
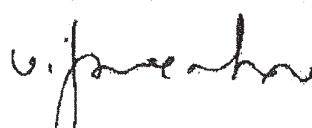





# FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

Sl no.	Particulars	Details
1.	Name of the Company:	Ramky Infrastructure Limited.
2.	Annual financial statements for the year ended	Standalone financial statement for the year ended 31 March 2015
3.	Type of Audit observation	Emphasis of Matter ('EOM')
	<p>The Independent Auditors have drawn attention to note 33 to the standalone financial statements for the year ended 31 March 2015 in connection with the existence of material uncertainties over the realisability of certain construction work in progress, trade receivables and loans and advances aggregating to Rs 580.78 crores, which are subject matters of arbitration proceedings/ negotiations with the customers and contractors due to foreclosure of contracts and other disputes. The management of the Company, keeping in view the status of negotiations and the outcome of arbitration proceedings and the basis of which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues</p>	
4 (a)	Frequency of observation	Second year of observation repetitive from 31 March 2014.
	Signed by	
	Y R Nagaraja Managing Director	
	IW VJAY KUMAR Chief Financial Officer	
	Statutory Auditors of the Company	<p>Refer our Audit Report dated May 30, 2015 on the Consolidated financial Statements of the Company</p> <p><b>For CHATURVEDI &amp; PARTNERS</b></p> <p></p> <p><b>R N CHATURVEDI</b> Partner Membership No. 092087</p> 
	A.G. Ravindranath Reddy Audit Committee Chairman	


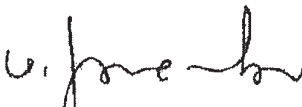



# FORM B

Format of covering letter of the annual audit report to be filed with the stock exchanges

Sl no	Particulars	Details
1.	Name of the Company:	Ramky Infrastructure Limited.
2.	Annual financial statements for the year ended	Standalone financial statement for the year ended 31 March 2015
3.	Type of Audit observation	Qualification
4.	Frequency of observation	Second year of qualification
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Qualification reference : Note 31 in the Standalone financial statements and management response provided in the Directors report under the head "Management replies to Auditors Report "
	<p><b>Qualification:</b></p> <p>The Independent auditors have drawn attention to note 31 of the Standalone financial statements for the year ended 31 March 2015 with regard to recognition of deferred tax assets amounting to Rs 409.08 Crore, on unabsorbed depreciation, business losses and other timing differences incurred by the Company. Based on unexecuted orders on hand, the Management is confident that sufficient future taxable income will be available against which such deferred tax assets will be realised. However, in our opinion, in absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which the deferred tax assets can be realized, such recognition is not consistent with the principles enunciated under Accounting Standard 22, "Accounting for Taxes on Income" (AS 22). Had the aforesaid deferred tax assets not been recognised, loss after tax for the year ended would have been higher by Rs 409.08 Crore.</p> <p><b>Management response:</b></p> <p>The Company has recognized deferred tax asset on unabsorbed depreciation, business losses and other timing differences incurred by the Company during the year. Based on estimated realization of reasonable margin on existing contracts on hand and future contracts, the Management is confident of sufficient future taxable income for realization of deferred tax assets.</p>	
6.	Additional comments from the Board/Audit Committee chair	None

Sl no	Particulars	Details
1.	Name of the Company:	Ramky Infrastructure Limited.
2.	Annual financial statements for the year ended	Standalone financial statement for the year ended 31 March 2015
3.	Type of Audit observation	Qualification
4.	Frequency of observation	First year of qualification
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Qualification reference : Note 32 in the Standalone financial statements and management response provided in the Directors report under the head "Management replies to Auditors Report "



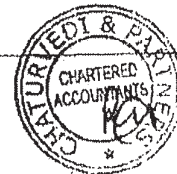
	<p><b>Qualification:</b></p> <p>The Independent auditors have drawn attention to note 32 of the Standalone financial statements for the year ended 31 March 2015 with regard to impact of floods on one of the Company's project in Srinagar, Jammu and Kashmir, the Concessionaire of the Project, a subsidiary Company, has made an assessment of the damage to the project materials and assets located at the site amounting to Rs 141.51 crore and has lodged insurance claims of Rs 141.51 crore with the insurers. The management of the Company, considering the insurance claim in this regard, is confident that no consequential material adjustment for loss of project materials and assets, will be required. In view of pending final assessment, We are unable to comment on the extent of adjustment on account of such loss</p>	
	<p><b>Management response:</b></p> <p>The Company has lodged an insurance claim in this regard and the management is confident of realizing the insurance claim and therefore there will be no consequential material adjustment for loss of project materials and assets will be required.</p>	
6.	Additional comments from the Board/Audit Committee chair	None
	Signed by	
	Y R Nagaraja Managing Director	
	IW VIJAY KUMAR Chief Financial Officer	
	Statutory Auditors of the Company	<p>Refer our Audit Report dated May 30, 2015 on the Consolidated financial Statements of the Company</p> <p>For CHATURVEDI &amp; PARTNERS</p> <p>   R N CHATURVEDI  Partner  Membership No. 092087 </p> 
	A.G. Ravindranath Reddy Audit Committee Chairman	

Refer Form A for matters to which the independent auditors have given Emphasis of Matter in their auditors' report on the consolidated financial statements and management response for the same.


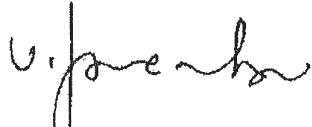



**FORM A**

**Format of covering letter of the annual audit report to be filed with the stock exchanges**

Sl no	Particulars	Details
1.	Name of the Company:	Ramky Infrastructure Limited.
2.	Annual financial statements for the year ended	Consolidated financial statement for the year ended 31 March 2015
3	Type of Audit observation	Emphasis of Matter('EOM')
	<b>Emphasis of Matter:</b>  <p>a. The Independent Auditors have drawn attention to note 41 (1) (a) to the consolidated financial statements for the year ended 31 March 2015 in respect of M/s Ramky Pharma City (India) Limited ("RPCIL"), a subsidiary, in connection with the uncertainty in connection with the charge sheet filed by Central Bureau of Investigation (CBI) and attachment order of the Enforcement Directorate in respect of certain assets of the company. The management believes that it has complied with the provisions of the concession agreement. Accordingly, any consequential financial impact of the said regulatory action will be known only when the matter is resolved.</p> <p>b. The Independent Auditors have drawn attention to note 41 (1) (b) to the consolidated financial statements for the year ended 31 March 2015 in respect of M/s Ramky Pharma City (India) Limited ("RPCIL"), a subsidiary, in connection with the insurance claim filed by the Company, towards loss caused by HUDHUD cyclone. The consequential financial impact of the said loss will be known only the insurance claim is settled.</p> <p>c. The Independent Auditors have drawn attention to note 37 to the consolidated financial statements with regard to the existence of material uncertainties over the realisability of certain construction work in progress, trade receivables and loans and advances aggregating to Rs 580.78 crores, which are subject matters of arbitration proceedings/ negotiations with the customers and contractors due to foreclosure of contracts and other disputes. The management of the Company, keeping in view the status of negotiations and the outcome of arbitration proceedings and the basis of which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues.</p> <p>d. The Independent Auditors have drawn attention to note 41 (2) to 41 (8) to the consolidated financial statements with regard in respect of contract terminated/foreclosed by certain subsidiaries and no business being carried out by a subsidiary and no business in hand which affect the going concern assumption of those companies.</p>	



**FORM A**  
Pursuant to clause 31(a) of the Listing Agreement (continued)

	e. The Independent Auditors have drawn attention to note 32 revenue and receivables of Rs 408.96 crores, recognised on the basis of fair value of consideration for construction services and the effective interest rate in the case of financial assets covered under service concession arrangements, 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.	
4 (a)	Frequency of observation	<p>In respect of para</p> <p>3 (a) repetitive from 31 March 2013 and 31 March 2014.</p> <p>3 (b) first year of observation.</p> <p>3 (c) Second year of observation repetitive from 31 March 2014.</p> <p>3 (d) first year of observation.</p> <p>3 (e) first year of observation.</p>
	Signed by Y R Nagaraja Managing Director	
	IW VIJAY KUMAR Chief Financial Officer	
	Statutory Auditors of the Company	<p>Refer our Audit Report dated May 30, 2015 on the Consolidated financial Statements of the Company</p> <p><b>For CHATURVEDI &amp; PARTNERS</b></p> <p></p> <p><b>R N CHATURVEDI</b> Partner Membership No. 092087</p> 
	A.G. Ravindranath Reddy Audit Committee Chairman	


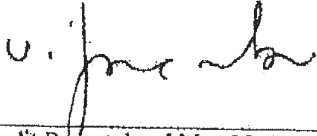



# FORM B

Format of covering letter of the annual audit report to be filed with the stock exchanges

Sl no	Particulars	Details
1.	Name of the Company:	Ramky Infrastructure Limited.
2.	Annual financial statements for the year ended	Consolidated financial statement for the year ended 31 March 2015
3.	Type of Audit observation	Qualification
4.	Frequency of observation	Second year of qualification
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Qualification reference : Note 35 in the consolidated financial statements and management response provided in the Directors report under the head "Management replies to Auditors Report "
	<p><b>Qualification:</b></p> <p>The Independent auditors have drawn attention to note 35 of the consolidated financial statements for the year ended 31 March 2015 with regard to recognition of deferred tax assets amounting to Rs 409.08 Crore, on unabsorbed depreciation, business losses and other timing differences incurred by the Company. Based on unexecuted orders on hand, the Management is confident that sufficient future taxable income will be available against which such deferred tax assets will be realised. However, in our opinion, in absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which the deferred tax assets can be realized, such recognition is not consistent with the principles enunciated under Accounting Standard 22, "Accounting for Taxes on Income" (AS 22). Had the aforesaid deferred tax assets not been recognised, loss after tax for the year ended would have been higher by Rs 409.08 Crore.</p> <p><b>Management response:</b></p> <p>The Company has recognized deferred tax asset on unabsorbed depreciation, business losses and other timing differences incurred by the Company during the year. Based on estimated realization of reasonable margin on existing contracts on hand and future contracts, the Management is confident of sufficient future taxable income for realization of deferred tax assets.</p>	
6.	Additional comments from the Board/Audit Committee chair	None

Sl no	Particulars	Details
1.	Name of the Company:	Ramky Infrastructure Limited.
2.	Annual financial statements for the year ended	Consolidated financial statement for the year ended 31 March 2015
3.	Type of Audit observation	Qualification
4.	Frequency of observation	First year of qualification
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Qualification reference : Note 36 in the consolidated financial statements and management response provided in the Directors report under the head "Management replies to Auditors Report "



	<p><b>Qualification:</b></p> <p>The Independent auditors have drawn attention to note 36 of the consolidated financial statements for the year ended 31 March 2015 with regard to impact of floods on one of the Holding Company's project in Srinagar, Jammu and Kashmir, the Concessionaire of the Project, a subsidiary Company, has made an assessment of the damage to the project materials and assets located at the site amounting to Rs 141.51 crore and has lodged insurance claims of Rs 141.51 crore with the insurers. The management of the Company, considering the insurance claim in this regard, is confident that no consequential material adjustment for loss of project materials and assets will be required. In view of pending final assessment, We are unable to comment on the extent of adjustment on account of such loss.</p> <p><b>Management response:</b></p> <p>The Company has lodged an insurance claim in this regard and the management is confident of realizing the insurance claim and therefore there will be no consequential material adjustment for loss of project materials and assets will be required.</p>	
6.	Additional comments from the Board/Audit Committee chair	None
	Signed by	
	Y R Nagaraja Managing Director	
	PW VIJAY KUMAR Chief Financial Officer	
	Statutory Auditors of the Company	<p>Refer our Audit Report dated May 30, 2015 on the Consolidated financial Statements of the Company</p> <p>For CHATURVEDI &amp; PARTNERS</p> <p>   R N CHATURVEDI  Partner  Membership No. 092087 </p> 
	A.G. Ravindranath Reddy Audit Committee Chairman	

Refer Form A for matters to which the independent auditors have given Emphasis of Matter in their auditors' report on the consolidated financial statements and management response for the same.



# Ramky Infrastructure Limited Annual Report 2015

# Corporate Information

## BOARD OF DIRECTORS

<b>Mr. A. Ayodhya Rami Reddy</b>	– Executive Chairman
<b>Mr. Y. R. Nagaraja</b>	– Managing Director
<b>Dr A. G. Ravindranath Reddy</b>	– Non-Executive Independent Director
<b>Mr. V. Murahari Reddy</b>	– Non-Executive Independent Director
<b>Mrs Allam Rama Devi</b>	– Non-Executive Independent Director
<b>Mr. Krishna Kumar Gangadharan</b>	– Non -Executive Director

### STATUTORY AUDITORS

M/s. Chaturvedi & Partners  
Chartered Accountants  
212A, Chiranjiv Tower, 43, Nehru Place,  
New Delhi - 110019.

### INTERNAL AUDITORS

M/s. J S Sundaram & Co,  
Chartered Accountants  
11 Floor, B1 & B3, Spaces & More Business  
Centre, Road No.2,  
Banjara Hills, Hyderabad- 500034

### COST AUDITOR

Mr. R.Sreenivas Rao, Practicing Cost Accountant

### SECRETARIAL AUDITOR

Mr. Manoj Kumar Koyalkar, Practicing Company  
Secretary.

### REGISTERED OFFICE

Ramky Grandiose,  
15th Floor, Sy No 136/2 & 4,  
Gachibowli, Hyderabad - 500 032, Telangana.  
Phone: 040-23015000  
Fax : 040-23015444  
Email : investors@ramky.com  
Website: www.ramkyinfrastructure.com  
CIN: L74210TG1994PLC017356

### REGISTRAR AND SHARE TRANSFER AGENT

Karvy Computershare Private Limited  
Karvy Selenium, Tower B,  
Plot No 31 & 32,  
Gachibowli Financial District,  
Nanakramguda Hyderabad - 500032  
P : 91 40 67161500 (B) F : +91 40 23420814

### CHIEF FINANCIAL OFFICER

Mr. I.W.Vijaya Kumar

### COMPANY SECRETARY

Mr. V.Phani Bhushan

### BANKERS

State Bank of India  
Axis Bank Limited  
IDBI Bank Limited  
Yes Bank Limited  
Standard Chartered Bank  
ICICI Bank Limited  
Punjab National Bank  
State Bank of Hyderabad  
Kotak Mahindra Bank  
(Formally known as ING Vysya Bank Limited).

# NOTICE OF 21<sup>st</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of the members of M/s. Ramky Infrastructure Limited will be held on **Wednesday, the 30th day of September, 2015 at 03.00 p.m** at AVASA Hotels, Plot No: 15, 24, 25 & 26, Sector - 1, Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad- 500081 to transact the following business:

## ORDINARY BUSINESS :

- To receive, consider and adopt:
  - the Audited Financial Statements of the Company for the financial year ended March 31, 2015, the Report of the Board of Directors and the Report of the Auditors thereon; and
  - the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2015 and the Report of the Auditors thereon
- To appoint a director in place of Mr. A.Ayodhya Rami Reddy (DIN 00251430), who retires by rotation and being eligible offers himself for re-appointment.
- To appoint the statutory auditor and for this purpose to consider and if thought fit to pass with or without modification, the following resolution as an ordinary resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, M/s. Chaturvedi & Partners, Chartered Accountants (Firm Registration No. 307068E) be and are hereby appointed as the statutory auditor of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the fourth Annual General Meeting held thereafter (subject to ratification of the appointment by the members at every AGM held after this AGM) at a remuneration and its manner of payment to be fixed by the Board of Directors/Committee thereof".

## SPECIAL BUSINESS:

- To appoint Mrs. A.Rama Devi as an Independent Director of the company and for this purpose to consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:

**"RESOLVED THAT** pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) Mrs A.Rama Devi (DIN 07120218), Director of the Company in respect of whom the Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office up to 5 (five) consecutive years.

**RESOLVED FURTHER THAT** Mr.Y.R.Nagaraja, Managing Director be and are hereby authorised severally to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

- To appoint Mr. Gangadharan Krishna Kumar as Non Executive Director of the company and for this purpose to consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:

**"RESOLVED THAT** Mr. Gangadharan Krishna Kumar (DIN: 00090715) who has been appointed as an Additional Director of the Company by Board of Directors with effect from 13 November 2014 in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr.Y.R.Nagaraja, Managing Director, be and are hereby authorised severally to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

- To fix remuneration of the cost auditor and to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 (3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any amendments thereto or any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to Mr. R.Sreenivas Rao, Cost Accountant (Membership No. 6329) who was appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2015-16, amounting to Rs. 1,00,000/- (Rupees One lakh only) as also the payment of service tax as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby confirmed and approved and the remuneration for the previous financial year be ratified and confirmed."

By Order of the Board  
for **Ramky Infrastructure Limited**

Hyderabad  
August 13, 2015

**Y.R.Nagaraja**  
Managing Director  
(DIN: 00009810)

## REGISTERED OFFICE

Ramky Grandiose,  
15th Floor, Sy No 136/2 & 4,  
Gachibowli, Hyderabad - 500 032, Telangana.  
Phone: 040-23015000  
Fax : 040-23015444  
Email : investors@ramky.com  
Website: www.ramkyinfrastructure.com  
CIN: L74210TG1994PLC017356

## Notes:

1. An Explanatory Statement under Section 102 of the Companies Act, 2013 in respect of items 4 to 6 of the Notice is attached. The statement of the particulars of Directors seeking Appointment / 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 effective must be received by the Company at its Registered office not later than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
3. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 24th September 2015 to 29th September, 2015 (both days inclusive).
5. Members are requested to bring the Attendance Slip duly filled in and hand over the same at the entrance of AGM venue.
6. Members who hold shares in dematerialised form are requested to bring their depository account Number (Client Id and DP Id No) for easier identification and recording of the attendance at the meeting.
7. 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.
8. 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
9. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 72 of the Companies Act, 2013, are requested to send the nomination to the office of the Registrar and Transfer Agent of the Company.
10. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar & Share Transfer Agent, 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.
11. 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.
12. 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.
13. All Documents referred to in the accompanying notice and the Explanatory Statement is 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.
14. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the 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 dematerialised holdings with their respective Depository Participants. Members who hold shares in physical form are requested to fill and send the required details to the Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited at Karvy Selenium, Tower B, Plot No 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032.
15. In terms of Sections 124 of the Companies Act, 2013 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Share holders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF (Corresponding to Section 205A of the erstwhile Companies Act, 1956)
16. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.
17. Members holding shares in the company and who have not registered their mail id with the company or the depository and wish to avail e voting may write to the registrar or the company quoting their client id/folio no and DP id so as to send the password for e voting and hard copy of the ballot paper will be provided at the venue of the AGM for those members who have not exercised their e-voting.
18. **Voting through electronic means:**  
In compliance with the provisions of section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014, amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the listing agreement, shareholders are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited, in respect of all resolutions set forth in this Notice.

The Company is also providing the facility for voting by way of physical ballot at the Annual General Meeting. Mr. Manoj Kumar Koyalkar, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process as well as the Ballot process at the Annual General Meeting in a fair and transparent manner.

**The procedure and instructions for e-voting are as follows:**

- i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- ii) Enter the login credentials (i.e., user-id & password) mentioned in the e-mail/covering letter. Your folio/DP Client ID will be your User-ID.

User - ID For shareholders holding shares in Demat Form:-

- a) For NSDL: - 8 Character DP ID followed by 8 Digits Client ID
- b) For CDSL: - 16 digits beneficiary
- c) ID for shareholders holding shares in

**Physical Form:-**

The share holders whose email id is not registered with the company and who intend to exercise their vote, may write to the company at investors@ramky.com or to the registrar and transfer agent M/s karvy computer share private limited so as to send the user id and password for e voting.

- iii) Please contact Karvy's toll free No. 1-800-34-54-001 for any support or clarifications in relation to E-Voting.
- iv) Shareholders can cast their vote online from 27th September, 2015 (9.00 AM) to 29th September, 2015 (5.00 PM). During this period, shareholders of the company holding shares either in dematerialized or physical form as on the cut-off date viz., 23rd September, 2015, may cast their vote electronically.
- v) After entering these details appropriately, click on "LOGIN".
- vi) In case of first login, shareholders holding shares in Demat/ Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile number, email ID etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials

- viii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name' viz Ramky Infrastructure Limited
- ix) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and cast your vote earlier for any company, then your existing login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/ AGAINST/ABSTAIN' for voting .Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder does not want to cast, select 'ABSTAIN'.
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (corporate/FIs/FILs/Trust/ Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to mkoyalkar@gmail.com with copy to evoting@karvy.com. The file/scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."

The Members attending the meeting should note that those who are entitled to vote but have not exercised their right to vote through e-voting, may vote at the AGM through physical ballot for all the business specified in the accompanying Notice. The Members who have exercised their right to vote by e-voting may attend the AGM but shall not vote at the AGM. If a member casts vote by both modes, then voting done through e-voting shall prevail and the Ballot form shall be treated as invalid.

The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The results shall be declared on or after the AGM of the Company. The results along with the Scrutinizer's Report shall be placed on the Company's website [www.ramkyinfrastructure.com](http://www.ramkyinfrastructure.com).

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

### **Item No 4 :**

Pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed to appoint Mrs. A.Rama Devi as Independent Director of the Company for a period of 5 (five) years. The Company has also received notice pursuant to Section 160 of the Companies Act, 2013 from member proposing the appointment of aforesaid Independent Director. The Board of Directors believe that the association of the aforementioned Independent Director with the Company shall be beneficial to the progress of the Company and hence, the Board recommends the appointment of Mrs. A.Rama Devi as Independent Director as set out in Item Nos. 4 for the approval of the shareholders at the ensuing Annual General Meeting.

In the opinion of the Board, the Independent Director fulfill the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2013 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) and such Independent Director are independent of the management.

Further, the aforesaid Independent Director have given a declaration to the Board of Directors to the effect that she meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolutions as set out in Item No. 4 of this Notice. This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement.

This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement.

In compliance of Clause 49 of the Listing Agreement, the particulars of Mrs. A. Rama Devi seeking appointment as an independent director are provided at **Annexure A**.

The Board commends the resolution for the approval of the members of the Company.

### **Item No 5 :**

The Board of Directors at their meeting held on 13 November 2014 have appointed Mr. Gangadharan Krishna Kumar (DIN: 00090715) as an Additional Director in terms of Section 161 of the Companies Act, 2013 who holds office up to the date of this Annual General Meeting. The Company has received notice pursuant to Section 160 of the Companies Act, 2013 from members proposing the appointment of Mr. Gangadharan Krishna Kumar (DIN: 00090715) as a Director (Non Executive) . The Board of Directors propose the appointment of Mr. Gangadharan Krishna Kumar (DIN: 00090715) as the Director and recommend the resolution as set out in Item No. 5 for the approval of the shareholders at the ensuing Annual General Meeting. None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolution as set out in Item No. 5 of this Notice.

This explanatory statement may also be regarded as disclosure under Clause 49 of the Listing Agreement.

The Board commends the resolution for the approval of the members of the Company.

### **Item No 6:**

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of Mr. R. Srinivasa Rao, Practicing Cost Accountant to conduct the audit of the cost records of the Company for the financial year ended March 31, 2016. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year 2015-16 and that of the previous year as set out in the Resolution for the aforesaid services to be rendered by them.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

The Board commends the resolution for the approval of the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way concerned or interested financially or otherwise, in the said Resolution.

By Order of the Board  
for **Ramky Infrastructure Limited**

**Y.R.Nagaraja**  
Managing Director  
(DIN: 00009810)

Hyderabad  
August 13, 2015

### **REGISTERED OFFICE**

Ramky Grandiose,  
15th Floor, Sy No 136/2 & 4,  
Gachibowli, Hyderabad - 500 032, Telangana.  
Phone: 040-23015000  
Fax : 040-23015444  
Email : investors@ramky.com  
Website: www.ramkyinfrastructure.com  
CIN: L74210TG1994PLC017356

# Directors' Report

Dear Members,

Your Directors have pleasure in presenting their 21st Annual Report on the business and operations of your company for the financial year ended March 31, 2015.

## Financial Results

The standalone financial performance of the Company for the financial year ended March 31, 2015 is summarized below:

(₹ in Crores)

Particulars	2014-15	2013-14
Revenue from operations	1079.74	1755.09
Other Income	34.93	22.94
Total Income	1114.67	1778.03
Total Expenditure	1780.76	2401.46
Profit/(Loss) before taxes	(666.09)	(623.43)
Tax Expense/(Benefit)	(220.61)	(191.32)
Profit/(Loss) after Tax	(445.48)	(432.11)
Earnings per equity shares in ₹	(77.89)	(75.55)

## Review of Performance and state of the company's affairs

During the year under review, the company's performance was affected due to macro and micro industry concerns such as liquidity issues, delay in hand over of land for road projects, delay in receivables from the clients and other factors prevailing in the industry/sector. The company is making all measures to overcome those constraints by either terminating or foreclosure of the contracts, speeding up the execution of works which are on the verge of completion, making claims and claiming cost escalation or cost overruns wherever the contract agreements permits etc.

During the year under review, members will notice that the standalone revenues have declined by 38.48% to ₹ 1079.74 crores from ₹ 1755.09 crores of the previous year 2013-14, while the Loss after tax was at ₹ 445.58 crores from Loss after tax of ₹ 432.11 crores achieved during the previous year 2013-14.

During the year under review, members will notice that the consolidated revenues have declined by 31.54% to ₹ 1644.13 crores from ₹ 2401.70 crores of the previous year 2013-14, while the Loss after Tax was at ₹ 482.96 crores from Loss after tax of ₹ 414.85 crores achieved during the previous year 2013-14.

## Dividend and Transfer to Reserves

In view of the losses incurred in the financial year 2014-15, your Board of Directors has not recommended any dividend for the financial year 2014-15 and no amount has been transferred to General Reserve during the financial year 2014-15.

## Share Capital

During the period under review there is no change in the Authorised and paid up capital of the Company. The Authorised share capital is ₹ 70,00,00,000 and paid up share capital is ₹ 57,19,79,910.

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

## Directors & its board meetings:

The following persons were appointed as Additional Director of the Company during the year under report:

S.No	Name of the Director	Date of Appointment
1	Mr. G. Krishna Kumar	13.11.2014
2	Mrs A. Rama Devi	13.02.2015

## Proposed Appointments:

The following appointments to the Board are proposed:

Approval of the shareholders is being sought for the appointment of Mr. A.Ayodhya Rami Reddy as Director (executive Chairman) of the Company, who retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for re-appointment in accordance with the provisions of the Companies Act and pursuant to Articles of Association of the Company. Your Board recommends his re- appointment.

Mr. G. Krishna Kumar was inducted as an Additional Director on the Board. As per the provisions of Section 161 of the Companies Act, 2013, he holds office only up to the date of the Annual General Meeting of the Company. Approval of the Shareholders is being sought for his appointment as Director (Non Executive ) in the ensuing Annual General Meeting pursuant to the provisions of the Section 160 of the Companies Act, 2013. Being eligible, the Board recommends his appointment.

In terms of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for a term of up to five (5) consecutive years on the Board of Directors of your Company and are not liable to retire by rotation. Accordingly, Mrs.A.Rama Devi was appointed as Additional and Independent Directors of your Company up to 5 (five) consecutive years.

Appropriate resolutions for the appointment/ re-appointment of Directors are being placed before you for your approval at the ensuing Annual General Meeting. The brief resume of the aforesaid Directors and other information have been detailed in the Notice. Your Directors recommend their appointment/reappointment as Directors of your Company.

## Resignation

Mr. Rajiv Maliwal, Mr. V.Harish Kumar, Mr. Rajasekhara Reddy and Dr Archana Niranjan Hingorani, Directors of the company submitted their resignation vide letter dated 13 November 2014. The board of directors at their meeting held 13 November 2014 have accepted the same and placed on record its sincere appreciation for the services rendered to the company.

## Number of meetings of the board :

Six Board Meetings were held during the year ended on 31<sup>st</sup> March 2015. The gap between any two Board Meetings is within the period prescribed by the Companies Act, 2013.

## Declarations by Independent Directors:

The Company has received declarations from the Independent Director under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

## Board evaluation and assessment:

The company believes formal evaluation of the board and of the individual directors, on an annual basis, is a potentially effective way to respond to the demand for greater board accountability and effectiveness. For the company, evaluation provides an ongoing means for directors to assess their individual and collective performance and effectiveness. In addition to greater board accountability, evaluation of board members helps in;

- More effective board process
- Better collaboration and communication
- Greater clarity with regard to members roles and responsibilities
- Improved chairman - managing directors and board relations

#### **The evaluation process covers the following aspects**

- Self evaluation of directors
- Evaluation of the performance and effectiveness of the board
- Evaluation of the performance and effectiveness of the committees
- Feedback from the non executive directors to the chairman
- Feedback on management support to the board.

#### **Familiarisation Programme for Independent Directors**

The Company shall through its Senior Managerial personnel familiarise the Independent Directors with the strategy, operations and functions of the Company. The Independent Directors will also be familiarised with their roles, rights and responsibilities and Orientation on Statutory Compliances as a Board Member.

On appointment of the Independent Directors, they will be asked to get familiarised about the Company's operations and businesses. An Interaction with the key executives of the Company is also facilitated to make them more familiar with the operations carried by the company. Detailed presentations on the business of the company are also made to the Directors. Direct meetings with the Chairman and the Managing Director are further facilitated for the new appointee to familiarize him/her about the Company/ its businesses and the group practices as the case may be and link is available at the website <http://ramkyinfrastructure.com>.

#### **Directors' Responsibility Statement**

Pursuant to the requirement under section 134 (3) and (5) of the Companies Act 2013, with respect to Directors' Responsibility Statement, your board of directors to the best of their knowledge and ability confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit/loss of the Company for that year;
- proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the Company have been prepared on a going concern basis;
- internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

#### **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 Mr. Manoj Kumar Koyalkar, 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**

The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns etc. is furnished separately and forms part of this report.

#### **Consolidation of Accounts**

The standalone accounts of your Company broadly represents the EPC business plus the investment that have gone into the 13 wholly owned subsidiaries, 6 Subsidiaries, 1 Association of person, 2 Jointly Controlled entities and 2 Associates & 3 step down subsidiaries of the Company, and the consolidated business represents the consolidation of the EPC business and the integrated infrastructure developer business.

In accordance with clause 32 of the listing agreement and in compliance with the provisions of companies act 2013 and the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting standard AS-23 on Accounting for Investments in Associates and 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.

A statement containing brief financial details of the subsidiaries for the financial year ended March 31, 2015 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 office of the respective subsidiary companies.

#### **Statutory Auditors**

M/s.Chaturvedi & Partners, Chartered Accountants, New Delhi, Statutory Auditors are the auditors appointed under causal vacancy.

M/s Chaturvedi & Partners, Chartered Accountants, New Delhi bearing ICAI Registration No. 307068E are proposed to be appointed as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the fourth Annual General Meeting of the Company held thereafter, subject to ratification of the appointment by the members at every AGM.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from M/s Chaturvedi & Partners, to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under.

The Board of Directors and the Committee thereof, recommend the appointment. Appropriate resolutions form part of the agenda at the ensuing Annual General Meeting.

#### **Business Responsibility Report (BRR)**

Securities Exchange Board of India (SEBI) vide circular CIR/CFD/DIL/8/2012 dated August 13, 2012 has mandated the inclusion of BRR as part of the Annual Report for the top 100 listed entities based on their market capitalization on Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd as at 31 March 2012. In view of the requirements specified, the company is not mandated for the providing the BRR and hence do not form part of this Report.

#### **Corporate Social Responsibility**

Ramky Infra has been pursuing CSR activities long before they were made mandatory under the companies act 2013. You are aware that the CSR activities are being carried under Ramky Foundation, a charitable trust

which looks after CSR activities. It focuses on 4 thrust areas viz, natural resource management, education, health and women empowerment. It seeks to bring corporate sector with an overall aim to create equitable, sustainable, and accessible developmental opportunities for the communities we serve. A Report on Corporate Social Responsibility (CSR) Policy and Activities as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended to this annual report as Annexure - B and link to the CSR policy is available at the website <http://ramkyinfrastructure.com>.

#### **Particulars of Loans, Guarantees and Investments**

Details of loans and guarantees given and investments made under Section 186 of the Act are provided in the Notes to the Financial Statements.

#### **Cost Audit Report**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, the Board of Directors at their meeting dated 20 June 2014, appointed M/s. R.Srinivas Rao, Cost Accountants as the Cost Auditors of the Company for the financial year 2014 - 15. The Cost Audit Report will be filed within the stipulated period of 180 days from the closure of the financial year.

#### **Secretarial Audit Report**

Pursuant to the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, the company is required to obtain Secretarial Audit Report from Practising Company Secretary. Mr. Manoj Kumar Koyalkar, Practising company secretary was appointed to issue Secretarial Audit Report for the financial year 2014-15.

Secretarial Audit Report issued by Mr. Manoj Kumar Koyalkar, Practising company secretary in Form MR-3 for the financial year 2014-15 forms part to this report as Annexure - C. The said report contains observation as under

I further report that as on March 31, 2015, undisputed dues in respect Provident Fund, Employees State Insurance and Gratuity, have not been regularly deposited with the appropriate authorities and there have been delays in number of cases.

The company has incurred losses during this financial year and last financial year. Due to severe liquidity constraints, there have been delays in payment of the Provident Fund, Employees State Insurance dues and gratuity, the company has made provision for payment of statutory dues in the restructure package approved under JLF and the company will be able to address the crisis through restructure arrangement with existing lenders, the restructure package inter-alia includes for funding of such dues whereby we can clear the dues.

#### **Whistle Blower Policy/Vigil Mechanism**

Pursuant to the provisions of section 177 of the companies act, 2013 and the rules framed there under and pursuant to the applicable provision of clause 49 of the listing agreement entered with stock exchanges, the company has established a mechanism through which all stake holders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle blower policy which has been approved by the board of directors of the company has been hosted on the website of the company viz <http://ramkyinfrastructure.com>.

#### **Risk Management Policy**

The board of directors has formed a risk management committee to identify, evaluate, mitigate and monitor the risks associated with the business carried by the company. The committee reviews the risk management plan and ensures its effectiveness. A mechanism has been put in place which will be reviewed on regular intervals.

#### **Policy on Sexual Harassment**

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year ended 31st March, 2015, the Company has not received any complaints pertaining to Sexual Harassment.

#### **Particulars of Contracts or arrangements with related parties**

All the related party transactions that were entered during the financial years were in the ordinary course of business of the company and were on arm length basis. There were no materially significant related party transactions entered by the company during the year with the promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the company.

The policy on related party transactions as approved by the board of directors is hosted on the website of the company viz : <http://ramkyinfrastructure.com>.

Since all the related party transactions entered into by the company were in the ordinary course of business and were on arm length basis, the requirement of furnishing the requisite particulars in form AOC -2 is not applicable.

Material changes and commitments, if any, affecting the financial position of the company

There are no material changes and commitments affecting the financial position of the company which occurred between the end of the financial year to which the financial statements relate and the date of the report.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future

#### **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.

#### **Particulars of Employees**

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure D to this Report.

A statement containing the name of every employee employed throughout the financial year and in receipt of remuneration of Rs 60 lakh or more, or employed for part of the year and in receipt of ₹ 5 lakh or more a month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as Annexure E to this Report.

#### **Extract of the Annual Return**

In accordance with Section 134 (3) (a) of the Act, an extract of the Annual Return in the prescribed format is appended as Annexure F to this Report.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Conservation of Energy which is an ongoing process in the Company's construction activities and the same 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 and Outgo

In accordance with the provisions of Section 134 of the Companies Act, 2013, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to foreign exchange earnings and outgo is provided under Notes to the Balance Sheet and Profit and Loss Account.

### MANAGEMENT REPLIES TO AUDITORS REPORT - Standalone and Consolidated financial reports:

With reference to observations made in Auditor's Report, the notes of account is self-explanatory and therefore do not call for any further comments. The results for the year ended March 31, 2015 have been subjected to an audit by the Statutory Auditors of the Company and a qualified report has been issued by them thereon

### Qualifications matters - Standalone and consolidated financials

1. With respect to the deferred tax assets amounting to ₹ 409.08 Crore :

The Company has recognized deferred tax asset on unabsorbed depreciation, business losses and other timing differences incurred by the Company during the year. Based on estimated realization of reasonable margin on existing contracts on hand and future contracts, the Management is confident of sufficient future taxable income for realization of deferred tax assets.

2. Impact of floods on one of the Company's project in Srinagar, Jammu and Kashmir

The Company has lodged an insurance claim in this regard and the management is confident of realising the insurance claim and therefore there will be no consequential material adjustment for loss of project materials and assets will be required.

3. The statutory auditors of the Company have also drawn Emphasis in their review report (Standalone and consolidated financials) with respect to

- a. Material uncertainties over the realisability of certain construction work in progress, trade receivables and loans and advances aggregating to ₹ 580.78 crores, which are subject matters of arbitration proceedings/ negotiations

The Management of the Company, keeping in view the long term nature of the contracts, terms and condition implicit in these contracts and the ongoing discussion based on which steps to recover are currently in process, is confident of recovering the amount as they are contractually tenable.

4. Other observations - Statutory Compliances:

- a. Delays caused in remitting the statutory dues towards Provident Fund, Employees State Insurance, Income tax deducted at source, Works contract Tax deducted at source, Sales tax and Service Tax to the concerned authorities is primarily due to non realization of trade receivables, retention and advances from clients and other authorities due to arbitrations/disputes due to which the company is facing severe liquidity crisis.

However we are able to address the crisis through restructure arrangement with existing lenders, the restructure package inter-alia includes for funding of such dues whereby we can clear the dues

- b. Defaulted in repayment of dues to bankers : The default in repayment of dues to the banks have been regularised post restructure arrangement with lenders of the company under JLF .

5. Emphasis matters in consolidated financials

- a. the uncertainty in connection with the charge sheet filed by Central Beuro of Investigation (CBI) and attachment order of the Enforcement Directorate in respect of certain assets of the company.

The Management believes that the project of RPCIL is being carried out in accordance with the provisions of the Concession Agreement executed between RPCIL and Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) after obtaining the requisite approvals and following the due process of law.

- b. in respect of the insurance claim filed by the Company, towards loss caused by HUDHUD cyclone in Pharma City.

The Company has lodged an insurance claim in this regard and the management is confident of realising the insurance claim and therefore there will be no loss caused by HUDHUD cyclone in Pharma City.

- c. With respect of contract terminated/foreclosed by certain subsidiaries and no business being carried out by a subsidiary and no business in hand which affect the going concern assumption of those companies- notes of account is self-explanatory and therefore do not call for any further comments

- d. Revenue and receivables of ₹ 408.96 crores, recognised on the basis of fair value of consideration for construction services and the effective interest rate in the case of financial assets covered under service concession arrangements.

As per the Draft Guidance note on Service Concession Arrangements, the company has accounted for service concession arrangements for applicable BOT projects.

### INDUSTRIAL RELATIONS

The company enjoyed cordial relations with its employees during the year under review and the Board appreciates 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 Government, bankers, financial institutions, suppliers, associates and subcontractors and seeks their continued patronage in future as well.

For and on behalf of the Board of  
**Ramky Infrastructure Limited**

	<b>Mr.Y.R.Nagaraja</b>	<b>Alla Ayodhya Rami Reddy</b>
	Managing Director	Executive Chairman
	(DIN:00009810)	(DIN: 00251430)
Hyderabad		
August 13, 2015		

## Annexure A

Details of the Directors seeking Appointment/Re-appointment at the forthcoming Annual General Meeting pursuant to clause 49 of the Listing Agreement)

Name of Director	Mr. A. Ayodhya Rami Reddy	Krishna Kumar Gangadharan	A.Rama Devi
Date of Birth	01/08/1963	28/09/1971	20/06/1970
Date of Appointment	20/06/2015	13/11/2014	13/02/2015
Expertise in specific functional areas	He has 32 years of experience in Civil, Industrial and Environmental Infrastructure and waste management. He worked for various water, waste water and engineering projects, notably with Gannon Dunkerly & Co, Reliance Industries Limited from 1984 to 1988. He has worked for various projects on a Turnkey EPC basis until 1995.	Mr Kumar has 23 years of financial services and infrastructure experience, of which 20 years have been infrastructure PE fund management experience. Mr Kumar has been involved in 24 investments across all infrastructure sectors. Mr Kumar has co-led and advised marquee transactions in the infrastructure space including Gujarat Pipavav Port (one of India's fastest growing ports and an AP Moller - Maersk Group company), IL&FS Transportation (India's largest surface transport company), RamkyEnviro Engineers (India's largest waste management company), Maharashtra Natural Gas (one of India's largest non-metro city gas distribution companies). He has also actively participated in divesting 15 transactions	8 years of experience in finance, accounts and human resource management.
Qualification	Bachelor's Degree in Civil Engineering from Karnataka University and Masters Degree in Civil Engineering from Osmania University	Bachelor of Commerce degree from the University of Mumbai (India), major in Financial Accounting	Bachelor of Commerce
List of other companies in which directorship is held as on March 31, 2015*	Nil	DEN Networks Ltd Dighi Port Limited Konaseema Gas Power Limited Petronet India Limited Ramky Enviro Engineers Limited	Nil
Chairman/Member of the Committees of the Board of the other Companies in which he/she is a director as on March 31, 2015*	Nil	RamkyEnviro Engineers Ltd Audit Committee-Member Nomination & Remuneration committee-Member  2. Konaseema Gas Power Ltd Audit Committee-Member  3. Petronet India Limited Audit Committee-Chairman	Nil
Equity Shares held in the Company	34556122	34,000	Nil
Relationship between Directors inter-se	NA	NA	NA

\* Directorships and Committee memberships in Ramky Infrastructure Ltd and its Committees are not included in the aforesaid disclosure. Also directorships in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded. Membership and Chairmanship of Audit Committees, Nomination & Remuneration committee and Stake holders' relationship Committees of only public Companies have been included in the aforesaid table.

