

Ramky Infrastructure Limited
6-3-1089/G/10&11, 1st Floor Gulmohar Avenue, Rajbhavan Road,
Somajiguda, Hyderabad – 500082

BOARD OF DIRECTORS

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

STATUTORY AUDITORS

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

JOINT STATUTORY AUDITORS

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

REGISTERED OFFICE

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

COMPANY SECRETARY

Mr. D. Trivikram – GM-Legal & Company Secretary

BANKERS

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

State Bank of Hyderabad
UCO Bank Limited
Axis Bank Limited
Yes Bank Limited
Indian Bank
IDBI Bank Limited
Andhra Bank

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

Notice of Fifteenth Annual General Meeting

Notice is hereby given that the Fifteenth Annual General Meeting of the members of Ramky Infrastructure Limited will be held on Wednesday, the 30 September 2009 at registered office at 6-3-1089/G/10&11, 1st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500082 at 10.00 a.m to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Report of Directors, P&L Account for the year ended 31 March 2009 and Balance Sheet as at that date and the report of Auditors thereon.
2. To appoint a director in place of Mr. Kamlesh Shivji Vikamsey, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. V. Murahari Reddy, who retires by rotation and being eligible offers himself for re-appointment.
4. *To appoint statutory auditors and fix their remuneration and for this purpose to consider and if thought fit to pass with or without modifications, the following as an ordinary resolution*

"RESOLVED THAT M/s Visweswara Rao & Associates, Chartered Accountants, Hyderabad be and are hereby appointed as auditors of the company to hold office until the conclusion of the next annual general meeting of the company at a remuneration to be fixed by the Board of Directors of the Company."

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

"RESOLVED THAT M/s BSR & Co, Chartered Accountants, Hyderabad be and are hereby appointed as Joint Statutory auditors of the company to hold office until the conclusion of the next annual general meeting of the company at a remuneration to be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to provisions of Section 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the company be and is hereby accorded for the payment of Commission upto a maximum of Rs.300,000 p.a. for Chairman of the Audit Committee and Rs.200,000 p.a. for the other Independent Non Executive Directors for FY 2009-10, and shall be reviewed by the Board of Directors or any committee of the Board on yearly basis subject to the overall limits of 1% of the Net Profits of the Company."

"FURTHER RESOLVED THAT the Board of Directors or any Committee of the Board be and is hereby authorised to do all such acts and deeds that are required for giving effect to the above resolutions"

7. *Investment in Securities of New Company proposed to be incorporated with Ramky Enviro Engineers Limited for Development of Integrated Solid Waste Management Facilities for Lucknow municipality which includes collection & Transportation, Processing and Landfill.*

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/Committee thereof to invest in securities up to a maximum amount of Rs.2.80 Crores (Rupees Two Cores Eighty Lakhs only) in New Company proposed to be incorporated with Ramky Enviro Engineers Limited for Development of Integrated Solid Waste Management Facilities for Lucknow municipality which includes collection & Transportation, Processing and Landfill not withstanding 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".

8. *Investment in Securities of Delhi MSW Solutions Limited.*

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/Committee thereof of the company to invest in securities up to a maximum amount of Rs.1.76 Crores (Rupees one Crore Seventy Six Lakhs only) in Delhi MSW Solutions Limited not withstanding 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,
For Ramky Infrastructure Limited

Sd/-

(D. Trivikram)

GM-Legal & Company Secretary

Dated: 08/07/2009
Place : Hyderabad.

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, instead of himself/herself. The proxy, so appointed, need not be a member of the company. In order to be effective, the proxy forms duly completed and signed should reach the registered office the company at least 48 hours before the commencement of the meeting.
2. An Explanatory Statement under section 173(2) of the Companies Act, 1956 is annexed hereto.

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

Item No. 6

The company has recorded a significant growth under the guidance of Independent Non Executive Directors. It was felt appropriate to pay Commission for the contribution by the Independent Non Executive Directors. The Board of Directors at their meeting held on 08/07/2009 has recommended or the payment of Commission Upto a maximum of Rs.300,000 p.a. for Chairman of the Audit Committee and Rs.200,000 p.a. for the other Independent Non Executive Directors for FY 2009-10, and shall be reviewed by the Board of Directors or any committee of the Board on yearly basis subject to the overall limits of 1% of the Net Profits of the Company."

The payment of Commission for Independent Non Executive Directors as mentioned above requires approval of the members in accordance with the provisions of Section 198 and 309 & 310 and all other applicable provisions of the Companies Act, 1956.

None of the Directors except the Independent Non Executive Directors to the extent of Commission shall be deemed to be concerned or interested in the above transaction. Your Directors commend the resolution for your approval.

Item No. 7

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 partner Ramky Enviro Engineers Limited has bid the Development of Integrated Solid Waste Management Facilities for Lucknow municipality which includes collection & Transportation, Processing and Landfill by Lucknow municipality. Under the bid terms formation of Special Purpose Vehicle for the Project completion. Hence, your company has to invest in securities of the proposed new company as one of the consortium partner 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 No. 8

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 Ramky Enviro Engineers Limited, Ramky Energy and Environment Limited and Gurukrupa Transport was awarded the Development of Integrated Solid Waste Management Facilities for Delhi Municipality which includes collection & Transportation, Processing and Landfill by Delhi Municipality. This has resulted in the formation of Special Purpose Vehicle for the Project completion. Hence, your company has to invest in securities of Delhi MSW Solutions 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.

By Order of the Board,
For Ramky Infrastructure Limited



(D. Trivikram)

GM-Legal & Company Secretary

Dated: 08/07/2009
Place : Hyderabad.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 15th Report on the business and operations of your Company for the financial year ended March 31, 2009.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31 March 2009 is summarized below:

(Rs. in million)

Particulars	Year ended 31 March 2009	Year ended 31 March 2008
Gross Turnover	14592.31	10492.78
Profit before Interest, Depreciation, Extraordinary items & Tax (PBIDT)	1486.24	1038.76
Interest & Finance Charges	533.90	285.23
Depreciation	92.37	51.54
Profit Before Tax	835.30	701.99
Provision for Tax	190.74	186.27
Profit after Tax (PAT)	644.56	525.72
Balance brought forward from previous year	1290.21	774.61
Profit available for appropriation	1934.77	1290.33
Appropriations		
Transfer to General Reserve	Nil	Nil
Proposed Dividend on existing shares	Nil	Nil
Corporate Dividend Tax	Nil	0.11
Total	Nil	0.11
Balance carried to Balance Sheet	1934.77	1290.22

REVIEW OF PERFORMANCE

Your Company achieved a gross turnover of INR 14592.31 million for the year ended 31 March 2009 as against INR 10492.78 million for the previous financial year registering an incremental turnover of INR 4099.53 million at a growth rate of 39.07% over the previous year. Profit before tax stood at INR 835.30 million and Profit after tax at INR 644.56 million as against INR 701.99 million and INR 525.72 million respectively of previous year.

CORPORATE EVENTS

Dividend

Although your Company has earned profits during the year directors have decided to plough back the profits into the Company. Therefore, your Directors have decided not to recommend any dividend for the FY 2008-09.

BUSINESS

The Company operates in two principal business verticals (i) Construction business operated by the Company and (ii) Developer business through Subsidiaries and Special Purpose Vehicles (SPV).

Construction

Under this vertical company operates in the following sectors:

- a) Water and Waste Water:
- b) Buildings:
- c) Roads & Bridges:
- d) Power:
- e) Industrial:
- f) Irrigation:

Your company has 215 existing projects under this vertical and 14 in offing. All the projects are spread across the length and breadth of the country.

This vertical has generated revenue aggregating to INR 1459 Crores as against INR 1049 Crores of previous year's at a growth rate of 39%. In aggregate [1460] employees were deployed under this vertical under different projects.

Developer

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

Special Purpose Vehicles/ Subsidiaries

1) Ramky Pharma City (India) Limited

This special purpose vehicle formed for the purpose of developing Jawaharlal Nehru Pharma City near Visakhapatnam, in the State of Andhra Pradesh. The project is a perpetual BOO project in a joint venture with Andhra Pradesh Industrial Infrastructure Corporation, which owns 11% of RPCIL. RIL holds 51% stake in this SPV. This SPV has reported revenues of INR 6147.39 lakhs for the FY 2008-09 as against of INR 10606.50 lakhs for the previous year. It reported net profit 1032.87 lakhs as against of INR 1478.54 lakhs for the previous year.

2) MDDA-Ramky IS Bus Terminal Limited.

This special purpose vehicle is incorporated for the purpose of developing bus terminal and commercial mall. RIL holds 100% stake in this SPV. This SPV has reported gross revenues of INR 172.19 lakhs for the FY 2008-09 as against of INR 136.15 lakhs for the previous year. It reported net loss 38.12 lakhs as against of INR 88.10 lakhs for the previous year.

3) Gwalior Bypass Projects Limited

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

4) Ramky Food Park (Chattisgarh) Limited

This special purpose vehicle is incorporated for the purpose of developing, designing, marketing, operating and maintaining the food processing park on a BOT basis. RIL holds 100% stake in this SPV. Authorization Agreement was entered into with the Chattisgarh State Industrial Development Corporation. Possession of land is yet to be handed over to the company for the development.

5) Ramky Herbal and Medicinal (Chattisgarh) Limited

This special purpose vehicle is incorporated for the purpose of developing, designing, marketing, operating and maintaining the herbal and medicinal park on a BOT basis. RIL holds 100% stake in this SPV. Authorization Agreement was entered into with the Chattisgarh State Industrial Development Corporation. Possession of land is yet to be handed over to the company for the development.

6) Naya Raipur Gems and Jewellery SEZ Limited

This special purpose vehicle is incorporated for the purpose of developing, designing, marketing, operating and maintaining the gems and jewellery park on a BOT basis. RIL holds 100% stake in this SPV. Authorization Agreement was entered into with the Chattisgarh State Industrial Development Corporation. Possession of land is yet to be handed over to the company for the development.

7) Ramky Elsamex Hyderabad Ring Road Limited

This special purpose vehicle is incorporated for the purpose of Design, Construction, Development, Finance, Operation and Maintenance of Eight lane access controlled Expressway under Phase-IIA programme as an extension of Phase-I of ORR to Hyderabad City, in the state of Andhra Pradesh, India, for the package from Tukkuguda to Shamshabad from Km 121.00 to Km 133.63 on Build, Operate and Transfer (BOT) (Annuity) Basis. RIL holds 74% in this SPV.

The project is under construction stage.

8) Ramky MIDC Agro Processing SEZ Limited

This special purpose vehicle is incorporated for the purpose of developing, designing, marketing, operating and maintaining the Agro processing SEZ on a BOOT basis. RIL holds 100% stake in this SPV. Authorization Agreement was entered into with the

Maharashtra Industrial Development Corporation. Possession of land is yet to be handed over to the company for the development.

