIE	Operation and maintenance revenue	3.63	(5.78)	2.67	(3.80)
			Development income	0.27	-	0.40	-
			Sale of trading goods	1.43	-	-	-
			Purchase of trading goods	4.08	-	-	-
			Unsecured loan given	1.75	(1.93)	-	-
			Interest received	0.20	-	0.05	-
			Inter corporate deposit given	-	-	2.00	-
			Loans & advances	3.00	(3.00)	-	-
			Inter corporate deposit received back	-	-	(2.00)	-
23.	Narketpally Addanki Expressway Limited	Associate	Equity investments	0.03	-	0.03	(0.03)
24.	Ramky Integrated Township Limited	Associate	Equity investments	-	(0.02)	-	(0.02)
			Share application money	-	(10.00)	-	(10.00)
26.	Mr. A. Ayodhya Rami Reddy	KMP	Remuneration	3.07	1.54	0.63	0.04
27.	Mr. Y.R. Nagaraja	KMP	Remuneration	0.70	0.04	0.58	0.03
28.	Mr. Madan Mohan Sharma	KMP	Remuneration	-	-	0.05	0.01
29.	Mr. Pradyot Kumar	KMP	Remuneration	0.01	0.01	0.06	0.01
30.	Mr. Vishnu Kumar Prasad	KMP	Remuneration	0.01	0.01	-	-

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

8. 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 March 31, 2011 and year ended March 31, 2010 as under:.

a. Information about business segments for the year ended March 31, 2011 as per AS-17

Particulars	Construction Business	Developer Business	Others	Eliminations	Total
Revenue					
External	2625.10	520.43	1.43		3146.96
Inter-Segment	221.23			(221.23)	-
Total	2846.33	520.43	1.43	(221.23)	3146.96
Result					
Segment result	228.87	67.25	(0.05)		296.07
Profit Before Tax					296.07
Less: Income tax expenses					63.81
Profit after tax					232.26
Minority Interest					26.08
Share of loss from associates					0.05
Profit after Tax minority interest					206.13
Other information					
Segment assets	2,714.70	1790.26	5.70		4510.66
Unallocable assets					2.13
Segment liabilities	2255.37	1,017.31	3.86		3,276.54
Unallocable liabilities					171.55
Capital expenditure	260.16	143.09	0.01		403.26
Depreciation (included in segment expense)	19.78	3.38			23.16
Non cash expenses (other than depreciation included in segment expense)	4.24	0.02			4.26



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

b. Information about business segments for the year ended March 31, 2010 as per AS-17

Particulars	Construction Business	Developer Business	Eliminations	Total
Revenue				
External	1658.43	383.21		2041.64
Inter-Segment	202.83		(202.83)	-
Total	1861.26	383.21	(202.83)	2041.64
Segment result	126.15	64.01		190.16
Profit before tax				190.16
Less: Income tax expenses				42.16
Profit after tax				148.00
Minority interest				20.62
Share of loss from associates				0.02
Profit after minority interest				127.36
Other information				
Segment assets	1616.53	11,89.54		2806.07
Unallocable assets				2.13
Segment liabilities	1380.21	725.07		2105.28
Unallocable liabilities				148.00
Capital expenditure	12.76	8.05		20.81
Depreciation (included in segment expense)	10.49	1.17		11.66
Non cash expenses (other than depreciation included in segment expense)	0.07			0.07

c. Geographical segment reporting

During the year under report, the Group has engaged in their business primarily within India. The scale of operations in other countries does not constitute a reportable segment as per the Accounting Standard 17 notified in Companies (Accounting Standard) Rules, 2006. The conditions prevailing in India being uniform, no separate geographical disclosure is considered necessary.

9. 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 March 31, 2011

Particulars	As at March 31, 2011	As at March 31, 2010
Opening defined benefit obligation	0.62	0.43
Current service cost	0.45	0.30
Interest cost	0.05	0.03
Actuarial loss/(gain)	0.67	0.03
Pat service cost	0.01	-
Benefits paid	(0.16)	(0.17)
Closing defined benefit obligation	1.64	0.62

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

Change in the fair value of plan assets

Particulars	As at March 31, 2011	As at March 31, 2010
Fair value of plan assets at the beginning of the year	0.48	0.33
Expected return on plan assets	0.05	0.04
Actuarial gain/(loss)	-	-
Employer contributions	0.18	0.28
Benefits paid	(0.16)	(0.17)
Fair value of plan assets at the end of the year	0.55	0.48

Amount recognized in Balance Sheet

Particulars	As at March 31, 2011	As at March 31, 2010
Present value of funded obligations	1.64	0.62
Fair value of plan Assets	(0.55)	(0.48)
Net Liability	1.09	0.14
Amounts in the Balance Sheet		
Provision for gratuity	1.09	0.14