## Annexure B

### Report on Corporate Social Responsibility (CSR) Policy and Activities as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR Policy is provided in the link at website: viz:<http://ramkyinfrastructure.com>
2. Composition of CSR Committee: The committee members include Mr.V.Murahari Reddy, Mr. A.G.Ravindranath Reddy and Mr. Y.R.Nagaraja.
3. Average Net profit for the preceding three Financial Years for the purpose of computation of CSR : Rs (399.63) Cr
4. Prescribed CSR expenditure (2% of Average Net Profit) : Nil
5. Details of CSR spend for the financial year :
  - a. Total amount spent during the financial year 2014-15: Rs 15 Lakhs
  - b. Amount unspent, if any: Nil
  - c. Manner in which the amount spent during the financial year is detailed below:

S. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1. Direct Expenditure on projects or programs. 2. Overheads	Cumulative expenditure upto reporting period	Amount Spent: Direct or through implementing agency
1.	Education Support for the Needy	Education	Local area and NAM project	5,00,000	Direct Expenditure: 3,60,000 Overheads: 40,000	15,00,000	Spend through Ramky Foundation
2	Heath camps and Awareness Programs	Health	Local area and Nagarjuna Sagar	4,00,000	Direct Expenditure: 2,70,000 Overheads: 30,000		
3	Sensitization and Income Generation	Women Empowerment	Local area and Nagarjuna Sagar	4,00,000	Direct Expenditure: 2,70,000 Overheads: 30,000		
4.	Environment Promotion campaigns	Natural Resource Management	Local area and Srinagar (J&K)	3,00,000	Direct Expenditure: 3,15,000 Overheads: 35,000		
5	Community Up-liftment	Rural Development Project	Local area near NAM project	3,00,000	Direct Expenditure: 1,35,000 Overheads: 15,000		

6. The Company has incurred losses for the current year and previous year and the average net profit for the last 3 years is negative.
7. The company is in compliance with CSR Objectives and Policy of the Company.

Place : Hyderabad  
Date : 13 August 2015

(V.Murahari Reddy)  
CSR committee Chairman

(Y.R.Nagaraja)  
Managing Director

**Annexure C**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED March 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members  
**Ramky Infrastructure Limited**  
Ramky Grandiose, 15th Floor  
Sy No 136/2 & 4, Gachibowli  
Hyderabad, Telangana-500032

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ramky Infrastructure Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (1) The Companies Act, 2013 (the "**Act**") and the rules made there under and other applicable provisions of the Companies Act, 1956 which are still in force;
- (2) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made there under;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- (4) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (5) Telangana Shops & Establishment Act, 2014;
- (6) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- (7) Employees' State Insurance Act, 1948;
- (8) The Payment of Bonus Act, 1965;
- (9) The Payment of Gratuity Act, 1972;
- (10) Factories Act, 1948;
- (11) The Minimum Wages Act, 1948;
- (12) The Equal Remuneration Act, 1976; and
- (13) The Contract Labour (Regulation & Abolition) Act, 1970;

I have also examined compliance with the applicable clauses of the following:

- i. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited;  
During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above;

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

*I further report that as on March 31, 2015, undisputed dues in respect Provident Fund, Employees State Insurance and Gratuity, have not been regularly deposited with the appropriate authorities and there have been delays in number of cases.*

I report further that, during the audit period, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's affairs.

Sd/-

**Manoj Kumar Koyalkar**

M. No.: 19445

C.P. No.: 10004

Hyderabad, August 13, 2015

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

#### **'ANNEXURE A'**

To,

The Members

**Ramky Infrastructure Limited**

Ramky Grandiose, 15th Floor,

Sy No 136/2 & 4, Gachibowli,

Hyderabad, Telangana-500032.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

**Manoj Kumar Koyalkar**

M. No.: 19445

C.P. No.: 10004

Hyderabad, August 13, 2015

## Annexure - D

The details of remuneration during the year 2014-15 as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 are as follows:

Sl.No.	Disclosure Requirement	Disclosure Details	
1.	Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:	<b>Executive Directors</b>	Ratio to median remuneration
		Mr. A.Ayodhya Rami Reddy	-
		Mr. Y.R.Nagaraja	7.14
		<b>Non-Executive Directors</b>	
		Dr. A G Ravindranath Reddy	1.13
		Mr.V.Murahari Reddy	0.95
		Mrs A.Rama Devi	0.29
		Mr. Krishna Kumar.G	-
2.	Percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<b>Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary</b>	<b>% increase in remuneration in the financial year</b>
		Mr. A.Ayodhya Rami Reddy	-
		Mr. Y.R.Nagaraja	-
		Dr. A G Ravindranath Reddy	-
		Mr.V.Murahari Reddy	-
		Mrs A.Rama Devi	-
		Mr. Krishna Kumar.G	-
		Mr.I.W.Vijaya Kumar	-
		Mr. V.Phani bhushan	-

3. Percentage increase/(decrease) in the median remuneration of the employees in the financial year - Nil

4. Number of permanent employees on the rolls of the Company as at 31<sup>st</sup> March, 2015 - 837

5. Explanation on relationship between average increase in remuneration & Company performance:

The average increase in employee remuneration effected during the year 2014-15 was Nil. The company in general has not undertaken any increments/performance appraisals due to the poor Company's performance during the previous financial year viz., 2013-14.

The net revenue from operations of the Company for the year 2014-15 decreased by 38.47%, the Loss after tax increased by 3.09 % to the previous year 2012-13.

A direct co-relation of employee remuneration and company performance as envisaged in the Rules is not feasible considering the qualitative factors involved in measuring performance.

6. Comparison of remuneration of the Key Managerial Personnel against the performance of the Company:

Aggregate remuneration of Key Managerial Personnel (KMP) in FY 2014-15 (₹ in Crore)	0.32
Revenue (₹ Crore)	1079.74
Remuneration of KMPs (as % of revenue)	0.02%
Profit before Tax (PBT) (₹ in Crore)	(445.48)
Remuneration of KMP (as % of PBT)	0.07%

7. Variations in the market capitalization of the company and price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	31.03.2014	31.03.2015
Market Capitalization of the Company (in ` Crores)	242.23	223.92
Closing Price at the National Stock Exchange Ltd. (in Rs.)	42.35	39.15
Price Earnings Ratio as at the closing date	(0.56)	(0.50)

Market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

The Company made an Initial Public Offer in the year 2010 at a price of Rs 450/- per equity share (Nominal value of equity shares is RS 10 each). As on 31<sup>st</sup> March, 2015 the Market Quotation for the Company's Equity Shares of 10/- each (Closing Price) is Rs. 39.15

8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Not Applicable as there were no performance appraisals carried during the previous financial year.

9. Comparison of each remuneration of the key managerial personnel against the performance of the Company

Particulars	Executive chairman	Managing Director	Chief Financial officer	Company Secretary
Remuneration in FY 2014-15 (₹ in Crore)	0	0.24	0	0.078
Revenue (₹ in Crore)	1079.74			
Remuneration as % of revenue	0	0.02	0	0.007
Profit before Tax (PBT) (₹ in Crore)	(666.09)			
Remuneration (as % of PBT)	0	0.03	0	0.01

10. The key parameters for any variable component of remuneration availed by the Directors:

Since the company do not have profits or profits are inadequate, the executive chairman is not paid any remuneration and Managing Director is paid minimum remuneration as provided in schedule XIII of the ernestwhile act.

11. Ratio of remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:

12. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company is in compliance with its remuneration policy.

For and on behalf of the Board of  
**Ramky Infrastructure Limited**

Hyderabad  
August 13, 2015

**Mr.Y.R.Nagaraja**  
Managing Director  
(DIN:00009810)

**Alla Ayodhya Rami Reddy**  
Executive Chairman  
(DIN: 00251430)

**Annexure E**

**Information under Section 197 (12) of the Companies Act, 2013 read with the rule 5(2) Companies ( Appointment and remuneration of managerial personnel ) Rules, 2014 and forming part of Directors Report for the year ended March 31, 2015**

<b>Employed throughout the Financial Year and in receipt of remuneration aggregating Rs. 60,00,000 or more</b>								
<b>Name of the Employee</b>	<b>Designation</b>	<b>Remuneration (in Rs.)</b>	<b>Qualification</b>	<b>Experience (year)</b>	<b>Date of Commencement of Employment</b>	<b>Age</b>	<b>Last employment held before joining the company</b>	<b>% of equity share s held in the Company</b>
Dhiresh Nigam	Vice President (Projects)	72,52,000	BE (Civil)	31	May 12,2006	53 Years	Ex-Employee of MPRDC	0.004

<b>Employees for part of the Financial Year who were in receipt of remuneration aggregating Rs.60,00,000 or more</b>								
<b>Name of the Employee</b>	<b>Designation</b>	<b>Remuneration (in Rs.)</b>	<b>Qualification</b>	<b>Experience (years)</b>	<b>Date of end of Employment</b>	<b>Age</b>	<b>Last employment held before joining the company</b>	<b>% of equity share s held in the Company</b>
Ravi Prakash	Director (Projects)	68,75,000	BE(Civil)	25	April 16,2012	50 Years	Larsen & Toubro Ltd	Nil

None of the employees is a relative of any Director of the company.

**Hyderabad  
August 13, 2015**

**Mr.Y.R.Nagaraja  
Managing Director  
(DIN:00009810)**

**Alla Ayodhya Rami Reddy  
Executive Chairman  
(DIN: 00251430)**

**Annexure F**  
**ANNEXURE XI**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31<sup>st</sup> March 2015**

***[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]***

**I. REGISTRATION AND OTHER DETAILS:**

CIN	:	L74210TG1994PLC017356
Registration Date	:	13-04-1994
Name of the Company	:	Ramky Infrastructure Limited
Category / Sub-Category of the Company	:	Company Limited By Shares/ Indian Non-Government Company
Address of the Registered office and contact details	:	Ramky Grandiose, 15 <sup>th</sup> Floor, Sy.No 136/2 & 4, Gachibowli, Hyderabad-500032.
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	M/s. Karvy Computershare Private Limited Ramky Selenium, Karvy Selenium, Tower B, Plot No 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500032. Phone: +91 40 44655000 Fax : +91 40 23420814 Email: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Constriction & Civil Engineering	41001, 41002, 41003, 42101, 42204	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable section
1	Ramky Infrastructure Ltd, Ramky Grandiose, 15 <sup>th</sup> Floor, Sy No-136/2, Gachibowli, Hyderabad-500032	L74210AP1994PLC 017356	Holding	-	2(46)
2	MDDA-Ramky Is Bus Terminal Ltd, 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad- 500082.	U45202TG2003PL C041549	Subsidiary	100	2(87)
3	Ramky Engineering & Consulting Services FZC	NA	Subsidiary	100	2(87)
4	Ramky Food Park (Chattisgarh) Ltd, R-IX, Anupam Nagar, Raipur, Chattisgarh-492001	U45209CT2007PLC 020373	Subsidiary	100	2(87)
5	Ramky Herbal & Medicinal Park (Chattisgarh) Ltd R-IX, Anupam Nagar, Raipur, Chattisgarh-492001	U24290CT2007PLC 020374	Subsidiary	100	2(87)
6	Naya Raipur Gems & Jewellery SEZ Ltd R-IX, Anupam Nagar, Raipur, Chattisgarh-492001	U45209CT2007PLC 020375	Subsidiary	100	2(87)
7	Ramky – MIDC Agro Processing Park Ltd 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad- 500082.	U01119TG2008PL C057808	Subsidiary	100	2(87)
8	Ramky Multi Product Industrial Park Ltd 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan	U45209TG2010PL C071635	Subsidiary	100	2(87)

	Road, Somajiguda, Hyderabad-500082.				
9	Ramky Food Park ( Karnataka) Ltd Site No.25-30, 2 <sup>nd</sup> cross, Raghavendra Nagar, Hennur Ring Road, Kalyan Nagar (Post), Bangalore-560043	U45201KA2010PL C056315	Subsidiary	100	2(87)
10	Sheore Kosimi Tollways Ltd 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad- 500082.	U45209TG2011PL C076271	Subsidiary	100	2(87)
11	Hospet Chitradurga Tllways Ltd 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad- 500082.	U45203TG2011PL C077823	Subsidiary	100	2(87)
12	Agra Etawah Tollways Ltd 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad- 500082.	U45203TG2011PL C077881	Subsidiary	100	2(87)
13	Jabalpur Patan Shahpura Tollways Ltd 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad- 500082	U45209TG2012PL C080110	Subsidiary	100	2(87)
14	Ramky Pharma City ( India) Limitded 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, RajbhavanRoad, Hyderabad- 500082	U24239TG2014PL C042855	Subsidiary	51	2(87)
15	Gwalior Bypass Project Ltd 1107, Indraprakash Building, 21, Barakhamba Road, New	U70109DL2006PLC 150027	Subsidiary	26	2(87)

	Delhi-110001.				
16	Ramky Elsamex Hyderabad Ring Road Ltd 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad-500082	U45203TG2006PL C054825	Subsidiary	74	2(87)
17	Ramky Towers Ltd 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad-500082	U45209TG2007PL C054907	Subsidiary	51	2(87)
18	Ramky Enclave Ltd 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad-500082	U45200TG2007PL C056183	Subsidiary	89	2(87)
19	Srinagar Banihal Expressway Ltd 6-3-1089/G/10&11, 3 <sup>rd</sup> Floor, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad-500082	U45200AP2010PL C070676	Subsidiary	74	2(87)
20	Frank Lloyd Tech Management Srvices 6-3-1089/G/10&11, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad- 500082	U74120TG2010PL C071143	Subsidiary	100	2(87)
21	Ramky Esco Ltd 6-3-1089/G/10&11, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad- 500082	U40109TG2012PL C082948	Subsidiary	100	2(87)
22	Ramky Engineering and Consulting Services Gabon SA	Not Applicable	Step down Subsidiary	-	-
23	JNPC Pharma Innovation Ltd 6-3-1089/G/10&11, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad-	U73100TG2011PL C077628	Step down Subsidiary	-	-

	500082				
24	Ramky Integrated Township Ltd 6-3-1089/G/10&11, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad- 500082	U70102TG2007PL C056526	Associates	28.82	2(6)
25	NAM Expressway Ltd 6-3-1089/G/10&11, Gulmohar Avenue, rajbhavan Road, Somajiguda, Hyderabad- 500082	U45209TG2010PL C068968	Associates	28.82	2(6)
26	Jorobat Shillong expressway Ltd The II&FS Financia Center, Plot C-22, G Block, Bandra Kurla Complex, bandra (east), Mumbai-400051	U45203MH2010PL C204456	Associates	28.82	2(6)
27	Ramky Infrastructure SAC	NA	Subsidiary	-	-

#### IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

##### i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	38531152	0	38531152	67.36	38531152	0	38531152	67.36	Nil
b) Central Govt	0	0	0	0	0	0	0	0	Nil
c) State Govt(s)	0	0	0	0	0	0	0	0	Nil
d) Bodies Corp.	225000	0	225000	0.39	225000	0	225000	0.39	Nil
e) Banks / FI	0	0	0	0	0	0	0	0	Nil

f) Any other	0	0	0	0	0	0	0	0	Nil
Sub-total(A)(1):	38756152	0	38756152	67.76	38756152	0	38756152	67.76	Nil
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	Nil
b) Other – Individuals	0	0	0	0	0	0	0	0	Nil
c) Bodies Corp.	0	0	0	0	0	0	0	0	Nil
d) Banks / FI	0	0	0	0	0	0	0	0	Nil
e) Any other	0	0	0	0	0	0	0	0	Nil
Sub-total (A)(2):	0	0	0	0	0	0	0	0	Nil
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	38756152	0	38756152	67.76	38756152	0	38756152	67.76	Nil
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	1593363	0	1593363	2.79	1480782	0	1480782	2.59	0.20
b) Banks / FI	618063	0	618063	1.08	567754	0	567754	0.99	0.09
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	289356	0	289356	0.51	289356	0	289356	0.51	Nil
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	183535	0	183535	0.32	9341	0	9341	0.02	0.30
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):	2684317	0	2684317	4.69	2347233	0	2347233	4.10	0.59
(2) Non-Institutions									

a) Bodies Corp.									
i) Indian	3903043	0	3903043	6.82	3691845	0	3691845	6.45	0.37
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3601699	52712	3654411	6.39	3789665	50822	3840487	6.71	-0.32
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	903953	0	903953	1.58	1302859	0	1302859	2.28	-0.70
c) Others (specify)	7295915	0	7295915	12.76	7259215	0	7259215	12.69	Nil
Sub-total(B)(2):	15704610	52712	15757322	27.54	16043584	50822	16094406	28.14	-0.6
Total Public Shareholding (B)=(B)(1)+(B)(2)	18388927	52712	18441639	32.24	18390817	50822	18441639	32.24	Nil
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	57145079	52712	57197791	100.00	57146969	50822	57197791	100.00	Nil

## II. SHAREHOLDING OF PROMOTERS:

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the Year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% change in share holding during the

								year
1	A Ayodhya Rami Reddy	3,45,56,122	60.42	38.71	3,45,56,122	60.42	38.71	Nil
2	A Dakshayani	18,76,000	3.28	0.00	18,76,000	3.28	0.00	Nil
3	Y R Nagaraja	16,74,480	2.93	0.00	16,74,480	2.93	0.00	Nil
4	Ramky Finance & Investment Pvt Ltd	2,25,000	0.39	0.00	2,25,000	0.39	0.00	Nil
5	A Ishaan	1,80,000	0.31	0.00	1,80,000	0.31	0.00	Nil
6	Sharan A	1,80,000	0.31	0.00	1,80,000	0.31	0.00	Nil
7	M. Venugopal Reddy	24,000	0.04	0.00	24,000	0.04	0.00	Nil
8	M. Vasudeva Reddy	14,700	0.03	0.00	14,700	0.03	0.00	Nil
9	A. Ramakrishna Reddy	12,000	0.02	0.00	12,000	0.02	0.00	Nil
10	Y R Nagakrishna	12,000	0.02	0.00	12,000	0.02	0.00	Nil
11	Peri Reddy . P	1,250	0.00	0.00	1,250	0.00	0.00	Nil
12	Y.R.Madhurani	600	0.00	0.00	600	0.00	0.00	Nil
	Total	3,87,56,152	67.75	38.71	3,87,56,152	67.75	38.71	Nil

### III. CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	3,87,56,152	67.76	3,87,56,152	67.76
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	NA	NA	NA	NA
	At the End of the year	3,87,56,152	67.76	3,87,56,152	67.76

**IV. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	SA 1 HOLDING INFRASTRUCTURE COMPANY P LTD				
	At the beginning of the year	4165884	7.28	-	-
	Date wise Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	4165884	7.28

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2	TARA INDIA HOLDINGS A LTD				
	At the beginning of the year	1821107	3.18	-	-
	Date wise Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	1821107	3.18

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3	AADI FINANCIAL ADVISORS LLP				
	At the beginning of the year	1793898	3.14	-	-
	Date wise Increase / Decrease in Share holding during the year		-		
	18/04/2014	31462 18538	0.05 0.03	1825360 1843898	3.19 3.22

	25/04/2014 13/06/2014	(31000)	0.05	1812898	3.17
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	1812898	3.17

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
4	UTI-MID CAP FUND				
	At the beginning of the year	1064830	1.86	-	-
	Date wise Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	1064830	1.86

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	MANGAL BHANSHALI				
	At the beginning of the year	551000	0.96	-	-
	Date wise Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	551000	0.96

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
6	ICICI PRUDENTIAL MIDCAP FUND				

	At the beginning of the year	528533	0.92	-	-
	Date wise Increase / Decrease in Share holding during the year		-		
		(20234)	0.03	508299	0.88
	20/02/2015	(33301)	0.05	474998	0.83
	27/02/2015	(59046)	0.10	415952	0.72
	03/06/2015				
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	415952	0.72
Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative	Shareholding
				during the year	
7	BANDIS INVESTMENTS PRIVATE LIMITED	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	381964	0.66	-	-
	Date wise Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	381964	0.66

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative	Shareholding
				during the year	
8	LATA BHANSHALI	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year				
		50000	0.08	50000	0.08
	25/04/2014	36542	0.06	86542	0.15
	16/05/2014	252713	0.44	339255	0.59
	23/05/2014				

	At the End of the year ( or on the date of separation, if separated during the year)	-	-	339255	0.59

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
9	IL AND FS TRUST COMPANY LTD				
	At the beginning of the year	289356	0.50	-	-
	Date wise Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	289356	0.50

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
10	MILK LINE DAIRY PRODUCTS PRIVATE LTD				
	At the beginning of the year	280000	0.48	-	-
	Date wise Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	280000	0.48

## V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	A.Ayodhya Rami Reddy - Executive Chairman	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	34556122	60.42	34556122	60.42
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year	34556122	60.42	34556122	60.42
Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
2	Y.R.Nagaraja - Managing Director	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	1674480	2.93	1674480	2.93
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year	1674480	2.93	1674480	2.93

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
3	A. G. Ravindranath Reddy - Director	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
4	V. Murahari Reddy - Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	Krishna Kumar G – Additional Director				
	At the beginning of the year	34000	0.05	34000	0.05
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year	34000	0.05	34000	0.05

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
6	Rama Devi A – Additional Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7	I.W.Vijay Kumar – Chief Financial Officer				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8	V. Phani Bhushan – Company Secretary				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

## V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1333.04	75.20	0.00	1408.24
ii) Interest due but not paid	7.09	0.00	0.00	7.09
iii) Interest accrued but	3.08	6.69	0.00	9.77

not due				
Total (i+ii+iii)	1343.21	81.89	0.00	1425.10
Change in Indebtedness during the financial year				
Addition	65.02	88.10	0.00	153.12
Reduction	0.00	0.00	0.00	0.00
Net Change	65.02	88.10	0.00	153.12
Indebtedness at the end of the financial year				
Principal Amount	1398.59	166.54	0.00	1565.13
ii) Interest due but not paid	7.94	0.00	0.00	7.94
iii) Interest accrued but not due	1.70	3.45	0.00	5.15
Total (i+ii+iii)	1408.23	169.99	0.00	1578.22

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Y R Nagaraja	A Ayodhya Rami Reddy	
1	Gross salary	2400000	0	2400000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2400000	0	2400000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0

	- others, specify	0	0	0
5	Others, please specify	0	0	0
	Total (A)	2400000	0	2400000
	Ceiling as per the Act – Minimum remuneration in case of inadequacy profits	2400000	0	2400000

**B. REMUNERATION TO OTHER DIRECTORS:**

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		A. G. Ravindr anath Reddy	V. .Murah ari Reddy	A. Rama Devi	Kamles h Shivji Vikams ey	V.Haris h Kumar	Rajase khar Reddy	G. Kris hna Ku mar	
1	Independent Directors								
	Fee for attending board / committee meetings	3,80,000	3,20,000	1,00,000	50,000	1,40,000	1,50,000	0	
	Commission	-	-	-	--	-	-	-	
	Others, please specify	-	-	-	-	-	--	-	
	Total (1)	3,80,000	3,20,000	1,00,000	50,000	1,40,000	1,50,000	0	11,40,000
	2. Other Non-Executive Directors								
	Fee for attending board / committee meetings	-	-	-	--	-	-	-	
	Commission	-	-	-	--	-	-	-	
	Others, please specify	-	-	-	--	-	-	-	
	Total (2)	-	-	-	--	-	-	-	
	Total (1+2)	3,80,000	3,20,000	1,00,000	50,000	1,40,000	1,50,000	0	11,40,000
	Total Managerial Remuneration								35,40,000
	Overall Ceiling as per the Act : The act provides for paying sitting fees upto Rs 1,00,000 per meeting								

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary	7,81,662	0	7,81,662
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,81,662	0	7,81,662
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	0	0	
2	Stock Option	0	0	
3	Sweat Equity	0	0	
4	Commission			
	- as % of profit	0	0	
	- others, specify	0	0	
5	Others, please specify	0	0	
	Total	7,81,662	0	7,81,662

**I. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no Penalties, Punishment or Compounding of offences during the F.Y. ended 31st March, 2015.

**Hyderabad  
August 13, 2015**

**Mr.Y.R.Nagaraja  
Managing Director  
(DIN:00009810)**

**Alla Ayodhya Rami Reddy  
Executive Chairman  
(DIN: 00251430)**

# Management Discussion and Analysis

## INFRASTRUCTURE INDUSTRY – AN OVERVIEW & OUTLOOK

The construction industry is an integral part of the economy, contributing at about 10 per cent of GDP and is also the second biggest seasonal employment provider which employs an estimated 35 million people and is a significant driver of FDI Inflows after agriculture. It has seen sustained demand from the Industrial & Real estate sector. GDP from construction in India increased to 2079.94 IND Billion in the first quarter of 2015 from 1975.08 IND Billion in the 4th quarter of 2014. GDP from construction in India averaged 1914.50 IND Billion from 2011 until 2015, reaching an all-time high of 2079.94 IND Billion in the first quarter of 2015 & a record low of 1736.49 IND Billion in the 3rd quarter of 2012.

Finance Minister Arun Jaitley Said it was "absolutely clear that the economy is in the recovery mode" after showed that the economy grew at 7.3 percent in 2014-15. The Country posted a 7.5 percent growth in the Jan to Mar quarter of the Fiscal, outpacing China's GDP of 7 percent in that quarter (CSO) stated.

"The data indicates that growth momentum has picked up under Prime Minister Narendra Modi's regime."

India's building, construction and real estate sector will add 7.65 crore new jobs by 2022, and Over the last five years, under NSDC, more than 5 million (cumulatively) workers have been skilled and more than 1,537,657 (cumulatively) placed according to a report by National Skill Development Corporation (NSDC). The sector will require skilled manpower to meet rapidly growing demand for affordable housing, expansion of IT and financial services into tier-II and tier-III cities, investment in key infrastructure segments such as power, road, railways, ports and civil aviation, and demand for warehousing space.

Development of Urban infrastructure will continue to play a key role in the structural transformation of India's economy. An investment outlay of over Rs. 70 Lakh Crore is anticipated mainly in affordable housing, urban roads & transportation for India's rapid urbanisation over the next 2 decades, which will not only lead to a progressive but also transform India's outlook & realise its true potential. This investment outlay will create a huge demand in various core & ancillary sectors causing a multiplier effect through inter – linkages between 254 Industries including those in Infrastructure, Logistics & Modern retail.

The Planning Commission of India has already pledged to invest around \$1 trillion in the five-year plan (2012-2017). Indian Ministry of Roads and Transport outlined plans for \$120bn worth of road-widening projects. There are also plans for \$60bn to be invested in India's ports by 2020.

Unit sale of construction equipment in India is expected to grow to 82,000 by 2016. The construction equipment industry's revenues are estimated to reach \$22.7bn by 2020 from \$5.1bn in 2012. In addition to reduced building costs, Indian government now has more money to spend, that it had allocated to oil.

The Government of India announced its "One Hundred Smart Cities" initiative in the Union Budget 2014-15. The project involves development of satellite towns of larger cities by modernising the existing mid-sized cities in the country. Indian government has allocated \$1.2bn in the current fiscal year for the project.

The Modi government has eased Foreign Direct Investment (FDI) rules for the construction sector in a move to attract more money into the country to build new hotels, housing and townships. Under the new rules, foreign investment is now allowed in projects with a minimum built area of 20,000 square metres, down from a previous 50,000 threshold. The minimum capital investment by foreign companies has been halved to \$5 million.

Overall, the industry expects a growth rate of 7 – 8% per annum over the next 10 years.

## COMPANY PERSPECTIVE

Ramky Infra operates through the following 3 principal business modes:

- i. Engineering, Procurement & Construction (EPC) Business which is operated by the Company,
- ii. Developer Business which is operated through 13 wholly owned subsidiaries, 6 Subsidiaries, 2 Jointly Controlled entities, 1 Association of person and 2 Associates & 3 step down subsidiaries of the Company. 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 and
- iii. International Business which is operated through 100% wholly own subsidiary 'Ramky Engineering and Consulting Services', located in Sharjah, UAE.

## EPC BUSINESS

The Company operates the EPC business in the following sectors:

- i. **Water and Waste Water** projects such as water treatment plants, water transmission and distribution systems, elevated and ground level service reservoirs, sewage treatment plants, common effluent treatment plants, tertiary treatment plants, underground drainage systems and lake restorations;
- ii. **Roads & Bridges** projects such as expressways, highways, bridges, flyovers, rural roads, terminals and dedicated service corridors;
- iii. **Building Construction**, which includes commercial, residential, public, institutional and corporate buildings, mass housing, High-Rise, Healthcare Infrastructure, Integrated Townships projects and related infrastructure facilities such as hospitals and shopping malls; and
- iv. **Irrigation** projects such as cross-drainage works, barrages, lift irrigation projects, canals, feeder channels;
- v. **Industrial** construction projects such as aluminium, textile, Pharmaceuticals, Power, Petroleum, Industrial Parks, SEZs and related works;
- vi. **Power Transmission and Distribution** projects such as electricity transmission networks, substation feeder lines and low tension distribution lines.

The flagship company of the Ramky Group, Ramky Infrastructure Ltd. is one of the leading infrastructure companies in India with a wide sectorial presence. Determined continually to foray into fast-growing infrastructure segments across India, the Company has diverse and extensive execution experience across key sectors of growth. Over the years core competence has been further developed by the engineering, planning and project execution skills.

Ramky Infra has diversified its business portfolio which helps us in mitigate risk of slowdown in any one particular segment.

The Company is professionally managed with very well-qualified and experienced personnel in all following areas including but not limited to engineering, procurement, legal, secretarial, finance and administration combined with a full-fledged MIS system. As on 31<sup>st</sup> March, 2015, the Company has on its roll over 837 employees, which includes 434 experienced and skilled engineers.

## Water and Waste Water Sector:

At Ramky, we realize the importance of water in the present times. Our design experts constantly innovate and focus on Water/Waste Water treatment & Distribution to offer reliable and complete water management

solutions. A pioneer in the environ-friendly sector and has been a part of key projects till date.

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

1. Drinking Water Plan at Kanpur Extension under JNNURM Programme (Phase-II), at a Project Cost of ₹ 321.34 Crores.
2. Comprehensive Sewerage Scheme For the Urban Areas of Puducherry, at a Project Cost of ₹ 282.17 Crores.
3. Construction of Cluster distribution network, IEC activities, pump houses, clear water reservoirs, overhead service reservoirs, 33KV switchyards & village distribution network under Package - II of Nagaur Lift project and O & M of complete system for 10 years on Turnkey Basis, at a Project Cost of ₹ 149.86 Crores.

#### Roads & Bridges Sector:

At Ramky, we know the vitality of roads for the development of the nation. Our Engineers ideate constantly to come up with the possible means of connectivity to make sure that India is powered with state-of-the-art road infrastructure. With a host of prestigious projects underway, the company accelerates towards fast-track progress.

Some of the significant projects currently under execution in the Roads & Bridges Sector are given below:

1. Rehabilitation, Strengthening and Four Laying of Srinagar to Banihal Section of NH - 1A, from Km 187.00 to Km 189.350 (Banihal Bypass) & Km 220.70 to Km 286.11 on DBFOT(Annuity) Basis, in the state of Jammu & Kashmir (Pkg No: NHDP-Phase-II/BOT/I/J&K), at a Project Cost of 'INR 1,175 Crores.
2. Four Laning of NH52 from end of Biswanth Chariali by-pass (Km 208.00) to Gohpur (Km 265.50), at a Project Cost of ₹ 580 Crores
3. Improvement / Upgradation Strengthening / Widening of Jamthara - Dumka State Road Project Pkg II, at a Project Cost of ₹ 240 Crores.

#### Buildings Sector:

Our construction experts walk in step with the emerging global design trends and construction techniques to ensure progress is built brick by brick. With expertise in building projects across various categories, we are at the forefront of the construction space.

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

1. Design and Construction of 2BHK/3BHK Multi-Storied Residential Apartments-KDA Heights, KDA Greens and Jajmau Heights at Kanpur at a Project Cost of ₹ 366 Crores.
2. Construction of Low Cost Housing for Urban Poor/Slum Rehabilitation at Bawana - III (PoothKhurd) Delhi Comprising of 6480 EWS Houses in (G+4) Phase I, at a project cost of ₹ 158.27 Crores.
3. Construction of Govt. Medical College Building at Raigarh, Chhattisgarh, at a Project Cost of ₹ 118 Crores.

#### Irrigation Sector:

Our water management experts invest efforts in channelizing the available water sources to ensure that prosperity reaches everyone. Over the years, we have been executing key irrigation projects with established expertise in design, planning, construction and maintenance of irrigation channels.

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

1. Construction of Sluices, Cross Masonry & Cross Drainage works lining for the reach from Km.0.500 to Km.15.00 (KARJALLI) of the proposed barrage A/c River Pranahitha near Tummidu Hetti (V), Koutala (M), Adilabad District, at a Project Cost of ₹ 229 Crores.

2. Execution of the Rewa Branch Canal from R.D. 24.00 km to R.D. 33.00 km and Sanaura Sub Branch Canal from R.D. 0.00 km to R.D. 33.025 km including its complete distribution system upto 40 Hact. Chak of Bargi Diversion Project on : Turnkey Basis at a Project Cost of ₹ 123 Crores
3. AMRP LLC Pump House , at a Project Cost of ₹ 108 Crores

#### Industrial Construction Sector:

Our organizational experts constantly strive to improve and gain expertise procedures to deliver excellence to a cross-section of Industries. The company has specialized in delivering infrastructure and related services to empower industrial sector.

Some of the significant projects currently under execution in the Industrial Construction Sector are given below:

1. Providing Infrastructure Facilities i.e. road network water supply waste water collection, storm water drainage electrification & street lighting and all other works contingent thereto on turnkey basis at Industrial Model Township (IMT) Faridabad (Haryana), at a Project Cost of ₹ 352 Crores.
2. SG Area Balance Civil Works Package for Barh STPP Stage -1 (3X660 MW), at a project cost of ₹ 110 Crores.

#### Power Transmission and Distribution Sector:

At Ramky, we understand the need to make power available and accessible to better the quality of lives. Our project experts constantly derive sources of power to make sure that every house-hold experiences its share of light, the Company is focusing on strengthening the rural power supply system.

Some of the significant projects currently under execution in the Power Transmission and Distribution Sector are given below:

1. Supply of materials, survey, installation, testing and commissioning of New 33/11 KV S/s, Augmentation of capacity of Power Transformer & providing Addl. Power Transformer in existing 33/11 KV S/s with extension of 33 KV & 11 KV Bay and Annual Maintenance (for five year) in Ujjain City, under Ujjain Region of MPPKVCL, Indore on Turn-key basis – Erection Portion, at a Project Cost of ₹ 101 Crores.
2. System improvement, Strengthening and Augmentation for bringing down AT&C Losses and improve consumer supply of Bulandsahar, Debai&Khurja Towns in EDC-1 Bulandsahar under R-APDRP Part-B scheme (PVVNL, Meerut), at a Project Cost of ₹ 79.5 Crores.
3. Construction of New 33/11 KV S/s Augmentation of capacity of Power Transformer & providing Addl. Power Transformer in existing 33/11 KV S/s with extension of 33 KV & 11 KV Bay along with VCB (Dewas), at a Project Cost of ₹ 58.6 Crores.

#### DEVELOPER BUSINESS

The Company conducts its business through subsidiaries/special purpose vehicles/joint ventures/Associates formed for the development of PPP projects and other 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, pharmaceuticals 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 ₹ 8181.79 lakhs for the Financial Year 2014-15 as compared to ₹ 12585.67 lakhs in the previous year. Net profit for the year is ₹ 108.15 lakhs, as compared to ₹ 107.87 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. The subsidiary has reported gross revenues of ₹ 829.89 lakhs for the Financial Year 2014-15 as compared to ₹ 860.19 lakhs in the Previous Year. Net Loss for the year is ₹ 36.16 lakhs, as compared to the Net Profit of ₹ 65.34 lakhs in the Previous Year.

#### **Ramky Elsamex Hyderabad Ring Road Limited**

This SPV has been 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% in this SPV. The construction work has been completed. The SPV has reported revenues of ₹ 6304.13 lakhs as annuity and other income for the Financial Year 2014-15 as compared to ₹ 6305.53 lakhs in the previous year. Net Profit for the year is ₹ 119.35 lakhs, as compared to ₹ 72.80 lakhs in the previous year.

#### **Ramky Towers Limited**

This SPV has been formed for developing an integrated residential and commercial project on 17.10 acres of land in Gachibowli, Hyderabad 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 ₹ 4062.77 lakhs in the year under review as compared to ₹ 7865.89 lakhs in the previous year. The net loss for the year is of ₹ 313.85 lakhs as against loss of ₹ 147.47 lakhs in previous year.

#### **Ramky Enclave Limited**

This SPV has been formed for developing an integrated housing project on 32.69 acres of land at Warangal, Telangana 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 ₹ 1038.81 lakhs for 2014-15 as against of ₹ 1444.30 lakhs in the previous year. The Net Loss for the year is ₹ 194.94 lakhs as against ₹ 36.84 lakhs in the previous year.

#### **Ramky Food Park (Chhattisgarh) Limited**

This SPV has been formed for developing, designing, marketing, operating and maintaining the food processing park in the district of Rajnandgaon, Chhattisgarh on a BOT basis. Ramky Infra holds 100% stake in this SPV. During the year the company vide its letter dated July 9, 2014 served the termination notice to Chhattisgarh State Industrial Development Corporation (CSIDC) "the Concessioning Authority" for default of various clauses of the Concession Agreement and requested for reimbursement of various expenses incurred by the company on the project. Since the company is a project specific company, termination of the project affects the Going Concern of the company. The SPV has reported other revenue of ₹ 1.17 lakhs for the Financial Year 2014-15 as interest income as compared to ₹ 1.13 lakhs in the previous year. The net loss for the year is ₹ 17.82 lakhs as against net profit of ₹ 0.47 lakhs for the previous year.

#### **Ramky Herbal and Medicinal Park (Chhattisgarh) Limited**

This SPV has been formed for developing, designing, marketing, operating and maintaining the herbal and medicinal park in the district of Dhamtari, Chhattisgarh on a BOT basis. Ramky Infra holds 100% stake in this SPV. During the year the company vide its letter dated July 9, 2014 served the termination notice to Chhattisgarh State Industrial Development Corporation (CSIDC) "the Concessioning Authority" for default of various clauses of the Concession Agreement and requested for reimbursement of various expenses incurred by the company on the project. Since the company is a project specific company, termination of the project affects the Going Concern of the company. The SPV has reported no revenue for the Financial Years 2014-15 and 2013-14. The net Loss for the year is ₹ 48.20 lakhs as compared to that of Previous Year at ₹ 0.46 lakhs.

#### **Naya Raipur Gems and Jewellery SEZ Limited**

This SPV has been 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. During the year the company vide its letter dated July 9, 2014 served the termination notice to Chhattisgarh State Industrial Development Corporation (CSIDC) "the Concessioning Authority" for default of various clauses of the Concession Agreement and requested for reimbursement of various expenses incurred by the company on the project. Since the company is a project specific company, termination of the project affects the Going Concern of the company and this SPV has reported other revenue of ₹ 5.55 lakhs for the Financial Year 2013-15 compared to ₹ 5.90 Lakhs for the previous year. The net loss the year is ₹ 98.33 lakhs compared to net profit of ₹ 3.10 lakhs for the previous year.

#### **Ramky MIDC Agro Processing Park Limited**

The SPV has been formed for developing, designing, marketing, operating and maintaining the Agro processing Park on a BOT basis. Ramky Infra holds 100% stake in this SPV. An Authorization Agreement was entered into with the Maharashtra Industrial Development Corporation. The Company is yet to commence operations. The SPV has reported gross revenue of ₹ 0.07 lakhs for the financial year 2014-15 and 0.12 lakhs for the previous year towards interest income and reported a Net Loss of ₹ 0.13 lakhs for the current year and loss of ₹ 0.34 lakhs for the previous year.

#### **Ramky Food Park (Karnataka) Limited**

This SPV has been formed for developing Food Parks at Tumkur in Karnataka in accordance with the contract executed with Karnataka State Government. The company has reported a gross revenue of ₹ 0.30 lakhs for the financial year 2014-15 as against ₹ 0.35 lakhs for previous year. The Net Profit of ₹ 0.08 lakhs for this year as compared to net loss of ₹ 0.06 Lakhs for the previous year.

#### **Ramky Multi Product Industrial Park Limited**

This SPV has been formed 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 reported no revenue for the financial year 2014-15 & 2013-14. The net loss for the current year is ₹ 3.35 lakhs as against of ₹ 0.73 lakhs for the previous year.

#### **Srinagar Banihal Expressway Limited**

This SPV has been formed to Design, Build, Construction, 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 commercial operations and the SPV reported other income of ₹ 14.39 lakhs for the financial year 2014-15 as compared to ₹ 9.68 lakhs for the previous year. The net profit for the current year is ₹ 2.06 lakhs as against net loss of ₹ 4.26 lakhs for the previous year.

#### **Sehore Kosmi Tollways Limited**

This SPV has been formed for Designing, Engineering, Build, Procurement, Construction, Development, Operation and Maintenance and Transfer of the Two-laning Sehore-Icchawar-Kosmi road section from Km 00.00 (near Sehore) to Km 50.120 on state highway no.53 in the state of Madhya Pradesh on DBFOT on toll and Annuity basis. This SPV is 100% Subsidiary of the company. The Company has achieved the provisional COD on December 27, 2013 & got the Final COD on March 25, 2014 and reported gross revenue of ₹ 1271.88 lakhs for the year 2014-15 as compared to ₹ 157.48 lakhs in the previous year. The net loss is ₹ 320.49 lakhs as compared to ₹ 189.58 lakhs in the previous year.