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

This subsidiary company is engaged in providing Business Consultancy Services in the field of engineering. RIL holds 100% in this subsidiary. This subsidiary has reported revenues of INR nil for the FY 2008-09 as against of INR nil for the previous year. It reported net loss of 98.61 lakhs as against of INR 71.30 lakhs for the previous year.

10) Ramky Towers Limited

This subsidiary is incorporated for the purpose of developing residential cum commercial complex in accordance with the contract executed with Andhra Pradesh Housing Board. RIL holds 51% stake in this entity. This subsidiary has reported revenues of INR 2054.90 lakhs for the FY 2008-09 as against of INR nil for the previous year. It reported net profit of 178.56 lakhs as against of INR nil for the previous year.

11) Ramky Enclave Limited

This subsidiary is incorporated for the purpose of developing residential cum commercial complex in accordance with the contract executed with Andhra Pradesh Housing Board. RIL holds 89.01% stake in this entity. This subsidiary has reported revenues of INR 0.08 lakhs for the FY 2008-09 as against of INR nil for the previous year. It reported net loss 4.82 lakhs as against of INR nil for the previous year.

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 2009.

DIRECTORS

In accordance with the provisions of the Companies Act., 1956 and pursuant to Article 51 of the Articles of Association of the company Mr. Kamlesh Shivji Vikamsey and Mr. V. Murahari Reddy, Directors of the company, retire by rotation at the ensuing Annual General Meeting of the company and being eligible offer themselves for re-appointment.

The following table depicts the changes in Board of Directors as on the date of Report.

Sl.No	Name	Appointment	Vacations	Resignations
01	Mr. Ravi Kant	In terms of Section 257 effective from 29 Sept 2007	29 Sept 2007 as Additional Director	Ceased to be a Director w.e.f 08/07/2009

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 2009 and of the profit of the Company for the financial year ended on that date.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

CORPORATE GOVERNANCE

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

AUDITORS

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

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

STATUTORY INFORMATION

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

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

There is no information to be furnished regarding Technology Absorption as your company has not undertaken any research and development activity in any

manufacturing activity not any specific technology is obtained from any external sources which needs to be absorbed or adapted.

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

MANAGEMENT DISCUSSION & ANALYSIS

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

AWARDS AND REWARDS

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

1. CNBC TV18 & Essar Steel – Infrastructure Excellence Award under urban infrastructure category for 80MLD CTP Airoli-Navi Mumbai project.
2. Best Project Award 2007-08 under Housing –Works completed during 2007-08 category from CPWD for Married Accommodation at Amritsar Military station Project.

INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENTS

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

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

Place: Hyderabad
Date: 8/07/2009


(A. Ayodhya Rami Reddy)
Chairman

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

Annexure-A

S.No.	Name of Employee	Designation	Remuneration per month	Nature of Employment	Nature of duties	Qualifications & Experience	Date of commencement of employment	Age	Last employment held before joining the company	% of equity shares held in company	Whether a Relative of any Director, if yes, Name of the Director	DOL
1	A.VODIYA RAMIREDDY	CHAIRMAN	550,000	DIRECTORS	Chairman	M.E(CIVIL)	15-Apr-94	46	Navaseta Engineers Pvt. Ltd., Hyderabad	76.11	NA	NA
2	V.R.NAGA RAJA	MANAGING DIRECTOR	250,000	DIRECTORS	Head of the company	B.E(CIVIL)	15-Apr-94	46	Navaseta Engineers Pvt. Ltd., Hyderabad	39	NA	NA
3	A.P.KURIAN	Head - Operations	550,000	PROJECTS	Operations Head	BE-96, FGDBMCH	24-Mar-04	45	Back Bone Projects Limited, Ahmedabad	0	NA	NA
4	CHANDAN CHOWDHURY	COO	225,000	PROJECTS	Head - East Zone	B.E (MECH), IITB	01-Dec-04	53	NICCO Corporation Limited, Kolkata	0	NA	NA
5	ASPIN F.BATTIVALA	V.P	250,000	PROJECTS	Coordinator - Project Operations	BE'95, M.S. CONSTR'EB	12-Sep-05	46	Slup Consultants P. Limited, Mumbai	0	NA	NA
6	DHIRESH NIGAM	V.P	250,000	PROJECTS	Head - Central Zone, Bhopal	BE'03	12-May-06	47	MP Road Development Corporation	0	NA	NA
7	V.V.RAO	CFO	275,000	F & A	Head - F&A	ICWAI (I), MBA'93	20-Jan-07	48	Ahmedabad Stock Exchange Limited, Ahmedabad	0	NA	13.02.09
8	DILIP KUMAR SOLANKI	ASST.VICE PRESIDENT	250,000	PROJECTS	Head - West Zone	BE-85	18-Apr-07	46	Bhushan Steel & Straps Ltd. Anjal	0	NA	NA

(Year of passing is also provided where ever available)

Annexure – B

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.

Indian government is targeting an investment of US\$ 20.38 Billion over the next two years in the infrastructure sector.

Public-Private Partnership (PPP) with viability gap funding is a paradigm shift in Government's approach to the implementation of the National Highway Development Programme (NHDP). This would help in utilising private sector resources and to rope in techno-managerial efficiencies.

India consumes only 46 Kilograms per head of steel as compared to the global average of 150 Kilograms. This low level of consumption is expected to create huge demand in coming years due to rapid economic development.

To ensure that infrastructure projects do not face financing difficulties arising from the current downturn, the government has decided that IIFCL (India Infrastructure Finance Co Ltd) will refinance 60 percent of commercial bank loans for PPP (public-private partnership) projects in critical sectors over the next 15 to 18 months involving a total investment of Rs.100,000 crores.

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 – Phase IIA (Shamshabad to Thukuguda phase), Hyderabad Outer Ring Road – Phase IIB (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.

The government has increased its outlay for rural roads by 57 percent to Rs.12,000 crore (\$2.5 billion) in the budget presented by honorable Finance Minister Pranab Mukherjee in parliament.

There is also increase by 23 percent in the allocation for National Highways Authority of India (NHA) for road development in the country. The budget allocation for the railways has been increased from Rs.10,800 crore made in the interim budget to Rs.15,800 crore.

"Rural roads have been identified as one of the six components of Bharat Nirman with the goal to provide connectivity to all villages with a population of 1,000 (500 in the case of hilly or tribal areas) with an all-weather road by 2009," said a finance ministry statement. The government has also decided to raise the allocation to Bharat Nirman, a rural infrastructure development project, by 45 percent. The northeastern region and Sikkim got Rs.1,067 crore for building their rural road network. A total of 146,185 km of road length is proposed to be constructed by 2009, which will benefit 59,564 unconnected eligible habitations in the country, the ministry said.

The government will pump in over Rs 1 lakh crore in the Metro rail projects that are under consideration for major cities in the country. Currently, Metro rail projects are in progress at various stages in Mumbai, Bangalore, Chennai, Hyderabad, while projects are under evaluation for Pune, Lucknow, Kochi, Ludhiana and Jaipur among others.

❖ 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 Vidhyatikaran 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.

The double digit inflation and the measures that could be unleashed by the RBI & Govt to control inflation could hamper the over growth rate of the Indian Economy. Also if there is pressure on the tax revenues of Govt in future, the public investment in infrastructure sector could possibly be scaled down.

RIL – A Fast track Company :

Revenues :

The turnover of the company for FY 08-09 of INR 14592 Million has grown by 39.08% YoY, compared to INR 10492 Million during the FY 07-08. The main sectors which have contributed to the increase in top line during the financial year are Road, Buildings and Water & Waste Water. These three sectors together contribute more than 85% of turnover. Also RIL currently has a closing order book of around INR 62000 million.

Profits :

The Earnings before Interest Depreciation, Taxes and Amortization (EBIDTA) for FY08-09 at Rs.1486.24 million is 10.18% of the Gross turnover for the FY08-09 under review as against 9.90% for the financial year 07-08. There is a slight increase in EBIDTA for FY08-09 when compared to FY 07-08.

The PAT for the FY 08-09 is 4.42% of revenue, compared to 4.91% for FY 07-08.

The PAT for FY 08-09 has decreased by 129 basis points compared to previous financial year due to increase in salaries w.e.f. 01.04.08, and also increase in Financial Charges by 0.94% and Depreciation by 0.14%.

Employee costs as a % of turnover for FY 08 is 3.34% compared 2.80% for FY 08, a 54 basis point increase mainly due to increase in salaries during FY 08-09.

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 31.3.09 is Rs.3898.95 million compared to Rs.2644.43 million as on 31.3.08. Hence during the financial year, there is a net increase of Rs. 1254.52 million in the loan funds. This increased borrowings has financed the increased working capital needs, necessitated by a rapid growth in the turnover during the year.

However, as on 31.3.09, the debt equity ratio is comfortable at 1.21 times of net worth. However the debt equity ratio for the previous financial year as on 31.3.08 is 1.02 times of net worth. Hence though the utilization of loan funds in absolute terms has gone up during the financial year, the debt equity ratio for the year still remains in the comfort zone. The borrowings have increased substantially as the proposed IPO of the company could not take place during the financial year under review.

Net Worth:

The net worth of the company as on 31.3.09 is Rs.3235.11 million, compared to Rs.2590.55 million on 31.3.08 showing an increase of Rs.644.56 million. The main contributor to this increase in net worth is solely retained and carried forward profits generated during the year.

Current Assets & Current Liabilities :

The gross current assets as on 31.3.09 are Rs.11777.67 million compared to Rs.9052.45 million as on 31.3.08. The current liabilities and provisions as on 31.3.09 is Rs.6566.85 million compared to Rs.4779.23 million as on 31.3.08. Hence the net current assets at the end of the financial year 08-09 are Rs. 5210.82 million compared to Rs.4273.22 million during the previous financial year, showing an increase of Rs. 937.60 million in the net current assets during the year. The net current assets as a percentage of turnover as on 31.3.09 is 35.71% compared 40.72% during the previous financial year.

The Sundry Debtors during the financial year have gone up approximately by Rs.1169.10 million, of which a substantial increase is on account of uncertified bills as on 31.3.09.

Fixed Assets :

The gross fixed assets as on 31.3.09 is Rs.1575.54 million compared to Rs.811.67 million as on 31.3.08, showing an additional asset acquisition of Rs.763.87 million during the financial year under review. The company is making conscious efforts to increase the fixed asset base so as to increase the element of mechanization in the execution of projects to reduce manpower cost and for speedier completion of projects.

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

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

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

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

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

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: -

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

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

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 outlays 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: -

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 Vidhyutikaran Yojana and Accelerated Power Development and Reforms Programme (APDRP).

