

Notice of Annual General Meeting

Notice is hereby given that the 13th Annual General Meeting of the Members of the Company will be held on Saturday 29 September 2007 at 10.00 a.m. at the Registered Office of the company at 'Ramky House' Rajbhavan Road, Somajiguda, Hyderabad – 500 082 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Report of Directors, Profit and Loss Account for the financial year ended on 31 March 2007 and the Balance Sheet as at that date and the report of Auditors thereon.
2. To Declare dividend on the preference shares at the rate of 0.001% p.a
3. "Resolved that M/s. Visweswara Rao & Associates, Chartered Accountants who retire at the conclusion of this Annual General Meeting, be and are hereby appointed as Statutory Auditors of the Company till the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors on the recommendation of the Audit Committee"

Special Business

3. *To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution*

"Resolved that pursuant to the provisions of Section 257 of the Companies Act., 1956 and other applicable provisions if any, Sri Ravi Kant be and is hereby appointed as a Director of the Company."

4. *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 257 of the Companies Act., 1956 and other applicable provisions, if any, Sri Rajiv Maliwal, be and is hereby appointed as a Director of the Company."

5. *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 257 of the Companies Act., 1956 and other applicable provisions, if any, Dr. Archana Niranjana Hingorani, be and is hereby appointed as a Director of the Company."

6. *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 257 of the Companies Act., 1956 and other applicable provisions, if any, Sri. Kamlesh Shivji Vikamsey, be and is hereby appointed as a Director of the Company."

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

“Resolved that consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, for Mortgaging and/or charging by the Board of Directors (“the Board”) of the Company of all the immovable and movable properties of the Company, wheresoever situate, both present and future and/or whole or substantially the whole of the undertaking(s) of the Company to or in favour of any public or private financial institution(s), banks, mutual funds, banks, bodies corporate or any other person whomsoever participating in extending financial assistance, to secure any term loans working capital facilities, or any other type of financial assistance, not exceeding Rs.5000.00 Crores (Rupees Five Thousand Crores only) lent and advanced/agreed to be lent and advanced by them, together with interest, compound interest, additional interest, liquidated damages, premia on pre-payment, costs, charges, expenses or monies payable by the Company to them under loan agreements/letter of sanction.

Resolved Further that the securities to be created by the Company as aforesaid may rank *pari passu* with the mortgages and / or charges already created or to be created in future by the Company or in such other manner and ranking as may thought expedient by the Board and as may be agreed to between the Company and the concerned parties.

Resolved Further that the Board be and is hereby authorized to finalise and execute any and all agreements and documents, necessary for creating mortgages and/ or charges as aforesaid and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for implementing this resolution and to resolve any question or doubt relating thereto, or otherwise considered by the Board to be in the best interests of the Company”.

8. *To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution*

“Resolved that consent of the Company be and is hereby accorded to the Board of Directors (“the Board”) pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, and the Articles of Association, to borrow from time to time, as it may think fit, any sum or sums of money not exceeding Rs.5000.00 Crores (Rupees Five Thousand Crores only) on such terms and conditions as the Board may deem fit where the monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up Capital of the Company and its free reserves (that is to say, reserves not set apart for any specific purpose), and that the Board be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment security or otherwise howsoever as it may think fit.

Resolved Further that the Board be and is hereby further authorized to create mortgage and / or Charges on such properties of the Company as it may think fit and for that purpose execute such documents and writings containing such conditions and covenants as the Board may think fit and to take all such steps as may be necessary or desirable to give effect to this resolution.”

9. *Investment in Equity Shares of Ramky Food Park (Chattisgarh) Limited (New Company under incorporation)*

To Consider and if thought fit, to pass with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 372A and all other applicable provisions of the Companies Act, 1956, if any and also subject to the requisite permission(s)/consent(s) of appropriate authorities, where required, consent of the company be and is hereby accorded to the Board of Directors of the company to invest in securities, provide guarantee, or security up to a maximum amount of Rs.75.00 Crores (Rupees Seventy Five Crores only) in Ramky Food Park (Chattisgarh) Limited (Company under Incorporation), a company promoted by this Company, notwithstanding the fact that such investment, guarantee, or security together with all other investments, guarantee, or security made by the Company will exceed Sixty Percent of the aggregate of the paid up capital and free reserves of the company or one hundred percent of its reserves”.

10. *Investment in Equity Shares of Ramky Herbal and Medicinal Park (Chattisgarh) Limited (New Company under incorporation)*

To Consider and if thought fit, to pass with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 372A and all other applicable provisions of the Companies Act, 1956, if any and also subject to the requisite permission(s)/consent(s) of appropriate authorities, where required, consent of the company be and is hereby accorded to the Board of Directors of the company to invest in securities, provide guarantee, or security up to a maximum amount of Rs.83.00 Crores (Rupees Eighty Three Crores only) in Ramky Herbal and Medicinal Park (Chattisgarh) Limited (Company under Incorporation), a company promoted by this Company, notwithstanding the fact that such investment, guarantee, or security together with all other investments, guarantee, or security made by the Company will exceed Sixty Percent of the aggregate of the paid up capital and free reserves of the company or one hundred percent of its reserves”.

11. *Investment in Equity Shares of Ramky Gems and Jewellery Park (Chattisgarh) Limited (New Company under incorporation)*

To Consider and if thought fit, to pass with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 372A and all other applicable provisions of the Companies Act, 1956, if any and also subject to the requisite permission(s)/consent(s) of appropriate authorities, where required, consent of the company be and is hereby accorded to the Board of Directors of the company to invest in securities, provide guarantee, or security up to a maximum amount of Rs.48.00 Crores (Rupees Fourty Eight Crores only) in Ramky Gems and Jewellery Park (Chattisgarh) Limited or such other name as may be approved by the Registrar of Companies (Company under Incorporation), a company promoted by this Company, notwithstanding the fact that such investment, guarantee, or security together with all other investments, guarantee, or security made by the Company will

exceed Sixty Percent of the aggregate of the paid up capital and free reserves of the company or one hundred percent of its reserves”.

By Order of the Board

Place: Hyderabad
Date: 03 September, 2007

Sd/-
Dasu Trivikram
GM-Legal & Company Secretary

NOTES

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll on behalf of him and the proxy need not be a member. The enclosed proxy form should be deposited with the Company before the expiry of 48 hours from the date of Annual General Meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
3. Members / Proxies are requested to bring their copies of Annual Report to the Meeting and the attendance slip duly filled in for attending the Meeting. Copies of Annual Report will not be provided at the Meeting.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956**Item 3**

Sri Ravi Kant was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 22nd December, 2006. As per the provisions of Section 260 of the Companies Act, 1956, his term of office expires at the ensuing Annual General Meeting. A Notice under section 257 of the Act, proposing the appointment of Sri Ravi Kant as a Director, liable to retire by rotation, has been received from a member together with the requisite deposit of Rs.500/-. Sri Ravi Kant holds a degree in Civil Engineering from IIT Roorkee and Masters degree in Economics from University of Manchester, UK.

He joined Indian Administrative Service (IAS) in 1985 (West Bengal Cadre).He held important positions in the Government including Collector, Howrah district and Member Secretary, West Bengal Pollution Control Board.

His rich experience and expertise would be of immense help to the Company. Members' approval for the appointment is required under section 257 of the Act by way of ordinary Resolution. Your Directors commend the resolution for your approval.

None of the Directors, except Sri Ravi Kant is interested in the above resolution.

Item 4

Sri Rajiv Maliwal was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 22nd December, 2006. He represents as a Nominee of SABRE ABRAAJ INFRASTRUCTURE COMPANY PRIVATE LIMITED, a company incorporated and registered under the laws of Mauritius, having its registered office at Suite 450, 4th floor, Barkly Wharf East, Le Caudan Waterfront, Port Louis, Mauritius.

As per the provisions of Section 260 of the Companies Act, 1956, his term of office expires at the ensuing Annual General Meeting. A Notice under section 257 of the Act, proposing the appointment of Sri Rajiv Maliwal as a Director has been received from a member together with the requisite deposit of Rs.500/-. Sri Rajiv Maliwal is a Mechanical Engineer (Honors) from BITS, Pilani and completed his Master in Business Admn. from prestigious IIM, Bangalore; he is truly a visionary and leader in investment banking and capital ventures.

Co-founder of Sabre Capital Worldwide Inc, he is a renowned multi national investor with exposure to financial institutions and several other industries in emerging markets. He has valuable experience in managing large and varied operating businesses in the financial services industry in Asia. A successful track record of investing across a dozen companies including iFlex Solutions, Centurion Bank, NDTV, Lotus India, etc.

He is based at Singapore and sits on the board of several companies globally. His vast experience as a Director on the Boards of various companies would be of immense benefit to the Company. Members' approval for the appointment is required under section 257 of the Act by way of ordinary Resolution. Your Directors commend the resolution for your approval.

None of the Directors, except Sri Rajiv Maliwal is interested in the above resolution.

Item 5

Dr. Archana Niranjana Hingorani was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 22nd December, 2006. She represents as a Nominee of IL&FS Trust Company Limited.

As per the provisions of Section 260 of the Companies Act, 1956, her term of office expires at the ensuing Annual General Meeting. A Notice under section 257 of the Act, proposing the appointment of Dr. Archana Niranjana Hingorani as a Director, has been received from a member together with the requisite deposit of Rs.500/-.

"Dr Archana Niranjana Hingorani aged 40 years, is MBA and Ph.D in Finance from the University of Pittsburgh, USA. She is the Executive Director of IL&FS Investment Managers Limited and has over 21 years experience in the financial services business, teaching and research. Her focus has been on private equity, project finance and financial restructuring, with a specialisation in infrastructure, manufacturing and recently in real estate projects. She has been with the IL&FS Group for 14 years, and has performed a multitude of roles - starting off as an economist and moving on the project finance and asset management. Dr Hingorani's focus over the last 11 years has been on private equity fund management. She is one of the founding members of the IL&FS private equity business and has overseen investments with an aggregate capitalisation value in excess of US\$ 5 bn."

The Company would be benefited immensely with the experience and expertise that she brings in. Members' approval for the appointment is required under section 257 of the Act by way of ordinary Resolution. Your Directors commend the resolution for your approval.

None of the Directors, except Dr. Archana Niranjana Hingorani is interested in the above resolution.

Item 6

Sri Kamlesh Shivji Vikamsey was appointed as an Additional Director by the Board of Directors at their meeting held on 16th March, 2007.

As per the provisions of Section 260 of the Companies Act, 1956, his term of office expires at the ensuing Annual General Meeting. A Notice under section 257 of the Act, proposing the appointment of Sri Kamlesh Shivji Vikamsey as a Director, has been received from a member together with the requisite deposit of Rs.500/-.

Shri Kamlesh Shivji Vikamsey is a Chartered Accountant by profession since 1982 and his profile speaks volumes of his remarkable achievements and vast experience in the fields of finance and accounts.

He is a Senior Partner of M/s. Khimji Kunverji & Co., Chartered Accountants, Mumbai. He is Deputy President of Confederation of Asian and Pacific Accountants (CAPA), Hong Kong and Board Member International Federation of Accountants (IFAC), New York. He is Past President of The Institute of Chartered Accountants of India (ICAI), New Delhi. He was a Part Time Member of the Insurance Regulatory and Development Authority of India (IRDA). He was appointed on a Steering Committee consisting of six independent eminent experts in the field of governance and oversight to conduct an independent external evaluation of comprehensive review of governance and oversight of the United

Nations, its funds, programme & specialized agencies. He has served on several Expert Committees set up by the Finance Ministry, Reserve Bank of India, Securities and Exchange Board of India, etc. He is a Director of several companies in India.