#### **Hospet Chitradurga Tollways Limited**

This SPV has been formed to undertake and Carry on the Business of Four Laning of Hospet – Chitradurga Section of NH-13 from KM 299.000 to KM

418.600 in the State of Karnataka under National Highways Development Project Phase III on Design, Build, Finance, Operate and Transfer (DBFOT/ BOT) basis in BOT (Toll). This SPV is wholly owned subsidiary of the company and During the year, the Company and NHAI have mutually agreed to terminate the Concession Agreement dated January 19, 2012 and signed settlement and close out agreement dated October 31, 2014 and which inter alia provides that the concessionaire agrees and undertake and hereby forgoes any and all claims against the Authority on any account whatsoever related to this Concession Agreement. Similarly the Authority Agrees not to raise any other Claims against the Concessionaire under the Concession Agreement. Since the company is a project specific company, termination of the project affects the Going Concern nature of the company. The Company has reported no revenue for the year 2014-15 & 2013-14 and reported a net loss of ₹ 1675.67 lakhs for the current year and loss of ₹ 1.42 lakhs for the previous year.

#### **Agra Etawah Tollways Limited**

This SPV has been formed to undertake and carry on Business of Six Laning of Agra – Etawah Bypass section of NH-2 from KM 199.660 to KM 323.525 under National Highways Development Project (NHDP) Phase V in the State of Uttar Pradesh to be executed on BOT (Toll) on DBFOT pattern. This SPV is 100% Subsidiary of the company and the project has been terminated and settlement & close agreement has been signed on May 20, 2014 and reported a net loss of ₹ 0.45 lakhs for the year 2014-15 as against net profit of ₹ 7.03 lakhs for the previous year.

#### **Frank Lloyd Tech Management Services Limited**

This SPV has been formed to undertake and provide the various management and information technology services. This Company was originally incorporated as a Private Limited Company and was converted into Public Limited Company on March 30, 2012. The company has acquired 76% Equity in this Company on January 2, 2012. The Company has reported gross revenue of ₹ 456.90 lakhs for the year 2014-15 as compare with ₹ 377.63 lakhs revenue in previous year and reported a net loss of ₹ 67.66 lakhs for the current year as against net profit of ₹ 41.65 lakhs for the previous year.

#### **Jabalpur Patan Shahpura Tollways Ltd**

Jabalpur Patan Shapura Tollways Limited was incorporated on April 03, 2012 to undertake and carry on Business of Two Laning of Jabalpur-Patan-Shahpura (SH-15 & SH-22-A) road on Design, Build, Operate and Transfer (DBFOT) on toll plus Annuity basis in the state of Madhya Pradesh. This SPV is 100% Subsidiary of the company and the Project has been terminated. The Company has not reported any revenue and reported a net Loss of ₹ 0.20 lakhs for the year 14-15 as against ₹ 4.40 lakhs in the previous year.

#### **Ramky Esco Ltd**

Ramky Esco Limited was incorporated on September 9, 2012 to undertake the business of Implementing Energy Efficient Street Lighting in Bathinda Cluster of State of Punjab under public private Partnership mode and to undertake other energy conservation projects. This Company was originally incorporated as Ramky-M2Ms Esco Limited and later on the name was changed to Ramky M2M Shaili Esco Ltd. The project could not be commenced due to certain tender conditions and the company has acquired the entire stake from the JV partners, where by the SPV company has become a 100% subsidiary of the company. On May 04, 2013 the SPV company name was changed to Ramky Esco Ltd. The Company has not reported any revenue and reported a net Loss of ₹ 0.19 Lakhs for the year 2014-15 as against ₹ 0.43 lakhs in previous year.

#### **JOINTLY CONTROLLED ENTITIES :**

##### **N.A.M. Expressway Limited**

This SPV has been formed to undertake the business of designing, constructing, operating and maintaining four lanes of the Narketpalli-Addanki-Medaramitla Road (SH-2) from Km 0.00 to Km 212.50 in the State of Andhra Pradesh on DBFOT (Toll) basis. Ramky Infra holds 50% stake in

this entity. The Project has achieved the Provisional COD on March 6, 2014 & started collection of toll from March 11, 2014. This company has reported gross revenue of ₹ 15545.11 lakhs for the Financial Year 2014-15 compared to ₹ 976.74 lakhs for the previous year. The net loss for the year is ₹ 687.81 lakhs, while there was a net profit of ₹ 36.50 lakhs for the previous year.

##### **Jorabat Shillong Expressway Limited**

This SPV has been formed to undertake the business of developing four lanes of the Jorabat Shillong (Barapani) section of NH-40 from Km. 0.000 to Km 61.800 in Assam and Meghalaya on a "design, build, finance, operate and transfer" basis under the Special Accelerated Road Development Programme in North East Regions on a BOT (Annuity) Basis. Ramky Infra holds 50% stake in this entity. The company has reported revenue of ₹ 0.15 lakhs for the year 2014-15 as against ₹ 2.41 lakhs for the previous year and has reported a net loss of ₹ 22.54 lakhs against net profit of ₹ 5.21 lakhs in the previous year.

#### **ASSOCIATE**

##### **Ramky Integrated Township Limited**

This SPV has been formed for undertaking the business of developing an integrated township project called Discovery City on 374.60 acres of land in Srinagar village, Maheswaram mandal, Ranga Reddy District in Andhra Pradesh on a BOT basis. Ramky Infra holds 28.82% stake in this entity. The business of the Company has started and has reported gross revenue of ₹ 1.35 lakhs from interest income for the Financial Year 2014-15 compared to ₹ 1.23 lakhs for the previous year. The net loss for the year is ₹ 40.20 lakhs compared to ₹ 28.61 lakhs for the previous year.

##### **Gwalior Bypass Project 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. The Company has received Provisional COD dated 15 November 2011. This SPV has converted from subsidiary to Associate of the Company on March 31, 2014 and Ramky Infrastructure Limited holds 26%.

#### **INTERNATIONAL BUSINESS:**

##### **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 no revenues for the year 2014-15 and 2013-14. The net loss for the year is AED 38.99 lakhs and AED 102.45 lakhs for the previous year.

#### **STRENGTHS:**

Ramky Infra is an Integrated Infrastructure company with inherent strengths of experienced management team with broad geographic and operational base. It has an execution expertise over diversified array of projects and being considered as one stop shop for end to end project execution.

#### **DISCUSSION ON FINANCIAL PERFORMANCE - STANDALONE**

##### **Revenues**

The turnover of the company for 2014-15 of ₹ 1,079.74 crores which has dropped by 38% over the year, compared to ₹ 1,755.09 Crores in 2013-14.

##### **Expenditure**

The expenses for 2014-15 of ₹ 1,780.76 crores has decreased by 26% over the year, compared to ₹ 2,401.46 crores in 2013-14.

##### **Finance Costs**

The finance costs for 2014-15 of Rs. 270.72 crores has grown by 39% over the year, compared to ₹ 194.70 crores 2013-14. This is mainly due to increase in borrowings and increase in rate of interest and levy of penal interest.

**Personnel costs:**

Personnel costs at ₹ 47.38 crores accounted for 4.39% of revenue. These expenses are dropped over the Previous Year, largely due to drop in operations. In 2013-14 the personnel costs were ₹ 79.22 crores constituting 4.51% of the revenue.

**Profit Before Tax**

There is Loss before tax for 2014-15 of ₹ 666.09 crores, which has considerably changed by 7% over the previous year, compared to loss Before Tax of ₹ 623.43 crores in 2013-14. As a percentage on Turnover the profit before tax dropped to 61.69% in 2014-15 from 35.52% in Previous Year. The drop in PBT is mainly due to operating loss, increase in depreciation and Finance costs.

**Profits after Tax**

The loss after tax for 2014-15 of ₹ 445.48 crores has changed by 3% compared to loss before tax of ₹ 432.11 crores in 2013-14.

**EBIDTA**

The Earnings before Interest, Depreciation, Taxes and Amortization (EBIDTA) for year under review is ₹ (331.78) crores compared to ₹ (382.91) crores in 2013-14. EBIDTA has decreased to 30.73% from 21.82% in the Previous Year.

**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 ₹ 1,398.59 crores compared to ₹ 1,333.04 crores as on March 31, 2014. The net increase is ₹ 65.55 crores.

As on March 31, 2015 the debt- equity ratio was 6.71 as compared to 2.24 a year before.

**Net worth**

The Net worth of the company decreased by ₹ 386.42 crores to ₹ 208.51 crores as on March 31, 2015 compared with ₹ 594.93 crores as on March 31, 2014.

**Fixed Assets**

The gross fixed assets as on March 31, 2015 was ₹ 497.59 crores compared to ₹ 542.13 crores on March 31, 2014 an incremental asset acquisition of ₹ 2.42 crores.

**Earnings Per Share**

The EPS for 2014-15 reduced to ₹ (77.89) from ₹ (75.55) in Previous Year.

**DISCUSSION ON FINANCIAL PERFORMANCE – CONSOLIDATED**

The consolidated financial statements have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, as amended, the provisions of Companies Act, 1956, other pronouncements of Institute of Chartered Accountants of India (ICAI) and guidelines issued by Securities and Exchange Board of India. The Current year results include the results of 27 Companies including 13 wholly owned subsidiaries, 6 Subsidiaries, 1 Association of Person, 2 Jointly Controlled entities and 2 Associate and 3 Step-down Subsidiary. These companies broadly operate in Roads, Bus Terminal, Industrial Parks and others sectors.

**Revenue**

The consolidated turnover of the company for 2014-15 is ₹ 1644.12 crores has decreased by 31.54% over the year, compared to ₹ 2401.71 crores in 2013-14. EPC Turnover has shown a decrease of 31%, while the rest of the decrease is attributable to developer business.

**Profits after Tax**

The consolidated loss after Tax for 2014-15 is ₹ 482.96 crores has increased by 16.42% over the year, compared to consolidated loss of ₹ 414.85 crores in 2013-14. This increase in loss is mostly attributable to loss recorded in EPC business.

**Earnings per Share**

The consolidated EPS for 2014-15 decreased to ₹ (84.44) from ₹ (72.53) in Previous Year.

**Net worth**

The consolidated net worth of the company as on March 31, 2015 was ₹ 801.99 crores compared to ₹ 1232.57 crores as on March 31, 2014.

**RISKS AND CONCERNS:**

Risk is a multi-facet concept. In the context of construction industry, it could be the likelihood of the occurrence of a definite event/factor or combination of events/factors which occur during the whole process of construction to the detriment of the project a lack of predictability about structure outcome or consequences in a decision or planning situation, the uncertainty associated with estimates of outcomes – there is a chance that results could be better than expected as well as worse than expected etc. In addition to the different definitions of risk, there are various ways for categorizing risk for different purposes too. Some categorize risks in construction projects broadly into external risks and internal risks while others classify risk in more detailed categories of political risk, financial risk, market risk, intellectual property risk, social risk, safety risk, etc. The typology of the risks seems to depend mainly upon whether the project is local (domestic) or international. The internal risks are relevant to all projects irrespective of whether they are local or international. International projects tend to be subjected to the external risk such as unawareness of the social conditions, economic and political scenarios, unknown and new procedural formalities, regulatory framework and governing authority, etc. Risk is inherent and difficult to deal with, and this requires a proper management framework both of theoretical and practical meanings. Significant improvement to construction project management performance may be achieved from adopting the process of risk assessment. The types of exposure to risk that an organization is faced with are wide-ranging and vary from one organization to another. These exposures could be the risk of business failure, the risk of project financial losses, the occurrences of major construction accidents, default of business associates and dispute and organization risks. It is desirable to understand and identify the risks as early as possible, so that suitable strategy can be implemented to retain particular risks or to transfer them to minimize any likely negative aspect they may have. The risk management process begins with the initial identification of the relevant and potential risks associated with the construction project. It is of considerable importance since the process of risk analysis and response management may only be performed on identified potential risks. Risk analysis and evaluation is the intermediate process between risk identification and management. It incorporates uncertainty in a quantitative and qualitative manner to evaluate the potential impact of risk. The evaluation should generally concentrate on risks with high probabilities, high financial consequences or combinations thereof which yield a substantial financial impact.

Once the risks of a project have been identified and analyzed, an appropriate method of treating risk must be adopted. Within a framework of risk management, contractors also should decide how to handle or treat each risk and formulate suitable risk treatment strategies or mitigation measures. These mitigation measures are generally based on the nature and potential consequences of the risk. The main objective is to remove as much as possible the potential impact and to increase the level of control of risk. More the control of one mitigation measure on one risk, the more effective the measure of risk the process of risk management does not aim to remove completely all risks from a project. Its objective is to develop an organized framework to assist decision makers to manage the risks, especially the critical ones, effectively and efficiently.

Risks can be viewed as business, technical, or operational. A technical risk

is the inability to build the product that will satisfy requirements. An operational risk is the inability of the customer to work with core team members. Risks are either acceptable or unacceptable. An acceptable risk is one that negatively affects a task on the non-critical path. An unacceptable risk is one that negatively affects the critical path. Risks are either short or long term. A short-term risk has an immediate impact, such as changing the requirements for a deliverable. A long-term risk has an impact sometime in the distant future, such as releasing a product without adequate testing. Risks are viewed as either manageable or unmanageable. A manageable risk is one you can live with, such as a minor requirement change. An unmanageable risk is impossible to accommodate, such as a huge turnover of core team members. Risk factors for this study are classified into eight categories namely.

- Construction Risk
- Design Risk
- Environmental Risk
- Financial Risk
- Management Risk
- Political Risk
- Procurement Risk
- Sub-Contractors Risk
- Technology Risk.

#### **Construction Risk:**

- Disputes between labours
- Changing sequences in construction activity
- Non availability of resources
- Revision of design
- Availability of camp for labours
- Change in quantities of work
- In Time work permissions for executing work
- Safety of workers
- Stoppage of work due to Medical outbreak

#### **Design Risk:**

- Late changes of design from client side
- Will the level of details of design delivered by the owner affect over all construction time?
- Improper specifications
- Inadequate and incomplete design

#### **Environmental Risk:**

- Impact of weather condition on completion of project
- Pollution by construction waste
- Procedure to facilitate construction waste clean-up or disposal

#### **Financial Risk:**

- Delay from clients
- Increment for staff benefits
- Unprecedented price in raw materials
- Fluctuations in Estimated finance than expected

#### **Management Risk:**

- Documents and process directed as per agreement for mitigation of risk
- Project team discussions on risk
- Use of WBS and project milestones to help identify project risks
- Time for planning
- Loosing of critical staff at crucial point of construction
- Documented process for identifying project risks

#### **Political Risk:**

- Pressure from any political party
- Local bodies (political/rowdies) compelling to use their resources
- Union Issue

#### **Procurement Risk:**

- Temporary demand of increase in price of materials
- Specialized labour for fixation/Installation
- Is there a chance of procurement team to know the sales chart of client?

#### **Sub-Contractors Risk**

- Chances of sub-contractor walk out
- Delay in work execution of sub-contractor
- Revision of price

#### **Technology Risk**

- Knowledge on equipment's
- Service for damaged equipment's
- Loss of data or software/hardware of computer

The construction companies need to include risk as an integral part of their project management. Decision making such as risk assessment in construction projects is very important in the construction management. The identification and assessment of project risk are the critical procedures for projecting success.

### **INTERNAL CONTROL SYSTEMS**

The Company has an internal control system, which provides protection to all its assets against loss from unauthorised use and for correct reporting of transactions. The internal control systems are further supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by the management. The company has put in place Proper controls, which are reviewed at regular intervals to ensure that transactions are properly authorized & correctly reported and assets are safeguarded. The Audit Committee of the Board addresses issues raised by both the Internal and Statutory Auditors. The internal control systems are implemented to safeguard the Company's assets from loss or damage. To keep constant check on cost structure and to provide adequate financial and accounting controls and implement accounting standards

### **HUMAN RESOURCES DEVELOPMENT:**

Human Resource Department has been partnering with the business in portraying the image of the organization. Revisiting HR basics and team building is the need of the day. Restructuring of the team and its modus operandi

Despite economic turmoil and uncertain Industrial Scenario, refurbished HR Strategies adopted by our organization created buzz in the industry and well received by our employees. We have put faith in our resources and they are reciprocating with the same zeal through enhanced productivity.

All resources effectively adopted Job enlargement and enrichment, making it a lean and swift organization. We take pride in saying Ramky Infrastructure Limited is an Equal Opportunity Employer.

The total employee strength was 837, as on 31.03.15. Technical workforce with engineering background comprises 62% of the workforce while average age of employee was 34 years.

The Company continues to invest in talent development through a well-established academic interface programme, providing internships, inducting leadership pipeline through campus recruitments, in-house classroom-based training and OJTs.

Workforce well-being remained a priority and we continues to invest in various initiatives starting from comprehensive health insurance for its employees, life insurance and other standard associated welfare activities in the industry.

HR compliance is approached from both reactive and proactive standpoints. HR continues to track the changes in employment and labour laws in the country for statutory compliance. Reactive compliance efforts focus on preventing, limiting or mitigating the risks and liabilities. Proactive

compliance initiatives are considering measures such as changes in policies and procedures as well as changes in the legal environment for mitigating future risks, and enhancing the compliance awareness of our leaders.

To inculcate the spirit of camaraderie, various events were conducted regularly where in employees & their families had an opportunity to understand the finer aspects of competition, recognitions and teamwork.

Open house meetings, skip level meetings and group interactions, enhanced the alignment in the Company, accelerating the thrust and drive to reach farther than others.

#### **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.

Hyderabad August 13, 2015	<b>Mr.Y.R.Nagaraja</b> Managing Director (DIN:00009810)	<b>Alla Ayodhya Rami Reddy</b> Executive Chairman (DIN: 00251430)
------------------------------	---	---

# Report on Corporate Governance

## 1. COMPANY'S PHILOSOPHY

Ramky Infrastructure Limited ('the Company') is committed to achieve transparency and accountability, the basic parameters of Corporate Governance norms, across the operations of the Company and in its interaction with all the stakeholders, to establish an enduring relationship with and maximize the wealth of stake holders. The Company believes that these practices will not only result in sustainable growth of the company but will also result in meeting every stake holder expectations.

## 2. BOARD OF DIRECTORS

The Board of Directors of the Company currently consists of Six Directors. The Company has an Executive Chairman. The Executive 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, 2015

Category	No. of Directors
Promoter Directors	2
Non Executive Directors	1
Non-Executive Independent Directors	3
<b>Total</b>	<b>6</b>

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 2014-15 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	5	Present
Mr. Y. R. Nagaraja	Promoter, Managing Director	6	6	Present
Mr. V. Murahari Reddy	Non-Executive Independent Director	6	6	Absent
Mr. A.G. Ravindranath Reddy	Non-Executive Independent Director	6	6	Present
Mr. G. Krishna Kumar	Non-Executive Director	6	1	NA*
Mrs. A. Rama Devi	Non-Executive Independent Director	6	2	NA*

\*appointed after AGM date.

### c) No. of other Boards/Board Committees in which the Directors are either Member or Chairman as at March 31, 2015

Name of the Director	Board		Committee	
	Chairman	Member	Chairman	Member
Mr. A Ayodhya Rami Reddy*	-	-	-	-
Mr. Y. R. Nagaraja*	-	9	-	4
Mr. V. Murahari Reddy	-	1	-	2
Dr. A.G.Ravindranath Reddy*	-	2	4	2
Mr. G.Krishna Kumar*	-	5	1	3
Mrs. A. Rama Devi	-	-	-	-

\*excludes private companies, foreign companies and membership in other committees.

### d) No. of Board Meetings held and dates on which they were held during the year 2014-15

Quarter	No. of Meetings	Dates on which held
April - June 2014	1	20th Day of June 2014
July - September 2014	1	14th day of August 2014
October - December 2014	1	13th Day of November 2014
January - March 2015	3	13th day of February, 2015 27th Day of March 2015 30th Day of March 2015

### Independent Directors Meeting

A meeting of the Independent Directors was held on March 30, 2015 which was attended by the Independent Directors. The Independent Directors have evaluated the performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Board. The Board was briefed on the deliberations made at the Independent Directors Meeting.

## Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of participation in the meetings and contribution, independence of judgement, safeguarding the interest of the Company and other stakeholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. Further, the performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors.

## 3. AUDIT COMMITTEE

The Audit Committee was constituted in terms of Section 177 of the Companies Act, 2013 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:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as provided in Clause 49(VII) of the Listing Agreement.

ii) **Composition, name of members and Chairperson**

Name of the Member	Status
Dr. A.G.Ravindranath Reddy	Chairman
Mr. V Murahari Reddy	Member
Mr. G. Krishna Kumar	Member

iii) **Meetings and attendance during the year 2014 - 15**

Name of the Member	Meetings held during the year	Meetings attended
Dr. A.G.Ravindranath Reddy	4	4
Mr. V. Murahari Reddy	4	4
Mr. G. Krishna Kumar	4	0

4. **NOMINATION AND REMUNERATION COMMITTEE**

a. **Brief description of terms of reference**

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity
- To develop a succession plan for the Board and to regularly review the plan;

The terms of the Nomination and Remuneration include to identify persons for appointment in Senior Management and as Directors and to recommend to the Board their appointment and removal, Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for its Directors, Key Managerial Personnel and other Employees and to evaluate the performance of the Directors and Key Managerial Personnel.

b. **Composition, name of members and Chairperson**

The Nomination and Remuneration Committee comprises of the following directors

Name of the Member	Status
Mr. V. Murahari Reddy	Chairman
Dr. A.G.Ravindranath Reddy	Member
Mr. G.Krishna Kumar	Member

c. **Meetings and Attendance during the year 2014-15:**

Name of the Member	Meetings held during the year	Meetings attended
Mr. V. Murahari Reddy	3	3
Dr. A.G.Ravindranath Reddy	3	3
Mr. G.Krishna Kumar	3	0

d. **Remuneration Policy**

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

e. **Details of remuneration to the directors**

(₹ in Lakhs)

Particulars	Executive Directors		Non-Executive Directors Independent Directors
	Mr. A. Ayodhya Rami Reddy	Mr. Y. R. Nagaraja	
Salary	0	23.75	NA
Commission	0		NA
PF Contribution	0	0.25	NA
Sitting fees	0		11.40
<b>Total</b>	<b>0</b>	<b>24.00</b>	<b>11.40</b>

The compensation of the executive directors comprises of fixed component and also variable component based on the performance of the company as commission. The performance incentive/commission is determined based on certain pre-agreed performance parameters. Mr. Ayodhya Rami Reddy is not paid any remuneration for the FY 2014-15 and Mr. Y.R. Nagaraja, Managing Director is being paid the minimum remuneration allowed as per the Schedule XIII / Schedule V of the companies Act. The Executive Directors are not paid sitting fees for any Board/Committee meetings attended by them.

The Non Executive Independent Directors were paid the sitting fees for the meeting of the board or committee attended by them pursuant to the provisions of Section 2(78) & 197 of the companies Act, 2013, and sitting fees is not paid to Non-Executive Director during the Financial year 2014-15.

Due to inadequacy of profits during the financial year 2014-15, the company has paid the minimum remuneration that was allowed as per the Schedule V (Sch XIII as the case may be) of the Companies Act, 2013 to Mr. Y. R. Nagaraja, Managing Director of the company and no remuneration was paid to Mr. A. Ayodhya Rami Reddy, Executive Chairman of the company

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was constituted pursuant to the provisions of Clause 49 of the Listing Agreement.

### a. Brief description of terms of reference

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.

- The Board has designated Mr. V. Phani Bhushan, Company Secretary as the Compliance Officer.
- 24 Complaints/Grievances were received and replied to the satisfaction of shareholders during the year. There was no outstanding complaint as on March 31, 2015.
- There are no share transfers pending at the end of the financial year.

### b. Constitution and Composition of the Stakeholders' Relationship Committee

Name of the Director	Status
Dr.A.G.Ravindranath Reddy	Chairman
Mr. V. Murahari Reddy	Member
Mr. Y R Nagaraja	Member

### c. Meetings and Attendance during the year 2014-15:

Name of the Member	Meetings held during the year	Meetings attended
Mr. V. Murahari Reddy	4	1
Mr. Y R Nagaraja	4	4
Dr.A.G.Ravindranath Reddy	4	4

## 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	Details of Special Resolutions
2014	AVASA Hotel, Plot No-15,24,25&26, Sector -1, Survey No-64, Huda Techno Enclave, Madhapur, Hyderabad-500081.	03.00 p.m Tuesday, September 30, 2014	3	Resolutions u/s 180(1)(a) and 180(1)(c), appointment of Mr. A.Ayodhya Rami Reddy as Executive chairman of the company.
2013	K.L.N. Prasad Auditorium, 3rd Floor, Federation House, FAPCCI Marg, 11-6-841, Red Hills, Hyderabad - 500 004	03.00 p.m Wednesday, August 14, 2013	0	NA
2012	K.L.N. Prasad Auditorium, 3rd Floor, Federation House, FAPCCI Marg, 11-6-841, Red Hills, Hyderabad - 500 004	03.00 p.m Tuesday, August 14, 2012	0	NA

**(ii) Extraordinary General Meeting/Postal ballot**

During the F.Y 2014-15 the company had not held any extra ordinary General Meeting nor transacted any business through postal ballot.

To widen the participation of shareholders in company decisions, the Securities and Exchange Board of India has directed top 500 listed companies to provide e-voting facility to their shareholders from October, 2012 onwards, in respect of those businesses which are transacted through postal ballot.

Further, the Companies Act, 2013 and Clause 35B of the Listing Agreement also requires a listed Company to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings.

**(iii) Whether any special resolution passed last year through postal ballot - Nil**

**(iv)** No Special 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 39). The Company has framed a Policy on Related Party Transactions and the same is available on website of the Company at [www.ramkyinfrastructure.com](http://www.ramkyinfrastructure.com).

(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 other penalty 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 08, 2010.

(iii) The information on Directors seeking appointment/ re-appointment is provided in the notes to the notice of the Annual General Meeting under the heading "Directors seeking Appointment/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. A. Ayodhya Rami Reddy

Mr. Y.R. Nagaraja

The minutes of the Committee meetings are placed before every Board Meeting 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 of Clause 49 of the Listing Agreement.

(vii) The shareholding of the Non -Executive Directors in the Company as on March 31, 2015 is as under:

S.No.	Name of the Director	No of shares
1.	G.Krishna Kumar	34000
2.	A.G.Ravindranath Reddy	0
3.	V.Murahari Reddy	0
4	A.Rama Devi	0

(viii) Pecuniary transactions with Non-Executive Directors

There were no pecuniary transactions with any of the Non-Executive Directors except for sitting fees paid as Directors for attending the meetings of the Company.

(ix) As required under Clause 49 X of the Listing Agreement, the practising company secretary certificate is given as an annexure to the Directors' Report.

(x) As required under Clause 49 II E 2 of the Listing Agreement, the declaration issued by the Managing Director is provided 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) & Andhra Prabha (Telugu).

(ii) The Company posts all the vital information relating to the Company and its performance / results including the press releases on its web site [www.ramkyinfrastructure.com](http://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) SEBI Complaints Redressal System (SCORES):SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

(v) The Management Discussion and Analysis Report is attached and forms part of the Annual Report

(vi) Reconciliation of share capital Audit (Formerly Secretarial Audit Report): A qualified practicing company secretary carried out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India)

Limited (CDSL) and the total issued and listed capital. The Reconciliation of share capital Audit (Formerly Secretarial Audit Report) confirm that the total issued / Paid-up capital is in agreement with the total number of shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.

(vii) As per the whistle Blower policy applicable to the company, there is an ombudsman who is responsible for its implementation.

(viii) A Dash board containing the risks identified if any, will be placed to the audit committee and measures taken by the management will be discussed to mitigate.

## 9. Measures for prevention of Insider trading

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the company framed a Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information for its directors and designated employees. The code lays down guidelines, which mandates the directors and designated employees on the procedures to be followed and disclosures to be made while dealing with the shares of the company and also appraises the consequences for the violations. Details of the code for prevention of insider trading is available at the company's website viz [www.ramkyinfrastructure.com](http://www.ramkyinfrastructure.com).

## 10. GENERAL SHAREHOLDER' INFORMATION:

i. 21st Annual General Meeting	Date : September 30, 2015 Time : 3.00 P.m Venue : AVASA Hotel, Plot No: 15,24,25 & 26 Sector - 1, Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad- 500081
ii. Financial Year	April 1 to March 31
iii. Date of Book Closure	September 24, 2015 to September 29, 2015 (both days inclusive)
iv. Listing on Stock Exchanges	National Stock Exchange of India Limited (NSE), Exchange Plaza, BandraKurla Complex, andra (East), Mumbai - 400 051 Bombay Stock Exchange Ltd, (BSE) P.J Towers, Dalal Street, Mumbai - 400 001
v. Stock Code/Symbol	NSE : RAMKY EQ BSE : 533262/RAMKY EQ
vi. Annual Listing Fees to Stock Exchanges (NSE/BSE)	Listing Fees as applicable have been paid.
i. Dividend payment date	NA

### viii. 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 bearing no.17/2011 and 18/2011 dated April 21, 2011 and April 29, 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.

This move by the Ministry is a welcome move, since it will benefit the society at large through reduction in paper consumption and contribution towards a greener environment. Additionally, it will avoid loss in postal transit, save time, energy and costs.

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 e-mail id to send various Notices/ Correspondences etc .

By Understanding the underlying theme of the above circulars, to support this green initiative of the Government in full measure, the company is sending the documents like notice convening general meetings, financial statements, directors reports, auditor's report etc to the email address registered with the depositories by the share holders holding shares in electronic form and for shareholders holding shares in physical form, the physical copy to the address registered with the Registrar and Share transfer Agents of the Company.

In this regard, we request share holders who have not registered their email addresses, so far to register their email addresses, in respect of electronic holding with depository through their concerned depository participants and Members who hold shares in physical form are requested to send the required details to the Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited at Karvy Selenium, Tower B, Plot No 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032.

ix. 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:

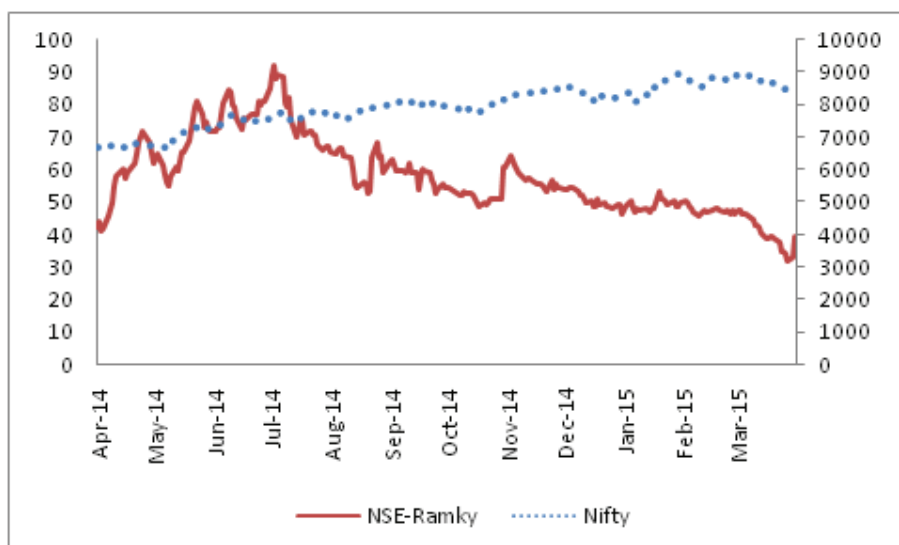
Month & year	Price		Index		Total number of shares traded
	NSE		Nifty		
	High (₹ )	Low (₹ )	High	Low	
Apr-14	71.65	41.10	6840.80	6675.30	1831138
May-14	80.95	55.05	7367.10	6652.55	918078
Jun-14	85.15	71.65	7656.40	7362.50	745702
Jul-14	92.25	66.00	7830.60	7454.15	589103
Aug-14	68.25	52.75	7954.35	7568.55	1695848
Sep-14	63.30	52.40	8173.90	7911.85	1817394
Oct-14	61.05	48.80	8322.20	7748.20	981279
Nov-14	64.10	53.20	8588.25	8324.15	1068046
Dec-14	54.55	46.00	8564.40	8029.80	894550
Jan-15	53.10	46.70	8952.35	8102.10	1394937
Feb-15	50.45	45.55	8901.85	8526.35	689739
Mar-15	47.20	31.60	8996.25	8341.40	997780

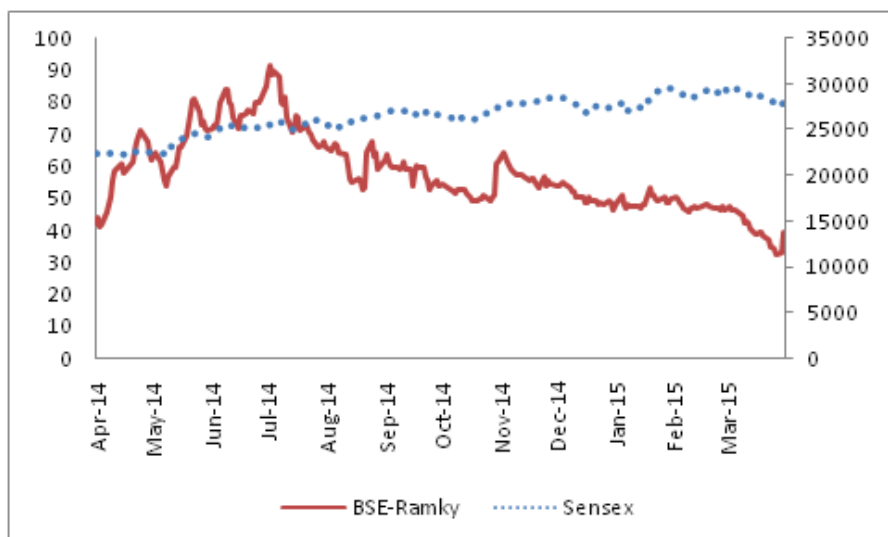
Source: www.nseindia.com

Month & year	Price		Index		Total number of shares traded
	BSE		Sensex		
	High (₹)	Low (₹)	High	Low	
Apr-14	71.15	40.85	22876.54	22277.23	812429
May-14	80.85	53.95	24716.88	22323.90	435857
Jun-14	84.95	71.85	25583.69	24684.85	196251
Jul-14	91.55	66.00	26271.85	25006.98	192963
Aug-14	68.00	52.90	26638.11	25329.14	694768
Sep-14	63.45	52.90	27319.85	26468.36	665801
Oct-14	61.10	48.95	27865.83	25999.34	350226
Nov-14	64.00	53.10	28693.99	27860.38	355972
Dec-14	54.70	46.30	28562.82	26710.13	225395
Jan-15	53.25	46.90	29681.77	26908.82	432098
Feb-15	50.25	45.75	29462.27	28227.39	258363
Mar-15	47.40	32.30	29593.73	27457.58	443830

Source: www.bseindia.com

Ramky infra share price movement vis-a vis NSE Nifty





**x. Registrars and Share Transfer Agents:**

The Company has engaged the services of 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:

M/s Karvy Computershare Private Limited  
 Ramky selinium, Karvy Selenium, Tower B, Plot No 31 & 32,  
 Gachibowli Financial District, Nanakramguda, Hyderabad - 500032.  
 Telephone: +91 40 44655000 Fax : +91 40 23420814  
 Email: einward.ris@karvy.com

**xi. 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.

**xii. Capital Build up during the Financial Year**

During the year under review there is no change in the authorised and Paid up capital of the Company:

**xiii. Distribution of Shareholding as on March 31, 2015:**

Sl.No.	Category	No. of Cases	% of Cases	Amount	% of Amount
1	1 - 5000	17,634	91.57	2,02,73,110	3.54
2	5001 - 10000	804	4.18	63,11,390	1.10
3	10001 - 20000	377	1.96	54,43,550	0.95
4	20001 - 30000	149	0.77	37,63,120	0.66
5	30001 - 40000	58	0.30	20,81,810	0.36
6	40001 - 50000	52	0.27	24,47,780	0.43
7	50001 - 100000	88	0.46	61,92,680	1.08
8	100001 & Above	92	0.48	52,54,64,470	91.87
	<b>Total:</b>	<b>19,254</b>	<b>100.00</b>	<b>57,19,77,910</b>	<b>100.00</b>

**xiv. Share holding pattern of the company as on March 31, 2015**

Category	No. of shares held	Percentage of shareholding
Promoters	38756152	67.76%
Resident Individuals	5143346	8.99%
Foreign Corporate Bodies	5986991	10.47%
Bodies Corporates	3691845	6.45%
Mutual Funds	1480782	2.59%
Indian Financial Institutions & Banks	567754	0.99%
Foreign Institutional Investors	9341	0.02%
Venture Capital	289356	0.51%
NRI/Clearing Members/Trusts/Huf/Others	1272224	2.22%
<b>Total</b>	<b>57197791</b>	<b>100.00</b>

**xv. Dematerialisation of Shares and liquidity:**

As on March 31, 2015, 5,71,46,969 shares representing 99.91% were held in dematerialised form. The balance 50,822 equity shares representing 0.09% 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.

**xvi. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

As on March 31, 2013, there were no outstanding GDRs/ADRs/Warrants or any Convertible Instruments of the Company.

**xvii. Unclaimed dividend**

In terms of section 205A and 205C of the Companies Act, 1956, the company is required to transfer the amount of dividend remaining unclaimed for a period of 7 years from the due date of payment to the Investor Education and Protection Fund (IEPF). Share holders are requested to ensure that they claim the dividends from the company before transfer to the IEPF.

For the financial year 2010-11, the company has declared dividend of ₹ 4.50 per equity share. The unpaid/unclaimed Dividend is lying in the unclaimed dividend account. The following table gives the information relating to the outstanding dividend accounts and the dates by which they can be claimed by the share holders.

Financial Year	Date of Declaration	Date of Payment	Last Date for claiming unpaid Dividend.
2010-11	August 12, 2011	September 05, 2011	August 11, 2018

**xviii. Plant Locations / offices:** The company operates from various work sites spread across the country and the operations are centralised at the Registered /Head office at Ramky Grandiose, 15th Floor, , Sy No 136/2 & 4, Gachibowli, Hyderabad - 500 032.

**xix. Address for Correspondence: Investor correspondence may be addressed to:**

a. for Physical/Demat Mode

**M/s. Karvy Computershare Private Limited**

Karvy Selenium, Tower B, Plot No 31 & 32,  
Gachibowli Financial District,  
Nanakramguda, Hyderabad - 500032.  
Phone: +91 40 44655000  
Fax : +91 40 23420814  
Email: einward.ris@karvy.com

b. for Correspondence to the Company:

**The Managing Director,**

**Ramky Infrastructure Limited,**

Ramky Grandiose, 15th Floor, Sy No 136/2 & 4,  
Gachibowli, Hyderabad - 500 032  
Phone: +91 40 23015000  
Fax : +91 40 23015444.  
Email: investors@ramky.com

**xx. 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 here under.

A copy of the Code of Conduct applicable for the Board and Senior Management has been placed on the Web site of the company viz: [www.ramkyinfrastructure.com](http://www.ramkyinfrastructure.com).

**xxi. 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, 2015 your Company has 5,71,46,969 equity shares in dematerialised form and 50,822 equity shares in physical mode. There are no shares pending credit to the members. Hence, the balance in the unclaimed suspense account is nil.

Hyderabad  
August 13, 2015

**Mr.Y.R.Nagaraja**  
Managing Director  
(DIN:00009810)

**Alla Ayodhya Rami Reddy**  
Executive Chairman  
(DIN: 00251430)

---

## Declaration

As stipulated under Clause 49 II E 2 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, 2015.

Hyderabad  
August 13, 2015

**Y.R. Nagaraja**  
Managing Director

---

## CEO/CFO Certificate

We, Mr. Y.R.Nagaraja, Managing Director and Mr. I.W.Vijaya Kumar, CFO of Ramky Infrastructure Limited certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2015 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.

Hyderabad  
13 August 2015

**I.W. Vijaya Kumar**  
Chief Financial Officer

**Y.R.Nagaraja**  
Managing Director

# Certificate on Corporate Governance

To the Members of

**Ramky Infrastructure Limited**

Ramky Grandiose, 15th Floor, Sy No 136/2 & 4,  
Gachibowli, Hyderabad - 500 032

I have examined the compliance of conditions of Corporate Governance by Ramky Infrastructure Limited ("the Company") for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with Stock Exchanges.

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

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

I 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.

Sd/-

**Manoj Kumar Koyalkar**

Company Secretary

M.No:19445

CP.No: 10004

Hyderabad, August 13, 2015

# Independent Auditors' Report

The Members of  
**RAMKY INFRASTRUCTURE LIMITED**

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **RAMKY INFRASTRUCTURE LIMITED ("the Company")**, which comprise the Balance sheet as at March 31, 2015, the Statement of profit and loss, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information for the year then ended.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit while conducting the audit we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

## Basis for Qualified Opinion

### We refer to:

1. Note 31 of the financial statements with regard to recognition of deferred tax assets amounting to ₹ 409.08 Crore, on unabsorbed depreciation, business losses and other timing differences incurred by the Company. Based on unexecuted orders on hand, the Management is confident that sufficient future taxable income will be available against which such deferred tax assets will be realised. However, in our opinion, in absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which the deferred tax assets can be realized, such recognition is not consistent with the principles enunciated under Accounting Standard 22, "Accounting for Taxes on Income" (AS 22). Had the aforesaid deferred tax assets not been recognised, loss after tax for the year ended would have been higher by ₹ 409.08 Crore.
2. Note 32 of the financial statements with regard to impact of floods on one of the Company's project in Srinagar, Jammu and Kashmir, the Concessionaire of the Project, a subsidiary Company, has made an assessment of the damage to the project materials and assets located at the site amounting to ₹ 141.51 crore and has lodged insurance claims of ₹ 141.51 crore with the insurers. The management of the Company, considering the insurance claim in this regard, is confident that no consequential material adjustment for loss of project materials and assets, will be required. In view of pending final assessment, We are unable to comment on the extent of adjustment on account of such loss.

## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the paragraph 1 and possible effects of the matter described in the paragraph 2 of the Basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 and its loss and its cash flows for the year ended on that date.

## Emphasis of Matter

We draw attention to note 33 to the financial statements in connection with the existence of material uncertainties over the realisability of certain construction work in progress, trade receivables and loans and advances aggregating to ₹ 580.78 crores, which are subject matters of arbitration proceedings/negotiations with the customers and contractors due to foreclosure of contracts and other disputes. The management of the Company, keeping in view the status of negotiations and the outcome of arbitration proceedings and the basis of which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues.

Our report is not qualified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. We have sought and except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. Except for the effects of the matters described in the basis for Qualified Opinion paragraph, 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d. Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. The matters described in the Basis for Qualified Opinion and under Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - f. On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph and under the annexure referred to in paragraph 1 of Report on other Legal and Regulatory requirements;
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us,
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statements;
    - ii. except for the effects of matters described in the basis for qualified opinion paragraph, the Company has made provision as at March 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
    - iii. there were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund for the year ended March 31, 2015.

**For CHATURVEDI & PARTNERS.**  
Chartered Accountants  
Firm Registration No.307068E

Hyderabad  
May 30, 2015

**R N CHATURVEDI**  
Partner  
Membership No. 092087

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

- (i) (a) The Company has maintained proper records showing particulars, including quantitative details and situation of fixed assets. Where assets have been moved between locations of the company is in the process of carrying out the necessary updation to the records.
- (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 nature of its assets. In accordance with this programme, certain fixed assets were verified during the year. While the reconciliation of the fixed assets verified with the books are currently in progress, in the opinion of the management the discrepancies if any are not expected to be material.
- (ii) (a) According to the information and explanations given to us, the management has conducted physical verification of inventory as at the year end. In our opinion, the frequency of verification of inventory needs to be increased to be adequate in relation to the size of the company and nature of its business.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) While the company has maintained proper records of inventory, we are of the opinion that, the procedures for updating these records needs to be further strengthened keeping in view the nature and scale of its operations. However, the management has carried out physical verification of the inventories and the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans to Company's covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans, having regard to the rollover of the loans.
  - (a) The receipt of principal amount and interest, wherever stipulated, is regular;
  - (b) There is no overdue amount of more than ₹ one lakh remaining outstanding as at the year end.
- (iv) In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchases of certain items of inventories, fixed assets and sale of services are for the Company's/buyer's specialized requirements, and suitable alternative sources are not available to obtain comparable quotations, 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. During the course of audit, we noted in certain instances, that the underlying supporting documentation needs to be further strengthened with respect to certain purchases of inventories and services and sale of services. However, based on other alternative existing controls, in our opinion, the same did not result in a major weakness in internal control. The Management has taken steps to strengthen the supporting documentation subsequent to the yearend.
- (v) According to the information and explanation given to us, the company has not accepted any deposit within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder to the extent notified.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under Section

148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

- (vii) (a) According to the information and explanation 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 Investor Educational and Protection Fund, Wealth Tax and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities. However, undisputed dues in respect of Provident Fund, Employees State Insurance, Income tax deducted at source, Works contract Tax deducted at source, Sales tax and Service Tax, have not been regularly deposited with the appropriate authorities and there have been serious delays in number of cases. As explained to us, the company did not have any dues on account of Excise Duty and custom duty. other material statutory dues that were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable, except for Income Tax deducted at source, Work Contract Tax deducted at sources by the company, sales Tax and Service Tax as set out in Appendix I. As explained to us, the company did not have any dues on account of Excise Duty.
- (b) According to the information and explanation 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, Service Tax and Income Tax as set out in Appendix II
- (c) There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.
- (viii) Without considering the consequential effects, if any, of the matters stated in the basis for qualified opinion paragraph of our report, in our opinion, The accumulated losses of the company are more than fifty percent of its net worth. The company has incurred cash losses during the financial year covered by our Audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, except for the dues stated in Appendix III the company has not defaulted in repayment of dues to its bankers. The company did not have any outstanding debentures or dues to any financial institutions during the year.
- (x) According to the information and explanations given to us, the Company has given guarantee for loans taken by subsidiaries from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima facie prejudicial to the interest of the Company.
- (xi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the period.

**For CHATURVEDI & PARTNERS.**  
Chartered Accountants  
Firm Registration No.307068E

Hyderabad  
May 30, 2015

**R N CHATURVEDI**  
Partner  
Membership No. 092087

## Appendix I as referred to in para vii(a) of Annexure to the Independent Auditor's report

Name of statute	Nature of Due	Period to which amount relates (₹ in crores)					
		Upto 2013-14	April'14	May'14	June'14	July'14	August'14
Income tax act, 1961	Income tax Deducted at Source(ITDS)	2.88	0.81	1.10	1.47	1.36	0.94
	Due date	30th April	7th May	7th June	7th July	7th Aug	7th Sept
Finance Act, 1994	Service Tax	3.73	0.70	0.14	0.39	1.02	0.25
	Due date	31st March	6th May	6th June	6th July	6th Aug	6th Sep
The Jammu and Kashmir Value added Tax Act, 2005	Work contract Tax (WCT)	2.91	-	-	1.16	-	-
	Due date	30th April	-	-	31st July	-	-
Value added tax- Jharkhand	WCT Deducted at source	1.36	0.18	-	0.16	0.08	0.07
	Due date	15th April	15th May	-	15th July	15th Aug	15th Sep
Value added tax-Bihar	WCT Deducted at source	-	0.48	-	-	0.38	-
	Due date	-	15th May	-	-	15th Aug	-
Value added tax-Delhi	WCT Deducted at source	0.21	-	0.0005	-	-	-
	Due date	20th April	-	20th July	-	-	-
Value added tax-Uttar Pradesh	WCT Deducted at source	0.40	0.03	0.005	0.01	0.04	0.01
	Due date	20th April	20th May	20th June	20th July	20th Aug	20th Sep
Value added tax-West Bengal	Work contract Tax Deducted at source	0.78	-	-	0.05	-	-
	Due date	30th April	-	-	31st July	-	-

## Appendix II as referred to in para vii (b) of Annexure to the Independent Auditors' report

Name of the statute	Nature of the dues	Amount (₹ in crores)	Period to which it pertain	Forum where dispute pending
Andhra Pradesh General sales Tax Act, 1957	Tax	0.17 (0.09)*	2001-02	High Court of Andhra Pradesh.
Andhra Pradesh General sales Tax Act, 1957	Tax	0.91 (0.45)*	2002-03	The Deputy Commissioner, Panjagutta
Andhra Pradesh VAT Act, 2005	Tax	6.85 (6.85)*	2005-08	Commercial Tax Officer, Somajiguda, Hyderabad.
Andhra Pradesh VAT Act, 2005	Tax	1.05 (1.53)*	2005 -07	Sales Tax Appellate Tribunal, Hyderabad
Karnataka Value Added Tax, 2003	Tax	0.88 (0.88)*	2005-06	Joint Commissioner of CT- Appeal 3
WEST BENGAL VALUE ADDED TAX	Tax	0.83	2005-06	The Additional Commissioner Commercial taxes, Kolkatta
WEST BENGAL VALUE ADDED TAX	Tax	2.51	2006-07	The Additional Commissioner Commercial taxes, Kolkatta
Andhra Pradesh VAT Act, 2005	Interest	0.08	2007-08	Commercial Tax Officer, Somajiguda, Hyderabad.
Andhra Pradesh VAT Act, 2005	Tax and penalty	1.19 (0.43)*	2007-09	Sales Tax Appellate Tribunal, Hyderabad
Andhra Pradesh VAT Act, 2005	Tax and penalty	4.32 (1.99)*	2009-10	ADC (Appeals), Hyderabad
The Punjab Value Added Tax, 2005	Tax	0.35	2006-07	VAT Tribunal, Punjab, Chandigarh
The Punjab Value Added Tax, 2005	Tax	0.34	2008-09	Appealed before AETC (Appeal)
Madhya Pradesh Value Added Tax, 2002	Tax	0.95 (0.09)*	2010-11	Appellate Tribunal, Bhopal
Madhya Pradesh Value Added Tax, 2002	Tax	3.11	2011-12	Appellate Tribunal
Madhya Pradesh Value Added Tax, 2002	Tax	4.42	2012-13	Appellate Tribunal
BVAT Act, 2005	Penalty	1.75	2010-11	DCCT (Appeal), Patna
BVAT Act, 2005	Penalty	2.45	2010-11	DCCT (Appeal), Patna
BVAT Act, 2005	Penalty	0.03	2010-11	DCCT (Appeal), Patna

(Contd.)

Name of the statute	Nature of the dues	Amount (₹ in crores)	Period to which it pertain	Forum where dispute pending
BVAT Act, 2005	Penalty	0.22	2011-12	DCCT(Appeal), Patna
BVAT Act, 2005	Tax	0.15	2010-11 to 2011-12	DCCT, Patna
JVAT ACT	Tax	1.56	2012-13	DCCT, Jamshedpur
JVAT ACT	Penalty	1.96	2013-14	DCCT, Jamshedpur
<b>Service tax</b>				
Finance Act, 1994	Tax	3.05	2004-05 to 2006-07	Central Excise & Service Tax Appellate Tribunal (CESTAT), Bangalore
Finance Act, 1994	Tax	53.22 (4.09)*	2004-12	Commissioner of Customs, Central Excise & Service Tax (CCCE&S), various states
Finance Act, 1994	Tax	15.06 (0.20)*	2004-08	CESTAT, Kolkata
Finance Act, 1994	Tax	6.13 (0.75)*	1-6-2007 to 31-5-2008	High Court of Andhra Pradesh
Finance Act, 1994	Tax	0.98	2007-09	CESTAT, Bangalore
Finance Act, 1994	Tax and Penalty	44.23 (0.23)*	2004-08	CESTAT, Bangalore
Finance Act, 1994	Tax	0.20	2005-08	Asst. Commissioner (Audit), Service Tax Cell, Visakhapatnam
Finance Act, 1994	Tax	0.04	2007-08	(CCCE&S) (Appeals), Chennai.
Finance Act, 1994	Tax	4.86	2009-12	CCCE&S, Hyderabad
Finance Act, 1994	Tax	0.19	2010-11	Additional CCCE&S, Hyderabad
Finance Act, 1994	Tax	0.71	2011-12	Additional CCCE&S, Chennai
Finance Act, 1994	Tax	2.17	2007-12	CCCE&S, Hyderabad

### Appendix III as referred to in para ix of Annexure to the Independent Auditor's Report:

A. Details of Delay in repayment of dues to banks and others, which were outstanding as at March 31, 2015. (i.e. continuing default)

#### Cash credit facilities

Nature of Dues	Range for amount of Default/overdrawn (₹ in crore)	Range for period of default/overdrawn (in days)
Cash credit from bank	0.54 to 2.13	60
Cash credit from bank	0.95 to 1.25	31
Cash credit from bank	0.05 to 0.72	90
Cash credit from bank	5.92 to 13.85	32
Cash credit from bank	0.27 to 3.65	135
Cash credit from bank	1.83 to 5.68	60
Interest on Loan	0.80	1

#### Short Term Loan

Nature of Dues	Range for Amount of Default (Amount ₹ in crore)	Range for Period of Default (in days)
Interest on loan from bank	0.52 to 0.58	1 to 60
Interest on loan from bank	0.24 to 0.27	1 to 61
Interest on loan from bank	0.54 to 0.60	1 to 60
Interest on loan from bank	0.20	1
Repayment of Principal	47.5	5

#### Long Term Loan

Nature of Dues	Range for Amount of Default (Amount ₹ in crore)	Range for Period of Default (in days)
Interest on loan from bank	0.48	59
Interest on loan from bank	0.44	31
Interest on loan from bank	0.62	1
Interest on loan from bank	0.46	1

#### Hire purchase loan

Particular	Total amount of principal outstanding (₹ in crore)	Total amount of interest outstanding (₹ in crore)	No. of installment outstanding	Range for Period of Default (in days)
From Bank	0.73	0.12	59	12 to 377
From Bank	0.02	0.01	5	12 to 71
From Bank	0.67	0.05	10	10 to 38
From other	3.88	0.47	47	12 to 212
From other	2.84	0.35	22	12 to 346
From other	0.58	0.02	4	9 to 59
From other	2.3	0.2	26	17 to 303
From other	1.4	0.37	56	17 to 357

- B. Details of delays in repayment of principal and interest against the borrowing facilities during the year ended March 31, 2015, (i.e. defaults during the year made good on or before March 31, 2015)

#### (i) Cash Credit facilities and working capital demand loans(WCDL)

Nature of Dues	Range for amount of Default/overdrawn (₹ in crore)	Range for period of default/overdrawn (in days)
Cash credit from bank	0.05 to 8.35	3 to 87
Cash credit from bank	0.54 to 2.06	26 to 89
Cash credit from bank	0.08 to 3.45	7 to 71
Cash credit from bank	0.07 to 0.52	65 to 123
Cash credit from bank	5.25 to 18.90	6 to 92
Cash credit from bank	0.19 to 11.48	4 to 90
Cash credit from bank	0.01 to 25.95	8 to 150
Cash credit from bank	0.56 to 8.40	1 to 22
Cash credit from bank	0.12 to 7.53	2 to 171
Interest on WCDL	0.73 to 0.80	2 to 8

#### (ii) Short term Loan

Nature of Dues	Range for Amount of Default (Amount ₹ in crore)	Range for Period of Default (in days)
Interest on Loan	0.06 to 0.10	22 to 93
Interest on Loan	0.06 to 0.58	2 to 82
Interest on Loan	0.22 to 0.27	21 to 82
Interest on Loan	0.42 to 0.60	4 to 83
Interest on Loan	0.01 to 0.20	32 to 91

#### (iii) Long Term Loan

Nature of Dues	Range for Amount of Default (Amount ₹ in crore)	Range for Period of Default (in days)
Interest on Loan	0.80 to 1.31	3 to 25
Interest on Loan	0.42 to 0.48	23 to 90

#### (iv) Hire Purchase loan

Particular	Total amount of principal delayed (Amount ₹ in crore)	Total amount of interest delayed (Amount ₹ in crore)	No. of Installment	Range for Period of Default(in days)
From Bank	1.55	0.32	75	5 to 322
From Bank	1.20	0.38	118	7 to 244
From Bank	3.44	0.44	105	5 to 65
From others	6.93	1.38	127	26 to 207
From others	0.6	0.15	9	4 to 248
From others	2.24	0.26	24	7 to 275
From others	1.14	0.16	53	9 to 351
From others	1.31	0.45	53	61 to 313

# Balance Sheet

(All amounts are ₹ in crores unless otherwise stated)

Particulars	Note	As at 31 March 2015	As at 31 March 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	3	57.20	57.20
(b) Reserves and surplus	4	151.31	537.73
		<b>208.51</b>	<b>594.93</b>
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	5	194.61	132.83
(b) Other long-term liabilities	6	28.66	21.16
(c) Long-term provisions	7	1.31	0.86
		<b>224.58</b>	<b>154.85</b>
<b>3. Current liabilities</b>			
(a) Short-term borrowings	8	1,161.93	1,182.86
(b) Trade payables	9	954.20	873.71
(c) Other current liabilities	10	879.63	923.23
(d) Short-term provisions	11	37.86	37.35
		<b>3,033.62</b>	<b>3,017.15</b>
<b>TOTAL</b>		<b>3,466.71</b>	<b>3,766.93</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets:			
(i) Tangible assets	12	262.88	375.23
(ii) Intangible assets		0.05	1.70
(iii) Capital work-in-progress		5.38	6.51
		<b>268.31</b>	<b>383.44</b>
(b) Non-current investments	13	404.38	419.07
(c) Deferred tax assets, net	14	409.08	199.20
(d) Long-term loans and advances	15	290.21	120.81
(e) Other non-current assets	16	7.78	8.69
		<b>1,379.76</b>	<b>1,131.21</b>
<b>2. Current assets</b>			
(a) Inventories	17	771.95	976.38
(b) Trade receivables	18	653.61	943.93
(c) Cash and bank balances	19	45.05	75.58
(d) Short-term loans and advances	20	595.72	622.48
(e) Other current assets	21	20.62	17.35
		<b>2,086.95</b>	<b>2,635.72</b>
<b>TOTAL</b>		<b>3,466.71</b>	<b>3,766.93</b>
<b>Significant accounting policies and Notes to financial statements</b>	1 to 50		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **CHATURVEDI & PARTNERS**  
Chartered Accountants  
Firm Registration No. 307068E

**R N CHATURVEDI**  
Partner  
Membership No: 92087

Hyderabad  
30 MAY 2015

for and on behalf of the Board of Directors of  
**RAMKY INFRASTRUCTURE LIMITED**

**A AYODHYA RAMI REDDY**  
Executive Chairman

**I W VIJAYA KUMAR**  
Chief Financial Officer

**Y R NAGARAJA**  
Managing Director

**V PHANI BHUSHAN**  
Company Secretary

# Statement of Profit and Loss

(All amounts are ₹ in crores unless otherwise stated)

Particulars	Note	Year ended 31 March 2015	Year ended 31 March 2014
I Revenue from operation		1,079.74	1,755.09
II Other income	22	34.93	22.94
III <b>Total Revenue (I+II)</b>		<b>1,114.67</b>	<b>1,778.03</b>
IV <b>Expenses</b>			
Change in contract work-in-progress		116.78	(32.37)
Contract expenses	23	1,163.17	1,820.53
Employee benefits expense	24	47.38	79.22
Finance costs	25	270.72	194.70
Depreciation and amortization expense	12	63.59	45.82
Other expenses	26	119.12	293.56
<b>Total expenses</b>		<b>1,780.76</b>	<b>2,401.46</b>
V <b>(Loss)/Profit before tax (III-IV)</b>		(666.09)	(623.43)
VI <b>Tax expense:</b>			
- Deferred tax expense/(benefit)	14	(208.57)	(202.10)
- Taxes for prior years		(12.04)	10.78
		<b>(220.61)</b>	<b>(191.32)</b>
VII <b>(Loss)/Profit after tax (V-VI)</b>		<b>(445.48)</b>	<b>(432.11)</b>
Earnings per equity share - par value of ₹10 per share			
- Basic and diluted	30	(77.89)	(75.55)
Significant accounting policies and Notes to financial statements	1 to 50		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **CHATURVEDI & PARTNERS**  
Chartered Accountants  
Firm Registration No. 307068E

**R N CHATURVEDI**  
Partner  
Membership No: 92087

Hyderabad  
30 MAY 2015

for and on behalf of the Board of Directors of  
**RAMKY INFRASTRUCTURE LIMITED**

**A AYODHYA RAMI REDDY**  
Executive Chairman

**I W VIJAYA KUMAR**  
Chief Financial Officer

**Y R NAGARAJA**  
Managing Director

**V PHANI BHUSHAN**  
Company Secretary

# Cash Flow Statement for the year ended March 31, 2015

(All amounts are ₹ in crores unless otherwise stated)

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
<b>A. Cash flow from operating activities</b>		
(Loss)/Profit before tax	(666.09)	(623.43)
Adjustments		
Add:		
Deprecitaion and amortization expenses	63.59	45.82
Interest expenses	270.72	179.23
Loss on sale of fixed assets	10.01	1.10
Provision for doubtful receivable	11.82	147.71
Provision for doubtful advances	18.54	70.18
Provision for foreseeable losses	6.04	20.90
Prior period items	33.64	-
Fixed Assets written off	-	0.47
unrealized foreign currency loss	-	2.16
Less:		
Interest income	(19.91)	(4.85)
Liability no longer required written back	-	(6.06)
<b>Operating profit/(loss) before working capital changes</b>	<b>(271.64)</b>	<b>(166.77)</b>
<b>Change in working capital</b>		
(Increase)/decrease in loans and advances	(109.33)	9.80
(Increase)/decrease in other current assets	9.09	-
(Increase)/decrease in trade receivables	272.21	378.56
(Increase)/decrease in inventories	204.43	(20.69)
Increase/(decrease) in provisions	(0.09)	23.41
Increase/(decrease) in trade payables	80.49	(215.11)
Increase/(decrease) in other liabilities	(32.33)	(22.76)
	<b>424.47</b>	<b>153.21</b>
<b>Cash generated from operations</b>	<b>152.83</b>	<b>(13.56)</b>
Net income taxes (paid)/refund	17.28	(34.82)
<b>Net cash-flow from operating activities</b>	<b>170.11</b>	<b>(48.38)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of investment	(3.00)	(13.04)
Interest received	15.11	8.20
(Increase)/decrease in other bank balance not considered as cash and cash euivalent	(0.19)	8.30
Purchase of fixed assets	(1.29)	(29.08)
proceeds from sale of fixed assets	22.18	3.53
<b>Net cash flow from investing activities</b>	<b>32.81</b>	<b>(22.09)</b>
<b>C. Cash flow from financing activity</b>		
Proceeds/(repayment) from long term borrowings	61.78	(25.00)
Proceeds/(repayment) of short term borrowings	(20.93)	284.76
Interest paid	(274.49)	(174.70)
<b>Net cash flow (used in) financing activities</b>	<b>(233.64)</b>	<b>85.06</b>
<b>Net increase/(decrease) in cash and cash equivalent (A+B+C)</b>	<b>(30.72)</b>	<b>14.58</b>
Cash and cash equivalent at the beginning of the year	53.99	39.41
Cash and cash equivalent at the endof the year (refer note 19)	<b>23.27</b>	<b>53.99</b>
Note: figures in brackets represents cash outflows.		
<b>See accompanying notes forming part of the financial statements</b>	<b>1 to 50</b>	

As per our report of even date attached

for **CHATURVEDI & PARTNERS**  
Chartered Accountants  
Firm Registration No. 307068E

**R N CHATURVEDI**  
Partner  
Membership No: 92087

Hyderabad  
30 MAY 2015

Ramky Infrastructure Limited

for and on behalf of the Board of Directors of  
**RAMKY INFRASTRUCTURE LIMITED**

**A AYODHYA RAMI REDDY**  
Executive Chairman

**Y R NAGARAJA**  
Managing Director

**I W VIJAYA KUMAR**  
Chief Financial Officer

**V PHANI BHUSHAN**  
Company Secretary

# Notes to financial statements

## 1. Company overview

Ramky Infrastructure Limited ("the Company") 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 and parks (including SEZs), power transmission and distribution, and residential, commercial and retail property. A majority of the development projects of the Company are based on Public-Private Partnerships (PPP) and are operated by separate Special Purpose Vehicles (SPV) promoted by RIL, joint venture partners and respective Governments.

## 2. Significant accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India ("Indian GAAP") and comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncements of the Institute of Chartered Accountants of India ("ICAI"). The accounting policies applied by the Company are consistent with those used in the previous year, unless otherwise stated.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company and as per the guidance as set out in the Schedule III to the Companies Act, 2013.

Operating cycle for the business activities of the Company covers the duration of the specific project/contract/project line/service including defect liability period, wherever applicable and extends up to the realizations of receivables (including retention money) within the agreed credit period normally applicable to the respective project.

### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses during the period of account. Examples of such estimates include contract costs expected to be incurred to complete construction contracts, provision for doubtful debts, provision for foreseeable losses, income taxes and future obligations under employee retirement benefit plans. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

### 2.3 Inventories

- (i) Inventories are carried at the lower of cost and net realisable value.

- (ii) Cost of inventories comprises of 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, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on current estimates.

### 2.4 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 and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

### 2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### 2.6 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 recognised 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 recognised unless there is reasonable progress on the contract. Where the probable total cost of a contract is expected to exceed the corresponding contract revenue, such expected loss is provided for.

Dividend income is recognised when the unconditional right to receive the payment is established. Interest income is recognised on the time proportionate method taking into account the amount outstanding and the rate applicable.

## 2.7 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.

Depreciation on fixed assets is provided based on the useful life of the assets as estimated by the management which coincides with rates prescribed in Schedule II to the Companies Act, 2013 except the following which are depreciated based on useful life determined by the Company.

Name of the asset	Estimated useful life
Shuttering materials	5 years
Pump sets	5 years
Vibrators and needles	5 years

## 2.8 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 statement of profit and loss.

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 statement of profit and loss. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

## 2.9 Derivative instruments and hedge accounting

The Company uses foreign exchange forward contracts to mitigate its risk of changes in foreign currency exchange rates and does not use them for trading or speculative purposes.

The premium or discount on foreign exchange forward contracts is amortized as income or expense over the life of the contract. The exchange difference is calculated and recorded in accordance with AS-11 (revised). The exchange difference on such a forward exchange contract is calculated as the difference of the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognised in the statement of profit and loss in the reporting period in which the exchange rates change.

## 2.10 Government Grants

Government grants are recognised only when it is reasonably certain that the related entity will comply with the attached conditions and the ultimate collection is not in doubt.

Where the government grants are of the nature of promoter's contribution and no repayment is ordinarily expected in respect thereof, the grants are treated as capital reserve which can be neither distributed as dividend nor considered as deferred income.

Where the government grants relates to specific fixed assets are treated as deferred government grants, which is recognised in the statement of profit and loss in proportion to the depreciation charge over the useful life of the related asset.

## 2.11 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.

## 2.12 Employee benefits

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss 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 the statement of profit and loss. All actuarial gains and losses arising during the year are recognised in the statement of profit and loss.

## 2.13 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.

## 2.14 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 statement of profit and loss on a straight-line basis over the lease term.

## 2.15 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.

## 2.16 Taxation

Income tax expense comprises current tax, deferred tax and Minimum Alternative 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 realized 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.

### Minimum Alternate Tax (MAT) Credit entitlement

Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

## 2.17 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable

amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. 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 amortised historical cost.

## 2.18 Accounting for interest in joint ventures

In respect of work sharing joint venture arrangements revenues, expenses, assets, liabilities and contingent liabilities are accounted for in the Company's books to the extent work is executed by the Company.

In respect of jointly controlled entities, the share of profits or losses is accounted as and when dividend/share of profit or loss is declared by the entities.

## 2.19 Provisions and contingent liabilities

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

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

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
<b>Note 3: Share capital</b>				
<b>Authorised capital</b>				
Equity shares of ₹ 10 each	70,000,000	70.00	70,000,000	70.00
<b>Issued, Subscribed and Paid-up</b>				
Equity shares of ₹ 10 each, fully paid-up	57,197,791	57.20	57,197,791	57.20
<b>Total</b>		<b>57.20</b>		<b>57.20</b>

**3a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
<b>Equity Shares:</b>				
Balance at the beginning and end of the year	57,197,791	57.20	57,197,791	57.20

**3b. Rights, preferences and restrictions attached to the equity shares:**

The Company has only one class of equity shares having par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by equity shareholders.

**3c. The details of shareholders holding more than 5% shares in the Company:**

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	% of holding	Number	% of holding
Alla Ayodhya Rami Reddy:	34,556,122	60.42%	34,556,122	60.42%
SA1 Holding Infrastructure Company Private Limited	4,165,884	7.28%	4,165,884	7.28%

Particulars	As at		As at	
	31 March 2015		31 March 2014	
<b>Note 4: Reserves and surplus</b>				
<b>Securities premium account:</b>				
Balance at the beginning and end of the year		408.13		408.13
<b>General reserves:</b>				
Balance at the beginning and end of the year		20.00		20.00
<b>Surplus in the statement of profit and loss:</b>				
Balance at the beginning of the year		109.60		541.71
Add: (Loss)/ Profit for the year		(445.48)		(432.11)
Less: Effect of Depreciation on opening Reserve (refer note 37)		(3.41)		-
Add: Provision for tax of earlier years written back (refer note 35)		62.47		-
<b>Balance at the end of the year</b>		<b>(276.82)</b>		<b>109.60</b>
		<b>151.31</b>		<b>537.73</b>
<b>Note 5: Long-term borrowings (refer note 5.1, 5.2, 5.3 &amp; 13j)</b>				
<b>Secured loans</b>				
(a) From banks				
- Term loans		50.00		100.00
- Equipment and vehicle loans		2.15		8.98
(b) From others				
- Equipment and vehicle loans		3.11		23.85
<b>Unsecured</b>				
- From related parties (refer note 39)		139.35		-
		<b>194.61</b>		<b>132.83</b>

**5.1 Terms of interest and repayment****a Term loan**

Term loan from ICICI bank is repayable in 24 equal quarterly instalments starting at the end of 15 months from the first draw down date (i.e. 8 February 2012) along with interest of 10% p.a plus spread payable on monthly basis.

Term loan from YES bank is repayable in 16 equal quarterly installment commencing from June 30, 2015 till March 31, 2019. The interest rate is YES bank prevailing base rate plus 3.25%.

**b. Equipment and vehicle loan**

These loans are repayable in equated monthly instalments (i.e. 30 to 60 EMIs) beginning along the month subsequent to the receipt of the loan along with interest in the range of 8.85% p.a. to 12.49% p.a. and 8.85% p.a. to 13.50% p.a. against loans taken from banks and others respectively

**c. Unsecured loan from related parties**

In respect of unsecured loans from related parties, loan aggregating to ₹ 84.35 crore (interest rate 14% per annum) is payable within 36 months or at the earliest convenience of the borrower after a moratorium of 2 years from the date of first disbursement (i.e. April 30, 2015). Further, as agreed with lender of term loan aggregating to ₹ 55 crore (interest rate Nil), it shall not be repayable within 12 months from balance sheet date.

**5.2 Terms of security**

- a. Term loan from ICICI bank is secured by way of residual charge over moveable fixed and current assets (both present and future) ranking subsequent to prior charge created in favour of other lenders and first and exclusive ranking charge over all the receivables both present and future arising out of debt infused in the infrastructure project companies and by way of first and exclusive ranking charge over Debt Service Reserve Account (DSRA).

**b. Other term loans**

First pari-passu charge on the sale proceeds on the event of sale of a BOT subsidiary and second pari-passu charge on the current assets, non-current assets, loans and advances and movable fixed assets of the company, before disbursement;

Personal guarantee of a promoter of the Company, shall be provided before first disbursement;

Pledge of 20% and 50% equity shares held by the Company in the share capital of NAM Express way limited and Jorbat Shillong Expressway Limited (JSEL) respectively.

**c. Equipment loan**

Equipment and vehicle loans from banks and from others are secured by way of hypothecation of the respective equipment/vehicles.

**5.3 Details of continuing default as at March 31, 2015****5.3.1 Long term loans**

Nature of Dues	Range for Default (Amount ₹ in crore)	Range for Period of Default (in days)
Interest on loan from bank	0.48	59
Interest on loan from bank	0.44	31
Interest on loan from bank	0.62	1
Interest on loan from bank	0.46	1

**5.3.2 Equipment loan from banks and other****Hire purchase loan**

Particular	Total amount of principal outstanding	Total amount of interest outstanding	No. of installment outstanding	Range for Period of Default (in days)
From Bank	0.73	0.12	59	12 to 377
From Bank	0.02	0.01	5	12 to 71
From Bank	0.67	0.05	10	10 to 38
From other	3.88	0.47	47	12 to 212
From other	2.84	0.35	22	12 to 346
From other	0.58	0.02	4	9 to 59
From other	2.3	0.2	26	17 to 303
From other	1.4	0.37	56	17 to 357

Notes to financial statements (Continued)

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 6: Other long-term liabilities</b>		
Trade payables (refer note below)	10.74	8.36
Mobilisation and other advances	4.02	4.02
Other payables	13.90	8.78
	<u>28.66</u>	<u>21.16</u>
<b>Note:</b> Trade payables includes retention money payable of ₹ 2.25 crores (previous year: ₹ 1.78 crores)		
<b>Note 7: Long-term provisions</b>		
Provision for employee benefits: (refer note 41)		
- Gratuity	0.91	0.60
- Compensated absences	0.40	0.26
	<u>1.31</u>	<u>0.86</u>
<b>Note 8: Short-term borrowings (refer note 8.1, 8.2 &amp; 13j)</b>		
<b>Secured loans</b>		
<b>From banks:</b>		
<b>(a) Loans repayable on demand:</b>		
- Working capital loans	70.00	77.00
- Cash credits	1,064.74	1,030.66
	<u>1,134.74</u>	<u>1,107.66</u>
<b>Unsecured loans</b>		
- From others (corporate)	-	50.00
- From related parties (refer note 39)	27.19	25.20
	<u>27.19</u>	<u>75.20</u>
	<u>1,161.93</u>	<u>1,182.86</u>

**8.1 Term of security and interest**

First pari-passu charge on the current assets of the Company namely raw materials, contract work-in-progress, bills receivable and book debts and all other movables both present and future of the Company along with other working capital lenders; and first charge on the entire unencumbered fixed assets of the company ranking pari-passu basis to all the working capital lenders. further security details of cash credit aggregating to ₹ 25 crore included in above, are as mentioned in note 5.2b.

working capital demand loan and cash credit to the extent of ₹ 34.43 Crore are further secured by way of equitable mortgage of land of 10.13 acres situated at sy. No.61, Pedda Golconda (Raikunta) (v), Shamshabad (Mandal), R R Dist. Belonging to Ramky Infrastructure Limited. And Pledge of two term Deposit Receipts standing in the name of the company with aggregate value of amount ₹ 1.27 crores. (₹ 0.40 crore + ₹ 0.87 Crore).

**8.2 Details of continuing default as at March 31, 2015**

8.2.1 Cash credit facilities (i.e. overdrawn) as at March 31, 2015 and working capital demand loan

Nature of Dues	Range for amount of Default/ overdrawn (₹ in crore)	Range for period of default/ overdrawn (in days)
Cash credit from bank	0.54 to 2.13	60
Cash credit from bank	0.95 to 1.25	31
Cash credit from bank	0.05 to 0.72	90
Cash credit from bank	5.92 to 13.85	32
Cash credit from bank	0.27 to 3.65	135
Cash credit from bank	1.83 to 5.68	60
Interest on Loan	0.80	1

Notes to financial statements (Continued)

8.2.2 Short term loan

Nature of Dues	Range for Default (Amount ₹ in crore)	Range for Period of Default (in days)
Interest on loan from bank	0.52 to 0.58	1 to 60
Interest on loan from bank	0.24 to 0.27	1 to 61
Interest on loan from bank	0.54 to 0.60	1 to 60
Interest on loan from bank	0.20	1
Repayment of Principal	47.5	5

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 9: Trade payables (refer note 42)</b>		
- due to other than micro and small enterprises	954.20	873.71
	<b>954.20</b>	<b>873.71</b>
<b>Note:</b>		
Trade payables include retention money payable of ₹427.75 crores (previous year: ₹428.17 crores).		
<b>Note 10: Other current liabilities</b>		
<b>Current maturities of long-term debts:</b>		
- Term loans (refer note 5.2, 5.3 & 8.2)	170.62	25.00
- Equipment and vehicle loans (refer note 5.3)	37.96	67.55
	<b>208.58</b>	<b>92.55</b>
Interest accrued but not due	5.15	9.77
Interest accrued and due on borrowings	7.94	7.09
Mobilisation and other advances	532.49	690.88
Security deposits received	6.17	11.89
Unclaimed dividend	0.03	0.03
Dues to statutory/government authorities	60.13	54.95
Capital creditors	2.41	2.66
Accrued salaries,wages and benefits	11.73	20.14
Provision for expenses	21.08	27.76
Other payables	23.92	5.51
	<b>879.63</b>	<b>923.23</b>
<b>Note 11. Short-term provisions</b>		
Provision for tax for prior year (refer note 35)	-	4.99
Provision for foreseeable loss	36.57	30.53
Provision for employee benefits: (refer to note 41)		
- Gratuity	0.14	0.13
- Compensated absences	1.15	1.70
	<b>37.86</b>	<b>37.35</b>

## Note 12: Fixed assets

(All amounts are ₹ in crores unless otherwise stated)

Description	Gross block				Accumulated depreciation and amortization				Net block		
	As at 1 April 2014	Additions	Deletions	As at 31 March 2015	As at 1 April 2014	Charge for the year	Deletions	Against Opening Reserves	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
<b>Tangible assets:</b> (Owned)											
Freehold land	1.93	-	-	1.93	-	-	-	-	-	1.93	1.93
Buildings	2.81	-	-	2.81	0.34	0.10	-	-	0.44	2.37	2.47
Plant and equipment	427.03	2.31	42.89	386.45	114.73	49.19	12.77	17.59	168.74	217.71	312.30
Furniture and fixtures	5.06	0.01	0.08	4.99	2.89	0.47	0.02	-	3.34	1.65	2.17
<b>Vehicles:</b>											
- Construction vehicles	64.95	-	3.82	61.13	28.75	7.80	1.82	0.03	34.76	26.37	36.20
- Other vehicles	15.57	0.01	0.16	15.42	6.21	2.11	0.09	0.11	8.34	7.08	9.36
Office equipment	12.14	0.03	-	12.17	3.40	2.03	-	1.11	6.54	5.63	8.74
Computer equipment	9.76	0.05	0.01	9.80	7.29	1.31	0.00	1.06	9.66	0.14	2.47
<b>Total tangibles assets</b>	<b>539.25</b>	<b>2.41</b>	<b>46.96</b>	<b>494.70</b>	<b>163.61</b>	<b>63.02</b>	<b>14.69</b>	<b>19.90</b>	<b>231.82</b>	<b>262.88</b>	<b>375.64</b>
Previous year	525.62	22.53	8.90	539.25	122.03	45.80	3.81	-	164.02	375.23	
<b>Intangible assets:</b> (Owned)											
Computer software	2.87	-	-	2.87	1.61	0.57	-	0.64	2.82	0.05	1.29
<b>Total intangibles assets</b>	<b>2.87</b>	<b>-</b>	<b>-</b>	<b>2.87</b>	<b>1.58</b>	<b>0.57</b>	<b>-</b>	<b>0.64</b>	<b>2.82</b>	<b>0.05</b>	<b>1.29</b>
Previous year	2.85	0.02	-	2.87	1.15	0.02	-	-	1.17	1.70	

Particulars	Currency	Face Value	Number of shares	As at 31 March 2015	As at 31 March 2014
<b>Note 13: Non-current investments</b>					
<b>Unquoted trade investments at cost in:</b>					
<b>a. Equity instruments of subsidiaries:</b>					
MDDA-Ramky IS Bus Terminal Limited (refer to note a below)	INR	10	1,06,51,817	14.26	14.26
Ramky Elsamex Hyderabad Ring Road Limited (refer to note b below)	INR	10	1,48,00,000	14.80	14.80
Ramky Engineering and Consulting Services (FZC) (refer to note j below)	AED	100	87926	11.21	11.21
Ramky Pharma City (India) Limited (refer to note c below)	INR	10	91,80,000	9.18	9.18
Ramky-MIDC Agro Processing Park Limited (refer to note j below)	INR	10	22,28,686	6.59	6.59
Ramky Multi Product Industrial Park Limited	INR	10	50,00,000	5.00	5.00
Naya Raipur Gems and Jewellery SEZ Limited (refer to note j below)	INR	10	8,40,684	2.42	2.42
Ramky Herbal and Medicinal Park (Chhattisgarh) Limited (refer to note j below)	INR	10	5,13,897	1.44	1.44
Ramky Food Park (Chhattisgarh) Limited (refer to note j below)	INR	10	4,36,397	1.21	1.21
Ramky Towers Limited (refer to note j below)	INR	10	26,458	0.18	0.18
Ramky Food Park (Karnataka) Limited (refer to note j below)	INR	10	54,665	0.05	0.05
Ramky Enclave Limited (refer to note j below)	INR	10	44,505	0.04	0.04
Srinagar Banihal Expressway Limited (refer to note d below)	INR	10	38,891	0.04	0.04
Sehore Kosmi Tollways Limited (refer to note f below)	INR	10	1,20,20,000	12.02	12.02
Frank Lloyd Tech Management services Limited (refer to note j below)	INR	10	76,000	0.08	0.08
Agra Etawah Tollways Limited (refer to note g and j below)	INR	10	50,000	0.05	0.05
Hospet Chitradurga Tollways Limited (refer to note h and j below)	INR	10	1,70,22,000	17.02	17.02
Jabalpur Patan Shahpura Tollways Limited (refer to note j below)	INR	10	50,000	0.05	0.05
Ramky Esco Limited (refer to note j below)	INR	10	50,000	0.05	0.05
				<b>95.69</b>	<b>95.69</b>

(All amounts are ₹ in crores unless otherwise stated)

Particulars	Currency	Face Value	Number of shares	As at 31 March 2015	As at 31 March 2014
<b>b. Equity instruments of associates:</b>					
Ramky Integrated Township Limited	INR	10	18,241	0.02	0.02
Gwalior Bypass Project Limited (refer to note e and k below)	INR	10	25,500	0.02	0.02
				<b>0.04</b>	<b>0.04</b>
<b>c. Equity instruments of jointly controlled entities:</b>					
N.A.M. Expressway Limited (refer to note l)	INR	10	11,67,55,000	116.76	116.76
Jorabat Shillong Expressway Limited (refer to note m)	INR	10	4,20,00,000	42.00	39.00
				<b>158.76</b>	<b>155.76</b>
<b>d. Equity instruments of others:</b>					
Delhi MSW Solutions Limited	INR	10	5000	0.01	0.01
Triteus Holdings Private Limited	INR	10	40,000	0.04	0.04
				<b>0.05</b>	<b>0.05</b>
<b>e. Preference instruments of subsidiaries:</b>					
Ramky Elsamex Hyderabad Ring Road Limited					
Cumulative redeemable optionally convertible (refer to note b below)	INR	10	250,00,000	25.00	25.00
Ramky Enclave Limited cumulative convertible optionally redeemable (refer to note i below)	INR	10	78,000	19.50	19.50
Ramky Multi Product Industrial Park Limited	INR	10	15,00,000	15.00	15.00
0.001%, cumulative convertible redeemable					
Ramky Multi Product Industrial Park Limited	INR	10	40,00,000	40.00	40.00
0.001%, cumulative non-convertible redeemable					
Naya Raipur Gems and Jewellery SEZ Limited (refer to note i below)	INR	10	2,95,133	0.89	0.89
0.001%, cumulative convertible redeemable					
Srinagar Banihal Expressway Limited	INR	10	6,15,47,445	61.55	61.55
0.001%, non-cumulative non-convertible redeemable					
Frank Lloyd Tech Management Services Limited (refer to note i below)	INR	10	54,99,140	5.50	5.50
0.001%, non-cumulative non-convertible redeemable				<b>167.44</b>	<b>167.44</b>
<b>f. Preference instruments of associates:</b>					
Gwalior Bypass Project Limited (Refer to note k below)	INR	100	2240	0.09	0.09
0.01%, cumulative redeemable					
<b>Total non-current investments (a+b+c+d+e+f)</b>				<b>422.07</b>	<b>419.07</b>
Aggregate book value of unquoted non-current investments				422.07	419.07
<b>Less : Impairment Made</b>					
Ramky Herbal and Medicinal Park (Chhattisgarh) Limited		10	513,897	0.51	-
Ramky Food Park (Chhattisgarh) Limited		10	436397	0.16	-
Hospet Chitradurga Tollways Limited		10	17022000	17.02	-
<b>Total Impairment Made</b>				17.69	-
<b>Total non-current investments</b>				<b>404.38</b>	<b>419.07</b>
<b>Aggregate value of unquoted investment</b>					

**Notes :**

- 9,660,009 (previous year: 9,660,009) equity shares have been pledged in favour of Infrastructure Development Finance Company Limited for the loan availed by MDDA-Ramky IS Bus Terminal Limited.
- 14,800,000 (previous year: 14,800,000) equity shares and 2,950,000 (previous year : 2,950,000) preference shares have been pledged in favour of IDBI Trusteeship Services Limited for loans availed by Ramky Elsamex Hyderabad Ring Road Limited.
- 9,129,000 (previous year: 9,129,000) equity shares have been pledged in favour of Infrastructure Development Finance Company Limited for loan availed by Ramky Pharma City (India) Limited.
- 15,766 (previous year: 15,766) equity shares of Srinagar Banihal Expressway Limited pledged in favour of ICICI bank Limited for the loan availed by Srinagar Banihal Expressway Limited.
- 13,005 (previous year: 13,005) equity shares have been pledged in favour of Infrastructure Development Finance Company for loan availed by Gwalior Bypass Project Limited.
- 6,130,200 (previous year: 6,130,200) equity shares have been pledged in favour of IDBI Trusteeship Services Limited for the loan availed by Sehore Kosmi Tollways Limited.

