**Ramky Infrastructure Ltd.**
Ramky Grandiose, 15th Floor
Sy.No. 136/2 & 4, Gachibowli
Hyderabad - 500 032
T: +91 40 2301 5000
F: +91 40 2301 5100
E: info@ramky.com
www.ramkyinfrastructure.com
**CIN: L74210TG1994PLC017356**

Towards sustainable growth

Hyderabad
08.10.2018

To

| | |
|---|---|
| Bombay Stock Exchange Limited<br>P.J. Towers, Dalal Street,<br>Mumbai-400 001<br><br>**Scrip Code: 533262** | National Stock Exchange of India Limited,<br>Exchange Plaza, Bandra Kurla Complex<br>Bandra (East), Mumbai -400 051<br><br>**Trading Symbol: RAMKY** |

Dear Sir/ Madam,

Sub: Annual Report: 2017-18

In Compliance with the provisions of regulations 34 of Securities and Exchange Board of India (Listing Obligations and disclosures Requirements) Regulations, 2015, we submit herewith the soft copy of the Annual Report for the Financial Year 2017-18 duly approved and adopted by the shareholders of the Company at the 24th Annual General Meeting held on 25th September, 2018.

Kindly take the above information on your record.

Thanking you,

For **RAMKY INFRASTRUCTURE LIMITED**

**Y.R.NAGARAJA**
**MANAGING DIRECTOR**
**DIN: 00009810**

Ramky Infrastructure Ltd. * Hyderabad *




Towards sustainable growth

# RAMKY INFRASTRUCTURE LIMITED

## Annual Report 2017-18

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**IMPORTANT COMMUNICATION TO MEMBERS**

**The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of the notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the following addresses.**

SEBI has made it mandatory for every participant in the Securities/Capital Market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with photocopy of both sides of PAN card, duly attested to the Demat Registrar and Share Transfer Agent of the Company, M/s Karvy Computershare Private Limited as above.

RAMKY INFRASTRUCTURE LIMITED

# Company Information

## BOARD OF DIRECTORS

| | | |
|---|---|---|
| **Mr. A Ayodhya Rami Reddy** | - | Whole-Time Director |
| **Mr. Y R Nagaraja** | - | Managing Director |
| **Mr. V Murahari Reddy** | - | Non-Executive Independent Director |
| **Mrs. Allam Rama Devi** | - | Non-Executive Independent Director |
| **Mrs. Mahpara Ali** | - | Nominee Director (Appointed w.e.f 30th May, 2018) |
| **Mr. Krishna Kumar Gangadharan** | - | Non-Executive Director (Resigned w.e.f 13th August, 2018) |
| **Dr. A G Ravindranath Reddy** | - | Non-Executive Independent Director (Change in designation as Non-Executive and Non Independent Director w.e.f 13th August, 2018) |

### KEY MANAGERIAL PERSONNEL

| | | |
|---|---|---|
| Mr. Y R Nagaraja | - | Managing Director |
| Mr. I W Vijaya Kumar | - | Chief Financial Officer |
| Mr. Ashish Kulkarni | - | Company Secretary (Resigned on w.e.f 02.05.2018) |
| Mr. Akash Bhagadia | - | Company Secretary (Appointed w.e.f 30.05.2018) |

### AUDITORS

**Statutory Auditors**

M/s. M V Narayana Reddy & Co.,
Chartered Accountants
Flat No: 504, Vijaya Sree Apartments,
D.No: 8-3-941, Behind Chermas,
Ameerpet, Hyderabad – 500072

**Internal Auditors**

M/s. J K M R & Co.
Chartered Accountants

**Secretarial Auditor**

Mr. N V S S Suryanarayana Rao
Practicing Company Secretary

**Cost Auditor**

M/s. S R and Associates
Cost Accountants

### REGISTERED OFFICE

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

### REGISTRAR AND SHARE TRANSFER AGENT

Karvy Computershare Private Limited
Karvy Selenium, Tower B, Plot No. 31 & 32,
Gachibowli, Financial District,
Nanakramguda Hyderabad – 500 032.
P : 91 40 67161500
(B) F : +91 40 23420814

### BANKERS

State Bank of India
Axis Bank Limited
IDBI Bank Limited
Kotak Mahindra Bank
ICICI Bank Limited
Punjab National Bank
Yes Bank Limited

# NOTICE OF 24TH ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting of the members of Ramky Infrastructure Limited will be held on Tuesday, 25th day of September, 2018 at 03.00 PM at AVASA Hotels, Plot No: 15,24,25 & 26, Sector - 1, Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad-500081 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:
   - the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018, the Report of the Board of Directors and the Report of the Auditors thereon; and
   - the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 and the Report of the Auditors thereon.
2. To appoint a director in place of Dr. Anantapurguggilla Ravindranath Reddy (DIN 01729114), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint of M/s. M V Narayana Reddy & Co, Chartered Accountants (Firm Registration No. 002370S) Statutory Auditors of the Company, and to fix their remuneration and to pass with or without modifications the following resolution as an Ordinary Resolution:

   **"RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s. M V Narayana Reddy & Co, Chartered Accountants (Firm Registration No. 002370S) as the Statutory Auditors of the Company be and is hereby approved from the conclusion of this Annual General Meeting till the conclusion of the sixth consecutive Annual General Meeting of the Company at such remuneration and its manner of payment to be fixed by the Board of Directors/Committee thereof".

**SPECIAL BUSINESS**

4. To appoint Mrs. Mahpara Ali (DIN: 06645262) as Nominee Director of the company and for this purpose to consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

   **"RESOLVED THAT** pursuant to the provisions of Section 161(1) of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles Of Association of the company, Mrs. Mahpara Ali (DIN: 06645262) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 30th May, 2018 and who holds office up to the date of ensuing Annual General Meeting of the Company and in respect of whom a notice has been received from the member in writing, under section 160 of the Companies Act, 2013 along with requisite deposit proposing his candidature for the office of director be and is hereby appointed as the Nominee Director of the Company."

   **"RESOLVED FURTHER THAT** any of the director of the company be and be hereby authorized to do all such acts, deeds and things as may be required for the above resolution."

5. To fix remuneration of the cost auditor and to consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

   **"RESOLVED THAT** pursuant to the provisions of Section 148(3) and its related and applicable provisions of the Companies Act, 2013, read with the Companies (Cost records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. S R and Associates, Cost Accountants (Firm Reg. No:000540) who was appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2017-18, amounting to Rs. 1,50,000/- (Rupees One lakh fifty thousand only) as also the payment of all applicable taxes and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby confirmed and approved and the remuneration for the previous financial year be ratified and confirmed."

   **"RESOLVED FURTHER THAT** any of the director of the company be and be hereby authorized to do all such acts, deeds and things as may be required for the above resolution."

By Order of the Board
For **RAMKY INFRASTRUCTURE LIMITED**

Sd/-
**Y R NAGARAJA**
MANAGING DIRECTOR
DIN: 00009810

Place: Hyderabad
Date: 13-Aug-2018

# Notes:

1. An Explanatory Statement under Section 102 of the Companies Act, 2013 in respect of items 2, 4 and 5 of the Notice is attached. The statement of the particulars of Directors seeking Appointment/Re-appointment as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is enclosed as Annexure A.

2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies in order to be effective must be received by the Company at its registered office not later than 48 (forty-eight) hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable.

3. Pursuant to Section105 of the Companies Act, 2013 and Rule 19 of the Companies (Management & Administration) Rules, 2014, a person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.

4. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.

5. Members are requested to bring the Attendance Slip duly filled in and signed attendance slip mentioning therein details of their DP ID and Client ID/ Folio No. which is enclosed herewith and hand over the same at the entrance of AGM venue.

6. Members who hold shares in dematerialised form are requested to bring their depository account Number (Client Id and DP Id No) for easier identification and recording of the attendance at the meeting.

7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting

9. Members/Proxies are requested to bring their copies of Annual Report to the meeting. As an austerity measure, copies of Annual Report will not be distributed at the meeting. Members may also note that the Notice of the 24th AGM and the Annual Report for 2018 will also be available on the Company's website www.ramkyinfrastructure.com for download.

10. Members desirous of seeking any information on the accounts or operations of the company are requested to write to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting

11. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form

12. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar & Share Transfer Agent, M/s Karvy Computershare Private Limited. Members holding shares in electronic form must send the advice about the change of address to their respective Depository Participants (DPs) and not to the Company. Non-resident Indian shareholders are requested to inform us immediately the change in the residential status on return to India for permanent settlement.

13. Members holding shares under multiple folios are requested to consolidate their holdings, if the shares are held in the same name or in the same order of names.

14. The equity shares of the Company have been notified for compulsory trading in demat form. The Company has signed a tripartite agreement with National Securities Depository Limited (NSDL),- Central Depository Services (India) Limited (CDSL) and M/s. Karvy Computershare Private Limited to facilitate dematerialisation of shares. Members are requested to avail of this facility and have their shareholding converted into dematerialised form.

15. All Documents referred to in the accompanying notice and the Explanatory Statement is open for inspection at the registered office of the company on all working days between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

16. Any director himself or any member intending to propose any person as a director other than a retiring director, has to give a notice as to his intention to propose him/her as a candidate for that office not less 14 (fourteen) days before the meeting along with deposit of Rs.1,00,000 (Rupees One Lakh).

17. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialised holdings with their respective Depository Participants. Members who hold shares in physical form are requested to fill and send the required details to the Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited at Karvy Selenium, Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032.

18. In terms of Sections 124 of the Companies Act, 2013 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF (Corresponding to Section 205A of the erstwhile Companies Act, 1956)

19. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.

20. Members holding shares in the company and who have not registered their mail id with the company or the depository and wish to avail e voting may write to the registrar or the company quoting their client id/folio no and DP id so as to send the password for e voting and hard copy of the ballot paper will be provided at the venue of the AGM for those members who have not exercised their e-voting.

21. With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.

22. Voting through electronic means:

In compliance with the provisions of section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014, amended by the Companies (Management and Administration) Amendment Rules, 2016 and Regulation 44 of the listing agreement, shareholders are provided with the facility to cast their vote electronically, through the Remote e-voting services provided by Karvy Computershare Private Limited, in respect of all resolutions set forth in this Notice.

The Company is also providing the facility for voting by way of physical ballot at the Annual General Meeting, for members attending the meeting and who have not cast their vote by remote e- voting shall be able to exercise their right at the meeting through the ballot paper.

Ms. Suman Bijarnia, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the Remote e-voting process as well as the Ballot process at the Annual General Meeting in a fair and transparent manner.

Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., 17.09.2018 only shall be entitled to avail the facility of remote e-voting.

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

i) Open your web browser during the voting period and navigate to https://evoting.karvy.com'

ii) Enter the login credentials (i.e., user-id & password) mentioned in the e-mail / covering letter. Your folio/DP Client ID will be your User-ID.

**User – ID for shareholders holding shares in Demat Form**:

a) For NSDL: - 8 Character DP ID followed by 8 Digits Client ID

b) For CDSL: - 16 digits beneficiary

c) ID for shareholders holding shares in Physical Form:-

The shareholders whose email id is not registered with the company and who intend to exercise their vote, may write to the company at investors@ramky.com or to the registrar and transfer agent M/s Karvy Computer Share Private Limited so as to send the user id and password for e voting.

iii) Please contact Karvy's toll free No. 1-800-34-54-001 for any support or clarifications in relation to E-Voting.

iv) Shareholders can cast their vote online from 22nd September, 2018 (9.00 AM) to 24th September, 2018 (5.00 PM). During this period, shareholders of the company holding shares either in dematerialized or physical form as on the cut-off date viz., 17th September, 2018, may cast their vote electronically.

v) After entering these details appropriately, click on "LOGIN".

vi) In case of first login, shareholders holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field.

The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile number, email ID etc., on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vii) You need to login again with the new credentials

viii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name' viz Ramky Infrastructure Limited

ix) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and cast your vote earlier for any company, then your existing login id and password are to be used.

x) On the voting page, you will see Resolution Description and against the same the option 'FOR/ AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/ AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/ AGAINST' taken together should not exceed your total shareholding. If the shareholder does not want to cast, select 'ABSTAIN'.

xi) After selecting the resolution you have decided to vote on, click on "SUBMIT".A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL "and accordingly modify your vote.

xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

xiii) Corporate/Institutional Members (corporate/Fls/Flls/Trust/Mutual Funds/Banks etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to cssumanbijarnia@gmail.com with copy to evoting@karvy.com. The file/scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."

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

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

xvi) The results shall be declared on or after the AGM of the Company. The results along with the Scrutinizer's Report shall be placed on the Company's website www.ramkyinfrastructure.com.

# EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

**Item No 2**

Members to take note that, at the board meeting held on 13 August, 2018, Dr A.G. Ravindranath Reddy has submitted his resignation as Independent Director, however the other Board of Directors requested him to continue as Non-Executive and Non-Independent Director on the Board. Dr. A G Ravindranath Reddy, considering the request of the Board members has given his consent to continue as Non-Executive and Non-Independent Director with effect from 13 August, 2018.

Members of the Company is also requested to note that Dr. A.G. Ravindranath Reddy is re designated as a Non–Executive and Non–Independent Director on the Board of the Company with effect from 13 August, 2018.

Accordingly, Dr. A G Ravindranath Reddy been longest in the office of Non-Executive Director is liable to retire by rotation.

The Board of Directors recommends the members to pass the resolution as set out in Item No.2 of Notice as Ordinary Resolution.

Except Dr. A G Ravindranath Reddy, None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in this resolution.

**Item No 4**

Mrs. Mahpara Ali is an Observer on behalf of the State Bank of India (SBI), lead banker for the consortium loan. The Company has received a written communication from the State Bank of India, Lead banker for nominating Mrs. Mahpara Ali as a Nominee Director to represent on the Board of the Company on behalf of SBI.

Mrs. Mahpara Ali (DIN No: 06645262) was appointed as Additional Director (Nominee) of the Company with effect from 30 May, 2018 by the Board of Directors under Section 161 of the Act and as per the Company's Articles of Association.

In terms of Section 161(1) of the Act, Mrs. Mahpara Ali (DIN No: 06645262), holds office only upto the date of the forthcoming AGM but is eligible for appointment as a Director.

Pursuant to nomination received from SBI, the said resolution is being placed before the members for their approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in this resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

**Item No 5**

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. S R and Associates, Practicing Cost Accountants to conduct the audit of the cost records of the Company for the financial year ended March 31, 2018.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

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

By Order of the Board
For **RAMKY INFRASTRUCTURE LIMITED**

Sd/-
**Y R NAGARAJA**
MANAGING DIRECTOR
DIN: 00009810

Place: Hyderabad
Date: 13-Aug-2018

**Annexure A**

**Details of the Directors seeking Appointment/Re-appointment at the forthcoming Annual General Meeting**

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

| Name of Director | DR. A G RAVINDRANATH REDDY | Mrs. MAHPARA ALI |
|---|---|---|
| Date of Birth | 18.06.1957 | 28.07.1951 |
| Date of Appointment | 29.05.2012 | 30.05.2018 |
| Expertise in specific functional areas | Practiced as an Advocate for 2 years in Criminal Courts and Worked in Senior Management Levels in various Companies for 6 years. Associated as Practicing Company Secretary in advising various companies for over 15 years. Corporate Consultant on various Economic Laws. Handled many public issues as Advisor under SEBI guide lines Coordinated entire Merger & Amalgamation proceedings for more than 15 corporates. | Mrs. Mahpara Ali is a university rank holder, with a BA Honors and MA from the Bangalore University and a Diploma in Foreign Exchange from IIB. She is also an MBTI Professional.<br>Mrs Mahpara Ali is a career banker, having held varied senior positions in the State Bank of India, spanning retail branch banking, foreign exchange, credit management, and HR. Some key assignments held by her include Deputy General Manager of NRI Branch where she handled three prestigious quasi sovereign bonds on behalf of the Government of India. As General Manager & then Chief General Manager in charge of Karnataka, she had comprehensive charge of the functioning of SBI and the distinction of taking it to the first position in every business parameter in one of the most competitive markets in the country. She is recognised as a capable administrator and woman of substance.<br>Later, as the Training Head of a vast and distributed learning system handling 300,000 employees, she conceptualised a revamped network with standardisation in content and delivery and introduction of technology through e-learning & database management.<br>Post her retirement from State Bank of India, Mrs. Mahpara Ali has immersed herself in social service, associating herself with social sector organizations and Non-Governmental Organizations (NGOs). She currently chairs the Board of KBS Local Area Bank, which provides banking services to rural communities and primarily funds micro finance in three southern states of India. She is also the Vice Chairperson of MAS, an NGO engaged in capacity building of women groups and empowerment of rural communities.<br>Mrs. Mahpara Ali also continues to offer her professional services to larger corporates and organisations. She is on the Board of Governors, Institute of Public Enterprise, ranked amongst the top 100 Business Schools in India, and is a Director on the Board of Ramky infrastructure Ltd. one of the country's best known Infrastructure corporations. |
| Qualification | Fellow Company Secretary from the Institute of Company Secretaries of India, and is a Post Graduate in Commerce From Sri Venkateswara University and a Graduate in Law from Sri Krishnadevaraya University | Master Degree in Arts and Bachelor of Arts (Hons) and holds Diploma in International Banking and Finance from Indian Institute of Banking and Finance |
| List of other companies in which directorship is held as on March 31, 2018* | 1. Rockwell Industries Limited<br>2. Tanla Solutions Limited | 1. Krishna Bhima Samruddhi Local Area Bank Limited |
| Chairman/Member of the Committees of the Board of the other Companies in which he/she is a director as on March 31, 2018* | 1. Tanla Solutions Limited | Nil |
| Equity Shares held in the Company as on 31.03.2018 | Nil | Nil |
| Relationship between Directors inter-se | Not Applicable | Not Applicable |

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

# Board's Report

Dear Members,

Your Directors have pleasure in presenting their 24th Annual Report on the business and operations of your company for the financial year ended March 31, 2018. The consolidated performance of the company and its subsidiaries has been referred to wherever required.

**Financial Results**

The standalone and consolidated financial performance of the Company for the financial year ended March 31, 2018 is summarized below:

(Rs. in Millions)

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | 2017-18 | 2016-17 | 2017-18 | 2016-17 |
| Revenue from operations | **13464.37** | 15245.66 | **15784.97** | 17185.99 |
| Other Income | **3195.36** | 2464.91 | **5249.75** | 3908.24 |
| Total Income | **16659.73** | 17710.57 | **21034.72** | 21094.23 |
| Total Expenditure | **15,630.08** | 16761.00 | **19923.58** | 20593.77 |
| Profit/(Loss) before taxes | **1029.65** | 949.57 | **1111.14** | 500.46 |
| Tax Expense/(Benefit) | **380.14** | 377.41 | **453.17** | 342.25 |
| Profit/(Loss) after Tax | **655.63** | 574.42 | **325.25** | (118.98) |
| Earnings per equity shares in INR | **11.36** | 10.00 | **5.00** | (1.05) |
| Minority Interest | **-** | - | **39.34** | (58.55) |
| Share of loss from associate companies | **-** | - | **(332.72)** | (277.19) |

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

**Standalone:**

During the year under review, members will notice that the standalone revenues have decreased to Rs. 13464.37 Millions from Rs. 15245.66 Millions of the previous year 2016-17, and has profit of Rs. 655.63 Millions as against profit of Rs.574.42 Millions in the previous year 2016-17.

During the year under review, members will notice that the consolidated revenues have also decreased to Rs. 15784.97 Millions from Rs. 17185.99 Millions to the previous year 2016-17.

**Consolidated:**

The consolidated accounts of your Company broadly represents the EPC business plus the investment that have gone into the 14 wholly owned subsidiaries, 6 Subsidiaries, 2 Jointly Controlled entities and 2 Associates & 3 step down subsidiaries and 10 joint operations of the Company, and the consolidated business represents the consolidation of the EPC business and the integrated infrastructure developer businesses.

In accordance with Regulation 34(2) of the listing agreement and in compliance with the provisions of Companies Act, 2013 and the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting standard AS-23 on Accounting for Investments in Associates and Accounting Standard AS-27 on Financial Reporting of Interests in Joint Ventures, your Directors have pleasure in attaching the Consolidated Financial Statements as part of the Annual Report.

A statement containing brief financial details of the subsidiaries for the financial year ended March 31, 2018 is annexed as Annexure - I. The annual accounts of these subsidiaries and the related detailed information will be made available to any member of the Company/its subsidiaries seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiaries at the registered office of the Company. The annual accounts of the subsidiaries will also be available for inspection, as above, at registered office of the respective subsidiary companies.

In terms of Section 136 of the Companies Act, 2013 the audited financial statements is open for inspection at the Registered Office of the Company. Copies of this statement may be obtained by the members by writing to the Company Secretary at the Registered Office of the Company.

**Dividend and Transfer to Reserves**

Your Board of Directors has not recommended any dividend for the financial year 2017-18. No amount is transferred to General Reserve during the financial year 2017-18.

**Share Capital**

During the period under review there is no change in the Authorised and Paid- up Capital of the Company. The Authorised share capital is Rs. 70,00,00,000 and Paid-up Share Capital is Rs. 57,19,77,910.

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

During the period under review, the Share Allotment Committee in its meeting held on 15 December, 2017 has alloted 1,20,00,000 Compulsorily Convertible warrants at a face value Rs.10/- each and at a premium of Rs. 91.00 each to Promoter / Promoter Group and Non-Promoters of the Company.

**Directors & Key Managerial Personnel Composition of Board**

The Board of Directors of your company is duly constituted. The Board consists of Six Directors comprising of Two Executive Directors, One Non-Executive Director and Three Independent Directors.

**Key Managerial Personnel and changes**

There are three Key Managerial Personnel appointed in the Company.

Mr. Y R Nagaraja – Managing Director

Mr. I W Vijaya Kumar – Chief Financial Officer

Mr. Akash Bhagadia – Company Secretary (Appointed w.e.f 30.05.2018)

The Board of Directors at its meeting held on May 30, 2018, appointed Mr. Akash Bhagadia, as the Company Secretary and Compliance Officer and has noted the resignation of Mr. Ashish Kulkarni as Company Secretary and Compliance Officer of the company effective from May 02, 2018.

The Board of Directors at its meeting held on 13.08.2018, has noted the resignation of Mr. Krishna Kumar Gangadharan as Director of the company with effect from 13.08.2018

**Proposed Appointments / Re-appointments**

(i) Change in Designation of Dr. Anantapurguggilla Ravindranath Reddy, (DIN 01729114), as Non-Executive Director of the Company from Independent Director (w.e.f. 13.08.2018).

(ii) Re-appointment of Director of Dr. Anantapurguggilla Ravindranath Reddy, (DIN 01729114), who retires by rotation and being eligible offers himself for re-appointment.

(iii) Approval of the shareholders is being sought for the appointment of Dr. Anantapurguggilla Ravindranath Reddy, (DIN 01729114) as Director (Non- Executive) of the Company, who retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for re-appointment in accordance with the provisions of the Companies Act and pursuant to Articles of Association of the Company.

(iv) The Board at its meeting held on 30.05.2018 upon recommendation of Nomination and Remuneration Committee and as per written communication from the State Bank of India, Lead banker for nominating Mrs. Mahpara Ali as a nominee director to represent on the Board of the Company on behalf of SBI, had appointed Mrs. Mahpara Ali as the Additional Nominee Director of the Company with effect from May 30, 2018.

Board of Directors has proposed for regularizing the appointment of said Directors in the ensuing Annual General Meeting of the Company.

**Number of meetings of the Board**

Six (06) Board Meetings were held on 12.06.2017, 28.07.2017, 14.08.2017, 30.09.2017, 08.11.2017 and 09.02.2018 during the year ended on 31st March 2018. The gap between any two Board Meetings is within the period prescribed by the Companies Act, 2013 and the Listing Agreement.

**Declarations by Independent Directors**

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

**Board evaluation and assessment**

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

**a)** More effective board process

**b)** Better collaboration and communication

**c)** Greater clarity with regard to members roles and responsibilities

**d)** Improved chairman – managing directors and board relations

The evaluation process covers the following aspects

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

**Familiarization Programme for Independent Directors**

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

On appointment of the Independent Directors, they will be asked to get familiarized about the Company's operations and businesses. An Interaction with the key executives of the Company is also facilitated to make them more familiar with the operations carried by the company.

Detailed presentations on the business of the company are also made to the Directors. Direct meetings with the Chairman and the Managing Director are further facilitated for the new appointee to familiarize him/her about the Company/its businesses and the group practices as the case may be and link is available at the website http://ramkyinfrastructure.com.

**Directors' Responsibility Statement**

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

**a.** in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

**b.** such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit of the Company for that year;

**c.** proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

**d.** the annual accounts of the Company have been prepared on a going concern basis;

**e.** internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

**f.** proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

**Constitution and Composition of Audit Committee**

The Audit Committee of the company is duly constituted as per Section 177 of the Companies Act, 2013. Composition and Scope of Audit Committee is provided under the Corporate Governance report annexed herewith.

**Corporate Governance**

In pursuance of Regulation 17 to 27 read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, entered into with the Stock Exchanges, a separate Report on Corporate Governance along with a certificate from Mr. N V S S Suryanarayana Rao, Practicing Company Secretary, regarding its compliance is annexed and forms part of this Report. Your Company will continue to adhere in letter and spirit to good corporate governance policies.

**Management Discussion & Analysis**

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

**Statutory Auditors**

M/s. M V Narayana Reddy & Co., (FRN.No:002370S), Chartered Accountants have signified their willingness to act as Statutory Auditors of the Company for the further period of 5 years commencing from 24th Annual General Meeting and to carry out audit for financial year 2018-19 to 2022-23.

The Board recommends their appointment as Statutory Auditors of the Company for the further period of 5 years commencing from 24th Annual General Meeting, subject to the Shareholders approval.

**Reporting of Fraud**

The Auditors of the Company have not reported any frauds specified under Section 143(12) of the Companies Act, 2013.

**Cost Audit Report**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and as per the Companies (Cost Records and Audit) Rules, 2014 and amendments thereof, read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, the Board of Directors at their meeting dated 30.05.2018, appointed M/s. S R and Associates, Cost Accountants as the Cost Auditors of the Company for the financial year 2017–18. The Cost Audit Report will be filed within the stipulated period of 180 days from the closure of the financial year.

A proposal for approval of remuneration of the Cost Auditor for the financial year 2017-18 is placed before the shareholders.

**Business Responsibility Report (BRR)**

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

**Corporate Social Responsibility**

Ramky Infra has been pursuing CSR activities long before they were made mandatory under the Companies Act, 2013. You are aware that the CSR activities are being carried under Ramky Foundation, a charitable trust which looks after CSR activities. It focuses on 4 thrust areas viz, natural resource management, education, health and women empowerment. It seeks to bring corporate sector with an overall aim to create equitable, sustainable, and accessible developmental opportunities for the communities we serve.

A Report on Corporate Social Responsibility (CSR) Policy and Activities as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended to this annual report as Annexure – II and link to the CSR policy is available at the website http://ramkyinfrastructure.com.

**Secretarial Standards**

The Company complies with all applicable secretarial standards.

**Particulars of Loans, Guarantees and Investments**

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

**Secretarial Audit Report**

Pursuant to the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, the company is required to obtain Secretarial Audit Report from Practicing Company Secretary. Mr. N V S S Suryanarayana Rao, Practicing Company Secretary was appointed to issue Secretarial Audit Report for the financial year 2017-18.

Secretarial Audit Report issued by Mr. N V S S Suryanarayana Rao, Practicing Company Secretary in Form MR-3 for the financial year 2017-18 forms part to this report as 'Annexure – III'.

**Management responses to observations in Secretarial Audit Report:**

The following are the responses of the management against the observations made by the Secretarial Auditor:

| Observations | Management replies/ response |
|---|---|
| 1. As on March 31, 2018, undisputed dues in respect Provident Fund, Employees State Insurance and Gratuity, have not been regularly deposited with the appropriate authorities and there have been delays in number of cases;<br>2. There was delay in filing of prescribed forms with MCA beyond time limit of 30 days, but within 300 days and in respect of which Company has paid additional fee. | Management to ensure that existing systems are more tightened and that the compliances are being carried out without any delay |

**Management responses to observations in Auditor's Report**

With reference to observations made in Auditor's Report, the notes of account is self-explanatory and therefore do not call for any further comments. The results for the year ended March 31, 2018 have been subjected to an audit by the Statutory Auditors of the Company without qualification.

| S. No. | Emphasis matters in Standalone financials | Management Response |
|---|---|---|
| 1. | Note 49 to the standalone Ind AS financial statements in respect of existence of material uncertainties over the realisability of certain construction work in progress, trade receivables and loans and advances aggregating to Rs. 3607.42 mn, which are subject matters of arbitration proceedings/negotiations with the customers and contractors due to foreclosure of contracts and other disputes. The management of the Company, keeping in view the status of negotiations and the outcome of arbitration proceedings on the basis of which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues. In view of pending billing of project WIP/slow progress/termination of these projects, and lack of other alternate audit evidence to corroborate management's assessment of recoverability of these balances, we are unable to comment on the extent to which these balances are recoverable. | The Management of the Company, keeping in view the long term nature of the contracts, terms and condition implicit in these contracts and the ongoing discussion based on which steps to recover are currently in process, is confident of recovering the amount as they are contractually tenable. |
| 2. | Note 50 to the standalone Ind AS financial statements with regard to insurance claim due to floods on one of the Company's project in Srinagar, Jammu and Kashmir, the Company has recognised insurance claim revenue aggregating to Rs. 350.46 mn to the extent measured reliably and accounted/charged off related additional costs incurred towards damage by floods. | The Management is confident that no material adjustment will be required |
| 3. | Note 51 to the standalone Ind AS financial statements in respect of write back of the 'liabilities no longer required' outstanding for a long period aggregating to Rs. 2388.04 mn. The management is confident that the liabilities no longer required and no material adjustment will be required. | The Management has written off the liabilities which were not required any longer considering the nature and ageing of such liabilities. |
| 4. | Note 52 to the standalone Ind AS financial statements in respect of write off of the 'assets no longer receivable' outstanding for a long period aggregating to Rs. 1437.82 mn. The management considered it prudent not to carry such receivables | Since the receivables are doubtful, as a matter of prudence, the Management has written off the liabilities. |
| | Auditors opinion is not qualified in respect of these matters. | |

| S. No | Emphasis matters in Consolidated financials | Management Response |
|---|---|---|
| 1 | Note 20 to the consolidated Ind AS financial statements in respect of existence of material uncertainties over the realisability of certain construction work in progress, trade receivables and loans and advances aggregating to Rs. 3,607.42 mn, which are subject matters of arbitration proceedings / negotiations with the customers and contractors due to foreclosure of contracts and other disputes. The management of the Company, keeping in view the status of negotiations and the outcome of arbitration proceedings on the basis of which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues. In view of pending billing of project WIP / slow progress / termination of these projects, and lack of other alternate audit evidence to corroborate management's assessment of recoverability of these balances, we are unable to comment on the extent to which these balances are recoverable. | The Management of the Company, keeping in view the long term nature of the contracts, terms and condition implicit in these contracts and the ongoing discussion based on which steps to recover are currently in process, is confident of recovering the amount as they are contractually tenable. |
| 2 | Note 21 to the consolidated Ind AS financial statements with regard to insurance claim due to floods on one of the Holding Company's project in Srinagar, Jammu and Kashmir, the Holding Company has recognized the insurance claim income aggregating to Rs. 350.46 mn to the extent measured reliably and accounted / charged off related additional costs incurred towards damage by floods. | The Management is confident that no material adjustment will be required |
| 3 | Note 24 to the consolidated Ind AS financial statements in respect of write back of the 'liabilities no longer required' outstanding for a long period aggregating to Rs. 1208.59 mn. The management of the Holding Company is confident that the liabilities no longer required and no material adjustment will be required. | The Management has written off the liabilities which were not required any longer considering the nature and ageing of such liabilities. |
| 4 | Note 23 to the consolidated Ind AS financial statements in respect of write off of the 'unrealisable receivables no longer required' outstanding for a long period aggregating to Rs. 1,437.82 mn. The management of the Holding Company is confident that not to carry the unrealisable receivables and no material adjustment will be required. | Since the receivables are doubtful, as a matter of prudence, the Management has written off the liabilities. |
| 5 | Note 24 (1) to the consolidated Ind AS financial statements in respect of M/s Ramky Pharma City (India) Limited ("RPCIL"), a subsidiary, whereby the auditors have reported that the uncertainty in connection with the charge sheet filed by Central Bureau of Investigation (CBI) and attachment order of the Enforcement Directorate in respect of certain assets of the Company. The management believes that it has complied with the provisions of the concession agreement. Accordingly, any consequential financial impact of the said regulatory action will be known only when the matter is resolved. | Management believes that it has complied with the provisions of concession agreement while consequential financial impact would be known only when matter is resolved. |
| 6 | Note 24 (2) to the consolidated Ind AS financial statements in respect of Hospet Chitradurga Tollways Limited, a Subsidiary Company whereby the Statutory Auditors of the said subsidiary have drawn attention in respect of the termination of the project by the company and National Highways Authority of India (NHAI) " the Concessioning Authority". Since the company is a project specific company, termination of project affects the Going concern nature of the company. The Financial impact of the same has been provided in the Financial Statements | The project has been terminated by mutual consent with the authorities. Since, the objects of the company has not been undertaken, the management is in the process of winding up the company. Moreover the financial effect has already been given in the financial statements. |
| 7 | Note 24 (4) to the consolidated Ind AS financial statements in respect of Ramky Elsamex Hyderabad Ring Road Limited, a Subsidiary Company whereby the Statutory Auditors of the said subsidiary have drawn attention that regarding certain aged receivables / retentions, the realizations are not in line with terms of the Concession agreement with Hyderabad Metropolitan Development Authority (HMDA). Now the matter is pending before the Arbitral Tribunal. The Management believes that these amounts are recoverable in full. | The Company has already won an award at an Arbitration Proceedings pending realization of these receivables. |
| | Auditors opinion on the consolidated Ind AS Financial Statements is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors. | |

**Whistle Blower Policy/Vigil Mechanism**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and the rules framed there under and pursuant to the applicable provision of SEBI (LODR) Regulations, 2015, the company has established a mechanism through which all stake holders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle blower policy which has been approved by the board of directors of the company has been hosted on the website of the company viz., http://ramkyinfrastructure.com

**Risk Management Framework**

Pursuant to SEBI (LODR) Regulations, 2015, the Board of Directors of the top 100 Listed entities are mandated to constitute a Risk Management Committee. Since the Company is not falling under the above criteria, there is no requirement to constitute such a committee.

However, periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the Company to control risk through a properly defined plan. The risks are taken into account while preparing the annual business plan for the year.

**Policy on Sexual Harassment**

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year ended 31st March, 2018, the Company has not received any complaints pertaining to Sexual Harassment.

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

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

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

Particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto shall be disclosed in Form No. AOC-2 as 'Annexure-IV' to this report.

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

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

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

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

**Public Deposits**

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

**Material Subsidiary Policy**

The Company has adopted a policy for determining material subsidiary, in line with the requirements of the Listing Agreement. The Policy on Material Subsidiary is available on the website of the Company at http:// ramkyinfrastructure.com

**Remuneration Policy**

The Board has on the recommendation of Nomination and remuneration Committee approved a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The detailed remuneration policy is available on the website of the Company at http://ramkyinfrastructure.com

**Particulars of Employees**

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is NIL

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed in Annexure V and forms part of this Report.

**Extract of the Annual Return**

In accordance with Section 134 (3) (a) of the Act, an extract of the Annual Return in the prescribed format is placed on the website of the company viz: http://ramkyinfrastructure.com.

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

Conservation of Energy which is an ongoing process in the Company's construction activities and the same is not furnished as the relevant rule is not applicable to your company.

There is no information to be furnished regarding Technology Absorption as your company has not undertaken any research and development activity in any manufacturing activity nor any specific technology is obtained from any external sources which needs to be absorbed or adapted.

Innovation is a culture in the Company to achieve cost efficiency in the construction activity so as to be more competitive in the prevailing environment.

**Foreign Exchange Earnings and Outgo**

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

**Internal Audit & Controls**

The Company has appointed M/s. J K M R & Co, as Internal Auditors for the financial year 2017-18

Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

**Internal Financial Control Systems**

The Company has adequate Internal Financial Controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statues, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

**Industrial Relations**

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

**Listing with Stock Exchanges**

The equity shares of your Company are listed on the National Stock Exchange and the Bombay Stock Exchange, Mumbai. The Company has been complying with the regulations as prescribed under SEBI (LODR) Regulations, 2015.

The Company confirms that it has paid the Annual Listing Fees for the year 2017-18 to NSE and BSE where the Company's Shares are listed.

**Human Resources**

Your Company treats its "Human Resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis.

A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement

**Acknowledgements**

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

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

| | |
|---|---|
| Sd/- | Sd/- |
| **A AYODHYA RAMI REDDY** | **Y R NAGARAJA** |
| Whole Time Director | Managing Director |
| DIN: 00251430 | DIN: 00009810 |

Place: Hyderabad
Date: 13-Aug-2018

**Annexure-I**

## Form AOC -1

**Statement containing salient features of the financial statements of subsidiaries/ associate companies/Joint ventures**

Statement pursuant to first proviso to sub section (3) of section 129 of the companies act, 2013, read with rule 5 of companies (Accounts) Rules, 2014.