The Company is executing major projects for rural electrification in Seoni, Jabhalpur and Damoh in the state of Madhya Pradesh and Raigarh & Amravathi in the state of Maharashtra.

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 already an ISO 9001:2000 certified company for its west zone operations and has obtained the same certification for the entire company during last year. RIL is expected to be ERP enabled by March-10 through Oracle 11i. The roll out has started at Corporate Office and selected projects in all Zones. 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 – Phase II A in Hyderabad City, for the package from Tukkuguda to Shamshabad amounting to INR 4000 Million on which the EPC work has commenced during FY 07-08 under Ramky Elsamex JV. Also RIL bagged Outer Ring Road – Phase II B in Hyderabad City, for the package from Patancheru - Shamirpet amounting to INR 3230 Million has commenced during FY 08-09 under Somdatt Ramky JV.

RIL bagged Power transmission works from State of Maharastra worth Rs. 65000 Millions under JV with Kakade group and Variegate in the FY 08-09.

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 about to complete and commercial operations will start in due course.

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, against which your company has received EPC contract for some towers and the construction work under same is progressing well.

The company has also incorporated a SPV company by name Ramky Enclave Limited for undertaking a major residential cum commercial project in a 32 acre land situated in the Warangal city of Andhra Pradesh.

The company has also incorporated three SPV companies for undertaking three industrial parks on PPP basis, Food park / Gems & Jewellery work / Herbal park in the state of Chattisgarh.

The company has also incorporated another SPV company for undertaking an industrial park for food processing industry at Lathur.

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

Cautionary Statement:

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

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy

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

2. Board of Directors

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

a) Composition and category of directors as on March 31, 2009

Category	No. of Directors
Promoter Directors	03
Non-Executive Non-Independent Directors	*02
Non-Executive Independent Directors	05
Total	10

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

b) Attendance of each director at the Board meetings held during the year 2008-09 and at the last Annual General Meeting

Name of the Director	Meetings held during the year	Meetings attended	Last AGM
Mr. A. Ayodhya Rami Reddy	05	05	Present
Mr. Y. R. Nagaraja	05	05	Present
Mr. Ravi Kant	05	05	Present
Mr. Rajiv Maliwal	04	04	-
Ms. Archana Niranjan Hingorani	04	04	-
Mr. Kamlesh Shivji Vikamsey	04	04	-
Mr. V. Murahari Reddy	04	04	-
Mr. V. Harish Kumar	04	04	-
Dr. P.G. Sastry	04	04	--
Mr. P. V. Narasimham	04	04	-

No. of other Boards/Board Committees in which the Directors are either Member or Chairman during the year 2008-09

Name of the Director	Board		Committee	
	Chairman	Member	Chairman	Member
Mr. A. Ayodhya Rami Reddy	1	8	0	0
Mr. Y. R. Nagaraja	0	7	0	0
Mr. Ravi Kant	0	8	0	0
Mr. Rajiv Maliwal	0	3	0	0
Ms. Archana Niranjana Hingorani	0	22	0	14
Mr. Kamlesh Shivji Vikamsey	0	11	0	0
Mr. V. Murahari Reddy	0	0	0	0
Mr. V. Harish Kumar	0	3	0	0
Dr. P. G. Sastry	0	3	0	0
Mr. P. V. Narasimham	1	6	0	0

c) No. of Board Meetings held and dates on which they were held during the year 2008-09

Quarter	No. of Meetings	Dates on which held
April – June	01	26 June 2008
July – September	01	06 September 2008
October – December	01	17 December 2008
Jan 08 – March 08	02	13 February, 2009 & 17 March 2009
Total	05	

3. Audit Committee

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

i) Brief description of terms of reference

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

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same

- c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 8. Discussion with internal auditors any significant findings and follow up there on.
 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

ii) Composition, name of members and Chairperson

The Audit Committee comprises of the following directors

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

iii) Meetings and attendance during the year 2008-09

<i>Name of the Member</i>	Meetings held during the year	Meetings attended
Mr. Kamlesh Shivji Vikamsey	4	4
Mr. Rajiv Maliwal	4	4
Mr. V. Harish Kumar	4	4
Dr. P.G.Sastry	4	4
Dr. Archana Niranjana Hingorani	4	2

The Chairman of the Audit Committee had attended the Last AGM and had addressed the queries of shareholders.

4. Remuneration Committee / Compensation Committee

a) Brief description of terms of reference

As Remuneration Committee

The Committee shall determine the policy on specific remuneration packages for executive directors including pension rights and any compensation payment. In the absence of any such policy the Committee shall determine the remuneration package for executive directors on case to case basis as and when required. Besides, it shall also determine Remuneration to the relatives of Directors, if any.

As Compensation Committee

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

b) Composition, name of members and Chairperson

The Remuneration Committee comprises of the following directors

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

c) Meetings and Attendance during the year 2008-09

<i>Name of the Member</i>	Meetings held during the year	Meetings attended
Mr. Kamlesh Shivji Vikamsey	1	1
Mr. Rajiv Maliwal	1	1

Mr. V. Harish Kumar	1	1
Mr. V. Murahari Reddy	1	1
Dr. Archana Niranjana Hingorani	1	0

d) Remuneration Policy

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

e) Details of remuneration to the directors

(In Rs.)

Particulars	Executive Directors		Non-executive Directors
	Mr. A. Ayodhya Rami Reddy	Mr. Y. R. Nagaraja	
Salary	83,25,000	5838667	Nil-
Commission	0	0	Nil
PF Contribution	0	288000	Nil
Superannuation	0	0	Nil
Gratuity	0	0	Nil
Sitting Fee	0	0	425000
Total	83,25,000	6126667	425000

5. Investors Grievance Committee

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

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

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

5. General Body Meetings

a) Details of last three AGMs

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

Annual General Meeting	Venue	Time & Date	Number of Special Resolutions passed
12 th	6-3-1089/G/10&11, 1 st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500082	10.00 Hrs, Friday 29 September 2006	0
13 th	6-3-1089/G/10&11, 1 st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500082	10.00 Hrs, Saturday 29 September 2007	3
14 th	6-3-1089/G/10&11, 1 st Floor, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500082	15.30 Hrs, Tuesday, the 30 September 2008	3

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

There are no special resolutions passed through postal ballot system during the year 2008-09

c) Whether any special resolution proposed to be conducted through postal ballot. No special resolution is proposed to be conducted through postal ballot system.

d) Procedure for postal ballot.

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

7. General Shareholder Information

i) *AGM – Date, Time and Venue* : 30 September, 2009, 10.00 hrs at 6-3-1029/G/10 & 11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500 082

ii) *Financial Year* : April 1 to March 31

iii) *Dividend Payment Date* : *If applicable, Within 30 days from the date of AGM*

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

Visweswara Rao & Associates
Sri, Plot No.512-A1,
Raod No.31, Jubilee Hills
Hyderabad - 500 033

AUDITORS' REPORT TO THE MEMBERS OF RAMKY INFRASTRUCTURE LIMITED

- 1 We have audited the attached balance sheet of Ramky Infrastructure Limited ("the Company") as at 31 March 2009, the profit and loss account and the cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4 Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) the balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - (iv) in our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) on the basis of written representations received from the directors, as on 31 March 2009, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31 March 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;



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RAMKY INFRASTRUCTURE LIMITED

AUDITORS' REPORT *(continued)*


- (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2009;
 - b. in the case of the profit and loss account, of the profit for the year ended on that date; and
 - c. in the case of cash flow statement, of the cash flows for the year ended on that date.

for B S R & Co.
Chartered Accountants



Zubin Shekary
Partner
Membership No: 48814

for Visweswara Rao & Associates
Chartered Accountants



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

Place : Hyderabad
Date : 08 July 2009

Place : Hyderabad
Date : 08 July 2009

ANNEXURE TO THE AUDITORS' REPORT - 31 March 2009

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

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
2. The Company has a phased programme of physical verification of its fixed assets by which all fixed assets are verified over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noted on such verification.
3. Fixed assets disposed during the year were not substantial, and therefore, do not affect the going concern assumption.
4. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
5. The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
6. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.
7. The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
8. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods and services. We have not observed any major weakness in the internal control system during the course of our audit.
9. In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
10. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time except for work performed in respect of civil, turnkey contracts and related contract consultancy services which are for the specialised requirements of buyer for which suitable alternative sources are not available to obtain comparable quotations. However, on the basis of information and explanations provided, the same appears reasonable.
11. The Company has not accepted any deposits from the public.
12. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
13. The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the services rendered by the Company.



ANNEXURE TO THE AUDITORS' REPORT – 31 March 2009 (continued)

14. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, wealth tax, customs duty and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities except for tax deducted at source, employees' state insurance, sales tax and service tax where there were slight delays. As explained to us, the Company did not have any dues on account of investor education and protection fund and excise duty.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth tax, sales tax, service tax, customs duty and other material statutory dues were in arrears as at 31 March 2009 for a period of more than six months from the date they became payable.

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

Name of the statute	Nature of the dues	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending
<i>General sales tax / Value added tax</i>				
Andhra Pradesh General sales Tax Act, 1957	Sales tax	834,113	2001-02	Sales Tax Appellate Tribunal
Andhra Pradesh General sales Tax Act, 1957	Sales tax	9,065,397 (Amount paid under protest Rs. 4,532,698)	2002-03	Sales Tax Appellate Tribunal
Andhra Pradesh VAT Act, 2005	Value Added Tax	24,336,253	2007-08	Commercial Tax Officer, Hyderabad
Andhra Pradesh VAT Act, 2005	Value Added Tax	20,932,442 (Amount paid under protest Rs. 2,600,000)	2005-06	Appellate Deputy Commissioner, Hyderabad
Andhra Pradesh VAT Act, 2005	Value Added Tax	45,901,271 (Amount paid under protest Rs. 7,400,000)	2006-07	Appellate Deputy Commissioner, Hyderabad
Karnataka Value Added Tax, 2003	Value Added Tax	3,993,085	2004-06	Commercial Tax Officer, Bangalore
The Punjab Value Added Tax, 2005	Value Added Tax	1,204,300	2006-07	Deputy Excise & Taxation Commissioner (Appeals), Patiala
The Punjab Value Added Tax, 2005	Value Added Tax	765,046	2006-07	Deputy Excise & Taxation Commissioner (Appeals), Patiala

ANNEXURE TO THE AUDITORS' REPORT – 31 March 2009 (continued)

Name of the statute	Nature of the dues	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending
<i>Service tax</i>				
Service Tax	Service tax	98,222,255	2004-07	Commissioner of Customs, Central Excise & Service Tax, Bangalore.
Service Tax	Service tax and penalty	83,826,826	2007-09	Commissioner of Customs, Central Excise & Service Tax, Bangalore.
Service Tax	Service tax and penalty	8,032,702	2007-09	Commissioner of Customs, Central Excise & Service Tax, Hyderabad.
<i>Income tax</i>				
Income Tax Act, 1961	Income tax deductions disallowed	12,619,040 (Amounts deducted against refund receivable)	2002-03	Income-tax Appellate Tribunal
Income Tax Act, 1961	Income tax deductions disallowed	10,537,804 (Amounts deducted against refund receivable)	2003-04	Income-tax Appellate Tribunal
Income Tax Act, 1961	Income tax deductions disallowed	16,064,740 (Amounts deducted against refund receivable/paid)	2004-05	Income-tax Appellate Tribunal
Income Tax Act, 1961	Income tax deductions disallowed	50,777,088 (Amounts deducted against refund receivable/paid)	2005-06	Income-tax Appellate Tribunal

16. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
17. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers and to any financial institutions during the year.
18. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
19. In our opinion, and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society.
20. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
21. In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.