**Notes to financial statements (Continued)**

- g) 25,500 (previous year: 25,500) equity shares have been pledged in favour of Oriental Bank of Commerce for the loan availed by Agra Etawah Tollways Limited.
- h) 8,681,220 (previous year: 8,681,220) equity shares have been pledged in favour of Axis Bank Limited for the loan availed by Hospet Chitradurga Tollways Limited.
- i) Preference shares of these companies have been pledged in favour of State Bank of India for the loan availed by the Company.
- j) The following equity shares have been pledged in favour of State Bank of India for the loan availed by the Company:

Entity name	Number of shares as at	
	31 March 2015	31 March 2014
Agra Etawah Tollways Limited	24,494	-
Frank Lloyd Tech Management Services Limited	75,994	-
Hospet Chitradurga Tollways Limited	8,340,774	-
Naya Raipur Gems and Jewellery SEZ Limited	840,678	-
Ramky-MIDC Agro Processing Park Limited	2,228,680	-
Ramky Enclave Limited	44,500	-
Ramky Engineering and Consulting Services (FZC)	87,926	-
Ramky Food Park (Chhattisgarh) Limited	436,391	-
Ramky Food Park (Karnataka) Limited	54,659	-
Ramky Herbal and Medicinal Park (Chhattisgarh) Limited	513,891	-
Ramky Towers Limited	26,458	-
Ramky Esco Limited	49,994	-
Jabalpur Patan Shahpura Tollways Limited	49,994	-

- k) Became an associate effective from 31 March 2014 due to further investment by other shareholders.
- l) 46,701,998 (previous year nil) equity shares have been pledged in favour of SBICAP trustee company Ltd, 7005300 equity shares have been pledged in favour of ICICI bank for the loan availed by NAM Expressway Ltd.
- m) 39,000,000(previous year nil) equity shares have been pledged in favour of SBICAP trustee company Ltd

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at	
	31 March 2015	31 March 2014
<b>Note 14: Deffered tax assets (net) (refer note 31)</b>		
<b>Deffered tax assets</b>		
Provision for doubtful receivables and advances	107.56	86.28
Accrued employee benefits	0.84	0.87
Unabsorbed depreciation and business losses	309.29	120.67
Other timing differences	7.66	19.56
	<b>425.35</b>	<b>227.38</b>
<b>Deffered tax liability</b>		
timing difference on depreciation allowed	(16.27)	(28.18)
<b>Net deffered tax assets</b>	<b>409.08</b>	<b>199.20</b>

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 15: Long-term loans and advances</b> (refer note 33)		
<b>Unsecured, considered good:</b>		
Capital advances	11.35	11.47
Loans and advances to related parties (refer note 39)	145.07	22.03
Security deposits	6.99	7.97
Other loans and advances:		
- Earnest money deposit	-	0.62
- Receivables from statutory/government authorities	38.53	38.72
- Receivables from income tax authority (net)	88.20	37.95
- Prepaid expenses	0.07	2.05
	<b>290.21</b>	<b>120.81</b>
<b>Unsecured, considered doubtful:</b>		
Earnest money deposit	0.79	0.79
Advances recoverable in cash or in kind	10.66	10.66
	<b>11.45</b>	<b>11.45</b>
<b>Provision for doubtful loans and advances:</b>		
Earnest money deposit	(0.79)	(0.79)
Advances recoverable in cash or in kind	(10.66)	(10.66)
	<b>(11.45)</b>	<b>(11.45)</b>
	<b>290.21</b>	<b>120.81</b>
<b>Note 16: Other non-current assets</b> (refer note 33)		
<b>Trade receivables:</b>		
(refer note a below)		
Outstanding for period exceeding six months:		
- Unsecured, considered good	6.67	7.18
- Unsecured, considered doubtful	39.23	44.87
	<b>45.90</b>	<b>52.05</b>
Less: Provision for doubtful trade receivables	(39.23)	(44.87)
	<b>6.67</b>	<b>7.18</b>
Long-term bank deposits (refer note b below)	0.85	1.31
Interest accrued but not due	0.26	0.20
	<b>7.78</b>	<b>8.69</b>
<b>Notes:</b>		
a. Trade receivables before provision includes retention money receivable of ₹ 10.02 crores (previous year: ₹ 12.85 crores). Provision for doubtful trade receivables includes provision for retention money receivables amounting to ₹ 5.55 crores (previous year: ₹ 9.07 crores).		
b. Long-term bank deposits represents margin money against bank guarantees and other commitments.		
<b>Note 17: Inventories</b> (refer note 33)		
(Valued at the lower of cost and net realisable value)		
Raw materials and components	216.78	304.43
Contract work-in-progress	555.17	671.95
	<b>771.95</b>	<b>976.38</b>

Notes to financial statements (Continued)

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 18: Trade receivables (refer note 33)</b>		
Outstanding for period exceeding six months:		
- Unsecured, considered good	476.31	335.72
- Unsecured, considered doubtful	153.69	135.67
	<b>630.00</b>	<b>471.39</b>
Less: Provision for doubtful trade receivables	(153.69)	(135.67)
	<b>476.31</b>	<b>335.72</b>
Other debts (unsecured)	177.30	608.21
	<b>653.61</b>	<b>943.93</b>
<b>Note:</b>		
1. Trade receivables before provision includes retention money receivable of ₹ 489.52 crores (previous year ₹ 133.16 crores). Provision for doubtful trade receivables includes provision for retention money receivables amounting to ₹ 35.53 crores (previous year: ₹ 3.59 crores).		
<b>Note 19: Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	0.31	0.61
Cheques on hand	-	12.36
Balances with banks:		
- in current accounts	13.46	33.62
- in deposit accounts*	9.50	7.40
	<b>23.27</b>	<b>53.99</b>
<b>Other bank balances</b>		
Deposits with maturity more than 3 months but less than 12 months*	21.75	21.56
Balances with bank for unclaimed dividend	0.03	0.03
	<b>45.05</b>	<b>75.58</b>
*Includes amount of ₹ 31.25 crores (previous year: ₹ 28.96 crores) held as margin money or security deposit against bank guarantees and other commitments.		
<b>Note 20: Short-term loans and advances (refer note 33)</b>		
<b>Unsecured, considered good:</b>		
Loans and advances to related parties (refer note 39)	3.85	105.25
Mobilisation and material advances	156.67	173.26
Advances recoverable in cash or in kind	315.82	246.72
Security deposits	5.28	2.57
Other loans and advances:		
- Earnest money deposit	9.30	9.10
- Balances with statutory/government authorities	93.67	71.71
- Prepaid expenses	4.95	8.31
- Loans and advances to employees	3.64	2.54
- Other advances	2.54	3.02
	<b>595.72</b>	<b>622.48</b>
<b>Unsecured, considered doubtful:</b>		
Loans and advances to related parties (refer note 39)	8.86	8.84
Mobilisation and material advances	2.06	1.25
Advances recoverable in cash or in kind	31.75	32.58
	<b>42.67</b>	<b>42.67</b>
<b>Provision for doubtful loans and advances</b>		
Loans and advances to related parties (refer note 39)	(8.86)	(8.84)
Mobilisation and material advances	(2.06)	(1.25)
Advances recoverable in cash or in kind	(31.75)	(32.58)
	<b>(42.67)</b>	<b>(42.67)</b>
	<b>595.72</b>	<b>622.48</b>

Notes to financial statements (Continued)

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 21: Other current assets (refer note 33)</b>		
Unsecured		
Considered good	3.16	4.69
Considered doubtful	30.25	31.25
	<b>33.41</b>	<b>35.94</b>
Less: provision for doubtful current assets	(30.25)	(31.25)
	<b>3.16</b>	<b>4.69</b>
Interest accrued but not due	17.46	12.66
	<b>20.62</b>	<b>17.35</b>

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
<b>Note 22: Other income</b>		
Interest income	19.91	4.85
Other non-operating income:		
- Liabilities no longer required written back	-	8.01
- Foreign exchange gain (net)	-	0.09
- Miscellaneous income	15.02	9.99
	<b>34.93</b>	<b>22.94</b>
<b>Note 23: Contract expenses</b>		
Contract materials and supplies consumed	346.01	573.18
Sub-contractor expenses	545.26	702.29
Labour contract charges	142.85	274.47
Rates and taxes	53.66	86.32
Other Project costs	5.10	23.80
Hire charges	18.02	42.27
Power and fuel	17.32	58.42
Contract recoveries	12.96	21.92
Transport expenses	3.94	15.49
Repairs and maintenance - plant and equipment	6.28	9.34
Consumables and other site expenses	11.77	13.03
	<b>1,163.17</b>	<b>1,820.53</b>
<b>Note 24: Employee benefits expense</b>		
Salaries and wages	44.20	72.03
Contribution to provident and other funds	1.24	4.22
Workmen and staff welfare expenses	1.94	2.97
	<b>47.38</b>	<b>79.22</b>
<b>Note 25: Finance costs</b>		
Interest expenses	248.40	179.23
Other borrowing costs	22.32	13.23
Applicable net loss on foreign currency transactions and translation	-	2.24
	<b>270.72</b>	<b>194.70</b>

**Notes to financial statements (Continued)**

(All amounts are ₹ in crores unless otherwise stated)

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
<b>Note 26: Other expenses</b>		
Legal and professional charges (refer to note 28)	7.92	6.23
Rent (refer to note 29)	5.90	8.26
Security charges	7.75	9.98
Traveling and conveyance	2.47	2.94
Insurance	2.66	6.57
Electricity charges	2.93	4.41
Rates and taxes	3.51	7.51
Communication expenses	1.09	1.86
Repairs and maintenance - others	2.17	2.48
Provision for doubtful trade receivables	11.82	147.71
Provision for doubtful loans and advances	0.85	70.18
Provision for diminution in value of long term investments	17.69	-
Provision for foreseeable loss, net	6.04	20.90
Loss on sale of fixed assets, net	10.01	1.10
Prior period expenses (refer note 36)	33.64	-
Fixed assets-Excess written down value written off	-	0.47
Miscellaneous expenses	2.67	2.96
	<b>119.12</b>	<b>293.56</b>

**Note 27: Contingent liabilities and commitments (to the extent not provided for)**
**1. Contingent liabilities**

Particulars	As at 31 March 2015	As at 31 March 2014
(a) Claims against the Company not acknowledged as debts in respect of:		
(i) Indirect tax and other matters	172.87	211.62
(ii) Disputed claims from customers and vendors	27.51	32.86
(b) Guarantees		
(i) Performance guarantees issued On behalf of the subsidiaries, associate and others	65.57	189.24
(ii) Corporate guarantees to banks and financial institutions against credit facilities extended to Subsidiaries	197.37	197.37
(iii) Bank guarantee and letter of credits	649.54	554.15

**(c) Impact of pending legal cases**

The Company is party to several legal suits on construction contract terms related disputes with vendors and contractee/clients, pending before various courts in India as well as arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending disputes/ litigations until the cases are decided by the appropriate authorities.

**2. Commitments**

Particulars	As at 31 March 2015	As at 31 March 2014
(a) Estimated amounts of contract remaining to be executed on capital account and not provided for Other commitments	-	-
(b) Equity commitments towards subsidiaries and jointly controlled entities	16.81	59.81

**Note 28: Legal and professional charges includes the Statutory Auditor's remuneration as given below (excluding service tax):**

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Audit fees	0.15	0.30
Other services*	0.38	0.43
Out of pocket expenses#	0.06	0.03
<b>Total</b>	<b>0.59</b>	<b>0.76</b>

\* Includes fee for limited review and other services aggregating to ₹ 0.33 Crore paid to the erstwhile auditors

# Paid to the erstwhile auditors

Notes to financial statements (Continued)

29. Leases

The Company is obligated under cancellable operating lease agreements. Total rental expense for the period under cancellable leases was ₹ 5.90crores(previous year: ₹ 8.26crores) has been disclosed as 'Rent' in the statement of profit and loss.

30. (Loss)/earning per share (EPS):

The computation of earnings/(loss) per share is set out below:

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Amount of Net (loss)/profit for the year attributable to equity shareholders (₹ in crores)	(445.48)	(432.11)
Weighted average number of equity shares for basic EPS (Nos)	57,197,791	57,197,791
Weighted average number of equity shares for diluted EPS (Nos)	57,197,791	57,197,791
Face value per share (Rs)	10	10
Basic and diluted EPS*	(77.89)	(75.55)

\*The Company has no dilutive instruments during the year ended March 31, 2015. As such Diluted Earnings per share equals to Basic Earnings per share.

31. As at March 31, 2015, the Company has recognized deferred tax asset aggregating to ₹ 409.08 Crore including an amount of ₹ 209.88 crore recognized during the year on account of timing differences on unabsorbed depreciation, business losses and other timing differences incurred by the Company during the year. Based on unexecuted orders on hand, which in the opinion of the management does meet the criteria of establishing the virtual certainty of sufficient future taxable income for realisation of deferred tax assets as enunciated in Accounting Standard 22 "Accounting for Taxes on Income" (AS 22). (refer note 14)
32. During the year, Company's road project, at Srinagar in Jammu and Kashmir, has impacted due to the floods. The insured concessionaire of the Project, a subsidiary Company, has lodged a claim of ₹ 141.51Crore for the damage to the project materials and assets located at the site with the insurers. After an initial assessment/survey, an amount of ₹ 14.99Crore was released by the insurer on provisional basis and the same was received by the company being a principal contractor. Pending final settlement of claim, no adjustment has been made in the financial statements for the year. The management of the company does not expect any material adjustment for loss to be provided for in this respect.
33. During the year ended 31 March 2015, an amount of ₹ 580.78 crores (including amount pertaining to advances, retention money, contract work-in-progress and performance bank guarantees invoked) is receivable from customers against the contracts not been pursued on account of foreclosure by the Company/disputes with customers. The Management of the Company, keeping in view the long term nature of the contracts, terms and condition implicit in these contracts and the ongoing discussion based on which steps to recover are currently in process, is confident of recovering the amount as they are contractually tenable.
34. During the year the Company has incurred a Net Loss of ₹ 445.48 Crore resulting into accumulated losses of ₹ 276.72 Crore and erosion of its reserves. The Company has obligations towards borrowings aggregating to ₹ 1,565.13 Crore including an amount of ₹ 1383.61 crore falling due over next twelve months period, obligations pertaining to operations including unpaid creditors and statutory dues as at March 31, 2015. These matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. The Company has plans to divest its stake in certain subsidiaries undertaking BOT projects for generation of cash flows and during the year, approached lender Bankers with a scheme seeking certain reliefs in relation to repayment timelines of loans and accumulated unpaid interest which was approved by the Bankers with certain conditions. The Company is confident of implementing the divestment and approved restructuring scheme with lenders and meeting its obligations in due course of time.
35. During an earlier year ended March 31, 2013 a search and seizure operation under section 132 of the Income Tax Act, 1961 was carried out by the Income Tax Authority on the Company's premises. The Company had accepted for additional disallowances and filed revised returns for the respective previous year and accounted respective tax expenses of ₹10.78 Crore. Further, the Company made a provision for income tax aggregating to ₹ 66.56 crore during financial year ended March 31, 2012, on account of disallowance of the deductions claimed by the Company under Section 80-IA (4) of the Income Tax Act, 1961 relating to assessment years 2003-04 to 2013-14. During the year, based on the centralized assessment for the financial years upto 2011-12, a refund of ₹ 51.89 crores (including ₹ 11.99 crores for interest) as ascertained by department, has been accounted for during the year ended March 31, 2015. This has resulted into reversal of provision of income tax amounting to ₹ 74.62 crores, including ₹ 62.47 Crore directly credited to the surplus in statement of profit and loss account balance under "Reserve and Surplus" for the year ended March 31, 2015. (Refer Note 4)
36. Prior period expenses' aggregating to ₹ 33.64 Crore represents charge of depreciation on shuttering material amounting to ₹ 15.80 Crore and unrealizable VAT receivable recognized in earlier years amounting to ₹ 17.84 Crore. (Refer Note 26)
37. In accordance with the Companies Act, 2013, the Company has revised the useful life of its fixed assets to comply with the useful life as mentioned in the schedule - II of the said Act. As per the transitional provisions, the Company has adjusted ₹ 3.41 Crore (net of deferred tax of ₹ 1.31 crore) from the opening balance of retained earnings. (Refer Note 4)

**38. Segment information****a) Business Segment:**

The services rendered by the Company primarily consist of execution of civil contracts on turnkey basis. 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.

**39. Related party disclosures****a) List of related parties:****i) Subsidiary Companies including a step down subsidiary Company****Name of the related party**

- 1 Ramky Pharma City (India) Limited
- 2 MDDA-Ramky IS Bus Terminal Limited
- 3 Ramky Food Park (Chattisgarh) Limited
- 4 Naya Raipur Gems and Jewellery SEZ Limited
- 5 Ramky Herbal and Medicinal Park (Chattisgarh) Limited
- 6 Ramky - MIDC Agro Processing Park Limited
- 7 Ramky Engineering and Consulting Services (FZC)
- 8 Ramky Elsamex Hyderabad Ring Road Limited
- 9 Ramky Towers Limited
- 10 Ramky Enclave Limited
- 11 Ramky Esco Limited
- 12 Srinagar Banihal Expressway Limited
- 13 Ramky Multi Product Industrial Park Limited
- 14 Ramky Food Park (Karnataka) Limited
- 15 Sehore Kosmi Tollways Limited
- 16 Agra Etawah Tollways Limited
- 17 Hospet Chitradurga Tollways Limited
- 18 Frank Lloyd Tech Management Services Limited
- 19 Jabalpur Patan Shahpura Tollways Limited
- 20 Ramky Infrastructure Sociedad Anonima Cerradada (Step-down subsidiary company)
- 21 JNPC Pharma Innovation Limited (Step-down subsidiary company)
- 22 Ramky Engineering and Consulting Services Gabon SA (Step-down subsidiary company)

**ii) Key management personnel (KMP)**

S.No.	Name of the KMP	Designation
1	A Ayodhya Rami Reddy	Executive Chairman (Joined on June 20, 2014)
2	Y R Nagaraja	Managing Director

**iii) Enterprise where KMP have significant influence**

S.No.	Name of the related party
1	Ramky Enviro Engineers Limited
2	Ramky Estates and Farms Limited
3	Mumbai Waste Management Limited
4	West Bengal Waste Management Limited
5	Ramky Energy & Environment Limited
6	Ramky Advisory Services Limited
7	Ramky Wavoo Developers Private Limited
8	Delhi MSW Solutions Limited
9	Smilax Laboratories Limited
10	Ramky Foundation
11	Hyderabad Integrated MSW Limited
12	Chhattisgarh Energy Consortium (India) Private Limited

Notes to financial statements (Continued)

iv) Enterprises where significant influence exists (Associates)

S. No.	Name of the related party
1	Ramky Integrated Township Limited
2	Gwalior Bypass Project Limited

V) Enterprises where joint control exists (jointly controlled entities)

S. No.	Name of the related party
1	N.A.M. Expressway Limited
2	Jorabat Shillong Expressway Limited
3	Ramky - SMC JV

vi) Joint ventures (JV)

S. No.	Name of the related party
1	Ramky - Elsamex JV
2	Ramky-VSM JV
3	Srishti -Ramky JV
4	Ramky -WPIL JV
5	Somdutt Builders-Ramky JV
6	ZVS Ramky Progressive
7	Ramky ECAIPL JV

Notes to financial statements (Continued)

b) Particulars of related party transactions

(All amounts are ₹ in crores unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Nature of transactions	2014-15		2013-14	
				Transactions during the year	Amount receivable/ (payable) as at 31 March 2015	Transactions during the year	Amount receivable/ (payable) as at 31 March 2014
1	Ramky Pharma City (India) Limited	Subsidiary	Contract revenue	-	-	-	-
			Unsecured loan taken	(61.69)	(27.19)	-	-
			Unsecured loan repaid	34.50		-	-
			Investment in equity shares	-	9.18	-	9.18
			Interest Paid	3.73	(3.35)	-	-
2	MDDA-Ramky IS Bus Terminal Limited	Subsidiary	Mobilisation advance received	0.66	(2.88)	2.22	(2.22)
			Contract revenue	-	14.93	-	15.32
			Retention money receivable/ SD paid	-	2.94	-	2.94
			Loan Given	2.50	2.50	-	-
			Investments in equity shares	-	14.26	-	14.26
3	Ramky Elsamex Hyderabad Ring Road Limited	Subsidiary	Corporate guarantee given by the Company	-	9.75	-	9.75
			Contract revenue	1.09	0.49	0.62	0.53
			Retention money receivable/ (realised)	(0.28)	2.64	(2.27)	2.92
			Loan given	29.60	33.13	-	-
			Interest income	3.92		-	-
4	Ramky Towers Limited	Subsidiary	Investment in equity shares	-	14.80	-	14.80
			Investment in preference shares	-	25.00	-	25.00
			Corporate guarantee given by the Company/ (cancelled)	-	-	(259.50)	-
			Contract revenue	-	-	40.58	64.40
			Mobilisation advance received/ (adjusted against bills)	(1.22)	(1.73)	-	(0.51)
5	Ramky Enclave Limited	Subsidiary	Retention money receivable	(37.66)	-	0.82	37.66
			Investment in equity shares	-	0.18	-	0.18
			Contract revenue	-	5.01	-	5.51
			Retention money receivable	-	13.79	-	13.79
			Investment in equity shares	-	0.04	-	0.04
6	Ramky Engineering and Consultancy Services (FZC)	Subsidiary	Investment in preference shares	-	19.50	-	19.50
			Corporate guarantee given by the Company/ (cancelled)	-	-	(50.00)	-
			Contract revenue	-	0.80	0.82	8.65
			Sale of assets	-	-	-	-
			Investment in equity shares	-	11.21	-	11.21
7	Gwalior Bypass Project Limited	Associate	Corporate guarantee given by the Company	(54.31)	15.00	-	69.31
			Investment in equity shares	-	0.02	-	0.02
8	Ramky Food Park (Chattisgarh) Limited	Subsidiary	Investment in preference shares	-	0.09	-	0.09
			Investment in equity shares	-	1.21	-	1.21
9	Naya Raipur Gems and Jewellery SEZ Limited	Subsidiary	Advance Received	0.90	(0.90)	-	-
			Investment in equity shares	-	2.42	-	2.42
			Investment in preference shares	-	0.89	-	0.89
10	Ramky Herbal and Medicinal Park (Chattisgarh) Limited	Subsidiary	Advance Received	0.06	(0.06)	-	-
			Investment in equity shares	-	1.44	-	1.44
11	Ramky - MIDC Agro Processing Park Limited	Subsidiary	Advance Received	(0.88)	(0.88)	-	-
			Investment in equity shares	-	6.59	-	6.59
12	Srinagar Banihal Expressway Limited	Subsidiary	Investment in equity shares	-	-	-	-
			Contract revenue	78.62	-	176.10	4.58
			Retention money receivable	(17.23)	0.32	9.15	17.55
			Mobilisation advance received	15.79	(151.71)	50.00	(167.50)
			Investment in equity shares	-	0.04	-	0.04
			Investment in preference shares	-	61.55	-	61.55
			Loan given	40.00	40.00	-	-

(Contd.)

Notes to financial statements (Continued)

Particulars of related party transactions (Contd.)

(All amounts are ₹ in crores unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Nature of transactions	2014-15		2013-14	
				Transactions during the year	Amount receivable/ (payable) as at 31 March 2015	Transactions during the year	Amount receivable/ (payable) as at 31 March 2014
13	Ramky Multi Product Industrial Park Limited	Subsidiary	Contract Revenue	-	18.82	19.20	18.82
			Loan given	0.33	12.38	0.25	12.05
			Interest income and interest accrued	1.55	4.07	1.53	2.67
			Investment in equity shares	-	5.00	-	5.00
			Investment in preference shares	-	55.00	-	55.00
14	Ramky Food Park (Karnataka) Limited	Subsidiary	Investment in equity shares	-	0.05	-	0.05
15	Sehore Kosmi Tollways Limited	Subsidiary	Contract revenue	-	-	36.87	3.75
			Mobilisation advance received/ (adjusted against bills)	0.30	(0.30)	4.68	-
			Retention money receivable/ (realised)	-	-	(0.10)	-
			Investment in equity shares	-	12.02	-	12.02
			Loan given	1.27	11.25	9.98	9.98
			Conversion of preference shares into equity shares	-	-	-	-
16	Agra Etawah Tollways Limited	Subsidiary	Contract revenue	-	11.25*	-	11.25
			Loan given	0.02	8.86	-	8.84
			Investment in equity shares	-	0.05	-	0.05
			Corporate guarantee given by the Company	(577.50)	-	-	577.50
17	Hospet Chitradurga Tollways Limited	Subsidiary	Contract revenue	-	7.27*	1.00	7.27
			Loan given	(93.14)	-	-	93.14
			Mobilisation advance received	103.08	-	-	(103.08)
			Investment in equity shares	(17.02)	-	-	17.02
			Corporate guarantee given by the Company	(69.16)	-	-	69.16
18	Frank Lloyd Tech Management Services Limited	Subsidiary	Consultancy charges paid	1.72	(1.27)	1.38	(0.13)
			Loan given/(repaid)	-	-	(0.50)	-
			Investment in equity shares	-	0.08	-	0.08
			Investment in preference shares	-	5.50	-	5.50
19	Jabalpur Patan Shahpura Tollways Limited	Subsidiary	Investment in equity shares	-	0.05	-	0.05
			Other advances and deposits paid	0.02	0.03	0.01	0.01
20	Ramky Esco Limited	Subsidiary	Investment in equity shares	-	0.05	-	0.05
21	Ramky Engineering and Consulting Services Gabon SA	Step-down subsidiary	Corporate guarantee given by the Company	-	50.00	-	50.00
22	N.A.M.Expressway Limited	JCE	Contract revenue	31.69	7.05	137.16	29.29
			Mobilisation advance received/ (adjusted against bills)	2.57	-	19.45	(2.57)
			Loan given	42.83	51.83	9.00	9.00
			Loan received back	-	-	(28.52)	-
			Interest income	-	8.79	0.10	8.79
			Retention money receivable/ (realised)	(11.24)	0.95	6.81	12.19
			Investment in equity shares	-	116.76	-	116.76
			Unsecured Loan received	84.35	(84.35)	-	-
			Interest paid	10.67	-	-	-
23	Jorabat Shillong Expressway Limited	JCE	Mobilisation advance received	-	(0.68)	-	(0.68)
			Investment in equity shares	3.00	42.00	13.00	39.00
24	Ramky Integrated Township Limited	Associate	Capital advance paid/ (received back)	-	11.35	(10.65)	11.35
			Share application money converted into loan/(received back)	-	-	(10.00)	-
			Interest income	-	-	0.11	-
			Investment in equity shares	-	0.02	-	0.02
			Mobilisation advance received	0.32	(0.32)	-	-

(Contd.)

Notes to financial statements (Continued)

Particulars of related party transactions (Contd.)

(All amounts are ₹ in crores unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Nature of transactions	2014-15		2013-14	
				Transactions during the year	Amount receivable/ (payable) as at 31 March 2015	Transactions during the year	Amount receivable/ (payable) as at 31 March 2014
25	Ramky Estates and Farms Limited	SIE	Contract revenue	34.60	-	9.01	20.51
			Retention money receivable/ (realised)	2.01	4.82	0.34	2.81
			Rent paid	0.12	(1.32)	0.65	(0.61)
			Rent deposit/(adjusted against payable)	-	0.28	(0.03)	0.28
			Mobilisation advance received	(16.97)	(17.58)	1.80	(2.79)
			Loan Received	55.00	(55.00)	-	-
26	Ramky Enviro Engineers Limited	SIE	Contract revenue	9.82	3.00	13.83	3.74
			Sub-contract expenses	1.99	(1.02)	1.39	(0.48)
			Mobilisation advance paid/ (recovered)	(0.17)	0.95	(0.22)	1.12
			Mobilisation advance received, net	9.13	(0.59)	9.72	(9.72)
			Retention money payable	1.08	(7.89)	0.28	(8.97)
			Retention money receivable	0.21	2.56	0.72	2.35
			Unsecured loan taken	-	-	-	-
			Interest paid	-	-	-	-
			Unsecured loan repaid	-	-	-	-
27	Mumbai Waste Management Limited	SIE	Contract revenue	-	0.36	-	0.36
			Unsecured loan received	10.00	-	-	-
			Unsecured loan paid	10.00	-	-	-
			Interest paid	0.15	-	-	-
28	Hyderabad Integrated MSW Limited	SIE	Contract revenue	-	0.63	0.60	0.63
			Sale of asset	0.08	0.05	-	-
			Interest paid	-	-	-	(0.16)
29	West Bengal Waste Management Limited	SIE	Unsecured loan received	-	-	1.60	(10.00)
			Unsecured loan repaid	10.00	-	1.60	-
			Interest paid	0.30	(0.27)	1.25	(1.85)
30	Ramky Advisory Services Limited	SIE	Advance paid/ (recovered)	(0.60)	-	-	0.60
31	Delhi MSW Solutions Limited	SIE	Contract revenue	-	-	0.05	0.99
			Retention money receivable	-	0.65	0.01	0.66
			Advance Received	0.77	(0.77)	-	-
			Investment in equity shares	-	0.01	-	0.01
32	Chhattisgarh Energy Consortium (India) Private Limited	SIE	Unsecured loan taken	-	-	-	(15.20)
			Unsecured loan repaid	15.20	-	-	-
			Interest paid	0.45	(0.41)	1.90	(3.58)
33	Smilax Laboratories Limited	SIE	Contract revenue	-	-	-	-
			Interest income on trade receivables	-	-	1.07	-
			Retention money receivable/ (realised)	-	-	(3.00)	-
			Mobilisation advance received	(0.19)	(0.30)	1.13	(0.11)
			Mobilisation advance repaid	-		1.02	
34	Ramky Foundation	SIE	Donation	0.15	-	0.18	-
35	Dakshayani Academy	SIE	Other advances	-	1.15	-	1.15
36	Ramky Wavoo Developers Private Limited	SIE	Contract revenue	1.43	5.44	9.46	6.85
			Mobilisation advance received/ (adjusted against bills)	0.70	(0.17)	(1.21)	(0.87)
			Retention money receivable	0.26	0.66	0.40	0.40
37	A Ayodhya Rami Reddy	KMP	Remuneration	-	-	0.22	-
38	Y R Nagaraja	KMP	Remuneration	0.24	(0.04)	0.24	(0.10)

\*provision made.

**40. Loans and advances in the nature of loans to subsidiaries, associates and jointly controlled entities (JCE):****Loans where there is no repayment schedule:**

(All amounts are ₹ in crores unless otherwise stated)

Name of the entity	Relationship	Balance as on		Maximum amount outstanding during	
		31 March 2015	31 March 2014	2014-15	2013-14
Ramky Multi Product Industrial Park Limited	Subsidiary	12.38	12.05	12.38	12.05
Sehore Kosmi Tollways Limited	Subsidiary	11.25	9.98	11.25	9.98
Hospet Chitradurga Tollways Limited	Subsidiary	-	93.14	93.14	93.14
Agra Etawah Tollways Limited*	Subsidiary	8.86	8.84	8.86	8.84
Ramky Integrated Township Limited	Associate	-	-	-	10.00
N.A.M.Expressway Limited	JCE	51.83	9.00	61.43	28.52
Ramky Elsamex Hyderabad Ring Road Limited	Subsidiary	29.60	-	37.58	-
Frank Lloyd Tech Management Services Limited	Subsidiary	-	-	-	-

In respect of the above loans the terms of agreement do not specify any repayment schedule.

\* Provision made during the year amounting to ₹ 0.02 crores (previous year: ₹ 8.84 crore)

**41. 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**

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
Opening defined benefit obligation	0.75	1.89
Current service cost	0.19	0.25
Interest cost	0.07	0.18
Actuarial loss	0.25	(0.99)
Past service cost	-	-
Benefits paid	(0.21)	(0.58)
Closing defined benefit obligation	1.05	0.75

**Change in the fair value of plan assets**

Particulars	As at 31 March 2015	As at 31 March 2014
Fair value of plan assets at the beginning of the year	0.02	0.39
Expected return on plan assets	-	0.01
Employer contributions	0.21	0.20
Benefits paid	(0.21)	(0.58)
Fair value of plan assets at the end of the year	0.02	0.02

**Amount recognised in balance sheet**

Particulars	As at 31 March 2015	As at 31 March 2014
Present value of funded obligations	1.05	0.75
Fair value of plan assets	0.02	0.02
<b>Net Liability</b>	<b>1.03</b>	<b>0.73</b>
<b>Amounts in the balance sheet</b>		
Short-term provision	0.14	0.13
Long-term provision	0.91	0.60

**Expense recognised in statement of profit and loss**

(All amounts are ₹ in crores unless otherwise stated)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Current service cost	0.19	0.25
Interest cost on benefit obligation	0.07	0.18
Expected return on plan assets	-	(0.01)
Past service cost	-	-
Net actuarial loss/(gain)	0.25	(0.99)
<b>Net benefit expense/(provision written back)</b>	<b>0.51</b>	<b>(0.57)</b>

**Summary of actuarial assumptions**

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Discount rate	9.25%	9.25%
Expected rate of return	8.75%	8.75%

**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 taking into account the inflation, seniority, promotion and other relevant factors.

**Experience adjustment table for five years:**

Particulars	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
Defined benefit obligation	1.05	0.75	1.89	2.43	1.46
Plan assets	0.02	0.02	0.39	0.56	0.45
Surplus/(Deficit)	(1.03)	(0.73)	(1.50)	(1.87)	(1.01)
Experience adjustment on plan liabilities	0.25	(0.99)	(0.95)	0.33	0.71

42. There is no micro or small enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues, which are outstanding as at March 31, 2015 (FY 13-14: NIL). The Company has not received any claim for interest from any supplier under the said Act.

43. 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:

(All amounts are ₹ in crores unless otherwise stated)

Particulars	2014-15	2013-14
(i) Contract revenue recognized	1079.74	1,755.09
<b>In case of contracts in progress as at the reporting date:</b>		
(ii) Aggregate amount of contract cost incurred and recognised profits (less recognised losses) up to the reporting date	10283.24	9,559.93
(iii) Advances received, net of recoveries from progressive bills	400.03	527.44
(iv) Gross amount due from customers for contract works	165.85	333.56
(v) Retention money	383.41	475.14

44. Contract revenue earned in foreign currency On accrual basis during the year is ₹ Nil and for the previous year ended March 31, 2014 is ₹ 0.82 Crore.
45. Value of imports on C.I.F. basis (on accrual basis) in respect of Plant & equipment for current year is ₹ Nil and previous year ended March 31, 2014 is ₹ 6.74 Crore.

## 46. Imported and indigenous material consumed

Materials	For the year ended 31 March 2015		For the year ended 31 March 2014	
	Value (₹ in crores)	% of total consumption	Value (₹ in crores)	% of total consumption
Imported	-	-	-	-
Indigenous	346.00	100%	573.18	100.00%
<b>Total</b>	<b>346.00</b>	<b>100.00%</b>	<b>573.18</b>	<b>100.00%</b>

## 47. Interest in joint ventures:

The Company has formed the following joint ventures in India as given below which are in the nature of work sharing joint venture arrangements. The descriptions of interest in these joint venture arrangements areas below:

Joint Venture	Company's share of interest	Joint Venture	Company's share of interest
<b>Ramky - Elsamex JV</b>		<b>Somdatt Builders - Ramky JV</b>	
31-Mar-15	90%	31-Mar-15	26%
31-Mar-14	90%	31-Mar-14	26%
<b>Ramky - VSM JV</b>		<b>ZVS Ramky Progressive JV</b>	
31-Mar-15	75%	31-Mar-15	20%
31-Mar-14	75%	31-Mar-14	20%
<b>Srishti - Ramky JV</b>		<b>Ramky ECAIPL JV</b>	
31-Mar-15	70%	31-Mar-15	76%
31-Mar-14	70%	31-Mar-14	76%
<b>Ramky WPIL JV</b>			
31-Mar-15	Based on work allocation		
31-Mar-14			

## Interest in Jointly controlled entities:

The Company's interest in jointly controlled entities, its proportionate share in the assets, liabilities, income, expenses, contingent liabilities (before eliminations) are given below:

Jointly controlled entity	Company's share	Assets	Liabilities	Income	Expenses	Contingent liabilities
<b>N.A.M.Expressway Limited</b>						
31-Mar-15	50%	954.99	570.13	94.74	94.41	61.91
31-Mar-14	50%	902.75	526.79	126.07	111.62	76.09
<b>JorabatShillong Expressway Limited</b>						
31-Mar-15	50%	612.55	534.48	187.90	191.57	158.62
31-Mar-14	50%	435.93	364.68	74.43	69.94	206.02
<b>Ramky - SMC JV</b>						
31-Mar-15	70%	22.76	21.04	47.44	45.49	-
31-Mar-14	70%	15.66	15.18	17.88	17.39	-

## 48. The Company has the following un-hedged exposure in foreign currency:

ParticularsForeign	currency	Foreign Currency as at		INR as at	
		31 March 2015	31 March 2014	31 March 2015	31 March 2014
Trade receivables	USD	-	0.15	-	8.68
Buyers credit and interest payable	EURO	-	0.02	-	1.50

**Notes to financial statements** *(Continued)*

49. Additional information as required under paragraph 5 of the part II of the Schedule III to the Act to the extent either "Nil" or "Not Applicable" has not been furnished.

**50. Comparative figures**

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

---

As per our report of even date attached

for **CHATURVEDI & PARTNERS**  
Chartered Accountants  
Firm Registration No. 307068E

**R N CHATURVEDI**  
Partner  
Membership No: 92087

Hyderabad  
30 MAY 2015

for and on behalf of the Board of Directors of  
**RAMKY INFRASTRUCTURE LIMITED**

**A AYODHYA RAMI REDDY**  
Executive Chairman

**Y R NAGARAJA**  
Managing Director

**I W VIJAYA KUMAR**  
Chief Financial Officer

**V PHANI BHUSHAN**  
Company Secretary

# Independent Auditors' Report

The Members of  
**RAMKY INFRASTRUCTURE LIMITED**

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **RAMKY INFRASTRUCTURE LIMITED** (hereinafter referred to as "the Holding Company" or "the Company"), its subsidiaries (Holding Company and its subsidiaries together referred to as "the group"), its associates and jointly control entities which comprising the consolidated Balance sheet as at March 31, 2015, the consolidated Statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information for the year then ended (hereinafter referred to as 'the consolidated financial statements').