**Part –A : Subsidiaries as on 31 March, 2018** **(Rs in Millions)**

| S. No. | Name of the entity | Reporting Currency | Exchange Rate | Share Capital | Reserves& surplus | Total Assets | Total Liabilities | Investment other than investment in Subsidiary* | Turnover** | Profit / (Loss) before Tax | Provision for Taxation | Profit / (Loss) after taxation | Proposed Dividend | % of share holding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | MDDA-Ramky IS Bus Terminal Limited | INR | 1 | 106.52 | 12.68 | 352.88 | 233.68 | - | 76.42 | -41.48 | -8.42 | -33.06 | - | 100 |
| 2 | Ramky Pharma City (India) Limited | INR | 1 | 180 | 1402.18 | 3624.47 | 2042.29 | 3.35 | 1559.48 | 128.24 | 46.31 | 81.93 | 25% | 51 |
| 3 | RamkyEngineeringandConsultingServices(FZC) | AED | 17.74 | 8.79 | 49.54 | 105.24 | 46.91 | - | - | - | - | - | - | 98 |
| 4 | Ramky Elsamex Hyderabad Ring Road Limited | INR | 1 | 200 | 332.53 | 2825.66 | 2293.13 | - | 21.33 | 133.47 | 6.64 | 126.83 | - | 74 |
| 5 | Ramky Towers Limited | INR | 1 | 0.52 | 211.12 | 2008.48 | 1796.84 | - | 395.27 | -58.37 | - | -58.37 | - | 51 |
| 6 | Ramky Enclave Limited | INR | 1 | 0.5 | -53.1 | 795.73 | 848.33 | - | 321.6 | 17.74 | 13.63 | 4.11 | - | 89.01 |
| 7 | Ramky Food Park (Chattisgarh)Limited | INR | 1 | 4.36 | -4.36 | 0 | 0 | - | 0 | -10.48 | 0 | -10.48 | - | 100 |
| 8 | Ramky Herbal & Medicinal Park (Chattisgarh) Limited | INR | 1 | 5.13 | -5.13 | 0 | 0 | - | 0 | -9.3 | 0 | -9.3 | - | 100 |
| 9 | Naya Raipur Gems and Jewellery SEZ Limited | INR | 1 | 11.36 | 1.83 | 13.21 | 0.02 | - | 0 | -10.07 | 0 | -10.07 | - | 100 |
| 10 | Ramky-MIDC Agro Processing Park Limited | INR | 1 | 22.29 | 43.2 | 65.51 | 0.02 | - | 0 | -0.02 | 0 | -0.02 | - | 100 |
| 11 | Srinagar Banihal Expressway Limited | INR | 1 | 0.53 | 915.64 | 18685.65 | 17769.47 | - | 2261.23 | 59.12 | 32.25 | 26.87 | - | 74 |
| 12 | RamkyMultiProductIndustrialParkLimited | INR | 1 | 50 | 299.87 | 757.93 | 408.06 | - | 0 | -10.21 | -1.87 | -8.34 | - | 100 |
| 13 | Ramky Food Park (Karnataka) Limited | INR | 1 | 0.55 | -0.55 | 0 | 0 | - | 0 | -0.47 | 0 | -0.47 | - | 100 |
| 14 | SehoreKosmiTollways Limited | INR | 1 | 120.2 | -4.74 | 838.67 | 723.21 | - | 89.94 | -38.27 | 0 | -38.27 | - | 100 |
| 15 | HospetChitradurgaTollways Limited | INR | 1 | 170.22 | -170.16 | 0.47 | 0.42 | - | 0 | -0.04 | 0 | -0.04 | - | 100 |
| 16 | Agra EtawahTollways Limited | INR | 1 | 0.5 | -0.33 | 0.19 | 0.02 | - | 0 | -0.02 | 0 | -0.02 | - | 100 |
| 17 | FrankLloydTechManagementServicesLimited | INR | 1 | 1 | -22.91 | 72.89 | 94.8 | - | 12.38 | -68.51 | -16.16 | -52.36 | - | 76 |
| 18 | Jabalpur PatanShahpuraTollways Ltd | INR | 1 | 0.5 | -0.43 | 0.07 | 0 | - | 0 | 0 | 0 | 0 | - | 100 |
| 19 | Ramky Esco Ltd | INR | 1 | 0.5 | -0.5 | 0 | 0 | - | 0 | -0.36 | 0 | -0.36 | - | 100 |
| 20 | Pantnagar CETP Private Limited | INR | 1 | 0.1 | 1.98 | 8.85 | 6.77 | - | 14.71 | 4.21 | 0.72 | 3.49 | - | 100 |

* Investment in subsidiary excluded from Investments
** Income from other sources included in Turnover

Name of the subsidiaries which have been liquidated or sold during the year – Nil

**Part –B : Associates and Joint Ventures**

| S. No | Name of the associates/Joint venture (Jv) | N.A.M Expressway Ltd | Jorabat Shillong Expressway Ltd | Ramky Integrated Township Ltd | Gwalior Bypass Project Ltd |
|---|---|---|---|---|---|
| 1 | Latest audited balance sheet | 31 March 2018 | 31 March 2018 | 31 March 2018 | 31 March 2018 |
| 2 | Share of Associate /JV held by the company at the year end<br>Number<br>Amount of Investment in Associate/JV<br>Extent of Holding % | <br>11,67,55,000<br>1,167.55<br>50 | <br>4,20,00,000<br>420.00<br>50 | <br>18,241<br>0.18<br>28.82 | <br>60,10,040<br>60.10<br>26 |
| 3 | Description of how there is significant influence | There is significant influence to the extent of share holding | There is significant influence to the extent of share holding | There is significant influence to the extent of share holding | There is no significant influence |
| 4 | Reason why the associate /Joint Venture is not consolidated | NA | NA | NA | NA |
| 5 | Networth attributable to shareholding as per latest audited balance sheet | 558.01 | 689.45 | 953.81 | |
| 6 | Profit /(Loss) for the year<br>i. Considered for consolidation<br>ii. Not considered for consolidation | (316.62) | (18.61) | 2.39 | |

*profit as per the draft guidance note on service concession arrangement

Name of the associate(s) or Joint Venture(s) which are yet to commence operations: Nil

Name of the associates or joint ventures which have been liquidated or sold during the year: Nil

## Annexure-II

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

**1.** A brief outline of the Company's CSR Policy is provided in the link at website viz: http://ramkyinfrastructure.com

**2.** Composition of CSR Committee: The committee members include Mr. V. Murahari Reddy, Mr. A.G. Ravindranath Reddy and Mr. Y.R.Nagaraja.

**3.** Average Net profit for the preceding three Financial Years for the purpose of computation of CSR: Not Applicable

**4.** Prescribed CSR expenditure (2% of Average Net Profit): Nil

**5.** Details of CSR spent for the financial year:

**a.** Total amount spent during the Financial Year 2017-18: Rs. 14.00 lakhs

**b.** Amount unspent, if any: Nil

**c.** Manner in which the amount spent during the financial year is detailed below:

| S. No. | CSR Project or activity identified | Sector in which the project is covered | Project or programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken | Amount spent on the projects or programs Sub-heads: 1. Direct Expenditure on projects or programs. 2. Overheads | Amount Spent: Direct or through implementing agency |
|---|---|---|---|---|---|
| 1 | Education Support for the Needy<br>• Note Books distributions<br>• Study Material Distribution<br>• Infrastructure support to Govt. schools<br>• School Bags distribution | Education | Vizag, AP;<br>GummadiPundi, Tamil Nadu;<br>dundigal,– Hyderabad,<br>Narasaraopet – Guntur dist of Andhra Pradesh | Direct Expenditure:<br>3 Lakhs<br><br>Over Heads:<br>0.5 Lakhs | Spent through Ramky Foundation |
| 2 | Heath camps and Awareness Programs for community | Health | Jawaharnagar, Nallagandla, Thukkuguda, Gajularamaram – Hyderabad | Direct Expenditure:<br>4 Lakhs<br>Over Heads:<br>0.5 Lakhs | Spent through Ramky Foundation |
| 3 | Establishment of Skill Training centers | Skill Development Project | Narasaraopet and Vizag, Andhra Pradesh | Direct Expenditure:<br>4 Lakhs | Spent through Ramky Foundation |
| 4 | Awareness programs on waste management & Environment Pollution | Natural Resource Management | Maharastra, Dundigal - Hyderabad, Vizag, Haldia - West Bengal, Delhi | Direct Expenditure:<br>2 Lakhs | Spent through Ramky Foundation |

**6.** The company is in compliance with CSR Objectives and Policy of the Company.

Sd/-
**V MURAHARI REDDY**
CSR Commottee Chairman
DIN: 01865148

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Place: Hyderabad
Date: 13-Aug-2018

**FORM No. MR - 3**

# SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED March 31, 2018**

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

To,
The Members

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

(1) The Companies Act, 2013 (the "Act") and the rules made there under and other applicable provisions of the Companies Act, 1956 which are still in force;

(2) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;

(3) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;

(4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not Applicable to the Company during the Audit period

(5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

a. The Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;

Not Applicable to the Company during the Audit period

c. The Securities and Exchange Board of India (Share Based Employee Benefits Regulations),2014;

Not Applicable to the Company during the Audit period

d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Not Applicable to the Company during the Audit period

e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;

f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;and

Not Applicable to the Company during the Audit period

g. The Securities and Exchange Board of India (Buyback of Securities) Regulations,1998;

Not Applicable to the Company during the Audit period

h. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(6) Other laws applicable to the Company as per the representations made by the Management.

I have also examined compliance with the applicable clauses Secretarial Standard-1 and Secretarial Standard-2, with respect to Board and General Meetings respectively, issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above mentioned above except to the extent as mentioned below:

1. As on March 31, 2018, undisputed dues in respect Provident Fund, Employees State Insurance and Gratuity, have not been regularly deposited with the appropriate authorities and there have been delays in number of cases;

2. There was delay in filing of prescribed forms with MCA beyond time limit of 30 days, but within 300 days and in respect of which Company has paid additional fee.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were carried out with majority and the dissenting members' views are captured and recorded as part of the minutes.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

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

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

Sd/-
**N V S S SURYANARAYANA RAO**
Practicing Company Secretary
Membership Number: 5868
CP No: 2886

Place: Hyderabad
Date: 13.08.2018

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

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## 'ANNEXURE A'

To,
The Members
**Ramky Infrastructure Limited,**
Ramky Grandiose, 15th Floor, SyNo136/2&4,
Gachibowli, Hyderabad-500032, Telangana.

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

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

Sd/-
**N V S S SURYANARAYANA RAO**
Practicing Company Secretary
Membership Number: 5868
CP No: 2886

Place: Hyderabad
Date: 13-Aug-2018

**Annexure-IV**

# Form AOC -2

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

**1. Details of contracts or arrangements or transactions not at arm's length basis : NA**

(a) Name(s) of the related party and nature of relationship

(b) Nature of contracts/arrangements/transactions

(c) Duration of the contracts/arrangements/transactions

(d) Salient terms of the contracts or arrangements or transactions including the value, if any

(e) Justification for entering into such contracts or arrangements or transactions

(f) date(s) of approval by the Board

(g) Amount paid as advances, if any:

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis**

(a) Name(s) of the related party and nature of relationship:

Please refer to Note No: 43 of notes to accounts for details on related party transactions

(b) Nature of contracts/arrangements/transactions: Note No: 43

(c) Duration of the contracts/arrangements/transactions: NA

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA

(e) Date(s) of approval by the Board, if any: NA

(f) Amount paid as advances, if any: NIL

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Place: Hyderabad
Date: 13-Aug-2018

## Annexure-V

**A. The details of remuneration during the year 2017-18 as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 are as follows:**

| S. No | Disclosure Requirement | Disclosure Details | |
|---|---|---|---|
| 1. | Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year: | Executive Directors | Ratio to median remuneration |
| | | Mr. A. Ayodhya Rami Reddy | 36.7:1 |
| | | Mr. Y.R. Nagaraja | 0 |
| | | Non-Executive Directors | 0 |
| | | Dr. A G Ravindranath Reddy | 0 |
| | | Mr.V. Murahari Reddy | 0 |
| | | Mrs A. Rama Devi | 0 |
| | | Mr. Krishna Kumar. G | 0 |
| 2. | Percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year | Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary | % increase in remuneration in the financial year |
| | | Mr. A. Ayodhya Rami Reddy | - |
| | | Mr. Y. R. Nagaraja | - |
| | | Dr. A G Ravindranath Reddy | - |
| | | Mr. V. Murahari Reddy | - |
| | | Mrs A. Rama Devi | - |
| | | Mr. Krishna Kumar. G | - |
| | | Mr. I. W. Vijaya Kumar | - |
| | | Mr. Ashish Kulkarni | - |
| 3. | Percentage increase/(decrease) in the median remuneration of the employees in the financial year – 5.24 | | |
| 4. | Number of permanent employees on the rolls of the Company as at 31st March, 2018 – 602 | | |
| 5. | Explanation on relationship between average increase in remuneration & Company performance:<br>The average increase in employee remuneration effected during the year 2017-18 was 5.24. The company in general has undertaken increments/ performance appraisals during the previous financial year viz.,2016-17 | | |
| 6. | Affirmation that the remuneration is as per the remuneration policy of the Company: The Company is in compliance with its remuneration policy. | | |

**B.** Information under Section 197 (12) of the Companies Act, 2013 read with the rule 5(2) Companies (Appointment and remuneration of managerial personnel) Rules, 2014 and forming part of Directors Report for the year ended March 31, 2018.

| **Employed throughout the Financial Year and in receipt of remuneration aggregating Rs. 10,20,00,000 or more** | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Name of the Employee** | **Designation** | **Remuneration (in Rs.)** | **Qualification** | **Experience (years)** | **Date of Commencement of Employment** | **Age** | **Last employment held before joining the company** | **% of equity shares held in the Company** |
| NIL | | | | | | | | |

| **Employees for part of the Financial Year who were in receipt of remuneration aggregating Rs. 8,50,000 or more** | | | | | | | | (Rs. in Millions) |
|---|---|---|---|---|---|---|---|---|
| **S. No.** | **Name of the Employee** | **Designation** | **Remuneration per month** | **Qualification** | **Experience (years)** | **Date of end of Employment** | **Age** | **% of equity shares held in the Company** |
| 1 | Mr. P Yedukondala Reddy | Associate Vice President | 0.25 | M.Tech | 23 | 31.08.2017 | 47 | Nil |
| 2 | Mr. Susheel Kumar Maskara | General Manager - Finance & Accounts | 0.33 | Chatered Accountant | 38 | 05.03.2018 | 55 | Nil |
| 3 | Mr. P Somasekhar Naidu | General Manager - Legal | 0.16 | BL | 23 | 31.01.2018 | 52 | Nil |
| 4 | Mr. A Nagaraja Rao | Vice President - Contracts & Projects | 0.27 | BL & M. Tech | 26 | 21.02.2018 | 54 | Nil |
| 5 | Mr. B Jyothi Prasad Reddy | Deputy General Manager - Projects | 0.13 | M.Tech | 18 | 11.01.2018 | 42 | Nil |

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

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

Sd/-
**A AYODHYA RAMI REDDY**
Whole Time Director
DIN: 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Place: Hyderabad
Date: 13-Aug-2018

# REPORT ON CORPORATE GOVERNANCE

## 1. COMPANY'S PHILOSOPHY

Ramky Infrastructure Limited ('the Company') has always been committed to maintain sound corporate governance standards and ethical business practices.

This involves institutionalizing the Company's philosophy on corporate governance across business activities, which is based on the principles of accountability, transparency responsibility and fairness in all aspects of its operations.

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

This Chapter reports the Company's compliance with the Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations) as given below:

## 2. BOARD OF DIRECTORS

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

**a) Composition and Category of directors as on March 31, 2018**

| Category | No. of Directors |
|---|---|
| Promoter Directors | 2 |
| Non - Executive Directors | 1 |
| Non-Executive Independent Directors | 3 |
| **Total** | **6** |

The composition of the Board is in conformity with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**b) Attendance of each director at the Board meetings held during the year 2017-18 and at the last Annual General Meeting.**

| Name of the Director | Category | Meetings held during the year | Meetings attended | Attendance at Last AGM |
|---|---|---|---|---|
| Mr. A Ayodhya Rami Reddy | Whole-Time Director (Promoter) | 6 | 5 | Present |
| Mr. Y R Nagaraja | Managing Director (Promoter) | 6 | 6 | Present |
| Mr. V Murahari Reddy | Non-Executive Independent Director | 6 | 4 | Absent |
| Mr. A G Ravindranath Reddy | Non-Executive Independent Director | 6 | 6 | Present |
| Mr. G Krishna Kumar | Non-Executive Director | 6 | 1 | Absent |
| Mrs. A Rama Devi | Non-Executive Independent Director | 6 | 6 | Present |

**c) No. of other Boards/Board Committees in which the Directors are either Member or Chairman as at March 31, 2018**

| Name of the Director | Board | | Committee | |
|---|---|---|---|---|
| | Chairman | Member | Chairman | Member |
| Mr. A Ayodhya Rami Reddy | - | - | - | - |
| Mr. Y R Nagaraja* | - | 10 | - | 4 |
| Mr. V Murahari Reddy | - | 4 | 2 | - |
| Dr. A G Ravindranath Reddy* | - | 3 | 2 | 1 |
| Mr. G Krishna Kumar* | - | 10 | 4 | 0 |
| Mrs. A Rama Devi | - | 4 | - | - |

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

**d) No. of Board Meetings held and dates on which they were held during the year 2017-18**

| Quarter | No. of Meetings | Dates on which held |
|---|---|---|
| April – June 2017 | 1 | 12.06.2017 |
| July – September 2017 | 3 | 28.07.2017 & 14.08.2017 & 30.09.2017 |
| October – December 2017 | 1 | 08.11.2017 |
| January – March 2018 | 1 | 09.02.2018 |
| Total | 6 | |

**e) Independent Directors Meeting**

A meeting of the Independent Directors was held on 30 May, 2018 which was attended by the Independent Directors. The Independent Directors have evaluated the performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Board. The Board was briefed on the deliberations made at the Independent Directors Meeting.

**f) Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of participation in the meetings and contribution, independence of judgement, safeguarding the interest of the Company and other stakeholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. Further, the performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors.

**3. COMMITTEES**

**a) Audit Committee**

The Audit Committee was constituted in terms of Section 177 of the Companies Act, 2013 and as per the SEBI (LODR) Regulations, 2015. The Audit Committee consists of a combination of Non-Executive Director and Non-Executive Independent Directors and assists the Board in fulfilling its overall responsibilities. The Company Secretary acts as the Secretary of the Committee.

**Brief description of terms of reference**

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

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
- Changes, if any, in accounting policies and practices and reasons for the same
- Major accounting entries involving estimates based on the exercise of judgment by management
- Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;

- 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;
- 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;
- 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;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**Explanations**

I. The term "Related Party Transactions" shall have the same meaning as provided in Clause 49(VII) of the Listing Agreement.

II. Composition, name of members and Chairperson

The Audit Committee comprises of the following directors

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

Meetings and attendance during the year 2017– 18

| Name of the Member | Meetings held during the year | Meetings attended |
|---|---|---|
| Dr.A G Ravindranath Reddy | 5 | 5 |
| Mr. V Murahari Reddy | 5 | 4 |
| Mr. G Krishna Kumar | 5 | 2 |

**b) Nomination and Remuneration Committee**

**(i) Brief description of terms of reference**

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

**(ii) Composition, Name of Members and Chairperson**

The Nomination and Remuneration Committee comprises of the following directors

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

**(iii) Meetings and attendance during the year 2017-18:**

| Name of the Member | Meetings held during the year | Meetings attended |
|---|---|---|
| Mr. V Murahari Reddy | 1 | 1 |
| Dr. A G Ravindranath Reddy | 1 | 1 |
| Mr. G Krishna Kumar | 1 | 0 |

**(iv) Remuneration policy**

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

Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

**(v) Details of remuneration to the Directors**

(Rs.in Millions)

| Particulars | Executive Directors | | Non-executive Independent Directors |
|---|---|---|---|
| | Mr. A Ayodhya Rami Reddy | Mr. Y R Nagaraja | |
| Salary | 12.50 | 0 | NA |
| Commission | 0 | 0 | NA |
| PF Contribution | 0 | 0 | NA |
| Sitting fees | 0 | 0 | 1.03 |
| Total | 12.50 | 0 | 1.03 |

The compensation of the executive directors comprises of fixed component and also variable component based on the performance of the company as commission. The performance incentive/commission is determined based on certain pre-agreed performance parameters. The Executive Directors are not paid sitting fees for any Board / Committee meetings attended by them.

The Non-Executive Independent Directors were paid the sitting fees for the meeting of the board or committee attended by them pursuant to the provisions of Section 2(78) & 197 of the companies Act, 2013, and sitting fees is not paid to Non-Executive Director during the Financial year 2017-18.

## 3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was constituted pursuant to the provisions of SEBI (LODR) Regulations, 2015.

**a) Brief description of terms of reference**

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

- The Board has designated Mr. Ashish Kulkarni, Company Secretary as the Compliance Officer.**
- There were no Complaints/Grievances received during the year 2017-18.
- There are no share transfers pending at the end of the financial year.

**Mr. Akash Bhagadia, Company Secretary is been designated as Compliance Officer w.e.f 30 May, 2018.

**b) Constitution and Composition of the Stakeholders' Relationship Committee**

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

**c) Meetings and attendance during the year 2017-18:**

| Name of the Member | Meetings held during the year | Meetings attended |
|---|---|---|
| Mr. V Murahari Reddy | 4 | 3 |
| Mr. Y R Nagaraja | 4 | 4 |
| Dr. A G Ravindranath Reddy | 4 | 4 |

## 4. SHARE ALLOTMENT COMMITTEE

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

Issue of Convertible Share Warrants and to carry on all such activities as may be required for the purposes of allotment of convertible warrants and conversion of such allotted warrants to equity shares

**b. Constitution and Composition of the Share Allotment Committee**

| Name of the Director | Status |
|---|---|
| Mr. V. Murahari Reddy | Independent Director |
| Dr. A.G.Ravindranath Reddy | Independent Director |
| Mr. Y R Nagaraja | Managing Director |

**c. Meetings and attendance during the year 2017-18:**

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

**5. GENERAL BODY MEETINGS**

**(I)** The details of last three Annual General Meetings are as under.

| Annual General Meeting | Venue | Time & Date | Number of Special Resolutions passed | Details of Special Resolutions |
|---|---|---|---|---|
| 2017 | AVASA Hotel, Plot No-15,24,25&26, Sector -1, Survey No-64, Huda Techno Enclave, Madhapur, Hyderabad-500081 | 03.00 P.M Friday, September 29, 2017 | 0 | NA |
| 2016 | AVASA Hotel, Plot No-15,24,25&26, Sector -1, Survey No-64, Huda Techno Enclave, Madhapur, Hyderabad-500081. | 03.00 P.M Friday, September 30, 2016 | 1 | Making amendment to the Joint Restructure Agreement dated 15.05.2015 |
| 2015 | AVASA Hotel, Plot No-15,24,25&26, Sector -1, Survey No-64, Huda Techno Enclave, Madhapur, Hyderabad-500081. | 03.00 P.M Wednesday, September30, 2015 | 0 | NA |

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

During the F.Y 2017-18 the company had held Extraordinary General Meeting and Postal Ballot as detailed below

| | | |
|---|---|---|
| Postal Ballot | 02.07.2017 | Appointment of M/s. M V Narayana Reddy & Co (FRN:002370S) as the Statutory Auditors of Ramky Infrastructure Limited for the FY 2016-17 |
| Extraordinary General Meeting | 30.10.2017 | Issue of 1,20,00,000 - Convertible Equity Warrants on Preferential Basis to Promoter / Promoter Group and Non-Promoter Investors |
| Postal Ballot | 19.01.2018 | Ratification of resolutions passed at the Extraordinary General Meeting held on 30.10.2017 |

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

Further, the Companies Act, 2013 and as per SEBI (LODR) Regulations, 2015 also requires a listed Company to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings.

**(III)** Whether any special resolution passed last year through postal ballot - Yes

**(IV)** No Special Resolution is proposed to be passed through a Postal ballot at the ensuing Annual General Meeting.

**4. DISCLOSURES**

(i) There are no significant related party transactions with the Company's Promoters, Directors, the Management or relatives that may have potential conflict with the interest of the Company at large. Related party transactions have been disclosed in Notes to the Annual Accounts (Refer Schedule 43). The Company has framed a Policy on Related Party Transactions and the same is available on website of the Company at www.ramkyinfrastructure.com.

(ii) The Company has complied with all the requirements and as well as the SEBI (LODR) Regulations, 2015. No other penalty or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years. The company was listed on the exchanges on October 08, 2010.

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

(iv) The Board has also constituted a committee named as "Board Committee" for undertaking the regular /day to day business activities. The following are the members of the Committee:

| S.No | Name of Director | Nature of Directorship |
|---|---|---|
| 1. | Mr. A Ayodhya Rami Reddy | Whole-Time Director |
| 2. | Mr. Y R Nagaraja | Managing Director |

The minutes gist of the Committee meetings are placed before every Board Meeting for its approval/confirmation.

(v) The Company has complied with all the mandatory requirements of Compliance with Corporate Governance requirements specified in Regulation 17-27 and clauses (b) to (i) of Sub-regulation(2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) The Company has not adopted any of the non-mandatory requirements as per the SEBI (LODR) Regulations, 2015.

(vii) The shareholding of the Non – Executive Directors in the Company as on March 31, 2018 is as under:

| S.No | Name of the Director | No of shares |
|---|---|---|
| 1. | Mr. G Krishna Kumar | 34,000 |
| 2. | Mr. A G Ravindranath Reddy | 0 |
| 3. | Mr. V Murahari Reddy | 0 |
| 4. | Mrs. A Rama Devi | 0 |

(viii) Pecuniary transactions with Non-Executive Directors

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

(ix) As required under SEBI (LODR) Regulations, 2015, the practising company secretary certificate is given as an annexure to the Directors' Report.

(x) As required under SEBI (LODR) Regulations, 2015, the declaration issued by the Managing Director is provided in the Annual Report.

**5. MEANS OF COMMUNICATION**

(i) The Company does not send the quarterly results to each household of shareholders. The quarterly, half yearly, and annual results are intimated to the stock exchanges and also are published in prominent daily newspapers one in English News Paper and other in Regional Language News Paper.

(ii) The Company posts all the vital information relating to the Company and its performance / results including the press releases on its web site www.ramkyinfrastructure.com for the benefit of the shareholders and public at large.

(iii) The presentations made to the investors are also uploaded on the website of the company.

(iv) SEBI Complaints Redressal System (SCORES): SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

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

(vi) Reconciliation of share capital Audit (Formerly Secretarial Audit Report): A qualified practicing company secretary carried out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Reconciliation of share capital Audit (Formerly Secretarial Audit Report) confirm that the total issued / Paid-up capital is in agreement with the total number of shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.

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

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

**6. MEASURES FOR PREVENTION OF INSIDER TRADING**

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the company framed a Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information for its directors and designated employees. The code lays down guidelines, which mandates the directors and designated employees on the procedures to be followed and disclosures to be made while dealing with the shares of the company and also appraises the consequences for the violations.

Details of the code for prevention of insider trading is available at the company's website viz www.ramkyinfrastructure.com.

**7. GENERAL SHAREHOLDER' INFORMATION:**

| | | | |
|---|---|---|---|
| i. | 24th Annual General Meeting: | Date : September 25th, 2018<br>Time : 3.00 P.M.<br>Venue: AVASA Hotels, Plot No: 15,24,25 & 26, Sector - 1, Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad- 500081 | |
| ii. | Financial Year | April 1, 2017 to March 31, 2018 | |
| iii. | Listing on Stock Exchanges | National Stock Exchange of India Limited (NSE)<br>Exchange Plaza, BandraKurla Complex,<br>andra (East) , Mumbai – 400 051 | Bombay Stock Exchange Ltd, (BSE)<br>P.J Towers, Dalal Street,<br>Mumbai – 400 001 |
| iv. | Stock Code/Symbol | NSE: RAMKY EQ<br>BSE : 533262/RAMKY EQ | |
| v. | Annual Listing fees to Stock Exchanges (NSE/BSE) | Listing Fees as applicable have been paid. | |
| vi. | Dividend payment date | NA | |
| vii. | Registrar and Transfer Agents | Karvy Computershare Private Limited<br>Karvy Selenium, Tower B,<br>Plot No 31 & 32, Gachibowli,<br>Financial District, Nanakramguda, Hyderabad – 500032<br>P: 91 40 67161500;<br>F : +91 40 23420814<br>Email: einward.ris@karvy.com | |
| viii. | Share Transfer System | All the transfers received are processed and approved by the Registrar and Transfer Agents and same is reviewed by the Stakeholders' Relationship Committee.<br>The Share Transfer Committee approves the transfer of shares in the physical form and the share transfers are registered and returned within the stipulated time, if the documents are clear in all respects | |
| ix. | Distribution of Shareholding | As per Annexure 'C | |
| x. | Dematerialisation of shares and Liquidity | As on March 31, 2018, 5,71,50,269 shares representing 99.91% of the shareholding have been dematerialized. The balance 47,522 equity shares representing 0.09% were in physical form. The Company's shares are compulsorily traded in dematerialised form and are regularly traded on NSE and BSE. The ISIN Number allotted for the Equity shares is INE874I01013. | |
| xi. | Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity: | As on March 31, 2018, there were no outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments of the Company | |
| xii. | Commodity price risk or foreign exchange risk and hedging activities; | Not Applicable | |
| xiii. | Plant locations/offices; | The company operates from various work sites spread across the country and the operations are centralised at the Registered /Head office at Ramky Grandiose, 15th Floor, Sy No 136/2 & 4, Gachibowli, Hyderabad – 500 032 | |
| xiv. | Registered Office/ address for correspondence | **Investor correspondence may be addressed to:**<br>M/s. Karvy Computershare Private Limited<br>Karvy Selenium, Tower B, Plot No 31 & 32,<br>Gachibowli Financial District, Nanakramguda,<br>Hyderabad – 500032.<br>Phone: +91 40 44655000<br>Fax : +91 40 23420814<br>Email: einward.ris@karvy.com | **for Correspondence to the Company:**<br>Ramky Infrastructure Limited,<br>Ramky Grandiose,<br>15th Floor, Sy No 136/2 & 4,<br>Gachibowli, Hyderabad – 500 032,<br>Telangana.<br>Phone: 040-23015000<br>Fax : 040-23015444 |
| xv. | Market Price Data High, Low during each month in last Financial year | Please see Annexure 'A' | |
| xvi. | Performance in comparison to BSE Sensex and S&P CNX Nifty | Please see Annexure 'B' | |

**Annexure A**

i. **Market Price Data**

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

| Month & Year | Price | | Total No of Shares Traded |
|---|---|---|---|
| | NSE | | |
| | High (Rs.) | Low (Rs.) | |
| Apr-17 | 121.7 | 102 | 11533851 |
| May-17 | 113.25 | 92.1 | 4009314 |
| Jun-17 | 106 | 93.1 | 3161378 |
| Jul-17 | 103.45 | 94.15 | 3101455 |
| Aug-17 | 105.7 | 75.65 | 3020452 |
| Sep-17 | 105.7 | 89.5 | 4287992 |
| Oct-17 | 184 | 105.55 | 24682230 |
| Nov-17 | 219.55 | 166.4 | 9807897 |
| Dec-17 | 271.65 | 212.2 | 10613127 |
| Jan-18 | 252 | 199.45 | 3809988 |
| Feb-18 | 224.7 | 172.8 | 5240805 |
| Mar-18 | 217.55 | 170.05 | 4132199 |

Source: www.nseindia.com

| Month & Year | Price | | Total No of Shares Traded |
|---|---|---|---|
| | BSE | | |
| | High (Rs.) | Low (Rs.) | |
| Apr-17 | 121.85 | 101.9 | 2353008 |
| May-17 | 113.3 | 92.4 | 794470 |
| Jun-17 | 105.8 | 92.65 | 531265 |
| Jul-17 | 104 | 94 | 318642 |
| Aug-17 | 102 | 77 | 503193 |
| Sep-17 | 105.75 | 90.3 | 830427 |
| Oct-17 | 184.35 | 105.75 | 4543119 |
| Nov-17 | 217.6 | 166 | 1924150 |
| Dec-17 | 271.05 | 213 | 2379382 |
| Jan-18 | 251.95 | 199.95 | 739851 |
| Feb-18 | 225 | 185 | 867957 |
| Mar-18 | 217.9 | 170.1 | 792203 |

Source: www.bseindia.com

ii. Capital Build up during the Financial Year

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

iii. Distribution of Shareholding as on March 31, 2018:

| S No | Category | No. of Cases | % of Cases | Amount | % of Amount |
|---|---|---|---|---|---|
| 1 | 1 - 5000 | 20430 | 89.17 | 2,28,94,410 | 4.00 |
| 2 | 5001- 10000 | 1071 | 4.67 | 85,43,340 | 1.49 |
| 3 | 10001- 20000 | 579 | 2.53 | 87,10,870 | 1.52 |
| 4 | 20001- 30000 | 258 | 1.13 | 65,95,150 | 1.15 |
| 5 | 30001- 40000 | 110 | 0.48 | 39,69,070 | 0.69 |
| 6 | 40001- 50000 | 92 | 0.40 | 43,10,040 | 0.75 |
| 7 | 50001- 100000 | 172 | 0.75 | 1,27,53,100 | 2.23 |
| 8 | 100001 & Above | 199 | 0.87 | 50,42,01,930 | 88.15 |
| | **Total:** | **22911** | **100.00** | **57,19,77,910** | **100.00** |

iv. Share holding pattern of the company as on March 31, 2018

| Category | No. of shares held | Percentage of shareholding |
|---|---|---|
| Promoters | 38756152 | 67.76% |
| Resident Individuals | 8668847 | 15.15% |
| Foreign Corporate Bodies | 352963 | 0.62 |
| Bodies Corporates | 2532884 | 4.43 |
| Indian Financial Institutions & Banks | 430660 | 0.75 |
| Venture Capital | 49609 | 0.09 |
| NRI/Clearing /Trusts/Huf/Others | 2575941 | 4.50 |
| **Total** | 57197791 | 100.00 |

**Unclaimed Dividend**

In terms of section 124 and 125 of the Companies Act, 2013, the company is required to transfer the amount of dividend remaining unclaimed for a period of 7 years from the due date of payment to the Investor Education and Protection Fund (IEPF).

Shareholders are requested to ensure that they claim the dividends from the company before transfer to the IEPF.

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

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

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

**Details of unclaimed shares:**

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

As on March 31, 2017 your Company has 5,71,97,791 equity shares in dematerialised form and 47,522 equity shares in physical mode. There are no shares pending credit to the members. Hence, the balance in the unclaimed suspense account is nil.

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

a. for Physical / Demat Mode
**Karvy Computershare Private Limited**
Karvy Selenium, Tower B, Plot No 31 & 32,
Gachibowli Financial District, Nanakramguda,
Hyderabad – 500032.
Phone: +91 40 44655000, Fax : +91 40 23420814
Email: einward.ris@karvy.com

b. for Correspondence to the Company:
**The Managing Director,**
**Ramky Infrastructure Limited**,
Ramky Grandiose, 15th Floor, Sy No 136/2 & 4,
Gachibowli, Hyderabad – 500 032
Phone: +91 40 23015000, Fax : +91 40 23015444.
Email: investors@ramky.com, secr@ramky.com

**Green Initiative for Paperless Communications:**

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with the recent circular bearing no.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 issued by the Ministry of Corporate Affairs, Companies can now send various notices/documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders. This is a golden opportunity for every shareholder of the Company to contribute to the Corporate Social Responsibility initiative of the Company.

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

Pursuant to the said circular, the company has forwarded e-mail communication on June 13, 2011 to all share holders whose email id were registered in the Depository records that the company intends to use the said e-mail id to send various Notices/ Correspondences etc .

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

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

**Code of Conduct for Board of Directors and Senior Management**

The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A Declaration signed by the Managing Director is furnished here under.

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

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

| | Sd/- | Sd/- |
|---|---|---|
| | **A AYODHYA RAMI REDDY** | **Y.R.NAGARAJA** |
| Place: Hyderabad | Whole Time Director | Managing Director |
| Date: 13-Aug-2018 | DIN: 00251430 | DIN: 00009810 |

# DECLARATION

As stipulated under Schedule V D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2018.

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Place: Hyderabad
Date: 13-Aug-2018

# MD/CFO CERTIFICATE

## COMPLIANCE CERTIFICATE BY MD AND CFO

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

a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit committee

   i. Significant changes in internal control over financial reporting during the year;

   ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

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

| | Sd/- | Sd/- |
|---|---|---|
| | **Y R NAGARAJA** | **I W VIJAYA KUMAR** |
| Place: Hyderabad | Managing Director | Chief Financial Officer |
| Date: 13-Aug-2018 | | |

# CERTIFICATE ON CORPORATE GOVERNANCE

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

I have examined the compliance of conditions of Corporate Governance by Ramky Infrastructure Limited ("the Company") for the year ended March 31, 2018, as stipulated in Regulation 17-27 and clause (b) to (i) of Sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the Listing Agreement.

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

Sd/-
**N V S S SURYANARAYANA RAO**
Practicing Company Secretary
Membership Number: 5868
C P No : 2886

Place: Hyderabad
Date: 13-Aug-2018.

# Management Discussion & Analysis

**INTRODUCTION**

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. In 2016, India jumped 19 places in World Bank's Logistics Performance Index (LPI) 2016, to rank 35th amongst 160 countries.

Ramky Infra focused on reducing its financial leverage but demonetization of assets of the Company and will be focusing to reduce the financial leverage and will be driving organisational change that aimed to deliver operational robustness and sustained long-term profitability.

**MARKET SIZE**

Foreign Direct Investment (FDI) received in Construction Development sector (townships, housing, built up infrastructure and construction development projects) from April 2000 to December 2017 stood at US$ 24.67 billion, according to the Department of Industrial Policy and Promotion (DIPP). The logistics sector in India is expected to increase at a Compound Annual Growth Rate (CAGR) of 10.5 per cent, from US$ 160 billion in 2017 to US$ 215 billion by 2020.