Expense recognized in statement of Profit and Loss Account

Particulars	Year ended March 31, 2011	Year ended March 31, 2010
Current service cost	0.45	0.30
Interest cost on benefit obligation	0.05	0.03
Past service cost	0.01	-
Expected return on plan assets	(0.05)	(0.04)
Net actuarial/(gain) loss recognised in the year	0.67	0.03
Net benefit expense	1.13	0.32

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

Particulars		As at March 31, 2011	As at March 31, 2010
Discount rate	%	7.01 - 8.00	7.01 - 8.00
Salary escalation	%	4 - 10	4 - 10
Attrition rate	%	0 - 20	0 - 20



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

10. Leases

The Group is obligated under non-cancellable and cancellable operating lease agreements. Total rental expense under non-cancellable operating leases was ₹0.61 crore (previous year: ₹0.16 crore) and under cancellable leases was ₹5.57 crore (previous year: ₹3.75 crore) 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	As at
	March 31, 2011	March 31, 2010
Not later than 1 year	0.57	0.56
Later than 1 year and not later than 5 years	0.47	1.05
Total	1.04	1.61

11. Accounting for interest in jointly controlled entities

The Group has a 50 % interest in Jorabat Shillong Expressway Limited and N.A.M Expressway Limited. These two companies are engaged in development of road projects on BOT basis. The contractual arrangement between shareholders of these companies indicates joint control over the operations of the company, have significant participating rights such that they jointly control the financial and operating policies in the ordinary course of business.

The Group has, in accordance with AS - 27 'Financial Reporting of Interests in Joint Ventures' issued under the Companies (Accounting Standards) Rules 2006, accounted for its 50% interest in the JV by the proportionate consolidation method. Thus the Group's income statement, balance sheet and cash flow statement incorporate the Group's share of income, expenses, assets, liabilities and cash flows of the JV on a line-by-line basis.

The aggregate amount of the assets, liabilities, income and expenses related to the Group's share in the JV included in these financial statements as of and for the year ended March 31, 2011 (previous year: Nil) are given below:

Particulars	As at March 31, 2011
Balance Sheet	
Secured loan	40.00
Deferred tax liability, net	1.53
Fixed assets, net	136.85
Receivables under service concession arrangement	86.81
Current assets, loans and advances	
Cash and bank balances	94.67
Loans and advances	60.08
Current liabilities and provisions	
Current liabilities	195.90
Net current assets	(41.15)
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	995.14

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

Accounting for interest in jointly controlled entities (Contd.)

Particulars	Year ended March 31, 2011
Income statement	
Income	
Income from operations	223.65
Other income	1.49
Expenditure	
Contract costs	212.45
Administrative expenses	0.97
Finance charges	6.49
Profit before tax	5.23
Provision for taxation	0.48
Deferred tax expense	1.53
Profit after taxation	3.22

12. Previous year's figures

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

As per our report attached
for **B S R & Co.**
Chartered Accountants
Firm Registration No: 101248W

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

for **Ramky Infrastructure Limited**

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

Hyderabad
May 26, 2011

V. Phanibhushan
Company Secretary

R.S. Garg
Chief Financial Officer





Ramky Infrastructure Limited

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

Mr./Ms.
.....
.....
.....

MEMBER PROXY
(Please tick as applicable)

No. of Shares

- Note: 1. Only Members of the Company or their proxies will be allowed to attend the Meeting ON PRODUCTION OF ATTENDANCE SLIP duly completed and signed.
2. Please fill this admission slip and hand it over at the entrance of the hall duly signed.
3. Members are requested to bring their copies of Annual Report with them.
4. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.

ATTENDANCE SLIP

Day	Friday
Date	August 12, 2011
Time	3.00 p.m.
Venue	K.L.N. Prasad Auditorium, 3rd Floor, Federation House, FAPCCI Marg, 11-6-841, Red Hills, Hyderabad - 500 004

Reg. Folio No.

Demat Particulars
DP ID No.

Client ID No.

I hereby record my presence at
the 17th ANNUAL GENERAL
MEETING of the Company

.....
Signature of the Member or Proxy

Tear Here



Ramky Infrastructure Limited

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

No. of Shares

FORM OF PROXY

Reg. Folio No.

Demat Particulars
DP ID No.

Client ID No.

I/We
(Name of Member)

of.....
(Address)

being Member(s) of RAMKY INFRASTRUCTURE LIMITED hereby appoint.....
(Name of proxy)

of..... or failing him/her
(Address of proxy)

.....
(Name of alternate proxy)

of.....
(Address of alternate proxy)

as my/our proxy to vote for me/us on my/our behalf at the 17th ANNUAL GENERAL MEETING of the Company to be held at 3.00 p.m. on Friday, August 12, 2011 and at any adjournment thereof.

Date..... Signature.....

Affix a
15 paise
Revenue
Stamp

Note: The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting. The Proxy need not be a member of the Company.



Ramky Group CSR activities

The pictures tell the story





Ramky Infrastructure Limited

6-3-1089/G/10 & 11, First Floor,
Gulmohar Avenue, Rajbhavan Road,
Somajiguda, Hyderabad - 500 082