His exposure in the field of International Finance, Accounting, Auditing and Governance helps in providing leadership and development of the company. Member's approval for the appointment is required under section 257 of the Act by way of ordinary resolution. Your Directors commend the resolution for your approval.

None of the Directors, except Shri Kamlesh Shivji Vikamsey is interested in the above resolution.

Item 7

The Financial assistance from Banks, financial institutions and/or or such other lenders has to be secured by way of charge on all the movable and immovable properties of the Company present and future. Since the mortgage by the company of the immovable properties as aforesaid in favour of Financial Institutions and/or Banks or such other lenders may be regarded as disposal of the Company's properties/undertakings, it is necessary for the members to pass a resolution under section 293(1)(a). Previously members have approved for Rs.5000.00 Crores at the 11th Annual General Meeting, in order to accommodate the funds requirements for the increased activities of the Company, it is proposed to increase the limits from the present Rs.1500 Crores to Rs.5000 Crores. The Board recommends this resolution for your approval.

None of the Directors of the Company is concerned or interested in the above resolution.

Item 8

In view of the Company's plans to raise loans from financial Institutions / Banks / other lenders to meet working capital and Capital Expenditure requirements, it is necessary to authorise the Board of Directors of the Company to borrow from time to time any sums of money as the Board of Directors may at its discretion think fit, notwithstanding that the monies together with the monies already borrowed by the company may exceed the aggregate of the paid up capital and free reserves of the company.

Pursuant to provisions of section 293(1)(d) of the Companies Act, 1956, borrowing of money in excess of Paid Up Capital and Free Reserves requires approval of the shareholders by Ordinary Resolution, Previously members have approved for Rs.1500.00 Crores at the 11th Annual General Meeting and for meeting the increased activities , the said limit of Rs.5000.00 Crores is proposed.

The Board recommends this resolution for your approval.

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

Item 9

In accordance with the provisions of section 372A of the Companies Act, 1956, a company cannot make any loan and/or give any guarantee or provide security in connection with a loan and/or invest in securities of any body corporate in excess of the percentage (i.e. Sixty percent of its paid up capital and free reserves or one hundred percent of its free reserves, whichever is more) prescribed under section 372A of the

Companies Act, 1956, unless previously authorized by a Special Resolution of the Shareholders in General Meeting.

Your company was awarded the Development of Food Processing Park in Rajnandagaon, Chhattisgarh on Build Operate Transfer Model based on PPP model by Chhattisgarh Infrastructure Development Corporation Limited

This has resulted in the formation of Special Purpose Vehicle for the Project completion. Hence, your company has to invest in securities, provide guarantee, or security of the new company i.e. Ramky Food Park (Chattisgarh) Limited as one of the Promoter and also to invest further into the company for the project works in terms of the agreement with the project authorities.

Since the above proposal comes within the ambit of Section 372A of the Companies Act, 1956, your approval is being sought.

Your Directors therefore recommend the special resolution set out herein for your approval.

None of the Directors of the Company is concerned or interested in this resolution.

Item 10

In accordance with the provisions of section 372A of the Companies Act, 1956, a company cannot make any loan and/or give any guarantee or provide security in connection with a loan and/or invest in securities of any body corporate in excess of the percentage (i.e. Sixty percent of its paid up capital and free reserves or one hundred percent of its free reserves, whichever is more) prescribed under section 372A of the Companies Act, 1956, unless previously authorized by a Special Resolution of the Shareholders in General Meeting.

Your company was awarded the Development of Herbal and Medicinal Park in Dhamtari, Chattisgarh on Build Operate Transfer Model based on PPP model by Chattisgarh Infrastructure Development Corporation Limited

This has resulted in the formation of Special Purpose Vehicle for the Project completion. Hence, your company has to invest in securities, provide guarantee, or security of the new company i.e. Ramky Herbal and Medicinal Park (Chattisgarh) Limited as one of the Promoter and also to invest further into the company for the project works in terms of the agreement with the project authorities.

Since the above proposal comes within the ambit of Section 372A of the Companies Act, 1956, your approval is being sought.

Your Directors therefore recommend the special resolution set out herein for your approval.

None of the Directors of the Company is concerned or interested in this resolution.

Item 11

In accordance with the provisions of section 372A of the Companies Act, 1956, a company cannot make any loan and/or give any guarantee or provide security in connection with a loan and/or invest in securities of any body corporate in excess of the

percentage (i.e. Sixty percent of its paid up capital and free reserves or one hundred percent of its free reserves, whichever is more) prescribed under section 372A of the Companies Act, 1956, unless previously authorized by a Special Resolution of the Shareholders in General Meeting.

Your company along with the consortium partners viz M/s Aerens Goldsouk Limited, Mumbai, M/s P.D.Gupta Infratech Private Limited, Nagpur and M/s Chattisgarh Futuristic Infrastructure Private Limited, Raipur was awarded the Development of Gems & Jewellery SEZ in Raipur, Chattisgarh on Build Operate Transfer Model based on PPP model. by Chattisgarh Infrastructure Development Corporation Limited

This has resulted in the formation of Special Purpose Vehicle for the Project completion. Hence, your company has to invest in securities, provide guarantee, or security of the new company i.e. Ramky Gems and Jewellery Park (Chattisgarh) Limited or such other name as may be approved by the Registrar of Companies as one of the Promoter and also to invest further into the company for the project works in terms of the agreement with the project authorities.

Since the above proposal comes within the ambit of Section 372A of the Companies Act, 1956, your approval is being sought.

Your Directors therefore recommend the special resolution set out herein for your approval.

None of the Directors of the Company is concerned or interested in this resolution.

By Order of the Board

Place: Hyderabad
Date: 03 September, 2007

Sd/-
Dasu Trivikram
GM-Legal & Company Secretary

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Thirteenth Report on the business and operations of your Company for the financial year ended 31 March 2007.

The performance of the Company for the financial year ended 31 March 2007 is summarized below:

Financial Results

(Rs. in million)

Particulars	Year ended 31 March 2007	Year ended 31 March 2006
Gross Turnover	7115.51	4082.18
Earnings before Interest, Depreciation, Extraordinary items & Tax (EBIDTA)	767.01	325.69
Interest & Finance Charges	193.08	68.98
Depreciation	40.05	23.09
Profit Before Tax	533.88	233.62
Provision for Tax	126.24	26.83
Profit after Tax (PAT)	396.62	201.65
Balance brought forward from previous year	377.99	222.87
Profit available for appropriation	774.61	377.99
Appropriations		
Transfer to General Reserve	Nil	Nil
Proposed Dividend on existing shares	Nil	Nil
Short provision of previous year	Nil	Nil
Corporate Dividend Tax	Nil	Nil
Current year	Nil	Nil
Short provision for previous year	Nil	Nil
Total	Nil	Nil
Balance carried to Balance Sheet	774.61	377.99

Review of Performance: Yet Another Year of Significant Growth

Your Company achieved a gross turnover of Rs. 7115.51 million for the year ended 31 March 2007 as against Rs. 4082.18 million for the previous financial year registering an incremental turnover of Rs. 3033.33 million and recording a growth rate of 74.31% over the previous year.

The Earnings before Interest Depreciation, Taxes and Amortization (EBIDTA) at Rs. 767.01 million are 10.78% of the Gross turnover for the year under review as against Rs. 325.69 million at 7.98% of the Gross turnover for the previous financial year and this rate of profit compares well with those of the peers in the industry.

Your Company is undertaking certain contract works awarded by the waste Management Projects belonging to the group companies. These contracts are being awarded by such group companies as they do not like to take the risk of exposing the proprietary technology of waste management to outside contractors. It may also be noted that

cardinal principle governing the award of such projects is fair price and at arms length basis.

Share Capital

Allotment of Share Capital

Your company has made the following allotments during the period under report:

1. Allotment of 653,330 cumulative, convertible, participating preference shares of a face value of Rs.10/- at a premium of Rs. 1136.21/- each, carrying a coupon of 0.001% per annum and convertible into Equity Shares and 1,000 Equity Shares of a face value of Rs.10/- each at a premium of Rs 1136.21/-, which Equity Shares shall carry differential rights in relation to voting, dividend, to Sabre Abraaj Infrastructure Company Private Limited on 27 December 2006.
2. Allotment of 435,220 cumulative, convertible, participating preference shares of a face value of Rs.10/- and a premium of Rs. 1136.21/- each, carrying a coupon of 0.001% per annum and convertible into Equity Shares and 1,000 Equity Shares of a face value of Rs.10/- each and a premium of Rs 1136.21/-, which Equity Shares shall carry differential rights in relation to voting, dividend, to IL&FS Trust Company Limited Account-IL&FS Private Equity Trust-Tara India Fund III on 28 December 2006.
3. 50,000 equity shares of Rs.10/- each at a premium of Rs.90/- to the employees of the Company upon exercise of equal number of stock options granted to them pursuant to the RIL Employee Stock Option Plan 2006 on 31 March 2007.

Dividend

Even though your company has shown commendable performance in terms of Profit after tax, in order to conserve the resources to finance the growth of the company, your Directors do not recommend any dividend on the Equity Shares. However, Dividend of Rs. 109 @ 0.001% has been recommended for payment on the cumulative, convertible, participating preference shares as per the terms of the issue.

Investments

During the period under report, your Company has made equity investments in the following

- a) Rs.1,800,000_ in Ramky Pharma City (India) Limited, a Subsidiary of the Company as further investment.
- b) Rs.42,024,910 for purchase of shares of MDD-Ramky IS Bus Terminal Limited and Rs. 14,272,700 as further investment where by the company has become Wholly Owned Subsidiary of the Company.
- c) 500,000 AED in Ramky Engineering and Consulting Services FZC, Sharjah, a Wholly Owned Subsidiary of the Company
- d) Rs.370,000 in Ramky Hyderabad Ring Road Limited, a Subsidiary of the Company.
- e) Rs.255,000 in Ramky Towers Limited, a Subsidiary of the Company

- f) Rs 255,000 in Gwalior Bypass Project Limited, a Subsidiary of the Company as further investment.

Subsidiaries

The concept of Public Private Partnership (PPP) has gained momentum with the Government realizing that the private sector has a greater role to play in the infrastructure development of the country. As a consequence many of the projects have been drafted as BOOT or BOT projects resulting in private sector seeking additional resources for investment. To meet the challenges in evolving scenario, the following subsidiaries were formed separately as Special Purpose Vehicles (SPVs) incorporated for executing each such BOOT / BOT project. The nature of projects being executed by these subsidiaries is discussed hereunder.

Name of the Project

Name of Subsidiary

1) *Pharmacy – Vizag*

Ramky Pharma City (India) Limited (RPCIL)

An Integrated Industrial Park for bulk drug and chemical manufacturers, being developed on 2200 acres of land at Vishakapatnam. The project is a perpetual BOO project in a joint venture with Andhra Pradesh Industrial Infrastructure Corporation, which owns 11% of RPCIL. Your company holds 51% in this Subsidiary.

2) *Inter-state Bus Terminus, Deharadun*

MDDA-Ramky IS Bus Terminal Limited

This project is India's first privately operated bus terminal. The project, conceived as a BOT project (20 years concession period extendable by another 10 years) has 2 components viz. the terminal and a commercial complex. The terminal is already operational and the commercial complex is under development. This is a 100% subsidiary of your company.

3) *Gwalior – Bypass Road Project*

Gwalior Bypass Projects Limited

Your company holds 51% in this subsidiary. The other consortium partner is M/s Era Constructions Ltd and M/s Shriram Chits Private Limited. This is a BOOT (Annuity) project for development of Gwalior Bypass Road project in Madhya Pradesh.

4) *Business Development & Consultancy, Sharjah, U.A.E*

*Ramky Engineering & Consulting
Services (FZC)*

This is a Wholly Owned Subsidiary of your company is engaged in providing Business Consultancy Services.