**INVESTMENTS**

India has a requirement of investment worth Rs 50 trillion (US$ 777.73 billion) in infrastructure by 2022 to have sustainable development in the country. India is witnessing significant interest from international investors in the infrastructure space. Some key investments in the sector are listed below.

- In June 2018, the Asian Infrastructure Investment Bank (AIIB) has announced US$ 200 million investment into the National Investment & Infrastructure Fund (NIIF).
- Private equity and venture capital (PE/VC) investments in the infrastructure sector reached US$ 3.3 billion with 25 deals during January-May 2018.
- Indian infrastructure sector witnessed 91 M&A deals worth US$ 5.4 billion in 2017
- In February 2018, the Government of India signed a loan agreement worth US$ 345 million with the New Development Bank (NDB) for the Rajasthan Water Sector Restructuring Project for desert areas.
- In January 2018, the National Investment and Infrastructure Fund (NIIF) partnered with UAE-based DP World to create a platform that will mobilize investments worth US$ 3 billion into ports, terminals, transportation, and logistics businesses in India.

**Government Initiatives**

The infrastructure sector has become the biggest focus area of the Government of India. Under Union Budget 2018-19, US$ 92.22 billion was allocated to the sector.

Increased impetus to develop infrastructure in the country is attracting both domestic and international players. Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports.

In order to boost the construction of buildings in the country, the Government of India has decided to come up with a single window clearance facility to accord speedy approval of construction projects.

The cumulative growth in the index of eight core industries was 4.7 per cent in 2017-18 and 4.1 per cent year-on-year in April-May 2018. Significant allocation to the infrastructure sector in the 12th Five-Year Plan, and investment requirement of US$ 1 trillion is expected to create huge demand for construction equipment in India. The country needs around 55 new airports by 2030 with an investment of US$ 36-45 billion. In the road's sector, the government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with a large number of private players entering the business through the public-private partnership (PPP) model. During the next five years, investment through PPP is expected to be US$ 31 billion. India has a requirement of investment worth Rs 50 trillion (US$ 777.73 billion) in infrastructure by 2022 to have sustainable development in the country.

The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy and urban transport, prior to the general elections in 2019.

The Government of India is taking every possible initiative to boost the infrastructure sector. Some of the steps taken in the recent past are being discussed hereafter.

- Announcements in Union Budget 2018-19:
- Massive push to the infrastructure sector by allocating Rs 5.97 lakh crore (US$ 92.22 billion) for the sector.
- Railways received the highest ever budgetary allocation of Rs 1.48 trillion (US$ 22.86 billion).
- Rs 16,000 crore (US$2.47 billion) towards Sahaj Bijli Har Ghar Yojana (Saubhagya) scheme. The scheme aims to achieve universal household electrification in the country.
- Rs 4,200 crore (US$ 648.75 billion) to increase capacity of Green Energy Corridor Project along with other wind and solar power projects.
- Allocation of Rs 10,000 crore (US$ 1.55 billion) to boost telecom infrastructure.
- A new committee to lay down standards for metro rail systems was approved in June 2018.
- Rs 2.05 lakh crore (US$ 31.81 billion) will be invested in the smart cities mission. All 100 cities have been selected as of June 2018.
- Contracts awarded under the Smart Cities Mission would show results by June 2018 as the work is already in full swing, according to Mr Hardeep Singh Puri, Minister of State (Independent Charge) for Housing and Urban Affairs, Government of India.
- The Government of India is working to ensure a good living habitat for the poor in the country and has launched new flagship urban missions like the Pradhan Mantri Awas Yojana (Urban), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and Swachh Bharat Mission (Urban) under the urban habitat model, according to Mr Hardeep Singh Puri, Minister of State (Independent Charge) for Housing.

**ROAD AHEAD**

India's national highway network is expected to cover 50,000 kilometres by 2019, with around 20,000 km of works scheduled for completion in the next couple of years, according to the Ministry of Road Transport and Highways.

The Government of India is devising a plan to provide wifi facility to 550,000 villages by March 2019 for an estimated cost of Rs 3,700 crore (US$ 577.88 million), as per the Department of Telecommunications, Government of India.

India and Japan have joined hands for infrastructure development in India's north-eastern states and are also setting up an India-Japan Coordination Forum for Development of North

East to undertake strategic infrastructure projects in the northeast.

**MACRO ECONOMIC REVIEW**

India is also going through a difficult phase related to its banks and non-performing assets (NPA). The latest Reserve Bank of India (RBI) estimates in September 2017 suggests that gross NPA was Rs. 9 lakh crore, which is 10.5% of the banking assets with restructured assets being an incremental

Rs. 1.3 lakh crore. Further, a report by the credit rating agency, CARE, shows that, from a global perspective, India was fifth-worst in terms of bad loans in the system, measured as the ratio of NPA to outstanding loans.

In a major development on February 12, 2018, the RBI withdrew a host of restructuring schemes such as 5:25, Strategic Debt Restructuring (SDR), Scheme for Sustainable Structuring of Stressed Assets (S4A) and Corporate Debt Restructuring (CDR). Instead, the RBI has insisted on capturing early stress on loan accounts immediately in the event of a default. While this new stance of the RBI will doubtless add transparency about stressed accounts, a proportion of banking assets under the various restructuring schemes that have been withdrawn by the central bank could run the risk of becoming NPAs.

Moreover, unless this move is backed by concurrent addition of resources for provisioning or capital infusion, it may create more confusion among the lenders and borrowers alike. Therefore, it is imperative that all stakeholders, under the aegis of the RBI, evolve a cohesive and synchronized joint plan regarding the extent of provisioning and capital required and its mode of funding. In the interim, the present uncertain regulatory environment coupled with the increasing revelations and ongoing probes into frauds and allegations of improprieties against bankers is denting credit availability in the economy. In summary, therefore, though India's GDP and GVA growth witnessed a slowdown in 2017-18 compared to the three earlier years, it is still in a fairly healthy state. Growth in public investments has created a fillip for infrastructure and also increased the ratio of gross domestic capital formation to GDP - for the first time over the last five years. There are concerns regarding the NPA overhang and the possibility of a widening current account deficit due to rising crude oil prices. Equally, greater stability in operationalizing the GST regime in India, likely recovery in investments and a continued commitment to fiscal prudence augur well for the economy. The RBI has pegged GDP growth for 2018-19 at 7% of GDP.

**INFRASTRUCTURE AND CONSTRUCTION IN INDIA**

Over much of the last decade, infrastructure in the country has been characterized by massive under-investment. There are several reasons for this. Primarily, this includes the collapse of Public Private Partnership (PPP), especially in power and telecom projects; stressed balance sheet of private companies; and issues related to land and forest clearances.

The need is to fill the infrastructure investment gap by bringing back investor confidence in the sector and promoting financing from private investment, institutions dedicated for infrastructure financing like National Infrastructure Investment Bank (NIIB) and also global institutions like Asian Infrastructure Investment Bank (AIIB), New Development Bank (erstwhile BRICS Bank), which focus more on sustainable development and infrastructure projects.

With the entire infrastructure development ecosystem under stress in India since 2012,there has been a considerable slowdown in construction activities. The growth momentum achieved between 2007-08 and 2011-12 has completely subsided. Data on construction sector growth in the five years before 2012-13 were clearly much higher than what has been witnessed ever since. The only silver lining is that after hitting a nadir of 1.3% in 2016-17, construction growth in India has grown to 4.3% in 2017-18.

This business environment has thrown up several challenges for engineering and construction (E&C) companies in India. Two of these are key to the turnaround of the construction industry in India.

First, there are the legacy issues of the past six to seven years that have put individual players under very difficult financial pressure. These relate to the adverse effects of the massive build-up of stalled and delayed projects in the country. It is estimated that as of January 2018, around 925 projects with a reported investment of `13.25 lakh crore have earned the unfortunate tag of 'implementation stalled'.

Second, there is the urgent need to generate new opportunities for players in the construction sector. In this, to its credit it must be stated that the Government of India (GoI) has been playing a key role, especially in the last couple of years. As an example, it is worthwhile to highlight the expenditure outlays on various infrastructure sectors in the Union Budget for 2018-19. Here is a list.

- GoI has increased budgetary and extra budgetary expenditure on infrastructure by around 20% from Rs. 4.94 lakh crore in 2017-18 to Rs. 5.97 lakh crore for 2018-19. Within the infrastructure sector, the focus areas of growth are clearly road transportation, railways, urban development and airports.
- In roads, capital expenditure of Rs. 1,22,000 crore has been earmarked for expansion of National Highways (more than 9,000 km length was achieved in 2017-18). Connectivity with the interior, backward and border areas of the country is being sought under the recently approved Bharatmala Pariyojana programme.
- For railways, capital expenditure of Rs. 1,48,528 crore is earmarked for 18,000 km of doubling, third and fourth line works, 5,000 km of gauge conversion, 3,600 km of track renewals and rolling stock programme for 12,000 wagons, 5,160 coaches, and 700 locomotives during 2018-19. The work on eastern and western DFC (Domestic Freight Corridor) is going on along with redevelopment of 600 major railway stations. In addition, Rs. 16,800 crore has been allotted for MRTS and Metro projects.

Thus, there are large opportunities in the future. To profitably avail of these prospects, each player in the construction industry in India must strike a balance between two goals. The first is to systematically deleverage their balance sheets, prune fixed costs and monetise non-core activities and do so in a manner that gives sufficient comfort to the lenders.

The second is to grow their businesses and continue to execute despite a substantial liquidity crunch. These are not easy tasks. How E&C majors go about meeting these imperatives and how they can be assisted by banks and their clients will clearly determine the state of the business in the next few years.

**COMPANY PERSPECTIVE**

**Ramky Infra operates through the following 3 principal business modes:**

i. Engineering, Procurement & Construction (EPC) Business which is operated by the Company,

ii. Developer Business which is operated through 14 wholly owned subsidiaries, 6 Subsidiaries, 2 Jointly Controlled entities, 2 Associates & 3 step down subsidiaries of the Company. A majority of the development projects are Public Private Partnerships and are operated by separate special purpose vehicles (SPVs) promoted by the Company and other Companies/undertakings and

iii. International Business which is operated through 100% wholly own subsidiary 'Ramky Engineering and Consulting Services', located in Sharjah, UAE.

**EPC BUSINESS**

The Company operates the EPC business in the following sectors:

i. Water and Waste Water projects such as water treatment plants, water transmission and distribution systems, elevated and ground level service reservoirs, sewage treatment plants, common effluent treatment plants, tertiary treatment plants, underground drainage systems and lake restorations;

ii. Roads & Bridges projects such as expressways, highways, bridges, flyovers, rural roads, terminals and dedicated service corridors;

iii. Building Construction, which includes commercial, residential, public, institutional and corporate buildings, mass housing, High-Rise, Healthcare Infrastructure, Integrated Townships projects and related infrastructure facilities such as hospitals and shopping malls; and

iv. Irrigation projects such as cross-drainage works, barrages, lift irrigation projects, canals, feeder channels;

v. Industrial construction projects such as aluminium, textile, Pharmaceuticals, Power, Petroleum, Industrial Parks, SEZs and related works;

vi. Power Transmission and Distribution projects such as electricity transmission networks, substation feeder lines and low tension distribution lines.

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

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

The Company is professionally managed with very well-qualified and experienced personnel in all following areas including but not limited to engineering, procurement, legal, secretarial, finance and administration combined with a full-fledged MIS system.

**WATER AND WASTE WATER SECTOR:**

At Ramky, we realise the importance of water in the present times. Our design experts constantly innovate and focus on Water / Waste Water treatment & Distribution to offer reliable and complete water management solutions. A pioneer in the environ-friendly sector and has been a part of key projects till date.

**ROADS & BRIDGES SECTOR:**

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

**BUILDINGS SECTOR:**

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

**IRRIGATION SECTOR:**

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

**INDUSTRIAL CONSTRUCTION SECTOR:**

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

**POWER TRANSMISSION AND DISTRIBUTION SECTOR:**

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

**DEVELOPER BUSINESS**

The Company conducts its business through subsidiaries/special purpose vehicles/joint ventures/ Associates formed for the development of PPP projects and other projects.

**A LIST OF THE SPVs / SUBSDIARIES IS GIVEN BELOW:**

- Ramky Pharma City (India) Limited (RPCIL)
- MDDA-Ramky IS Bus Terminal Limited
- Ramky Elsamex Hyderabad Ring Road Limited
- Ramky Towers Limited
- Ramky Enclave Limited
- Ramky Food Park (Chattisgarh) Limited
- Ramky Herbal and Medicinal Park (Chattisgarh) Limited
- Naya Raipur Gems and Jewellery SEZ Limited
- Ramky MIDC Agro Processing Park Limited
- Ramky Food Park (Karnataka) Limited
- Ramky Multi Product Industrial Park Limited
- Srinagar Banihal Expressway Limited
- Sehore Kosmi Tollways Limited
- Hospet Chitradurga Tollways Limited
- Agra Etawah Tollways Limited
- Frank Lloyd Tech Management Services Limited
- Jabalpur Patan Shahpura Tollways Ltd
- Ramky Esco Ltd
- Pantnagar CETP Private Limited

**JOINTLY CONTROLLED ENTITIES:**

- N.A.M. Expressway Limited
- Jorabat Shillong Expressway Limited

**ASSOCIATES**

- Ramky Integrated Township Limited
- Gwalior Bypass Project Limited

**INTERNATIONAL BUSINESS:**

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

**OPPURTUNITIES & THREATS**

**Strengths & Opportunities**

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

- Growing Competition of Indian industry due to focus on efficient and quality.
- Vast export marked to explore.
- Growing recognition of "Made in India" brand in global market
- Major growth through outscoring opportunities
- Presence of Deming award winning firms (Focus on quality)

**DISCUSSION ON FINANCIAL PERFORMANCE – STANDALONE**

**Revenues**

The turnover of the company for 2017-18 of Rs. 13464.37 Millions has decreased compared to Rs. 15245.66 Millions in 2016-17.

**Expenditure**

The expenses for 2017-18 of Rs.15630.08 Millions has decreased, compared to Rs. 16761 Millions in 2016-17.

**Finance Costs**

The finance costs for 2017-18 of Rs.1450.08 Millions has decreased, compared to Rs. 2039.69 Millions in 2016-17.

**Profit Before Tax**

There is Profit before Tax for 2017-18 of Rs.1029.65 Millions compared to Profit Before Tax of Rs. 949.57 Millions in 2016-17

**Profits after Tax**

The Profit After Tax for 2017-18 of Rs.649.51 Millions as against Profit After Tax of Rs. 572.16 Millions in the previous year 2016-17.

**Earnings Per Share**

The EPS for 2017-18 increased to Rs.11.36 from Rs.10.00 in Previous Year 2016-17.

**DISCUSSION ON FINANCIAL PERFORMANCE – CONSOLIDATED**

The consolidated financial statements have been prepared and presented in accordance with Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 and other relevant provisions of the Act. The Current year results include the results of 27 Companies including 13 wholly owned subsidiaries, 6 Subsidiaries, 1 Association of Person, 2. Jointly Controlled entities and 3. Associate and 4. Step-down Subsidiary. These companies broadly operate in Roads, Bus Terminal, Industrial Parks and others sectors.

**Revenue**

The consolidated turnover of the company for 2017-18 is Rs. 15784.97 Millions has decreased by compared to Rs. 17185.99 Millions in 2016-17.

**Profit / Loss after Tax**

The consolidated Loss After Tax for 2017-18 is Rs. 325.25 Millions compared to consolidated loss of Rs. 118.98 Millions in 2016-17.

**Earnings per Share**

The consolidated EPS for 2017-18 has improved to Rs. 5.00from Rs. -1.05 in Previous Year 2016-17.

**RISKS AND CONCERNS:**

Risk is a multi-facet concept. In the context of construction industry, it could be the likelihood of the occurrence of a definite event/factor or combination of events/factors which occur during the whole process of construction to the detriment of the project a lack of predictability about structure outcome or consequences in a decision or planning situation, the un-certainty associated with estimates of outcomes - there is a chance that results could be better than expected as well as worse than expected etc. In addition to the different definitions of risk, there are various ways for categorizing risk for different purposes too. Some categorize risks in construction projects broadly into external risks and internal risks while others classify risk in more detailed categories of political risk, financial risk, market risk, intellectual property risk, social risk, safety risk, etc. The typology of the risks seems to depend mainly upon whether the project is local (domestic) or international. The internal risks are relevant to all projects irrespective of whether they are local or international.

International projects tend to be subjected to the external risk such as unawareness of the social conditions, economic and political scenarios, unknown and new procedural formalities, regulatory framework and governing authority, etc. Risk is inherent and difficult to deal with, and this requires a proper management framework both of theoretical and practical meanings. Significant improvement to construction project management performance may be achieved from adopting the process of risk assessment. The types of exposure to risk that an organization is faced with are wide-ranging and vary from one organization to another. These exposures could be the risk of business failure, the risk of project financial losses, the occurrences of major construction accidents, default of business associates and dispute and organization risks.

It is desirable to understand and identify the risks as early as possible, so that suit-able strategy can be implemented to retain particular risks or to transfer them to minimize any likely negative aspect they may have. The risk management process begins with the initial identification of the relevant and potential risks associated with the construction project. It is of consider-able importance since the process of risk analysis and response management may only be performed on identified potential risks. Risk analysis and evaluation is the intermediate process between risk identification and management. It incorporates uncertainty in a quantitative and qualitative manner to evaluate the potential impact of risk. The evaluation should generally concentrate on risks with high probabilities, high financial consequences or combinations thereof which yield a substantial financial impact.

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

Risks can be viewed as business, technical, or operational. A technical risk is the inability to build the product that will satisfy requirements. An operational risk is the inability of the customer to work with core team members. Risks are either acceptable or unacceptable. An acceptable risk is one that negatively affects a task on the non-critical path. An unacceptable risk is one that negatively affects the critical path. Risks are either short or long term.

A short-term risk has an immediate impact, such as changing the requirements for a deliverable. A long-term risk has an impact sometime in the distant future, such as releasing a product without adequate testing. Risks are viewed as either manageable or unmanageable. A manageable risk is one you can live with, such as a minor requirement change. An unmanageable risk is impossible to accommodate, such as a huge turnover of core team members. Risk factors for this study are classified into eight categories namely.

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

**Construction Risk:**

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

**Design Risk:**

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

**Environmental Risk:**

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

**Financial Risk:**

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

**Management Risk:**

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

**Political Risk:**

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

**Procurement Risk:**

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

**Sub-Contractors Risk**

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

**Technology Risk**

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

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

**CORPORATE SOCIAL RESPONSIBILITY (CSR): RESPONSIBLE INFRASTRUCTURE**

With focus on responsible infrastructure development at Ramky Infra, CSR has evolved from being passive philanthropy to corporate community investments, which takes the form of a social partnership initiative creating value for stakeholders. Having said so, as per section 135 of The Companies Act 2013, Ramky Infra has formalised a CSR policy keeping Schedule VII in mind. The procedure for effective implementation of the policy has been made.

**INTERNAL CONTROL SYSTEMS**

The company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations.

These systems are designed to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized, recorded and reported. The Company has an internal audit function, which is empowered to examine the adequacy and compliance with policies, plans and statutory requirements. The internal audit function team comprises of well-qualified, experienced professionals who conduct regular audits across the Company's operations. The internal audit reports are placed before the Audit committee for consideration. The management duly considers and takes appropriate action on the recommendations made by the statutory auditors, internal auditors and the independent Audit Committee of the Board of Directors.

**HUMAN RESOURCES DEVELOPMENT:**

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

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

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

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

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

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

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

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

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

**FORWARD LOOKING STATEMENTS**

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

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

These factors include, but are not limited to general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments and other key factors that could adversely affect our business and financial performance. Ramky Infra undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.

# INDEPENDENT AUDITORS' REPORT

To
The Members of
**Ramky Infrastructure Limited**

**Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of Ramky Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred as "standalone Ind AS financial statements").

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind AS Financial Statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India as specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Emphasis of Matters**

**Attention is invited to**

a Note 49 to the standalone Ind AS financial statements in respect of existence of material uncertainties over the realisability of certain construction work in progress, inventories and trade receivables aggregating to Rs. 3,607.42 mn, which are subject matters of arbitration proceedings/negotiations with the customers and contractors due to foreclosure of contracts and other disputes. The management of the Company, keeping in view the status of negotiations and the outcome of arbitration proceedings on the basis of which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues. In view of pending billing of project WIP/slow progress/termination of these projects, and lack of other alternate audit evidence to corroborate management's assessment of recoverability of these balances, we are unable to comment on the extent to which these balances are recoverable.

b Note 50 to the standalone Ind AS financial statements with regard to insurance claim due to floods on one of the Company's project in Srinagar, Jammu and Kashmir, the Company has recognised insurance claim revenue aggregating to Rs. 350.46 mn to the extent measured reliably and accounted/charged off related additional costs incurred towards damage by floods.

c Note 51 to the standalone Ind AS financial statements in respect of write back of the 'liabilities no longer required' outstanding for a long period aggregating to Rs. 2,388.04 mn. The management is confident that the liabilities no longer required and no material adjustment will be required.

d Note 52 to the standalone Ind AS financial statements in respect of write off of the 'assets no longer receivable' outstanding for a long period aggregating to Rs. 1,437.82 mn. The management considered it prudent not to carry such receivables.

Our opinion is not qualified in respect of these matters.

**Report on Other Legal and Regulatory Requirements**

1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2 As required by section 143 (3) of the Act, we report that:

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

d. in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. on the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of section 164 (2) of the Act;

f. with respect to the adequacy of internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this report; and

g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements; (Refer Note 42 to the standalone Ind AS financial statements);

ii. the Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts; (Refer Note 36 to the standalone Ind AS financial statements) and

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No. 028046

Place : Hyderabad
Date : 30-May-2018

## "ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended, 31st March, 2018, we report that;

(i) In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the management in accordance with a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, the discrepancies noticed on such verification were not material.

(c) According to the information and explanations given to us, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) In respect of the Company's Inventory:

According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals during the year. The discrepancies noticed on verification between physical stocks and book records were not material.

(iii) The Company has granted unsecured loans to 5 companies (out of which the loans granted to 2 companies are interest free) covered in the register maintained under section 189 of the Act, in respect of such loans;

a) In our opinion, the terms and conditions of the loans granted by the Company are not prejudicial to the interest of the Company except in the case of interest free unsecured loans granted to 2 parties, aggregating to Rs. 1,350.70 mn as at March 31, 2018, having regard to the cost of funds to the Company which are prejudicial to the interest of the Company.

b) The receipt of principal amount and interest, wherever stipulated is regular other than an amount disclosed in (c) below. Further in case of interest free loan granted to 2 parties where the schedule of repayment of the principal and payment of interest has not been stipulated, we are unable to comment as to whether repayments are regular.

c) In case of loans carrying interest, there is an overdue interest amounting to Rs.170.95 mn for more than 90 days. As per the information and explanations given to us, the Company has made reasonable steps to recover overdue interest portion. Further, in case of interest free unsecured loans granted to 2 parties as the schedule of repayment has not been stipulated, we are unable to comment whether any amount is overdue and whether any steps for recovery of the principal is required.

(iv) According to information and explanations given to us and based on the legal opinion obtained by the Company that it is engaged in the business of providing infrastructure facilities in terms of Section 186, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of grant of loans, making investments and providing guarantees and securities as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year within the meaning of section 73 to 76 of the Act and the Rules framed thereunder, as amended.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us:

(a) According to information and explanations given to us and records of the Company examined by us, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, value added tax, goods and services tax, cess and other material statutory dues as applicable have been actually/regularly deposited with the appropriate authorities and there have been delays in number of cases during the year. As per information and explanations given to us the Company did not have any dues on the account of excise duty and customs duty. Details of undisputed dues in respect of provident fund, employees state insurance, service tax, sales tax, entry tax, works contract tax, value added tax and income-tax that were in arrears for a period of more than six months from the date they become payable are provided in **Appendix-I.**

(b) According to the information and explanations given to us and records of the Company examined by us, particulars of dues outstanding in respect of sales tax, service tax, and value added tax which have not been deposited on account of any dispute are given in **Appendix-II** to this report.

(viii) In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of certain dues to financial institutions and banks. The details of such default are setout in **Appendix-III** to the report. There are no loans or borrowings payable to Government and debenture holders.

(ix) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable. The details of related party transactions as required by the applicable accounting standards have been disclosed in the notes to standalone Ind AS financial statements.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No. 028046

Place : Hyderabad
Date : 30-May-2018

## Appendix I as referred to in Para vii (a) of Annexure A to the Independent Auditor's Report

| Name of the statue | Nature of the due | Amount Rs. in mn |
|---|---|---|
| Andhra Pradesh VAT Act,2005 | Value Added Tax (VAT) | 7.76 |
| Telangana VAT | Value Added Tax (VAT) | 6.36 |
| Chandigarh Value Added Tax Act | Works Contract Tax Deducted at source | 0.20 |
| Chhattisgarh Value Added Tax Act | Works Contract Tax Deducted at source | 1.38 |
| Madhya Pradesh Value Added Tax Act | Works Contract Tax Deducted at source | 20.39 |
| New Delhi Value Added Tax Act | Works Contract Tax Deducted at source | 3.88 |
| Telangana Value Added Tax Act | Works Contract Tax Deducted at source | 0.33 |
| Uttar Pradesh Value Added Tax Act | Works Contract Tax Deducted at source | 6.84 |
| West Bengal Value Added Tax Act | Works Contract Tax Deducted at source | 2.03 |
| Central Sales Tax Act, Telangana | Central Sales Tax | 3.29 |
| Central Sales Tax Act, Karnataka | Central Sales Tax | 1.70 |
| Madhya Pradesh Entry Tax Act | Entry Tax | 4.49 |
| Central Sales Tax Act, Telangana | Central Sales Tax | 3.29 |
| Finance Act 1994 | Service Tax | 4.76 |
| Employees Provident Fund and Miscellaneous Provisions Act | Employees Provident Fund | 0.03 |
| Employees State Insurance Act | Employees State Insurance | 0.17 |
| Income-tax Act, 1961 | Tax deducted at Source | 0.17 |

## Appendix II as referred to in Para vii (b) of Annexure A to the Independent Auditor's Report

| Name of the Statue | Nature of the due | Amount (Rs. in mn) | Period to which it pertain | Forum where dispute pending |
|---|---|---|---|---|
| Andhra Pradesh General sales Tax Act, 1957 | Tax | 1.74<br>(0.35)* | 2001-02 | High Court of Andhra Pradesh. High Court dismissed the petition. Company waiting for order. |
| Andhra Pradesh General sales Tax Act, 1957 | Tax | 9.07<br>(4.53)* | 2002-03 | Sales Tax Appellate Tribunal, Hyderabad |
| Andhra Pradesh VAT Act, 2005 | Tax and Penalty | 142.46<br>(74.60)* | 2005-09 | Sales Tax Appellate Tribunal, Hyderabad |
| Andhra Pradesh VAT Act, 2005 | Tax | 63.08 | 2010-11 | High Court, Andhra Pradesh and Telangana |
| Andhra Pradesh VAT Act, 2005 | <br>Tax | 11.90<br>(4.35)* | <br>2007-09 | Sales Tax Appellate Tribunal, Hyderabad |
| Bihar VAT Act, 2005 | Penalty | 44.61 | 2010-12 | DCCT(Appeal), Patna |
| JVAT Act | Penalty | 15.60 | 2012-13 | DCCT, Jamshedpur |
| Karnataka Value Added Tax, 2003 | Tax | 8.76<br>(8.76)* | 2005-06 | Joint Commissioner of CT- Appeal 3 |
| Madhya Pradesh Value Added Tax, 2002 | Tax | 23.79<br>(5.95)* | 2010-14 | Appellate Tribunal, Bhopal |
| Maharashtra Value Added Tax | Tax | 44.43 | 2011-14 | DCCT, Jamshedpur |
| Punjab Value Added Tax, 2005 | Tax | 3.50 | 2006-07 | VAT Tribunal, Punjab, Chandigarh |
| Punjab Value Added Tax, 2005 | Tax | 3.41 | 2008-09 | Appealed before AETC(Appeal) |
| West Bengal Value Added Tax, 2005 | Tax | 261.61<br>(0.36)* | 2005-13 | The Additional Commissioner Commercial taxes, Kolkata |

## Appendix II as referred to in Para vii (b) of Annexure A to the Independent Auditor's Report

| Name of the Statue | Nature of the due | Amount (Rs. in mn) | Period to which it pertain | Forum where dispute pending |
|---|---|---|---|---|
| West Bengal Value Added Tax, 2005 | Tax | 85.22<br>(1.00)* | 2010-13 | DCCT, Bureau of Investigation, Kolkata |
| West Bengal Value Added Tax, 2005 | Tax | 16.26 | 2013-14 | Joint Commissioner Appeals<br>West Bengal Commercial Tax Appellate & Revision Board |
| West Bengal Value Added Tax, 2005 | Tax | 3.04 | 2014-15 | Sr. JCCT(Appeal) |

* indicates pre-security deposits with respective authorities

## Appendix II as referred to in Para vii (b) of Annexure A to the Independent Auditor's Report

| Name of the Statue | Nature of the due | Amount (Rs. in mn) | Period to which it pertain | Forum where dispute pending |
|---|---|---|---|---|
| Finance Act 1994 | Tax | 30.50 | 2004-05 to 2006-07 | Central Excise & Service Tax Appellate Tribunal (CESTAT), Bengaluru |
| Finance Act 1994 | Tax | 7.98<br>(0.80)* | 2002-03 | Central Excise & Service Tax Appellate Tribunal (CESTAT), Kolkata |
| Finance Act 1994 | Tax | 10.45<br>(4.00)* | 2007-08 to 2009-10 | Central Excise & Service Tax Appellate Tribunal (CESTAT), Bengaluru |
| Finance Act 1994 | Tax | 442.35<br>(2.30)* | 2004-05 to 2007-08 | Central Excise & Service Tax Appellate Tribunal (CESTAT), Bengaluru |
| Finance Act 1994 | Tax | 142.61<br>(2.00)* | 01-04-2007 to 30-09-2008 | Central Excise & Service Tax Appellate Tribunal (CESTAT), Kolkata |
| Finance Act 1994 | Tax | 17.90 | 2005-07 | Commissioner of Customs, Central Excise & Service Tax, Orissa |
| Finance Act 1994 | Tax | 17.33 | 01-07-2005 to 30-06-2010 | Central Excise & Service Tax Appellate Tribunal (CESTAT), Hyderabad |
| Finance Act 1994 | Tax | 42.86 | 01.04.2007 to 31.03.2010 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S), Tamilnadu |
| Finance Act 1994 | Tax | 1.92 | 01.04.2010 to 31.03.2011 | Commissioner of Service tax Tamilnadu-35 |
| Finance Act 1994 | Tax | 138.72 | 01.04.2007 to 31.03.2012 | Commissioner of Service tax Andhra Pradesh |
| Finance Act 1994 | Tax | 6.82 | 01.04.2010 to 31.03.2011 | Commissioner of Service tax Tamilnadu |
| Finance Act 1994 | Tax | 21.75 | 01.10.2007 to 31.03.2012 | Commissioner of Service tax Andhra Pradesh |
| Finance Act 1994 | Tax | 27.07<br>(2.03)* | 2009-10 to 2011-12 | Commissioner of Service tax Andhra Pradesh |
| Finance Act 1994 | Tax | 26.09 | 2010-11 to 2012-13 | Hyderabad II Service Tax Commissionerate |
| Finance Act 1994 | Tax | 12.99<br>(0.49)* | 2010-11 to 2011-12 | Commissioner of Service tax, Shillong |
| Finance Act 1994 | Tax | 27.56 | 2011-12 to 2013-14 | Commissioner of Service tax, Telangana |
| Finance Act 1994 | Tax | 1.99 | 2011-12 to 2013-14 | Asst. Commissioner (Audit), Service Tax Cell, Visakhapatnam |
| Finance Act 1994 | Tax | 5.24 | 2011-12 to 2013-14 | Additional Commissioner of Customs, Central Excise & Service Tax (CCCE&S), Tamilnadu |
| Finance Act 1994 | Tax | 0.26 | 2004-05 to 2006-07 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S) |

## Appendix II as referred to in Para vii (b) of Annexure A to the Independent Auditor's Report

| Name of the Statue | Nature of the due | Amount (Rs. in mn) | Period to which it pertain | Forum where dispute pending |
|---|---|---|---|---|
| Finance Act 1994 | Tax | 0.38 | 2007-08 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S) (Appeals), Chennai. |
| Finance Act 1994 | Tax | 1.34 | 2007-08 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S) (Appeals), Chennai. |
| Finance Act 1994 | Tax | 9.85 | 2007-08 | Central Excise & Service Tax Appellate Tribunal (CESTAT), Bengaluru |
| Finance Act 1994 | Tax | 59.42 | 01.08.2012 to 31.03.2015 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S), Hyderabad |
| Finance Act 1994 | Tax | 41.94<br>(10.00)* | 1-6-2007 to 31-5-2008 | High Court of Andhra Pradesh |
| Finance Act 1994 | Tax | 19.35 | 01.06.2008 to 31.03.2009 | High Court of Andhra Pradesh |
| Finance Act 1994 | Tax | 23.00 | 01.04.2009 to 31.03.2010 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S), Hyderabad |
| Finance Act 1994 | Tax | 6.38 | 01.04.2010 to 31.03.2011 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S), Hyderabad |
| Finance Act 1994 | Tax | 4.65 | 01.04.2011 to 31.03.2012 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S), Hyderabad |
| Finance Act 1994 | Tax | 8.03 | 01.04.2011 to 31.03.2012 | Central Excise & Service Tax Appellate Tribunal (CESTAT), Bengaluru |
| Finance Act 1994 | Tax | 1.81 | 01.06.2008 to 31.03.2009 | Central Excise & Service Tax Appellate Tribunal (CESTAT), Bengaluru |
| Finance Act 1994 | Tax | 1.91 | 01.04.2009 to 31.03.2010 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S), Hyderabad |
| Finance Act 1994 | Tax | 6.54 | 01.04.2010 to 31.03.2011 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S), Hyderabad |
| Finance Act 1994 | Tax | 6.11 | 01.04.2011 to 31.03.2012 | Commissioner of Customs, Central Excise & Service Tax (CCCE&S), Hyderabad |

* indicates pre-security deposits with respective authorities

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

**Details of delay in repayment of dues to banks and others, which were outstanding as at 31 March, 2018.(i.e. continuing default)**

**i) FITL**

| Particulars | Total amount of Principal in Default (Rs. in mn) | Period of Default (In days) |
|---|---|---|
| Punjab National Bank (Principal) | 276.96 | 1 |
| IDBI (Principal) | 78.05 | 1 |
| | | |

**ii) Term loans**

| Particulars | Total amount of Principal in Default (Rs. in mn) | Period of Default (In days) |
|---|---|---|
| State Bank of India (Principal) - WCTL I | 22.21 | 1 |
| Punjab National Bank - WCTL I | 7.10 | 1 |
| IDBI - WCTL I | 3.08 | 1 |
| Punjab National Bank - WCTL II | 1.30 | 1 |
| IDBI - WCTL II | 0.03 | 1 |

**iii) Other defaults**

| Particulars | Total amount of Principal in Default (Rs. in mn) | Period of Default (In days) |
|---|---|---|
| Punjab National Bank (Principal) -Priority debt | 7.10 | 1 |
| IDBI -Priority debt | 219.46 | 1 |

# "ANNEXURE - B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF RAMKY INFRASTRUCTURE LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Ramky Infrastructure Limited. ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. *However, the Company needs to improve its systems with respect to realisation of receivables including retention monies, work-in-progress, etc.*

For **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No. 028046

Place : Hyderabad
Date : 30-May-2018

# Standalone Balance Sheet as at 31 March 2018

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | Notes | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| Property, plant and equipment | 5 | **1,219.46** | 1,654.19 |
| Financial assets | | | |
| - Investments | 6 | **5,125.54** | 4,872.98 |
| - Trade receivables | 7 | **18.08** | 19.60 |
| - Loans | 8 | **1,651.02** | 1,399.11 |
| - Other financial assets | 9 | **74.85** | 74.26 |
| Deferred tax assets (net) | 10 | **3,206.81** | 3,748.32 |
| Non-current tax assets (net) | 11 | **645.20** | 750.81 |
| Other non-current assets | 12 | **395.41** | 293.58 |
| | | **12,336.37** | **12,812.85** |
| **Current Assets** | | | |
| Inventories | 13 | **3,564.83** | 3,873.10 |
| Financial assets | | | |
| - Trade receivables | 14 | **6,452.12** | 10,219.35 |
| - Cash and cash equivalents | 15A | **130.98** | 323.46 |
| - Bank balances other than above | 15B | **146.71** | 162.15 |
| - Loans | 16 | **-** | 9.00 |
| - Other financial assets | 17 | **407.90** | 452.79 |
| Other current assets | 18 | **2,748.86** | 4,767.34 |
| | | **13,451.40** | **19,807.19** |
| **Total Assets** | | **25,787.77** | **32,620.05** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 19 | **571.98** | 571.98 |
| Other equity | 20 | **3,200.56** | 2,241.93 |
| **Total Equity** | | **3,772.54** | **2,813.91** |
| **LIABILITIES** | | | |
| **Non-Current Liabilities** | | | |
| Financial liabilities | | | |
| - Borrowings | 21 | **4,434.89** | 5,344.57 |
| - Trade payables | 22 | **11.78** | 15.61 |
| Provisions | 23 | **47.70** | 48.62 |
| Other non-current liabilities | 24 | **2,586.01** | 56.09 |
| | | **7,080.38** | **5,464.89** |
| **Current Liabilities** | | | |
| Financial liabilities | | | |
| - Borrowings | 25 | **3,799.86** | 4,205.67 |
| - Trade payables | 26 | **5,626.11** | 8,130.18 |
| - Other financial liabilities | 27 | **2,063.94** | 4,599.19 |
| Other current liabilities | 28 | **3,272.20** | 7,244.51 |
| Provisions | 29 | **172.74** | 161.70 |
| | | **14,934.85** | **24,341.25** |
| **Total Liabilities** | | **22,015.23** | **29,806.14** |
| **Total Equity and Liabilities** | | **25,787.77** | **32,620.05** |

The notes 1 to 53 are an integral part of these financial statements.