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group, its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group its associates and jointly controlled entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's

preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

## Basis for Qualified Opinion

### We refer to:

1. Note 35 of the consolidated financial statements with regard to recognition of deferred tax assets amounting to ₹ 409.08 Crore, on unabsorbed depreciation, business losses and other timing differences incurred by the Company. Based on unexecuted orders on hand, the Management is confident that sufficient future taxable income will be available against which such deferred tax assets will be realised. However, in our opinion, in absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which the deferred tax assets can be realized, such recognition is not consistent with the principles enunciated under Accounting Standard 22, "Accounting for Taxes on Income" (AS 22). Had the aforesaid deferred tax assets not been recognised, loss after tax for the year ended would have been higher by ₹ 409.08 Crore.
2. Note 36 of the consolidated financial statements with regard to impact of floods on one of the Holding Company's project in Srinagar, Jammu and Kashmir, the Concessionaire of the Project, a subsidiary Company, has made an assessment of the damage to the project materials and assets located at the site amounting to ₹ 141.51 crore and has lodged insurance claims of ₹ 141.51 crore with the insurers. The management of the Company, considering the insurance claim in this regard, is confident that no consequential material adjustment for loss of project materials and assets will be required. In view of pending final assessment, We are unable to comment on the extent of adjustment on account of such loss.

## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the paragraph 1 and possible effects of the matter described in the paragraph 2 of the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group, its associates and jointly controlled entity as at March 31, 2015 and of their consolidated loss and their consolidated cash flows for the year ended on that date.

## Emphasis of Matters

1. Attention to Note 37 to the consolidated financial statements in

connection with the existence of material uncertainties over the realisability of certain construction work in progress, trade receivables and loans and advances aggregating to ₹ 580.78 crores, which are subject matters of arbitration proceedings/negotiations with the customers and contractors due to foreclosure of contracts and other disputes. The management of the Company, keeping in view the status of negotiations and the outcome of arbitration proceedings and the basis of which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues.

2. Attention is invited note 41(1) (a) and 41(1) (b) to the consolidated financial statements in respect of M/s Ramky Pharma City (India) Limited ("RPCIL"), a subsidiary, whereby the auditors have reported that
  - a. the uncertainty in connection with the charge sheet filed by Central Bureau of Investigation (CBI) and attachment order of the Enforcement Directorate in respect of certain assets of the company. The management believes that it has complied with the provisions of the concession agreement. Accordingly, any consequential financial impact of the said regulatory action will be known only when the matter is resolved.
  - b. in respect of the insurance claim filed by the Company, towards loss caused by HUDHUD cyclone. The consequential financial impact of the said loss will be known only the insurance claim is settled.
3. Attention is invited to note 41 (2) to 41 (8) to the consolidated financial statements in respect of contract terminated/foreclosed by certain subsidiaries and no business being carried out by a subsidiary and no business in hand which affect the going concern assumption of those companies.
4. Attention is invited to 32 to the consolidated financial statements in respect of revenue and receivables of Rs 408.96 crores, recognised on the basis of fair value of consideration for construction services and the effective interest rate in the case of financial assets covered under service concession arrangements, 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.

Our opinion on the consolidated financial statements is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### Other matters

- a. The accompanying consolidated financial statements include total assets of ₹ 3084.05 crore (net of elimination) as at March 31, 2015, and revenues from operation and net cash inflows of ₹ 564.39 crore (net of elimination) and ₹ 78.16 crore respectively for the year ended on that date, in respect of 22 subsidiaries and 3 jointly controlled entity, which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Further, the consolidated financial statements also include the Company's share of net loss of 0.11 crore for the year ended March 31, 2015, in respect of a associates, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Further, consolidated financial statement includes unaudited

consolidated financial statements of three foreign subsidiary, including two step down subsidiaries, the consolidated net assets of these three subsidiaries as at March 31, 2015 and their consolidated net result included in the consolidated financial statement amounted to ₹ 99.28 Crore and ₹ 37.21 Crore negative respectively. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and jointly controlled entity, is based solely on the reports of such other auditors.

- b. The financial statements of an associate, having net loss of ₹ 2.23 crores (i.e. holding company's share) for the previous year ended March 31, 2014, have not been consolidated during the current year ended 31 March 2015.
- c. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditor's report of the Holding company, its subsidiaries, joint controlled entity and associates incorporated in India, to whom the Order applies we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, to the extent applicable, we report that:
  - a. We have sought and except for the matters described in the Basis for Qualified Opinion paragraph, we/the other auditors whose reports we have relied upon obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph 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 and the reports of the other auditors;
  - c. the consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d. Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. The matters described in the Basis for Qualified Opinion and the matters described under para 1 & 2 under Emphasis of Matters paragraph above, in our opinion, may have an adverse

effect on the functioning of the group and jointly controlled entities.

- f. On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph and under the annexure referred to in paragraph 1 of Report on other Legal and Regulatory requirements
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us,
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position Group, its associates and jointly controlled entity- Refer Note 29 to the consolidated financial statements;

- ii. except for the effects of matters described in the basis for qualified opinion paragraph, the group has made provision as at March 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts. The group did not have any derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, joint controlled entity and its associates incorporated in India.

**For CHATURVEDI & PARTNERS**

Chartered Accountants  
Firm Registration No.307068E

**R N CHATURVEDI**

Partner  
Membership No. 092087

Hyderabad  
May 30, 2015

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

Ramky Infrastructure Limited ('Holding Company') and its subsidiaries, associates and joint controlled entity incorporated in India and to whom the provisions of the Order apply (together referred to as "the Covered entities" in this report). Our reporting, hereunder, in so far as it relates to the aforesaid subsidiaries, jointly controlled entity and associates is based solely on the reports of the other auditors who audited the financial statements of these subsidiaries, jointly controlled entity and associates.

- (i) (a) The Holding Company and covered entities, wherever applicable, have maintained records showing particulars including quantitative details and situation of fixed assets. However, comprehensive description of assets and current locations are yet to be incorporated in the assets records.
- (b) Fixed assets were physically verified by the holding company and covered entities during the year in accordance with a program of verification which, in our opinion 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. While the reconciliation of the fixed assets verified with the books are currently in progress, in the opinion of the management the discrepancies, if any, are not expected to be material.
- (ii) (a) The management of the holding Company and covered entities, wherever applicable, have conducted physical verification of inventory at reasonable intervals during the year. In our opinion, in case of Holding Company, the frequency of verification of inventory needs to be increased to be adequate in relation to size of company and nature of its business. In case of 'Ramky multi Product Industrial Park Limited' the other auditors have reported that, due to special nature of inventories carried by the said Company as on balance sheet date, does not need physical verification.
- (b) Read with (ii) (a) above, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Covered entities and the nature of their business except in case of Holding Company where such procedures of physical verification of inventories followed by the management, needs to be further strengthened, to commensurate with the size of the Company and the nature of its business.
- (c) Read with (ii) (a) above, the Covered entities are maintaining proper records of inventory and no material discrepancies were noticed on physical verification. However, in respect of the Holding Company we are of the opinion that the procedure for updating these records needs to be further strengthened keeping in view the nature and scale of its operation. The management has carried physical verification of the inventories and the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us and the other auditors of covered entities, the Holding Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans having regard to the rollover of the loans,

- a. the receipts of principal amount and interest, wherever stipulated, is regular
- b. there are no overdue amount in excess of ` one lakh remaining outstanding as at the year-end.
- (iv) In our opinion and as per the opinion of the other auditors of covered entities and according to the information and explanations given to us and the other auditors, having regard to the explanations that purchase of certain items of inventories, fixed assets and sale of services are for the Company's/Buyer's specialized requirements, and suitable alternative sources are not readily available for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Holding Company and the Covered entities and the nature of businesses, for the purchase of inventory and fixed assets and for the sale of goods and services, wherever applicable to the nature of the business. During the course of audit by us and by the other auditors, no major weakness was observed or continuing failure to correct any major weakness in the internal control system in respect of these areas.
- (v) The Holding Company and the Covered entities have not accepted any deposits any deposit within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder to the extent notified.
- (vi) According to the information and explanations given to us and the other auditors of the covered entities, in our opinion and the opinion of the other auditors, the Holding Company and the covered entities, prima facie, made and maintained the prescribed cost records pursuant to the Rules made by the Central Government under Section 148(1) of the Companies Act, 2013. Neither we nor the other auditors have, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the other auditors of the covered entities, the Holding Company has not been regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, cess and other material statutory dues, as applicable with the appropriate authorities. There have been significant delays in a large number of cases in depositing these dues with the appropriate authorities. As informed to us, the company did not have any dues on account of Excise duty and Custom duty. Further respective auditors of Ramky Multi Product Industrial park Limited, Ramky Towers Limited and Ramky Enclave Limited have reported that no undisputed statutory dues except ₹ 0.62 Crore, ₹ 2.85 Crore and ₹ 0.30 crore respectively in respect of income tax/income deducted at source, were outstanding as at March 31, 2015 for a period of more than six months from the date they become payable. In case of holding company, amount of undisputed statutory dues which were outstanding as at March 31, 2015 for a period of more than six months from the date they became due are given in Appendix-1 to this report.
- (b) According to the records of the Holding Company and the Covered entities, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as given in Appendix 2 to this report.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and the Covered entities.

- (viii) Without considering the consequential effects, if any, of the matter(s) stated in Basis of Qualified opinion paragraph of our auditors' report, the accumulated losses of the Holding Company at the end of the financial year are less than fifty per cent of its net worth but it had incurred cash losses in the financial year covered by our audit and immediately preceding financial year. Further, on the basis of our audit and the reports of other auditors who audited the financial statements of certain Covered entities (a) some of the Covered entities have been incorporated for less than five years and hence we are not required to comment under clause (viii) of the Order, (b) some Covered entities have accumulated losses less than fifty percent of their respective net worth, (c) some Covered entities have incurred cash losses while other haven't incurred cash losses in the current year, (d) some Covered entities have incurred cash losses while other haven't incurred cash losses in the immediately preceding financial year, and (e) some Covered entities have incurred cash losses while other haven't incurred cash losses in the current and immediately preceding financial year.
- (ix) In our opinion and the opinion of other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and some covered entities have delayed in repayment of dues to financial institutions and banks. The Holding Company and the covered entities have not issued debentures. The details of the default are given in Appendix-III to this report.
- (x) According to the information and explanations given to us, wherever applicable, the Holding Company and the Covered entities have given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Holding Company and the Covered entities.
- (xi) In our opinion and the opinion of other auditors and according to the information and explanations given to us and the other auditors, wherever applicable, term loans were applied by the Holding Company and the Covered entities during the year for the purpose for which the loans were obtained.
- (xii) To the best of our knowledge and according to the information and explanations given to us and other auditors no fraud on or by the Holding Company and the Covered entities have been noticed or reported during the year. However, as reported by the auditors of 'Ramky Pharma City (India) Limited, during the previous year a charge sheet has been filed by CBI with CBI court, Nampally, Hyderabad alleging certain irregularities by that subsidiary Company pertaining to reduction of green belt area, the said auditors were unable to reliably quantify the impact of such irregularities and the consequential financial impact on the said Company which will be known when matter is resolved.

**For CHATURVEDI & PARTNERS.**  
Chartered Accountants  
Firm Registration No.307068E

Hyderabad  
May 30, 2015

**R N CHATURVEDI**  
Partner  
Membership No. 092087

## Appendix I as referred to in para vii(a) of Annexure to the Independent Auditor's report

### a. Holding Company

Name of statutes	Nature of Due	Period to which amount relates (₹ in crores)					
		Upto 2013-14	April'14	May'14	June'14	July'14	August'14
Income tax act, 1961	Income tax Deducted at Source (ITDS)	2.88	0.81	1.10	1.47	1.36	0.94
	Due date	30th April	7th May	7th June	7th July	7th Aug	7th Sept
Finance Act, 1994	Service Tax	3.73	0.70	0.14	0.39	1.02	0.25
	Due date	31st March	6th May	6th June	6th July	6th Aug	6th Sep
The Jammu and Kashmir Value added Tax Act, 2005	Work contract Tax (WCT)	2.91	-	-	1.16	-	-
	Due date	30th April	-	-	31st July	-	-
Value added tax- Jharkhand	WCT Deducted at source	1.36	0.18	-	0.16	0.08	0.07
	Due date	15th April	15th May	-	15th July	15th Aug	15th Sep
Value added tax-Bihar	WCT Deducted at source	-	0.48	-	-	0.38	-
	Due date	-	15th May	-	-	15th Aug	-
Value added tax-Delhi	WCT Deducted at source	0.21	-	0.0005	-	-	-
	Due date	20th April	-	20th July	-	-	-
Value added tax-Uttar Pradesh	WCT Deducted at source	0.40	0.03	0.005	0.01	0.04	0.01
	Due date	20th April	20th May	20th June	20th July	20th Aug	20th Sep
Value added tax-West Bengal	Work contract Tax Deducted at source	0.78	-	-	0.05	-	-
	Due date	30th April	-	-	31st July	-	-

## Appendix II as referred to in para vii b of Annexure to the Independent Auditors' report

### (i) Holding Company

Name of the statute	Nature of the dues	Amount (in crores)	Period to which it pertain	Forum where dispute pending
Andhra Pradesh General sales Tax Act, 1957	Tax	0.17 (0.09)*	2001-02	High Court of Andhra Pradesh.
Andhra Pradesh General sales Tax Act, 1957	Tax	0.91 (0.45)*	2002-03	The Deputy Commissioner, Panjagutta
Andhra Pradesh VAT Act, 2005	Tax	6.85 (6.85)*	2005-2008	Commercial Tax Officer, Somajiguda, Hyderabad.
Andhra Pradesh VAT Act, 2005	Tax	1.05 (1.53)*	2005 -07	Sales Tax Appellate Tribunal, Hyderabad
Karnataka Value Added Tax, 2003	Tax	0.88 (0.88)*	2005-06	Joint Commissioner of CT- Appeal 3
WEST BENGAL VALUE ADDED TAX	Tax	0.83	2005-2006	The Additional Commissioner Commercial taxes, Kolkatta
WEST BENGAL VALUE ADDED TAX	Tax	2.51	2006-2007	The Additional Commissioner Commercial taxes, Kolkatta
Andhra Pradesh VAT Act, 2005	Interest	0.08	2007-2008	Commercial Tax Officer, Somajiguda, Hyderabad.
Andhra Pradesh VAT Act, 2005	Tax and penalty	1.19 (0.43)*	2007-2009	Sales Tax Appellate Tribunal, Hyderabad
Andhra Pradesh VAT Act, 2005	Tax and penalty	4.32 (1.99)*	2009-2010	ADC (Appeals), Hyderabad
The Punjab Value Added Tax, 2005	Tax	0.35	2006-07	VAT Tribunal, Punjab, Chandigarh
The Punjab Value Added Tax, 2005	Tax	0.34	2008-09	Appealed before AETC (Appeal)
Madhya Pradesh Value Added Tax, 2002	Tax	0.95 (0.09)*	2010-2011	Appellate Tribunal, Bhopal
Madhya Pradesh Value Added Tax, 2002	Tax	3.11	2011-12	Appellate Tribunal
Madhya Pradesh Value Added Tax, 2002	Tax	4.42	2012-13	Appellate Tribunal
BVAT Act, 2005	Penalty	1.75	2010-11	DCCT (Appeal), Patna
BVAT Act, 2005	Penalty	2.45	2010-11	DCCT (Appeal), Patna
BVAT Act, 2005	Penalty	0.03	2010-11	DCCT (Appeal), Patna

(Contd.)

Name of the statute	Nature of the dues	Amount (in crores)	Period to which it pertain	Forum where dispute pending
BVAT Act, 2005	Penalty	0.22	2011-12	DCCT(Appeal), Patna
BVAT Act, 2005	Tax	0.15	2010-11 to 2011-12	DCCT, Patna
JVAT ACT	Tax	1.56	2012-13	DCCT, Jamshedpur
JVAT ACT	Penalty	1.96	2013-14	DCCT, Jamshedpur
<b>Service tax</b>				
Finance Act, 1994	Tax	3.05	2004-05 to 2006-07	Central Excise & Service Tax Appellate Tribunal (CESTAT), Bangalore
Finance Act, 1994	Tax	53.22 (4.09)*	2004-12	Commissioner of Customs, Central Excise & Service Tax (CCCE&S), various states
Finance Act, 1994	Tax	15.06 (0.20)*	2004-08	CESTAT, Kolkata
Finance Act, 1994	Tax	6.13 (0.75)*	1-6-2007 to 31-5-2008	High Court of Andhra Pradesh
Finance Act, 1994	Tax	0.98	2007-09	CESTAT, Bangalore
Finance Act, 1994	Tax and Penalty	44.23 (0.23)*	2004-08	CESTAT, Bangalore
Finance Act, 1994	Tax	0.20	2005-08	Asst. Commissioner (Audit), Service Tax Cell, Visakhapatnam
Finance Act, 1994	Tax	0.04	2007-08	CCCE&S -Appeals, Chennai.
Finance Act, 1994	Tax	4.86	2009-12	CCCE&S, Hyderabad
Finance Act, 1994	Tax	0.19	2010-11	CCCE&S, Hyderabad
Finance Act, 1994	Tax	0.71	2011-12	Additional (CCCE&S)
Finance Act, 1994	Tax	2.17	2007-12	CCCE&S

\* Paid under Protest

**(ii) Ramky Pharma City (India) Limited**

Name of the statute	Nature of the dues	Amount (in crores)	Period to which it pertain	Forum where dispute pending
Finance Act, 1994	Tax	22.48 (2.5)*	2007-13	The customs, Excise & Service Tax Appellate Tribunal, Bangalore

\* Paid under Protest

**Appendix III as referred to in para ix of Annexure to the Independent Auditor's Report:**

A. Details of Delay in repayment of dues to banks and others , which were outstanding as at March 31, 2015.(i.e. continuing default)

**a. Holding Company**

**Cash credit facilities and working capital demand loans**

Nature of Dues	Range for amount of Default/overdrawn (₹ in crore)	Range for period of default/overdrawn (in days)
Cash credit from bank	0.54 to 2.13	60
Cash credit from bank	0.95 to 1.25	31
Cash credit from bank	0.05 to 0.72	90
Cash credit from bank	5.92 to 13.85	32
Cash credit from bank	0.27 to 3.65	135
Cash credit from bank	1.83 to 5.68	60
Interest on Loan	0.80	1

#### Term Loans

Nature of Dues	Range for amount of Default (Amount ₹ in crore)	Range for Period of Default (in days)
Interest on Short term loan	0.52 to 0.58	1 to 60
Interest on Short term loan	0.24 to 0.27	1 to 61
Interest on Short term loan	0.54 to 0.60	1 to 60
Interest on Short term loan	0.20	1
Short term loan -Principal	47.5	5
Interest on long term loan	0.48	59
Interest on long term loan	0.44	31
Interest on long term loan	0.62	1
Interest on long term loan	0.46	1

#### Hire purchase loan

Particular	Total amount of principal outstanding	Total amount of interest outstanding	No. of installment outstanding	Range for Period of Default (in days)
From Bank	0.73	0.12	59	12 to 377
From Bank	0.02	0.01	5	12 to 71
From Bank	0.67	0.05	10	10 to 38
From others	3.88	0.47	47	12 to 212
From others	2.84	0.35	22	12 to 346
From others	0.58	0.02	4	9 to 59
From others	2.3	0.2	26	17 to 303
From others	1.4	0.37	56	17 to 357

#### (b) Srinagar Banihal Expressway Limited

Nature of dues	Amount (in crore)	Period of Default
Interest on long term loans	3.89	1 to 32 days

#### (c) NAM Expressway Limited

Nature of dues	Amount (in crore)	Period of Default
Interest on long term loan	12.29	1 to 60 days
Repayment of Principal-long term loan	6.81	1 day

- B. Details of delays in repayment of principal and interest against the borrowing facilities during the year ended March 31, 2015, (i.e. defaults during the year made good on or before March 31, 2015)

#### a. Holding Company

##### (i) Cash Credit and working capital demand loans.

Nature of Dues	Range for amount of Default/ overdrawn (₹ in crore)	Range for period of default/ overdrawn (in days)
Cash credit from bank	0.05 to 8.35	3 to 87
Cash credit from bank	0.54 to 2.06	26 to 89
Cash credit from bank	0.08 to 3.45	7 to 71
Cash credit from bank	0.07 to 0.52	65 to 123
Cash credit from bank	5.25 to 18.90	6 to 92
Cash credit from bank	0.19 to 11.48	4 to 90
Cash credit from bank	0.01 to 25.95	8 to 150
Cash credit from bank	0.56 to 8.40	1 to 22
Cash credit from bank	0.12 to 7.53	2 to 171
Interest on WCDL	0.73 to 0.80	2 to 8

(ii) Term Loans-

a. Holding Company

Nature of Dues	Range for amount of Default (Amount ₹ in crore)	Range for Period of Default (in days)
Interest on Short term Loan	0.06 to 0.10	22 to 93
Interest on Short term Loan	0.06 to 0.58	2 to 82
Interest on Short term Loan	0.22 to 0.27	21 to 82
Interest on Short term Loan	0.42 to 0.60	4 to 83
Interest on Short term Loan	0.01 to 0.20	32 to 91
Interest on Long term Loan	0.80 to 1.31	3 to 25
Interest on Long term Loan	0.42 to 0.48	23 to 90

b. Ramky Elsamex Hyderabad Ring Road Limited (Subsidiary company)

Nature of Dues	Amount of Defaults (Amount ₹ in crore)	Range for Period of Default (in days)
<b>Long term loans</b>		
Repayment of Principal	25.11	20 to 52
Interest on Loan	10.71	12 to 61
Repayment of Principal	4.97	13 to 90
Interest on Loan	3.41	18 to 89

- c. In case of Srinagar Banihal Expressway Limited and NAM Expressway Limited, the respective auditors have stated that, the company had made some defaults in payment of interest and principal to banks and financial institutions during the year, most of which have been made good before end of the year

(v) Hire Purchase loan-Holding Company

Particular	Total amount of principal delayed	Total amount of interest delayed	No. of Installment	Range for Period of Default(in days)
From Bank	1.55	0.32	75	5 to 322
From Bank	1.20	0.38	118	7 to 244
From Bank	3.44	0.44	105	5 to 65
From Others	6.93	1.38	127	26 to 207
From Others	0.6	0.15	9	4 to 248
From Others	2.24	0.26	24	7 to 275
From Others	1.14	0.16	53	9 to 351
From Others	1.31	0.45	53	61 to 313

# Consolidated Balance Sheet

(All amounts are ₹ in crores unless otherwise stated)

Particulars	Note	As at 31 March 2015	As at 31 March 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	3	57.20	57.20
(b) Reserves and surplus	4	744.80	1,175.37
		<b>802.00</b>	<b>1,232.57</b>
Minority interest		117.45	117.29
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	5	2,026.81	1,773.64
(b) Deferred tax liabilities (net)	35	33.63	41.99
(c) Other long-term liabilities	6	62.09	21.85
(d) Long-term provisions	7	2.29	67.65
		<b>2,124.82</b>	<b>1,905.13</b>
<b>3. Current liabilities</b>			
(a) Short-term borrowings	8	1,350.10	1,253.35
(b) Trade payables	9	1,119.30	1,013.89
(c) Other current liabilities	10	1011.76	908.31
(d) Short-term provisions	11	43.02	40.57
		<b>3,524.18</b>	<b>3,216.12</b>
		<b>6,568.45</b>	<b>6,471.11</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets:			
(i) Tangible assets	12	379.57	513.43
(ii) Intangible assets		933.17	949.54
(iii) Capital work-in-progress		7.40	23.43
(iv) Intangible assets under development		3.68	3.65
		<b>1,323.82</b>	<b>1,490.05</b>
(b) Non-current investments	13	104.81	110.96
(c) Deferred tax assets, net	35	412.28	200.83
(d) Long-term loans and advances	14	245.63	159.37
(e) Other non-current assets	15	1,519.18	1,055.61
(f) Goodwill on consolidation		2.13	2.13
		<b>3,607.85</b>	<b>3,018.95</b>
<b>2. Current assets</b>			
(a) Inventories	16	1,040.78	1,347.43
(b) Trade receivables	17	979.21	996.34
(c) Cash and bank balances	18	125.38	107.41
(d) Short-term loans and advances	19	702.95	760.55
(e) Other current assets	20	112.28	240.43
		<b>2,960.60</b>	<b>3,452.16</b>
<b>TOTAL</b>		<b>6,568.45</b>	<b>6,471.11</b>
<b>Significant accounting policies and Notes to consolidated financial statements</b>	1 to 49		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **CHATURVEDI & PARTNERS**  
Chartered Accountants  
Firm Registration No. 307068E

**R N CHATURVEDI**  
Partner  
Membership No: 92087

Hyderabad  
30 MAY 2015

for and on behalf of the Board of Directors of  
**RAMKY INFRASTRUCTURE LIMITED**

**A AYODHYA RAMI REDDY**  
Executive Chairman

**I W VIJAYA KUMAR**  
Chief Financial Officer

**Y R NAGARAJA**  
Managing Director

**V PHANI BHUSHAN**  
Company Secretary

# Consolidated Statement of Profit and Loss

(All amounts are ₹ in crores unless otherwise stated)

Particulars	Note	Year ended 31 March 2015	Year ended 31 March 2014
I Revenue from operations	21	1,644.13	2,401.70
II Other income	22	62.08	36.30
III <b>Total Revenue (I+II)</b>		<b>1,706.21</b>	<b>2,438.00</b>
IV <b>Expenses:</b>			
Change in contract work-in-progress		116.78	(26.64)
Cost of traded materials consumed	23	0.18	1.60
Construction and development expenses	24	1,462.60	2,250.69
Employee benefits expense	25	55.05	89.57
Finance costs	26	514.97	380.42
Depreciation and amortization expense	12	91.85	68.84
Other expenses	27	177.09	306.38
<b>Total expenses</b>		<b>2,418.52</b>	<b>3,070.86</b>
V <b>(Loss)/ Profit before tax (III-IV)</b>		(712.31)	(632.86)
VI <b>Tax expense:</b>			
- Current tax		0.80	2.36
- Deferred tax		(218.24)	(224.42)
- Taxes for prior years		(12.19)	12.84
- Minimum alternate tax credit		-	(0.94)
		(229.63)	(210.16)
VII <b>(Loss)/Profit for the year before minority interest and share of loss from associate companies (V-VI)</b>		(482.68)	(422.71)
Minority interest		0.17	7.23
Transfer of profit/(loss) on accounts of change in shareholding		-	(15.16)
Share of loss from associate companies		0.11	0.08
<b>(Loss)/ Profit for the year</b>		<b>(482.96)</b>	<b>(414.85)</b>
Earnings per equity share - par value of ₹10 per share			
- Basic and diluted	33	(84.44)	(72.53)
<b>Significant accounting policies and Notes to financial statements</b>	1 to 49		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **CHATURVEDI & PARTNERS**  
Chartered Accountants  
Firm Registration No. 307068E

**R N CHATURVEDI**  
Partner  
Membership No: 92087

Hyderabad  
30 MAY 2015

for and on behalf of the Board of Directors of  
**RAMKY INFRASTRUCTURE LIMITED**

**A AYODHYA RAMI REDDY**  
Executive Chairman

**Y R NAGARAJA**  
Managing Director

**I W VIJAYA KUMAR**  
Chief Financial Officer

**V PHANI BHUSHAN**  
Company Secretary

# Consolidated Cash Flow Statement

(All amounts are ₹ in crores unless otherwise stated)

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
<b>A. Cash flow from operating activities</b>		
(Loss)/ Profit before tax	(712.31)	(632.86)
Adjustments:		
Depreciation and amortization expense	91.85	68.84
Fixed assets written off	17.95	0.47
Prior period items	65.59	-
Interest expenses	514.97	358.61
Provision for doubtful trade receivables	11.82	147.71
Provision for foreseeable loss	6.70	20.90
Provision for doubtful loans and advances	12.22	74.04
(Profit)/Loss on sale of fixed assets, net	10.02	1.10
Interest income	(28.44)	(17.81)
Liabilities no longer required written back	-	(6.06)
Dividend income	(1.80)	(1.85)
Unrealized gain on foreign current translation	-	2.24
<b>Operating profit/ (loss) before working capital changes</b>	<b>(11.43)</b>	<b>15.33</b>
Change in working capital		
(Increase)/decrease in loans and advances	4.07	14.73
(Increase)/decrease in other current assets	(452.19)	(23.04)
(Increase)/decrease in trade receivables	(1.33)	349.18
(Increase)/decrease in inventories	306.65	(35.12)
Increase/(decrease) in provisions	(66.55)	19.64
Increase/(decrease) in trade payables	105.41	(275.21)
Increase/(decrease) in other liabilities	124.69	(58.56)
	<b>20.75</b>	<b>(8.38)</b>
<b>Cash generated from operations</b>	<b>9.32</b>	<b>6.95</b>
(Increase)/decrease in receivable due to service concession agreement	127.80	(337.89)
Income taxes paid, net	12.17	(45.34)
<b>Net cash used in operating activities</b>	<b>149.29</b>	<b>(376.28)</b>
<b>B. Cash flows from investing activities:</b>		
proceeds from sale of investment	6.15	-
Purchase of Investment	-	(0.04)
Interest received	24.06	28.24
(Increase)/decrease in other bank balance not considered as cash and cash equivalent	(2.38)	7.27
Purchase of fixed assets	(21.05)	(194.14)
proceeds from sale of fixed assets	22.22	3.52
Dividend received	-	1.85
<b>Net cash used in investing activities</b>	<b>29.00</b>	<b>(153.30)</b>
<b>C. Cash flows from financing activities:</b>		
Proceeds from government grants	3.55	55.04
Proceeds/(repayment) from long term borrowings	253.17	428.51
Proceeds/(repayment) of short term borrowings	96.75	394.00
Interest paid	(511.44)	(344.83)
<b>Net cash provided by financing activities</b>	<b>(157.97)</b>	<b>532.72</b>
<b>Net increase in cash and cash equivalents</b>	<b>20.32</b>	<b>3.14</b>
Cash and cash equivalents at the beginning of the year	81.08	77.57
Effect of exchange gain on cash and cash equivalents	0.03	0.37
<b>Cash and cash equivalents at the end of the year (refer note 18)</b>	<b>101.43</b>	<b>81.08</b>
Note: figures in brackets represents cash outflows.		
<b>See accompanying notes forming part of the financial statements</b>	<b>1 to 49</b>	

As per our report of even date attached

for **CHATURVEDI & PARTNERS**  
Chartered Accountants  
Firm Registration No. 307068E

**R N CHATURVEDI**  
Partner  
Membership No: 92087

Hyderabad  
30 MAY 2015

Ramky Infrastructure Limited

for and on behalf of the Board of Directors of  
**RAMKY INFRASTRUCTURE LIMITED**

**A AYODHYA RAMI REDDY**  
Executive Chairman

**I W VIJAYA KUMAR**  
Chief Financial Officer

**Y R NAGARAJA**  
Managing Director

**V PHANI BHUSHAN**  
Company Secretary

# Notes to the consolidated financial statements

## 1. Corporate information

Ramky Infrastructure Limited ("the Company") is an integrated construction, infrastructure development and management company headquartered in Hyderabad, India. The Company its subsidiaries and jointly controlled entities (collectively referred to as the "Group") diversified in a range of construction and infrastructure projects in various sectors such as water and waste water, transportation, irrigation, industrial construction and parks (including SEZs), power transmission and distribution, and residential, commercial and retail property. A majority of the development projects of the Company are based on Public-Private Partnerships (PPP) and are operated by separate Special Purpose Vehicles (SPV) promoted by the Company, joint venture partners and respective Governments.

## 2. Basis of preparation of financial statements

The consolidated financial statements of the Company and its subsidiaries and jointly controlled entities (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") /Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company and as per the guidance as set out in the Schedule III to the Companies Act, 2013.

### 2.1 Use of estimates

The preparation of the consolidated 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 consolidated financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

### 2.2 Principles of consolidation

The consolidated financial statements relate to Ramky Infrastructure Limited ("the Company") and its subsidiary companies, associates 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, 2014. 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 "The Effect of Changes in Foreign Exchange rates" which is effective for the accounting periods commencing on or after 1 April 2004. In accordance with AS -11, 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.
- 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, 2014 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, 2014.
- The excess / deficit of cost to the parent company of its investment in the subsidiaries, associates and jointly controlled entities 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.
- 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. 31 March 2015.

## Notes to the consolidated financial statements (Continued)

- 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.

### 2.3 Inventories

- Inventories are carried at the lower of cost and net realisable value.
- Cost of inventories comprises of 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.

### 2.4 Consolidated Cash flow statement

Cash flows of the Group 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 and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

### 2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### 2.6 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.

Depreciation on fixed assets is provided using the straight-line method at the rates specified in Schedule II to the Companies Act, 2013, except for construction accessories included in plant and equipment which are depreciated at rates given below based on useful life determined by the Management. In the opinion of the Management, the rates specified in Schedule II reflect the economic useful lives of the all other assets. Intangible assets are amortised on straight-line basis over their estimated useful lives not exceeding ten years from the date when the assets is available for use.

Name of the asset	Estimated useful life
Shuttering materials	5 years
Pump sets	5 years
Vibrators and needles	5 years

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

### 2.7 Revenue recognition

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

Revenue from long term construction contracts is recognised on the percentage of completion method as prescribed in Accounting Standard (AS) 7 "Construction contracts" notified by the Companies Accounting Standards Rules, 2014. 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 recognised 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 recognised 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 recognised a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the grantor for the construction and operation and maintenance services. Such financial assets are classified as "Receivables under Service Concession Arrangements". Interest income arising on account of the Receivables under Service Concession Arrangements is recognised in the statement of profit and loss 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 intangible asset corresponds to the right granted by the concession grantor to the operator to charge users of the public service. The Group has recognised 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.

## 2.8 Foreign currency 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 statement of profit and loss.

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 statement of profit and loss. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

## 2.9 Derivative instruments and hedge accounting

The Group uses foreign exchange forward contracts to mitigate its risk of changes in foreign currency exchange rates and does not use them for trading or speculative purposes.

The premium or discount on foreign exchange forward contracts is amortized as income or expense over the life of the contract. The exchange difference is calculated and recorded in accordance with AS-11 (revised). The exchange difference on such a forward exchange contract is calculated as the difference of the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognised in the statement of profit and loss in the reporting period in which the exchange rates change.

## 2.10 Government Grants

Government grants are recognised only when it is reasonably certain that the related entity will comply with the attached conditions and the ultimate collection is not in doubt. Where the government grants are of the nature of promoter's contribution and no repayment is ordinarily expected in respect thereof, the grants are treated as capital reserve which can be neither distributed as dividend nor considered as deferred income.

Where the government grants relates to specific fixed assets are

treated as deferred government grants, which is recognised in the statement of profit and loss in proportion to the depreciation charge over the useful life of the related asset.

## 2.11 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.

## 2.12 Employee benefits

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss 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 statement of profit and loss. All actuarial gains and losses arising during the year are recognised in the statement of profit and loss.

## 2.13 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.

## 2.14 Segment reporting

The Group'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 Group 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.

## 2.15 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 statement of profit and loss on a straight-line basis over the lease term.

## 2.16 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.

## 2.17 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 Group.

### 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 realized 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 realised. The break-up of the major components of the deferred tax assets and liabilities as at the balance sheet date have 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

Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

## 2.18 Intangible assets and amortisation

Intangible assets, other than those covered by SCAs, comprise of software. Intangible assets are reported at acquisition cost with

deductions for accumulated amortisation and impairment losses, if any. Intangible assets are amortised over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use.

## 2.19 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 statement of profit and loss. 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.

## 2.20 Provisions and contingent liabilities

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

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

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
<b>Note 3: Share capital</b>				
<b>Authorised capital</b>				
Equity shares of ₹ 10 each	70,000,000	70.00	70,000,000	70.00
<b>Issued, Subscribed and Paid-up</b>				
Equity shares of ₹ 10 each, fully paid-up	57,197,791	57.20	57,197,791	57.20
<b>Total</b>		<b>57.20</b>		<b>57.20</b>

**3a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
<b>Equity Shares:</b>				
Balance at the beginning and end of the year	57,197,791	57.20	57,197,791	57.20

**3b. Rights, preferences and restrictions attached to the equity shares:**

The Company has only one class of equity shares having par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by equity shareholders.

**3c. The details of shareholders holding more than 5% shares in the Company:**

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	% of holding	Number	% of holding
Alla Ayodhya Rami Reddy:	34,556,122	60.42%	34,556,122	60.42%
SA1 Holding Infrastructure Company Private Limited	4,165,884	7.28%	4,165,884	7.28%

Particulars	As at		As at	
	31 March 2015		31 March 2014	
<b>Note 4: Reserves and surplus</b>				
<b>Capital reserve on account of consolidation:</b>				
Balance at the beginning of the year		95.01		91.30
Additions during the year		5.30		3.71
Balance at the end of the year		<b>100.31</b>		<b>95.01</b>
<b>Capital reserve on account of government grants:</b>				
Balance at the beginning of the year		195.19		140.15
Received during the year (refer note 4.1 below)		3.55		55.04
<b>Balance at the end of the year</b>		<b>198.74</b>		<b>195.19</b>
<b>Securities premium account:</b>				
Balance at the beginning and end of the year of the year		408.13		408.13
		<b>408.13</b>		<b>408.13</b>
<b>General reserves:</b>				
Balance at the beginning and end of the year of the year		25.00		25.00
<b>Balance at the end of the year</b>		<b>25.00</b>		<b>25.00</b>
<b>Foreign exchange translation reserve:</b>				
Balance at the beginning of the year		54.92		18.56
Translation of foreign entities with non-integral operations		(15.39)		36.36
<b>Balance at the end of the year</b>		<b>39.53</b>		<b>54.92</b>
<b>Surplus in the statement of profit and loss:</b>				
Balance at the beginning of the year		397.12		818.43
Change in Depreciation as per Companies Act, 2013 "(net of Deferred tax) (refer note 45)		(3.54)		-
Net profit/(loss) for the year		(482.96)		(414.85)
Transfer of profit to other shareholders of a subsidiary due to change in shareholding		-		(6.46)
Add: Provision for tax of earlier years written back (refer note 39)		62.47		-
<b>Balance at the end of the year</b>		<b>(26.91)</b>		<b>397.12</b>
		<b>744.80</b>		<b>1,175.37</b>

**Notes to the consolidated financial statements (Continued)**

**Note:**

N.A.M Expressway Limited (NAM), a jointly controlled entity, had received equity support of ₹ 1.80 Crores (previous year 200.00 Crores) from the central government of India and ₹ 5.04 Crores (previous year ₹ 190.36 Crores) from the government of Andhra Pradesh as per the consession agreement and the group shares amounting to ₹ 3.42 Crores (previous year ₹ 195.19 Crores). The total equity support is ₹ 467.02 Crores and the same will be disbursed on the progress of the project and the expenditure incurred by the consessionaire on the civil works as per the disbursement methodology of the project fund as specified in clause 25.2 of the consession agreement entered into by NAM with government of Andhra Pradesh and Telangana.