5) *Outer Ring Road (ORR)*

*Ramky Hyderabad Ring Road Limited
(RHRRL)*

The Project envisages the development of Eight lane access controlled expressway under Phase II A programme from Tukkuguda to Shamshabad from KM 121.00 to Km 133.63 on Build Own and Operate (BOT) Annuity basis awarded by the Hyderabad Urban Development Authority.

Your company holds 74% in this subsidiary and the remaining 26% is held by Elsamex SA, a company Incorporated in Spain.

6) Gachibowli Project)

Ramky Towers Limited (RTL)

Your company holds 51% in this subsidiary. The other member being the Ramky Estates and Farms Private Limited with 49% holding. This project is for development of a Modern township at Bit No. 3/2 & 3/3 at survey No. 136/2 and 136/4 Gachibowli, near Hyderabad awarded by APHB.

Public Deposits

Your Company has not accepted any deposits and as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet for the year ended 31 March 2007.

Directors

Appointments

The following appointments took place during the period under report

- a) Mr. Rajiv Maliwal was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956 on 22 December 2006.
- b) Dr. Archana Niranjana Hingorani was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956 on 22 December 2006.
- c) Mr. Ravi Kant was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956 on 22 December 2006.
- d) Mr. Kamlesh Shivji Vikamsey was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956 on 16 March 2007
- e) Mr. Krishna Kumar was appointed as Alternate Director to Dr. Archana Niranjana Hingorani on 22 December 2006.
- f) Mr. Anuj Kumar was appointed as Alternate Director to Mr. Rajiv Maliwal on 22 December 2006.
- g) Mr. M. Gowtham Reddy was appointed as Alternate Director to Mr. A. Ayodhya Rami Reddy on 16 March 2007.

Resignations

Mr. Ajay Kumar Mishra, Executive Director has resigned w.e.f. 22 June 2007 due to his pre-occupation. Board places on record its sincere appreciation for the services rendered by Mr. Mishra during his tenure as a Director.

Additional Information

The offices of Mr. Rajiv Maliwal, Dr. Archana Niranjana Hingorani, Mr. Ravi Kant and Mr. Kamlesh Shivji Vikamsey as Additional Directors will come to an end at the ensuing Annual General Meeting.

Mr. M. Gowtham Reddy, Mr. Krishna Kumar, and Mr. Anuj Kumar have vacated their offices as Alternate Directors in terms of the provisions of Section 313 of the Companies Act, 1956.

As a good corporate governance measure, brief particulars of the directors seeking the appointment are provided in the Explanatory Statement to the Notice calling Annual General Meeting.

Directors' Responsibility Statement

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

- i. In the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanations relating to material departures :
- ii. The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2007 and of the profit of the Company for the financial year ended on that date.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Auditors

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

Employee Stock Option Plans

[RIL Employee Stock Option Plan 2006](#)

Under this Scheme, the Company has granted 50,000 stock options to its employees. All the options were vested and exercised as on 31 March 2007. The scheme is no more in operation.

Statutory Information

[Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo](#)

The particulars as prescribed pursuant to Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, as amended from time to time, are set out as [Annexure-A](#) to this Report.

Particulars of Employees

The particulars of employees as required under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, are set out as Annexure-B to this Report.

Management Discussion & Analysis

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

Corporate Governance

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

Industrial Relations

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

Acknowledgements

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

For and on behalf of the Board

Place: Hyderabad
Date: 03 September 2007

(A. Ayodhya Rami Reddy)
Chairman

ANNEXURE 'A' TO DIRECTORS' REPORT

Particulars pursuant to Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988

1. Conservation of Energy

Conservation of Energy is an on going process in the Construction activities. Adequate measures are taken to conserve energy, wherever possible.

2. Technology Absorption on Form B

Research & Development (R&D)

There is no information to be furnished regarding Research and Development as your company has not undertaken any research and development activity. Hence the information under the following Heads is **NIL**.

- Specific areas in which R&D work has been done by the Company
- Benefits derived/expected from the R&D work
- Future plan of action
- Expenditure on R&D

Technology absorption, adaptation and innovation

The requisite information under the head is not applicable to company as there were no imports of any technology. Innovation is a culture in the Company to achieve cost efficiency in the construction activity to be more and more competitive in the prevailing environment that cannot be quantified.

3. Foreign Exchange Earnings and Outgo

Activities relating to exports; initiative taken to increase exports; development of new export markets for products and services; and export plans; NIL

Foreign exchange earnings and outgo

(Value in Rs.)

	Year ended 31 March 2007	Year ended 31 March 2006
Foreign Exchange earnings	NIL	Nil
Foreign Exchange outgo	Nil	Nil

ANNEXURE 'B' TO DIRECTORS REPORT

Sl. No	Name	Designation/nature of Duty	Qualifications	Exp (Yrs.)	Date of joining	Nature of employment	Gross Remuneration p.a. (in Rs.)	Age	Previous Employment / position held
(i) Employed throughout the Financial Year									
1	A. Ayodhya Rami Reddy	Chairman	M.Tech	22	4/15/1994	Permanent	48,02,500	45 yrs	1) Reliance 2) Navega Engineers 3) RK Constructions
(ii) Employed for a part of the Financial Year									

Note: Gross remuneration includes salary and perquisites

Annexure 'C' To Directors Report

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

INFRASTRUCTURE – INDUSTRY OVERVIEW

In a country like India, with low infrastructure base and a rapid GDP growth rate, the need for massive investments in the infrastructure sector is obvious, to sustain the economic development of the country.

Various agencies have estimated the required investment in the Indian Infrastructure Sector anywhere between USD 320 Billion to USD 490 Billion in the next five years. These envisaged investments are required in key sub sectors of infrastructure such as Roads, Airports, Railways, Ports, Urban Infrastructure, Power, Oil & Gas Sector etc. Construction activity accounts for 40% to 50% of the total infrastructure investments.

Hence, the construction industry in India is witnessing rapid growth powered by large investments in the key infrastructure sectors.

SECTORAL OVERVIEW

❖ Buildings – Standing Tall:

Buildings, both residential & commercial are a part of urban infrastructure. Due to rising per capita incomes of households and the increased investment in the industry, the demand for both housing and office space is racing ahead.

As per a study of OECD, during the five years period between FY 02 to FY 06, India has achieved the highest growth rate in employment among all the BRIC Countries. India's services sector is booming particularly in IT, ITES, Telecom, Retail, Aviation, Hospitality etc. leading to ample employment opportunities to the young and educated / semi educated people. This is also leading to rapid urbanization and faster development of suburbs around the major cities and creation of satellite townships. This in turn, combined with increased disposable incomes, has led to increase in demand for residential properties. Also the companies operating in the above service sectors are building last commercial properties like office buildings, Software / BPO development centers, shops & malls, hotels etc.

The Government had already announced the SEZ policy and accordingly several SEZ projects have taken off.

❖ Water – a river bed of opportunities :

As per several environmental experts and strategic thinkers, water will be the most scarce and crucial resource for all the countries in the next 20 to 25 years, due to global warming and depleting soil water levels. As per some estimates, the per capita availability of water in India will come down to 1000 Cu Mtr. in the next 20 years from the current 1800 Cu Mtr per person. Though currently Government supplies water at low or no cost, the quality of water is a long way to go. In the rural areas, a vast population still does not have access to any potable water.

After examining the global success stories of private participation in the water sector, the Govt of India with a view to attract private investment in to the water sector has taken

several initiatives like granting of “*infrastructure status*” in water supply and sewerage. The National Water Policy, 2002 also encourages private participation in the sector. Also several multilateral agencies like World Bank and Asian Development Bank have started lending / financing huge amounts for the water related projects. All these has opened up enormous opportunities for the private sector both as developer and contractor, in the virgin territory of water.

The construction opportunities in the Waste Water Sector like sewage treatment plants from the local authorities or effluent treatment plants from the private developers / concessionaries are ever increasing, as the society’s and the industries’ are largely untapped till now. Growing awareness of a clean society is giving the impetus for more and more projects in this line either on Public Private Partnership basis or Contract Basis. The company foresees great potential and limited competition in this area.

❖ **Roads - Highways to prosperity :**

India is having the second largest road network in the world. However most of the roads lack in terms of quality, & multi-laning. However the Governments National Highway Development Programme (NHDP) and Golden Quadrilateral has given the necessary push up for modernizing the road sector in India. This has further given inspiration for the State Highways, Express Ways and other important roads to modernize themselves. Accordingly, over and above the National Highways Authority of India, several State Governments, Local Authorities are spending vast money either on constructing new roads like Outer Ring Roads in major cities, link roads between interior towns or for modernizing & multi-laning the existing roads.

Hence RIL has major interest and stakes in the road sector, though the company is quite selective in undertaking the road projects. The company is mainly either undertaking the contract leg of the road projects being developed by on BOT basis through SPV companies like Hyderabad Outer Ring Road (Shamshabad to Thukuguda phase) or major State Government road projects like Betul - Khandwa road project in Madhya Pradesh or road projects in major cities like widening and modernizing the roads in Ahmedabad City for the Ahmedabad Municipal Corporation.

❖ **Irrigation - a ray of hope for farmers :**

A very low percentage of India’s agriculture land is covered by irrigation facilities and the balance vast portion of land is rain fed, leaving the farmers to the vagaries of weather. Though, India’s services sector and industry sector are growing at or above double digit growth rate, the agriculture sector is still growing only a meager 3% to 4% due to several reasons like, small holdings, lack of technology and non-availability of irrigation facilities. Two-thirds of the country’s population depends on agriculture, though the agriculture sector accounts for less than 1/3rd of the country’s GDP. To address these problems, several State Governments have embarked on huge investments for irrigation projects. The state of Andhra Pradesh alone is envisaging an investment of about Rs.400 billion in the irrigation projects in the next five years.

❖ **Power & Rural Electrification – light at the end of the tunnel :**

The Government has initiated an ambitious programme to cover all villages for rural electrification under Rajiv Gandhi Gramin Vidhyktikaran Yojana. The Government of India has also taken several initiatives to assist State Electricity Boards in their

distribution network under Accelerated Power Development and Reforms Programme (APDRP). Also the Government has announced or awarded several fast track mega power generation projects. Also power trading in India is just taking off. All this will necessitate to transmit power inter region as well as intra region in the country. Hence the Power Transmission Sector in India is experiencing strong growth and is likely to continue for several years.

❖ Opportunities and Threats :

Ramky Infrastructure Ltd is a diversified and proven infrastructure player with interest covering various sub sectors of infrastructure, with a Pan India presence.

Though the company's niche area continues to be Water & Waste Water projects, it has also executed and delivered several large and fast track projects in other areas like, building construction, irrigation works and roads. Of late, the company has also undertaken several large projects in industrial construction and rural electrification.

The company through its subsidiaries has undertaken prestigious PPP projects in areas like industrial township, transport terminals, roads and residential / commercial complexes.

As stated earlier, the estimated investment in the infrastructure sector in the next five years is likely to be between USD 320 billion to USD 490 billion. Also, the Govt is opening up more sectors for public private partnership. Due to increased demand for residential and commercial space, the private investments in the real estate sector are galloping. On the other hand, there are only limited players with proven infrastructure construction and development capabilities of the order of the Ramky Infrastructure Ltd. To capitalize on these opportunities, Ramky Infrastructure is leveraging its resources to undertake large projects and in the process to realize better margins.

Though Ramky Infrastructure operates in the high growth and sunrise infrastructure industry, it faces potential threats in terms of non-availability of skilled manpower, demand supply gap of construction materials in the country and short supply of high end machinery. To overcome these problems, the company is undertaking several innovative measures like, tie-up with National Academy of Construction (NAC) for training various graduates with a view to absorb them in the company. The company is also exploring the possibilities of bulk import of certain construction materials and machinery.