As per our Report of even date attached

for **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No: 028046

Place : Hyderabad
Date : 30-May-2018

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

Sd/-
**A AYODHYA RAMI REDDY**
Executive Chairman
DIN : 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Sd/-
**I W VIJAYA KUMAR**
Chief Financial Officer

Sd/-
**AKASH BHAGADIA**
Company Secretary

# Standalone Statement of Profit and Loss for the year ended 31 March 2018

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | Notes | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 30 | **13,464.37** | 15,245.66 |
| Other income | 31 | **3,195.36** | 2,464.91 |
| **Total Income** | | **16,659.73** | **17,710.57** |
| | | | |
| **EXPENSES** | | | |
| Change in contract work-in-progress | 32 | **191.74** | 395.17 |
| Contract expenses | 33 | **11,420.94** | 12,522.51 |
| Employee benefits expense | 34 | **383.54** | 385.81 |
| Finance costs | 35 | **1,450.08** | 2,039.69 |
| Depreciation and amortization expense | 5 | **395.73** | 469.10 |
| Other expenses | 36 | **1,788.05** | 948.72 |
| **Total expenses** | | **15,630.08** | **16,761.00** |
| | | | |
| **Profit before tax** | | **1,029.65** | **949.57** |
| | | | |
| **Tax expense** | | | |
| Current tax | | **30.60** | 189.51 |
| Deferred tax | | **349.54** | 187.90 |
| **Total Tax expense** | | **380.14** | **377.41** |
| **Profit for the year** | | **649.51** | **572.16** |
| | | | |
| **Other comprehensive income** | | | |
| *Items that will not be reclassified to profit or loss* | | | |
| Remeasurements of defined benefit liability | 39 | **9.35** | 3.43 |
| Income tax relating to items that will not be reclassified to profit or loss | 39 | **(3.23)** | (1.17) |
| **Total other comprehensive income** | | **6.12** | **2.26** |
| | | | |
| **Total comprehensive income for the year** | | **655.63** | **574.42** |
| | | | |
| **Earnings per equity share - par value of Rs.10 each** | | | |
| Basic | 38 | **11.36** | 10.00 |
| Diluted | 38 | **11.19** | 10.00 |

The notes 1 to 53 are an integral part of these financial statements.

As per our Report of even date attached

for **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No: 028046

Place : Hyderabad
Date : 30-May-2018

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

Sd/-
**A AYODHYA RAMI REDDY**
Executive Chairman
DIN : 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Sd/-
**I W VIJAYA KUMAR**
Chief Financial Officer

Sd/-
**AKASH BHAGADIA**
Company Secretary

# Standalone Statement of Changes in Equity

(All amounts are Rs. in Millions, unless otherwise stated)

**(a) Equity share capital**

| Particulars | Amount |
|---|---|
| Balance as at 1 April 2016 | 571.98 |
| Changes in equity share capital during the year | - |
| **Balance as at the 31 March 2017** | **571.98** |
| Changes in equity share capital during the year | - |
| **Balance as at the 31 March 2018** | **571.98** |

**(b) Other equity**

| Particulars | Reserves and surplus | | | Other comprehensive income | Money received against share warrants | Total equity |
|---|---|---|---|---|---|---|
| | Securities premium reserve | General reserve | Retained earnings | Remeasure-ments of the net defined benefit plans | | |
| **Balance at 1 April 2016 (A)** | **4,081.35** | **200.00** | **(2,603.91)** | **(9.93)** | - | **1,667.51** |
| **Total comprehensive income for the year ended 31 March 2017** | | | | | | |
| Profit for the year | - | - | 572.16 | 2.26 | - | 574.43 |
| Other comprehensive income | | | | | | |
| **Total comprehensive income (B)** | **-** | **-** | **572.16** | **2.26** | **-** | **574.43** |
| **Balance at 31 March 2017 (C) = (A)+(B)** | **4,081.35** | **200.00** | **(2,031.75)** | **(7.67)** | **-** | **2,241.94** |
| **Total comprehensive income for the year ended 31 March 2018** | | | | | | |
| Profit for the year | - | - | 649.51 | - | - | 649.51 |
| Other comprehensive income | - | - | - | 6.12 | - | 6.12 |
| **Total comprehensive income (D)** | **-** | **-** | **649.51** | **6.12** | | **655.63** |
| **Total contributions by and distri-butions to owners** | **-** | **-** | **-** | **-** | **-** | **-** |
| Money received against equity share warrants **(E)** | | | | | 303.00 | 303.00 |
| **Balance at 31 March 2018 (F) = (C)+(D)+(E)** | **4,081.35** | **200.00** | **(1,382.24)** | **(1.55)** | **303.00** | **3,200.56** |

The notes 1 to 53 are an integral part of these financial statements.

As per our Report of even date attached

for **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No: 028046

Place : Hyderabad
Date : 30-May-2018

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

Sd/-
**A AYODHYA RAMI REDDY**
Executive Chairman
DIN : 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Sd/-
**I W VIJAYA KUMAR**
Chief Financial Officer

Sd/-
**AKASH BHAGADIA**
Company Secretary

# Standalone Cash-Flow Statement for the year ended 31 March 2018

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|
| **Cash flow from operating activities** | | | |
| Profit before tax | | **1,029.65** | **949.57** |
| *Adjustments* | | | |
| Depreciation and amortization expense | | **395.73** | 469.10 |
| Interest expenses | | **1,450.08** | 2,039.69 |
| Provision for diminution in value of investments | | **20.37** | - |
| Provision for foreseeable losses | | **9.43** | 5.47 |
| Advances written-off | | **1,437.82** | 673.07 |
| Guarantee commission | | **(72.06)** | (10.45) |
| Interest income | | **(283.30)** | (342.28) |
| Dividend income | | **(22.95)** | - |
| Liabilities no longer required, written-back | | **(2,388.04)** | (1,208.29) |
| (Profit)/loss on sale of fixed assets | | **0.47** | (636.07) |
| Foreign exchange loss | | **19.57** | |
| | | **1,596.77** | **1,939.81** |
| *Change in working capital* | | | |
| (Increase)/decrease in trade receivables | | **3,768.74** | (1,773.75) |
| Decrease/(increase) in loans | | **(407.54)** | 239.17 |
| Decrease/(increase) in other financial assets | | **(49.48)** | 91.91 |
| Decrease in other non financial assets | | **492.88** | 47.59 |
| Decrease in inventories | | **308.27** | 700.86 |
| Increase in provisions | | **10.04** | 10.16 |
| Increase/(decrease) in trade payables | | **(119.86)** | 1,191.32 |
| (Decrease)/increase in other financial liabilities | | **(47.53)** | (68.67) |
| Increase/(decrease) in other non financial liabilities | | **(1,409.93)** | 1,107.17 |
| Cash generated from (used in) operations | | **2,545.59** | **1,545.76** |
| Income tax (paid)/refund, net | | **263.75** | (8.47) |
| **Net cash from operating activities** | **A** | **4,406.11** | **3,477.09** |
| **Cash from investing activities** | | | |
| Purchase of property, plant and equipment | | **(51.04)** | (1,442.94) |
| Proceeds from sale of property, plant and equipment | | **90.97** | 2,104.68 |
| Purchase of investment | | **-** | 0.01 |
| Interest received | | **288.86** | 206.56 |
| Dividend received | | **22.95** | - |
| **Net cash from investing activities** | **B** | **351.74** | **868.31** |

# Standalone Cash-Flow Statement (Contd.)

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|
| **Cash flow from financing activities** | | | |
| Net proceeds/(repayment) from long term borrowings | | **(909.68)** | (1,991.39) |
| Net proceeds/(repayment) of short term borrowings | | **(2,501.51)** | (1,115.39) |
| Net proceeds from issue of equity share warrants | | **303.00** | - |
| Interest paid | | **(1,842.14)** | (1,829.43) |
| **Net cash used in financing activities** | **C** | **(4,950.33)** | **(4,936.21)** |
| **Net increase/(decrease) in cash and cash equivalent** | **(A+B+C)** | **(192.48)** | **(590.81)** |
| Cash and cash equivalent at the beginning of the year | | **323.46** | 914.27 |
| **Cash and cash equivalent at the end of the year (Refer note 15)** | | **130.98** | **323.46** |

The above cash flow statement has been prepared under indirect method as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow

**Amendment to Ind AS 7**

The amendments to Ind AS 7 Cash flow statements require the entities to provide disclosures that enable users of financials statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirements. This amendment has become effective from 1st April 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment

**Changes in Liability arising from financing activities**

| Particulars | 1st April 2017 | Cash flow | Non-Cash changes | | 31st March 2018 |
|---|---|---|---|---|---|
| | | | Fair Value changes | Current/Non-Current classification | |
| Borrowings - Non Current | 5,344.57 | 4,580.64 | - | (5,490.32) | **4,434.89** |
| Borrowings - Current | 4,205.67 | (4,205.67) | - | 3,799.86 | **3,799.86** |
| Other Financial Liabilities | 3,786.16 | (3,786.16) | - | 1,690.46 | **1,690.46** |
| | **13,336.40** | **(3,411.19)** | **-** | **-** | **9,925.21** |

The notes 1 to 53 are an integral part of these financial statements.

As per our Report of even date attached

for **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No: 028046

Place : Hyderabad
Date : 30-May-2018

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

Sd/-
**A AYODHYA RAMI REDDY**
Executive Chairman
DIN : 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Sd/-
**I W VIJAYA KUMAR**
Chief Financial Officer

Sd/-
**AKASH BHAGADIA**
Company Secretary

# Notes to the financial statements

**1. Reporting entity**

Ramky Infrastructure Limited ("the Company") is an integrated construction, infrastructure development and management Company headquartered in Hyderabad, India. The Company is diversified in a range of construction and infrastructure projects in various sectors such as water and waste water, transportation, irrigation, industrial construction and parks (including SEZs), power transmission and distribution, and residential, commercial and retail property. A majority of the development projects of the Company are based on Public-Private Partnerships (PPP) and are operated by separate Special Purpose Vehicles (SPV) promoted by the Company, joint venture partners and respective Governments. The Company is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1956. The Company's registered office is located at Ramky Grandiose,15th Floor, Sy no. 136/2 & 4, Gachibowli, Hyderabad - 500 032, Telangana.

**2. Basis of preparation**

**(a) Statement of compliance**

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015,as amended notified under Section 133 of the Companies Act, 2013, (the Act) and other relevant provisions of the Act.

These standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The standalone financial statements were authorised for issue by the Board of Directors on 30th May 2018.

**(b) Functional and presentation currency**

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

**(c) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following items:

| Items | Measurement basis |
|---|---|
| Certain financial assets and liabilities | Fair value |
| Net defined benefit (asset)/ liability | Present value of defined benefit obligations. |

**(d) Operating cycle for current and non-current classification:**

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/contract/ service including the defect liability period, wherever applicable, and extends up to the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

**(e) Use of estimates and judgements**

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**(i) Deferred tax assets**

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

**(ii) Defined benefit plans**

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(iii) Useful lives of depreciable assets**

Management reviews the useful lives of depreciable assets at each reporting. The management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

**(iv) Impairment of investment in equity instruments of subsidiary and associate companies**

During the year, the Company assessed the investment in equity instrument of subsidiary and associate companies carried at cost for impairment testing. Detailed analysis has been carried out on the future projections and wherever required, necessary impairment has been made.

**(f) Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**3. Significant accounting policies**

**(a) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Financial Assets**

- **Initial Recognition**

  In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

- **Subsequent Measurement**

  For purposes of subsequent measurement, financial assets are classified in following categories:

  **Financial Assets at Amortised Cost**

  Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

  **Financial Assets Measured at Fair Value**

  Financial assets are measured at fair value through Other Comprehensive Income ('OCI') if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments. Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

- **De-recognition of Financial Assets**

  The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**(ii) Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument

**Financial Liabilities**

- **Initial Recognition**

  Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement**

  The measurement of financial liabilities depends on their classification, as described below

**Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss. Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

**Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. Where the Company issues optionally convertible debenture, the fair value of the liability portion of such debentures is determined using a market interest rate for an equivalent non-

convertible debenture. This value is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the instrument. This is recognised and included in shareholders' equity (net of income tax) and are not subsequently re-measured. Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

- **De-recognition of Financial Liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**(iii) Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

**(b) Property, plant and equipment**

**(i) Recognition, measurement and de-recognition**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in the statement of profit and loss.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**(ii) Subsequent expenditure**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

**(iii) Depreciation**

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

| Asset Category | Management estimate of useful life | Useful life as per Schedule II |
|---|---|---|
| Office equipment | 5 years | 5 years |
| Furniture and fixtures | 10 years | 10 years |
| Vibrator & Needles | 5 years | 5 years |
| Vehicles – Cars | 8 years | 8 years |
| Buildings | 30 years | 30 years |
| Computer equipment | 3 years | 3 years |
| Lab Equipment | 10 years | 10 years |
| Shuttering Materials | 5 years | 5 years |
| Vehicles - Two wheelers | 10 years | 10 years |
| Pump Sets | 5 years | 5 years |

Depreciation is calculated on a pro-rata basis from/upto the date the assets are purchased/sold. Leasehold improvements are amortised over the primary period of the lease or estimated useful life of the assets, whichever is lower. Useful life of assets and residual values are reviewed at each financial year end and adjusted if appropriate.

**(c) Intangible assets and amortisation**

**(i) Computer software**

Computer software are recorded at the consideration paid for acquisition. Computer software is amortised over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

**(ii) Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated brands, is recognized in statement of profit and loss as incurred.

**(iii) Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss. Computer software is amortised over their estimated useful lives not exceeding 3 years.

**(d) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

**(i) Revenue from construction contracts**

Revenue from long term construction contracts is recognized on the percentage of completion method as mentioned in Indian Accounting Standard (Ind AS) 11 "Construction contracts" notified by the Companies Accounting Standards Rules, 2014. Percentage of completion is determined on the basis of physical proportion of work completed and measured at the balance

sheet date as compared to the overall work to be performed on the projects as in the opinion of the management, this method measures the work performed reliably. However, profit is not 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.

Provision for estimated losses on incomplete contract is recorded in the year in which such losses become probable based on the current contracts estimates.

**(ii) Other income**

- **Dividend Income**

  Dividend income from Investments is recognised when the shareholder's right to receive payment has been established.

- **Interest income**

  Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

- **Rental income**

  Rental income from operating leases is generally recognised over the term of the relevant lease.

**(e) Inventories**

**(i)** Inventories are carried at the lower of cost or net realisable value.

**(ii)** Cost of inventories comprises of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The method of determination of cost is as follows:

- Materials and supplies: on a weighted average method.
- Contract work-in-progress: Work-in-progress for projects under execution as at balance sheet date are valued at cost less provision, if any, for estimated losses. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on current estimates.

  Net realisable value is the estimated selling price in the ordinary course of business, less the estimate costs of completion and selling expenses.

  The comparison of cost and net realisable value is made on inventory-by- inventory basis.

**(f) Impairment**

**(i) Impairment of financial instruments**

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the trade receivables.

Debts are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**Measurement of expected credit losses**

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expect to receive).

**Presentation of allowance for expected credit losses in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

**Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, trade receivables that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**(ii) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(g) Employee benefits**

**(i) Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**(ii) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund and employee insurance scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

**(iii) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**(h) Provisions, Contingent liabilities and assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

**(i) Onerous contracts**

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with that contract.

**(ii) Contingencies**

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

**(i) Leases**

**As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**(j) Income-taxes**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

**(i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**(ii) Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

**(iii) Minimum Alternate Tax (MAT) Credit entitlement**

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

**(k) Segment reporting**

**a) Business Segment:**

Operating segments are identified in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The services rendered by the Company primarily consist of execution of civil contracts on turnkey basis. The Company is managed organizationally as a unified entity and not along product lines and accordingly, there is only one business segment.

**b) Geographical Segment:**

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

**(l) Earnings per share**

The basic earnings per share ("EPS") for the year is computed by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**(m) Borrowing cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalize as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**(n) Foreign Currency Translation**

**Initial recognition:**

On initial recognition, transactions in foreign currencies entered into by the company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss.

**Measurement of foreign currency items at reporting date:**

Foreign currency monetary items of the company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of transaction Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rate at the date when the fair value is measured.

**(o) Cash and cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise of cash and cheques in hand, bank balances, demand deposits with banks where original maturity period is three months or less and other short term highly liquid investments.

**(p) Events after reporting date/subsequent events**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events are adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

There were no significant events that occurred after the balance sheet date for the current reporting period.

**4. Recent Accounting Pronouncements**

**(a) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:**

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018. The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant.

**(b) Ind AS 115, Revenue from Contract with Customers:**

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

i. Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8

- Accounting Policies, Changes in Accounting Estimates and Errors

ii. Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (cumulative catch - up approach)

The effect on adoption of Ind AS 115 is expected to be not significant.

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

(All amounts are Rs. in Millions, unless otherwise stated)

### 5. Property, plant and equipment

| Particulars | Freehold land | Buildings | Plant and equipment | Furniture and fixtures | Construction vehicles | Other vehicles | Office equipment | Computer equipment | Total (A) | Capital Work-in-Progress (B) | Total (A+B) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | | | | |
| Balance at 1 April 2016 | 19.27 | 23.65 | 2,123.52 | 16.92 | 229.33 | 68.76 | 57.50 | 3.52 | 2,542.46 | 0.05 | 2,542.51 |
| Additions | 1,400.00 | - | 13.09 | 0.32 | - | 2.87 | 1.12 | 1.45 | 1,418.85 | - | 1,418.85 |
| Disposals | (1,400.00) | - | (14.03) | - | (6.99) | (9.05) | (0.13) | - | (1,430.20) | (0.05) | (1,430.25) |
| **Balance at 31 March 2017** | **19.27** | **23.65** | **2,122.58** | **17.24** | **222.34** | **62.58** | **58.49** | **4.97** | **2,531.11** | **-** | **2,531.11** |
| Additions | - | - | 18.42 | 0.39 | - | 4.21 | 1.08 | 26.93 | 51.04 | - | 51.04 |
| Disposals | - | - | (189.70) | - | (68.33) | (4.92) | - | - | (262.94) | - | (262.94) |
| **Balance at 31 March 2018** | **19.27** | **23.65** | **1,951.31** | **17.63** | **154.01** | **61.87** | **59.57** | **31.90** | **2,319.20** | **-** | **2,319.20** |
| **Accumulated depreciation** | | | | | | | | | | | |
| Balance at 1 April 2016 | - | 0.94 | 337.04 | 4.49 | 51.23 | 17.56 | 15.32 | 1.26 | 427.84 | - | 427.84 |
| for the year | - | 13.83 | 363.61 | 3.74 | 59.47 | 16.47 | 11.52 | 0.46 | 469.10 | - | 469.10 |
| On disposals | - | - | (7.18) | - | (4.18) | (8.56) | (0.11) | - | (20.03) | - | (20.03) |
| **Balance at 31 March 2017** | **-** | **14.78** | **693.47** | **8.23** | **106.52** | **25.47** | **26.73** | **1.72** | **876.92** | **-** | **876.92** |
| for the year | - | 0.41 | 303.96 | 2.66 | 54.70 | 15.47 | 8.79 | 9.74 | 395.73 | - | 395.73 |
| On disposals | - | - | (109.72) | - | (58.65) | (4.54) | - | - | (172.91) | - | (172.91) |
| **Balance at 31 March 2018** | **-** | **15.19** | **887.71** | **10.89** | **102.57** | **36.40** | **35.52** | **11.45** | **1,099.74** | **-** | **1,099.74** |
| **Net carrying amount** | | | | | | | | | | | |
| **At 31 March 2017** | **19.27** | **8.88** | **1,429.11** | **9.01** | **115.82** | **37.11** | **31.76** | **3.25** | **1,654.19** | **-** | **1,654.19** |
| **At 31 March 2018** | **19.27** | **8.47** | **1,063.60** | **6.74** | **51.44** | **25.47** | **24.05** | **20.45** | **1,219.46** | **-** | **1,219.46** |

(All amounts are Rs. in Millions, unless otherwise stated)

**6. Non-current investments**

| | Particulars | Currency | Face value | Number of shares | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|---|---|---|
| | **Unquoted investments** | | | | | |
| **a)** | **Equity instruments of subsidiaries carried at cost** | | | | | |
| | MDDA-Ramky IS Bus Terminal Limited (refer to note e below) | INR | 10 | 1,06,51,817 | **142.59** | 142.59 |
| | Ramky Elsamex Hyderabad Ring Road Limited (refer to note a below) | INR | 10 | 1,48,00,000 | **183.63** | 183.63 |
| | Ramky Engineering and Consulting Services (FZC) | AED | 100 | 87,926 | **112.14** | 112.14 |
| | Ramky Pharma City (India) Limited (refer to note i below) | INR | 10 | 91,80,000 | **91.80** | 91.80 |
| | Ramky-MIDC Agro Processing Park Limited (refer to note e below) | INR | 10 | 22,28,686 | **65.86** | 65.86 |
| | Ramky Multi Product Industrial Park Limited (refer to note e below) | INR | 10 | 50,00,000 | **360.28** | 360.28 |
| | Naya Raipur Gems and Jewellery SEZ Limited (refer to note e below) | INR | 10 | 8,40,684 | **24.22** | 24.22 |
| | Ramky Herbal and Medicinal Park (Chhattisgarh) Limited (refer to note e below) | INR | 10 | 5,13,897 | **14.42** | 14.42 |
| | Ramky Food Park (Chhattisgarh) Limited (refer to note e below) | INR | 10 | 4,36,397 | **12.09** | 12.09 |
| | Ramky Towers Limited (refer to note e below) | INR | 10 | 26,458 | **1.84** | 1.84 |
| | Ramky Food Park (Karnataka) Limited (refer to note e below) | INR | 10 | 54,665 | **0.55** | 0.55 |
| | Ramky Enclave Limited (refer to note e below) | INR | 10 | 44,505 | **0.45** | 0.45 |
| | Srinagar Banihal Expressway Limited (refer to note b,h below) | INR | 10 | 38,891 | **1,350.57** | 1,111.20 |
| | Sehore Kosmi Tollways Limited (refer to note c,h below) | INR | 10 | 1,20,20,000 | **188.65** | 187.76 |
| | Frank Lloyd Tech Management services Limited (refer to note e below) | INR | 10 | 76,000 | **43.54** | 43.54 |
| | Agra Etawah Tollways Limited | INR | 10 | 50,000 | **-** | - |
| | Hospet Chitradurga Tollways Limited | INR | 10 | 1,70,22,000 | **170.22** | 170.22 |
| | Jabalpur Patan Shahpura Tollways Limited | INR | 10 | 50,000 | **-** | - |
| | Ramky Esco Limited (refer to note e below) | INR | 10 | 50,000 | **0.50** | 0.50 |
| | Pantnagar CETP Private Limited | INR | 10 | 10,000 | **0.10** | 0.10 |
| | | | | | **2,763.45** | **2,523.19** |
| **b)** | **Equity instruments of associates carried at cost** | | | | | |
| | Ramky Integrated Township Limited | INR | 10 | 18,241 | **0.18** | 0.18 |
| | Gwalior Bypass Project Limited | INR | 10 | 25,500 | **0.95** | 0.95 |
| | | | | | **1.14** | **1.13** |
| **c)** | **Equity instruments of jointly controlled entities carried at cost** | | | | | |
| | N.A.M. Expressway Limited (refer to note e, f below) | INR | 10 | 11,67,55,000 | **1,167.55** | 1,167.55 |
| | Jorabat Shillong Expressway Limited (refer to note g) | INR | 10 | 4,20,00,000 | **420.00** | 420.00 |
| | | | | | **1,587.55** | **1,587.55** |
| **d)** | **Equity instruments of others carried at cost** | | | | | |
| | Delhi MSW Solutions Limited | INR | 10 | 5,000 | **0.05** | 0.05 |
| | Triteus Holdings Private Limited | INR | 10 | 40,000 | **0.40** | 0.40 |
| | | | | | **0.45** | **0.45** |

(All amounts are Rs. in Millions, unless otherwise stated)

| | Particulars | Currency | Face value | Number of shares | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|---|---|---|
| **e)** | **Preference instruments of subsidiaries - at amortised cost** | | | | | |
| | Ramky Elsamex Hyderabad Ring Road Limited (cumulative redeemable optionally convertible (refer to note a,d below) | INR | 10 | 2,50,00,000 | **311.62** | 286.73 |
| | Ramky Enclave Limited cumulative convertible optionally redeemable (refer to note d below) | INR | 10 | 78,000 | **195.00** | 195.00 |
| | Ramky Multi Product Industrial Park Limited 0.001%, cumulative convertible redeemable (refer to note d below) | INR | 10 | 15,00,000 | **150.00** | 150.00 |
| | Ramky Multi Product Industrial Park Limited 0.001%, cumulative non-convertible redeemable (refer to note d below) | INR | 10 | 40,00,000 | **130.36** | 125.79 |
| | Naya Raipur Gems and Jewellery SEZ Limited 0.001%, cumulative convertible redeemable(refer to note d below) | INR | 10 | 2,95,133 | **8.85** | 8.85 |
| | Srinagar Banihal Expressway Limited 0.001%, non-cumulative non-convertible redeemable (refer to note d below) | INR | 10 | 6,15,47,445 | **156.37** | 153.73 |
| | Frank Lloyd Tech Management Services Limited 0.001%, non-cumulative non-convertible redeemable (refer to note d below) | INR | 10 | 54,99,140 | **17.74** | 17.14 |
| | | | | | **969.94** | **937.24** |
| **f)** | **Preference instruments of associates - at amortised cost** | | | | | |
| | Gwalior Bypass Project Limited 0.01%, cumulative redeemable | INR | 100 | 2,240 | **0.29** | 0.28 |
| | | | | | **0.29** | **0.28** |
| | **Total non-current investments (a+b+c+d+e+f)** | | | | **5,322.81** | **5,049.84** |
| | **Less : Impairment** | | | | | |
| | Ramky Herbal and Medicinal Park (Chhattisgarh) Limited | INR | 10 | 5,13,897 | **14.42** | 4.99 |
| | Ramky Food Park (Chhattisgarh) Limited | INR | 10 | 4,36,397 | **12.09** | 1.65 |
| | Hospet Chitradurga Tollways Limited | INR | 10 | 1,70,22,000 | **170.22** | 170.22 |
| | Ramky Food Park (Karnataka) Limited | INR | 10 | 54,665 | **0.55** | - |
| | | | | | **197.28** | **176.86** |
| | **Total non-current investments** | | | | **5,125.54** | **4,872.98** |
| | Aggregate book value of quoted investment | | | | **-** | - |
| | Aggregate book value of unquoted investment | | | | **5,125.54** | 4,872.98 |
| | Aggregate market value of quoted investment | | | | **-** | - |
| | Aggregate amount of impairment in value of investments | | | | **197.28** | 176.86 |
| | Investments at cost | | | | **4,155.31** | 3,935.46 |
| | Investments at amortized cost | | | | **970.23** | 937.52 |

**Notes :**

a) 1,48,00,000 (31 March 2017: 1,48,00,000) equity shares and 29,50,000 (31 March 2017: 29,50,000) preference shares have been pledged in favour of IDBI Trusteeship Services Limited for loans availed by Ramky Elsamex Hyderabad Ring Road Limited.

b) 15,766 (31 March 2017: 15,766) equity shares of Srinagar Banihal Expressway Limited pledged in favour of ICICI bank Limited for the loan availed by Srinagar Banihal Expressway Limited.

c) 61,30,200 (31 March 2017: 61,30,200) equity shares have been pledged in favour of Yes Bank Limited for the loan availed by Sehore Kosmi Tollways Limited.

(All amounts are Rs. in Millions, unless otherwise stated)

d) Preference shares of these companies have been pledged in favour of State Bank of India/IDBI Bank Ltd for the loan availed by the Company.

| Entity name | Number of shares as at | |
|---|---|---|
| | 31 March 2018 | 31 March 2017 |
| Frank Lloyd Tech Management Services Limited | **54,99,140** | 54,99,140 |
| Naya Raipur Gems and Jewellery SEZ Limited | **2,95,133** | 2,95,133 |
| Ramky Elsamex Hyderabad Ring Road Limited | **58,34,300** | 58,34,300 |
| Ramky Enclave Limited | **78,000** | 78,000 |
| Ramky Multi Product Industrial Park Limited | **55,00,000** | 55,00,000 |
| Srinagar Banihal Expressway Limited | **3,01,58,248** | 3,01,58,248 |

e) The following equity shares have been pledged in favour of State Bank of India/IDBI Bank Ltd for the loan availed by the Company:

| Entity name | Number of shares as at | |
|---|---|---|
| | 31 March 2018 | 31 March 2017 |
| Frank Lloyd Tech Management Services Limited | **75,994** | 75,994 |
| Naya Raipur Gems and Jewellery SEZ Limited | **8,40,678** | 8,40,678 |
| Ramky-MIDC Agro Processing Park Limited | **22,28,680** | 22,28,680 |
| Ramky Enclave Limited | **44,500** | 44,500 |
| Ramky Food Park (Chhattisgarh) Limited | **4,36,391** | 4,36,391 |
| Ramky Food Park (Karnataka) Limited | **54,659** | 54,659 |
| Ramky Herbal and Medicinal Park (Chhattisgarh) Limited | **5,13,891** | 5,13,891 |
| Ramky Towers Limited | **26,458** | 26,458 |
| Ramky Esco Limited | **49,994** | 49,994 |
| MDDA Ramky IS Bus Terminal Limited | **9,91,802** | 9,91,802 |
| N.A.M. Expressway Limited | **4,67,01,998** | 4,67,01,998 |
| Ramky Multi Product Industrial Park Limited | **49,99,994** | 49,99,994 |

f) 7,00,53,000 (31 March 2017: 7,00,53,000) equity shares have been pledged in favour of ICICI bank for the loan availed by N.A.M Expressway Limited.

g) 3,90,00,000 (31 March 2017: 3,90,00,000) equity shares of Jorabat Shillong Expressway Limited have been pledged in favour of SBICAP Trustee Company Limited.

h) The difference between fair value and face value of interest-free loans given to Srinagar Banihal Expressway Ltd and Sehore Kosmi Tollways Ltd were recognised as additional investment in equity.

i) 54,00,000 (31 March 2017: 54,00,000) equity shares have been pledged in favour of Axis bank for the loan availled by Ramky Pharma City (India) Limited

**7. Trade receivables (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| - Unsecured, considered good | **18.08** | 19.60 |
| - Unsecured, considered doubtful | **259.53** | 251.41 |
| Less: Allowance for doubtful trade receivables | **(259.53)** | (251.41) |
| | **18.08** | **19.60** |

**8. Loans (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Unsecured, considered good: | | |
| Loans and advances to related parties | **1,651.02** | 1,399.11 |
| | **1,651.02** | **1,399.11** |

(All amounts are Rs. in Millions, unless otherwise stated)

**9. Other financial assets (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Unsecured, considered good: | | |
| Security deposits | **55.44** | 60.62 |
| Interest accrued but not due | **0.18** | 1.29 |
| | **55.62** | **61.91** |
| Unsecured, considered doubtful: | | |
| Earnest money deposits | **7.92** | 7.92 |
| *Less: Loss allowance* | **(7.92)** | (7.92) |
| | **-** | **-** |
| Deposits with maturity period more than twelve months | **18.94** | 12.06 |
| Balances with bank for unclaimed dividend | **0.29** | 0.29 |
| | **19.23** | **12.35** |
| | **74.85** | **74.26** |

**10. Deferred tax assets (net)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Deferred tax assets** | | |
| Provision for doubtful receivables and advances | **697.81** | 561.76 |
| Accrued employee benefits | **18.71** | 23.60 |
| MAT credit entitlement | **220.11** | 189.51 |
| Unabsorbed depreciation and business losses | **2,456.64** | 2,502.83 |
| Other timing differences | **59.74** | 537.51 |
| | **3,453.01** | **3,815.21** |
| **Deferred tax liability** | | |
| Fixed assets | **4.38** | (61.26) |
| Other timing differences | **(250.58)** | (5.64) |
| | **(246.20)** | **(66.88)** |
| | **3,206.81** | **3,748.32** |

These Deferred Tax Assets include Rs. 2456.64 Millions (31 March 2017 Rs. 2502.83 Millions) related to net operating loss (NOL) carry forwards that can be used to offset taxable income in future periods.

**Reconciliation of effective tax rate**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| **Profit before tax** | **1,029.65** | **949.57** |
| Tax using the Company's domestic tax rate (For the financial year 2017-18 : 34.608% and for the financial year 2016-17: 34.608%) | **356.34** | 328.63 |
| **Tax effect of:** | | |
| Non-deductible tax expenses | **(31.69)** | (36.62) |
| Interest expense not deductible for tax purposes | **55.49** | 85.40 |
| | **380.14** | **377.41** |

(All amounts are Rs. in Millions, unless otherwise stated)

**11. Non-current tax assets (net)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Prepaid income tax, net of provision for tax | **645.20** | 750.81 |
| | **645.20** | **750.81** |

**12. Other non-current assets**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| *Unsecured, considered good:* | | |
| Capital advances | **46.72** | 48.12 |
| Other loans: | | |
| - Receivables from statutory/government authorities | **339.94** | 221.74 |
| - Prepaid expenses | **8.75** | 23.72 |
| | **395.41** | **293.58** |

**13. Inventories**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Raw materials and components | **853.08** | 969.61 |
| Contract work-in-progress | **2,711.75** | 2,903.49 |
| | **3,564.83** | **3,873.10** |

**14. Trade receivables (current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| - Unsecured, considered good | **6,452.12** | 10,219.35 |
| - Unsecured, considered doubtful | **918.30** | 926.43 |
| Less: Provision for doubtful trade receivables | **(918.30)** | (926.43) |
| | **6,452.12** | **10,219.35** |

Trade receivables before provision includes retention money receivable of Rs. 4058.01 Millions (31 March 2017: Rs. 4857.02 Millions). Provision for doubtful trade receivables includes provision for retention money receivables amounting to Rs. 355.09 Millions (31 March 2017: Rs. 355.09 Millions)

**15. Cash and Bank balances**

| Particulars | | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|
| **A. Cash and cash equivalents** | | | |
| Cash on hand | | **0.43** | 2.22 |
| Cheques on hand | | **0.05** | 0.27 |
| Balances with banks: | | | |
| - in current accounts | | **89.60** | 235.79 |
| - in deposit accounts with maturity is less than 3 months | | **40.89** | 85.17 |
| | **15A** | **130.98** | 323.46 |
| **B. Bank balances other than above** | | | |
| - Deposits with maturity more than 3 months but less than 12 months* | | **146.71** | 162.15 |
| | **15B** | **146.71** | 162.15 |
| | | **277.69** | **485.61** |

* The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

(All amounts are Rs. in Millions, unless otherwise stated)

**16. Loans (current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Unsecured, considered good | | |
| - Loans and advances to related parties | - | 9.00 |
| | **-** | **9.00** |

**17. Other financial assets (current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Unsecured, considered good: | | |
| Security deposits | **48.85** | 46.19 |
| Interest accrued but not due | **205.39** | 278.48 |
| Other loans and advances: | | |
| - Earnest money deposit | **150.54** | 92.22 |
| - Loans and advances to employees | **3.11** | 35.90 |
| | **407.90** | **452.79** |

**18. Other current assets**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Unsecured, considered good: | | |
| Mobilisation and material advances | **235.62** | 156.96 |
| Advances recoverable | **1,809.59** | 3,866.34 |
| Other loans and advances: | | |
| - Balances with statutory/government authorities | **569.20** | 587.41 |
| - Prepaid expenses | **121.90** | 151.26 |
| - Other advances | **12.54** | 5.37 |
| | **2,748.86** | 4,767.34 |
| Unsecured, considered doubtful: | | |
| Other receivables | **420.60** | 442.18 |
| | **420.60** | 442.18 |
| Provision for doubtful assets | | |
| Less: Provision for doubtful loans and advances | **(420.60)** | (442.18) |
| | **(420.60)** | (442.18) |
| | **2,748.86** | **4,767.34** |

**19. Equity share capital**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Authorised capital** | | |
| 70,000,000 Equity shares of Rs. 10 each | **700.00** | **700.00** |
| **Issued, Subscribed and Paid-up** | | |
| 57,197,791 Equity shares of Rs. 10 each fully paid up | **571.98** | 571.98 |
| | **571.98** | **571.98** |

(All amounts are Rs. in Millions, unless otherwise stated)

**A. Reconciliation of the shares and amount outstanding at the beginning and at the end of the reporting year:**

| Particulars | As at 31 March 2018 | | As at 31 March 2017 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| Balance at the beginning and end of the year | **57,197,791** | **571.98** | **57,197,791** | 571.98 |
| Add : Shares issued for cash during the year | **-** | **-** | **-** | - |
| **Balance at the end of the year** | **57,197,791** | **571.98** | **57,197,791** | **571.98** |

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

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

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

| Particulars | As at 31 March 2018 | | As at 31 March 2017 | |
|---|---|---|---|---|
| | Number | % holding | Number | % holding |
| Alla Ayodhya Rami Reddy | **34,556,122** | **60.42%** | **34,556,122** | 60.42% |

**20 Other equity**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Securities premium reserve** | | |
| Balance at the beginning of the year | **4,081.35** | 4,081.35 |
| Movement during the year | **-** | - |
| Balance at the end of the year | **4,081.35** | **4,081.35** |
| **General reserve** | | |
| Balance at the beginning of the year | **200.00** | 200.00 |
| Movement during the year | **-** | - |
| Balance at the end of the year | **200.00** | **200.00** |
| **Deficit in the statement of profit and loss** | | |
| Balance at the beginning of the year | **(2,031.75)** | (2,603.91) |
| Add: Profit during the year | **649.51** | 572.16 |
| Balance at the end of the year | **(1,382.24)** | **(2,031.75)** |
| **Other comprehensive income** | | |
| Balance at the beginning of the year | **(7.67)** | (9.93) |
| Movement during the year | **6.12** | 2.26 |
| Balance at the end of the year | **(1.55)** | **(7.67)** |
| **Money received against Share Warrants** | | |
| Balance at the beginning of the year | **-** | - |
| Movement during the year | **303.00** | - |
| Balance at the end of the year | **303.00** | **-** |
| | **3,200.56** | **2,241.93** |

(All amounts are Rs. in Millions, unless otherwise stated)

**21. Borrowings (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Secured borrowings from banks | | |
| - Term loans | **2,700.59** | 3,984.26 |
| Unsecured borrowings | | |
| - From related parties | **1,734.30** | 1,360.31 |
| | **4,434.89** | **5,344.57** |

**A. Terms of security**

**a)** Working capital limits (Cash credit/LC/BG) are secured first pari-passu charge on entire (both present and future) current assets and non-current assets of the Company and second pari-passu charge on unencumbered (both present and future) fixed assets of the Company.