ANNEXURE TO THE AUDITORS' REPORT – 31 March 2009 (*continued*)

22. According to the information and explanation given to us, the term loans taken by the company have been applied for the purpose for which they were raised.
23. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
24. According to the information and explanation given to us the Company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained under Section 301 of the Companies Act, 1956.
25. The Company did not have any outstanding debentures during the year.
26. The Company has not raised any money by public issues during the year.
27. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

for **BSR & Co.**
Chartered Accountants



Zubin Shekary
Partner
Membership No: 48814

Place :Hyderabad
Date : 08 July 2009

for **Visweswara Rao & Associates**
Chartered Accountants



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

Place : Hyderabad
Date : 08 July 2009

Ramky Infrastructure Limited
Balance Sheet as at 31 March 2009
(All amounts in Indian Rupees, except share data and where otherwise stated)

	Schedule	As at 31 March 2009	As at 31 March 2008
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	2	494,200,140	494,200,140
Reserves and surplus	3	<u>2,740,911,661</u>	<u>2,096,347,671</u>
		<u>3,235,111,801</u>	<u>2,590,547,811</u>
Loan funds			
Secured loans	4	3,898,950,050	2,644,435,898
		<u>7,134,061,851</u>	<u>5,234,983,709</u>
APPLICATION OF FUNDS			
Fixed assets			
Gross block	5	1,575,536,404	811,675,377
Less: Accumulated depreciation		<u>244,143,697</u>	<u>152,162,721</u>
Net block		1,331,392,707	659,512,656
Capital work-in-progress (including capital advances)		<u>33,681,100</u>	<u>28,482,174</u>
		<u>1,365,073,807</u>	<u>687,994,830</u>
Investments	6	527,285,798	195,820,050
Deferred tax asset (net)	20 (2)	30,875,865	54,330,493
Current assets, loans and advances			
Inventories	7	1,798,500,546	917,534,540
Sundry debtors	8	5,648,168,252	4,479,072,744
Cash and bank balances	9	618,830,519	494,516,957
Loans and advances	10	<u>3,712,176,175</u>	<u>3,161,323,417</u>
		<u>11,777,675,492</u>	<u>9,052,447,658</u>
Current liabilities and provisions			
Current liabilities	11	6,560,630,247	4,776,127,455
Provisions	12	<u>6,218,864</u>	<u>3,102,404</u>
		<u>6,566,849,111</u>	<u>4,779,229,859</u>
Net current assets		5,210,826,381	4,273,217,799
Miscellaneous expenditure (to the extent not written off or adjusted)		-	23,620,537
		<u>7,134,061,851</u>	<u>5,234,983,709</u>
Significant accounting policies	1		
Notes to the Accounts	20		

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

As per our report attached

for **BSR & Co.**

Chartered Accountants



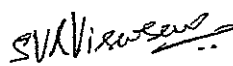
Zubin Shekary
Partner

Membership No.: 48814

Place: Hyderabad
Date: 08 July 2009

for **Visweswara Rao & Associates**

Chartered Accountants

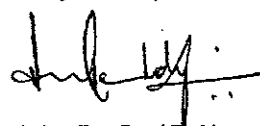


S.V.R. Visweswara Rao
Partner

Membership No.: 29088

Place: Hyderabad
Date: 08 July 2009

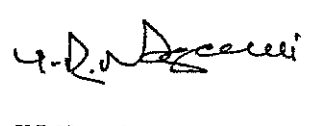
for **Ramky Infrastructure Limited**



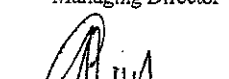
A Ayodhya Rami Reddy
Executive Chairman



Trivikram Dasu
Company Secretary



Y R Nagaraja
Managing Director



Sanjiv Iyer
Chief Financial Officer

Ramky Infrastructure Limited
Profit and Loss Account for the year ended 31 March 2009
 (All amounts in Indian Rupees, except share data and where otherwise stated)

	Schedule	For the year ended 31 March 2009	For the year ended 31 March 2008
Income			
Contract revenues	13	14,592,313,985	10,492,781,210
Other income	14	106,321,662	67,601,505
		<u>14,698,635,647</u>	<u>10,560,382,715</u>
Expenditure			
Contract costs	15	12,405,586,491	8,998,645,283
Personnel costs	16	488,019,899	293,408,931
Administrative and selling expenses	17	318,785,070	229,564,072
Finance charges	18	533,900,443	285,234,779
Depreciation	5	92,373,462	51,540,677
		<u>13,838,665,365</u>	<u>9,858,393,742</u>
Profit before prior period adjustments and tax		859,970,282	701,988,973
Prior Period Adjustments			
- Prior period expenses	20 (17)	24,665,127	-
Profit before tax		835,305,155	701,988,973
Income tax expense	19	190,741,165	186,270,394
Profit after tax		644,563,990	515,718,579
Add: Balance in profit and loss account brought forward		1,290,215,811	774,610,451
Amount available for appropriation		1,934,779,801	1,290,329,030
Appropriations:			
- Preference dividend		-	-
- Corporate dividend tax		-	113,219
Balance carried forward to balance sheet		1,934,779,801	1,290,215,811
Earnings per share			
	20(3)		
Basic - Par value Rs. 10 per share		13.04	10.60
Diluted - Par value Rs. 10 per share		13.04	10.45
Significant accounting policies	1		
Notes to accounts	20		

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

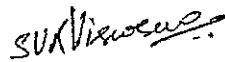
As per our report attached

for BSR & Co.
Chartered Accountants



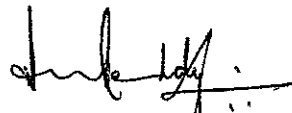
Zubin Shekary
Partner
Membership No.: 48814

for Visweswara Rao & Associates
Chartered Accountants



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

for Ramky Infrastructure Limited



A Ayodhya Rami Reddy
Executive Chairman



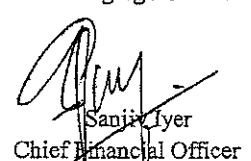
Y R Nagaraja
Managing Director

Place: Hyderabad
Date: 08 July 2009

Place: Hyderabad
Date: 08 July 2009



Trivikram Dasu
Company Secretary



Sanjay Iyer
Chief Financial Officer


Ramky Infrastructure Limited
Cash flow statement for the year ended 31 March 2009
(All amounts are in Indian Rupees except share data)

Particulars	31 March 2009	31 March 2008
Cash flows from operating activities		
Profit before tax	835,305,155	701,988,973
Adjustments:		
Interest income	(25,553,663)	(26,681,919)
Interest expense	454,517,857	236,587,904
Loss on sale of fixed assets	610,759	225,871
Depreciation	92,373,462	51,540,677
Preliminary expenses written off	23,620,537	-
Operating profit before working capital changes	<u>1,380,874,107</u>	<u>963,661,506</u>
Increase in inventory	(880,966,006)	(417,371,341)
Increase in sundry debtors	(1,169,095,508)	(2,081,559,351)
Increase in loans and advances	(282,491,383)	(1,246,729,786)
Increase in miscellaneous expenses	-	(22,158,630)
Increase in current liabilities and provisions	1,787,465,701	1,789,567,958
Cash generated from operations	<u>835,786,911</u>	<u>(1,014,589,644)</u>
Income taxes paid	(424,767,324)	(289,755,035)
<i>Net cash from / (used) in operating activities</i>	<u>411,019,587</u>	<u>(1,304,344,679)</u>
Cash flows from investing activities:		
Interest received	14,826,626	22,322,620
Proceeds from sale of fixed assets	601,098	1,311,861
Purchase of investments	(331,465,748)	(3,966,050)
Purchase of fixed assets	(770,664,296)	(25,023,994)
<i>Net cash used in investing activities</i>	<u>(1,086,702,320)</u>	<u>(5,355,563)</u>
Cash flows from financing activities:		
Net proceeds from secured loan	1,257,567,982	1,404,934,871
Corporate dividend tax	-	(113,219)
Interest paid	(457,571,687)	(230,846,534)
<i>Net cash from financing activities</i>	<u>799,996,295</u>	<u>1,173,975,118</u>
Net increase / (decrease) in cash and cash equivalents	124,313,562	(135,725,124)
Cash and cash equivalents at beginning of the year (Note 1)	494,516,957	630,242,081
Cash and cash equivalents at end of the year (Note 1)	<u>618,830,519</u>	<u>494,516,957</u>

Notes:

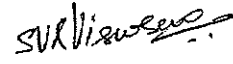
1. Components of cash and cash equivalents as at	31 March 2009	
Cash in hand	1,722,223	2,800,394
Cheques on hand	55,131,624	-
Balances with scheduled banks		
- in current accounts	104,654,597	226,779,375
- in deposit accounts	457,322,075	264,937,188
	<u>618,830,519</u>	<u>494,516,957</u>

As per our report attached.
for B S R & Co.
Chartered Accountants


Zubin Sherkary
Partner
Membership No.: 48814

Place: Hyderabad
Date: 08 July 2009

for Visweswara Rao & Associates
Chartered Accountants

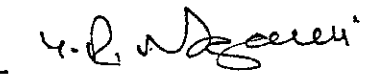

S.V.R. Visweswara Rao
Partner
Membership No.: 29088

Place: Hyderabad
Date: 08 July 2009

for Ramky Infrastructure Limited


A Ayodhya Rami Reddy
Executive Chairman


Trivikram Dasu
Company Secretary


Y R Nagaraja
Managing Director


Sanjiv Iyer
Chief Financial Officer

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

1. Significant accounting policies

a) Basis of preparation

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

b) Use of estimates

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

c) Fixed assets and depreciation

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

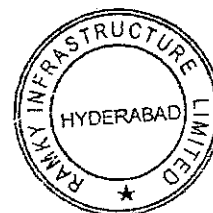
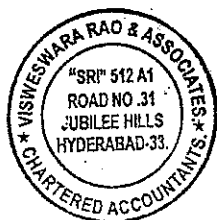
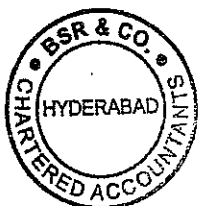
Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed under capital work-in-progress.