RIL – A Fast track Company :

Revenues :

During the FY 2006-07 RIL has achieved the milestone of crossing INR 7000 Million turnover for the first time and PAT of close to INR 400 Million. During the said FY, RIL for the first time has crossed the highpoint of permanent employee strength of more than one thousand employees. The turnover of the company for FY 06-07 of INR 7115 Million has grown by 74% YoY, compared to Rs.4082 Million during the FY 05-06. The main sectors which have contributed to the increase in top line during the financial year are Buildings and Water & Waste Water, the building sector accounts for almost 1/3rd of the total turnover whereas Water & Waste Water Sector accounts for almost 1/4th of the total turnover. Also RIL has closed the FY 06-07 with a closing order book of 22307 Million as on 31.3.07, a growth of 58% over previous financial year.

Profits :

The Earnings before Interest Depreciation, Taxes and Amortization (EBIDTA) at INR 767 million are 10.78% of the Gross turnover for the year under review as against 7.98% for the previous financial year and this rate of profit compares well with those of the peers in the industry.

The net profit for the financial year 06-07 has increased to Rs.39.66 Crores, compared Rs.20.16 Crores during the FY 05-06. The net profit margin for the FY 06-07 is 5.57%, compared to 4.98% during the previous financial year.

Though the EBIDTA margin for FY 06-07 has increased by 2.8%, the net profit margin for the year has increased only by 0.76%. The main factors contributing for the lower increase in net profit margin are the increase in interest & financial charges and the increase in provision for taxation. The interest & financial cost as a percentage of revenue during the financial year 06-07 is 2.71% compared to 1.69% during the previous financial year. The higher interest & financial cost is due to the increased borrowings for meeting the working capital requirements during the year. However, additional equity Rs.125 Crores infused during end December'06, through equity dilutions to the PE investors has relatively eased the interest cost burden only during the Q4 of the Financial 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 as on 31.3.07 is Rs.123.37 Crores compared to Rs.41.64 Crores as on 31.3.06. Hence during the financial year, there is a net increase of Rs.81.73 Crores in the loan funds. This increased borrowings coupled with a part of the PE equity money has financed the increased working capital needs, necessitated by a rapid growth in the turnover during the year.

However, as on 31.3.07, the debt equity ratio is comfortable at 0.6 times of net worth. However the debt equity ratio for the previous financial year as on 31.3.06 is 0.9 times of net worth. Hence though the utilization of loan funds in absolute terms has gone up during the financial year, there is an improvement in the debt equity ratio for the year.

Net Worth:

The net worth of the company as on 31.3.07 is Rs.207.49 Crores, compared to Rs.44.77 Crores on 31.3.06 showing a significant jump of Rs.162.72 Crores. The main contributors to this increase in net worth are additional equity infusion of Rs.122.06 Crores (net of issue expenses) by the PE investors and retained earnings of Rs.39.66 Crores for the year and Rs.1.00 Crores realized by way of issue of one lac shares against ESOPs to the employees of the company & group companies at a price Rs.100 per share including premium.

Current Assets & Current Liabilities:

The gross current assets as on 31.3.07 are Rs.552.32 Crores compared to Rs.257.52 Crores as on 31.3.06. The current liabilities and provisions as on 31.3.07 is Rs.317.16 Crore compared to Rs.207.31 Crores as on 31.3.06. Hence the net current assets at the end of the financial year 06-07 are Rs.235.15 Crores compared to Rs.50.20 Crores

during the previous financial year, showing an increase of Rs.184.95 Crores in the net current assets during the year. The net current assets as a percentage of turnover as on 31.3.07 is 33% compared 12.3% during the previous financial year. This increase in the net current assets is mainly on account of increase in Sundry Debtors and increase in loans & advances during the year.

The loans & advances during the year have gone up approximately by Rs.107 Crore due to an increase of Rs.52 Crores in Security Deposits retained by the clients, and an increase of Rs.55 Crores in other advances and deposits.

The Sundry Debtors during the financial year have gone up approximately by Rs.154 Crores, of which, approximately Rs.70 Crore increase is on account of works done for the subsidiary companies and group companies. The balance increase is on account of works done for the third parties.

Fixed Assets :

The gross fixed assets as on 31.3.07 is Rs.57.86 crore compared to Rs.35.16 Crore as on 31.3.06. The company is making conscious efforts to increase the fixed asset base so as to increase the element of mechanization in the execution of projects to reduce manpower cost and for speedier completion of projects.

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

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

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

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

- Providing water supply system to Old Bagalkot town including repairing and revamping of existing system.
- Construction of 172 MLD STP with USAB process & Main pumping Station at Nagole, Hyderabad.
- Construction of 100 MLD STP Based on UASB Technology at Jalandhar under Satluj Action Plan.
- Construction of Treatment Storage and disposal Facility of WBWML, Haldia
- Designing, Construction, erection and Commissioning 80 MLD STP including O&M at Airoli, Navi Mumbai.
- Construction of Treatment Storage & Disposal facility for MPWMP at Indore
- Construction of Treatment Storage & Disposal facility at Nimbua, Punjab.
- Construction of Treatment Storage & Disposal facility at Kanpur – UP.
- Construction of Treatment Storage & disposal Facility for HWMP at Hyderabad

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

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

- Construction of 490 Miners C2 Type Quarters, at SCCL Manuguru
- Construction of State Guest house at kadapa
- Construction of 750 bed Rajiv Gandhi Institute of Medical Sciences at Putlampalli, Kadapa Town
- Construction of 1190 Miners Quarters at SCCL Ramagundam
- Development of 115 acres campus for Visweswaraya Technological University at Belgaum
- Construction of Multistoried apartments for Shriram Properties Ltd at Kodigehali Village, Bangalore
- Construction of Mini Vidhansoudha Building in Mysore
- Construction of Hostel Building for Karnataka Backward Classes Department.
- Construction of Married Accommodation dwelling houses at Air Force Station, Bangalore, North, South & Central.
- Construction of residential units for Reliance at Jamnagar SEZ
- Construction of Married Accommodation at Amritsar Military Station, Amritsar
- Construction of New campus at Calcutta International School
- Construction of Malda Food park at Malda WB
- Construction of WBPDC's office premises Salt lake city, Kolkata
- Construction of Married Accommodation for Majors including allied internal and external services – Lucknow UP
- Construction of Brigadier/Captain/OR quarters at Shahjanpur UP
- Construction of Paryataka Bhavan in Hyderabad for APTDC Ltd.

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

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

- Integrated Street Development Project in Ahmedabad for Ahmedabad Municipal Corporation.
- Construction of Road between Satna & Amarpatnam and Rewa Semiria in MP.
- Construction of Road between Betul and Kandawa in MP.

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

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

- Construction of CM&CD works for DBM-71 branch canal in Warangal District, AP.
- Formation of Reservoir across Bahuda River near Dinnemeedipalli, AP.
- Construction of Upper Tunga Project Canal at Rattiahalli – Karnataka (total 4 packages)
- Construction of New Barrage across Kumaradhara River near Puttur.
- Earth work and Construction of CD works of UTP Main canal – Shimoga

The Company has taken a conscious decision to foray into power sector to encash the increasing opportunities in Power Transmission and Rural electrification due to massive investments envisaged in this regard under Rajiv Gandhi Gramin Vidhyktikaran Yojana and Accelerated Power Development and Reforms Programme (APDRP).

The Company is executing major projects for rural electrification in Seoni, Jbhalpur and Damoh in the state of Madhya Pradesh.

Internal Control Systems :

RIL has an Internal Monitoring and Assessment Department (IMAT), which draws up an extensive program of internal audit for its various projects and offices, having periodic review and monitoring of compliance of SOP, systems and progress and suggesting measures for improvement. Internal Audit is also being carried out by an external agency M/s K.P.Rao & Associates, Chartered Accountants. RIL is an ISO 9001:2000 certified company for its west zone operations and is in the process of obtaining the same certification for the entire company. RIL is expected to be ERP enabled by March-08 through Oracle 11i. The roll out has started at Corporate Office and selected projects of East Zone. RIL is investing considerable time, money and efforts to upgrade the company's systems.

New Vistas to move up on value chain:

RIL is geared to take advantage of the widening window in Public-Private-Partnership (PPP) of central and state governments, either directly or through subsidiary companies, by leveraging its project execution capabilities, financial strength and management expertise by actively foraying into projects on BOT/ BOOT basis in sectors like roads, industrial parks, transport terminals, water related projects etc. Thus RIL is making concerted and conscious efforts to move up on the value chain by reducing its dependence on cash contracts and increasing the share of high value added and high margin BOT/ BOOT projects. In this direction, RIL in consortium with Elsamex SA has bagged a prestigious BOT (Annuity) project for Outer Ring Road in Hyderabad City, for the package from Tukuguda to Shamshabad amounting to INR 4000 Million.

During the period under review, the company in consortium with ERA Constructions Ltd has promoted a SPV company namely, Gwalior Bypass Projects Limited for undertaking a four lane, 42 Kms BOOT (Annuity) Bypass road project at Gwalior in Madhya Pradesh at a project cost of INR 3000 Million approximate.

The Company is already implementing an Integrated Industrial Park for bulk drug and chemical manufacturers, being developed on approximate 2200 acres of land at Vishakapatnam, through another subsidiary company namely, Ramky Pharma City (India) Limited.

The company through its subsidiary MDDA-Ramky IS Bus Terminal Limited, has completed and operationalized the Phase I of Inter-state Bus Terminus at Deharadun, which is a BOT (Toll) project and India's first private bus terminus. The Phase II of the project i.e Commercial development is under implementation.

During 07-08, the company has incorporated another SPV company namely, Ramky Towers Ltd for implementing a high end residential cum commercial project on an 17 acres land at Gachibowli in Hyderabad.

The company is also in the process of forming a SPV company for undertaking a major residential cum commercial project in a 32 acre land situated in the Warangal city of Andhra Pradesh.

Rationale for the construction contracts with the group companies:

Rationale for the award of the construction contracts by the other promoter group companies is to ensure that the proprietary technology and design for waste management remains secured within the group

Cautionary Statement:

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

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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, in order to establish an enduring relationship with and maximize the wealth of its stake holders. The Company believes that these practices will not only see the growth of the corporate world and will also result in the growth of country's economy.

2. Board of Directors

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

a) Composition and category of directors as on 31 March, 2007

Category	No. of Directors
Promoter Executive Directors	2
Non -Promoter Executive Directors	1
Non-Executive Non-Independent Directors	3
Non-Executive Independent Directors	1
Total	7

b) Attendance of each director at the Board meetings held during the year 2006-07 and at the last Annual General Meeting

<i>Name of the Director</i>	Meetings held during the year	Meetings attended	Last AGM
Sri A.Ayodhya Rami Reddy	31	31	Present
Sri Y.R.Nagaraja	31	31	Present
*Sri Ravi Kant	31	2	-
*Sri Rajiv Maliwal	31	2	-
*Dr.ArchanaNiranjan Hingorani	31	2	-
**Sri Kamlesh Shivji Vikmsey	31	1	-
Sri Ajay Kumar Mishra	31	2	-
***Sri D.K.Nagaraja	31	1	-
***Smt M.Udaya Kumari	31	30	Present
***Sri Venkata Krishna Reddy Kola	31	1	-

* appointed w.e.f 22/12/2006; ** appointed w.e.f 16/03/2007; *** resigned w.e.f 22/12/2006.