**b)** Term loans, short term loans, priority debt, funded interest term loan (FITL), working capital term loan (WCTL) are secured by first pari-passu charge on unencumbered (both present and future) fixed assets of the Company and second pari-passu charge on entire (both present and future) current assets and non-current assets of the Company.

**c)** Entire Term loans, Short terms loans, Working Capital Term Loans, fund based and non-fund based working capital limits are further secured by personal guarantee of Promoter (i.e. A Ayodhya Rami Reddy). Working capital loans and term loans from State Bank of India (SBI) are further secured by personal guarantee of M Venu Gopal Reddy (Relative of promoter) and corporate guarantee of certain subsidiary companies.

**B. Terms of interest and repayment**

The Board of Directors of the Company in its meeting held on February 13, 2015 had accorded its approval for restructure of the debts of the Company under Joint lender Forum (JLF). The proposal is only for the company and not for any of its subsidiaries and associates. JLF in its meeting held on June 12, 2015 has approved the scheme submitted by the Company.

The repayment schedules of the Loans are as follows:

**a) Working Capital Term Loan – I**

WCTL - I to be repaid in 30 structured quarterly installments, commencing from December 31, 2016 after a principal moratorium of 8 quarters from cut-off. (October 1st 2014)

**Interest Rate:**

- Till 30.09.2016 SBI Base Rate plus 100 basis points.
- w.e.f. 01.10.2016 to 30.09.2017 SBI Base Rate plus 125 basis points.
- w.e.f. 01.10.2017 onwards SBI Base rate plus 150 basis points.

**b) Working Capital Term Loan – II**

WCTL - II to be repaid in 30 structured quarterly installments, commencing from December 31, 2016 after a principal moratorium of 8 quarters from cut-off date. (October 1st 2014)

**Interest Rate:**

- Till 30.09.2016 SBI Base Rate plus 100 basis points.
- w.e.f. 01.10.2016 to 30.09.2017 SBI Base Rate plus 125 basis points.
- w.e.f. 01.10.2017 onwards SBI Base rate plus 150 basis points.

**c) Equipment and vehicle loans**

These loans are repayable in equated monthly installments (i.e. 30 to 60 EMIs) beginning along the month subsequent to the receipt of the loan along with interest in the range of 8.85% p.a. to 13.06% p.a. against loans taken from others. Equipment and vehicle Loan from others are secured by way of hypothecation of respective equipment/vehicle.

**d) Unsecured borrowings from related parties**

In respect of unsecured loans from related parties, loan aggregating to Rs. 665.30 Millions (interest rate 14% per annum) is payable within 60 months or at the earliest convenience of the borrower after a moratorium of 36 months from the date of first disbursement (i.e. April 30, 2015). Further, as agreed with lender of term loan aggregating to Rs. 550.00 Millions (interest rate 14% per annum), and Rs. 519.00 Millions (interest rate 14% per annum), it shall not be repayable within 12 months from balance sheet date.

**e) Cash Credit**

Rs. 3,799.86 Millions stands outstanding as on March 31, 2018. Rate of interest shall be SBI base rate plus 100 basis points payable monthly basis.

(All amounts are Rs. in Millions, unless otherwise stated)

**C. Details of continuing default as at 31 March 2018**

**i) Cash credit facilities(i.e. Overdrawn)**

| Particulars | Total amount of over drawn | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI | - | 22.17 | 1 |
| Axis Bank | - | 1.08 | 1 |
| PNB | - | 7.81 | 1 |

**ii) FITL**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| PNB | - | 1.93 | 1 |
| PNB (Principal) | 276.96 | - | 1 |
| IDBI | - | 0.65 | 1 |
| IDBI (Principal) | 78.05 | - | 1 |

**iii) Term loans**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI - WCTL I | - | 11.89 | 1 |
| SBI (Principal) - WCTL I | 22.21 | - | 1 |
| PNB - WCTL I | - | 6.85 | 1 |
| PNB (Principal) - WCTL I | 7.10 | - | 1 |
| IDBI - WCTL I | - | 2.44 | 1 |
| IDBI (Principal) - WCTL I | 3.08 | - | 1 |
| PNB - WCTL II | - | 1.13 | 1 |
| PNB (Principal) - WCTL II | 1.30 | - | 1 |
| IDBI - WCTL II | - | 0.02 | 1 |
| IDBI (Principal) - WCTL II | 0.03 | - | 1 |

**iv) Other defaults**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| PNB -Priority debt | - | 2.07 | 1 |
| PNB (Principal) -Priority debt | 7.10 | - | 1 |
| IDBI -Priority debt | - | 1.80 | 1 |
| IDBI (Principal) -Priority debt | 219.46 | - | 1 |

**Details of continuing default as at 31 March 2017**

**i) Cash credit facilities(i.e. Overdrawn)**

| Particulars | Total amount of over drawn | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI | 1.68 | 56.27 | 60 |
| Axis Bank | - | 2.20 | 32 |
| PNB | - | 8.23 | 1 |
| SBH | 3.01 | 9.68 | 32 |

(All amounts are Rs. in Millions, unless otherwise stated)

**ii) FITL**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI | - | 19.78 | 60 |
| SBI (Principal) | 2.56 | - | 1 |
| PNB | - | 5.17 | 60 |
| PNB (Principal) | 0.81 | - | 1 |
| SBH | - | 1.52 | 1 |
| SBH (Principal) | 0.58 | - | 1 |
| IDBI | - | 2.04 | 60 |
| IDBI (Principal) | 0.38 | - | 1 |
| YES | - | 0.03 | 4 |

**iii) Term loans**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI -TL | - | 16.20 | 60 |
| SBH - TL | - | 1.31 | 1 |
| SBI - WCTL I | - | 58.81 | 60 |
| SBI (Principal) - WCTL I | 5.60 | - | 1 |
| SBH - WCTL I | - | 4.43 | 1 |
| SBH (Principal) - WCTL I | 1.25 | - | 1 |
| PNB - WCTL I | - | 18.79 | 60 |
| PNB (Principal) - WCTL I | 1.80 | - | 1 |
| IDBI - WCTL I | - | 8.14 | 60 |
| IDBI (Principal) - WCTL I | 0.77 | - | 1 |
| SBI - WCTL II | - | 3.31 | 60 |
| SBI (Principal) - WCTL II | 0.31 | - | 1 |
| PNB - WCTL II | - | 2.47 | 32 |
| PNB (Principal) - WCTL II | 0.30 | - | 1 |
| IDBI - WCTL II | - | 0.07 | 60 |

**iv) Other defaults**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI -Priority debt | - | 18.75 | 60 |
| SBI (Principal) -Priority debt | 1.92 | - | 1 |
| PNB -Priority debt | - | 5.64 | 60 |
| PNB (Principal) -Priority debt | 0.58 | - | 1 |
| SBH -Priority debt | - | 1.64 | 1 |
| SBH (Principal) -Priority debt | 0.49 | - | 1 |
| IDBI -Priority debt | - | 6.04 | 60 |
| IDBI (Principal) -Priority debt | 0.59 | - | 1 |
| Shriram Equipment Finance | 50.67 | 4.44 | 497 to 1076 |

(All amounts are Rs. in Millions, unless otherwise stated)

**22. Non-current trade payables**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Total dues other than micro and small enterprises (Refer note 46) | **11.78** | 15.61 |
| | **11.78** | **15.61** |

**23. Provisions (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Provision for employee benefits: | | |
| - Gratuity | **29.39** | 31.27 |
| - Compensated absences | **18.31** | 17.35 |
| | **47.70** | **48.62** |

**24. Other non-current liabilities**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Mobilisation and other advances | **2,523.22** | - |
| Other payables | **61.02** | 54.06 |
| Deferred guarantee commission | **1.77** | 2.03 |
| | **2,586.01** | **56.09** |

**25. Current borrowings**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Secured loans** | | |
| (a) From banks | | |
| - Cash credits | **3,799.86** | 4,205.67 |
| | **3,799.86** | **4,205.67** |

**26. Trade payables (current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Total dues other than micro and small enterprises (Refer note 46) | **5,626.11** | 8,130.18 |
| | **5,626.11** | **8,130.18** |

**27. Other financial liabilities (current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Current maturities of long-term debts:** | | |
| - Term loans | **1,690.46** | 3,663.71 |
| - Equipment and vehicle loans | **-** | 122.45 |
| Interest accrued but not due | **48.85** | 6.23 |
| Interest accrued and due on borrowings | **116.22** | 491.67 |
| Other interest accrued and due | **107.98** | 167.22 |
| Accrued salaries, wages and benefits | **86.67** | 110.04 |
| Security deposits received | **13.47** | 37.58 |
| Unclaimed dividend | **0.29** | 0.29 |
| | **2,063.94** | **4,599.19** |

(All amounts are Rs. in Millions, unless otherwise stated)

**28. Other current liabilities**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Mobilisation and other advances | **2,798.94** | 6,538.81 |
| Dues to statutory/government authorities | **173.53** | 317.86 |
| Provision for expenses | **210.56** | 238.44 |
| Other payables | **53.45** | 81.46 |
| Deferred guarantee commission | **35.73** | 67.94 |
| | **3,272.20** | **7,244.51** |

**29. Provisions (current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Provision for foreseeable loss | **166.36** | 156.94 |
| Provision for employee benefits | | |
| - Gratuity | **2.61** | 1.78 |
| - Compensated absences | **3.77** | 2.98 |
| | **172.74** | **161.70** |

**30. Revenue from operations**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Revenue from construction activities | **13,464.37** | 15,245.66 |
| | **13,464.37** | **15,245.66** |

**31. Other income**

| Particulars` | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Interest income | **283.30** | 342.28 |
| Dividend income | **22.95** | - |
| Equipment lease | **19.91** | 3.50 |
| Insurance claim | **350.46** | 219.78 |
| Other non-operating income: | | |
| - Liabilities no longer required, written back | **1,530.84** | 1,208.29 |
| - Provision no longer required written back | **857.20** | - |
| - Profit on sale of fixed assets, net | **-** | 636.07 |
| - Corporate Guarantee commission | **72.06** | 10.45 |
| - Miscellaneous income | **58.64** | 44.54 |
| | **3,195.36** | **2,464.91** |

**32. Change in contract work-in-progress**

| Particulars` | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Opening work-in-progress | **2,903.49** | 3,298.66 |
| Less : Closing work-in-progress | **(2,711.75)** | (2,903.49) |
| | **191.74** | **395.17** |

(All amounts are Rs. in Millions, unless otherwise stated)

**33. Contract expenses**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Contract materials and supplies consumed | 2,259.58 | 3,544.99 |
| Sub-contractor expenses | 5,057.70 | 5,572.79 |
| Labour contract charges | 2,383.23 | 2,222.74 |
| Rates and taxes | 164.18 | 513.95 |
| Other project costs | 25.14 | 37.56 |
| Hire charges | **163.42** | 139.37 |
| Power and fuel | **763.37** | 108.03 |
| Contract recoveries | **259.56** | 127.50 |
| Transport expenses | **123.72** | 36.51 |
| Repairs and maintenance - plant and equipment | **175.29** | 126.81 |
| Consumables and other site expenses | **45.75** | 92.26 |
| | **11,420.94** | **12,522.51** |

**34. Employee benefits expense**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Salaries and wages | **352.55** | 352.33 |
| Contribution to provident and other funds | **17.80** | 14.74 |
| Workmen and staff welfare expenses | **13.19** | 18.74 |
| | **383.54** | **385.81** |

**35. Finance costs**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Interest expenses | **1,371.67** | 2,000.54 |
| Other borrowing costs | **78.41** | 39.15 |
| | **1,450.08** | **2,039.69** |

**36. Other expenses**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Legal and professional charges | **75.67** | 71.94 |
| Rent | **37.72** | 38.10 |
| Security charges | **39.26** | 44.16 |
| Traveling and conveyance | **26.75** | 26.72 |
| Insurance | **18.93** | 20.31 |
| Electricity charges | **11.74** | 13.86 |
| Rates and taxes | **19.98** | 18.16 |
| Communication expenses | **6.65** | 8.25 |
| Repairs and maintenance - others | **22.79** | 14.84 |
| Provision for diminution in investment | **20.37** | - |
| Provision for foreseeable losses | **9.43** | 5.47 |
| Foreign exchange loss | **19.57** | - |
| Loss on sale of fixed assets, net | **0.47** | - |
| Donations | **1.43** | 0.50 |
| Miscellaneous expenses | **39.48** | 13.34 |
| Advances written-off | **1,437.82** | 673.07 |
| | **1,788.05** | **948.72** |

(All amounts are Rs. in Millions, unless otherwise stated)

**(i) Details of payments to auditors**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Included in legal and professional | | |
| Audit fees | **2.80** | 2.80 |
| Other services (certification) | **5.00** | 5.00 |
| Out of pocket expenses | **0.28** | 0.47 |
| | **8.08** | **8.27** |

**37. Capital management**

The Company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and for the future development of the Company. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return on capital to shareholders or issue of new shares.

The Company's adjusted net debt to equity ratio is as follows:

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Total liabilities | 22,015.23 | 29,806.14 |
| Less: cash and cash equivalents | 130.98 | 323.46 |
| **Adjusted net debt** | **21,884.26** | **29,482.69** |
| **Total equity** | **3,772.54** | **2,813.91** |
| **Adjusted net debt to equity ratio** | **5.80** | **10.48** |

**38. Earnings per share**

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year/ period.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

The calculations of basic an diluted earnings per share are as follows:

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| i. Profit (loss) attributable to equity shareholders | **649.51** | 572.16 |
| ii. Weighted average number of equity shares | **57.20** | 57.20 |
| **Basic EPS (Rs.)** | **11.36** | **10.00** |
| i. Profit (loss) attributable to equity shareholders(diluted) | **649.51** | 572.16 |
| ii. Weighted average number of equity shares (diluted) | **58.07** | 57.20 |
| **Diluted EPS** | **11.19** | **10.00** |

**39. Assets and liabilities relating to employee benefits**

**i. Defined contribution plans**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and employee state insurance, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to provident fund and employee state insurance for the year aggregated to Rs. 17.80 Millions (31 March 2017: Rs. 14.74 Millions ) and is included in "contribution to provident fund and other funds" (refer note 34).

**ii. Defined benefit plans**

The Company operates the following post-employment defined benefit plan:

In accordance with the 'The Payment of Gratuity Act, 1972' of India, the Company provides for Gratuity, Defined Retirement Benefit Scheme (Plan A), covering eligible employees. Liabilities with regard to such Gratuity Plan are determined by an actuarial valuation as at the end of the year and are charged to the statement of profit and loss. This defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The Company also has Compensated absences policy (Plan B). Liabilities with regard to such Compensated absence plan are determined by an actuarial valuation as at the end of the year and are charged to the statement of profit and loss. This defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

(All amounts are Rs. in Millions, unless otherwise stated)

**A. Funding**

**Plan A**

The gratuity plan is partly funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan.

**Plan B**

Compensated absences plan is unfunded.

**B. Reconciliation of the net defined benefit (asset) liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Reconciliation of present value of defined benefit obligation

**Plan A**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Balance at the beginning of the year | **33.54** | 31.08 |
| Current service cost | **4.16** | 4.63 |
| Interest cost | **2.44** | 2.40 |
| Benefits paid | **(1.94)** | (1.14) |
| Actuarial (gains)/ losses | | |
| - changes in demographic assumptions | **-** | - |
| - changes in financial assumptions | **(1.75)** | 1.26 |
| - experience adjustments | **(3.84)** | (4.68) |
| **Balance at the end of the year** | **32.61** | **33.54** |

**Plan B**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Balance at the beginning of the year | **20.33** | 16.10 |
| Current service cost | **4.12** | 2.37 |
| Interest cost | **1.52** | 1.29 |
| Benefits paid | **(0.12)** | (0.07) |
| Actuarial (gains)/ losses | | |
| - changes in demographic assumptions | **-** | - |
| - changes in financial assumptions | **(0.57)** | 0.56 |
| - experience adjustments | **(3.20)** | 0.08 |
| **Balance at the end of the year** | **22.08** | **20.33** |

Reconciliation of the present value of plan assets

**Plan A**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Fair value of plan assets at 1 April | **0.58** | 0.53 |
| Expected return on plan assets | **0.05** | 0.04 |
| Actuarial gains / (loss) | **(0.00)** | 0.00 |
| Contributions by employer | **-** | - |
| Benefits paid | **-** | - |
| **Balance at the end of the year** | **0.62** | **0.58** |

(All amounts are Rs. in Millions, unless otherwise stated)

**Plan B**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Fair value of plan assets at 1 April | - | - |
| Expected return on plan assets | - | - |
| Actuarial gains / (loss) | - | - |
| Contributions by employer | - | - |
| Benefits paid | - | - |
| **Balance at the end of the year** | **-** | **-** |

**C. i. Expense recognised in statement of profit and loss**

**Plan A**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Service cost | **4.16** | 4.63 |
| Interest cost | **2.44** | 2.40 |
| Expected return on plan assets | **(0.05)** | 0.04 |
| Actuarial losses / (gain) | **(5.59)** | (3.43) |
| | **0.96** | **3.64** |

**Plan B**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Service cost | 4.12 | 2.37 |
| Interest cost | 1.52 | 1.29 |
| Expected return on plan assets | - | - |
| Actuarial losses / (gain) | (3.77) | 0.64 |
| | **1.87** | **4.29** |

**ii. Remeasurements recognised in other comprehensive income**

**Plan A**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Actuarial (gain) loss on defined benefit obligation | **(5.59)** | (3.43) |
| Return on plan assets excluding interest income | **-** | - |
| | **(5.59)** | **(3.43)** |

**Plan B**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Actuarial (gain) loss on defined benefit obligation | **(3.77)** | 0.64 |
| Return on plan assets excluding interest income | **-** | - |
| | **(3.77)** | **0.64** |

**D. Plan assets**

Plan assets comprise of the following:

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Equity securities | **-** | - |
| Government bonds | **-** | - |
| Insurance company products | **0.62** | 0.58 |
| Term deposits of banks | **-** | - |
| | **0.62** | **0.58** |

All equity securities and government bonds have quoted prices in active markets. All government bonds are issued by Indian governments and are rated AAA or AA, based on CRISIL ratings

(All amounts are Rs. in Millions, unless otherwise stated)

**E. Defined benefit obligation**

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

**Plan A**

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Expected rate of salary increase | **h6.00%** | 6.00% |
| Discount rate | **8.00%** | 7.50% |
| Mortality Rate (as % of IALM (2006-08) (Mod.) Ult. Mortality Table) | **100%** | 100% |
| Disability Rate (as % of above mortality rate) | **5.00%** | 5.00% |
| Withdrawal Rate | **3.00%** | 3.00% |
| Normal Retirement Age | **60 years** | 60 years |
| Average Future Service | **23.13** | 24.05 |

**Plan B**

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Expected rate of salary increase | **6.00%** | 6.00% |
| Discount rate | **8.00%** | 7.50% |
| Expected rate of return on plan assets | **8.00%** | 8.00% |
| Mortality Rate (as % of IALM (2006-08) (Mod.) Ult. Mortality Table) | **100%** | 100% |
| Disability Rate (as % of above mortality rate) | **5.00%** | 5.00% |
| Withdrawal Rate | **3.00%** | 3.00% |
| Normal Retirement Age | **60 years** | 60 years |
| *ii. Sensitivity analysis* | | |

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

**Plan A**

| Particulars | 31 March 2018 | | 31 March 2017 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| **Gratuity plan** | | | | |
| Discount rate (1 % movement) | **29.51** | **36.26** | 30.14 | 37.58 |
| Future salary growth (1 % movement) | **36.21** | **29.45** | 37.18 | 30.34 |
| Withdrawal rate (1% movement) | **33.16** | **31.99** | 34.10 | 32.90 |

**Plan B**

| Particulars | 31 March 2018 | | 31 March 2017 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| **Compensated absences plan** | | | | |
| Discount rate (1 % movement) | **21.03** | **23.24** | 19.24 | 21.55 |
| Future salary growth (1 % movement) | **23.41** | **20.92** | 21.66 | 19.12 |
| Attrition rate (1% movement) | **22.03** | **22.14** | 20.26 | 20.40 |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(All amounts are Rs. in Millions, unless otherwise stated)

**40. Financial instruments - Fair values and risk management**

**A. Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

**31 March 2018**

| Particulars | Carrying amount | | | | Fair value | |
|---|---|---|---|---|---|---|
| | Financial assets - amortized cost | Financial assets - at cost | Financial liabilities - amortised cost | Total carrying amount | Level 3 | Total |
| **Financial assets measured at amortized cost** | | | | | | |
| Investment in preference shares | 970.23 | - | - | 970.23 | 970.23 | 970.23 |
| | **970.23** | **-** | **-** | **970.23** | **970.23** | **970.23** |
| **Financial assets not measured at fair value*** | | | | | | |
| Investments in equity instruments of subsidiary, joint ventures, associate companies and others | - | 4,155.31 | - | 4,155.31 | - | - |
| Trade receivables | 6,470.20 | - | - | 6,470.20 | - | - |
| Cash and cash equivalents | 130.98 | - | - | 130.98 | - | - |
| Bank balances other than above | 146.71 | - | - | 146.71 | - | - |
| Loans | 1,651.02 | - | - | 1,651.02 | - | - |
| Other financial assets | 482.75 | - | - | 482.75 | - | - |
| | **8,881.67** | **4,155.31** | **-** | **13,036.97** | **-** | **-** |
| **Financial liabilities not measured at fair value*** | | | | | | |
| Borrowings | - | - | 8,234.75 | 8,234.75 | - | - |
| Trade payables | - | - | 5,637.89 | 5,637.89 | - | - |
| Other financial liabilities | - | - | 2,063.94 | 2,063.94 | - | - |
| | **-** | **-** | **15,936.58** | **5,936.58** | **-** | **-** |

**31 March 2017**

| Particulars | Carrying amount | | | | Fair value | |
|---|---|---|---|---|---|---|
| | Financial assets - amortized cost | Financial assets - at cost | Financial liabilities - amortised cost | Total carrying amount | Level 3 | Total |
| **Financial assets measured at amortized cost** | | | | | | |
| Investment in preference shares | 937.52 | - | - | 937.52 | 937.52 | 937.52 |
| | **937.52** | **-** | **-** | **937.52** | **937.52** | **937.52** |
| **Financial assets not measured at fair value*** | | | | | | |
| Investments in equity instruments of subsidiary, joint ventures, associate companies and others | - | 3,935.46 | - | 3,935.46 | - | - |
| Trade receivables | 10,238.95 | - | - | 10,238.95 | - | - |
| Cash and cash equivalents | 323.46 | - | - | 323.46 | - | - |
| Bank balances other than above | 162.15 | - | - | 162.15 | - | - |
| Loans | 1,408.10 | - | - | 1,408.10 | - | - |
| Other financial assets | 527.05 | - | - | 527.05 | - | - |
| | **12,659.71** | **3,935.46** | **-** | **16,595.16** | **-** | **-** |
| **Financial liabilities not measured at fair value*** | | | | | | |
| Borrowings | - | - | 9,550.24 | 9,550.24 | - | - |
| Trade payables | - | - | 8,145.79 | 8,145.79 | - | - |
| Other financial liabilities | - | - | 4,599.19 | 4,599.19 | - | - |
| | **-** | **-** | **22,295.22** | **22,295.22** | **-** | **-** |

* The carrying amounts of financial assets and liabilities recognized in the financial statements approximate their fair values and hence no further details about the fair value measurements are given.

**B. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

a) credit risk

b) liquidity risk

c) market risk

**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables and Loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one and three months for individual and corporate customers respectively.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are individuals or legal entities, their geographic location, trading history with the Company and existence of previous financial difficulties.

A summary of the Company's exposure to credit risk for trade receivables and loans is as follows:

| Particulars | 31 March 2018 | | 31 March 2017 | |
|---|---|---|---|---|
| | Not Credit - Impaired | Credit - Impaired | Not Credit - Impaired | Credit - Impaired |
| **Gross carrying amount** | | | | |
| Loans | **1,651.02** | **-** | 1,408.10 | - |
| Trade receivables | **6,470.20** | **1,177.84** | 10,238.95 | 1,177.84 |
| **Loss allowance** | | | | |
| Loans | **-** | **-** | - | - |
| Trade receivables | **-** | **(1,177.84)** | - | (1,177.84) |
| **Net carrying amount** | **8,121.23** | **-** | **11,647.05** | **-** |

Expected credit loss (ECL) assessment for corporate customers as at 31 March 2018 and 31 March 2017.

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to external ratings, management accounts and cash flow projections and available information about customers) and applying experienced credit judgement.

The Company uses an allowance matrix to measure the expected credit loss of trade receivables and loans from individual customers, which comprise a very large number of small balances.

(All amounts are Rs. in Millions, unless otherwise stated)

Loss rates are based on actual credit loss experience over the past five years. These rates are multiplied by scalar factors to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the receivables.

*Movements in the allowance for impairment in respect of trade receivables and loans*

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

| | 2018 | 2017 |
|---|---|---|
| **Balance at 1 April** | **1,177.84** | **2,226.66** |
| Allowance for impairment made during the year | **245.55** | - |
| Amounts written-off during the year | **(245.55)** | (1,048.84) |
| **Balance at 31 March** | **1,177.84** | **1,177.84** |

*Cash and cash equivalents*

The Company holds cash and cash equivalents of Rs. 130.98 Millions at 31 March 2018 (31 March 2017: Rs. 323.46 Millions). The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

**b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

*Exposure to liquidity risk*

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments :

**31 March 2018**

| | | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | **Carrying amount** | **Total** | **6 months or less** | **6-12 months** | **1-2 Years** | **2-5 Years** | **More than 5 years** |
| **Non-derivative financial liabilities** | | | | | | | |
| Loans from banks | 8,190.91 | 8,190.91 | 4,232.76 | 536.10 | 455.49 | 1,962.84 | 1,003.72 |
| Loans from related parties | 1,734.30 | 1,734.30 | - | - | 1,734.30 | - | - |
| Interest accrued on borrowings | 273.05 | 273.05 | 273.05 | - | - | - | - |
| Trade payables | 5,637.89 | 5,637.89 | 3,326.40 | 2,299.72 | - | 11.78 | - |
| Others | 100.43 | 100.43 | 100.43 | - | - | - | - |
| | **15,936.58** | **15,936.58** | **7,932.63** | **2,835.82** | **2,189.79** | **1,974.61** | **1,003.72** |

**31 March 2017**

| | | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | **Carrying amount** | **Total** | **6 months or less** | **6-12 months** | **1-2 Years** | **2-5 Years** | **More than 5 years** |
| **Non-derivative financial liabilities** | | | | | | | |
| Loans from banks | 11,853.64 | 11,853.64 | 181.80 | 7,781.60 | 1,181.34 | 2,708.90 | - |
| Loans from related parties | 1,360.31 | 1,360.31 | 550.00 | 301.71 | - | 508.60 | - |
| Loans from others | 122.45 | 122.45 | 122.45 | - | - | - | - |
| Interest accrued on borrowings | 665.11 | 665.11 | 665.11 | - | - | - | - |
| Trade payables | 8,145.79 | 8,145.79 | 4,153.20 | - | - | 3,992.59 | - |
| Others | 147.92 | 147.92 | 23.40 | 124.52 | - | - | - |
| | **22,295.22** | **22,295.22** | **5,695.96** | **8,207.83** | **1,181.34** | **7,210.09** | **-** |

(All amounts are Rs. in Millions, unless otherwise stated)

**c) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Company adopts a policy of ensuring that its major interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

| | Note | 31 March 2018 | 31 March 2017 |
|---|---|---|---|
| **Fixed rate instruments** | | | |
| Financial assets | 9 & 15 | **206.54** | 259.39 |
| Financial liabilities | 21 & 25 | **8,234.75** | 9,550.24 |
| | | **8,441.29** | **9,809.63** |

Fair value sensitivity analysis for fixed-rate instruments

| | Profit or loss | | Equity, pre tax | |
|---|---|---|---|---|
| | 100 bps increase | 100 bps decrease | 100 bps increase | 100 bps decrease |
| **31 March 2018** | | | | |
| Fixed rate instruments | (104.95) | 104.95 | (104.95) | 104.95 |
| **31 March 2017** | | | | |
| Fixed rate instruments | (133.50) | 133.50 | (133.50) | 133.50 |

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of the exposure will fluctuate due to changes in the foreign exchange rates. The company does not enter into any derivative instruments for trading or speculative purpose

The carrying amounts of the company's foreign currency denominated monetary items that are not hedged are as follows:

| Particulars | SGD |
|---|---|
| **Liabilities** | |
| Loans from banks | - |
| Advance from contractee | 5.50 |
| Trade payables | - |
| | 5.50 |
| **Assets** | |
| Advance to suppliers | - |
| Trade receivables | - |
| Bank balances | - |
| | - |
| **Net Liabilities** | 5.50 |

A reasonably possible strengthening (weakening) of the INR by 1%, against foreign currency at 31 March 2018 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by Rs. 2.74 Millions. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(All amounts are Rs. in Millions, unless otherwise stated)

**41. Leases**

**Operating lease in the capacity of lessee**

The Company is obligated under cancellable operating lease agreements. Total rental expense for the period under cancellable leases was Rs. 37.72 Millions (31 March 2017: Rs. 38.10 Millions) has been disclosed as 'Rent' in the statement of profit and loss.

**42. Contingent liabilities and commitments**

**(i) Contingent Liabilities**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Claims against the Company not acknowledged as debts in respect of | | |
| (i) Indirect tax and other matters | **1,934.63** | 2,153.60 |
| (ii) Disputed claims from customers and vendors | **576.31** | 579.70 |
| **Guarantees** | | |
| (i) Performance guarantees issued on behalf of the subsidiaries | **14.80** | 14.80 |
| (ii) Corporate guarantees to banks and financial institutions against credit facilities extended to Subsidiaries, step-down subsidiary and jointly controlled entity | **16,373.70** | 16,373.70 |
| (iii) Bank guarantees and letter of credits | **9,655.60** | 8,829.90 |

**(ii) Commitments**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Equity commitments towards subsidiaries and jointly controlled entities. | - | 137.50 |

**Impact of pending legal cases**

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

**(iii) Lenders' Right to Recompense (RoR) for restructured debts**

As the company's debts were restructured by the lenders under the Joint Lender Forum (JLF) on 12th June 2015, the Consortium of Lenders reserves the Right to Recompense (RoR) the economic loss/sacrifice due to concessionary pricing/waiver of charges etc., offered as a part of the restructuring package terms, and documented in the arrangement letter and master restructuring arrangement. The lender wise sacrifice as at the end of the current financial year as envisaged in the JLF agreement is as follows:

| Name of the Lender | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Statement Bank of India | 843.70 | 615.30 |
| Punjab National Bank | 273.60 | 199.50 |
| IDBI bank Ltd | 105.90 | 77.20 |
| | **1223.20** | **892.00** |

(All amounts are Rs. in Millions, unless otherwise stated)

**43. Related Party Disclosures**

**a) List of related parties**

**i) Subsidiaries/Associates/Joint Ventures**

| S.No. | Name of the related party | Nature of relationship |
|---|---|---|
| 1 | Ramky Pharma City (India) Limited | Subsidiary |
| 2 | MDDA-Ramky IS Bus Terminal Limited | Subsidiary |
| 3 | Ramky Food Park (Chhattisgarh) Limited | Subsidiary |
| 4 | Naya Raipur Gems and Jewellery SEZ Limited | Subsidiary |
| 5 | Ramky Herbal and Medicinal Park (Chhattisgarh) Limited | Subsidiary |
| 6 | Ramky - MIDC Agro Processing Park Limited | Subsidiary |
| 7 | Ramky Engineering and Consulting Services (FZC) | Subsidiary |
| 8 | Ramky Elsamex Hyderabad Ring Road Limited | Subsidiary |
| 9 | Ramky Towers Limited | Subsidiary |
| 10 | Ramky Enclave Limited | Subsidiary |
| 11 | Ramky Esco Limited | Subsidiary |
| 12 | Srinagar Banihal Expressway Limited | Subsidiary |
| 13 | Ramky Multi Product Industrial Park Limited | Subsidiary |
| 14 | Ramky Food Park (Karnataka) Limited | Subsidiary |
| 15 | Sehore KosmiTollways Limited | Subsidiary |
| 16 | Agra EtawahTollways Limited | Subsidiary |
| 17 | Hospet ChitradurgaTollways Limited | Subsidiary |
| 18 | Frank Lloyd Tech Management Services Limited | Subsidiary |
| 19 | Jabalpur Patan ShahpuraTollways Limited | Subsidiary |
| 20 | Pantnagar CETP Private Limited | Subsidiary |
| 21 | Ramky Infrastructure Sociedad Anonima Cerradda | Step-down subsidiary |
| 22 | JNPC Pharma Innovation Limited | Step-down subsidiary |
| 23 | Ramky Engineering and Consulting Services Gabon SA | Step-down subsidiary |
| 24 | N.A.M. Expressway Limited | Joint venture |
| 25 | Jorabat Shillong Expressway Limited | Joint venture |
| 26 | Ramky – SMC JV | Joint operation |
| 27 | Bilil-RIL JV | Joint operation |
| 28 | Ramky-Barbrik JV | Joint operation |
| 29 | Ramky – Elsamex JV | Joint operation |
| 30 | Ramky-VSM JV | Joint operation |
| 31 | Srishti –Ramky JV | Joint operation |
| 32 | Ramky -WPIL JV | Joint operation |
| 33 | Somdutt Builders-Ramky JV | Joint operation |
| 34 | ZVS Ramky Progressive | Joint operation |
| 35 | Ramky ECAIPL JV | Joint operation |
| 36 | Ramky Integrated Township Limited | Associate |
| 37 | Gwalior Bypass Project Limited | Associate |

(All amounts are Rs. in Millions, unless otherwise stated)

**ii) Key Managerial Personnel**

| S.No. | Name of the related party | Designation |
|---|---|---|
| 1 | A Ayodhya Rami Reddy | Executive Chairman |
| 2 | Y R Nagaraja | Managing Director |
| 3 | A G Ravindranath Reddy | Non-Executive Independent Director |
| 4 | V Murahari Reddy | Non-Executive Independent Director |
| 5 | A Rama Devi | Non-Executive Independent Director |
| 6 | Krishna Kumar Gangadharam | Non-Executive Independent Director |
| 7 | I W Vijaya kumar | Chief Financial Officer |
| 8 | Ashish Kulkarni | Company Secretary |
| 9 | Akash Bhagadia | Company Secretary |
| 10 | A Dakshayani | Promoter Group |

**iii) Enterprises where Directors/relatives of Directors having control/significant influence**

| S.No. | Name of the related party |
|---|---|
| 1 | Ramky Enviro Engineers Limited |
| 2 | Ramky Estates and Farms Limited |
| 3 | Mumbai Waste Management Limited |
| 4 | West Bengal Waste Management Limited |
| 5 | Ramky Wavoo Developers Private Limited |
| 6 | Delhi MSW Solutions Limited |
| 7 | Smilax Laboratories Limited |
| 8 | Ramky Foundation |
| 9 | Hyderabad Integrated MSW Limited |
| 10 | Chhattisgarh Energy Consortium (India) Private Limited |
| 11 | Ramky MSW Pvt Ltd |
| 12 | Ramky IWM Pvt Ltd |
| 13 | Tamil Nadu Waste Management Limited |
| 14 | Dakshayani Academy |

**43. Related Party Disclosures**

**b) Transactions during the year with Related Parties**

**i) Subsidiaries/Associates/Joint Ventures**

| S. No. | Name of the related party | Relationship | Nature of transactions | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|---|---|
| 1 | Ramky Pharma City (India) Limited | Subsidiary | Revenue from Operations | **1,092.80** | 789.74 |
| | | | Dividend income | **22.95** | - |
| | | | Borrowings repaid | **-** | 185.90 |
| | | | Contract expenses | **68.09** | - |
| | | | Interest paid | **-** | 23.72 |
| 2 | Ramky Elsamex Hyderabad Ring Road Limited | Subsidiary | Revenue from Operations | **45.39** | 49.09 |
| | | | Loan given/ (received back) | **4.85** | (70.76) |
| | | | Interest income | **67.27** | 87.37 |