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

d) Investments

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

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



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

e) Inventories

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

Cost of materials is determined on a weighted average basis.

Contract work-in-progress is valued at cost.

f) Employee benefits

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

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

g) Foreign currency transactions and balances

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

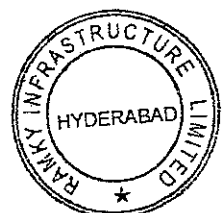
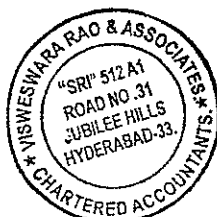
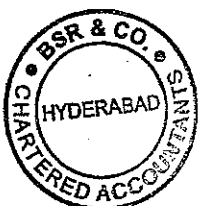
Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year-end rates. The resultant exchange differences are recognised in the profit and loss account. Non-monetary assets are recorded at the rates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

h) Revenue recognition

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

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

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



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

i) *Accounting for joint ventures*

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

Jointly Controlled Assets:

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

j) *Income-tax expense*

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

Current tax

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

Deferred tax

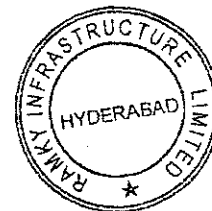
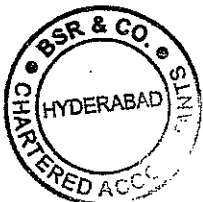
Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially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

Fringe benefit tax

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

k) *Earnings per share*

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



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

l) Provisions and contingent liabilities

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

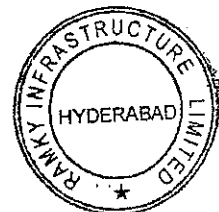
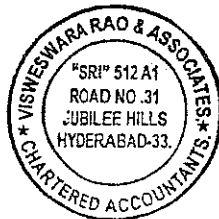
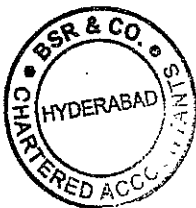
Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required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

m) Impairment of assets

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

n) Leases

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



Ramky Infrastructure Limited

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

Schedules to the Balance Sheet

Schedule 2 : Share capital

	As at 31 March 2009	As at 31 March 2008
Authorised		
70,000,000 (previous year: 70,000,000) equity shares of Rs.10 each	<u>700,000,000</u>	<u>700,000,000</u>
Issued, Subscribed & Paid-up:		
49,420,014 (previous year: 49,420,014) equity shares of Rs. 10 each fully paid up	<u>494,200,140</u>	<u>494,200,140</u>
[Of the above, nil (previous year: 41,183,345) equity shares of Rs.10 each were issued as fully paid bonus shares by way of capitalisation of share premium amount]		

Schedule 3 : Reserves and surplus

	As at 31 March 2009	As at 31 March 2008
<i>Securities premium account</i>		
Balance at the beginning of the year	806,131,860	1,218,631,500
Add: Addition during the year	-	-
Less: Bonus issue of cumulative, convertible and participating preference shares	-	(666,190)
Less: Bonus issue of equity shares	-	(411,833,450)
	<u>806,131,860</u>	<u>806,131,860</u>
 Balance in profit and loss account	 1,934,779,801	 1,290,215,811
	<u>2,740,911,661</u>	<u>2,096,347,671</u>

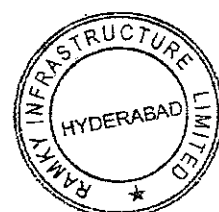
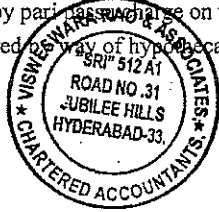
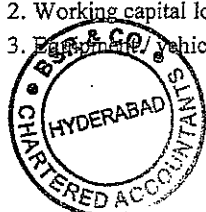
Schedule 4 : Secured loans

	As at 31 March 2009	As at 31 March 2008
From banks		
- Term loans (refer note 1) *	920,472,991	899,813,669
- Working capital loans (refer note 2)	2,600,553,583	1,543,291,606
- Equipment & Vehicle loans (refer note 3)	214,024,201	43,828,546
 From others		
- Equipment & Vehicle loans (refer note 3)	161,211,735	151,760,707
 Interest accrued and due	 2,687,540	 5,741,370
	<u>3,898,950,050</u>	<u>2,644,435,898</u>

* Includes amount due within one year Rs.862,813,207 (previous year: Rs.589,813,669)

Notes :

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



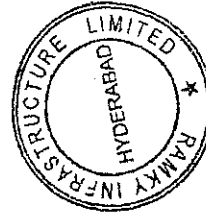
Ramky Infrastructure Limited

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

Schedule to the Balance Sheet (continued)

Schedule 5 : Fixed assets

Description	Gross block				Depreciation			Net block	
	As at 1 April 2008	Additions	Deletions	As at 31 March 2009	As at 1 April 2008	For the year	Deletions	As at 31 March 2009	As at 31 March 2008
Freehold land	18,453,058	6,323,905	-	24,776,963	-	-	-	-	18,453,058
Buildings	2,510,379	-	-	2,510,379	239,871	40,919	-	280,790	2,270,508
Plant and machinery	545,319,480	670,843,232	338,761	1,215,823,951	76,748,288	57,576,803	49,677	134,275,414	468,571,192
Furniture and fixtures	22,208,887	2,999,619	-	25,208,506	6,032,394	2,826,217	-	8,858,611	16,349,895
Office equipment	30,119,099	6,706,641	-	36,825,740	5,972,986	2,929,023	-	8,902,009	24,146,113
Vehicles	142,649,037	67,899,330	1,198,982	209,349,385	46,993,189	20,009,065	326,659	66,675,595	95,655,848
Computers	50,415,437	10,692,643	66,600	61,041,480	16,175,993	8,991,435	16,150	25,151,278	34,239,444
Total	811,675,377	765,465,370	1,604,343	1,575,536,404	152,162,721	92,373,462	392,486	244,143,697	659,512,656
Previous year	578,647,824	234,935,494	1,907,941	811,675,377	100,992,253	51,940,677	370,209	152,162,721	659,512,656



Ramky Infrastructure Limited

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

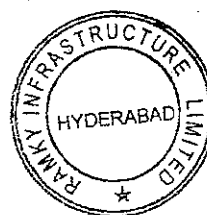
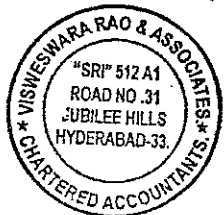
Schedule to the Balance Sheet (continued)

Schedule 6 : Investments

	As at 31 March 2009	As at 31 March 2008
Long term at cost, unless otherwise specified		
I. Quoted investments - Non-trade		
<i>(a) Equity shares (fully paid-up)</i>		
11,600 (previous year: 11,600) equity shares of Canara Bank	406,000	406,000
Total quoted long term investments (I)	<u>406,000</u>	<u>406,000</u>
II. Unquoted investments - Trade		
<i>Equity and preference shares (fully paid-up) in subsidiary companies</i>		
9,750,000 (previous year: 9,750,000) equity shares of Rs.10 each of MDDA-Ramky ISBUS Terminal Limited (Refer note: 1)	97,500,000	97,500,000
7,500 (previous year: 1,500) equity shares of AED 100 each in Ramky Engineering and Consulting Services (FZC)	9,176,338	1,893,000
9,180,000 (previous year: 9,180,000) equity shares of Rs.10 each of Ramky Phanna City (India) Limited (Refer note: 2)	91,800,000	91,800,000
25,500 (previous year: 25,500) equity shares of Rs.10 each of Gwalior Bypass Project Limited (Refer note: 3)	255,000	255,000
7,437,000 (previous year: 37,000) equity shares of Rs.10 each of Ramky Elsamex Hyderabad Ring Road Limited (Refer note: 4)	74,370,000	370,000
25,500 (previous year: 25,500) equity shares of Rs.10 each of Ramky Towers Limited	255,000	255,000
50,000 (previous year: 50,000) equity shares of Rs.10 each of Ramky Food Park (Chattisgarh) Limited	500,000	500,000
50,000 (previous year: 50,000) equity shares of Rs.10 each of Naya Raipur Gems and Jewellery SEZ Limited	500,000	500,000
50,000 (previous year: 50,000) equity shares of Rs.10 each of Ramky Herbal and Medicinal Park (Chattisgarh) Limited	500,000	500,000
44,505 (previous year: 44,505) equity shares of Rs.10 each of Ramky Enclave Limited	445,050	445,050
50,000 (previous year: 50,000) equity shares of Rs.10 each of Ramky - MIDC Agro Processing Park Limited	500,000	500,000
2,240 (previous year: 2,240) preference shares of Rs.100 each of Gwalior Bypass Project Limited at premium	896,000	896,000
25,000,000 (previous year: Nil) preference shares of Rs.10 each of Ramky Elsamex Hyderabad Ring Road Limited (refer Note: 4)	250,000,000	-
<i>Equity shares (fully paid-up) in associates</i>		
18,241 (previous year: Nil) equity shares of Rs.10 each of Ramky Integrated Township Limited	182,410	-
Total unquoted long term investments (II)	<u>526,879,798</u>	<u>195,414,050</u>
Total investments (I+II)	<u>527,285,798</u>	<u>195,820,050</u>
Aggregate cost of quoted investments	406,000	406,000
Aggregate cost of unquoted investments	526,879,798	195,414,050
Market value of quoted investments	1,922,120	2,611,000

Note:

- The Shares have been pledged in favour of Infrastructure Development Finance Company Limited (IDFC) for the loans availed by MDDA-Ramky ISBUS Terminal Limited.
- 8,942,000 Shares have been pledged in favour of Axis Bank for loans availed by Ramky Pharma City (India) Limited.
- 13,005 Shares have been pledged in favour of Punjab National Bank for loans availed by Gwalior Bypass Project Limited.
- The Shares have been pledged in favour of IDBI Trusteeship services Limited for loans availed by Ramky Elsamex Hyderabad Ring Road Limited.