- c) No. of other Boards/Board Committees in which the Directors are either Member or Chairman as on 31 March 2007

Name of the Director	Board		Committee	
	Chairman	Member	Chairman	Member
Sri A. Ayodhya Rami Reddy	Nil	12	Nil	Nil
Sri Y. R. Nagaraja	Nil	7	Nil	Nil
Sri Ravi Kant	Nil	3	Nil	Nil
Sri Rajiv Maliwal	Nil	3	Nil	Nil
Dr. Archana Niranjana Hingorani	Nil	18	Nil	1
Sri Kamlesh Shivji Vikamsey	Nil	05	Nil	Nil
Sri Ajay Kumar Mishra	04	Nil	Nil	Nil

- d) No. of Board Meetings held and dates on which they were held during the year 2006-07

Quarter	No. of Meetings	Dates on which held
April 06 to June 06	11	03/04/2006, 06/04/2006, 10/04/2006, 19/04/2006, 01/05/2006, 04/05/2006, 19/05/2006, 24/05/2006, 31/05/2006, 19/06/2006, 30/06/2006.
July 06 to September 06	6	15/07/2006, 26/07/2006, 31/07/2006, 14/08/2006, 17/08/2006, 01/09/2006,
October 06 to December 06	13	03/10/2006, 13/10/2006, 27/10/2006, 10/11/2006, 17/11/2006, 18/11/2006, 24/11/2006, 29/11/2006, 02/12/2006, 07/12/2006, 14/12/2006, 16/12/2006, 22/12/2006
January 07 to March 07	1	16/03/2007
Total	31	

3. Audit Committee

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956. The Company Secretary acts as Secretary of the Committee.

l) Brief description of terms of reference

The Terms of reference as stipulated by the Board to the Audit Committee include

- i) Oversight of the Company's financial reporting process and the disclosure of its financial information.

- ii) Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- iii) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on.
 - a. Any changes in accounting policies and practices
 - b. Major accounting entries based on exercise on judgment by management
 - c. Qualification in draft audit report
 - d. Significant adjustments arising out of audit
 - e. The going concern assumption
 - f. Compliance with accounting standards
 - g. Compliance with Stock Exchange and legal requirements concerning financial statements.
 - h. Disclosure of any related party transactions.
- iv) Reviewing with the management, external and internal auditors, and the adequacy of internal control system.
- v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- vi) Discussion with internal auditors any significant findings and follow up there on
- vii) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- viii) 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.
- ix) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

II) Composition, name of members and Chairperson

The Audit Committee comprises of the following members during the year 2006-07.

Sri D.K.Nagaraja
Smt M.Udaya Kumari
Sri Venkata Krishna Reddy Kola

III) Meetings and attendance during the year 2006-07

<i>Name of the Member</i>	Meetings held during the year	Meetings attended
Sri D.K.Nagaraja	1	1
Smt M.Udaya Kumari	1	1
Sri Venkata Krishna Reddy Kola	1	1

4. Remuneration Committee / Compensation Committee

The Remuneration / Compensation Committee comprises of the following members during the year 2006-07.

1. Sri Y.R.Nagaraja
2. Sri Venkata Krishna Reddy Kola
3. Smt M.Udaya Kumari

The Committee has been constituted to recommend / review the remuneration package of the Managing / Whole Time Directors apart from deciding other matters such as framing and implementation of Stock Option Plans to the employees etc. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is to be in consonance with the existing industry practices.

Meetings and Attendance during the year 2006-07

<i>Name of the Member</i>	Meetings held during the year	Meetings attended
Smt M.Udaya Kumari	3	3
Sri Venkata Krishna Reddy Kola	3	3
Sri Y.R.Nagaraja	3	3

Details of remuneration to the directors

(In Rs.)

<i>Particulars</i>	EXECUTIVE DIRECTORS		Non-executive Directors
	Sri A. Ayodhya Rami Reddy	Y.R.Nagaraja	
Salary	48,02,500	15,27,600	Nil
Commission	Nil	Nil	Nil
PF Contribution	Nil	82,080	Nil
Superannuation	Nil	2,500	Nil
Earned Leave	Nil	55,100	Nil
Total	48,02,500	16,67,280	

5. Board Committee

Sl. No.	Name	Designation
1	Sri Ravi Kant	Member
2	Sri Y. R. Nagaraja	Member
3.	Sri Ajay Kumar Mishra	Member

Terms of Reference

1. To assist the Board of Directors in decision making process
2. To improve the operational efficiency of the company.

Duties and Responsibilities

1. To open/ close bank accounts.
2. To Change the signatories to operate the Bank Accounts.
3. Issue Power of Attorneys/authorizations to represent before the authorities like Sales Tax, Income tax , Excise, Service Tax, Registrar of Companies, Company Law Board and such other Government Authorities, bodies and organizations as may be deemed necessary on behalf of the Company and other matters incidental and ancillary thereto.
4. To issue authorizations to sign and delegate authorization to sign tender documents up to limits set by the Board from time to time.
5. To avail credit facilities (fund based/ Non fund based) from various banks/institutions up to limits set by the Board from time to time
6. To avail equipment finance from various banks/NBFC/Institutions up to limits set by the Board from time to time.

Meeting procedure

1. the members of the committee shall elect one among them as the chairman of the meeting who shall preside the meeting.
2. the committee shall meet such number of times as may be expedient at such place and time as may be decided by the chairman of the committee.
3. the quorum for the meeting shall be at least 2 members .
4. if the chairman of the meeting is not present the members shall elect one among them to act as the chairman of the meeting.
5. the minutes of the committee shall be placed before the duly convened next Board Meeting.
6. A resolution shall be passed by circulation if a draft copy of resolution in writing, together with all the papers is circulated to all the members of the committee and approved by majority shall be deemed to have been passed at the meeting of he members of the committee.

6. Allotment Committee

S.No.	Name	Designation
1	Sri A. Ayodhya Rami Reddy	Director
2	Sri Y. R. Nagaraja	Director
3	Sri Anuj Kumar	Alternate Director

Terms of Reference: Quorum shall be 2 members and it shall oversee the Allotment of shares and such other functions as may be specified by the Board from time to time.

7. General Body Meetings

a) Details of last three Annual General Meetings

The information about the last three Annual General Body Meetings is shown below in a tabular form.

Annual General Meeting	Venue	Time & Date	Number of Special Resolutions passed
30/09/2004	6-3-1089/G/10&11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500 082	10.30 A.M	1
30/09/2005	6-3-1089/G/10&11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500 082	10.00 A.M	Nil
29/09/2006	6-3-1089/G/10&11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500 082	10.00 A.M	Nil

8. General Shareholder Information

i) AGM – Date, Time and Venue : 29th September, 2007 , 10:30 hrs at Registered office of the company at 6-3-1089/G/10&11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500 082

ii) Financial Year : 1 April to 31 March

VISWESWARA RAO & ASSOCIATES
Chartered Accountants

No.2, AL-Habib Apartments
Kanthe Sikhara Complex Compound.
Punjagutta, Hyderabad - 500 082.
Phone : +91-40-23407601
Fax : +91-40-23400933
Email : svrvrao@yahoo.com

AUDITORS' REPORT

To
The Members
Ramky Infrastructure Limited

1. We have audited the attached Balance Sheet of Ramky Infrastructure Limited, as at 31st March, 2007 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that;
- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement, read together with the significant accounting policies in schedule 19 and notes appearing thereon, comply with the applicable Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors, as on 31st March, 2007 and taken on record by the board of directors, we report that none of the directors is disqualified as on 31st March, 2007 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) in our opinion and to the best of our information and according to the explanations given to us, the accounts (together with the notes thereon) give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2007;
 - ii) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

for Visweswara Rao & Associates
Chartered Accountants

Sd/-
(S.V.R.Visweswara Rao)
Partner
Membership No. 29088

Place: Hyderabad
Date : 03.09.2007

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- i.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. A major portion of fixed assets have been physically verified during the year by the management. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were noticed on such physical verification.
 - c. In our opinion, the Company has not disposed off substantial part of fixed assets during the year and therefore do not affect going concern status of the Company.
- ii.
 - a. Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
- iii.
 - a. The Company has granted unsecured loans to four parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs.7,44,22,208/-and the year end balance of such loans was Rs. NIL.
 - b. In our opinion, the rate of interest and other terms and conditions of such loans are not, prima facie, prejudicial to the interest of the Company.
 - c. In respect of above loans, the borrowers have been regular in repayment of principal and interest amount as stipulated.
 - d. There are no overdue amounts in respect of above loans.
 - e. The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, hence clause e,f and g of paragraph 4 (iii) of the Companies (Auditor's Report) Order, 2003 is not applicable.

- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and sale of goods and services. During the course of our audit, no major weakness has been noticed in internal control system.
- v.
 - a. In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, that need to be entered into the register required to be maintained under that Section have been so entered.
 - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of five lakh rupees in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under are not applicable.
- vii. The Company has an internal audit system, which is commensurate with the size of the Company and nature of its business.
- viii. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956, in respect of activities carried out by the Company.
- ix.
 - a. According to the information and explanations given to us and the records of the Company examined by us, except for delays in depositing the amount in some occasions, the Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, except Sales tax and Service Tax of Rs.39,33,214 /- and Rs. 3,00,14,046 /- respectively were outstanding as at 31st March, 2007 for a period of more than six months from the date of becoming payable.

- b. According to the information and explanations given to us and the records of the Company examined by us, the particulars of Income Tax and Sales Tax as at 31st March, 2007 which have not been deposited on account of dispute, are as follows:

Particulars	Nature of the disputed dues	Amount	Period to which the amount relates	Forum where dispute pending
Andhra Pradesh General sales Tax Act, 1957	Non-submission of forms, rate dispute and classification dispute	3918970	1999-2K & 2000-01	Deputy Commissioner (Appeals)
- do -	- do -	834113	2001-02	Sales tax Appellate Tribunal
The Karnataka Value Added Tax, 2003	- do -	3993085	2005-06	Honourable High Court
The Punjab Value Added Tax, 2005	- do -	1204300	2006-07	Honourable High court
Income Tax Act, 1961	Disallowance of deduction U/S 80 IA	12619040	2002-2003	The Commissioner of Income Tax (Appeals)
- do -	Disallowance of deduction u/s 80 IA	10537804	2003-2004	The commissioner of Income Tax (Appeals)

- x. The Company neither has accumulated losses at the end of the financial year nor has incurred cash losses during the financial year and in the immediately preceding financial year.
- xi. According to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and there are no outstanding debentures.
- xii. Based on our examination and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4 (xii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- xiii. The Company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- xv. In our opinion and according to the information and explanations given to us, the terms and conditions of guarantees given by the Company for loans taken by others from banks are not prima facie prejudicial to the interest of the Company.
- xvi. In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long term investments.
- xviii. During the year, the Company has made preferential allotment of shares to parties covered in the Register maintained under Section 301 of the Companies Act, 1956 and the rate and other terms and conditions are not prejudicial to the interest of the company.
- xix. The Company has not issued any secured debentures during the year. Accordingly, clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- xx. The Company has not raised any money by way of public issues during the year. Accordingly, clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- xxi. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

for Visweswara Rao & Associates
Chartered Accountants

Sd/-
(S.V.R. Visweswara Rao)
Partner
Membership No.29088

Place: Hyderabad
Date : 03.09.2007

RAMKY INFRASTRUCTURE LIMITED
6-3-1089/G/10 & 11, 1st Floor Gulmohar Avenue, Rajbhavan Road,
Somajiguda, HYDERABAD - 500 082