(All amounts are Rs. in Millions, unless otherwise stated)

| S. No. | Name of the related party | Relationship | Nature of transactions | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|---|---|
| 3 | Ramky Towers Limited | Subsidiary | Revenue from Operations | **39.38** | - |
| | | | Loan given | **-** | 25.50 |
| | | | Interest income | **-** | 4.50 |
| | | | Interest Paid | **18.98** | - |
| | | | Borrowings | **598.90** | 302.50 |
| | | | Borrowings repaid | **301.47** | - |
| 4 | Ramky Enclave Limited | Subsidiary | Revenue from Operations | **3.39** | - |
| 5 | Srinagar Banihal Expressway Limited | Subsidiary | Revenue from Operations | **1,297.88** | 532.38 |
| | | | Loan given | **189.88** | 84.43 |
| | | | Interest income | **33.73** | 20.73 |
| | | | Corporate guarantee Commission | **72.06** | 10.45 |
| | | | Corporate guarantee given | **-** | 14,400.00 |
| 6 | Ramky Multi Product Industrial Park Limited | Subsidiary | Loan given | **-** | 13.43 |
| | | | Interest income | **4.47** | 38.79 |
| | | | Purchase of land | **-** | 1,400.00 |
| 7 | Sehore Kosmi Tollways Limited | Subsidiary | Revenue from Operations | **43.22** | - |
| | | | Interest income | **4.95** | 4.18 |
| | | | Loan given | **1.11** | - |
| 8 | Frank Lloyd Tech Management Services Limited | Subsidiary | Consultancy charges | **-** | 9.00 |
| | | | Interest income | **0.60** | 3.00 |
| 9 | Pantnagar CETP Private Limited | Subsidiary | Other Income | **6.00** | - |
| | | | Investment in equity shares | **-** | 0.10 |
| 10 | N.A.M Expressway Limited | Joint Venture | Revenue from Operations | **441.36** | 1,763.04 |
| | | | Loan given | **19.93** | 74.93 |
| | | | Interest income | **96.92** | 89.46 |
| | | | Borrowings | **156.73** | (334.92) |
| | | | Interest expense | **91.55** | 113.73 |
| 11 | Ramky Integrated Township Limited | Associate | Revenue from Operations | **356.58** | 346.23 |

**ii) Key Management Personnel**

| S. No. | Name of the related party | Relationship | Nature of transactions | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|---|---|
| 1 | A Ayodhya Rami Reddy | Executive Chairman | Remuneration | **12.50** | 1.60 |
| 2 | A G Ravindranath Reddy | Independent Director | Sitting fee | **0.39** | 1.33 |
| 3 | V Murahari Reddy | Independent Director | Sitting fee | **0.34** | 0.98 |
| 4 | A Rama Devi | Independent Director | Sitting fee | **0.30** | 0.30 |
| 5 | Ashish Kulkarni | Company Secretary | Remuneration | **0.95** | - |
| 6 | A Dakshayani | Promoter Group | Amount received against issue of Equity Warrants | **126.25** | - |

(All amounts are Rs. in Millions, unless otherwise stated)

**iii) Enterprises where Directors/relatives of Directors having control/significant influence**

| S. No. | Name of the related party | Relationship | Nature of transactions | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|---|---|
| 1 | Ramky Enviro Engineers Limited | Enterprise where KMP have significant influence | Revenue from Operations | **120.76** | 4.33 |
| | | | Contract expenses | **192.00** | 81.16 |
| | | | Sale of Fixed Assets | **7.23** | - |
| 2 | Ramky Estates and Farms Limited | Enterprise where KMP have significant influence | Revenue from Operations | **972.94** | 810.47 |
| | | | Interest expense | **75.75** | 77.00 |
| | | | Loan received back | **-** | 272.51 |
| 3 | Mumbai Waste Management Limited | Enterprise where KMP have significant influence | Revenue from Operations | **59.72** | - |
| | | | Interest income | **-** | 0.53 |
| 4 | West Bengal Waste Management Limited | Enterprise where KMP have significant influence | Revenue from Operations | **18.14** | |
| 5 | Ramky Wavoo Developers Private Limited | Enterprise where KMP have significant influence | Revenue from Operations | **62.72** | - |
| 6 | Delhi MSW Solutions Limited | Enterprise where KMP have significant influence | Revenue from Operations | **-** | 27.57 |
| 7 | Ramky Foundation | Enterprise where KMP have significant influence | Donations | **1.40** | 0.35 |
| 8 | Hyderabad Integrated MSW Limited | Enterprise where KMP have significant influence | Revenue from Operations | **9.40** | - |
| 9 | Ramky MSW Private Limited | Enterprise where KMP have significant influence | Revenue from Operations | **-** | 65.73 |
| 10 | Ramky IWM Pvt Ltd | Enterprise where KMP have significant influence | Other expenses | **2.79** | 3.78 |
| 11 | Tamil Nadu Waste Management Limited | Enterprise where KMP have significant influence | Revenue from Operations | **9.47** | - |

(All amounts are Rs. in Millions, unless otherwise stated)

**43. Related Party Dislosures (continued)**

**b) Related parties closing balances**

**i) Subsidiaries/Associates/Joint Ventures**

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|---|---|
| 1 | Ramky Pharma City (India) Limited | Subsidiary | Investment in equity shares | **91.80** | 91.80 |
| | | | Interest payable | **78.75** | 98.75 |
| | | | Mobilisation advance payable | **808.30** | 1,083.35 |
| 2 | MDDA-Ramky IS Bus Terminal Limited | Subsidiary | Trade receivables | **76.56** | 111.68 |
| | | | Retention money receivable | **29.39** | 29.39 |
| | | | Investment in equity shares | **142.59** | 142.59 |
| | | | Corporate guarantee given | **97.50** | 97.50 |
| 3 | Ramky Food Park (Chattisgarh) Limited | Subsidiary | Investment in equity shares | **12.09** | 12.09 |
| | | | Other advances payable | **-** | 10.29 |
| 4 | Naya Raipur Gems and Jewellery SEZ Limited | Subsidiary | Investment in equity shares | **24.22** | 24.22 |
| | | | Investment in preference shares | **8.85** | 8.85 |
| | | | Other advances payable | **-** | 9.95 |
| 5 | Ramky Herbal and Medicinal Park (Chattisgarh) Limited | Subsidiary | Investment in equity shares | **14.42** | 14.42 |
| | | | Other advances payable | **-** | 8.75 |
| 6 | Ramky - MIDC Agro Processing Park Limited | Subsidiary | Investment in equity shares | **65.86** | 65.86 |
| 7 | Ramky Engineering and Consultancy Services (FZC) | Subsidiary | Investment in equity shares | **112.14** | 112.14 |
| | | | Corporate guarantee given | **150.00** | 150.00 |
| 8 | Ramky Elsamex Hyderabad Ring Road Limited | Subsidiary | Trade receivables | **67.90** | 64.99 |
| | | | Retention money receivable | **28.26** | 26.39 |
| | | | Mobilisation advance payable | **18.00** | - |
| | | | Loan given | **305.61** | 300.77 |
| | | | Interest receivable | **152.21** | 114.06 |
| | | | Investment in equity shares | **183.63** | 183.63 |
| | | | Investment in preference shares | **311.62** | 286.73 |
| 9 | Ramky Towers Limited | Subsidiary | Trade receivables | **45.68** | - |
| | | | Interest payable | **11.69** | - |
| | | | Borrowings | **519.00** | 301.47 |
| | | | Investment in equity shares | **1.84** | 1.84 |

(All amounts are Rs. in Millions, unless otherwise stated)

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|---|---|
| 10 | Ramky Enclave Limited | Subsidiary | Trade receivables | **42.94** | 39.52 |
| | | | Retention money receivable | **137.87** | 137.87 |
| | | | Investment in equity shares | **0.45** | 0.45 |
| | | | Investment in preference shares | **195.00** | 195.00 |
| 11 | Ramky Esco Limited | Subsidiary | Investment in equity shares | **-** | 0.50 |
| | | | Retention money receivable | **228.15** | 154.73 |
| | | | Mobilisation advance payable | **1,245.05** | 1,734.74 |
| | | | Investment in equity shares | **1,350.57** | 1,111.20 |
| | | | Investment in preference shares | **156.37** | 153.73 |
| | | | Loan | **582.45** | 361.00 |
| | | | Corporate guarantee given | **15,575.00** | 15,575.00 |
| 13 | Ramky Multi Product Industrial Park Limited | Subsidiary | Other advances payable | **298.52** | 552.12 |
| | | | Investment in equity shares | **360.28** | 360.28 |
| | | | Investment in preference shares | **280.36** | 275.79 |
| 14 | Ramky Food Park (Karnataka) Limited | Subsidiary | Investment in equity shares | **0.55** | 0.55 |
| 15 | Sehore Kosmi Tollways Limited | Subsidiary | Trade receivables | **6.92** | - |
| | | | Retention money receivable | **-** | 1.48 |
| | | | Investment in equity shares | **188.65** | 187.76 |
| | | | Loan | **61.49** | 55.80 |
| | | | Corporate guarantee given | **51.20** | 51.20 |
| 16 | Agra Etawah Tollways Limited | Subsidiary | Loan | **-** | 0.05 |
| 17 | Frank Lloyd Tech Management Services Limited | Subsidiary | Trade payables | **30.50** | 30.50 |
| | | | Investment in equity shares | **43.54** | 43.54 |
| | | | Investment in preference shares | **17.74** | 17.14 |
| 18 | Jabalpur Patan Shahpura Tollways Limited | Subsidiary | Loan | **-** | 0.06 |
| 19 | Pantnagar CETP Private Limited | Subsidiary | Trade receivables | **1.87** | - |
| | | | Investment in equity shares | **0.10** | 0.10 |
| 20 | N.A.M Expressway Limited | Joint Venture | Trade receivables | **443.01** | 3,485.21 |
| | | | Loan | **701.48** | 681.54 |
| | | | Interest receivable | **50.01** | 157.82 |
| | | | Retention money receivable | **22.03** | 41.45 |
| | | | Investment in equity shares | **1,167.55** | 1,167.55 |
| | | | Borrowings | **665.30** | 508.57 |

(All amounts are Rs. in Millions, unless otherwise stated)

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|---|---|
| 21 | Jorabat Shillong Expressway Limited | Joint Venture | Investment in equity shares | **420.00** | 420.00 |
| 22 | Ramky Integrated Township Limited | Associate | Capital advances | **46.72** | 48.12 |
| | | | Trade receivables | **2.90** | - |
| | | | Retention money receivable | **21.50** | 14.54 |
| | | | Investment in equity shares | **0.18** | 0.18 |
| | | | Mobilisation advance payable | **47.10** | - |
| 23 | Gwalior Bypass Project Limited | Associate | Investment in equity shares | **0.95** | 0.95 |
| | | | Investment in preference shares | **0.29** | 0.28 |

**ii) Key Management Presonnel**

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2018 |
|---|---|---|---|---|---|
| 1 | A Ayodhya Rami Reddy | Executive Chairman | Remuneration payable | 0.63 | 1.29 |

**iii) Enterprises where Directors/relatives of Directors having control/significant influence**

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2018 |
|---|---|---|---|---|---|
| 1 | Ramky Enviro Engineers Limited | Enterprise where KMP have significant influence | Trade receivables | **7.23** | - |
| | | | Trade payables | **222.92** | 35.32 |
| | | | Mobilisation advance payable | **93.07** | 124.32 |
| | | | Retention money payable | **73.84** | 81.01 |
| | | | Retention money receivable | **-** | 25.06 |
| 2 | Ramky Estates and Farms Limited | Enterprise where KMP have significant influence | Trade receivables | **482.91** | 323.27 |
| | | | Retention money receivable | **63.94** | 64.92 |
| | | | Interest payable | **17.54** | - |
| | | | Other advances receivable | **2.74** | 2.74 |
| | | | Mobilisation advance payable | **39.27** | 3.90 |
| | | | Borrowings | **550.00** | 550.00 |
| 3 | Mumbai Waste Management Limited | Enterprise where KMP have significant influence | Mobilisation advance payable | **33.78** | 104.25 |
| 4 | West Bengal Waste Management Limited | Enterprise where KMP have significant influence | Mobilisation advance payable | **-** | 19.06 |
| | | | Trade receivables | **2.34** | - |
| 5 | Ramky Wavoo Developers Private Limited | Enterpri se where KMP have significant influence | Trade receivables | **62.81** | 54.47 |
| | | | Mobilisation advance payable | **27.98** | 1.66 |
| | | | Retention money receivable | **9.23** | 6.63 |

(All amounts are Rs. in Millions, unless otherwise stated)

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2018 |
|---|---|---|---|---|---|
| 6 | Delhi MSW Solutions Limited | Enterprise where KMP have significant influence | Trade receivables | **27.20** | 36.35 |
| | | | Retention money receivable | **6.56** | 6.51 |
| | | | Investment in equity shares | **0.05** | 0.05 |
| 7 | Smilax Laboratories Limited | Enterprise where KMP have significant influence | Mobilisation advance payable | **11.14** | 69.19 |
| 8 | Hyderabad Integrated MSW Limited | Enterprise where KMP have significant influence | Trade receivables | **5.50** | - |
| 9 | Ramky MSW Private Limited | Enterprise where KMP have significant influence | Trade receivables | **-** | 63.20 |
| 10 | Ramky IWM Pvt Ltd | Enterprise where KMP have significant influence | Trade payables | **6.57** | 3.78 |
| 11 | Tamil Nadu Waste Management Limited | Enterprise where KMP have significant influence | Mobilisation advance payable | **30.50** | 41.67 |
| 12 | Dakshayani Academy | Enterprise where KMP have significant influence | Other advances receivable | **-** | 11.50 |

**c) Compensation to key managerial personnel**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Short-term employee benefits | **13.45** | 1.60 |
| Post-employment defined benefit | **-** | - |
| Compensated absences | **-** | - |
| Termination benefits | **-** | - |
| | **13.45** | **1.60** |

**44. Segment reporting**

Operating segments are identified in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The services rendered by the Company primarily consist of execution of civil contracts on turnkey basis. In accordance with Ind AS-108 "Segment Reporting", segment information has been given in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in these standalone financial statements.

**45. Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a corporate social responsibility ('CSR') committee has been formed by the Company. The expenditure incurred by the Company on CSR activities during the year has been stated below. Further the disclosure as required by the Guidance Note on Corporate Social Responsibility expenditure issued by the Institute of Chartered Accountants of India, are as follows:

(a) Gross amount required to be spent by the company during the year amounts to Nil (31 March 2017: Nil )

(b) Amount spent during the current year:

| Particulars | Amount spent | Amount to be spent | Total |
|---|---|---|---|
| On purposes other than acquisition or construction of assets | 1.40 | - | 1.40 |
| | 1.40 | - | 1.40 |

Amount spent in the financial year 2016-17:

| Particulars | Amount spent | Amount to be spent | Total |
|---|---|---|---|
| On purposes other than acquisition or construction of assets | 0.35 | - | 0.35 |
| | 0.35 | - | 0.35 |

(All amounts are Rs. in Millions, unless otherwise stated)

**46. Dues to micro and small enterprises**

Based on information available with the company, there are no micro or small enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues, which are outstanding as at 31 March 2018 ( 31 March 2017 : Nil).The Company has not received any claim for interest from any supplier under the said Act.

**47. Disclosures pursuant to Ind AS 11 - Construction Contracts:**

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| Contract revenue recognized | **13,464.37** | 15,245.66 |
| **In case of contracts in progress as at the reporting date:** | | |
| Aggregate amount of contract cost incurred and recognised profits (less recognised losses) up to the reporting date | **1,08,860.00** | 99,614.05 |
| Advances received, net of recoveries from progressive bills | **4,524.21** | 4,512.22 |
| Gross amount due from customers for contract works | **1,997.02** | 5,135.61 |
| Retention money | **2,960.14** | 2,875.21 |

**48. Interest in joint operations and Jointly controlled entities**

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

| S. No. | Joint Operation | Company's Share | Assets | Liabilities | Income | Expenses | Contingent Liabilities |
|---|---|---|---|---|---|---|---|
| 1 | **Ramky – SMC JV** | | | | | | |
| | 31-Mar-18 | 70.00% | 74.00 | 125.64 | 60.80 | 58.17 | - |
| | 31-Mar-17 | 70.00% | 70.06 | 158.35 | 62.09 | 59.18 | - |
| 2 | **Ramky – Elsamex JV** | | | | | | |
| | 31-Mar-18 | 90.00% | 36.84 | 0.08 | - | 1.50 | - |
| | 31-Mar-17 | 90.00% | 64.82 | 0.02 | 3.46 | 2.10 | - |
| 3 | **Ramky-VSM JV** | | | | | | |
| | 31-Mar-18 | 75.00% | 213.73 | 99.97 | 50.98 | 56.54 | - |
| | 31-Mar-17 | 75.00% | 192.67 | 93.49 | 40.28 | 40.10 | - |
| 4 | **Srishti –Ramky JV** | | | | | | |
| | 31-Mar-18 | 70.00% | 19.96 | 6.95 | 2.30 | 2.27 | - |
| | 31-Mar-17 | 70.00% | 19.99 | 7.00 | 0.53 | 0.51 | - |
| 5 | **Ramky -WPIL JV** | | | | | | |
| | 31-Mar-18 | 60.00% | 57.17 | 47.43 | 43.65 | 40.02 | - |
| | 31-Mar-17 | 60.00% | 54.39 | 27.32 | 35.11 | 31.99 | - |
| 6 | **Somdutt Builders-Ramky JV** | | | | | | |
| | 31-Mar-18 | 90.00% | 164.61 | 25.17 | 24.60 | 24.32 | - |
| | 31-Mar-17 | 90.00% | 165.22 | 20.73 | 22.45 | 32.60 | - |
| 7 | **Ramky ECAIPL JV** | | | | | | |
| | 31-Mar-18 | 76.00% | 12.28 | 11.88 | 15.49 | 15.33 | - |
| | 31-Mar-17 | 76.00% | 14.42 | 8.93 | 13.92 | 11.89 | - |
| 8 | **Ramky-ECI JV** | | - | - | - | - | - |
| | 31-Mar-18 | 51.00% | 548.12 | 548.11 | 1,123.94 | 1,124.02 | - |
| | 31-Mar-17 | 51.00% | 163.73 | 163.73 | 148.41 | 148.42 | - |

(All amounts are Rs. in Millions, unless otherwise stated)

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

| S. No. | Joint Operation | Company's Share | Assets | Liabilities | Income | Expenses | Contingent Liabilities |
|---|---|---|---|---|---|---|---|
| 1 | **N.A.M.Expressway Limited** | | | | | | |
| | 31 March 2018 | 50% | 10,480.25 | 9,922.24 | 1,086.05 | 1,402.56 | - |
| | 31 March 2017 | 50% | 10,417.30 | 9,542.69 | 1,640.54 | 1,919.84 | - |
| 2 | **Jorabat Shillong Expressway Limited** | | | | | | |
| | 31 March 2018 | 50% | 8,607.39 | 7,917.94 | 1,900.17 | 1,900.74 | - |
| | 31 March 2017 | 50% | 7,021.12 | 6,313.07 | 910.72 | 1,008.70 | - |

**49.** As at 31 March 2018, certain Trade receivable and non-moving inventory/ work in progress aggregating to Rs. 3,607.42 Millions ( Rs. 4,415.49 Millions as on 31 March 2017) are outstanding. The management of the Company is in continuous engagement/ negotiation with the respective contractee / clients to recover such amounts and keeping in view the status of negotiations and the outcome of arbitration proceedings on the basis on which steps to recover these amounts are currently in process, is confident of recovering such receivables.

**50.** During the financial year 2017-18, the Company has recognized insurance claim Income aggregating to Rs. 350.46 Millions ( previous year Rs. 219.73 Millions ) to the extent measured reliably and accounted/charged off related additional costs incurred towards damage by floods in respect of insurance claim lodged by concessionaire of the Project, a subsidiary Company due to flood on Company's road project, at Srinagar in Jammu and Kashmir. The management of the company does not expect any material adjustment in this respect in future.

**51. Liabilities/provisions no longer required written back**

During the financial year 2017-18, the management has written back liabilities/provisions no longer required aggregating to Rs. 2,388.04 Millions (previous year Rs. 1,208.29 Millions) which were outstanding for a long period of time and being carried by the management as a measure of prudence. The management is confident that no material adjustment will be required in future.

**52. Assets no longer receivables written off**

During the financial year 2017-18, the management has written-off of unrealisable receivables no longer receivable aggregating to Rs. 1,437.82 Millions (previous year Rs. 673.07 Millions). The management considered it prudent not to carry such receivables and hence, written off those amounts.

**53. Issue of Convertible Equity Warrants to Promoter Group and Non-Promoter Investors**

The share allotment committee of the Company at its meeting held on Dec 15, 2017 has allotted 1,20,00,000 Convertible Equity warrants of Rs.10 each at a price of Rs. 101 each to the following promoter and non-promoter investors group.

| S No | Name of the Shareholder | Investors | No. of Convertible Equity Warrants issued |
|---|---|---|---|
| 1 | Alla Dakshayani | Promoter Group | 5,000,000 |
| 2 | Aadi Financial Advisors LLP [LLPIN: AAA-1118] | Non- Promoter group | 5,000,000 |
| 3 | Saraswati Commercial (India) Limited, a public Listed Company on BSE (Scrip Code: 512020) [CIN: L51909MH1983PLC166605] | | 1,000,000 |
| 4 | Ind-Finance and Securities Trust Private Limited [CIN: U65910MH1986PTC039201] | | 1,000,000 |
| | **Total** | | **12,000,000** |

(All amounts are Rs. in Millions, unless otherwise stated)

The Warrant holders shall pay 25% of the exercise price on the day of allotment and paid accordingly.

The balance 75% shall be payable on or before the conversion of the said warrants into equity shares, within a maximum permissible period of 18 months.

The Warrant holders has the right to apply for and get allotted one equity share of Rs. 10 for each warrant, within a period of 18 months from the date of allotment of Warrants in one or more trenches.

In the event the warrant holders does not exercise the warrants within 18 months from the date of allotment of warrants, the warrants shall lapse and the amount paid on such warrants shall stand forfeited by the company.

The notes 1 to 53 are an integral part of these financial statements.

As per our Report of even date attached

for **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No: 028046

Place : Hyderabad
Date : 30-May-2018

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

Sd/-
**A AYODHYA RAMI REDDY**
Executive Chairman
DIN : 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Sd/-
**I W VIJAYA KUMAR**
Chief Financial Officer

Sd/-
**AKASH BHAGADIA**
Company Secretary

# INDEPENDENT AUDITORS' REPORT

To
The Members of
**Ramky Infrastructure Limited**

**Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS financial statements of Ramky Infrastructure Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as " the Group"), its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

**Management's Responsibility for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group, of its associates and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

**Emphasis of Matters**

1. Note 20 to the consolidated Ind AS financial statements in respect of existence of material uncertainties over the realisability of certain construction work in progress, inventories and trade receivables aggregating to Rs. 3,607.42 mn, which are subject matters of arbitration proceedings / negotiations with the customers and contractors due to foreclosure of contracts and other disputes. The management of the Company, keeping in view the status of negotiations and the outcome of arbitration proceedings on the basis of which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues. In view of pending billing of project WIP / slow progress / termination of these projects, and lack of other alternate audit evidence to corroborate management's assessment of recoverability of these balances, we are unable to comment on the extent to which these balances are recoverable.

2. Note 21 to the consolidated Ind AS financial statements with regard to insurance claim due to floods on one of the Holding Company's project in Srinagar, Jammu and Kashmir, the Holding Company has recognized the insurance claim income aggregating to Rs. 350.46 mn to the extent measured reliably and accounted / charged off related additional costs incurred towards damage by floods.

3. Note 22 to the consolidated Ind AS financial statements in respect of write back of the 'liabilities no longer required' outstanding for a long period aggregating to Rs. 2,388.04 mn. The management of the Holding Company is confident that the liabilities no longer required and no material adjustment will be required.

4. Note 23 to the consolidated Ind AS financial statements in respect of write off of the 'unrealisable receivables no longer required' outstanding for a long period aggregating to Rs. 1,437.82 mn. The management of the Holding Company is confident that not to carry the unrealisable receivables and no material adjustment will be required.

5. Note 24 (1) to the consolidated Ind AS financial statements in respect of Ramky Pharma City (India) Limited ("RPCIL"), a subsidiary, whereby the auditors have reported that the uncertainty in connection with the charge sheet filed by Central Bureau of Investigation (CBI) and attachment order of the Enforcement Directorate in respect of certain assets of the Company. The management believes that it has complied with the provisions of the concession agreement. Accordingly, any consequential financial impact of the said regulatory action will be known only when the matter is resolved.

6. Note 24 (2) to the consolidated Ind AS financial statements in respect of Hospet Chitradurga Tollways Limited, a Subsidiary Company whereby the Statutory Auditors of the said subsidiary have drawn attention in respect of the termination of the project by the company and National Highways Authority of India (NHAI) " the Concessioning Authority". Since the company is a project specific company, termination of project affects the Going concern nature of the company. However, the Financial impact of the same has been provided in the Financial Statements

7. Note 24 (4) to the consolidated Ind AS financial statements in respect of Ramky Elsamex Hyderabad Ring Road Limited, a Subsidiary Company whereby the Statutory Auditors of the said subsidiary have

drawn attention that regarding certain aged receivables / retentions, the realizations are not in line with terms of the Concession agreement with Hyderabad Metropolitan Development Authority (HMDA). Now the matter is pending before the Arbitral Tribunal. The Management believes that these amounts are recoverable in full.

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

**Other Matters**

a. We did not audit the financial statements and other financial information, in respect of twenty subsidiaries whose consolidated Ind AS financial statements include total assets of Rs. 30,029.24 mn as at March 31, 2018, and total revenues of Rs. 4,372.99 mn and net cash inflows of Rs. 303.80 mn for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 333.79 mn and the other comprehensive income of Rs. 1.07 mn for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements, in respect of one associate and two jointly controlled entities, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the management. The above financial information are before giving effect to any consolidation adjustments.

b. Further, consolidated Ind AS financial statement includes unaudited consolidated Ind AS financial statements of three foreign subsidiary, including two step down subsidiaries. The consolidated net assets of these three subsidiaries as at March 31, 2018 and their consolidated net result included in the consolidated Ind AS financial statements amounted to Rs. 1,866.60 mn and Nil respectively. These financial statements and other financial information have been furnished to us by the management. The consolidated Ind AS financial statements of the company does not include the company's share of profit in respect of one associate in which the Holding Company has equity investment of Rs. 0.95 mn as at March 31, 2018.

c. Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the management.

**Report on Other Legal and Regulatory Requirements**

1 As required by Section 143(3) of the Act, we report to the extent applicable, we report that:

a. we / the other auditors whose reports we have relied upon have sought obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and the reports of the other auditors;

c. the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d. in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors of Holding Company as on March 31, 2018 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associates and jointly controlled entities and incorporated in India, none of the Directors of the Group's companies, its associates and its jointly controlled entities incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls of Holding Company, subsidiary companies, associates, and jointly controlled entities incorporated in India refer to our separate report in "Annexure A" to this Report; and

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and jointly controlled entities as noted in the 'Other Matters' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and its jointly controlled entities - Refer Note 11 to the consolidated Ind AS financial statements;

ii. The Group, its associates and its jointly controlled entities incorporated in India have made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 2.36 to the consolidated Ind AS financial statements; and

iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Group, its associates and its jointly controlled entities incorporated in India.

For **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No. 028046

Place : Hyderabad
Date : 30-May-2018

# "Annexure A" to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of Ramky Infrastructure Limited

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of Ramky Infrastructure Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Ramky Infrastructure Limited (hereinafter referred to as the 'Holding Company'), its subsidiary companies, its associates and its jointly controlled entities, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the of the Holding Company, its subsidiary companies, its associates and jointly controlled entities, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exits, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditors of the subsidiaries, associates and jointly controlled entities in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities as aforesaid.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company, subsidiary companies, associates and jointly controlled entities incorporated in India have in all material respect maintained adequate internal financial controls over financial reporting as on March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and were operating effectively as of March 31, 2018. *However, the Holding Company needs to imporve its systems with respect to realisation of receivables including retention monies, work-in-progress etc.*

**Other Matters**

Our aforesaid report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to twenty subsidiary companies, one associate company, two jointly controlled entities, which are incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

The consolidated Ind AS financial statements of the company does not include the company's share of profit in respect of one associate in which the Holding Company has equity investment of Rs. 0.95 mn as at March 31, 2018. We are unable to comment on the same on our reporting under section 143(3)(e) of the Act in the case of the consolidated Ind AS financial statements.

For **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No. 028046

Place : Hyderabad
Date : 30-May-2018

# Consolidated Balance Sheet as at 31 March 2018

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | Notes | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non Current Assets** | | | |
| Property, plant and equipment | 2.1(a) | **2,495.04** | 2,539.47 |
| Capital work-in- progress | | **158.88** | 0.37 |
| Goodwill on consolidation | 2.1(c) | **21.30** | 21.30 |
| Other intangible assets | 2.1(b) | **465.86** | 473.51 |
| Intangible assets under development | 2.1(b) | **-** | 36.83 |
| Financial assets | | | |
| - Investments | 2.2 | **1,375.32** | 1,703.80 |
| - Trade receivables | 2.3 | **23.85** | 20.12 |
| - Loans | 2.4 | **701.86** | 1,630.70 |
| - Other financial assets | 2.5 | **19,135.10** | 16,036.93 |
| Deferred tax assets (net) | 2.6 | **3,534.61** | 4,080.61 |
| Non current tax assets (net) | 2.7 | **783.93** | 909.66 |
| Other non current assets | 2.8 | **534.30** | 322.19 |
| | | **29,230.05** | **27,775.49** |
| **Current Assets** | | | |
| Inventories | 2.9 | **5,203.35** | 5,268.72 |
| Financial assets | | | |
| - Trade receivables | 2.10 | **9,430.79** | 11,910.27 |
| - Cash and cash equivalents | 2.11 A | **592.51** | 802.13 |
| - Bank balances other than above | 2.11 B | **208.50** | 249.17 |
| - Loans | 2.12 | **925.87** | 2,445.02 |
| - Other financial assets | 2.13 | **1,656.91** | 1,382.64 |
| Other current assets | 2.14 | **3,104.15** | 6,160.13 |
| | | **21,122.08** | **28,218.08** |
| **Total Assets** | | **50,352.13** | **55,993.57** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share Capital | 2.15 | **571.98** | 571.98 |
| Other equity | 2.16 | **3,523.28** | 2,927.58 |
| **Equity attributable to equity holders of the parent** | | **4,095.26** | **3,499.56** |
| Non-controlling interests | | **1,213.52** | 1,173.57 |
| **Total Equity** | | **5,308.78** | **4,673.13** |
| **LIABILITIES** | | | |
| **Non Current Liabilities** | | | |
| Financial liabilities | | | |
| - Borrowings | 2.17 | **20,118.14** | 21,021.17 |
| - Trade payables | 2.18 | **11.78** | 15.61 |
| - Other financial liabilities | 2.19 | **52.16** | 24.49 |
| Provisions | 2.20 | **114.31** | 85.70 |
| Deferred tax liabilities (net) | 2.21 | **387.89** | 235.51 |
| Other non-current liabilities | 2.22 | **2,716.36** | 111.85 |
| | | **23,400.64** | **21,494.33** |
| **Current Liabilities** | | | |
| Financial liabilities | | | |
| - Borrowings | 2.23 | **4,097.58** | 5,483.69 |
| - Trade payables | 2.24 | **8,217.55** | 9,458.13 |
| - Other financial liabilities | 2.25 | **6,300.88** | 6,578.85 |
| Other current liabilities | 2.26 | **2,826.13** | 8,080.23 |
| Provisions | 2.27 | **200.57** | 225.18 |
| Current tax liabilities (net) | 2.28 | **0.01** | 0.03 |
| | | **21,642.72** | **29,826.11** |
| **Total Liabilities** | | **45,043.36** | **51,320.44** |
| **Total Equity and Liabilities** | | **50,352.13** | **55,993.57** |

The notes 1 to 26 are an integral part of these financial statements.
As per our Report of even date attached

for **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S
Sd/-
**M V NARAYANA REDDY**
Partner
Membership No: 028046

Place : Hyderabad
Date : 30-May-2018

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

Sd/-
**A AYODHYA RAMI REDDY**
Executive Chairman
DIN : 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Sd/-
**I W VIJAYA KUMAR**
Chief Financial Officer

Sd/-
**AKASH BHAGADIA**
Company Secretary

# Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | Notes | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|
| **REVENUE** | | | |
| Revenue from operations | 2.29 | **15,784.97** | 17,185.99 |
| Other income | 2.30 | **5,249.75** | 3,908.24 |
| **Total income** | | **21,034.72** | **21,094.23** |
| **EXPENSES** | | | |
| Operating expenses | 2.31 | **12,679.10** | 14,125.19 |
| Cost of traded materials consumed | 2.32 | **2.98** | 1.96 |
| Change in inventory of finished goods, work-in-progress and stock-in trade | 2.33 | **472.64** | 395.17 |
| Employee benefits expense | 2.34 | **499.96** | 478.24 |
| Finance costs | 2.35 | **3,688.86** | 3,990.42 |
| Depreciation and amortisation expense | 2.1 | **554.44** | 593.96 |
| Other expenses | 2.36 | **2,025.60** | 1,008.83 |
| **Total expenses** | | **19,923.58** | **20,593.77** |
| **Profit before tax** | | **1,111.14** | **500.46** |
| Current tax | | **71.57** | 203.92 |
| Deferred tax charge / (credit) | | **381.61** | 138.33 |
| **Income tax expense** | | **453.17** | **342.25** |
| **Profit for the year before share of profit of equity accounted investees** | | **657.97** | **158.21** |
| Share of profit/(loss) of equity accounted investees | | **(332.72)** | (277.19) |
| **Profit for the year** | | **325.25** | **(118.98)** |
| **Other comprehensive income** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Remeasurements of defined benefit liability (asset) | | **29.54** | 1.76 |
| Income tax relating to items that will not be reclassified to profit or loss | | **(3.80)** | (0.61) |
| **Items that will be reclassified subsequently to profit or loss** | | | |
| Exchange differences on translating financial statements of foreign operations | | **(18.34)** | - |
| **Other comprehensive income for the year, net of income tax** | | **7.40** | **1.15** |
| **Total comprehensive income for the period** | | **332.65** | **(117.83)** |
| **Profit attributable to:** | | | |
| Owners of the Company | | **285.91** | (60.42) |
| Non-controlling interests | | **39.34** | (58.55) |
| **Profit for the year** | | **325.25** | **(118.98)** |
| | | | |
| **Other comprehensive income attributable to:** | | | |
| Owners of the Company | | **6.79** | 1.15 |
| Non-controlling interests | | **0.61** | - |
| **Other comprehensive income for the year** | | **7.40** | **1.15** |
| **Total comprehensive income attributable to:** | | | |
| Owners of the Company | | **292.70** | (59.28) |
| Non-controlling interests | | **39.95** | (58.55) |
| **Total comprehensive income for the year** | | **332.65** | **(117.83)** |
| **Earnings per share (Par value of Rs 10/- each)** | | | |
| - Basic | | **5.00** | (1.05) |
| - Diluted | | **4.92** | (1.05) |
| **Weighted average number of shares** | | | |
| - Basic | | **57.20** | 57.20 |
| - Diluted | | **58.07** | 57.20 |

The notes 1 to 26 are an integral part of these financial statements.

As per our Report of even date attached

for **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No: 028046

Place : Hyderabad
Date : 30-May-2018

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

Sd/-
**A AYODHYA RAMI REDDY**
Executive Chairman
DIN : 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Sd/-
**I W VIJAYA KUMAR**
Chief Financial Officer

Sd/-
**AKASH BHAGADIA**
Company Secretary

# Consolidated Statement of Changes in Equity for the year ended 31 March 2018

(All amounts are Rs. in Millions, unless otherwise stated)

**(a) Equity share capital**

| Particulars | Amount |
|---|---|
| Balance as at 1 April 2016 | 571.98 |
| Changes in equity share capital during 2016-17 | |
| **Balance as at the 31 March 2017** | **571.98** |
| Changes in equity share capital during 2017-18 | - |
| **Balance as at the 31 March 2018** | **571.98** |

**(b) Other equity**

| Particulars | Attributable to owners of the Company | | | | | | | Attributable to non controlling interest | Total other equity |
|---|---|---|---|---|---|---|---|---|---|
| | Reserves and surplus | | | Other items of other comprehensive income | | Money received against share warrants | Total attributable to owners of the Company | | |
| | General reserve | Securities premium account | Retained earnings | Foreign currency translation reserve | Remeasurements of the net defined benefit plans | | | | |
| **Balance at 1 April 2016** | 250.00 | 4,081.35 | (1,393.40) | 60.25 | (11.34) | - | 2,986.86 | 1,232.15 | 4,219.02 |
| **Total comprehensive income for the year ended 31 March 2017** | | | | | | | | | |
| Profit for the year | - | - | (60.42) | - | - | | (60.42) | (58.55) | (118.97) |
| Other comprehensive income | | | | | 1.15 | | 1.15 | | 1.15 |
| **Total comprehensive income** | **-** | **-** | **(60.42)** | **-** | **1.15** | **-** | **(59.28)** | **(58.55)** | **(117.83)** |
| **Transaction with owners, recorded directly in equity** | | | | | | | | | |
| Additions during the year | - | - | - | - | - | - | - | - | - |
| **Total contributions by and distributions to owners** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Balance at 31 March 2017** | **250.00** | **4,081.35** | **(1,453.83)** | **60.25** | **(10.19)** | **-** | **2,927.58** | **1,173.57** | **4,101.19** |
| **Total comprehensive income for the year ended 31 March 2018** | | | | | | | | | |
| Profit for the year | - | - | 285.91 | | - | | 285.91 | 39.34 | 325.25 |
| Other comprehensive income | - | - | - | (18.34) | 25.12 | | 6.79 | 0.61 | 7.40 |
| **Total comprehensive income** | **-** | **-** | **285.91** | **(18.34)** | **25.12** | | **292.70** | **39.95** | **332.65** |
| **Transaction with owners, recorded directly in equity** | | | | | | | | | |
| Additions during the year | **-** | **-** | **-** | **-** | **-** | | | | |
| Money received against equity warrants | | | | | | 303.00 | 303.00 | **-** | 303.00 |
| **Total contributions by and distributions to owners** | **-** | **-** | **-** | **-** | **-** | **303.00** | **303.00** | **-** | **303.00** |
| **Balance at 31 March 2018** | **250.00** | **4,081.35** | **(1,167.91)** | **41.92** | **14.93** | **303.00** | **3,523.28** | **1,213.52** | **4,736.84** |

The notes 1 to 26 are an integral part of these financial statements.