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 5: Long-term borrowings (refer note 31)</b>		
Secured loans:		
(a) From banks:		
- Term loans	1,743.29	1,581.05
- Equipment and vehicle loans	2.15	8.98
From others:		
- Term loans	181.09	159.48
- Equipment and vehicle loans	3.11	23.85
Unsecured loans:		
From others:		
- From related parties (refer note 42)	97.17	0.28
	<u>2,026.81</u>	<u>1,773.64</u>
<b>Note 6: Other long-term liabilities</b>		
Trade payables (refer note below)	30.38	8.36
Mobilisation and other advances	12.71	4.02
Other payables	19.00	9.47
	<u>62.09</u>	<u>21.85</u>
<b>Note 7: Long-term provisions</b>		
Provision for earlier years income tax	-	66.56
Provision for employee benefits (refer note 43)		
- Gratuity	1.16	0.77
- Compensated absences	0.47	0.32
- Provision towards resurfacing obligation	0.66	-
	<u>2.29</u>	<u>67.65</u>
<b>Note 8: Short-term borrowings (refer note 31)</b>		
Secured loans:		
From banks:		
(a) Loans repayable on demand:		
- Working capital loans	70.00	77.00
- Cash credit	1,088.92	1,015.07
Unsecured loans:		
Loans repayable on demand:		
- From others (corporates)	-	51.09
- From related parties	191.18	110.19
	<u>1,350.10</u>	<u>1,253.35</u>

Notes to the consolidated financial statements (Continued)

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 9: Trade payables</b>		
Trade payables: (refer note 30)		
- due to other than micro and small enterprises	1,119.30	1,013.89
	<u>1,119.30</u>	<u>1,013.89</u>
<b>Note 10: Other current liabilities</b>		
Current maturities of long-term debts:		
- Term loans	242.32	99.32
- Equipment and vehicle loans	37.96	67.54
- Term loans from corporate	0.28	1.04
- Others	13.31	45.41
	<u>293.87</u>	<u>213.31</u>
Interest accrued but not due	16.68	15.09
Interest accrued and due on borrowings	20.56	18.61
Mobilisation and other advances	368.87	422.04
Advances from customers	95.25	86.37
Security deposits received	10.78	13.17
Unclaimed dividend	0.03	0.03
Dues to statutory/governments authorities	67.39	59.59
Capital creditors	87.08	6.10
Accrued salaries, wages and benefits	11.83	23.97
Provision for expenses	21.10	29.16
Other payables	18.32	20.87
	<u>1011.76</u>	<u>908.31</u>
<b>Note 11: Short-term provisions</b>		
Provision for taxation (net of advance tax)	5.10	8.17
Provision for foreseeable loss	36.57	30.53
Provision for employee benefits:		
- Gratuity (refer to note 43)	0.15	0.14
- Compensated absences	1.20	1.73
	<u>43.02</u>	<u>40.57</u>

**Notes to the consolidated financial statements (Continued)**

**Note 12: Fixed Assets**

(All amounts are ₹ in crores unless otherwise stated)

Description	Gross block					Accumulated depreciation and amortisation					Net block	
	As at 01 April 2014	Additions	Deletions	Foreign exchange adjustments	As at 31 March 2015	As at 01 April 2014	Charge for the year	Deletions	Foreign exchange adjustments	Adjustments during the year	As at 31 March 2015	As at 31 March 2014
<b>Tangible assets:</b>												
Tangible assets:												
Freehold land	8.83	-	-	-	8.83	-	-	-	-	-	8.83	8.83
Buildings*	87.03	-	-	(0.12)	86.91	16.30	4.53	-	(0.08)	-	66.16	70.73
Plant and equipments	501.96	2.32	42.89	(2.64)	458.75	143.96	49.78	12.84	(3.11)	27.51	205.30	358.00
Furniture and fixtures	6.15	0.01	0.08	(0.10)	5.98	3.37	0.66	0.02	(0.06)	0.00	3.95	2.78
Vehicles:					-							
- Construction vehicles	64.95	-	3.82	-	61.13	28.75	7.80	1.82	-	0.03	34.76	36.20
- Other vehicles	29.99	0.10	0.24	(1.58)	28.27	16.65	5.56	0.11	(1.83)	0.11	20.38	13.34
Office equipment	21.72	0.04	-	(0.12)	21.64	6.38	3.96	-	(0.08)	1.20	11.46	15.34
Computer equipment	11.47	0.05	0.01	-	11.51	8.12	1.68	0.00	-	1.14	10.94	3.35
Roads and water supply	10.02	-	-	-	10.02	5.16	0.76	-	-	0.01	5.93	4.86
<b>Total</b>	<b>742.12</b>	<b>2.52</b>	<b>47.04</b>	<b>(4.56)</b>	<b>693.04</b>	<b>228.69</b>	<b>74.73</b>	<b>14.79</b>	<b>(5.16)</b>	<b>30.00</b>	<b>313.47</b>	<b>513.43</b>
<b>Intangible assets:</b>												
Computer software	17.27	0.08	-	-	17.35	2.94	4.13	-	-	1.08	8.15	14.34
Concession intangibles	936.07	17.07	15.32	-	937.82	0.86	12.99	-	-	-	923.97	-
<b>Total</b>	<b>953.34</b>	<b>17.15</b>	<b>15.32</b>	<b>-</b>	<b>955.17</b>	<b>3.80</b>	<b>17.12</b>	<b>-</b>	<b>-</b>	<b>1.08</b>	<b>933.17</b>	<b>14.34</b>
<b>Intangible assets under development:</b>												
Computer software	3.65	0.04	-	(0.01)	3.68	-	-	-	-	-	3.68	3.65
Concession intangibles	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3.65</b>	<b>0.04</b>	<b>-</b>	<b>(0.01)</b>	<b>3.68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.68</b>	<b>3.65</b>
<b>Grant total</b>	<b>1,699</b>	<b>19.71</b>	<b>62.36</b>	<b>(4.57)</b>	<b>1,651.89</b>	<b>232.49</b>	<b>91.85</b>	<b>14.79</b>	<b>(5.16)</b>	<b>31.08</b>	<b>1,316.42</b>	<b>531.41</b>

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 13: Non-current investment</b>		
<b>I. Trade investment- unquoted, valued at cost, unless otherwise stated</b>		
<b>a) Investments in equity instruments of associates:</b>		
Ramky Integrated Township Limited, (stated at net asset value, refer note 13.1 below)	100.05	94.75
18,241 (previous year: 18,241) equity shares of ₹ 10 each, fully paid		
Gwalior Bypass Project Limited	1.42	1.42
25,500 (previous year: 25,500) equity shares of ₹10 each, fully paid		
<b>b) Investments in equity instruments of others:</b>		
Delhi MSW Solutions Limited	0.01	0.01
5,000 (previous year: 5,000) equity shares of ₹ 10 each, fully paid		
Triteus Holdings Private Limited	0.04	0.04
40,000 (previous year: Nil) equity shares of ₹10 each, fully paid		
InfraAsia Development (Vietnam) Limited	-	14.65
Nil (previous year: 1,523,059) Class A equity shares of USD 1 each, fully paid		
Nil (previous year: 100,000) Class B equity shares of USD 0.50 each, fully paid		
<b>c) Investments in preference instruments of associate:</b>		
Gwalior Bypass Project Limited		
2,240 (previous year: Nil) 0.01%, cumulative redeemable preference shares of ₹ 100 each, fully paid	0.09	0.09
<b>II. Investment in Mutual Funds: - Non trade, stated at cost [refer note 41 (1)(b)]</b>		
17,817.341 units in IDFC Cash Fund- Plan A-Growth (Face value of ₹ 1000/-each)	3.20	-
<b>Total investments</b>	<b>104.81</b>	<b>110.96</b>
Aggregate book value of unquoted non-current investments	104.81	110.96

**Note:**

- 13.1 Investment in Ramky integrated Township limited (associate) is stated on the basis of share of holding company in net asset value of the associate as at March 31, 2015, corresponding change in value of investment is recognized in capital reserve on account of consolidation. In the opinion of the management, carrying value of the investment is fully recoverable considering the long term nature of investment. (refer note 4)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 14: Long-term loans and advances</b>		
<b>Unsecured, considered good:</b>		
Capital advances	11.35	11.47
Advances recoverable in cash or in kind or for value to be received	83.02	47.45
Security deposits	6.98	9.94
Other loans and advances:		
- Earnest money deposit	-	0.62
- Receivables from statutory/government authorities	38.65	38.73
- Receivables from income tax authority	105.55	49.11
- Prepaid expenses	0.08	2.05
	<b>245.63</b>	<b>159.37</b>
<b>Unsecured, considered doubtful:</b>		
Earnest money deposit	0.79	0.79
Advances recoverable in cash or in kind or for value to be received	10.66	36.73
	<b>11.45</b>	<b>37.52</b>
<b>Provision for doubtful loans and advances:</b>		
Earnest money deposit	(0.79)	(0.79)
Advances recoverable in cash or in kind or for value to be received	(10.66)	(36.73)
	<b>(11.45)</b>	<b>(37.52)</b>
	<b>245.63</b>	<b>159.37</b>

Notes to the consolidated financial statements (Continued)

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 15: Other non-current assets</b>		
<b>Trade receivables:</b>		
(refer note a below)		
Outstanding for period exceeding six months:		
- Unsecured, considered good	6.72	7.18
- Unsecured, considered doubtful	39.23	44.87
	<b>45.95</b>	<b>52.05</b>
Less: Provision for doubtful trade receivables	(39.23)	(44.87)
	6.72	7.18
Long-term bank deposits (refer note b below)	0.85	1.36
Interest accrued but not due	0.27	0.20
Receivables under service concession arrangements (refer to note 32)	1,511.34	1,046.87
	<b>1,519.18</b>	<b>1,055.61</b>
<b>Note 16: Inventories</b>		
(Valued at the lower of cost and net realisable value)		
Raw materials and components	218.31	328.12
Contract work-in-progress	555.17	736.44
Properties under development {refer to note 41 (1)(a)}	267.28	282.83
Traded goods	0.02	0.04
	<b>1,040.78</b>	<b>1,347.43</b>
<b>Note 17: Trade receivables</b>		
Outstanding for period exceeding six months:		
- Unsecured, considered good	810.41	451.78
- Unsecured, considered doubtful	153.69	135.67
	<b>964.10</b>	<b>587.45</b>
Less: Provision for doubtful trade receivables	(153.69)	(135.67)
	<b>810.41</b>	<b>451.78</b>
Other debts (unsecured)	168.80	544.56
	<b>979.21</b>	<b>996.34</b>
<b>Note 18: Cash and bank balances</b>		
<b>Cash and cash equivalents:</b>		
Cash on hand	0.75	1.90
Cheques on hand	-	12.36
Balances with banks:		
- in current accounts	66.18	52.24
- in deposit accounts*	34.50	14.58
	<b>101.43</b>	<b>81.08</b>
<b>Other bank balances:</b>		
Deposits with maturity more than 3 months but less than 12 months*	23.92	26.30
Balances with bank for unclaimed dividend	0.03	0.03
	<b>125.38</b>	<b>107.41</b>
* Includes amount of ₹ 33.61 crores (previous year: ₹ 30.12 crores) held as margin money or security deposit against bank guarantees and other commitments.		

Notes to the consolidated financial statements (Continued)

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Note 19: Short-term loans and advances</b>		
<i>(Unsecured, considered good)</i>		
Loans and advances to related parties (refer note 42)	60.01	124.68
Mobilisation and material advances	163.27	180.98
Advances recoverable in cash or in kind or for value to be received	315.82	250.93
Advance towards purchase of industrial lands	14.58	11.74
Security deposits	10.17	3.96
Other loans and advances:		
- Earnest money deposit	9.30	9.10
- Advance tax (net of provision)	0.77	79.27
- Balances with statutory/government authorities	106.11	72.85
- Prepaid expenses	6.36	9.81
- Loans and advances to employees	4.13	2.55
- Other advances	12.43	14.68
	<b>702.95</b>	<b>760.55</b>
<b><i>Unsecured, considered doubtful:</i></b>		
Mobilisation and material advances	2.06	1.25
Advances recoverable in cash or in kind or for value to be received	31.75	32.58
	<b>33.81</b>	<b>33.83</b>
<b><i>Provision for doubtful loans and advances:</i></b>		
Mobilisation and material advances	(2.06)	(1.25)
Advances recoverable in cash or in kind or for value to be received	(31.75)	(32.58)
	<b>(33.81)</b>	<b>(33.83)</b>
	<b>702.95</b>	<b>760.55</b>
<b>Note 20: Other current assets</b>		
Interest accrued but not due	10.01	5.63
"Receivables under service concession arrangements "(refer to note 32)"	99.11	226.91
Claim receivable net of provision of ₹ 30.25 crore (previous year ₹ 31.25 crore)	33.41	35.94
Less: Provision	(30.25)	(31.25)
Others	-	3.20
	<b>112.28</b>	<b>240.43</b>

**Notes to the consolidated financial statements (Continued)**

(All amounts are ₹ in crores unless otherwise stated)

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
<b>Note 21: Revenue from operations</b>		
Revenue from construction activities	1,304.94	2,047.52
Revenue from sale of residential flats and industrial lands	45.42	137.72
Sale of traded goods	-	1.63
Operating and maintenance income	155.74	82.89
	<b>1,506.10</b>	<b>2,269.76</b>
<b>Other operating income</b>		
Interest on receivables under service concession arrangements	138.03	127.60
Scrap sale	-	4.34
	<b>138.03</b>	<b>131.94</b>
	<b>1,644.13</b>	<b>2,401.70</b>
<b>Note 22: Other income</b>		
Interest income	28.44	17.81
Dividend income	1.80	1.85
Other non-operating income:		
- Rent received	0.41	-
- Excess provision for employee benefits written back	-	1.75
- Miscellaneous income	31.43	14.89
	<b>62.08</b>	<b>36.30</b>
<b>Note 23: Cost of traded materials consumed</b>		
Opening stock	0.08	0.10
Add: Purchases	0.14	1.54
Less: Closing stock	(0.04)	(0.04)
	<b>0.18</b>	<b>1.60</b>
<b>Note 24: Construction and development expenses</b>		
Contract materials and supplies consumed	361.65	583.29
Sub-contractor expenses	574.80	703.09
Development expenses	185.07	359.27
Labour contract charges	142.85	274.19
Rate and taxes	61.74	87.18
Other project cost	3.16	22.03
Hire charges	18.59	42.28
Power and fuel	17.78	58.79
Operating and maintenance expenses	60.74	59.87
Contract recoveries	14.23	21.92
Transportation charges	3.94	15.50
Repairs and maintenance - plant and machinery	6.28	9.34
Consumables and other site expenses	11.77	13.94
	<b>1,462.60</b>	<b>2,250.69</b>
<b>Note 25: Employee benefits expense</b>		
Salaries and wages	51.35	80.78
Contribution to provident fund and other funds	1.53	4.41
Workmen and staff welfare expenses	2.17	4.38
	<b>55.05</b>	<b>89.57</b>
<b>Note 26: Finance costs</b>		
Interest expenses	491.55	358.61
Other borrowing costs	23.42	19.57
Loss on foreign currency transactions and translation	-	2.24
	<b>514.97</b>	<b>380.42</b>

Notes to the consolidated financial statements (Continued)

(All amounts are ₹ in crores unless otherwise stated)

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
<b>Note 27: Other expenses</b>		
Legal and professional charges (refer note 46)	9.83	7.38
Rent (refer to note 34)	6.41	9.66
Security charges	8.21	10.58
Traveling and conveyance	2.67	3.90
Insurance	3.06	7.70
Electricity charges	3.47	4.64
Rates and taxes	3.82	7.79
Tender forms and registration charges	0.08	0.29
Communication expenses	1.48	2.41
Printing and stationary	0.69	1.02
Repairs and maintenance - others	3.08	2.97
Donations	0.27	0.72
Advertisement	0.47	0.72
Business promotion expenses	0.09	0.30
Provision for doubtful trade receivables	11.82	147.71
Provision for doubtful loans and advances	12.22	74.04
Provision for foreseeable loss, net	6.70	20.90
Loss on sale of fixed assets, net	10.02	1.10
Fixed assets written off	17.95	0.47
Foreign exchange loss	1.15	-
Prior period expenses (refer note 40)	65.59	-
Miscellaneous expenses	8.01	2.08
	<b>177.09</b>	<b>306.38</b>

Notes to the consolidated financial statements (Continued)

28. Description of the Group

Ramky Infrastructure Limited 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:

Sl.No.	Name of the Entity	Country of incorporation	% Holding 2014-15	% Holding 2013-14
<b>Subsidiaries:</b>				
1	MDDA-Ramky IS Bus Terminal Limited	India	100%	100%
2	Ramky Engineering and Consulting Services (FZC)	Sharjah, United Arab Emirates	100%	100%
3	Ramky Pharma City (India) Limited	India	51%	51%
4	Ramky Elsamex Hyderabad Ring Road Limited	India	74%	74%
5	Ramky Towers Limited	India	51%	51%
6	Ramky Food Park (Chhattisgarh) Limited	India	100%	100%
7	Naya Raipur Gems and Jewellery SEZ limited	India	100%	100%
8	Ramky Herbal and Medicinal Park (Chhattisgarh) Limited	India	100%	100%
9	Ramky Enclave Limited	India	89.01%	89.01%
10	Ramky MIDC Agro Processing Park Limited	India	100%	100%
11	Srinagar Banihal Expressway Limited	India	74%	74%
12	Ramky Food Park (Karnataka) Limited	India	100%	100%
13	Ramky Multi Product Industrial Park Limited	India	100%	100%
14	SehoreKosmi Tollways Limited	India	100%	100%
15	Agra Etawah Tollways Limited	India	100%	100%
16	HospetChitradurga Tollways Limited	India	100%	100%
17	Frank Llyod Tech Management Services Limited	India	76%	76%
18	Jabalpur PatanShahpura Tollways Limited	India	100%	100%
19	Ramky Esco Limited	India	100%	100%
<b>B Step-subsidiaries:</b>				
1	Ramky Infrastructure SociedadAnonimaCerradada	Peru	99%	99%
2	JNPC Pharma Innovation Limited	India	100%	100%
3	Ramky Engineering and Consulting Services Gabon SA	Gabon	100%	100%
<b>C Jointly controlled entities:</b>				
1	JorabatShillong Expressway Limited	India	50%	50%
2	N.A.M. Expressway Limited	India	50%	50%
3	Ramky - SMC JV	India	70%	70%
<b>D Associates:</b>				
1	Ramky Integrated Township Limited	India	28.82%	28.82%
2	Gwalior Bypass Project Limited	India	26.01%	26.01%

29. Contingent Liabilities

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
(a) Claims against the Company not acknowledged as debts in respect of:		
(i) Indirect tax and other matters	197.56	237.67
(ii) Disputed claims from customers and vendors	30.97	88.00
(b) Guarantees		
(i) Performance guarantees issued On behalf of others	10.02	7.16
(ii) Bank guarantees and letter of credits	649.54	554.15

**(c) Impact of pending legal cases:**

The Company and its subsidiaries and jointly controlled entities are party to several legal suits on construction/development contract terms related disputes with vendors and contractee/clients, pending before various courts in India as well as arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending disputes / litigations until the cases are decided by the appropriate authorities.

**2. Commitments**

(All amounts are ₹ in crores unless otherwise stated)

	As at 31 March 2015	As at 31 March 2014
(a) Estimated amounts of contract remaining to be executed on capital account and not provided for	170.27	242.80

30. Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31 March 2015 and 31 March 2014.

**31. Nature and terms of repayment for secured and unsecured borrowings are as follows****1. Borrowing by the holding company****I. Long term borrowings****i. Terms of interest and repayment****Term Loan:-**

Term loan from ICICI bank is repayable in 24 equal quarterly instalments starting at the end of 15 months from the first draw down date (i.e. 8 February 2012) along with interest of 10% p.a plus spread payable on monthly basis.

Term loan from YES bank is repayable in 16 equal quarterly installment commencing from June 30, 2015 till March 31, 2019. The interest rate is YES bank prevailing base rate plus 3.25%.

**Equipment and vehicle loan**

These loans are repayable in equated monthly instalments (i.e. 30 to 60 EMIs) beginning along the month subsequent to the receipt of the loan along with interest in the range of 8.85% p.a. to 12.49% p.a. and 8.85% p.a. to 13.50% p.a. against loans taken from banks and others respectively

**Unsecured loan from related parties**

In respect of unsecured loans from related parties, loan aggregating to ₹ 84.35 crore (interest rate 14% per annum) is payable within 36 months or at the earliest convenience of the borrower after a moratorium of 2 years from the date of first disbursement (i.e. April 30, 2015). Further, as agreed with lender of term loan aggregating to ₹ 55 crore (interest rate Nil), it shall not be repayable within 12 months from balance sheet date.

**ii. Terms of security****a. Term loan from ICICI bank**

Term loan from ICICI bank is secured by way of residual charge over moveable fixed and current assets (both present and future) ranking subsequent to prior charge created in favour of other lenders and first and exclusive ranking charge over all the receivables both present and future arising out of debt infused in the infrastructure project companies and by way of first and exclusive ranking charge over Debt Service Reserve Account (DSRA).

**b. Other term loans**

First pari-passu charge on the sale proceeds on the event of sale of a BOT subsidiary and second pari-passu charge on the current assets, non-current assets, loans and advances and movable fixed assets of the company, before disbursement;

Personal guarantee of a promoter of the Company, shall be provided before first disbursement;

Pledge of 20% and 50% equity shares held by the Company in the share capital of NAM Express way limited and Jorbat Shillong Expressway Limited (JSEL) respectively.

**c. Equipment loan**

Equipment and vehicle loans from banks and from others are secured by way of hypothecation of the respective equipment/vehicles.

**II. Short term borrowings**

First pari-passu charge on the current assets of the Company namely raw materials, contract work-in-progress, bills receivable and book debts and all other movables both present and future of the Company along with other working capital lenders; and first charge on the entire unencumbered fixed assets of the company ranking pari-passu basis to all the working capital lenders. Further security details of cash credit aggregating to ₹ 25 crore included in above, are as mentioned in note 31.1.II. ii. b above.

Working capital demand loan and cash credit to the extent of ₹ 34.43 Crore are further secured by way of equitable mortgage of land of 10.13 acres situated at sy. No.61, Pedda Golconda (Raikunta) (v), Shamshabad (Mandal), R R Dist. Belonging to Ramky Infrastructure Limited, and Pledge of two term Deposit Receipts standing in the name of the company with aggregate value of amount ₹ 1.27 crores. (₹ 0.40 crore + ₹ 0.87 Crore).

**Details of Delay in repayment of dues to banks , which were outstanding as at March 31, 2015****Cash credit facilities**

Nature of Dues	Range for amount of Default/overdrawn (₹ in crore)	Range for period of default/overdrawn (in days)
Cash credit from bank	0.54 to 2.13	60
Cash credit from bank	0.95 to 1.25	31
Cash credit from bank	0.05 to 0.72	90
Cash credit from bank	5.92 to 13.85	32
Cash credit from bank	0.27 to 3.65	135
Cash credit from bank	1.83 to 5.68	60
Interest on Loan	0.80	1

**Short Term Loan**

Nature of Dues	Range for Default (Amount ₹ in crore)	Range for Period of Default (in days)
Interest on loan from bank	0.52 to 0.58	1 to 60
Interest on loan from bank	0.24 to 0.27	1 to 61
Interest on loan from bank	0.54 to 0.60	1 to 60
Interest on loan from bank	0.20	1
Repayment of Principal	47.5	5

**Long Term Loan**

Nature of Dues	Range for Default (Amount ₹ in crore)	Range for Period of Default (in days)
Interest on loan from bank	0.48	59
Interest on loan from bank	0.44	31
Interest on loan from bank	0.62	1
Interest on loan from bank	0.46	1

**Hire purchase loan**

Particular	Principal	Interest	No. of Installment	Range for Period of Default (in days)
From Bank	0.73	0.12	59	12 to 377
From Bank	0.02	0.01	5	12 to 71
From Bank	0.67	0.05	10	10 to 38
From Others	3.88	0.47	47	12 to 212
From Others	2.84	0.35	22	12 to 346
From Others	0.58	0.02	4	9 to 59
From Others	2.3	0.2	26	17 to 303
From Others	1.4	0.37	56	17 to 357

**2. Borrowings by subsidiaries and jointly controlled entities****Secured borrowings:**

- Term loan amounting to ₹ Nil (previous year: ₹ 1.60) and ₹ 2.32 crores (previous year: ₹ 5.52 crores) obtained by MDDA-Ramky IS Bus Terminal Limited from a bank and financial institutions respectively are secured by way of (a) first charge by way of hypothecation on all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future; (b) first charge in favour of the lenders all the book debts, operating cash flows, commissions, revenues and receivables, bank accounts of the subsidiary, both present and future; (c) first charge on all intangibles including but not limited to goodwill, uncalled capital, present and future; and (d) first charge on unencumbered assets of the subsidiary ; (e) Pledge equity share of 96,60,009 held by Ramky Infrastructure Limited and corporate guarantee of Ramky Infrastructure Limited. Loan taken from a financial institution is repayable in 102 unequal monthly instalments started from February 2006 and interest rate applicable is 11.00% p.a. Loan taken from a bank is repayable in 11 equal monthly instalments of ₹ 0.17 crores from March 2014 and interest rate applicable is 12.50% p.a. Loan from other financial intuition is repayable in 26 equal monthly instalments of ₹ 0.19 crores from April 2014 and interest rate applicable is 14.00% p.a. payable on monthly basis.
- Term loan amounting to ₹ 111.06 crores (previous year: ₹ 51.14 crores) obtained by Ramky Pharma City (India) Limited (RPCIL) from a financial institution out of which loan amounting to ₹ 49.06 Crores from IDFC limited is secured by way of (a) first charge on the freehold and lease hold rights of the Commercial Hub (47.1 acres), SEZ land (119 acres), non processing zone (4.8 acres) and CEPT land (126.1 acres) and the entire immovable properties of the subsidiary, both present and future; (b) a first charge on entire cash flows,

receivables, book debts and revenues of the subsidiary of whatsoever nature and where ever arising, both present and future; (c) a first charge on entire intangible assets of the subsidiary, both present and future; (d) first charge by way of hypothecation/mortgage/assignment, as the case may be of all the rights, title, interest, benefits, claims and demands whatsoever of the subsidiary in the project documents (including but not limited to land title deeds, concession agreements with Andhra Pradesh Industrial Infrastructure Corporation, O&M Contract with Ramky Enviro Engineers Limited, insurance contracts, and such other documents as included by Industrial Development Finance Company Limited), all as amended, varied or supplemented from time to time; (e) a first charge on the Trust and Retention Account, Debt Service Reserve Accounts (DSRA) of the subsidiary wherever maintained; f) Pledge of shares 91,29,000 Equity shares of the company held by holding company Ramky Infrastructure Limited g) Second charge on the some of the assets of Smilax Laboratories Limited. ; and loan amounting to ₹ 62.00 Crores from Shriram City Union Finance Limited limited is secured by way of (a) Mortgage of 167.10 acres of land standing in the name of Ramky Muti Product Industrial Park Limited; (b) Pledge of 1,66,66,667 Equity shares of Ramky Infrastructure Limited held by Mr. A.Ayodhya Rami Reddy; (c) Pledge of 4,17,735 Equity shares of Ramky Enviro Engineers Limited held by Mr.A.Ayodhya Rami Reddy. (d) Guarantees of Mr. A.Ayodhya Rami Reddy and Ramky Muti Product Industrial Park Limited.

Loan from IDFC limited is repayable in 4 unequal quarterly instalments starts from October 2015 along with interest rate of 13.50% p.a; and the loan from Shriram City Union Finance Limited is repayable in 16 Quarterly Instalments commencing from 24th March, 2017 and Interest rate is 24% p.a. and the subsidiary shall mandatorily repay the loan, in part or in full, from the proceeds of sale of any assets of the subsidiary and proceeds from sale of shares held by group companies,

- c. Cash credit amounting to ₹ 9.44 crores (previous year: ₹ 11.50 crores) obtained by Ramky Pharma City (India) Limited from bank is secured by way of (a) exclusive first charge on hypothecation of stock, stock-in-trade, receivables and other current assets, both present and future, of the subsidiary; and (b) second charge on the fixed assets of the subsidiary. Loan is repayable on demand along with the interest rate of 15.00% p.a.
- d. Term loans amounting to ₹ 125.00 crores (previous year: ₹ 163.10 crores) and ₹ 86.11 crores (previous year: ₹ 96.06 crores) obtained by Ramky Elsamex Hyderabad Ring Road Limited (REHRL) from banks and financial institutions respectively are secured by way of i) first charge on pari-passu basis on all the movable, immovable, tangible and intangible assets of the borrower, all the revenues and receivables, charge on the Escrow cum Trust and Retention Account; ii) Pledge of 1,48,00,000 and 52,00,000 Equity shares of the company held by Ramky Infrastructure Limited and Elsamex S.A. respectively and pledge of 29,50,000 Cumulative, Redeemable, Optional, Convertible Preference shares of the company held by Ramky Infrastructure Limited. The secured loans are repayable in unequal quarterly and half yearly instalments starting from January 2011 to February 2022 along with interest rate ranging from 11.65% p.a. to 12.75% p.a. REHRL has defaulted in payment of loan to a financial institution amounting to ₹ 3.32 crores (previous year: ₹ 2.92 crores).
- e. Term loans amounting to ₹ 679.09 crores (previous year: ₹ 542.98 crores) obtained by Srinagar Banihal Expressway Limited from banks are secured by way of first ranking pari-passu basis by a mortgage/hypothecation/assignment/security interest/charge/pledge, without limitation (a) all the borrower's immovable and moveable properties both present and future except for project assets (as defined in Concession Agreement); (b) assignment of rights, interest and obligations of the Concessionaire to the extent covered by and in accordance with the Substitution agreement; (c) all the borrower's bank accounts in relation to the project, including but not limited to the escrow account(s) to the extent of waterfall of the priorities as provided in the Escrow agreement; and (d) Pledge of 30% of equity share capital of the Borrower held by Sponsors. Senior term loan is repayable in maximum 22 structured semi-annual instalments starts from June 2015 along with interest ranging from 11.95% p.a. to 12.50% p.a. and subordinate term loan is repayable in 24 structured semi-annual instalments starts from June 2017 along with interest ranging from 12.95% p.a. to 13.50% p.a.
- f. Term loans amounting to ₹ 506.24 crores (previous year: ₹ 458.94 crores) obtained by N.A.M. Expressway Limited (NAMEL) from banks are secured by way of hypothecation of; (a) all movable, tangible and intangible assets, receivables, cash and investments created as part of the projects; (b) all the monies lying in escrow account into which all the investments in the project and all project revenues and insurance proceeds are to be deposited; (c) assignment of all rights, title, benefits, claims and demands of the borrowers under project agreements i.e. Concession agreement, Substitution agreement, Construction contract and Operations contract, etc; (d) assignment of all rights under project guarantees obtained pursuant to Development contract or Operations contract, if any relating to the project; (e) first ranking assignment of all contract, documents insurance contracts/insurance proceeds (Security Trustee to be named as loss payee), clearances and interests of the borrower; and (f) DSRA and any other accounts required to be created by the borrower under any Project agreement contract. Senior term loans are repayable in 44 unequal quarterly basis instalments starting from March 2014 to December 2024 along with interest rate ranging from 11.75% p.a. to 13.00% p.a. and subordinate term loan is repayable in 45 structured quarterly instalments commencing from December 2014 along with interest ranging from 13.50% p.a. to 14.0% p.a.

During the year NAMEL has defaulted in repayment of loans aggregating to ₹ 6.81 crores and default is continuing at the balance sheet date.

- g. Term loans amounting ₹ 369.91 crores (previous year: ₹ 315.73 crores) obtained by JorabatShillong Expressway Limited from banks are secured by way of; (a) first charge on all the accounts of the borrower, including the escrow account, subject however to the condition that such charge on the accounts shall arise only after proceeds of such accounts if any have been received into the escrow account designated for the project and thereafter shall only be to the extent of the waterfall of priorities for payments/withdrawal of payments as provided in the Escrow agreement and not beyond that; (b) assignment of all the rights, interest and obligations of the borrower to or in favour of senior lenders under Project agreements, to the extent covered by and in accordance with the Substitution agreement, all as amended, varied or supplemented from time to time; and (c) assignment of all rights of the borrower under any guarantees that may be provided by any counter-party under any contract/agreement/document relating to the project to the extent permissible under the Concession agreement and d) The senior lenders shall to the extent permitted under the Concession Agreement, share the security on paripassu basis amongst themselves. The senior lenders shall cede a second charge in favour of the subordinate Lenders, to the extent permitted under the concession agreement entered with NHAI. Term loans to the extent of 85% of debt payable in 44 unequal

## Notes to the consolidated financial statements (Continued)

quarterly instalments commencing from post principal moratorium period i.e. 6 month from the date of Commercial Operation Date (COD) which is tentatively January 2014. Balance 15% to be repayable in single bullet instalment at the end of 44th quarter along with interest rate ranging from 11.70% p.a. to 13.85% p.a.

- h. Term loan amounting to ₹ 50.81 crores (previous year: ₹ 49.62 crores) and ₹ 18.06 crores (previous year: ₹ 17.38 crores) obtained by Sehere Kosmi Tollways Limited from banks and financial institutions respectively are secured by way of; (a) first mortgage and charge on all the borrower's immovable properties, both present and future; (b) a first charge on all the borrower's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets; (c) a first charge over all accounts and all other bank accounts; (d) a first charge on all revenues and receivables, the book debts, the operating cash flows; (e) a first charge on all intangible assets including but not limited to goodwill, rights, undertaking and uncalled capital excluding the project assets; and (f) A pledge of shares held by sponsor in the equity share capital of the Borrower aggregating to 51% of the total paid up equity share capital. The loans are repayable in 48 unequal quarterly instalments starting from December 2014 to December 2026 along with interest rate of 12.25% p.a.
- i. Term loan amounting to ₹ Nil (previous year: ₹ 12.31) from others by Ramky Engineering and Consulting Services FZC are secured by way of investments pledged with investee loan is repayable is on 15 December 2015. Interest is payable at 6% p.a.
- j. Cash credit amounting to ₹ 5.04 crores (previous year: ₹ 18.31 crores) obtained by Ramky Engineering Consulting Services Gabon S.A. from banks is secured by way of lien on fixed deposits and promissory notes. Loan is also secured by way of corporate Guarantees from Ramky Engineering and Consulting Services FZC and the Company. Bank overdraft is repayable on demand along with the interest rate in the range of 8% p.a to 9.75% p.a payable on monthly basis.
- k. Overdraft amounting to ₹ 23 crores (previous year: Nil) obtained by Ramky Towers Limited from bank is secured by way of (a) exclusive charge on entire Current assets and Fixed assets of the company present and future. (b) equitable mortgage of 13 unsold flats and one unsold villa. (c) Pledge of 967742 number of shares of Ramky Infrastructure Limited held by Mr. A.Ayodhya Rami Reddy.(d) Personal guarantee of Mr. A.Ayodhya Rami Reddy and security by way of post dated cheques. The loan is repayable within 12 months and interest rate @ 12% p.a.

### Unsecured borrowings:

- a. Unsecured working capital loan amounting to ₹ 25.93 crores (previous year: ₹ 21.46 crores) obtained by Ramky Enclave Limited from a Group Company.
- b. Unsecured term loan amounting to ₹ 1.07 crores (previous year: ₹ 1.80 crores) obtained by Frank Lloyd Tech Management Services Limited (FLTMSL) from a corporate is repayable in 12 unequal quarterly instalments started from September 2012 to June 2015. The FLTMSL has defaulted in payment of instalments of ₹ 0.79 crores and the defaults are continuing at the balance sheet date.
- c. Unsecured working capital loans from a related party obtained by Ramky Towers Limited is amounting to ₹ 104.89 crores (previous year: ₹ 63.53 crores) and others Nil (previous year: ₹ 1.09 crores) are repayable on demand and interest on loan in the range of 12% to 15%.
- d. Unsecured loan amounting to ₹ 60.36 (previous year: ₹ Nil ) obtained by Jorabat Shillong Expressway Limited from related party.

## 32. Service Concession Arrangements

The Company had adopted the Exposure Draft of the Guidance Note on Accounting for Service Concession Arrangements for certain construction service contracts that in substance are Build, Operate and 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, this results in the financial statements providing reliable and more relevant information.

### Description of the arrangements:

The following subsidiaries and jointly controlled entities ("the Concessionaire") of the Company have entered into a services concession arrangement (s) (SCA) with various authorities ("the Grantor") for Design, Construction, Development, Finance, Operation and Maintenance of Road Projects on Build, Operate and Transfer (BOT) basis. As per SCA, the Concessionaire is required to construct the Road, required to operate and maintain the Road and is required to resurface the Road, at its cost and during the period in the manner so defined in the SCA. At the end of the concession period the Concessionaire will hand over the Road to the Grantor for no consideration. The premature termination is permitted only upon the happening of force majeure events or upon the parties defaulting on their respective obligations.

- I. The following are annuity based service concession arrangements. In consideration for performing its obligations under the SCA, the Concessionaire will be entitled to an annuity of predefined sums receivable on dates specified in the annuity payment schedule of the SCA. The Grantor 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. 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") in the financial statements.

### Ramky Elsamex Hyderabad Ring Road Limited (REHRRRL):

REHRRRL has entered into a service concession arrangement with Hyderabad Metropolitan Development Authority (HMDA) for a period of fifteen (15) years from commencement date i.e. 27 November 2007 including construction period of two years and six months. The construction activities were completed on 26 November 2009. The SCA does not provide for any renewal of this arrangement.

**Jorabat Shillong Expressway Limited (JSEL):**

JSEL has entered into a service concession arrangement with National Highway Authority of India (NHAI) for a period of twenty (20) years from commencement date i.e. 12 January 2011 including construction period of three years. The SCA does not provide for any renewal of this arrangement.

**Srinagar Banihal Expressway Limited (SBEL):**

SBEL has entered into a service concession arrangement with National Highway Authority of India (NHAI) for a period of twenty (20) years from commencement date i.e. 27 June 2011 including construction period of three years. The SCA does not provide for any renewal of this arrangement.

- II. The following is the toll based service concession arrangement. In consideration for performing its obligations under the SCA, the Concessionaire will be entitled to collect toll/user charges from the users of Road. Having regard to the terms of the arrangement, the right to receive toll has been classified as an intangible assets/intangible assets under development (i.e. "Concession intangibles") under the head fixed assets in the financial statements.

**N.A.M. Expressway Limited (NAMEL):**

NAMEL has entered into a service concession arrangement with Andhra Pradesh Road Development Corporation (APRDC) for a period of twenty four (24) years from commencement date i.e. 18 January 2011 including construction period of two years and six months. The SCA does not provide for any renewal of this arrangement. NAMEL will also be entitled to a "Grant" by way of cash support from APRDC and Central Government.

- III. The following is the annuity cum toll based service concession arrangement. In consideration for performing its obligations under the SCA, the Concessionaire will be entitled to an annuity of predefined sums receivable on dates specified in the annuity payment schedule of the SCA and to collect toll/user charges from the users of Road. 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") in the financial statements and the right to receive toll has been classified as an intangible asset/intangible assets under development (i.e. "Concession intangibles") under the head fixed assets in the financial statements.

**Sehore Kosmi Tollways Limited (SKTL):**

During the previous year, SKTL has entered into a service concession arrangement with Madhya Pradesh Road Development Corporation Limited (MPRDC) for a period of fifteen (15) years from commencement date i.e. 22 February 2012 including construction period of two years. The SCA does not provide for any renewal of this arrangement.

**IV. 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 :

(All amounts are ₹ in crores unless otherwise stated)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Amount of margin on the construction services recognised during the year in respect of financial assets	21.42	30.48
Carrying amounts of financial assets included under Receivables against service concession arrangements	1,610.45	1,273.78
Revenue recognised on financial asset including interest income on the basis of effective interest method	408.96	584.01

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	For the year ended/as at 31 March 2015	For the year ended/as at 31 March 2014
Margin on the construction services recognized in respect of intangible assets for the year	0.51	11.31
Revenue recognised on intangible asset	1.74	132.64

Notes to the consolidated financial statements (Continued)

Carrying value of concession intangibles included under intangible assets under development:

(₹ in Crores)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
At the beginning of the year	-	787.77
Add: Additions during the year	-	132.64
Add: Borrowing costs capitalised	-	50.61
Less: Capitalised during the year	-	(936.07)
Less: Deletions during the year	-	(34.95)
Concession intangibles under development	-	-

33. Earnings per share (EPS)

The computation of earnings per share is set out below:

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Amount of Net (loss)/profit for the year attributable to equity shareholders (₹ in crores)	(482.96)	(414.85)
Weighted average number of equity shares for basic EPS (Nos)	57,197,791	57,197,791
Weighted average number of equity shares for diluted EPS (Nos)	57,197,791	57,197,791
Face value per share (₹)	10	10
Basic and diluted EPS*	<b>(84.44)</b>	<b>(72.53)</b>

34. Leases

The Group is obligated under non-cancellable and cancellable operating lease agreements. Total rental expense under non-cancellable operating leases was ₹ Nil (previous year: ₹ 0.22 crores) and under cancellable leases was ₹ 6.41 crores (previous year: ₹ 9.44 crores) and these lease rentals have been disclosed as 'rent' in the statement of profit and loss.

35. Deferred taxation

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

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Deferred tax assets</b>		
Unabsorbed depreciation and business losses	319.65	123.14
Accrued employee benefits	0.90	0.93
Provision for doubtful advances and receivables	107.56	86.28
Other timing differences (Primarily on disallowances under Section 43B of the Income Tax Act, 1961)	7.72	19.64
	<b>435.83</b>	<b>229.99</b>
<b>Deferred tax liability</b>		
Excess of depreciation allowable under Income tax law over depreciation provided in books of account	(31.52)	(36.10)
On account of financial asset (receivable) and concession intangible asset recognised (refer note 2.29)	(25.65)	(35.05)
	<b>(57.17)</b>	<b>(71.15)</b>
<b>Net deferred tax (liabilities)/assets</b>	<b>378.66</b>	<b>158.84</b>
<b>Break up of net deferred tax asset is as follows:</b>		
Deferred tax assets (net)	412.29	200.83
Deferred tax liabilities (net)	33.63	41.99

As at March 31, 2015, the Holding Company has recognized deferred tax asset aggregating to ₹ 409.08 Crore including an amount of ₹ 209.88 crore recognized during the year on account of timing differences on unabsorbed depreciation, business losses and other timing differences incurred by the Company during the year. Based on unexecuted orders on hand, which in the opinion of the management does meet the criteria of establishing the virtual certainty of sufficient future taxable income for realisation of deferred tax assets as enunciated in Accounting Standard 22 "Accounting for Taxes on Income" (AS 22).

36. During the year, Company's road project, at Srinagar in Jammu and Kashmir, has impacted due to the floods. The insured concessionaire of the Project, a subsidiary Company, has lodged a claim of ₹ 141.51 Crore for the damage to the project materials and assets located at the site with the insurers. After an initial assessment/survey, an amount of ₹ 14.99 Crore was released by the insurer on provisional basis and the same was received

## Notes to the consolidated financial statements (Continued)

by the company being a principal contractor. Pending final settlement of claim, no adjustment has been made in the financial statements for the year. The management of the company does not expect any material adjustment for loss to be provided for in this respect.