BALANCE SHEET AS AT 31ST MARCH, 2007

PARTICULARS	Schedule No	AS AT 31.03.2007 RS.	AS AT 31.03.2006 RS.
I. SOURCES OF FUNDS:			
1. SHAREHOLDERS' FUNDS:			
a) Share Capital	1	81700500	69795000
b) Reserves and Surplus	2	1993241951	377990295
2. LOAN FUNDS:			
a) Secured Loans	3	1233759657	416455148
b) Unsecured Loans			
3. DEFERRED TAX LIABILITY (NET)			
			17551892
TOTAL		3308702108	881792335
II. APPLICATION OF FUNDS:			
1. FIXED ASSETS:			
a) Gross Block	4	578647824	351638513
b) Less: Depreciation		100992253	61004856
c) Net Block		477655571	290633657
d) Capital Work in Progress		238393674	40867450
2. INVESTMENTS			
	5	191854000	41608390
3. CURRENT ASSETS, LOANS AND ADVANCES			
a) Inventories	6	500163199	483101393
b) Sundry Debtors	7	2397513393	853837060
c) Cash and Bank Balances	8	630242081	316350581
d) Loans and Advances	9	1995256648	921905287
		5523175321	2575194321
Less: Current Liabilities and Provisions	10	3171636845	2073144738
Net Current Assets		2351538476	502049583
4. DEFERRED TAX ASSET (NET)			
		47798480	-
5. MISCELLANEOUS EXPENDITURE			
(to the extent not written off or adjusted)	11	1461907	6633255
TOTAL		3308702108	881792335
Notes forming part of accounts	19		

As per our report of even date
for Visweswara Rao & Associates
Chartered Accountants

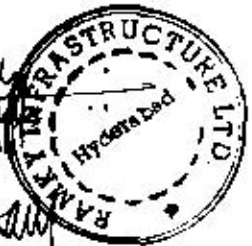
S.V.R. Visweswara Rao
(S.V.R. Visweswara Rao)
Partner
Membership No. 20088
Hyderabad



(K. Venkateswarlu)
G.M (F&A)

on behalf of the board
for Ramky Infrastructure Limited

(A. Ayodhya Rami Reddy)
Executive Chairman



(V.V. Rao)
C.F.O

(D. Trivikram)
G.M (Legal) & C.S.

Place: Hyderabad
Date: 03.09.2007

RAMKY INFRASTRUCTURE LIMITED
 6-3-1089/G/10&11, 1st Floor, Gulmohar Avenue, Rajbhavan Road,
 Somajiguda, HYDERABAD - 500 082.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2007

PARTICULARS	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
1. SHARE CAPITAL:		
AUTHORISED:		
32409450 Equity share of Rs.10/-each (P.Y: 7100000 Equity Shares of Rs. 10/- each)	324094500	71000000
2000 Differential Equity Shares of Rs.10/-each(P.Y:Nil)	20000	-
1088550 Cumulative, Convertible and Participating Preference shares of Rs.10/- each Carrying a coupon rate of 0.001% per annum	10885500	-
(P.Y: 17600000 Cumulative, Convertible, Redeemable and Participating Preference Shares of Rs. 10/- Each (Class A))	-	176000000
(P.Y: 8800000 Non - Convertible, Cumulative, Redeemable and Participating Preference Shares of Rs. 10/- Each (Class B))	-	88000000
	335000000	335000000
ISSUED, SUBSCRIBED AND PAID-UP:		
7079500 Equity Shares of Rs. 10/- each (P.Y 6979500 shares of Rs. 10 / - each)	70795000	69795000
(of the above, 4653000 Equity Shares of Rs.10/- each were issued as fully paid bonus Shares by capitalisation of free reserves during F.Y: 2005-06)		
2000 Differential Equity Shares of Rs.10/-each(P.Y:Nil)	20000	-
1088550 Cumulative, Convertible and Participating Preference Shares of Rs. 10/- each Carrying a coupon rate of 0.001% per annum	10885500	-
(The above cumulative, convertible, participating preference shares shall, be compulsorily converted into equity shares at a price as per the subscription agreement, at one or more times within 5 years from the date of allotment i.e on 27/12/2006 to SABRE ABRAAJ INFRASTRUCTURE COMPANY LIMITED, & 28/12/2006 to IL&FS TRUST COMPANY LIMITED A/C- IL&FS PRIVATE EQUITY TRUST - TARA INDIA FUND - III upon exercise of conversion option by the Investors.)		
	81700500	69795000
2. RESERVES AND SURPLUS :		
a) Profit and Loss Account		
Opening Balance	377990295	222866884
Add : Profit during the year	396620156	201653411
	774610451	424520295
Less :Profits Capitalised during the year	-	46530000
Closing Balance (a)	774610451	377990295
b) Securities Premium		
Opening Balance	-	-
Add : Addition during the year	1248094500	-
	1248094500	-
Less: Related Share issue Expenditure	29463000	-
Closing Balance (b)	1218631500	-
TOTAL (a+b)	1993241951	377990295

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2007

PARTICULARS	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
3. SECURED LOANS:		
i) From Banks		
a) Term Loans		
- SBI IFB Loan	-	186354000
- Indian Bank	-	30869285
- SBH IFB Loan	37913314	-
- Syndicate Bank	15320580	-
- YES Bank	155000000	-
- Bank of India	38737847	-
- Oriental Bank of Commerce	79722344	-
- State Bank of Indore	100997945	-
b) Working Capital Loans		
- Canara Bank	-	3330144
- State Bank of Hyderabad	4738078	4706539
- UTI Bank	-	98947961
- YES Bank	99019834	-
- UCO Bank	4899310	5087646
- DCB LTD	100085822	-
- State Bank of India	302763610	-
- State Bank of India	195753764	12842329
(The above loans are secured by Hypothecation of Stock, Book debts, Specified fixed assets of the company, guarantees from group companies and personal guarantee of Directors)		
c) Hypothecation / Hire Purchase Loans	67106835	73296086
ii) Hypothecation / Hire Purchase Loans form others (Loans availed under Hypothecation / Hire purchase contracts were secured by hypothecation of such assets)	31700374	1021158
	1233759657	416455148

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2007

PARTICULARS	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
3. SECURED LOANS:		
i) From Banks		
a) Term Loans		
- SBI IFB Loan	-	186354000
- Indian Bank	-	30869285
- SBH IFB Loan	37913314	-
- Syndicate Bank	15320580	-
- YES Bank	155000000	-
- Bank of India	38737847	-
- Oriental Bank of Commerce	79722344	-
- State Bank of Indore	100997945	-
b) Working Capital Loans		
- Canara Bank	-	3330144
- State Bank of Hyderabad	4738078	4706539
- UTI Bank	-	98947961
- YES Bank	99019834	-
- UCO Bank	4899310	5087646
- DCB LTD	100085822	-
- State Bank of India	302763610	-
- State Bank of India	195753764	12842329
(The above loans are secured by Hypothecation of Stock, Book debts, Specified fixed assets of the company, guarantees from group companies and personal guarantee of Directors)		
c) Hypothecation / Hire Purchase Loans	67106835	73296086
ii) Hypothecation / Hire Purchase Loans form others (Loans availed under Hypothecation / Hire purchase contracts were secured by hypothecation of such assets)	31700374	1021158
	1233759657	416455148

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2007

4: FIXED ASSETS - TANGIBLE ASSETS

Amount in Rs.

PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	AS AT 01.04.06	ADDITIONS	DELETIONS	TOTAL 31.03.2007	UPTO 31.03.2006	FOR THE YEAR	DEDUCTIONS	UPTO 31.03.2007	AS AT 31.03.2007	AS AT 31.03.2006
LAND	1357331	-	33631	1323700	-	-	-	-	1323700	1357331
BUILDINGS	2510379	-	-	2510379	158033	40919	-	198952	2311427	2352346
PLANT & MACHINERY	241571179	182033565	174523	393430221	28514519	20688140	9868	49192791	344237430	183056660
FURNITURE & FIXTURES	7258328	8655756	-	15914084	1627981	1901905	-	3529886	1238498	5630347
OFFICE EQUIPMENT	13115355	7440419	-	20555774	1891165	1855476	-	3746641	16809133	11224191
VEHICLES	92311750	18231325	312668	110230407	24474795	10741963	45688	35171070	75059337	67836955
UPS & COMPUTERS	23514191	11183218	14150	34683259	4338363	4824035	9485	9152913	25530346	19175828
TOTAL	351638513	227544283	534972	578647824	61004856	40052438	65041	100992253	477655571	290633657
PREVIOUS YEAR	178383544	17504899	2249930	351638513	38236343	23089532	321018	61004856	290633657	140147201

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2007

PARTICULARS	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
5. INVESTMENTS		
Long Term (quoted and at cost)		
11600 Equity Shares of Rs. 10 each of Canara Bank	406000	406000
Long Term (Unquoted and at Cost) In Subsidiary Companies		
9750000 Equity Shares of Rs.10/- each of MDDA Ramky IS Bus Terminal Limited (Previous Year 4120239 Equity Share of Rs.10/- each)	97500000	41202390
1500 Equity Shares of AED 100 each in Ramky Engineering & Consultancy Services (FZC) at par valued at Rs. 12.62 Rs per AED	1893000	-
9180000 Equity shares of Rs.10/- each of Ramky Pharmacity (India) Limited	91800000	-
25500 Equity Shares of Rs.10/- each of Gwalior Bypass Project Limited	255000	-
	191854000	41608390
- Aggregate book value of quoted investments is Rs.4.06 Lakhs		
- Aggregate market value of quoted investments is Rs.22.59 Lakhs		
- Aggregate book value of Un quoted investments is Rs.1914.48 Lakhs		
The shares held by the company in MDDA Ramky IS Bus Terminal Limited, amounting to Rs.975 lakhs (previous year Rs. 412.02 lakhs) were pledged for the loan availed by MDDA Ramky IS Bus Terminal Limited.		
The shares held by the company in Ramky Pharmacity India Limited, amounting to Rs.894.20 lakhs were pledged for the loan availed by Ramky Pharmacity India Limited.		
The shares held by the company in Gwalior Bypass Project Limited, amounting to Rs.2.55 lakhs were pledged for the loan availed by Gwalior Bypass Project Limited		
6. INVENTORIES: (As valued, verified and certified by the management)		
Raw Materials	153729567	141628094
Work in Progress	346433632	341473299
	500163199	483101393
7. SUNDRY DEBTORS: (Unsecured, Considered good)		
Debts outstanding for more than six months	264585507	271332636
Other debts	2132927886	582504424
	2397513393	853837060
8. CASH AND BANK BALANCES:		
Cash in hand	2518156	2723439
Demand Drafts in Transit	-	869260
Balance with scheduled banks		
- in fixed deposits	215324795	124825385
- in current accounts	412399130	187932497
	630242081	316350581

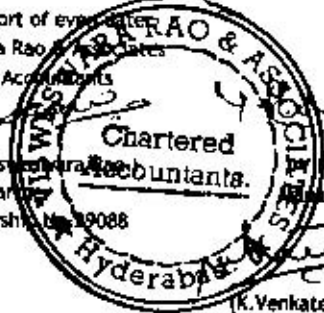
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2007

PARTICULARS	AS AT 31.03.2007	AS AT 31.03.2006
9. LOANS AND ADVANCES: (Unsecured, Considered good)		
Loans and Advances	-	85402406
Security Deposits	876861595	358901000
Earnest Money Deposits	105645926	47837257
Interest Accrued but not Due/Received	6970055	2987802
Prepaid Expenses	24718055	26373560
Tax Deducted at Source	144513633	122736390
Other Advances and Deposits	836547384	277666872
	1995256648	921905287
10. CURRENT LIABILITIES AND PROVISIONS		
Sundry Creditors	1794444202	1238595908
Advances from Contractee Clients	929138542	752876887
Other Liabilities	260519988	61671943
Provision for Income Tax	182000000	20000000
Provision for Preference dividend (Including dividend tax)	128	-
Provision for Gratuity and Leave encashment	5533985	-
	3171636845	2073144738
11. MISCELLANEOUS EXPENDITURE:		
A. Preliminary Expenses / Expenditure for Increasing Authorised Capital	1508425	1885531
Less: Written off during the year	1508425	377106
	-	1508425
B. Unmatured Financial Charges	1461907	5124830
TOTAL (A+B)	1461907	6633255