As per our Report of even date attached

for **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No: 028046

Place : Hyderabad
Date : 30-May-2018

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

Sd/-
**A AYODHYA RAMI REDDY**
Executive Chairman
DIN : 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Sd/-
**I W VIJAYA KUMAR**
Chief Financial Officer

Sd/-
**AKASH BHAGADIA**
Company Secretary

# Consolidated Cash-Flow Statement for the year ended 31 March 2018

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|
| **Cash flows from operating activities:** | | | |
| Profit/(loss) before tax | | **1,111.14** | **500.46** |
| Adjustments: | | | |
| Depreciation and amortization expense | | **554.44** | 593.96 |
| Interest expenses | | **3,688.86** | 3,990.42 |
| Provision for doubtful debts | | **37.48** | 1.89 |
| Provision for advances | | **20.37** | - |
| Fair valuation of borrowings | | **(862.42)** | - |
| (Profit)/loss on sale of fixed assets, net | | **0.49** | (634.80) |
| Provision for foreseeable losses/(reversal of excess provision) | | **9.43** | 5.47 |
| Foreign exchange loss | | **19.57** | - |
| Interest income | | **(219.97)** | (256.65) |
| Dividend income | | **-** | - |
| Earlier year provision and liability no longer required | | **(2,461.04)** | (1,282.21) |
| **Operating profit/ (loss) before working capital changes** | | **1,898.35** | **2,918.54** |
| **Change in working capital** | | | |
| (Increase)/decrease in loans | | **2,448.00** | (2,528.81) |
| (Increase)/decrease in other non financial assets | | **2,802.52** | 220.43 |
| (Increase)/decrease in other financial assets | | **(3,543.02)** | (1,581.43) |
| (Increase)/decrease in trade receivables | | **2,438.28** | (1,833.52) |
| (Increase)/decrease in inventories | | **65.38** | 1,987.34 |
| Increase/(decrease) in provisions | | **1.97** | 22.84 |
| Increase/(decrease) in trade payables | | **1,216.63** | 1,545.49 |
| Increase/(decrease) in other financial liabilities | | **(839.13)** | (82.42) |
| Increase/(decrease) in other non financial liabilities | | **(2,649.58)** | 2,838.46 |
| | | **1,941.04** | **588.38** |
| **Cash generated from operations** | | **3,839.39** | **3,506.92** |
| Income taxes paid, net | | **370.93** | (2.30) |
| **Net cash used in operating activities** | **A** | **4,210.31** | **3,504.62** |
| **Cash flows from investing activities:** | | | |
| Proceeds from sale of investment | | **(4.24)** | (2.48) |
| Interest received | | **431.22** | 183.93 |
| Purchase of Property, plant and equipment and intangible assets | | **(633.03)** | 598.22 |
| Dividend received | | **-** | - |
| **Net cash used in investing activities** | **B** | **(206.05)** | **779.67** |
| **Cash flows from financing activities:** | | | |
| Proceeds/(repayment) from long term borrowings | | **1,120.91** | (362.12) |
| Proceeds/(repayment) of short term borrowings | | **(1,386.11)** | (1,011.90) |
| Net proceeds from issue of equity share warrants | | **303.00** | - |
| Interest paid | | **(4,251.67)** | (3,535.70) |
| **Net cash provided by financing activities** | **C** | **(4,213.88)** | **(4,909.72)** |
| Net increase in cash and cash equivalents | **A+B+C** | **(209.62)** | (625.43) |
| Cash and cash equivalents at the beginning of the year | | **802.13** | 1,427.56 |
| **Cash and cash equivalents at the end of the year** (refer note 2.11 ) | | **592.51** | **802.13** |

The above cash flow statement has been prepared under indirect method as set out in the Indian Accounting Standard (Ind As 7) - Statement of Cash Flow

# Consolidated Cash-Flow Statement (Contd.)

(All amounts are Rs. in Millions, unless otherwise stated)

**Amendment to Ind AS 7**

The amendments to IND AS 7 Cash flow statements require the entities to provide disclosures that enable users of financials statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirements. This amendment has become effective from 1st April 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

**Changes in Liability arising from financing activities**

| Particulars | 1st April 2017 | Cash flow | Non-Cash changes | | 31st March 2018 |
|---|---|---|---|---|---|
| | | | Fair Value changes | Current/Non-Current classification | |
| Borrowings - Non Current | 21,021.17 | 9,543.85 | (860.70) | (9,586.19) | 20,118.14 |
| Borrowings - Current | 5,483.69 | (5,481.97) | (1.72) | 4,097.58 | 4,097.58 |
| Other Financial Liabilities | 4,327.09 | (4,327.09) | - | 5,488.61 | 5,488.61 |
| | **30,831.95** | **(265.21)** | **(862.42)** | **-** | **29,704.33** |

**The notes 1 to 26 are an integral part of these financial statements.**

As per our Report of even date attached

for **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No: 028046

Place : Hyderabad
Date : 30-May-2018

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

Sd/-
**A AYODHYA RAMI REDDY**
Executive Chairman
DIN : 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Sd/-
**I W VIJAYA KUMAR**
Chief Financial Officer

Sd/-
**AKASH BHAGADIA**
Company Secretary

# Notes to the consolidated financial statements

**1. Reporting entity**

Ramky Infrastructure Limited ("the Company") is an integrated construction, infrastructure development and management Company headquartered in Hyderabad, India. The Company is diversified in a range of construction and infrastructure projects in various sectors such as water and waste water, transportation, irrigation, industrial construction and parks (including SEZs), power transmission and distribution, and residential, commercial and retail property. A majority of the development projects of the Company are based on Public-Private Partnerships (PPP) and are operated by separate Special Purpose Vehicles (SPV) promoted by the Company, joint venture partners and respective Governments. The Company is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1956. The Company's registered office is located at Ramky Grandiose,15th Floor, Sy no. 136/2 & 4, Gachibowli, Hyderabad - 500 032, Telangana.

These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the "Group") and the Group's interest in associates and joint ventures. The list is as follows:

| S. No. | Name of the Entity | Country of incorporation | % Holding 2017-18 | % Holding 2016-17 |
|---|---|---|---|---|
| **A** | **Subsidiaries:** | | | |
| 1 | MDDA-Ramky IS Bus Terminal Limited | India | 100% | 100% |
| 2 | Ramky Pharma City (India) Limited | India | 51% | 51% |
| 3 | Ramky Elsamex Hyderabad Ring Road Limited | India | 74% | 74% |
| 4 | Ramky Towers Limited | India | 51% | 51% |
| 5 | Ramky Food Park (Chhattisgarh) Limited | India | 100% | 100% |
| 6 | Naya Raipur Gems and Jewellery SEZ limited | India | 100% | 100% |
| 7 | Ramky Herbal and Medicinal Park (Chhattisgarh) Limited | India | 100% | 100% |
| 8 | Ramky Enclave Limited | India | 89.01% | 89.01% |
| 9 | Ramky MIDC Agro Processing Park Limited | India | 100% | 100% |
| 10 | Srinagar Banihal Expressway Limited | India | 74% | 74% |
| 11 | Ramky Food Park (Karnataka) Limited | India | 100% | 100% |
| 12 | Ramky Multi Product Industrial Park Limited | India | 100% | 100% |
| 13 | Sehore Kosmi Tollways Limited | India | 100% | 100% |
| 14 | Agra Etawah Tollways Limited | India | 100% | 100% |
| 15 | Hospet Chitradurga Tollways Limited | India | 100% | 100% |
| 16 | Frank Llyod Tech Management Services Limited | India | 76% | 76% |
| 17 | Jabalpur Patan Shahpura Tollways Limited | India | 100% | 100% |
| 18 | Ramky Esco Limited | India | 100% | 100% |
| 19 | Pantnagar CETP Private Limited | India | 100% | 100% |
| 20 | Ramky Engineering and Consulting Services (FZC) | Sharjah, UAE Arab Emirates | 100% | 100% |
| **B** | **Step-subsidiaries:** | | | |
| 1 | Ramky Infrastructure Sociedad Anonima Cerradda | Peru | 99% | 99% |
| 2 | Ramky Engineering and Consulting Services Gabon SA | Gabon | 100% | 100% |
| 3 | JNPC Pharma Innovation Limited | India | 100% | 100% |
| **C** | **Jointly controlled entities:** | | | |
| 1 | Jorabat Shillong Expressway Limited | India | 50% | 50% |
| 2 | N.A.M. Expressway Limited | India | 50% | 50% |
| **D** | **Associates:** | | | |
| 1 | Ramky Integrated Township Limited | India | 28.82% | 28.82% |
| 2 | Gwalior Bypass Project Limited | India | 26.01% | 26.01% |

**1.1 Basis of preparation**

**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015, as amended notified under Section 133 of the Companies Act, 2013, (the Act) and other relevant provisions of the Act.

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The consolidated financial statements were authorised for issue by the Board of Directors on 30th May 2018.

The details of the Group's accounting policies are included in Note 1.2.

**(b) Functional and presentation currency**

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

**(c) Basis of measurement**

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

| Items | Measurement basis |
|---|---|
| Certain financial assets and liabilities | Fair value |
| Net defined benefit (asset)/ liability | Fair value of plan assets less present value of defined benefit obligations. |

**(d) Operating cycle for current and non-current classification:**

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the group as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the group covers the duration of the project/contract/ service including the defect liability period, wherever applicable, and extends up to the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

**(e) Use of estimates and judgements**

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**(i) Deferred tax assets**

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

**(ii) Defined benefit plans**

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(iii) Useful lives of depreciable assets**

Management reviews the useful lives of depreciable assets at each reporting. The management assessed that the useful lives represent the expected utility of the assets to the group. Further, there is no significant change in the useful lives as compared to previous year.

**(iv) Impairment of investment in equity instruments of associate companies and Jointly controlled entities**

During the year, the group assessed the investment in equity instrument of associate companies and jointly controlled entities carried at cost for impairment testing. Detailed analysis has been carried out on the future projections and wherever required, necessary impairment has been made.

**(f) Measurement of fair values**

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Significant valuation issues are reported to the Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**1.2 Significant accounting policies**

**(a) Basis of consolidation**

**(i) Subsidiaries**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

**(ii) Non-controlling interests (NCI)**

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

**(iii) Equity accounted investees**

The Group's interests in equity accounted investees comprise interests in joint controlled entities and associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A jointly controlled entity is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and jointly controlled entities are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which joint control ceases.

**iv) Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**(b) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Financial Assets**

- **Initial Recognition**

  In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

- **Subsequent Measurement**

  For purposes of subsequent measurement, financial assets are classified in following categories:

**Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

**Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through Other Comprehensive Income ('OCI') if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments. Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

- **De-recognition of Financial Assets**

  The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**(ii) Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument

**Financial Liabilities**

- **Initial Recognition**

  Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement**

  The measurement of financial liabilities depends on their classification, as described below

  **Financial liabilities at FVTPL**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss. Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

  **Financial liabilities at amortised cost**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. Where the Company issues optionally convertible debenture, the fair value of the liability portion of such debentures is determined using a market interest rate for an equivalent non-convertible debenture. This value is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the instrument. This is recognised and included in shareholders' equity (net of income tax) and are not subsequently re-measured. Where the terms

of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

- **De-recognition of Financial Liabilities**

  Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**(iii) Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

**(c) Property, plant and equipment**

**(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in the statement of profit and loss.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**(ii) Subsequent expenditure**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

**(iii) Depreciation**

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

| Asset Category | Management estimate of useful life | Useful life as per Schedule II |
|---|---|---|
| Office equipment | 5 years | 5 years |
| Furniture and fixtures | 10 years | 10 years |
| Vibrator and needles | 5 years | 5 years |
| Vehicles – cars | 8 years | 8 years |
| Buildings | 30 years | 30 years |
| Roads and water supply | 10 years | 10 years |
| Computer equipment | 3 years | 3 years |
| Lab equipment | 10 years | 10 years |
| Shuttering materials | 5 years | 5 years |
| Vehicles - two wheelers | 10 years | 10 years |
| Pump sets | 5 years | 5 years |

Depreciation is calculated on a pro-rata basis from/upto the date the assets are purchased/sold. Leasehold improvements are amortised over the primary period of the lease or estimated useful life of the assets, whichever is lower. Useful life of assets and residual values are reviewed at each financial year end and adjusted if appropriate.

**(d) Other intangible assets**

**Service concession arrangements**

The Group recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. At the time of initial recognition the intangible asset is recognised at the fair value of the consideration to be received for providing construction of upgrade services in a service concession arrangement. Subsequent to initial recognition the intangible asset is measured at cost, less any accumulated amortisation and accumulated impairment losses.

**Computer software**

Computer software is recorded at the consideration paid for acquisition. Computer software is amortised over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use.

**(i) Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

**(ii) Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss. Intangibles are amortised over their estimated useful lives. The estimated useful lives for computer software are taken as 3 years.

The Group has followed revenue based amortization for intangible assets which are recognised under service concession arrangements for toll road projects, by taking proportionate of actual revenue earned for a year over total projected revenue from project to cost of intangible assets i.e. proportionate of actual revenue earned for the year over total projected revenue from intangible assets expected to be earned over the balance concession period as estimated by the management. Total

projected revenue shall be reviewed at the end of each financial year and the total projected revenue shall be adjusted to reflect any changes in the estimates which lead to actual collection at the end of the concession. For other service concession projects, intangible assets are amortised based on straight line basis.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

**(e) Inventories**

**(i)** Inventories are carried at the lower of cost or net realisable value.

**(ii)** Cost of inventories comprises of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The method of determination of cost is as follows:

- Materials and supplies: on a weighted average method.
- Inventories**:** In case of the real estate activity, the inventories comprise of lands, development of lands, plots, houses and flats. It is valued at direct development cost including related incidental expenditure attributable to the said property to bring it to the marketable stage.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimate costs of completion and selling expenses.

The comparison of cost and net realisable value is made on inventory-by- inventory basis.

**(f) Impairment of assets**

**(i) Financial assets**

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**Measurement of expected credit losses**

The Group has followed Expected credit losses method for its receivables. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expect to receive).

**Presentation of allowance for expected credit losses in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

**Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

**(ii) Non-financial assets**

The Group assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(g) Employee benefits**

**(i) Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**(ii) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

**(iii) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**(h) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and revenue can be reliably measured.

**Real estate**

Revenue from real estate projects is recognised when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from real estate projects including revenue from sale of undivided share of land is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognised by applying the percentage of completion method only if the following thresholds have been met:

a. all critical approvals necessary for the commencement of the project have been obtained;

b. the expenditure incurred on construction and development costs (excluding land cost) is not less than 25 % of the total estimated construction and development costs;

c. at least 25 % of the saleable project area is secured by contracts/ agreements with buyers; and

d. at least 10 % of the contracts/ agreements value are realised at the reporting date in respect of such contracts/agreements.

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied, project revenue (including from sale of undivided share of land) and project costs associated with the real estate project should be recognised as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs).

**Construction contracts**

Revenue from long term construction contracts is recognised on the percentage of completion method as prescribed in Indian Accounting Standard (IndAS) 11 "Construction contracts" as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013.

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably.

If the outcome of a construction contract can be estimated reliably, contract revenue is recognised in profit or loss in proportion to the stage of completion of the contract. Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Contract costs are recognised as expenses as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognised immediately in profit or loss.

**Consulting services**

Revenue from consulting services is recognised in the accounting period in which the services are rendered. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

**Service concession arrangement**

Revenue related to construction or upgrade services provided under a service concession arrangement is recognised based on the stage of completion of the work performed, consistent with the Group's accounting policy on recognising revenue on construction contacts. Operation or service revenue is recognised in the period in which the services are provided by the Company. Toll revenue from operations is recognised on actual collection of toll revenue, net of premium paid as per Concession Agreement.

**Other income**

**(i) Interest income:**

Interest on bank deposits is recognised on the effective interest rate (EIR method) using the underlying interest rates. 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.

**(ii) Rental income:**

Rental income from operating leases is generally recognised over the term of the relevant lease.

**(i) Leases**

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**(j) Government grants**

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

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income on a systematic basis.

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

**(k) Foreign currency**

**(i) Foreign currency transactions**

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

**(ii) Foreign operations**

The assets and liabilities of foreign operations (subsidiaries) are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in a joint venture while retaining joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

**(l) Income-tax**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

**(i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**(ii) Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**Minimum Alternate Tax (MAT) Credit entitlement**

Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will

pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**(m) Segment reporting**

**(i) Business Segment:**

Operating segments are identified in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM has identified two major segments a) construction business and b) Developer business. For the detailed disclosure of segments refer Note 3.

**(ii) Geographical Segment:**

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

**(n) Earnings per share**

The basic earnings per share ("EPS") for the year is computed by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**(o) Provisions, Contingent liabilities and assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**(i) Onerous contracts**

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

**(ii) Contingencies**

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

**(iii) Provision for major maintenance**

Provisions are taken for contractual obligations to maintain the condition of infrastructure under concession, principally to cover the expense of major road repairs (surface courses, restructuring of slow lanes, etc.), bridges, tunnels etc. Provision for major maintenance is determined by discounting the expected maintenance expense spanning several years at a pre-tax rate that reflects the current market assessment of the time value and the risks specific to the liability, and is updated annually. Provisions are also taken whenever recognised signs of defects are encountered on identified infrastructure.

**(p) Borrowing cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalise as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**1.3 Recent Accounting Pronouncements**

**(a) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:**

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018. The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant.

**(b) Ind AS 115, Revenue from Contract with Customers:**

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

(i) Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8

- Accounting Policies, Changes in Accounting Estimates and Errors

(ii) Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (cumulative catch - up approach)

The effect on adoption of Ind AS 115 is expected to be not significant.

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

### 2.1 (a) Property, plant and equipment schedule

| Particulars | Freehold land | Buildings | Plant and equipments | Furniture and fixtures | Construction vehicles | Other vehicles | Office equipment | Computer equipment | Roads and water supply | Total (A) | Capital work-in-progress (B) | Total (A+B) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | | | | | |
| Balance at 1 April 2016 | 88.33 | 447.74 | 2,519.81 | 21.05 | 229.57 | 84.18 | 61.94 | 8.20 | 0.07 | **3,460.92** | **0.42** | **3,461.34** |
| Additions | 1,471.99 | - | 13.09 | 0.32 | - | 8.53 | 1.51 | 2.00 | - | **1,497.44** | - | **1,497.44** |
| Disposals | (1,400.00) | - | (14.03) | - | (6.99) | (9.05) | (0.13) | - | - | **(1,430.20)** | (0.05) | **(1,430.25)** |
| Exchange differences on translation of foreign operations | - | - | - | - | - | - | - | - | - | **-** | - | **-** |
| **Balance at 31 March 2017** | **160.32** | **447.74** | **2,518.87** | **21.37** | **222.58** | **83.67** | **63.33** | **10.20** | **0.07** | **3,528.16** | **0.37** | **3,528.52** |
| Additions | **215.05** | **-** | **258.92** | **0.44** | **-** | **8.59** | **2.50** | **27.23** | **-** | **512.73** | **158.51** | **671.24** |
| Disposals | **-** | **-** | **(220.82)** | **-** | **(68.33)** | **(5.02)** | **-** | **-** | **-** | **(294.16)** | **-** | **(294.16)** |
| Exchange differences on translation of foreign operations | **-** | **0.05** | **0.79** | **0.03** | **-** | **0.09** | **0.03** | **-** | **-** | **1.00** | **-** | **1.00** |
| **Balance at 31 March 2018** | **375.37** | **447.79** | **2,557.77** | **21.85** | **154.25** | **87.33** | **65.86** | **37.43** | **0.07** | **3,747.72** | **158.88** | **3,906.59** |
| **Accumulated depreciation** | | | | | | | | | | | | |
| Balance at 1 April 2016 | - | 19.02 | 374.89 | 4.98 | 51.23 | 25.54 | 16.50 | 4.31 | 0.01 | **496.48** | - | **496.48** |
| Depreciation for the year | **-** | 31.71 | 381.13 | 3.91 | 60.47 | 19.51 | 12.11 | 2.10 | | **510.93** | - | **510.93** |
| Disposals | - | - | (4.87) | - | (5.18) | (8.56) | (0.11) | - | | **(18.72)** | - | **(18.72)** |
| Exchange differences on translation of foreign operations | - | - | - | - | - | | | | | | | |
| **Balance at 31 March 2017** | **-** | **50.73** | **751.15** | **8.89** | **106.52** | **36.49** | **28.50** | **6.41** | **0.01** | **988.68** | **-** | **988.69** |
| Depreciation for the year | **-** | **18.27** | **324.62** | **2.92** | **54.70** | **16.88** | **9.45** | **10.10** | **-** | **436.95** | - | **436.95** |
| Disposals | **-** | **-** | **(109.72)** | **-** | **(58.65)** | **(4.59)** | **-** | **-** | **-** | **(172.96)** | - | **(172.96)** |
| Exchange differences on translation of foreign operations | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | - | **-** |
| **Balance at 31 March 2018** | **-** | **69.00** | **966.05** | **11.81** | **102.57** | **48.77** | **37.95** | **16.51** | **0.01** | **1,252.67** | **-** | **1,252.67** |
| **Carrying amounts** | | | | | | | | | | | | |
| **At 31 March 2017** | **160.32** | **397.02** | **1,767.72** | **12.48** | **116.06** | **47.18** | **34.83** | **3.80** | **0.06** | **2,539.47** | **0.37** | **2,539.84** |
| **At 31 March 2018** | **375.37** | **378.79** | **1,591.72** | **10.03** | **51.68** | **38.56** | **27.91** | **20.92** | **0.06** | **2,495.04** | **158.88** | **2,653.92** |

(All amounts are Rs. in Millions, unless otherwise stated)

**2.1 (b) Intangible assets**

| Particulars | Computer software | Concession intangibles | Total (A) | Intangible assets under development (B) | Total (A+B) |
|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | |
| Balance at 1 April 2016 | 91.97 | 553.53 | **645.50** | **36.83** | **682.33** |
| Additions | 2.87 | 1.31 | **4.18** | | **4.18** |
| Disposals | | | **-** | | **-** |
| **Balance at 31 March 2017** | **94.84** | **554.84** | **649.68** | **36.83** | **686.51** |
| Additions | 42.16 | 67.69 | **109.85** | - | **109.85** |
| Disposals | **-** | **-** | **-** | **(36.83)** | **(36.83)** |
| **Balance at 31 March 2018** | **136.99** | **622.53** | **759.53** | **-** | **759.52** |
| **Accumulated depreciation** | | | | | |
| Balance at 1 April 2016 | 36.20 | 56.93 | 93.13 | - | **93.13** |
| Depreciation for the year | 28.38 | 54.65 | 83.03 | | **83.03** |
| Disposals | | | **-** | | **-** |
| **Balance at 31 March 2017** | **64.58** | **111.58** | **176.16** | **-** | **176.16** |
| Depreciation for the year | 58.55 | 58.94 | 117.50 | - | **117.50** |
| Disposals | - | - | - | - | **-** |
| **Balance at 31 March 2018** | **123.13** | **170.53** | **293.66** | **-** | **293.66** |
| **Carrying amounts** | | | | | |
| **At 31 March 2017** | **30.26** | **443.26** | **473.51** | **36.83** | **510.34** |
| **At 31 March 2018** | **13.87** | **452.00** | **465.86** | **-** | **465.86** |

**2.1 (c) Goodwill on consolidation**

For the purposes of impairment testing, carrying amount of goodwill has been allocated to the following Cash Generating Units (CGU's):

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| MDDA-Ramky IS Bus Terminal Limited | **17.61** | 17.61 |
| Ramky Pharma City (India) Limited | **3.66** | 3.66 |
| Frank Llyod Tech Management Services Limited | **0.04** | 0.04 |
| **Total** | **21.30** | **21.30** |

The recoverable amounts of the above CGU's have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources and future projections.

The cash flow projections included specific estimates for eight years developed using internal forecasts and a terminal growth rate thereafter. The planning horizon reflects the assumptions for short-to-mid term market developments.

Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs.

The management believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

(All amounts are Rs. in Millions, unless otherwise stated)

**2.2 Investments (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **(a) Investment in unquoted equity instruments -at cost** | | |
| **(i) in associates:** | | |
| Ramky Integrated Township Limited | **72.73** | 70.46 |
| 18,241 (31 March 2017: 18,241) equity shares of Rs. 10 each, fully paid | | |
| Gwalior Bypass Project Limited | **0.90** | 0.90 |
| 25,500 (31 March 2017: 25,500) equity shares of Rs. 10 each, fully paid | | |
| **(ii) in jointly controlled entities** | | |
| N.A.M. Expressway Limited | **558.23** | 874.63 |
| 11,67,55,000 (31 March 2017: 116,755,000) equity shares of Rs.10 each | | |
| Jorabat Shillong Expressway Limited | **689.44** | 708.04 |
| 4,20,00,000 (31 March 2017: 42,000,000) equity shares of Rs.10 each | | |
| **(b) Investments in preference instruments of associates - at amortised cost** | | |
| Gwalior Bypass Project Limited | **0.26** | 0.26 |
| 2,440 (31 March 2017: 25,500) equity shares of Rs. 10 each, fully paid | | |
| **(c) Investments in equity instruments of others: at FVTPL** | | |
| **(i) Quoted** | | |
| 17,817.341 units in IDFC Cash Fund- Plan A-Growth (Face value of Rs. 1,000 each) | **53.26** | 49.02 |
| **(ii) Un-quoted** | | |
| Delhi MSW Solutions Limited | **0.10** | 0.10 |
| 5,000 (31 March 2017: 5,000) equity shares of Rs. 10 each, fully paid | | |
| Triteus Holdings Private Limited | **0.40** | 0.40 |
| 40,000 (31 March 2017: 40,000) equity shares of Rs.10 each, fully paid | | |
| **Total** | **1,375.32** | **1,703.80** |
| Aggregate book value of quoted investment | **53.26** | 49.02 |
| Aggregate book value of unquoted investment | **1,322.06** | 1,654.78 |
| Aggregate market value of quoted investment | **53.26** | 49.02 |
| Aggregate amount of impairment in value of investments | **-** | - |
| Investments at cost | **1,321.30** | 1,654.02 |
| Investments at amortized cost | **0.26** | 0.26 |
| Investments at FVTOCI | **-** | - |
| Investments at FVTPL | **53.76** | 49.52 |

**2.3 Trade receivables (Non-Current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Long term trade receivables** | | |
| Unsecured, considered good | **23.85** | 20.12 |
| Unsecured, considered doubtful | **259.53** | 251.41 |
| Less: Provision for doubtful debts | **(259.53)** | (251.41) |
| | **23.85** | **20.12** |

(All amounts are Rs. in Millions, unless otherwise stated)

**2.4 Loans (Non-Current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Unsecured, considered good** | **701.86** | 805.70 |
| **Other loans and advances** | | |
| Advances to contractors including sub-contractors | **-** | 825.00 |
| | **701.86** | **1,630.70** |

**2.5 Other financial assets (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Receivable under SCA | **19,021.18** | 15,917.38 |
| Security deposits | **113.45** | 105.90 |
| Retention money | **-** | 0.01 |
| Interest accrued but not due | **0.18** | 1.29 |
| Bank deposits with maturity more than 12 months | **-** | 12.06 |
| Balances with bank for unclaimed dividend | **0.29** | 0.29 |
| | | |
| **Unsecured, considered doubtful:** | | |
| Earnest money deposit | **7.92** | 7.92 |
| Less: Loss allowance | **(7.92)** | (7.92) |
| | **19,135.10** | **16,036.93** |

**2.6 Deferred tax assets (net)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **(A) Deferred tax assets** | | |
| Provision for doubtful receivables and advances | **697.81** | 561.76 |
| Accrued employee benefits | **29.42** | 24.43 |
| MAT credit entitlement | **386.23** | 360.20 |
| Unabsorbed depreciation and business losses | **2,465.59** | 2,526.10 |
| Other timing differences | | |
| - Property, plant and equipment | **15.56** | 7.22 |
| - Others | **75.86** | 767.76 |
| | **3,670.46** | **4,247.47** |
| **(B) Deferred tax liability** | | |
| Property, plant and equipment | **65.45** | 143.03 |
| Other timing differences | **55.25** | 5.64 |
| Investments | **5.16** | 3.87 |
| Service concession arrangements (SCA) | **9.98** | 14.32 |
| | **135.85** | **166.86** |
| **Deferred tax assets, net (A-B)** | **3,534.61** | **4,080.61** |

**Reconciliation of effective tax rate**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| **Profit before tax** | **1,111.14** | **500.46** |
| Tax using the Company's domestic tax rate (Current year 34.608% and Previous Year 34.608%) | **384.54** | 173.20 |
| Non-deductible tax expenses | **20.38** | 7.27 |
| Tax-exempt income | **-** | (0.67) |
| Interest expense not deductible for tax purposes | **55.88** | 91.28 |
| Current-year losses for which no deferred tax asset is recognised | **13.24** | 13.43 |
| Others | **(20.88)** | 57.75 |
| | **453.17** | **342.25** |

(All amounts are Rs. in Millions, unless otherwise stated)

**2.7 Non-current tax assets (net)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Advance tax (net of provision for tax) | **783.93** | 909.66 |
| | **783.93** | **909.66** |

**2.8 Other non-current assets**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Capital advances | **46.72** | 48.12 |
| **Other loans and advances:** | | |
| - Receivables from statutory/government authorities | **478.84** | 250.35 |
| - Prepaid expenses | **8.75** | 23.72 |
| | **534.30** | **322.19** |

**2.9 Inventories**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Raw materials and components | **865.54** | 1,027.23 |
| Contract work-in-progress | **2,711.75** | 2,903.49 |
| Properties under development | **1,623.84** | 1,332.79 |
| Stock of traded goods | **2.21** | 5.21 |
| | **5,203.35** | **5,268.72** |

**2.10 Trade receivables (Current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Unsecured, considered good | **9,430.79** | 11,910.27 |
| Unsecured, considered doubtful | **955.78** | 926.43 |
| Less: Provision for doubtful debts | **(955.78)** | (926.43) |
| | **9,430.79** | **11,910.27** |

**2.11 Cash and Bank balances**

| Particulars | | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|
| **A** | **Cash and cash equivalent** | | |
| | Cheques, drafts on hand | **0.05** | 0.27 |
| | Cash on hand | **6.23** | 143.09 |
| | Current accounts | **529.64** | 638.05 |
| | Deposit accounts | **56.58** | 20.72 |
| | **2.11 A** | **592.51** | **802.13** |
| **B** | **Bank balances other than above** | | |
| | Bank Deposits with maturity more than 3 months but less than 12 months* **2.11 B** | **208.50** | 249.17 |
| | | **801.01** | **1,051.30** |

* The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

(All amounts are Rs. in Millions, unless otherwise stated)

**2.12 Loans (Current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Unsecured, considered good | **911.01** | 1,157.61 |
| Unsecured, considered doubtful | **420.60** | 442.18 |
| Less: Provision for doubtful loans and advances | **(420.60)** | (442.18) |
| | **911.01** | 1,157.61 |
| **Others** | | |
| Advance towards purchase of industrial lands | **13.41** | 1,217.02 |
| Other advances and receivables | **1.36** | 56.39 |
| Security deposits | | |
| Advance Tax (net of provision) | **-** | 14.00 |
| VAT and Service Tax/Cenvat | **0.09** | - |
| | **925.87** | **2,445.02** |

**2.13 Other financial assets (Current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Security deposits | **48.87** | 46.19 |
| Interest accrued | **53.19** | 263.33 |
| Others (Bonus/Grant receivable) | **315.00** | 315.00 |
| SCA receivables | **1,086.20** | 630.00 |
| **Other loans and advances:** | | |
| - Earnest money deposit | **150.54** | 92.22 |
| - Loans and advances to employees | **3.11** | 35.90 |
| - Others | **-** | - |
| | **1,656.91** | **1,382.64** |

**2.14 Other current assets**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Unsecured, considered good:** | | |
| Mobilisation and material advances | **265.17** | 693.45 |
| Advances recoverable in cash or in kind | **1,998.26** | 4,066.31 |
| **Other loans and advances:** | | |
| - Balances with statutory/government authorities | **591.10** | 598.81 |
| - Prepaid expenses | **145.18** | 170.90 |
| - Other advances | **104.45** | 630.66 |
| | **3,104.15** | **6,160.13** |

**2.15 Share capital**

| Particulars | As at 31 March 2018 | | As at 31 March 2017 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Share capital** | | | | |
| **Authorised capital** | | | | |
| 70,000,000 Equity shares of Rs. 10 each | **70,000,000** | **700.00** | 70,000,000 | 700.00 |
| **Issued, Subscribed and Paid-up** | | | | |
| 57,197,791 Equity shares of Rs. 10 each, fully paid-up | **57,197,791** | **571.98** | 57,197,791 | 571.98 |
| | | **571.98** | | **571.98** |

(All amounts are Rs. in Millions, unless otherwise stated)

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

| Particulars | As at 31 March 2018 | | As at 31 March 2017 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Equity Shares:** | | | | |
| Balance at the beginning and end of the year | **57,197,791** | **571.98** | 57,197,791 | 571.98 |

**(b) Rights, preferences and restrictions attached to the equity shares:**

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

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

| Particulars | As at 31 March 2018 | | As at 31 March 2017 | |
|---|---|---|---|---|
| | Number | % holding | Number | % holding |
| Alla Ayodhya Rami Reddy | **34,556,122** | **60.42%** | 34,556,122 | 60.42% |

**2.16 Reserves and surplus**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **a) Securities Premium Account** | | |
| Balance at the beginning of the year | **4,081.35** | 4,081.35 |
| Additions during the year | **-** | - |
| Balance at the end of the year | **4,081.35** | **4,081.35** |
| **b) General reserve** | | |
| Balance at the beginning of the year | **250.00** | 250.00 |
| Additions during the year | **-** | - |
| Balance at the end of the year | **250.00** | **250.00** |
| **c) Deficit in Statement of Profit and Loss** | | |
| Balance at the beginning of the year | **(1,453.83)** | (1,393.40) |
| Add: Net profit/(Loss) after tax transferred from statement of profit and loss | **285.91** | (60.42) |
| Balance at the end of the year | **(1,167.91)** | **(1,453.83)** |
| **Other comprehensive income** | | |
| **d) Foreign currency translation reserve** | | |
| Balance at the beginning of the year | **60.25** | 60.25 |
| Additions during the year | **(18.34)** | - |
| Balance at the end of the year | **41.92** | **60.25** |
| **e) Remeasurements of the net defined benefit plans** | | |
| Balance at the beginning of the year | **(10.19)** | (11.34) |
| Additions during the year | **25.12** | 1.15 |
| Balance at the end of the year | **14.93** | **(10.19)** |
| **f) Money received against Share Warrants** | | |
| Balance at the beginning of the year | **-** | - |
| Additions during the year | **303.00** | - |
| Balance at the end of the year | **303.00** | **-** |
| | **3,523.28** | **2,927.58** |

(All amounts are Rs. in Millions, unless otherwise stated)

**2.17 Borrowings (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Secured loans:** | | |
| - Term loans from banks | **18,053.45** | 19,351.82 |
| **From others:** | | |
| - Term loans from others | **349.68** | 533.39 |
| **Unsecured loans:** | | |
| From related parties | **1,715.01** | 1,135.96 |
| | **20,118.14** | **21,021.17** |

Refer Note 16 for nature and terms of repayment for secured and unsecured borrowings and note 17 for datails of delays in repayment of dues to banks.