Ramky Infrastructure Limited

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

Schedules to the Balance Sheet (continued)

Schedule 7 : Inventories

	As at 31 March 2009	As at 31 March 2008
Materials and supplies	962,981,315	370,502,231
Contract work-in-progress	835,519,231	547,032,309
	<u>1,798,500,546</u>	<u>917,534,540</u>

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

	As at 31 March 2009	As at 31 March 2008
Debts outstanding for a period exceeding six months	1,802,195,115	357,075,034
Other debts	3,845,973,137	4,121,997,710
	<u>5,648,168,252</u>	<u>4,479,072,744</u>

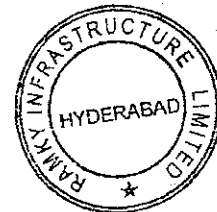
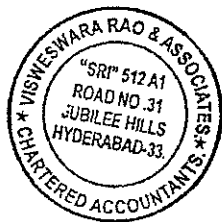
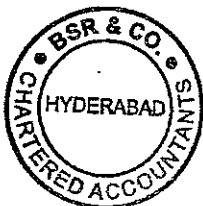
* Includes amounts due from subsidiaries Rs. 1,381,179,756 (previous year: Rs. 768,852,671)

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

Schedule 9 : Cash and bank balances

	As at 31 March 2009	As at 31 March 2008
Cash in hand	1,722,223	2,800,394
Cheques on hand	55,131,624	-
Balances with scheduled banks		
In current accounts	104,654,597	226,779,375
In deposit accounts *	457,322,075	264,937,188
	<u>618,830,519</u>	<u>494,516,957</u>

* Includes Rs.192,884,924 (previous year: Rs. 235,946,535) representing margin money for letters of credit, bank guarantees issued and term loans granted.



Ramky Infrastructure Limited

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

Schedules to the Balance Sheet (continued)

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

	As at 31 March 2009	As at 31 March 2008
Loans and advances to subsidiaries	358,787,272	317,311,228
Advances recoverable in cash or in kind or for value to be received	1,353,780,175	1,603,618,962
Security and other deposits	1,157,593,974	580,296,154
Earnest money deposits	115,061,272	134,295,194
Share application money pending allotment	265,344,473	409,987,873
Interest accrued and not due on deposits	22,056,391	11,329,354
Prepaid expenses	50,849,905	43,045,309
Advance tax [net of provision for tax Rs. 572,127,752 (previous year Rs.379,460,252)]	261,304,657	59,491,319
MAT credit entitlement	55,821,000	-
Service tax receivable	71,577,056	1,948,024
	<u>3,712,176,175</u>	<u>3,161,323,417</u>

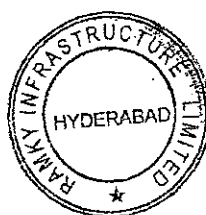
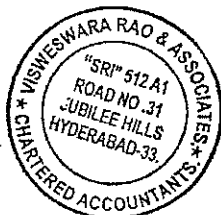
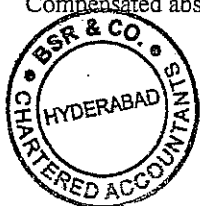
*Includes loans and advances to companies under same management. (refer note 19 of schedule 20)

Schedule 11 : Current liabilities

	As at 31 March 2009	As at 31 March 2008
Sundry creditors		
- total outstanding due to micro and small enterprises (Refer note 12 of schedule 20)	-	-
- total outstanding due to creditors other than micro and small enterprises	2,714,923,821	1,908,279,352
Amount payable to subsidiaries	83,232,038	299,257,280
Mobilisation and other advances	2,762,361,689	1,915,335,823
Security deposits received	429,786,519	224,381,319
Retention money payable	269,436,846	130,103,509
Other liabilities	300,889,334	298,770,172
	<u>6,560,630,247</u>	<u>4,776,127,455</u>

Schedule 12 : Provisions

	As at 31 March 2009	As at 31 March 2008
Provision for fringe benefit tax [net of advance fringe benefit tax paid]	178,607	25,056
Gratuity (Refer note 11 of schedule 20)	3,397,255	2,388,468
Compensated absences (long term)	2,643,002	688,880
	<u>6,218,864</u>	<u>3,102,404</u>



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

Schedules to the Profit and Loss Account

Schedule 13 : Contract revenues

	For the year ended 31 March 2009	For the year ended 31 March 2008
Contract revenues	14,303,827,063	10,292,182,533
Less: Opening contract work-in-progress	(547,032,309)	(346,433,632)
Add: Closing contract work-in-progress	835,519,231	547,032,309
	<u>14,592,313,985</u>	<u>10,492,781,210</u>

Schedule 14 : Other income

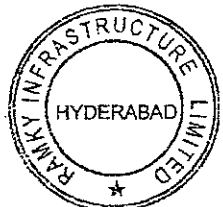
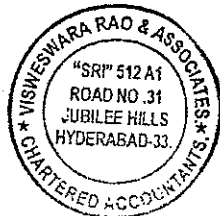
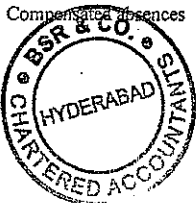
	For the year ended 31 March 2009	For the year ended 31 March 2008
Interest income	25,553,663	26,681,919
[Tax deducted at source Rs. 3,456,423 (previous year Rs. 2,908,583)]		
Equipment lease / hire charges	29,904,759	11,658,716
Dividend on shares	92,800	81,200
Sale of scrap	14,711,204	5,823,646
Provision no longer required written back	10,866,322	-
Miscellaneous income	25,192,914	23,356,024
	<u>106,321,662</u>	<u>67,601,505</u>

Schedule 15 : Contract costs

	For the year ended 31 March 2009	For the year ended 31 March 2008
Contract materials and supplies consumed		
Opening stock	370,502,231	153,729,567
Add: Purchases	4,620,524,782	2,618,795,993
Less: Closing stock	<u>(962,981,315)</u>	<u>(370,502,231)</u>
	4,028,045,698	2,402,023,329
Sub-contractor expenses	6,173,817,272	4,754,882,561
Contract costs:		
Contract wages	1,397,525,277	1,213,551,947
VAT / Work contract tax	255,224,885	208,500,696
Service tax	150,667,094	123,171,801
Hire charges	128,191,327	91,064,992
Power and fuel	121,726,591	65,364,917
Repairs and maintenance - Plant & Machinery	34,264,350	25,048,998
Transport expenses	37,849,740	52,743,535
Consumables and other site expenses	37,795,599	34,371,252
Site installation charges	20,019,552	13,338,270
Water charges	15,257,384	7,592,644
Royalty charges	5,201,722	6,990,341
	<u>12,405,586,491</u>	<u>8,998,645,283</u>

Schedule 16 : Personnel Costs

	For the year ended 31 March 2009	For the year ended 31 March 2008
Salaries, wages and bonus	416,277,484	243,223,810
Contribution to provident and other funds	20,543,426	12,680,831
Workmen and staff welfare expenses	45,059,657	26,531,316
Gratuity	2,304,887	6,074,230
Compensated absences	3,834,445	4,898,744
	<u>488,019,899</u>	<u>293,408,931</u>

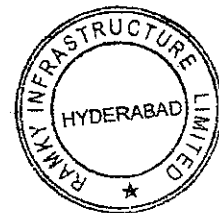
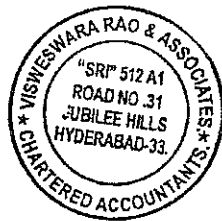
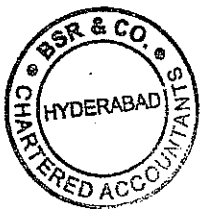


Ramky Infrastructure Limited
(All amounts in Indian Rupees, except share data and where otherwise stated)

Schedules to the Profit and Loss Account (continued)

Schedule 17 : Administrative and selling expenses

	For the year ended 31 March 2009	For the year ended 31 March 2008
Legal and professional charges	66,580,189	45,626,476
Rent	28,076,145	18,633,592
Traveling and conveyance	25,236,261	22,291,139
Security charges	22,827,401	14,095,602
Insurance	20,477,238	14,424,283
Electricity charges	16,022,716	9,665,300
Communication expenses	14,736,854	11,913,018
Rates and taxes	11,141,428	13,712,953
Tender forms and registration charges	10,674,089	9,828,317
Printing and stationary	10,617,725	8,589,174
Repairs and maintenance		
- Buildings	5,855,211	6,866,097
- Others	4,262,960	1,694,855
Bad debts written-off	9,890,133	-
Business promotion	5,377,557	3,686,023
Donations and gifts	5,056,692	3,960,864
Advertisement	3,630,338	3,183,214
Loss on sale of assets, net	610,759	225,871
Directors sitting fee	425,000	255,000
Miscellaneous expenses	57,286,374	40,912,294
	318,785,070	229,564,072



Ramky Infrastructure Limited

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

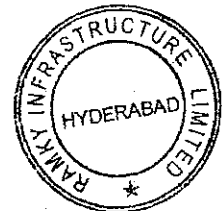
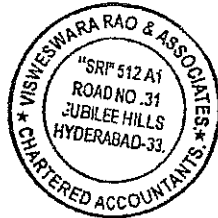
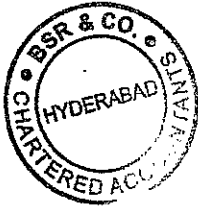
Schedules to the Profit and Loss Account (continued)

Schedule 18 : Finance charges

	For the year ended 31 March 2009	For the year ended 31 March 2008
Interest / financial charges	454,517,857	236,587,904
Bank Charges	79,382,586	48,646,875
	<u>533,900,443</u>	<u>285,234,779</u>

Schedule 19 : Income taxes

	For the year ended 31 March 2009	For the year ended 31 March 2008
Income tax	192,667,500	183,035,339
Deferred tax charge / (benefit)	23,454,628	(6,532,013)
Minimum alternate tax credit	(55,821,000)	-
Fringe benefit tax	3,655,607	4,026,726
Income tax relating to earlier years	26,784,430	5,740,342
	<u>190,741,165</u>	<u>186,270,394</u>



Ramky Infrastructure Limited

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

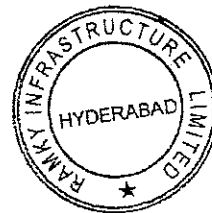
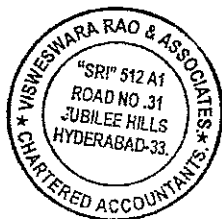
Schedules to the accounts (continued)**20. Notes to the accounts****1. Commitments and contingent liabilities:**

	As at 31 March 2009	As at 31 March 2008
i) Commitments / contingent liabilities:		
(a) Guarantees issued by banks	8,280,511,856	5,475,503,647
(b) Guarantees issued by the Company on behalf of subsidiaries, joint ventures and group companies	3,841,600,000	3,744,100,000
(c) Letters of credit outstanding	561,542,130	708,036,148
ii) Claims against the Company not acknowledged as debts in respect of:		
(a) Sales tax / VAT matters, under dispute	107,031,907	85,586,273
(b) Income tax matters, pending decisions on appeals made by the Company with Income Tax Appellate Tribunal relating to income tax deductions disallowed	89,998,672	39,221,584
(c) Service tax matters, under dispute	136,238,672	-
(d) Disputed claims	58,509,550	52,686,842
iii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,469,212	68,956,125