RAMKY INFRASTRUCTURE LIMITED
CASH FLOW STATEMENT
For the year ended 31st March, 2007

	31.03.2007	31.03.2006
	Rs.	Rs.
A) Cash Flow from Operating Activities		
Net Profit before tax	533881694	233618760
Adjustments for:		
Depreciation	40052438	23089532
Interest Paid	126275312	38820768
Interest Received	(15103688)	(14710630)
Preliminary Expenses Written Off	1508425	377106
Loss on Sale of Assets	32569	206584
Profit on Sale of Assets	(268419)	(7972000)
Operating Profit before changes in working capital	686378331	273430120
Adjustments for:		
Increase/(Decrease) in Trade Payables and Others	937258268	1154070119
(Increase)/Decrease in Loans and Advances	(1047591865)	(413547476)
(Increase)/Decrease in Inventories	(17061806)	(376269162)
(Increase)/Decrease in trade Receivables	(1543676333)	(395313897)
(Increase)/Decrease in Miscellaneous Expenditure	3662923	(4432886)
	(981030482)	237936818
Adjustments for:		
Income-tax / TDS adjustments	(59002650)	(89443119)
Fringe Benefit Tax	(4152664)	(570537)
Net cash flow from operating activities [A]	(1044185796)	147923162
B) Cash flow from Investing Activities:		
Sale of Fixed Assets	705781	1722328
Increase in Fixed Assets/Capital Work in Progress	(425070507)	(211805989)
Interest Received	11121435	13545544
Sale/Purchase of Investments	(150245610)	23916000
Net Cash flow from Investing Activities [B]	(563488901)	(172622117)
C) Cash flow from Financing Activities:		
Increase in Share Capital/Application Money/Securities Premium	1230537000	(325)
Increase/(Decrease) in Long Term Borrowings	816100687	272990401
Interest Paid	(125071490)	(37428298)
Net cash flow from Financing Activities [C]	1921566197	235561778
Net Increase/(Decrease) in cash & cash equivalents [A+B+C]	313891500	210862823
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	316350581	105487758
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	630242081	316350581

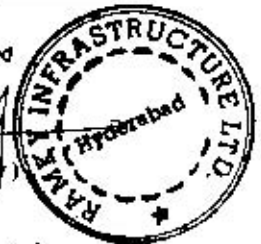
As per our report of even date
for Visweswara Rao & Associates
Chartered Accountants
(S. V. R. Visweswara Rao)
Partners
Membership No. 19088
Hyderabad



(K. Venkateswarlu)
G.M (FBA)

on behalf of the board
for Ramky Infrastructure Limited

(A. Ayodhya Rami Reddy)
Executive Chairman



(V. V. Rao)
C.F.O

(D. Trivikram)
G.M (Legal) & C.S

Place : Hyderabad
Date : 03.09.2007

II. Information Pursuant to part IV of Schedule VI of the Companies Act, 1956

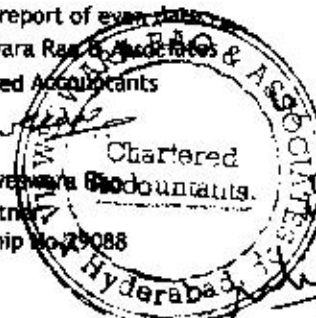
Balance Sheet Abstract and Company's General Business Profile

1 Registration Details		
Registration No.	:	01-17356
State Code	:	01
Balance Sheet Date	:	31.03.2007
2 Capital Raised during the year (Amount in Rs. Thousands)		
Public Issue (calls in arrears)	:	NIL
Rights Issue	:	NIL
Bonus Issue	:	0
Private Placement	:	11906
3 Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)		
Total Liabilities	:	3308702
Total Assets	:	3308702
Sources of Funds		
Paid-up Capital/Share Application Money pending allotment	:	81701
Reserves & Surplus	:	1993242
Secured Loans	:	1233760
Unsecured Loans	:	NIL
Deferred Tax Liability (Net)	:	0
Application of Funds		
Net Fixed Assets/Capital Work in Progress	:	716049
Investments	:	191854
Net Current Assets	:	2351538
Miscellaneous Expenditure	:	1462
Deferred Tax Asset (Net)	:	47798
4 Performance of the Company (Amount in Rs. Thousands)		
Turnover	:	7149437
Total Expenditure	:	6615555
Profit Before Tax	:	533882
Profit After Tax	:	396620
Earnings Per Share in Rs.		
- Basic	:	56.48
- Diluted	:	54.30
Dividend Rate %	:	NIL
5 Generic Names of Three Principal Products/Services of Company (As per monetary terms)		
Product Description		Item Code No. (ITC Code)
1. CIVIL WORKS		
2. TURNKEY EXECUTION OF EFFLUENT TREATMENT PLANTS		
3. SEWAGE TREATMENT PLANTS		

Signatures for Schedules 1 - 19

As per our report of even date
for Visweswara Rao & Associates
Chartered Accountants

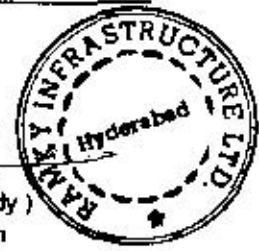
(S.V.R. Visweswara Rao)
Partner
Membership No. 29088



(K.Venkateswarlu)
G.M (F&A)

on behalf of the board
for Ramky Infrastructure Limited

(A.Ayodhya Rami Reddy)
Executive Chairman



(V.V.Rao)
C.F.O

(D.Trivikram)
G.M (Legal) & C.S.

Place: Hyderabad
Date :03.09.2007

19. NOTES FORMING PART OF THE ACCOUNTS :

I. SIGNIFICANT ACCOUNTING POLICIES :

a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

- i The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and relevant presentational requirements of the Companies Act, 1956.
- ii Accounting policies not specifically referred to otherwise are in consonance with prudent accounting principles.
- iii All income and expenditure items having material bearing on the financial statements are recognised on accrual basis.
- iv Contract Revenue is recognized by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of percentage of completion method.

b. USE OF ESTIMATES :

The preparation of financial statements required estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c. FIXED ASSETS :

Fixed assets are stated at cost less accumulated depreciation. All costs, directly attributable to bringing the asset to the present condition for the intended use, are capitalised.

Assets under installation/construction, advances paid towards acquisition of fixed assets, direct costs and related incidental expenses incurred on assets that are not ready for their intended use or not put to use as on the Balance Sheet date are stated as capital work in progress.

d. DEPRECIATION :

Depreciation is provided on straight Line method at rates and in the manner prescribed by schedule XIV to the Companies Act, 1956 on all assets, except for the following on which depreciation is provided on straight line method based on useful life of assets as estimated by the management.

Office Equipment	6.33%
Air Conditioners	6.33%

The company has provided depreciation at 100% in respect of assets costing less than Rs. 5,000/- each and depreciation on the assets acquired during the year is provided on pro-rata basis.

e. RETIREMENT BENEFITS :

Contribution to provident fund has been remitted to provident fund commissioner and charged to revenue account.

Provision for gratuity is accounted on actuarial valuation done by Life Insurance Corporation of India.

Provision for leave encashment is accounted on estimated value by the management.

f. ACCOUNTING FOR INTEREST IN JOINT VENTURES:

In work sharing Joint Venture arrangements, Company's share of revenues, common expenses, assets and liabilities are included in revenues, expenses, assets and liabilities respectively.

g. SECURITIES PREMIUM:

Securities Premium represents the difference between the face value and consideration received in respect of shares issued. Expenses pertaining to issue of shares were written off against securities premium account.

h. PRELIMINARY EXPENSES:

Preliminary expenses have been fully written off during the year.

i. INVESTMENTS:

Current investments are carried at lower of cost and fair value. Long Term investments are carried at cost less provision for diminution in value of such investments.

j. BORROWING COSTS:

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalised as part of cost of such assets till such time asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit & Loss Account as period costs.

k. FOREIGN CURRENCY TRANSACTIONS:

Foreign Currency Transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of transaction. At each balance sheet, foreign currency monetary items are reported using the closing rate. Non monetary items which are carried at historical cost are reported using the exchange rate at the date of transaction.

l. IMPAIRMENT OF FIXED ASSETS:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds recoverable amount.

II. NOTES ON ACCOUNTS:

1. Paise have been rounded off to the nearest Rupee.
2. Previous year figures have been regrouped, reclassified and recast wherever necessary to confirm to current years classification.
3. The Inventories have been valued at cost and duly certified by the management.
4. As the company has not in the possession of information regarding dues to the Small Scale Industries, the same has not been furnished herewith.
5. Auditors' Remuneration :

Particulars	2006-2007 Rs.	2005-2006 Rs.
Audit Fee	448960	160000
TOTAL	448960	160000

6. Managerial Remuneration under Section 198 of the Companies Act, 1956 paid or payable is as under:

Particulars	2006-2007 Rs.		2005-2006 Rs.	
	Sri A. Ayodhya Rami Reddy	Sri Y.R.Nagaraja	Sri A. Ayodhya Rami Reddy	Sri Y.R.Nagaraja
Salary	48,02,500	15,30,100	36,00,000	10,30,200
Earned Leave	--	55,100	--	--
PF Contribution	--	82,080	--	28,800
	-----	-----	-----	-----
TOTAL	48,02,500	16,67,280	36,00,000	10,59,000
	-----	-----	-----	-----

Computation of Net profit in accordance with Sec 349 of the Companies Act 1956 for Managerial Remuneration:

		Year 2006-07 Current Year (Rs in Lacs)
Profit before Taxes		5338.82
Add: Managerial Remuneration	64.70	
Loss on Sale of Fixed Assets	0.32	
	-----	65.02

Sub Total		5403.84
Less: Profit on Sale of Fixed Assets	2.68	
	-----	2.68

Net Profit as per Sec 349		5401.16

Maximum permissible remuneration to whole-time Directors u/s 198 of the Companies Act, 1956 @ 10 % of the profits computed as above		540.11
Amount paid as Managerial Remuneration		64.70

7. AS 7 - DISCLOSURE :

Contract Revenue is recognized by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of percentage of completion method.

Particulars	2006-2007 Rs.	2005-2006 Rs.
Amount of Contract revenue recognized as revenue in the period.	7106760333	3787515207
Aggregate amount of costs incurred and recognize profits (Less recognized losses)	7106760333	3787515207
Amount of Advances received	929138542	752876887
Amounts due to customers for contract work	NIL	NIL

8. Contingent Liabilities:

	As at 31-03-2007 (Rs. In Lakhs)	As at 31-03-2006 (Rs. In Lakhs)
a) Claims against the company not acknowledged as debts		
Disputed Sales Tax Amount Out of the above, an amount of Rs. 10.00 lakhs has been paid under protest and Bank guarantee issued for an amount of Rs.12.04 lakhs during the year and preferred various appeals/revision petitions with sales tax authorities	99.50	40.72
b) Disputed Income Tax Amount Disallowance of deduction U/S 80 IA by the Income Tax Dept for the financial years 02-03 & 03-04 and Company preferred appeal before The Commissioner of Income Tax (Appeals)	231.57	126.19
c) Bank guarantee issued in favour of various authorities	28731.88	14992.17
d) Letter of Credit issued by bank	2342.83	783.65
e) Foreign Letter of Credit issued by bank	577.27	NIL
f) Corporate Guarantee in favour of UTI Bank Limited for the credit facilities availed by Ramky Enviro Engineers Limited and Ramky Pharmacy India Limited	8651.00	1250.00

9. Balances in respect of Creditors, various Advances, Sundry Debtors are subject to confirmation from the respective parties.