37. During the year ended 31 March 2015, an amount of ₹ 580.78 crores (including amount pertaining to advances, retention money, contract work-in-progress and performance bank guarantees invoked) is receivable from customers against the contracts not been pursued on account of foreclosure by the Company/ disputes with customers. The Management of the Company, keeping in view the long term nature of the contracts, terms and condition implicit in these contracts and the ongoing discussion based on which steps to recover are currently in process, is confident of recovering the amount as they are contractually tenable.
38. During the year the Company has incurred a Net Loss of ₹ 445.48 Crore resulting into accumulated losses of ₹ 276.72 Crore and erosion of its reserves. The Company has obligations towards borrowings aggregating to ₹ 1,565.13 including an amount of ₹ 1383.61 crore falling due over next twelve months period, obligations pertaining to operations including unpaid creditors and statutory dues as at March 31, 2015. These matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. The Company has plans to divest its stake in certain subsidiaries undertaking BOT projects for generation of cash flows and during the year, approached lender Bankers with a scheme seeking certain reliefs in relation to repayment timelines of loans and accumulated unpaid interest which was approved by the Bankers with certain conditions. The Company is confident of implementing the divestment and approved restructuring scheme with lenders and meeting its obligations in due course of time.
39. During an earlier year ended March 31, 2013 a search and seizure operation under section 132 of the Income Tax Act, 1961 was carried out by the Income Tax Authority on the Company's premises. The Company had accepted for additional disallowances and filed revised returns for the respective previous year and accounted respective tax expenses of ₹ 10.78 Crore. Further, the Company made a provision for income tax aggregating to ₹ 66.56 crore during financial year ended March 31, 2012, on account of disallowance of the deductions claimed by the Company under Section 80-IA (4) of the Income Tax Act, 1961 relating to assessment years 2003-04 to 2013-14. During the year, based on the centralized assessment for the financial years upto 2011-12, a refund of ₹ 51.89 crores (including ₹ 11.99 crores for interest) as ascertained by department, has been accounted for during the year ended March 31, 2015. This has resulted into reversal of provision of income tax amounting to ₹ 74.62 crores, including ₹ 62.47 Crore directly credited to the surplus in statement of profit and loss account balance under "Reserve and Surplus" for the year ended March 31, 2015.
40. Prior period expenses' aggregating to ₹ 65.59 Crore includes, in respect of holding company charge of depreciation on shuttering material amounting to ₹ 15.80 Crore and unrealizable VAT receivable recognized in earlier years amounting to ₹ 17.84 Crore and ₹ 31.94 crore pertaining to covered entities on account of various expenses pertaining to earlier years. (Refer Note 27)

### 41. Specific notes pertaining to group entities

#### 1. Ramky Pharma City (India) Limited

- a) During the Financial Year 2012-13 a Charge sheet has been filed by CBI against company with the CBI court, Nampally, Hyderabad alleging certain irregularities by the company pertaining to reduction of Green belt area and also the Company has received a provisional attachment order under Section 5 (1) of the Prevention of Money Laundering Act, 2002 from Enforcement Directorate (ED) dated January 07, 2013 for attachment of assets/properties valued at ₹ 133.74 Crore comprising Land and facilities valuing ₹ 130.54 Crore and Mutual Fund of ₹ 3.20 Crore. During the previous year the adjudicating authority passed a confirmation order of the above provisional attachment order and the company has preferred an appeal before the Appellate Tribunal. In the meantime, the office of Joint Director, Enforcement Directorate, Hyderabad Zonal office has served a Notice for taking the possession of the referred properties under section 8(4) of the PMLA 2002. The company has filed a writ petition before the honourable High court of Andhra Pradesh, Hyderabad seeking for stay of proceedings. The honourable High court of Andhra Pradesh has granted a interim stay of all further proceedings till a stay application is considered and appropriate orders passed by the Appellate authority. On November 20, 2013, the Appellate Tribunal has considered the stay application and stayed the EDs notice. Since the Appellate Tribunal ceased of the matter, the cause in the writ petition does not survive. Hence, the above referred Writ Petition is dismissed. The case is posted for hearing on July 29, 2015 with the Appellate Tribunal. However, Mutual Fund of ₹ 3.20 Crore was transferred in the name of the Directorate of Enforcement. Further on March 26, 2015, the Joint Director, Enforcement Directorate, Hyderabad zonal office has passed a provisional attachment order for ₹ 216.18 Crores on the assets of company. The Joint Director has filed a complaint under PMLA before the Adjudicating authority seeking for confirmation of the above provisional attachment order on April 10, 2015. The Adjudicating Authority (AA) has served a show cause notice on April 22, 2015 calling upon to show cause as to why the provisional attachment order shall not be confirmed and directed to appear before the AA on June 15, 2015 and this order is in continuation to the order passed by ED for 133.74 Crores. No adjustments have been made in the financial statements, as the Management believes that the project of the company is being carried out in accordance with the provisions of the Concession Agreement executed between the company and Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) after obtaining the requisite approvals and following the due process of law.
- b) During the month of October there was a loss of ₹ 14,01,00,000/- to the company's properties because of HUD HUD Cyclone. The company lodged the claim before the Insurance company and the same was pending with the Insurance company. Upto 31-03-2015 the company has incurred an amount of ₹ 10,90,95,732/- towards revival and an amount of ₹ 40,00,000/- was received from Insurance company as on account payment. The net amount of ₹ 10,50,95,732/- was shown under Other advances and receivables. The resultant impact was not provided in the books, as the resultant impact will be known only when the claim with the insurance company will be settled.

#### 2. Hospet Chitradurga Tollways Limited (HCTL):

HCTL has entered into a service concession arrangement with National Highways Authority of India (NHAI) for a period of twenty five (25) years from commencement date including construction period of two years and six months. SCA entered by the entity on 19 January 2012. The SCA does not provide for any renewal of this arrangement.

## Notes to the consolidated financial statements (Continued)

However, HCTL has served a termination notice to NHAI on December 5, 2013 due to delay in availability of land and other statutory clearances, which resulted in increase in the project cost against bid provisions. In turn, NHAI, also served termination notice on 31 December 2013, citing reasons of default on part of HCTL.

During the year, The Company and NHAI have mutually agreed to terminate the Concession Agreement dated January 19, 2012 and signed settlement and close out agreement dated October 31, 2014 and which inter alia provides that the concessionaire agrees and undertake and hereby forgoes any and all claims against the Authority on any account whatsoever related to this Concession Agreement. Similarly the Authority Agrees not to raise any other Claims against the Concessionaire under the Concession Agreement. Further, the concessionaire had paid an amount of ₹ 10.34 Crores to NHAI on 11th October 2014 towards the above amicable Settlement.

Since the company is a project specific company, termination of the project affects the Going Concern nature of the company. Based on that, the expenditure incurred on the project to the tune of ₹ 14.89 Crores, amounts advanced to holding company of ₹ 103.08 Crore, other receivables of ₹ 14.30 Crore and payable to holding company of ₹ 1,00.45 crores other payables of ₹ 0.92 crore have been written off and the net impact of ₹ 16.74 Crore is shown under exceptional items in the Statement of Profit and Loss.

### 3. Ramky Food Park (Chhattisgarh) Limited

During the year the company vide its letter dated July 9, 2014 served the termination notice to Chhattisgarh State Industrial Development Corporation (CSIDC) "the Concessioneing Authority" for default of various clauses of the Concession Agreement and requested for reimbursement of various expenses incurred by the company on the project. On 31-10-2014 CSIDC agreed for reimbursement of project development fee ₹ 90,00,000/- only and mentioned that all other expenses are not reimbursable as they directly incurred by the company and not related to CSIDC.

Since the company is a project specific company, termination of the project affects the Going concern of the company. Based on that, the expenditure incurred on the project to the tune of ₹ 18,09,319/- (net of project development fee received back from CSIDC of ₹ 90,00,000/-) has been written off and is shown under exceptional items in the statement of Profit and Loss.

### 4. Naya Raipur Gems & Jewellery SEZ limited

During the year the company vide its letter dated July 9, 2014 served the termination notice to Chhattisgarh State Industrial Development Corporation (CSIDC) "the Concessioneing Authority" for default of various clauses of the Concession Agreement and requested for reimbursement of various expenses incurred by the company on the project.

Since the company is a project specific company, termination of the project affects the Going Concern of the company. Based on that, the expenditure incurred on the project to the tune of ₹ 1,02,88,377/- (net of Project development fee receivable from CSIDC of ₹ 1,30,00,000/- and amount payable to CSIDC towards expenses of ₹ 2,00,000/-) has been written off and is shown under exceptional items in the Statement of Profit and Loss.

### 5. Ramky Herbal & Medicinal Park(Chhattisgarh) limited

During the year the company vide its letter dated July 9, 2014 served the termination notice to Chhattisgarh State Industrial Development Corporation (CSIDC) "the Concessioneing Authority" for default of various clauses of the Concession Agreement and requested for reimbursement of various expenses incurred by the company on the project. On October 31, 2014, CSIDC agreed for reimbursement of project development fee of ₹ 90,00,000 and mentioned that, all other expenses are not reimbursable as they are directly incurred by the Company and not related to CSIDC.

Since the company is a project specific company, termination of the project affects the Going Concern of the company. Based on that, the expenditure incurred on the project to the tune of ₹ 47,47,302/- (net of Project development fee receivable from CSIDC of ₹ 90,00,000/-) has been written off and is shown under exceptional items in the Statement of Profit and Loss.

### 6. Srinagar Banihal Expressway Limited

During the month of September 2014 the project had suffered damages due to floods in Srinagar Region. The damages incurred and the recoveries are being assessed by the Insurance Company. Pending such final assessment, Insurance company has processed adhoc part claim of ₹ 14,99,55,000, Which has been adjusted against material advance given to the EPC Contractor. No further adjustment has been made in the financial statement pending such final assessment by the insurance company.

Further as per Shedule -12 of EPC Agreement the acceptance of insurance claim shall be on back to back basis and the liability of the company on the claims shall be limited only upto the claims acknowledged by the insurance company.

### 7. Agra Etawah Tollways Ltd

During the previous year, the Company vide its letter September 13, 2013 served the termination notice to National Highway Authority of India (NHAI) "the concessioneing Authority" mentioning that the condition precedent of Authority about the procurement of vacant & unencumbered Right of Way and also permission of Tree Cutting (Stage- 2 clearance) by MoEF including permission of supreme court in Taj Trapezium Zone (TTZ) covering approximately 55 Km of project length is not available later NHAI also vide its letter dated October 7, 2013 served notice of termination mentioning that the Concessionaire has not fulfilled its obligation as per Concession Agreement and also that petition for permission of Hon'able Supreme Court for felling of tree in TTZ was filed timely, but due to non-availability of forest bench of the Hon'able Supreme Court, the hearing could not take place, which is absolutely beyond the control of NHAI, hence opted for mutual termination of Concession Agreement.

NHAI vide its letter dated January 24, 2014 has considered the proposal for mutual termination of Concession Agreement by signing a settlement and close agreement on May 20, 2014, which inter alia provides that the concessionaire shall forgo all its claim, damages, compensations etc. against NHAI due to non-fulfilment of condition precedent so far attributable to NHAI and in reciprocation NHAI agrees

**Notes to the consolidated financial statements (Continued)**

not raise/impose any claims/penalties for the delays attributable to the concessionaire. The notices/Litigations if any issued by either the concessionaire or to the authority against each other shall stand withdrawn.

Since the company is a project specific company, termination of the project affects the going concern of the company. Based on that, the expenditure incurred on the project to the tune of ₹ 20,00,93,388/- and the amounts payable to holding company to the tune of ₹ 20,08,52,270/- has been written off and the net impact is shown under exceptional items in the Statement of Profit and Loss.

**8. Jabalpur PatanShahpura Tollways limited**

During the previous year The Madhya Pradesh Road Development Corporation limited ("the Concessioning Agreement") has terminated the concession Agreement mentioning that the Concessionaire has failed to achieve the financial closure and other obligation as per the Concession Agreement.

Since the company is a project specific company, termination of the project affects the going concern of the company. Based on that, the expenditure incurred on the project to the tune of ₹ 4,49,440/- and the amounts payable to holding company to the tune of ₹ 50,000/- has been written off and the net impact is shown under exceptional items in the Statement of Profit and Loss.

**42. Related party disclosures****1. Key management personnel (KMP)**

S.No.	Name of the KMP	Designation
1	A Ayodhya Rami Reddy	Executive Chairman (Appointed on June 20, 2014)
2	Y R Nagaraja	Managing Director

**2. Enterprise where KMP have significant influence**

S.No.	Name of the related party
1	Ramky Enviro Engineers Limited
2	Ramky Estates and Farms Limited
3	Mumbai Waste Management Limited
4	West Bengal Waste Management Limited
5	Ramky Energy & Environment Limited
6	Ramky Advisory Services Limited
7	Ramky Wavoo Developers Private Limited
8	Delhi MSW Solutions Limited
9	Smilax Laboratories Limited
10	Ramky Foundation
11	Hyderabad Integrated MSW Limited
12	Chhattisgarh Energy Consortium (India) Private Limited

**3. Enterprises where significant influence exists (Associates)**

S. No.	Name of the related party
1	Ramky Integrated Township Limited
2	Gwalior Bypass Project Limited

**4. Enterprises where joint control exists (jointly controlled entities)**

S. No.	Name of the related party
1	N.A.M. Expressway Limited
2	JorabatShillong Expressway Limited
3	Ramky - SMC JV

Notes to the consolidated financial statements (Continued)

5. Related parties where control exists or with whom transactions have taken place during the year:

(All amounts are ₹ in crores unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Nature of transactions	2014-15		2013-14	
				Transactions during the year	Amount receivable/ (payable) as at 31 March 2015	Transactions during the year	Amount receivable/ (payable) as at 31 March 2014
1	Ramky Enviro Engineers Limited	SIE	Contract revenue	9.82	3.00	13.83	3.74
			Operation and maintenance income	1.64	-	3.32	-
			Sub-contract expenses	12.90	(1.02)	1.39	(0.48)
			Operation and maintenance expenditure	60.43	(54.85)	55.28	(24.51)
			Mobilisation advance paid/ (recovered against bills)	(0.17)	0.95	(0.22)	1.12
			Advance received against services/(repaid)	9.13	(3.22)	12.23	(12.28)
			Retention money payable	1.08	(8.07)	0.28	(9.15)
			Retention money receivable	0.21	2.56	0.72	2.35
			Reimbursement of expenses	0.59	0.50	-	-
			Unsecured loan received and repaid	-	-	24.00	-
			Interest paid	-	-	0.03	(0.03)
			Investment in equity share capital of a subsidiary	-	(0.01)	0.01	(0.01)
			Investment in preference share capital of a subsidiary	-	(4.07)	-	(4.07)
2	Ramky Estates and Farms Limited	SIE	Contract revenue	34.60	-	9.01	20.51
			Sub-contract expenses	5.63	-	4.26	-
			Rent paid	0.12	(1.32)	0.65	(0.61)
			Retention money receivable / (realised)	2.01	4.82	0.34	2.81
			Retention money payable	0.22	(0.63)	0.22	(0.63)
			Rent deposit/(adjusted against payable)	-	0.28	(0.03)	0.28
			Mobilisation advance Received	(16.97)	(17.38)	2.01	(3.00)
			Mobilisation advance paid / (recovered against bills)	(6.21)	10.56	8.98	16.77
			Inter-corporate deposit given	12.72		36.42	
			Inter-corporate deposit received back	(51.68)	66.04	(38.10)	95.30
			Interest income	10.78		12.67	
			Inter-corporate deposit taken	58.68		7.64	
			Inter-corporate deposit repaid	(1.90)	(46.33)	(2.80)	(21.45)
			Interest paid	3.01		2.94	
			Revenue from services	1.69	-	1.20	-
			Reimbursement of expenses	0.05	-	-	-
			Retention money repaid	0.63	-	-	-
			Investment in equity share capital of a subsidiary	-	(6.88)	-	(6.88)
			Investment in preference share capital of a subsidiary	-	(0.80)	-	(0.80)
3	Mumbai Waste Management Limited	SIE	Contract revenue	0.38	0.36	-	0.36
			Unsecured loan received	10.00	-	-	-
			Unsecured loan paid	10.00	-	-	-
			Advance from customer	1.35	-	-	-
			Interest paid	0.15	-	-	-
4	West Bengal Waste Management Limited	SIE	Unsecured loan received	30.62	(33.77)	-	(10.00)
			Unsecured loan paid	10.00	-	-	-
			Contract revenue	0.38	-	-	-
			Interest paid	3.80	(0.27)	1.25	(1.85)

(Contd.)

Notes to the consolidated financial statements (Continued)

Related parties where control exists or with whom transactions have taken place during the year: (Contd.)

(All amounts are ₹ in crores unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Nature of transactions	2014-15		2013-14	
				Transactions during the year	Amount receivable/ (payable) as at 31 March 2015	Transactions during the year	Amount receivable/ (payable) as at 31 March 2014
5	Hyderabad Integrated MSW Limited	SIE	Contract revenue	-	0.63	0.60	0.63
			Sale of traded assets	0.08	0.05	-	-
			Interest paid	-	-	-	(0.16)
6	Ramky Finance & Investment Private Limited	SIE	Unsecured loan received	-	(71.10)	58.00	(63.54)
			Unsecured loan repaid	1.82		1.82	
			Interest paid	8.42		8.18	
			Reimbursement of expenses	-		-	
7	Ramky Foundation	SIE	Donation	0.17	-	0.57	-
8	Ramky Advisory Services Limited	SIE	Consultancy charges paid	-	-	-	-
			Advance paid/(recovered)	(0.60)	-	-	0.60
9	Evergreen Cleantech Facilities Management (India) Limited	SIE	Operation and maintenance expenditure	2.22	(0.30)	2.22	(0.30)
			Man power charges	0.95	(0.16)	-	-
			Mobilisation recovered	0.05	-	-	-
			Mobilisation advance paid	0.05	0.04	0.05	0.05
			Maintenance expenses	0.83	(0.18)	-	-
10	Visakha Solvents Limited	SIE	Operations and maintenance income	0.30	0.52	0.13	0.37
11	Dakshayani Academy	SIE	Other advance	-	1.15	-	1.15
12	Delhi MSW Solutions Limited	SIE	Contract revenue	-	-	0.05	0.99
			Retention money receivable	-	0.65	0.01	0.66
			Advance received	-	(0.77)	-	-
			Interest paid	-	-	-	-
			Investment in equity shares	-	0.01	-	0.01
13	Chattisgarh Energy Consortium (India) Private Limited	SIE	Unsecured loan taken	-	-	-	(15.20)
			Unsecured loan repaid	-	-	-	-
			Interest paid	-	-	1.90	(3.58)
14	East Coast Industries (India) Private Limited	SIE	Operation and maintenance income	0.04	-	0.06	3.99
15	Tridax Laboratories Limited	SIE	Operation and maintenance income	0.14	10.44	0.16	10.30
16	Tamil Nadu Waste Management Limited	SIE	Purchase of land	-	(0.04)	0.04	(0.04)
17	Smilax Laboratories Limited	SIE	Contract revenue	1.67	32.62	2.04	29.87
			Sale of traded goods	-		1.47	
			Retention money receivable/ (realised)	-	-	(3.00)	-
			Inter-corporate deposit given	-	-	-	-
			Inter-corporate deposit received back	-	-	(2.50)	-
			Interest income	1.51	-	0.25	-
			Interest received on trade receivables	-	0.09	1.07	0.09
			Equity investment in a subsidiary	-	(0.02)	-	(0.02)
			Revenue from services	-	0.05	0.09	0.05
			Mobilisation advance received, net	0.19	(0.30)	0.11	(0.11)
			Payment towards land cancellation	-	-	48.78	-
18	Ramky Wavoo Developers Private Limited	SIE	Contract revenue	1.43	5.44	9.46	6.85
			Mobilisation advance received (adjusted against bills)	0.70	(0.17)	(1.21)	(0.87)
			Retention Money receivable	0.26	0.66	0.40	0.40

(Contd.)

Notes to the consolidated financial statements (Continued)

Related parties where control exists or with whom transactions have taken place during the year: (Contd.)

(All amounts are ₹ in crores unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Nature of transactions	2014-15		2013-14	
				Transactions during the year	Amount receivable/ (payable) as at 31 March 2015	Transactions during the year	Amount receivable/ (payable) as at 31 March 2014
19	N.A.M Expressway Limited	Co-venture	Contract revenue	15.85	3.53	68.58	14.65
			Mobilisation advance received/ (recovered against bills)	1.29	-	9.72	(1.29)
			Loan given	21.42	25.92	4.50	4.50
			Loan received back	-		(14.26)	
			Interest income	-	4.40	0.05	4.40
			Unsecured loan received	42.18	(42.18)	-	-
			Interest on unsecured loan paid	5.34	-	-	-
			Retention money receivable/ (realised)	(5.62)	0.48	3.41	6.10
20	JorabatShillong Expressway Limited	Co-venture	Mobilisation advance received	-	(0.34)	-	(0.34)
21	Ramky Integrated Township Limited	Associate	Capital advance paid/ (received back)	-	11.35	(10.65)	11.35
			Share application money converted into loan/ (loan received back)	-	-	(10.00)	-
			Mobilisation advance received	0.32	(0.32)	-	-
			Interest income	-	-	0.11	-
			Investment in equity shares	-	0.02	-	0.02
			Investment in preference share	-	0.09	-	0.09
22	Gwalior Bypass Project Limited	Associate	Investment in equity share	-	0.02	-	0.02
23	Mr. A Ayodhya Rami Reddy	KMP	Remuneration	-	-	0.22	-
24	M. Goutham Reddy	KMP	Remuneration	0.14	-	-	-
			Advance from customer	-	(0.72)	-	(0.72)
25	Mr. Y R Nagaraja	KMP	Remuneration	0.85	-	0.33	(0.10)
			Advance received for property	-	(0.72)	0.55	(0.21)
			Revenue from sale of property	2.04	-	-	-

43. 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

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Opening defined benefit obligation</b>	1.02	2.11
Current service cost	0.21	0.27
Interest cost	0.09	0.20
Actuarial gain/(loss)	0.26	(0.98)
Benefits paid	(0.22)	(0.58)
<b>Closing defined benefit obligation</b>	<b>1.35</b>	<b>1.02</b>

## Change in the fair value of plan assets

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
Fair value of plan assets at the beginning of the year	0.11	0.47
Expected return on plan assets	0.01	0.02
Employer contributions	0.21	0.20
Benefits paid	(0.21)	(0.58)
Fair value of plan assets at the end of the year	0.12	0.11
<b>Summary of actuarial assumptions</b>		
Discount rate	8.00% - 9.25%	8.00% - 9.25%
Expected rate of return	8.75%	8.75%

## Amount recognised in balance sheet

Particulars	As at 31 March 2015	As at 31 March 2014
Present value of funded obligation	0.77	1.02
Fair value of plan assets	(0.11)	(0.11)
<b>Net liability</b>	<b>0.91</b>	<b>0.91</b>
<b>Amounts in the balance sheet</b>		
Short-term provisions	0.14	0.14
Long-term provisions	0.77	0.77

## Expense recognised in statement of profit and loss

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Current service cost	0.21	0.27
Interest cost on benefit obligation	0.09	0.20
Expected return on plan assets	(0.01)	(0.02)
Past service cost	-	-
Net actuarial loss	0.26	(0.98)
<b>Net benefit expense/(provision written back)</b>	<b>0.55</b>	<b>(0.53)</b>

## 44. 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, 2014 for the year ended 31 March 2015 and year ended 31 March 2014 as under:

## (a) Information about business segments for the year ended 31 March 2015 as per AS-17

Particulars	Construction business	Developer business	Others	Eliminations	Total
<b>Revenue</b>					
External	1,032.78	608.49	2.85	-	1644.13
Inter-segment	95.69	-	1.93	(97.62)	-
<b>Total</b>	<b>1,128.47</b>	<b>608.49</b>	<b>4.78</b>	<b>-</b>	<b>1741.74</b>
<b>Segment result</b>	<b>(424.22)</b>	<b>227.53</b>	<b>0.65</b>	<b>-</b>	<b>(197.35)</b>
Interest expenses					514.97
Income tax					(229.62)
Loss after tax					(482.68)
Minority interest					0.17
Transfer of profit/(loss) on accounts of change in shareholding					-
Share of loss from associate companies					0.11
Loss for the year					(482.96)

(Contd.)

Particulars	Construction business	Developer business	Others	Eliminations	Total
<b>Other information</b>					
Segment assets	3,202.63	3,225.13	33.75		6,461.51
Unallocable assets					106.94
Segment liabilities	3,138.28	2,494.22	16.51		5,649.00
Unallocable liabilities					-
Capital expenditure	2.41	10.17	0.08		12.66
Depreciation (included in segment expense)	65.89	21.91	4.06		91.85
Non cash expenses (other than depreciation included in segment expense)	87.55	18.06	-		105.61

**(b) Geographical segment reporting:**

During the year under report and during the previous year, 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. The conditions prevailing in India being uniform, no separate geographical disclosure is considered necessary.

45. In accordance with the Companies Act, 2013, the group has revised the useful life of its fixed assets to comply with the useful life as mentioned in the schedule -II of the said Act. As per the transitional provisions, Rs. 3.54 Crore (net of deferred tax of Rs. 1.33 crore) have been adjusted from the opening balance of retained earnings. (Refer note 4)
46. Legal and professional charges includes the Statutory Auditor's remuneration as given below (excluding service tax):(refer note 27)

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Audit fees	0.15	0.30
Other services*	0.38	0.43
Out of pocket expenses#	0.06	0.03
<b>Total</b>	<b>0.59</b>	<b>0.76</b>

\*Includes fee for limited review and other services aggregating to Rs. 0.33 Crore paid to the erstwhile auditors. # paid to erstwhile auditors.

**47. Accounting for interest in jointly controlled entities**

The Company has a 50% interest in Jorabat Shillong Expressway Limited and N.A.M Expressway Limited. These two companies are engaged in the development of road projects on Build, Operate and Transfer (BOT) basis. The Company has 70% interest in Ramky - SMC JV, which is engaged in construction of underground drainage system in turnkey basis. The contractual arrangement between shareholders of these companies indicates joint controlover 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 2014, accounted for its percentage of interest in these jointly controlled entities (JCE) by the proportionate consolidation method. Thus the Group's balance sheet, statement of profit and loss and cash flow statement incorporate the Group's share of assets, liabilities, income, expenses and cash flows of these JCE on a line-by-line basis.

The aggregate amount of the assets, liabilities, income and expenses related to the Group's share in these JCE included in these consolidated financial statements (before adjustments on consolidation) as of and for the year ended 31 March 2015 and 31 March 2014 are given below:

**Balance sheet**

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Liabilities and provisions:</b>		
Long-term borrowings	848.25	764.54
Deferred tax liability (net)	7.71	15.91
Short-term borrowings	86.27	4.50
Trade payables	36.44	87.48
Other current liabilities	118.62	34.22
Long term Liabilities	28.37	-
	<b>1025.65</b>	<b>906.65</b>

(Contd.)

Notes to the consolidated financial statements (Continued)

Balance sheet (Contd.)

(All amounts are ₹ in crores unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Assets:</b>		
Fixed assets	903.31	898.14
Other non-current assets	606.03	288.67
Long term loan and advances	47.52	-
Inventories	0.04	2.60
Trade receivable	8.67	8.59
Cash and bank balances	16.58	4.59
Short-term loans and advances	8.12	22.07
Other current assets	0.02	129.68
	<b>1590.29</b>	<b>1,354.34</b>
<b>Net assets</b>	464.63	447.69
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	143.53	282.11

Statement of profit and loss

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
<b>Income</b>		
Revenue from operations	322.42	186.64
Other operating income	-	31.67
Other income	5.41	0.07
	<b>327.83</b>	<b>218.38</b>
<b>Expenditure</b>		
Development costs	206.47	166.86
Finance costs	109.65	34.41
Depreciation and amortization expense	12.08	0.65
Employee Benefit expenses	2.18	-
Other expenses	2.03	0.18
	<b>332.87</b>	<b>202.10</b>
<b>Profit before tax</b>	(5.03)	16.28
Tax expense/(benefit)	7.71	(3.15)
<b>Profit after taxation</b>	2.68	19.43

48. Additional information as required under paragraph 5 of the part II of the Schedule III to the Act to the extent either "Nil" or "Not Applicable" has not been furnished.

49. Comparative figures

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

As per our report of even date attached

for **CHATURVEDI & PARTNERS**  
Chartered Accountants  
Firm Registration No. 307068E

**R N CHATURVEDI**  
Partner  
Membership No: 92087

Hyderabad  
30 MAY 2015

for and on behalf of the Board of Directors of  
**RAMKY INFRASTRUCTURE LIMITED**

**A AYODHYA RAMI REDDY**  
Executive Chairman

**I W VIJAYA KUMAR**  
Chief Financial Officer

**Y R NAGARAJA**  
Managing Director

**V PHANI BHUSHAN**  
Company Secretary

Form AOC -1

**Statement containing salient features of the financial statements of subsidiaries/associate companies/Joint ventures**  
**Statement pursuant to first proviso to subsection (3) of section 129 of companies act, 2013, read with rule 5 of companies**  
**(Accounts) Rules, 2014**

Part -A : Subsidiaries														Rs in Crores
S.N o	Name of the entity	Report ing Curre ncy	Exch ange Rate	Share Capital	Reserves & surplus	Total Assets	Total Liabiliti es	Invest ment other than invest ment in Subsid iary*	Turnov er**	Profit /(Loss)be fore Tax	Provisi on for Taxati on	Profit /(Loss)af ter taxation	Prop osed Divi den d	% of share holding
1	MDDA-Ramky IS Bus Terminal Limited	INR	1	10.65	0.90	40.72	29.16	-	8.30	(0.53)	(0.16)	(0.36)	-	100
2	Ramky Pharma City (India) Limited	INR	1	18.00	125.45	401.75	258.30	3.35	81.82	2.18	1.10	1.08	-	51
3	Ramky Engineering and Consulting Services (FZC)	AED		0.88	7.56	11.06	2.62	-	1.07	(0.39)	-	(0.39)		100
4	Ramky Elsamex Hyderabad Ring Road Limited	INR	1	45.00	2.35	295.88	248.53	-	63.04	5.12	-	5.12		74
5	Ramky Towers Limited	INR	1	0.05	36.99	197.91	160.87	-	40.63	(3.07)	0.06	(3.14)		51
6	Ramky Enclave Limited	INR	1	0.13	16.95	74.84	57.76	-	10.39	(2.82)	(0.87)	(1.95)		89.01
7	Ramky Food Park (Chattisgarh)Limited	INR	1	0.44	0.61	1.05	-	-	0.01	(0.17)	-	(0.17)		100
8	Ramky Herbal & Medicinal Park (Chattisgarh)Limited	INR	1	0.51	0.42	0.94	-	-	-	0.48	-	0.48		100
9	Naya Raipur Gems and Jewellery SEZ Limited	INR	1	1.14	1.14	2.28	-	-	0.06	(0.98)	-	(0.98)		100

10	Ramky-MIDC Agro Processing Park Limited	INR	1	2.23	4.33	6.56	-	-	-	-	-	-	-	100
11	Srinagar Banihal Expressway Limited	INR	1	61.60	0.11	787.71	726.00	-	0.14	0.06	0.04	0.02	-	100
12	Ramky Multi Product Industrial Park Limited	INR	1	10.50	49.47	95.99	36.03	-	-	(0.03)	-	(0.03)	-	
13	Ramky Food Park (Karnataka) Limited	INR	1	0.05	(0.01)	0.05	-	-	-	-	-	-	-	100
14	Sehore Kosmi Tollways Limited	INR	1	12.02	(5.17)	87.76	80.91	-	12.72	(3.20)	-	(3.20)	-	100
15	Hospet Chitradurga Tollways Limited	INR	1	17.02	(17.00)	0.06	0.04	-	-	(16.76)	-	(16.76)	-	100
16	Agra Etawah Tollways Limited	INR	1	0.05	(0.04)	0.03	0.02	-	-	-	-	-	-	100
17	Frank Lloyd Tech Management Services Limited	INR	1	10.47	(0.50)	17.04	7.07	-	4.57	(0.99)	(0.31)	(0.68)	-	100
18	Jabalpur Patan Shahpura Tollways Ltd	INR	1	0.05	(0.05)	0.02	0.02	-	-	-	-	-	-	100
19	Ramky Esco Ltd	INR	1	0.05	(0.01)	0.04	-	-	-	-	-	-	-	100

\* Investment in subsidiary excluded from Investments

\*\* Income from other sources included in Turnover

Name of the subsidiaries which are yet to commence operations

S.No	Name of the entity
1	Ramky Food Park (Chattisgarh) Limited
2	Ramky Herbal and Medicinal Park (Chattisgarh) Limited
3	Naya Raipur Gems and Jewellery SEZ Limited

4	Ramky-MIDC Agro Processing Park Limited
5	Ramky Food Park (Karnataka) Ltd
6	Agra EtawahTollways Ltd
7	HospetChitradurgaTollways Ltd
8	Jabalpur PatanShahpuraTollways Limited
9	Ramky Esco Limited

Name of the subsidiaries which have been liquidated or sold during the year - Nil

Part B: Associates and Joint ventures

Name of the associates/Joint venture (Jv)	N.A.M Expressway Ltd	Jorabat Shillong Expressway Ltd	Ramky Integrated Township Ltd	Rs in Cr (except share data)	
				31/03/2015	31/03/2015
Latest audited balance sheet	31/03/2015	31/03/2015	31/03/2015		
Share of Associate /JV held by the company at the year end					
a. Number	116755000	42000000	18241	25500	
b. Amount of Investment in associate/Jv	116.75	42	0.018	0.025	
c. Extent of Holding %	50	50	28.82	26	
Description of how there is significant influence	There is significant influence to the	There is significant influence to the	There is significant influence to the	There is no significant influence	

	extent of share holding	extent of share holding	extent of share holding	
Reason why the associate /Joint Venture is not consolidated	NA	NA	NA	NA
Networth attributable to shareholding as per latest audited balance sheet	624.43	82.75	328.89	
Profit /Loss for the year i. Considered for consolidation ii. Not considered for consolidation	5.33* -	(3.88)* -	(0.11) -	-

\*profit as per the draft guidance note on service concession arrangement

Name of the associate(s) or Joint Venture(s) which are yet to commence operations : Nil

Name of the associates or joint ventures which have been liquidated or sold during the year : Nil

Place : Hyderabad

Date : 13 /08/2015

(A.Ayodhya Rami Reddy) (Y.R.Nagaraja)  
Executive Chairman Managing Director

(A.Ayodhya Rami Reddy) (V.Phani Bhushan)  
Chief financial officer Company Secretary



## Ramky Infrastructure Limited

Regd. Office: Ramky Grandiose, 15<sup>th</sup> Floor, Sy No 136/2 & 4, Gachibowli,  
Hyderabad – 500 032 Phone: 040-23015000,  
Fax : 040-23015444, Email : [investors@ramky.com](mailto:investors@ramky.com),  
Website: [www.ramkyinfrastructure.com](http://www.ramkyinfrastructure.com), CIN: L74210TG1994PLC017356

### ATTENDANCE SLIP

**21<sup>st</sup> Annual General Meeting – September 30, 2015**

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

DP ID*		Folio No	
Client ID*		No. of Shares held	

I Certify that I am member /Proxy for the member of the company, I hereby record my presence at the **21<sup>st</sup> Annual General Meeting of the Company held on September 30, 2015 at 3.00 P.M at AVASA Hotel, Plot No: 15,24,25 & 26, Sector - 1, Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad - 500081.**

(Signature of Member/Proxy)

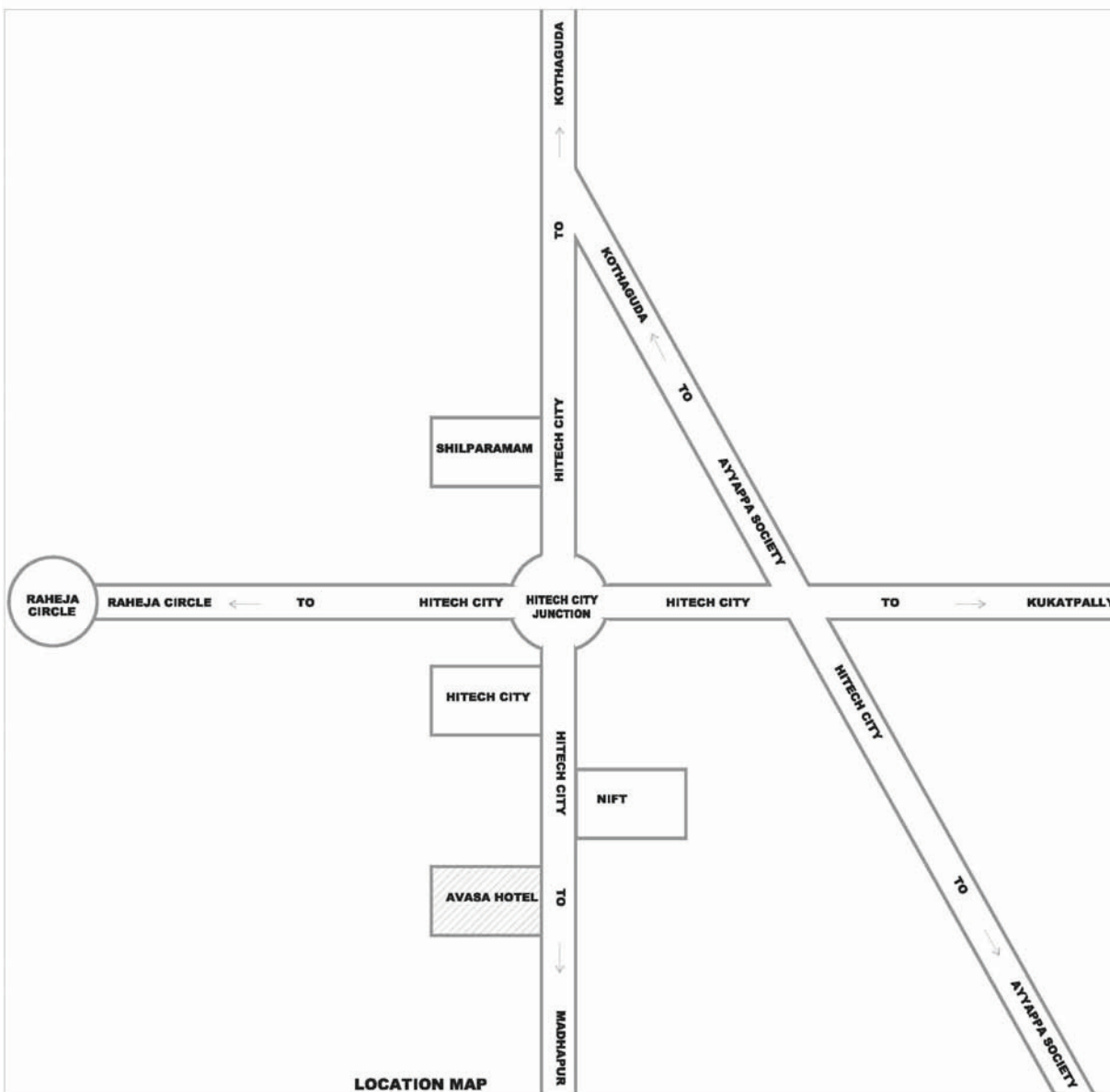
**Note :** Please fill in the attendance slip and hand it over at the entrance of the meeting.

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

\* Applicable for Investors holding shares in electronic form



## ROUTE MAP TO AGM VENUE





## Ramky Infrastructure Limited

Regd. Office: Ramky Grandiose, 15<sup>th</sup> Floor, Sy No 136/2 & 4, Gachibowli,  
Hyderabad – 500 032 Phone: 040-23015000,  
Fax : 040-23015444, Email : [investors@ramky.com](mailto:investors@ramky.com),  
Website: [www.ramkyinfrastructure.com](http://www.ramkyinfrastructure.com), CIN: L74210TG1994PLC017356

### Proxy Form

[Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3)  
of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered address:	
E-mail Id:	
Folio No./Client ID:	
DP ID:	

I/ We being the member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint:

(1)	Name:		Signature
	Address:		
	E-mail Id:		
	or failing him		
(2)	Name:		Signature
	Address:		
	E-mail Id:		
	or failing him		
(3)	Name:		Signature
	Address:		
	E-mail Id:		

as my/our proxy to attend and vote (on a poll) for me/us and on my/belalf at the 21st Annual General Meeting of the Company to be held on **Wednesday, 30th September 2015 at 3.00 p.m at AVASA Hotels, Plot No: 15,24,25 & 26, Sector - 1, Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad- 500081** and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No	Resolution	For	Against
	<b>Ordinary Business</b>		
1.	To receive, consider and adopt:		
	<ul style="list-style-type: none"> <li>the Audited Financial Statements of the Company for the financial year ended March 31, 2015, the Report of the Board of Directors and the Report of the Auditors thereon; and</li> </ul>		
	<ul style="list-style-type: none"> <li>the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2015 and the Report of the Auditors thereon</li> </ul>		
2.	To appoint a director in place of Mr. A.Ayodhya Rami Reddy (DIN 00251430), who retires by rotation and being eligible offers himself for re-appointment		
3.	To appoint M/s. Chaturvedi & Partners, Chartered Accountants (Registration Firm Registration No. 307068E) as the statutory auditor of the company to hold office from the conclusion of this annual general meeting until the conclusion of the fourth Annual General Meeting held thereafter (subject to ratification of the appointment by the members at every AGM held after this AGM) at a remuneration and its manner of payment to be fixed by the Board of Directors/Committee thereof".		
	<b>Special Business</b>		
4.	To appoint Mrs. A.Rama Devi as Independent Director of the company		
5.	To appoint Mr. Gangadharan Krishna Kumar as Non Executive Director		
6.	To fix remuneration to the cost auditor		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of the Shareholder\_\_\_\_\_

Affix  
Revenue  
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

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

By Courier / Regd. Post



*If undelivered, please return to:*

**Ramky Infrastructure Limited**

CIN: L74210TG1994PLC017356

Ramky Grandiose, 15<sup>th</sup> Floor, Sy. No., 136/2 & 4

Gachibowli, Hyderabad - 500 032

Phone: +91 40 23015000, Fax: +91 40 23015444

Email: [info@ramky.com](mailto:info@ramky.com)

[www.ramkyinfrastructure.com](http://www.ramkyinfrastructure.com)