2. Deferred taxation

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

	As at 31 March 2009	As at 31 March 2008
Deferred tax assets		
Other timing differences (Primarily on disallowances under section 43B of the Income-tax act, 1961)	98,567,830	94,072,298
Deferred tax liability		
Excess of depreciation allowable under Income tax law over depreciation provided in accounts	67,691,965	39,741,805
Deferred tax asset, net	30,875,865	54,330,493



Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

3. Earnings per share (EPS)

The computation of earnings per share is set out below:

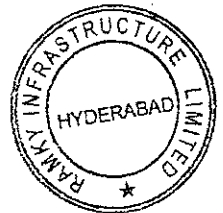
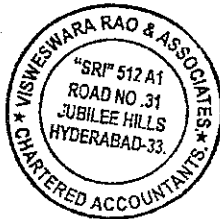
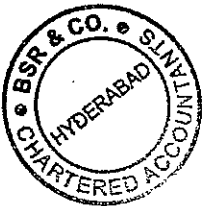
	For the year ended 31 March 2009	For the year ended 31 March 2008
Net profit for the year attributable to equity shareholders	644,563,990	515,718,579
Weighted average number of equity shares outstanding during the year – Basic	49,420,014	48,630,964
<i>Add:</i> Weighted average number of equity shares arising out of convertible preference shares that have dilutive effect on the EPS	-	743,545
Weighted average number of equity shares outstanding during the year – Diluted	49,420,014	49,374,509
<i>Earnings per share of par value Rs.10 - Basic (Rs.)</i>	13.04	10.60
<i>Earnings per share of par value Rs.10 - Diluted (Rs.)</i>	13.04	10.45

4. Related party disclosures

(a) Related parties where control/significant influence exists and with whom transactions have taken place during the year:

Subsidiaries:

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



Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

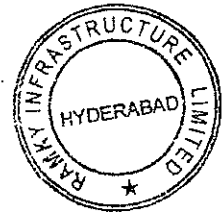
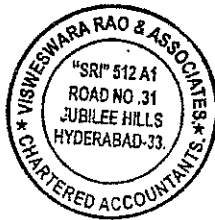
4. Related party disclosures (continued)

Parties where principal shareholders have control or significant influence ("Significant interest entities")

- Ramky Enviro Engineers Limited
- Ramky Estates and Farms Limited
- Mumbai Waste Management Limited
- Ramky Finance & Investment (P) Limited
- Semb Ramky Environmental Management Private Limited
- Ramky Global Solutions Private Limited
- Tamil Nadu Waste Management Limited
- West Bengal Waste Management Limited
- Ramky Energy & Environment Limited
- ADR Constructions
- N.R. Environmental Engineers Inc
- Ramky Foundation
- Ramky Integrated Township Limited

Key managerial personnel with whom transactions have taken place during the year

- A. Ayodhya Rami Reddy
- Y.R. Naga Raja



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

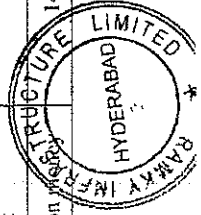
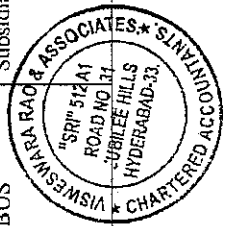
Schedules to the accounts (continued)

20. Notes to the accounts

4. Related party disclosures (continued)

(b) Particulars of related party transactions

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2009		31 March 2008	
				Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2009	Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2008
1	Ramky Enviro Engineers Limited	Significant interest entity	Contract revenue	100,314,743	(220,361,619)	344,667,314	(151,921,184)
			Income from hire charges	5,340,000	-	5,340,000	-
2	Ramky Estates and Farms Limited	Significant interest entity	Contract revenue	7,219,360	(235,666,600)	284,829,213	(309,029,868)
			Rent paid	4,044,862	-	2,466,980	-
3	Mumbai Waste Management Limited	Significant interest entity	Security deposit paid	360,938	(11,994,563)	9,897,399	(12,477,023)
			Contract revenue	-	-	100,945,081	-
			Advances received	5,154,836	11,977,163	-	17,131,999
			Income from hire charges	5,850,000	-	5,850,000	-
4	SembRamky Environmental Management Private Limited	Significant interest entity	Contract revenue	-	(5,913,301)	21,500,002	(22,462,795)
5	Ramky Pharma City (India) Limited	Subsidiary	Contract revenue	395,049,783	(369,183,008)	727,250,206	(184,683,202)
			Security deposit paid	15,700,000	(22,700,000)	333,120,000	(7,000,000)
6	Ramky Global Solutions Private Limited	Significant interest entity	Rent paid	477,530	-	716,295	-
			Other advances	-	(1,577,690)	-	(1,577,690)
7	MDDA -Ramky ISBUS Terminal Limited	Subsidiary	Contract revenue	72,327,314	(139,179,475)	42,602,542	(69,097,029)
			Security deposit	-	(5,059,226)	-	(5,059,226)
			Share application	14,535,000	(36,385,000)	18,350,000	(21,850,000)



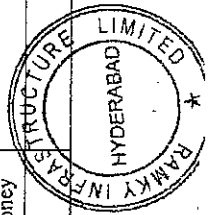
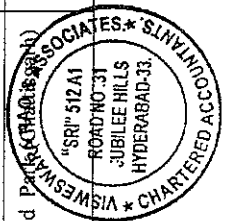
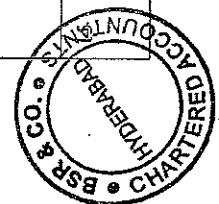
Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2009		31 March 2008	
				Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2009	Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2008
8	Gwalior Bypass Project Limited	Subsidiary	Investment in preference shares	-	(896,000)	896,000	(896,000)
9	Ramky Energy and Environment Limited	Significant interest entity	Contract revenue	(100,484)	(2,712,437)	-	(2,812,921)
10	Ramky Engineering and Consultancy Services (FZC)	Subsidiary	Share application money	9,198,750	(12,386,830)	6,838,000	(10,628,080)
			Equity investments	7,440,000	(9,333,000)	-	(1,893,000)
11	Ramky Integrated Township Limited	Significant interest entity	Equity investments	182,410	(182,410)	-	-
			Share application money	100,000,000	(100,000,000)	-	-
12	Ramky Foundation	Significant interest entity	Donation	3,800,000	-	2,206,300	-
13	Ramky Enclave Limited	Subsidiary	Contract revenue	35,493,682	(203,096,068)	213,277,003	(204,214,576)
			Equity investments	-	(445,050)	445,050	(445,050)
			Security deposit	-	(137,873,694)	137,873,694	(137,873,694)
14	Naya Raipur Gems and Jewellery SEZ Limited	Subsidiary	Share application money	-	(22,920,528)	22,920,528	(22,920,528)
			Equity investments	-	(500,000)	500,000	(500,000)
			Amounts received	105,019	105,019	-	-
	Ramky Food Products (P) Limited	Subsidiary	Share application money	-	(11,591,934)	11,591,934	(11,591,934)
			Equity investments	-	(500,000)	500,000	(500,000)



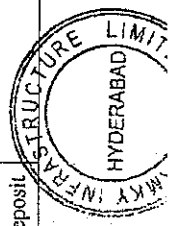
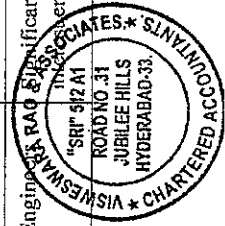
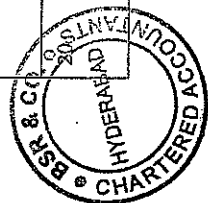
Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2009		31 March 2008	
				Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2009	Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2008
16	Ramky Herbat and Medicinal Park (Chattisgarh) Limited	Subsidiary	Share application money	300,000	(13,891,933)	13,591,933	(13,591,933)
			Equity investments	-	(500,000)	500,000	(500,000)
17	Ramky - MIDC Agro Processing Park Limited	Subsidiary	Share application money	263,188	(65,360,586)	65,097,398	(65,097,398)
			Equity investments	-	(500,000)	500,000	(500,000)
18	Ramky Elsamex Hyderabad Ring Road Limited	Subsidiary	Contract revenue	1,978,706,114	(418,057,772)	226,226,885	(122,115,399)
			Share application money	-	-	261,657,000	(261,657,000)
			Equity investments	74,000,000	(74,370,000)	370,000	(370,000)
			Investment in preference shares	250,000,000	(250,000,000)	-	-
			Mobilisation advance	-	83,127,019	299,257,280	299,257,280
19	Ramky Towers Limited	Subsidiary	Contract revenue	514,982,883	(251,663,433)	237,940,090	(188,742,265)
			Equity investments	-	(255,000)	255,000	(255,000)
			Share application money	-	(1,581,000)	1,581,000	(1,581,000)
			Security deposit paid	25,776,044	(193,154,352)	167,378,308	(167,378,308)
	N R Environmental Engineering Inc	Significant related party entity	Sub-contracting charges	14,110,361	4,161,968	3,371,528	3,360,512
			Refund of security deposit	-	-	204,338	-



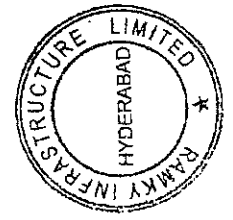
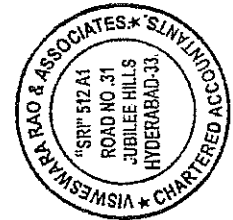
Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

S.No.	Name of the transacting party	Relationship	Nature of transactions	31 March 2009		31 March 2008	
				Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2009	Volume of transactions during the year	Amount payable/(receivable) as at 31 March 2008
21	Ramky Finance & Investments Private Limited	Significant interest entity	Other advances	-	(72,200)	72,200	(72,200)
22	Tamil Nadu Waste Management Limited	Significant interest entity	Contract revenue	45,247,841	(38,588,524)	-	(824,488)
			Share application money	-	(1,070,000)	-	(1,070,000)
23	West Bengal Waste Management Limited	Significant interest entity	Contract revenue	10,129,385	(8,502,592)	-	-
			Advance received	-	-	-	1,624,543
24	ADR Constructions	Significant interest entity	Sub-contracting charges	13,389,797	6,459,120	-	19,848,917
25	A.Ayodhya Rami Reddy	Key management personnel	Remuneration	8,328,500	(342,024)	6,600,000	-
26	Y.R.Nagaraja	Key management personnel	Remuneration	6,126,667	(232,894)	3,118,200	-



Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts

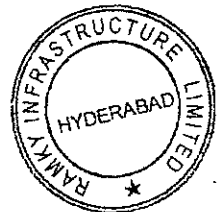
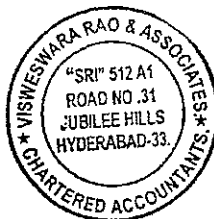
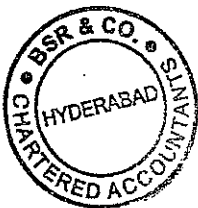
5. Personnel expenses includes managerial remuneration as given below:

	For the year ended 31 March 2009	For the year ended 31 March 2008
Salaries, bonus and allowances	14,167,167	9,600,000
Contribution to provident fund	288,000	118,200
Total	14,455,167	9,718,200

The above figures do not include provision for gratuity and compensated absences as the same are actuarially determined for the Company as a whole.