10. 80 (IA) of the Income Tax Act 1961

The Company has been availing deduction under Section 80 IA the Income Tax Act 1961, in respect of Profits and gains derived from the undertaking the construction of specified Infrastructure projects, from Assessment year 03-04. The claim of the Company in this regard has been disputed and / or disallowed by the Tax Authorities for the assessment year 03-04 and 04-05 and the matter is pending before the Commissioner of Income Tax (Appeals).

In the finance act 2007 the provision has been amended retrospectively from assessment year 2000 - 01 onwards to mean that this deduction will not be available to Sub contractors who merely execute works contract for undertakings or enterprises eligible for deduction.

The Company, being the main contractor of infrastructure facilities, has been advised that its claims are tenable.

Accordingly the tax provision for the year has been done on the basis that the claim under Section 80 IA of the Act is available to the Company and the tax effect amounting to Rs. 134.43 Million (Rs. 90.00 Million up to 31.03.2006) in respect of claim of the Company (including disallowances) up to March 31, 2007 has not been provided.

11. SEGMENTAL REPORTING:

The company is a focused service company operating in construction contracts and consultancy services. The product range of the company is mainly Civil Contracts, Turnkey execution of ETP & STP and consultancy services. The company is managed organisationally as a unified entity and is not organised along product lines. Therefore, no separate segments within the company as defined by AS-17 (Segmental Reporting) issued by the Institute of Chartered Accountants of India. Accordingly, the information given by the company pertains to contracts and consultancy segment.

12. EMPLOYEE STOCK OPTION PLAN:

The Company has implemented ESOP Scheme in the name of **RIL Employee Stock Option Plan 2006**, and has allotted 50,000 options convertible into 50,000 Equity shares of Rs. 10/- each to the eligible employees at an exercise price of Rs. 100/-each.

Details of Options granted, exercised and forfeited are as under:

Options outstanding at the beginning of the year	50,000
Granted during the year	Nil
Exercised during the year	50,000
Forfeited during the year	Nil
Options outstanding at the end of the year	Nil

As the exercise price is higher than the fair value on the date of the grant, no compensation cost has been recognized in the books of account.

13. TAXATION :

Current Tax :

Provision for current income tax is made on the basis of the Taxable income under the Income Tax Act, 1961.

Deferred Tax :

Deferred Tax is calculated at applicable statutory Income Tax rate and is recognised on timing differences between taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent periods.

Major Components of Deferred Tax Assets and Deferred Tax Liabilities:

Particulars	As at 31-03-2007 Deferred Tax (Asset)/Liability (Rs. In Lakhs)	As at 31-03-2006 Deferred Tax (Asset)/Liability (Rs. In Lakhs)
Difference between book depreciation and tax depreciation	278.86	185.75
Unpaid Sales Tax/ Service Tax/ Provision for Leave Encashment and Gratuity debited to Profit & Loss account	(756.84)	(10.23)
	-----	-----
Net Deferred Tax (Asset) / Liability	(477.98)	175.52
Less: Net Deferred Tax (Asset) / Liability at the beginning of the year	175.52	129.55
	-----	-----
Net incremental (Asset) / liability (credited)/ charged to Profit and loss account	(653.50)	45.97
	-----	-----

14. Earning Per Share :

Basic & Diluted :

The Company reports basic and diluted Earning Per Share in accordance with AS-20 issued by the Institute of Chartered Accountants of India. The Basic & Diluted Earning Per Share has been calculated by dividing the Profit by the weighted average number of equity shares and weighted average potentially dilutive equity shares outstanding during the accounting period.

Number of shares used in computing earning per share

	As at 31-03-2007 (Face value Rs.10 /- each)	As at 31-03-2006 (Face value of Rs.10 /- each)
Number of shares considered as weighted average shares calculation of Basic Earnings per Share	70,21,936	67,79,799
Add : Dilutive effect of potential shares	2,82,501	66,575
Number of shares considered as weighted average shares and potential shares outstanding for calculation of diluted EPS	73,04,437	68,46,374

15. Related party disclosures : Annexure Enclosed

16. Quantitative Details : Annexure Enclosed

17. Details of the list of Related parties and nature of transactions as per AS-18

Key Management personal	
	Sri. A.Ayodhya Ramireddy
	Sri. Y.R.Naga Raja
	Smt M.Udaya Kumari
Relatives of Key Management	
	Sri. A.Dashratha Rami Reddy
	Sri. A.Peri Reddy
	Sri. Y.R.Naga Krishna
	Sri. M.Vasudeva Reddy
	Smt. A. Dakshayani
	Sri. A. Rama Krishna Reddy
Companies / concerns in which the key management / Relatives of Key Management are interested/subsidiary companies	
	a) Ramky Enviro Engineers Limited
	b) Ramky Estates & Farms (p) Limited
	c) Ramky Finance & Investment (p) Limited
	d) Semb Ramky Environmental Management Pvt.Ltd
	e) Ramky Global Solutions private Limited
	f) Ramky Infra Consulting (p) Limited
	g) Mumbai Waste Management Limited
	h) Tamil Nadu Waste Management Limited
	i) R.K. Consultancy services
	j) R.K Constructions
	k) ADR Constructions
	l) MDDA Ramky IS Bus Terminal Limited
	m) Ramky Pharmacity (India) Limited
	n) Ramky VSM JV
	o) West Bangal Waste Management Limited
	p) N.R. Environmental Engineers Inc
	q) Gwalior Bypass project Limited
	r) Ramky Energy & Environment Limited
	s) Ramky Engineering & Consultancy Services (FZC)
	t) Ramky Foundation

b. Details of Transactions with Related parties for the year ended 31-03-2007

Particulars	Nature of Transaction	Amount
Ramky Enviro Engineers Limited	Contract Amount Received	659361064
	Hire Charges Received	5340000
	Interest Income	260571
	Purchase of Shares	20920000
	Loan amount received back	7814000
Ramky Estates & Farms (P) Limited	Contract Amount Received	34834446
	Contract paid	205815357
	Interest Received	1623104
	Rent paid	633262
	Sale of Land	300000
	Security Deposit	1288862
	Loan amount received back	47173478
Mumbai Waste Management Limited	Contract Amount Received	95929706
	Hire Charges Received	5850000
	Purchase of Shares	20275000
Semb Ramky Environmental Management Pvt.Ltd	Contract Amount Received	46986782
Ramky Pharma city (India) Limited	Contract Amount Received	707386730
	Investment	91220000
	Security deposit paid	324120000
Ramky Global Solutions private limited	Other Advances	1460000
Tamilnadu Waste Management Ltd.,	Contract Amount Received	41100002
MDDA Ramky ISBT Limited	Contract Amount Received	31356323
	Investments	14272700
	Security Deposit Paid	5059226
	Share Application Money	3500000
Ramky Infraconsultancy Pvt Ltd	Interest Income	221222
	Unsecured Loan Recovered	2997706
West Bengal Waste Management Limited	Contract Amount Received	56500004
ADR Constructions	Interest Income	1228777
	Sub-Contract given	6148596
	Unsecured Loan Recovered	15706124
Gwalior Bypass Project Ltd	Investment	204000
	Share Application Money	896000
Ramky Engineering & Consultancy Services (FZC)	Investment	1893000
	Share Application Money	3790080
Ramky Foundation	Donation Given	680000
Ramky Energy & Environment Ltd	Contract Amount Received	24827508
	Slump Sale	78610513

N.R.Environmental Engineers Inc	Sub -Contract given	15116581
	Security Deposit Received	188925
Sri A.Ayodhya Rami Reddy	Remuneration	4802500
	Purchase of shares	369990
Sri Y.R.Nagaraja	Remuneration	1667280
	Purchase of shares	129990
Sri A. Peri Reddy	Salary	505420
	Purchase of shares	129990
Sri M.Vasudeva Reddy	Salary	529252
	Purchase of shares	99990
Smt A. Dakshayani	Purchase of shares	129990
Sri A. Rama Krishna Reddy	Purchase of shares	99990

c. Details of related parties outstanding balances as on 31-03-2007:

Ramky Enviro Engineers Limited	Debtors	641232372	Dr
Ramky Estates & Farms (P) Limited	Debtors	63450119	Dr
	Security Deposit	2579714	Dr
Mumbai Waste Management Limited	Debtors	45743379	Dr
Semb Ramky Environmental Management Pvt.Ltd	Debtors	4569244	Dr
Ramky Pharma City (India) Limited	Debtors	359852332	Dr
	Investment	91800000	Dr
	Security Deposit	326120000	Dr
Ramky Infraconsultancy Pvt Ltd	Deposit	1644889	Dr
Tamilnadu Waste Management Ltd.,	Debtors	66688983	Dr
	Share Application Money	1070000	Dr
MDDA Ramky ISBT Limited	Investment	97500000	Dr
	Security Deposit	5059226	Dr
	Sundry debtors	27308211	Dr
	Share Application Money	3500000	Dr
Ramky Energy & Environment Ltd	Debtors	99611925	Dr
West Bengal Waste Management Limited	Advance	2244290	Cr
ADR Constructions	Sundry Creditors	29517819	Cr
Ramky Global Solutions private limited	Deposit	1577690	Dr
R.K. Consultancy Services	Sundry Creditors	102560	Cr

R.K. Constructions	Sundry Creditors	1168103	Cr
Gwalior Bypass Project Ltd	Investment	255000	Dr
	Share Application Money	896000	Dr
Ramky Engineering & Consultancy Services (FZC)	Investment	1893000	Dr
	Share Application Money	3790080	Dr
N.R. Environmental Engineers Inc	Sundry Creditors	8906722	Cr
Sri A.Ayodhya Rami Reddy	Outstanding Liabilities	250000	Cr
Sri Y.R.Nagaraja	Outstanding Liabilities	75260	Cr
Sri A. Peri Reddy	Outstanding Liabilities	35402	Cr
Sri M.Vasudeva Reddy	Outstanding Liabilities	31262	Cr

RAMKY INFRASTRUCTURE LIMITED

Regd. Office: 6-3-1089/G/10&11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500 082

ATTENDANCE SLIP

Annual General Meeting, on Saturday, the 29th day of September, 2007 at 10.00 a.m.

Regd. Folio No.		*DP ID:	
No. of Shares held		* Client ID:	

Name of the shareholder	
Name of Proxy	
Signature of Member / Proxy	

I hereby record my presence at the Annual General Meeting of the Company held on Saturday, the 29th day of September, 2007 at 10.00 a.m.. at 6-3-1089/G/10&11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500 082

SIGNATURE OF THE SHAREHOLDER OR PROXY ATTENDING THE MEETING*

If Member, Please sign here

If proxy, Please sign here

Note: This form should be signed and handed over at the Meeting Venue. No duplicate Attendance Slip will be issued at the Meeting Hall. You are requested to bring copy of the Annual Report to the meeting.

**Applicable for investors holding shares in electronic form.*

RAMKY INFRASTRUCTURE LIMITED

Regd. Office: 6-3-1089/G/10&11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500 082

PROXY FORM

Regd. Folio No.	
No. of Shares held	

*DP ID:	
* Client ID:	

I / We
of, being a Member /
Members of Ramky Infrastructure Limited hereby appoint
of or failing him
..... of as my
/ our proxy to vote for me / us and on my / our behalf at the 13th Annual General Meeting
at 6-3-1089/G/10&11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad –
500 082 to be held on Saturday, the 29th day of September, 2007 at 10.00 a.m. or at
any adjournment thereof.

Signed this day of2007.

Affix Fifteen Paise Revenue

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

**Applicable for investors holding shares in electronic form.*