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

	For the year ended 31 March 2009	For the year ended 31 March 2008
Profit after taxation as per profit and loss account	644,563,990	515,718,579
<i>Add:</i>		
Income tax expense	190,741,165	186,270,395
Provision for wealth tax	164,257	129,277
Directors' sitting fees	425,000	255,000
Managerial remuneration to directors	14,455,167	9,718,200
Depreciation as per books of accounts	92,373,462	51,540,677
Bad debts written-off	9,890,133	-
Loss on sale of fixed assets, net	610,759	225,871
<i>Less:</i>		
Depreciation as envisaged under section 350 of the Companies Act, 1956	92,373,462	51,540,677
Profit for the purpose of calculating director's remuneration as per the provisions of the Companies Act, 1956	860,850,471	712,317,322
Maximum permissible remuneration payable to whole-time directors under section 198 of the Companies Act, 1956 @ 10% of the profits computed as above	86,085,047	71,231,732
Amount paid as managerial remuneration	14,455,167	9,718,200



Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

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

	For the year ended 31 March 2009	For the year ended 31 March 2008
(i) Contract revenue recognized	14,592,313,985	10,492,781,210
(ii) For contracts that are in progress as at the reporting date:		
- Contract cost incurred and recognised profits (less recognised losses) up to the reporting date	14,592,313,985	10,492,781,210
- Advances received	2,366,166,366	1,772,318,696
- Amount of retention	1,384,158,902	765,385,038
- Gross amount due from customers for contract work	5,648,168,252	4,479,072,744
- Gross amount due to customers for contract work		

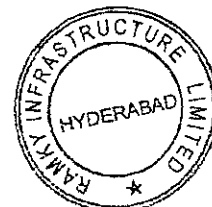
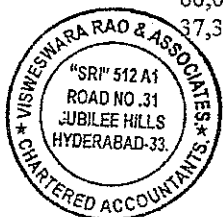
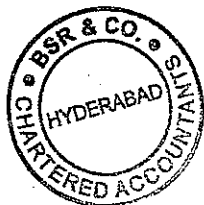
7. Interest in joint ventures

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

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

Following is the line by line break-up of assets, liabilities, income and expenditure of the above Joint Ventures included in the accounts:

Joint Venture	Assets	Liabilities	Income	Expenditure
<i>Ramky – Elsamex</i>				
31 March 2009	566,003,149	358,698,533	1,988,785,669	1,744,163,601
31 March 2008	400,746,039	353,666,322	226,392,836	154,902,087
<i>Ramky – VSM</i>				
31 March 2009	238,615,466	180,520,921	647,362,701	618,396,656
31 March 2008	251,322,662	212,341,085	774,481,514	738,493,516
<i>Ramky WPIL</i>				
31 March 2009	61,885,078	47,306,247	174,975,742	159,336,654
31 March 2008	18,211,512	13,939,084	72,631,981	66,154,308
<i>Srishti – Ramky</i>				
31 March 2009	66,009,742	57,959,548	144,073,602	136,892,808
31 March 2008	37,345,081	36,475,114	17,680,825	16,810,858



Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

8. Legal and professional charges includes auditors' remuneration (excluding service tax) as given below:

	For the year ended 31 March 2009	For the year ended 31 March 2008
Audit fees	3,000,000	1,000,000
Tax audit fees	-	-
Other services	500,000	1,000,000
Out of pocket expenses	-	-
Total	3,500,000	2,000,000

9. Segment information

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

10. Leases

The Company is obligated under non-cancellable and cancellable operating lease agreements. Total rental expense under non-cancellable operating leases was Rs. 445,712 (previous year: Rs. 2,358,940) and under cancellable leases was Rs. 27,630,433 (previous year: Rs. 16,274,652) and has been disclosed as 'rent' in the profit and loss account.

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

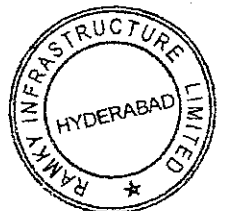
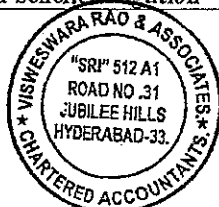
Period	As at 31 March 2009	As at 31 March 2008
Not later than 1 year	1,440,214	558,460
Later than 1 year and not later than 5 years	165,412	427,245
Total	1,605,626	985,705

11. Employee benefit plans

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

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

Particulars	As at 31 March 2009
Opening defined benefit obligation	2,388,468
Current service cost	300,618
Interest cost	167,432
Actuarial loss	1,836,837
Benefits paid	(1,296,100)
Closing defined benefit obligation	3,397,255



Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

Amount recognized in Balance Sheet

Particulars	As at 31 March 2009
Present value of funded obligations	3,397,255
Fair value of plan Assets	-
Net Liability	3,397,255
Amounts in the balance sheet	
Provision for gratuity	3,397,255
Net liability / (asset)	

Expense recognized in statement of profit and loss account

Particulars	For the year ended 31 March 2009
Current service cost	300,618
Interest cost on benefit obligation	167,432
Expected return on plan assets	-
Net actuarial loss recognised in the year	1,836,837
Past service cost	-
Net benefit expense	2,304,887

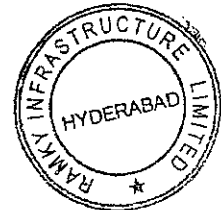
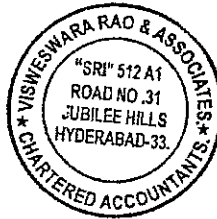
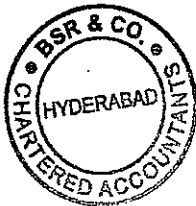
Summary of actuarial assumptions

Particulars	For the year ended 31 March 2009	For the year ended 31 March 2008
Discount rate	7.01%	8.00%
Salary escalation	10%	10%
Attrition rate	20%	20%

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

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

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



Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

12. The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2009 has been made in the financials statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

	For the year ended 31 March 2009	For the year ended 31 March 2008
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the year;	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

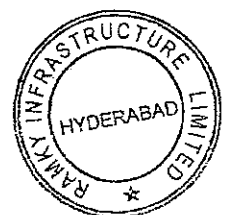
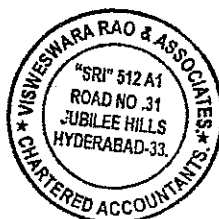
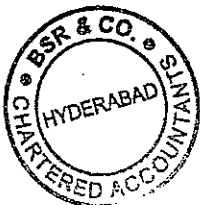
13. The Company has no un-hedged exposure in foreign currency as at the year ended 31 March 2009 and 31 March 2008.

14. CIF value of imports

	For the year ended 31 March 2009	For the year ended 31 March 2008
Plant and machinery	150,234,420	348,180
Materials	3,855,835	58,138,350

15. Expenditure in foreign currency

	For the year ended 31 March 2009	For the year ended 31 March 2008
Travel	20,403	337,800



Ramky Infrastructure Limited

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

Schedules to the accounts (continued)

20. Notes to the accounts (continued)

16. Imported and Indigenous material consumed

	For the year ended 31 March 2009		For the year ended 31 March 2008	
	Value	% of total consumption	Value	% of total consumption
Imported	3,855,835	0.10%	58,138,350	2.42%
Indigenous	4,024,189,863	99.90%	2,343,884,979	97.58%
Total	4,028,045,698	100.00%	2,402,023,329	100.00%

17. Prior period expenses

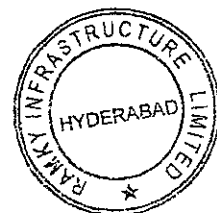
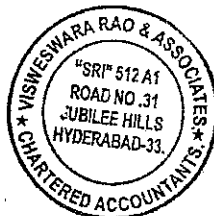
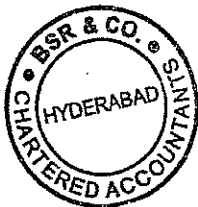
Prior period expenses includes miscellaneous expenditure, to the extent not written off or adjusted, as at 31 March 2008 of Rs.23,620,537 that has been charged off to the profit and loss account in the current year.

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

	As at 31 March 2009	As at 31 March 2008
Ramky Energy and Environment Limited	2,712,437	2,812,921
Ramky Enviro Engineers Limited	220,361,619	151,921,184
Ramky Estates and Farms Limited	235,666,600	309,029,868
SembRamky Environmental Management Private Limited	5,913,301	22,462,795
Tamilnadu Waste Management Limited	38,588,524	824,488
West Bengal Waste Management Limited	8,502,592	-
Ramky Villas Limited	20,524,492	20,524,492

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

	As at 31 March 2009	As at 31 March 2008
Ramky Estates and Farms Limited	29,476,685	12,477,023
Ramky Finance and Investment Private Limited	72,200	72,200
Ramky Global Solutions Private Limited	1,577,690	1,577,690
Tamilnadu Waste Management Limited	1,070,000	1,070,000



Ramky Infrastructure Limited

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

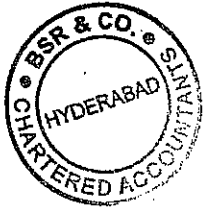
Schedules to the accounts (continued)

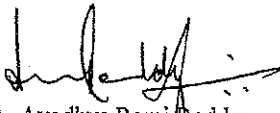
20. Notes to the accounts (continued)

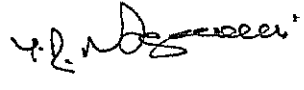
20. Previous year's figures

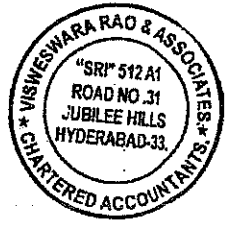
Previous year's figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

for Ramky Infrastructure Limited

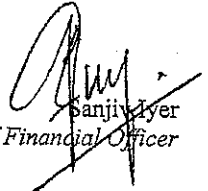



A. Ayodhya Rami Reddy
Executive Chairman


Y.R. Nagaraja
Managing Director




Trivikram Dasu
Company Secretary


Sanjay Iyer
Chief Financial Officer