**2.18 Trade payables (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Trade payables | **11.78** | 15.61 |
| | **11.78** | **15.61** |

**2.19 Other financial liabilities (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Security deposits | **52.16** | 24.49 |
| | **52.16** | **24.49** |

**2.20 Provisions (Non-current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Provision for employee benefits** | | |
| Gratuity | **32.73** | 39.73 |
| Compensated absences | **20.63** | 18.29 |
| Provision for income tax | **60.96** | 27.68 |
| | **114.31** | **85.70** |

**2.21 Deferred tax liabilities, net**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **(A) Deferred tax liabilities** | | |
| Receivables under SCA and others | **120.93** | 110.28 |
| Interest - effective interest rate | **37.63** | 54.00 |
| Financial instruments | **365.63** | 201.63 |
| | **524.19** | **365.91** |
| **(B) Deferred tax assets** | | |
| MAT credit entitlement | **86.96** | 12.48 |
| Financial instruments | **33.64** | 26.39 |
| SCA adjustments | **15.69** | 91.53 |
| | **136.30** | **130.40** |
| **Deferred tax liabilities, net (A-B)** | **387.89** | **235.51** |

(All amounts are Rs. in Millions, unless otherwise stated)

**2.22 Other non-current liabilities**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Interest accrued but nor due | **134.39** | 58.19 |
| Mobilisation and other advances | **2,523.22** | - |
| Security deposits | **58.75** | 53.66 |
| | **2,716.36** | **111.85** |

**2.23 Borrowings (Current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Secured** | | |
| **Loans repayable on demand** | | |
| Cash credit - from banks | **3,799.86** | 4,741.78 |
| Working capital demand loan | **52.54** | 53.48 |
| **Unsecured** | | |
| **Loans repayable on demand** | | |
| From corporates (Related party) | **245.18** | 688.43 |
| | **4,097.58** | **5,483.69** |

Refer Note 16 for nature and terms of repayment for secured and unsecured borrowings and note 17 for datails of delays in repayment of dues to banks.

**2.24 Trade payables**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Towards creditors other than micro and small enterprises | **8,214.51** | 9,456.93 |
| Security deposits | **3.04** | 1.20 |
| | **8,217.55** | **9,458.13** |

**2.25 Other financial liabilities**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Current maturities of long term debt | **5,488.61** | 4,327.09 |
| Interest accrued | **630.32** | 1,193.13 |
| Advances received | **-** | 833.75 |
| Security deposits received | **47.82** | 51.41 |
| Unclaimed dividend | **0.29** | 0.29 |
| Retention money | **118.48** | 25.46 |
| Capital creditors | **15.36** | 25.27 |
| Equipment and vehicle loan | **-** | 122.45 |
| | **6,300.88** | **6,578.85** |

(All amounts are Rs. in Millions, unless otherwise stated)

**2.26 Other current liabilities**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Advance from contractees | **1,190.97** | 1,104.75 |
| Statutory dues payable | **357.34** | 458.71 |
| Salary payable | **86.92** | 112.44 |
| Creditors for capital goods | **40.07** | 4.95 |
| Expenses payable | **237.63** | 249.37 |
| Other liabilities | **192.13** | 192.95 |
| Mobilisation and other advances | **721.07** | 5,957.07 |
| | **2,826.13** | **8,080.23** |

**2.27 Provisions (Current)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Provision for employee benefits** | | |
| Gratuity (refer note 9) | **2.97** | 1.81 |
| Compensated absences | **5.54** | 3.15 |
| **Others** | | |
| Provision for future losses | **166.36** | 156.94 |
| Provision for expenses | **25.69** | 63.20 |
| Provision for taxation | **0.00** | 0.08 |
| | **200.57** | **225.18** |

**2.28 Current tax liabilities (net)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Provision for income tax | **0.04** | 0.06 |
| Receivable from income tax authority | **0.03** | 0.03 |
| | **0.01** | **0.03** |

(All amounts are Rs. in Millions, unless otherwise stated)

**2.29 Revenue from operations**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Contract revenue | **11,280.36** | 13,994.74 |
| Contract revenue - SCA | **2,307.58** | 1,524.79 |
| Revenue from sale of flats and industrial plots | **1,101.53** | 476.22 |
| Operating and maintenance charges | **1,090.17** | 1,183.34 |
| Sale of trading products | **5.33** | 6.90 |
| | **15,784.97** | **17,185.99** |

**2.30 Other income**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Interest income (Fixed deposits and loan) | **219.97** | 256.65 |
| Dividend on shares | **-** | - |
| Interest income (receivable on SCA) | **2,133.87** | 1,453.09 |
| Adjustment for rent received | **16.21** | 5.45 |
| Earlier year provision and liability no longer required | **2,461.04** | 1,282.21 |
| Profit on sale of assets | **-** | 636.07 |
| Insurance claim | **350.98** | 220.34 |
| Miscellaneous income | **67.69** | 54.43 |
| | **5,249.75** | **3,908.24** |

**2.31 Operating expenses**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Contract materials consumed | **2,260.94** | 3,545.68 |
| Sub-contractor expenses | **4,080.54** | 4,808.92 |
| Development expenditure | **478.22** | 252.24 |
| Development expenditure - SCA | **738.94** | 923.68 |
| Operations and maintenance | **738.71** | 938.76 |
| Contract wages | **2,384.98** | 2,224.53 |
| Rates and taxes | **164.18** | 513.95 |
| Consultancy charges | **25.14** | 21.95 |
| Asset lease rentals and hire charges | **169.97** | 139.47 |
| Power and fuel | **848.91** | 134.88 |
| Contract recoveries | **261.55** | 202.90 |
| Transport charges | **123.72** | 36.51 |
| Repairs and maintenance - plant and machinery | **175.35** | 127.11 |
| Water, consumable and other site expenses | **214.76** | 246.33 |
| Waste disposal charges | **4.87** | - |
| Security charges | **8.31** | 8.28 |
| | **12,679.10** | **14,125.19** |

(All amounts are Rs. in Millions, unless otherwise stated)

**2.32 Cost of traded materials consumed**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Opening stock | **0.27** | 0.27 |
| Purchase of traded goods | **2.98** | 1.96 |
| Closing stock | **0.27** | 0.27 |
| | **2.98** | **1.96** |

**2.33 Change in inventory of finished goods, work-in-progress and stock-in trade**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Work-in-progress | **472.64** | 395.17 |
| | **472.64** | **395.17** |

**2.34 Employee benefits expense**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Salaries, wages and bonus | **451.97** | 432.47 |
| Contribution to provident fund and other funds | **23.75** | 17.84 |
| Workmen and staff welfare expenses | **24.24** | 27.93 |
| | **499.96** | **478.24** |

**2.35 Finance costs**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Interest on loans | **3,504.64** | 3,852.62 |
| Interest on loans for fixed period | | |
| Interest on working capital loans | | |
| Other interest | **105.56** | 47.97 |
| Bank charges | **0.26** | 2.15 |
| Other borrowing costs | **78.41** | 87.68 |
| | **3,688.86** | **3,990.42** |
| **Depreciation and amortization expense** | | |
| Depreciation | **554.44** | 593.96 |
| Amortization of intangible assets | **-** | - |
| | **554.44** | **593.96** |

**2.36 Other expenses**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Rent | **43.24** | 43.17 |
| Security charges | **39.95** | 44.28 |
| Travelling and conveyance | **30.54** | 33.37 |
| Insurance | **22.81** | 23.87 |
| Legal and professional fees | **93.56** | 88.58 |
| Operation and maintenance expense | **8.27** | 2.24 |

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Electricity charges | **23.35** | 20.92 |
| Rates and taxes/Fees | **38.16** | 26.34 |
| Foreign exchange loss | **19.57** | - |
| Communication | **7.75** | 9.28 |
| Printing and stationery | **0.70** | 0.80 |
| Repairs and maintenance: | | |
| - buildings | **29.88** | 17.18 |
| - others | **0.42** | 11.07 |
| Donations | **2.04** | 0.66 |
| Sales promotion and advertisement | **0.36** | 0.79 |
| Business promotion expenses | **2.77** | 1.36 |
| Loss on sale of fixed assets (net) | **0.49** | 1.27 |
| Provision for doubtful debts | **37.48** | 1.89 |
| Provision for foreseeable losses | **9.43** | 5.47 |
| Provision for doubtful advances/receivables | **20.37** | - |
| Advances written off | **1,546.11** | 649.77 |
| Miscellaneous expenses | **43.07** | 18.73 |
| Internet expense | **4.95** | 2.58 |
| Postage and telegram expense | **0.04** | 0.10 |
| Others | **0.31** | 5.12 |
| | **2,025.60** | **1,008.83** |

**Details of payments to auditors**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Included in legal and professional | | |
| Audit fees | **2.80** | 2.80 |
| Other services (certification) | **5.00** | 5.00 |
| Out of pocket expenses | **0.28** | 0.47 |
| | **8.08** | **8.27** |

**3 Operating segments**

**A Basis for segmentation**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Group operates primarily in Construction and Developer divisions, as described below, which are the Group's strategic business units. These business units offer different services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Company's CODM reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

| Reportable segments | Operations |
|---|---|
| Construction business | Engaged in Engineering, Procurement, and Construction Contracts |
| Developer business | Engaged in Construction and development of real estate properties |

(All amounts are Rs. in Millions, unless otherwise stated)

**B Information about reportable segments**

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

**Year ended 31 March 2018**

| Particulars | Construction business | Developer business | Other segments | Total |
|---|---|---|---|---|
| Segment revenue: | | | | |
| - External revenue | 13,464.37 | 2,308.22 | 12.38 | 15,784.97 |
| - Inter-segment revenue | 2,431.74 | - | - | 2,431.74 |
| **Total segment revenue** | **15,896.11** | **2,308.22** | **12.38** | **18,216.71** |
| **Operating profit** | (715.77) | 330.13 | (64.14) | (449.78) |
| Other income | | | | 5,249.75 |
| Interest expense | | | | 3,688.86 |
| **Profit before taxation** | | | | **1,111.11** |
| Taxation | | | | 453.18 |
| Share of profit (loss) of equity accounted investees | | | | (332.72) |
| **Profit for the year** | | | | **325.21** |
| Other comprehensive income | | | | 7.40 |
| **Total comprehensive income for the year** | | | | **332.62** |
| Share of non controlling interests | | | | 39.95 |
| Owners of the Company | | | | 292.66 |
| Segment assets | 26,066.82 | 24,209.31 | 76.01 | **50,352.13** |
| Segment liabilities | 22,847.22 | 22,136.37 | 59.76 | **45,043.36** |
| Capital expenditure during the year | 51.04 | 572.22 | 2.18 | **625.43** |
| Depreciation/Amortisation expenses | 395.73 | 99.86 | 58.85 | **554.44** |
| Non-cash expenses other than depreciation/amortisation | 1467.61 | 145.76 | 0.00 | **1,613.38** |

**Year ended 31 March 2017**

| Particulars | Construction business | Developer business | Other segments | Total |
|---|---|---|---|---|
| **Segment revenue:** | | | | |
| - External revenue | 15,245.67 | 1,903.32 | 37.00 | 17,185.99 |
| - Inter-segment revenue | 1,234.42 | 0.00 | 16.06 | 1,250.47 |
| **Total segment revenue** | **16,480.08** | **1,903.32** | **53.05** | **18,436.46** |
| **Operating profit** | 450.84 | 138.55 | (6.76) | 582.62 |
| Other income | | | | 3,908.23 |
| Interest expense | | | | 3,990.42 |
| **Profit before taxation** | | | | 500.43 |
| Taxation | | | | 342.25 |
| Share of profit (loss) of equity accounted investees | | | | (277.19) |
| **Profit for the year** | | | | (119.01) |
| Other comprehensive income | | | | 1.15 |
| **Total comprehensive income for the year** | | | | (117.86) |

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | Construction business | Developer business | Other segments | Total |
|---|---|---|---|---|
| Share of non controlling interests | | | | (58.58) |
| Owners of the Company | | | | (59.28) |
| Segment assets | 34,696.05 | 21,171.47 | 126.05 | **55,993.57** |
| Segment liabilities | 30,652.63 | 20,607.08 | 60.73 | **51,320.44** |
| Capital expenditure during the year | 141.88 | 1,356.87 | 2.87 | **1,501.62** |
| Depreciation/Amortisation expenses | 469.10 | 94.87 | 30.00 | **593.96** |
| Non-cash expenses other than depreciation/amortisation | 678.54 | 1.89 | - | **680.43** |

**C Geographical information**

During the year under report and during the previous year, the Group has engaged in their business primarily within India. The scale of operations in other countries does not constitute a reportable segment. The conditions prevailing in India being uniform, no separate geographical disclosure is considered necessary.

**4 Equity accounted investees**

See accounting policies in Notes 1.2 (a) (iv)-(v).

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| **Interest in joint venture and associates** | | |
| N.A.M.Expressway Limited, Joint Venture | **50.00%** | 50.00% |
| Jorabat Shillong Expressway Limited, Joint Venture | **50.00%** | 50.00% |
| Ramky Integrated Township Limited, Associate | **28.82%** | 28.82% |

**Joint venture**

N.A.M.Expressway Limited and Jorabat Shillong Expressway Limited are joint venture in which the Group has joint control and a 50% ownership interest.

The following table summarises the financial information of N.A.M.Expressway Limited (Joint venture) and the carrying amount of the Group's interest in the company:

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| **Percentage ownership interest** | **50%** | 50% |
| Non-current assets | **20,885.02** | 20,760.29 |
| Current assets (including cash and cash equivalents –31 March 2018: Rs. 38.14 Millions, 31 March 2017: Rs. 17.73 Millions) | **75.47** | 74.32 |
| Non-current liabilities | **(18,387.37)** | (14,615.04) |
| (non-current liabilities other than trade payables and other financial liabilities and provisions – 31 March 2018: Rs. 17995.06 Millions, 31 March 2017: Rs. 14263.90 Millions) | | |
| Current liabilities | **(1,457.10)** | (4,470.34) |
| (current liabilities other than trade payables and other financial liabilities and provisions– 31 March 2018: Rs. 242.43 Millions, 31 March 2017: Rs. 274.88 Millions) | | |
| **Net assets** | **1,116.02** | **1,749.23** |
| Group's share of net assets (50%) | **558.01** | 874.61 |
| **Carrying amount of interest in joint venture** | **558.01** | **874.61** |
| Revenue from operations | **2,055.20** | 3,144.12 |
| Depreciation and amortization expense | **497.25** | 603.00 |
| Income tax expense | **2.30** | (193.63) |
| Loss | **(634.70)** | (364.97) |

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Other comprehensive income | **1.92** | - |
| Total comprehensive loss | **(632.79)** | (364.97) |
| Group's share of Profit (50%) | **(317.35)** | **(182.48)** |
| Group's share of OCI (50%) | **0.96** | **-** |
| **Group's share of total comprehensive income (50%)** | **(316.39)** | **(182.48)** |

The following table summarises the financial information of Jorabat Shillong Expressway Limited (Joint venture) and the carrying amount of the Group's interest in the company:

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| **Percentage ownership interest** | **50%** | 50% |
| Non-current assets | **11,374.62** | 9,255.99 |
| Current assets (including cash and cash equivalents – 31 March 2018: Rs. 62.14 Millions, 31 March 2017: Rs. 25.33 Millions) | **5,840.15** | 4,786.26 |
| Non-current liabilities (non-current liabilities other than trade payables and other financial liabilities and provisions – 31 March 2018: Rs. 7651.12.00 Millions, 31 March 2017: Rs. 6499.00 Millions) | **(8,155.80)** | (6,905.77) |
| Current liabilities (current liabilities other than trade payables and other financial liabilities and provisions– 31 March 2018: Rs. 5377.11 Millions, 31 March 2017: Rs. 4986.78 Millions) | **(7,680.09)** | (5,720.37) |
| **Net assets** | **1,378.89** | 1,416.10 |
| Group's share of net assets (50%) | **689.45** | 708.05 |
| **Carrying amount of interest in joint venture** | **689.45** | 708.05 |
| Revenue | **2,945.90** | 988.85 |
| Depreciation and amortisation | **-** | - |
| Interest expense | **1,570.82** | 1,416.66 |
| Income tax expense | **36.07** | - |
| Profit | **(37.21)** | (195.97) |
| Other comprehensive income | **-** | - |
| Total comprehensive income | **(37.21)** | (195.97) |
| Group's share of Profit (50%) | **(18.61)** | **(97.99)** |
| Group's share of OCI (50%) | **-** | **-** |
| **Group's share of total comprehensive income (50%)** | **(18.61)** | **(97.99)** |

In years ended 31 March 2018 and 31 March 2017, the Group did not receive dividends from the joint venture.

(All amounts are Rs. in Millions, unless otherwise stated)

**Associates**

The following table summarises the financial information of Ramky Integrated Township Limited (associate) and the carrying amount of the Group's interest in the company:

| | 31 March 2018 | 31 March 2017 |
|---|---|---|
| **Percentage ownership interest** | **28.82%** | 28.82% |
| Non-current assets | **31.62** | 22.28 |
| Current assets (including cash and cash equivalents – 31 March 2018: Rs. 6.05 Millions , 31 March 2017: Rs. 30.93 Millions) | **3,913.19** | 3,885.66 |
| Non-current liabilities | **(10.61)** | (121.44) |
| (non-current liabilities other than trade payables and other financial liabilities and provisions – 31 March 2018: Rs. 7.54 Millions, 31 March 2017: Rs. 118.58 Millions) | | |
| Current liabilities | **(624.67)** | (484.86) |
| (current liabilities other than trade payables and other financial liabilities and provisions– 31 March 2018: Rs. 577.00 Millions , 31 March 2017: Rs. 450.08 Millions) | | |
| **Net assets** | **3,309.54** | 3,301.64 |
| **Group's share of net assets (28.82%)** | **953.81** | 951.53 |
| **Securities premium not pertaining to Parent company** | **947.52** | 947.52 |
| **Carrying amount of interest in associate** | **6.29** | 4.01 |
| Revenue | **534.33** | 529.80 |
| Depreciation and amortisation | **0.53** | 0.57 |
| Interest expense | **29.21** | 12.77 |
| Income tax expense | **4.48** | 6.12 |
| Profit | **8.29** | 11.52 |
| Other comprehensive income | **0.39** | 0.15 |
| Total comprehensive income | **7.90** | 11.37 |
| Group's share of Profit (28.82%) | **2.39** | 3.32 |
| Group's share of OCI (28.82%) | **0.11** | 0.04 |
| **Group's share of total comprehensive income (28.82%)** | **2.28** | 3.28 |

In years ended 31 March 2018 and 31 March 2017, the Group did not receive dividends from the joint venture.

(All amounts are Rs. in Millions, unless otherwise stated)

**5 Non-controlling interest**

See accounting policies in Notes 1.2(a) (ii)

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations

**31 March 2018**

| Particulars | Ramky Pharma City (India) Limited | Ramky Elsamex Hyderabad Ring Road Limited | Ramky Towers Limited | Srinagar Banihal Expressway Limited | Frank Llyod Tech Management Services Limited |
|---|---|---|---|---|---|
| **NCI percentage** | **49.00%** | **26.00%** | **49.00%** | **26.00%** | **24.00%** |
| Non-current assets | 1,282.11 | 1,674.09 | 48.62 | 17,672.24 | 25.72 |
| Current assets | 2,342.36 | 1,151.57 | 1,959.86 | 1,013.41 | 47.17 |
| Non-current liabilities | 792.91 | 1,429.24 | 14.83 | 14,781.38 | 35.78 |
| Current liabilities | 1,249.38 | 863.89 | 1,782.01 | 2,988.09 | 59.02 |
| Net assets | 1,582.19 | 532.53 | 211.64 | 916.17 | (21.92) |
| **Net assets attributable to NCI** | **775.27** | **138.46** | **103.70** | **238.21** | **(5.26)** |
| Revenue | 1,559.48 | 21.33 | 395.27 | 2,261.23 | 12.38 |
| Profit | 81.93 | 126.83 | (58.37) | 26.87 | (52.35) |
| OCI | 1.48 | - | - | - | (0.48) |
| Total comprehensive income | 83.41 | 126.83 | (58.37) | 26.87 | (52.83) |
| **Profit allocated to NCI** | 40.15 | 32.98 | (28.60) | 6.99 | (12.56) |
| **OCI allocated to NCI** | 0.73 | - | - | - | (0.11) |
| **Total comprehensive income allocated to NCI** | **40.87** | **32.98** | **(28.60)** | **6.99** | **(12.68)** |
| Cash flows from (used in) operating activities | 257.99 | 178.52 | (92.58) | (229.61) | (0.39) |
| Cash flows from (used in) investing activities | (155.05) | (0.01) | 23.81 | - | (0.52) |
| Cash flows from (used in) financing activities | (199.16) | (131.08) | 51.76 | 225.86 | 0.86 |
| **Net increase (decrease) in cash and cash equivalents** | **(96.23)** | **47.43** | **(17.01)** | **(3.75)** | **(0.06)** |

**31 March 2017**

| Particulars | Ramky Pharma City (India) Limited | Ramky Elsamex Hyderabad Ring Road Limited | Ramky Towers Limited | Srinagar Banihal Expressway Limited | Frank Llyod Tech Management Services Limited |
|---|---|---|---|---|---|
| **NCI percentage** | **49.00%** | **26.00%** | **49.00%** | **26.00%** | **24.00%** |
| Non-current assets | 1,022.88 | 2,064.44 | 43.54 | 13,327.34 | 81.29 |
| Current assets | 2,787.12 | 949.91 | 1,772.27 | 1,960.13 | 57.79 |
| Non-current liabilities | 1,058.12 | 1,832.51 | 14.62 | 13,933.91 | 47.24 |
| Current liabilities | 1,198.95 | 776.14 | 1,531.14 | 669.77 | 60.72 |
| Net assets | 1,552.93 | 405.70 | 270.04 | 683.80 | 31.13 |
| **Net assets attributable to NCI** | **760.94** | **105.48** | **132.32** | **177.79** | **7.47** |
| Revenue | 1,332.76 | 345.49 | 26.76 | 1,448.80 | 37.00 |
| Profit | 77.26 | (25.51) | (87.52) | (175.46) | (6.95) |
| OCI | 1.05 | - | (0.02) | - | (0.00) |
| Total comprehensive income | 78.31 | (25.51) | (87.55) | (175.46) | (6.95) |
| **Profit allocated to NCI** | **37.86** | **(6.63)** | **(42.89)** | **(45.62)** | **(1.67)** |
| **OCI allocated to NCI** | **0.51** | **-** | **(0.01)** | **-** | **(0.00)** |
| **Total comprehensive income allocated to NCI** | **38.37** | **(6.63)** | **(42.90)** | **(45.62)** | **(1.67)** |

(All amounts are Rs. in Millions, unless otherwise stated)

| Particulars | Ramky Pharma City (India) Limited | Ramky Elsamex Hyderabad Ring Road Limited | Ramky Towers Limited | Srinagar Banihal Expressway Limited | Frank Llyod Tech Management Services Limited |
|---|---|---|---|---|---|
| Cash flows from (used in) operating activities | 2,600.24 | 160.63 | (128.43) | (592.64) | (0.24) |
| Cash flows from (used in) investing activities | 39.32 | 0.50 | 24.08 | - | (0.69) |
| Cash flows from (used in) financing activities | (192.85) | (161.02) | 114.36 | 554.40 | 0.84 |
| **Net increase (decrease) in cash and cash equivalents** | **2,446.71** | **0.11** | **10.01** | **(38.24)** | **(0.08)** |

**6 Capital management**

The Company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and for the future development of the Company. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return on capital to shareholders or issue of new shares.

The group's adjusted net debt to equity ratio at 31 March 2018 was as follows:

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Total liabilities | **45,043.36** | 51,320.44 |
| Less: cash and cash equivalents | **592.51** | 802.13 |
| **Adjusted net debt** | **44,450.84** | **50,518.31** |
| Total equity | **5,308.78** | 4,673.13 |
| Less: effective portion of cash flow hedges | **-** | - |
| Less: cost of hedging | **-** | - |
| **Adjusted equity** | **5,308.78** | **4,673.13** |
| **Adjusted net debt to adjusted equity ratio** | **8.37** | **10.81** |

**7 Earnings per share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group

- by the weighted average number of equity shares outstanding during the financial year.

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| i. Profit (loss) attributable to equity shareholders(basic) | **285.91** | (60.42) |
| ii. Weighted average number of equity shares (basic) | **57.20** | 57.20 |
| **Basic EPS** | **5.00** | **(1.05)** |
| i. Profit (loss) attributable to equity shareholders(diluted) | **285.91** | (60.42) |
| ii. Weighted average number of equity shares (diluted) | **58.07** | 57.20 |
| **Diluted EPS** | **4.92** | **(1.05)** |

**8 Assets and liabilities relating to employee benefits**

**i. Defined contribution plans**

The group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and employee state insurance, which are defined contribution plans. The group has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to provident fund and employee state insurance for the year aggregated to Rs. 23.75 Millions (previous year: Rs.17.84 Millions) and is included in "contribution to provident fund and other funds" (refer note 2.34).

(All amounts are Rs. in Millions, unless otherwise stated)

**ii. Defined benefit plans**

The group operates the following post-employment defined benefit plan:

In accordance with the 'The Payment of Gratuity Act, 1972' of India, the group provides for Gratuity, Defined Retirement Benefit Scheme (the Gratuity Plan), covering eligible employees. Liabilities with regard to such Gratuity Plan are determined by an actuarial valuation as at the end of the year and are charged to the statement of profit and loss. This defined benefit plans expose the group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The group also has Compensated absences policy (Plan B). Liabilities with regard to such Compensated absence plan are determined by an actuarial valuation as at the end of the year and are charged to the statement of profit and loss. This defined benefit plans expose the group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

**A. Funding**

**Plan A**

The gratuity plan is partly funded by the group. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan.

The group has determined that, in accordance with the terms and conditions of the gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan of the relevant jurisdiction, the present value of refund or reduction in future contributions is not lower than the balance of the total fair value of the plan assets less the total present value of obligations.

**Plan B**

Compensated absences plan is unfunded.

**B. Reconciliation of the net defined benefit (asset) liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

**Reconciliation of present value of defined benefit obligation**

**Plan A**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Balance at the beginning of the year | **41.54** | 39.08 |
| Current service cost | **7.80** | 3.52 |
| Interest cost | **3.20** | 1.32 |
| Benefits paid | **(1.35)** | (0.61) |
| Actuarial (gains)/ losses | **-** | - |
| - changes in demographic assumptions | **-** | 0.01 |
| - changes in financial assumptions | **(5.75)** | 1.22 |
| - experience adjustments | **(9.74)** | (2.99) |
| **Balance at the end of the year** | **35.70** | **41.54** |

**Plan B**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Balance at the beginning of the year | **21.44** | 16.98 |
| Current service cost | **11.58** | 1.90 |
| Interest cost | **2.71** | 1.30 |
| Benefits paid | **0.07** | 0.10 |
| Actuarial (gains)/ losses | **-** | - |
| - changes in demographic assumptions | **-** | 0.01 |
| - changes in financial assumptions | **(4.84)** | 0.76 |
| - experience adjustments | **(4.78)** | 0.38 |
| **Balance at the end of the year** | **26.17** | **21.44** |

(All amounts are Rs. in Millions, unless otherwise stated)

**Reconciliation of the present value of plan assets**

**Plan A**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Fair value of plan assets at 1 April | **0.87** | 1.19 |
| Expected return on plan assets | **-** | - |
| Actuarial gains / (loss) | **-** | - |
| Contributions by employer | **0.30** | 0.30 |
| Benefits paid | **(1.35)** | (0.61) |
| **Balance at the end of the year** | **(0.18)** | **0.87** |

**Plan B**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Fair value of plan assets at 1 April | **-** | - |
| Expected return on plan assets | **-** | - |
| Actuarial gains / (loss) | **-** | - |
| Contributions by employer | **-** | - |
| Benefits paid | **-** | - |
| **Balance at the end of the year** | **-** | **-** |

**C. i. Expense recognised in statement of profit and loss**

**Plan A**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Service cost | **7.80** | 3.52 |
| Interest cost | **3.20** | 1.32 |
| Expected return on plan assets | **-** | - |
| Actuarial losses / (gain) | **(15.49)** | (1.76) |
| | **(4.49)** | **3.07** |

**Plan B**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Service cost | **11.58** | 1.90 |
| Interest cost | **2.71** | 1.30 |
| Expected return on plan assets | **-** | - |
| Actuarial losses / (gain) | **(9.63)** | 1.15 |
| | **(4.49)** | **3.07** |

**ii. Remeasurements recognised in other comprehensive income**

**Plan A**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Actuarial (gain) loss on defined benefit obligation | **(15.49)** | (1.76) |
| Return on plan assets excluding interest income | **-** | - |
| | **(15.49)** | **(1.76)** |

(All amounts are Rs. in Millions, unless otherwise stated)

**Plan B**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Actuarial (gain) loss on defined benefit obligation | **(9.63)** | 1.15 |
| Return on plan assets excluding interest income | **-** | - |
| | **(9.63)** | **1.15** |

**D. Plan assets**

Plan assets comprise of the following:

**Plan A**

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Equity securities | **-** | - |
| Government bonds | **-** | - |
| Insurance company products | **3.71** | 1.17 |
| Term deposits of banks | **-** | - |
| | **3.71** | **1.17** |

All equity securities and government bonds have quoted prices in active markets. All government bonds are issued by Indian governments and are rated AAA or AA, based on CRISIL ratings

**Plan B**

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Equity securities | **-** | - |
| Government bonds | **-** | - |
| Insurance company products | **-** | - |
| Term deposits of banks | **-** | - |

**E. Defined benefit obligation**

**i. Actuarial assumptions**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

**Plan A**

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Expected rate of salary increase | **4.00%-6.00%** | 4.00%-6.00% |
| Discount rate | **7.31%-9.25%** | 7.31%-9.25% |
| Expected rate of return on plan assets | **8.00%** | 8.00% |

**Plan B**

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Expected rate of salary increase | **4.00%-6.00%** | 4.00%-6.00% |
| Discount rate | **7.31%-9.25%** | 7.31%-9.25% |
| Expected rate of return on plan assets | **8.00%** | 8.00% |
| Mortality Rate (as % of IALM (2006-08) (Mod.) Ult. Mortality Table) | **100%** | 100% |
| Disability Rate (as % of above mortality rate) | **5.00%** | 5.00% |
| Withdrawal Rate | **3.00%** | 3.00% |
| Normal Retirement Age | **60 years** | 60 years |

(All amounts are Rs. in Millions, unless otherwise stated)

**ii. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

**Plan A**

| Particulars | 31 March 2018 | | 31 March 2017 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| **Gratuity Plan** | | | | |
| Discount rate (.50 % movement) | **31.92** | **39.93** | 31.92 | 39.93 |
| Future salary growth (.50 % movement) | **39.50** | **32.14** | 39.50 | 32.14 |
| Withdrawal rate (1% movement) | **35.97** | **35.14** | 35.97 | 35.14 |

**Plan B**

| Particulars | 31 March 2018 | | 31 March 2017 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| **Leave Encashment Plan** | | | | |
| Discount rate (1 % movement) | **19.24** | **21.55** | 19.24 | 21.55 |
| Future salary growth (1 % movement) | **21.66** | **19.12** | 21.66 | 19.12 |
| Attrition rate (1% movement) | **20.26** | **20.40** | 20.26 | 20.40 |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**9 Financial instruments - Fair values and risk management**

**A. Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

**31 March 2018**

| Particulars | Carrying amount | | | | Fair value | |
|---|---|---|---|---|---|---|
| | Measured at FVTPL | Other financial assets -amortised cost | Other financial liabilities - amortised cost | Total carrying amount | Level 1 | Total |
| **Financial assets measured at fair value** | | | | | | |
| Non -current investments | 53.26 | - | - | 53.26 | 53.26 | 53.26 |
| | **53.26** | **-** | **-** | **53.26** | **53.26** | **53.26** |
| **Financial assets not measured at fair value*** | | | | | | |
| Non -current investments | - | 1,322.06 | - | 1,322.06 | - | - |
| Trade receivables | - | 9,454.64 | - | 9,454.64 | - | - |
| Cash and cash equivalents | - | 592.51 | - | 592.51 | - | - |
| Bank balances other than above | - | 208.50 | - | 208.50 | - | - |
| Loans | - | 1,627.73 | - | 1,627.73 | - | - |
| Other financial assets | - | 20,792.01 | - | 20,792.01 | - | - |
| | **-** | **33,997.44** | **-** | **33,997.44** | **-** | **-** |
| **Financial liabilities not measured at fair value*** | | | | | | |
| Borrowings | - | - | 24,215.71 | 24,215.71 | - | - |
| Trade payables | - | - | 8,229.32 | 8,229.32 | - | - |
| Other financial liabilities | - | - | 6,353.04 | 6,353.04 | - | - |
| | **-** | **-** | **38,798.08** | **38,798.08** | **-** | **-** |

(All amounts are Rs. in Millions, unless otherwise stated)

**31 March 2017**

| Particulars | Carrying amount | | | | Fair value | |
|---|---|---|---|---|---|---|
| | Measured at FVTPL | Other financial assets -amortised cost | Other financial liabilities - amortised cost | Total carrying amount | Level 1 | Total |
| **Financial assets measured at fair value** | | | | | | |
| Non -current investments | 49.02 | - | - | 49.02 | 49.02 | 49.02 |
| | **49.02** | **-** | **-** | **49.02** | **49.02** | **49.02** |
| **Financial assets not measured at fair value*** | | | | | | |
| Non -current investments | - | 1,654.78 | - | 1,654.78 | - | - |
| Trade receivables | - | 11,930.39 | - | 11,930.39 | - | - |
| Cash and cash equivalents | - | 802.13 | - | 802.13 | - | - |
| Bank balances other than above | - | 249.17 | - | 249.17 | - | - |
| Loans | - | 4,075.73 | - | 4,075.73 | - | - |
| Other financial assets | - | 17,419.57 | - | 17,419.57 | - | - |
| | **-** | **36,131.76** | **-** | **36,131.77** | **-** | **-** |
| **Financial liabilities not measured at fair value*** | | | | | | |
| Borrowings | - | - | 26,504.87 | 26,504.87 | - | - |
| Trade payables | - | - | 9,473.74 | 9,473.74 | - | - |
| Other financial liabilities | - | - | 6,603.34 | 6,603.34 | - | - |
| | **-** | **-** | **42,581.94** | **42,581.94** | **-** | **-** |

* The carrying amounts of financial assets and liabilities recognized in the financial statements approximate their fair values and hence no further details about the fair value measurements are given.

**B. Financial risk management**

The group has exposure to the following risks arising from financial instruments:

a) credit risk

b) liquidity risk

c) market risk

**Risk management framework**

The group's board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**a) Credit risk**

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and loans.

The carrying amounts of financial assets represent the maximum credit risk exposure.

**Trade receivables and Loans**

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one and three months for individual and corporate customers respectively.

(All amounts are Rs. in Millions, unless otherwise stated)

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are individuals or legal entities, whether they are a wholesale, retail or end-user customers, their geographic location, industry, trading history with the group and existence of previous financial difficulties.

A summary of the group's exposure to credit risk for trade receivables and loans is as follows:

| Particulars | 31 March 2018 | | 31 March 2017 | |
|---|---|---|---|---|
| | Not Credit - Impaired | Credit - Impaired | Not Credit - Impaired | Credit - Impaired |
| **Gross carrying amount** | | | | |
| Loans | **1,627.73** | **420.60** | 4,075.73 | 442.18 |
| Trade receivables | **9,454.64** | **1,215.31** | 11,930.39 | 1,177.84 |
| **Loss allowance** | | | | |
| Loans | **-** | **(420.60)** | - | (442.18) |
| Trade receivables | **-** | **(1,215.31)** | - | (1,177.84) |
| **Net carrying amount** | **11,082.36** | **-** | **16,006.12** | **-** |

Expected credit loss (ECL) assessment for corporate customers as at 31 March 2018 and 31 March 2017.

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to external ratings, management accounts and cash flow projections and available information about customers) and applying experienced credit judgement.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables and loans from individual customers, which comprise a very large number of small balances.

Loss rates are based on actual credit loss experience over the past five years. These rates are multiplied by scalar factors to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the receivables.

**Movements in the allowance for impairment in respect of trade receivables and loans**

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

| Particulars | 2018 | 2017 |
|---|---|---|
| **Balance at 1 April** | **1,620.01** | 2,653.38 |
| Allowance for impairment made during the year | **245.55** | |
| Amounts written-off during the year | **(261.45)** | 1,033.37 |
| **Balance at 31 March** | **1,635.91** | **1,620.01** |

**Cash and cash equivalents**

The group holds cash and cash equivalents of Rs. 59251 Millions at 31 March 2018 (31 March 2017: Rs. 802.13 Millions). The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

**b) Liquidity risk**

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

(All amounts are Rs. in Millions, unless otherwise stated)

**31 March 2018**

| Particulars | Carrying amount | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total | 6 months or less | 6-12 months | 1-2 Years | 2-5 Years | More than 5 years |
| **Non-derivative financial liabilities** | | | | | | | |
| Borrowings | 24,215.71 | 24,215.71 | 4,285.30 | 536.10 | 4,044.07 | 5,741.21 | 9,609.03 |
| Trade payables | 8,229.32 | 8,229.32 | 4,700.82 | 3,503.59 | - | 13.97 | 10.94 |
| Other financial liabilities | 6,353.04 | 6,353.05 | 1,291.10 | 1,616.14 | - | 139.70 | 3,306.11 |
| | **38,798.08** | **38,798.08** | **10,277.22** | **5,655.83** | **4,044.07** | **5,894.88** | **12,926.07** |

**31 March 2017**

| Particulars | Carrying amount | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total | 6 months or less | 6-12 months | 1-2 Years | 2-5 Years | More than 5 years |
| **Non-derivative financial liabilities** | | | | | | | |
| Borrowings | 26,504.87 | 26,504.87 | 2,000.48 | 8,144.45 | 2,762.60 | 3,444.69 | 10,152.64 |
| Trade payables | 9,473.74 | 9,473.74 | 4,327.29 | 405.93 | 179.57 | 4,560.95 | - |
| Other financial liabilities | 6,603.34 | 6,603.34 | 1,046.49 | 152.61 | 90.18 | 4,669.05 | 645.01 |
| | **42,581.94** | **42,581.94** | **7,374.26** | **8,702.99** | **3,032.35** | **12,674.69** | **10,797.65** |

**c) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**Currency risk**

The group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the group. The functional currency for the group is Rs..

**Exposure to currency risk**

The summary quantitative data about the group's exposure to currency risk (based on notional amounts) as reported to the management is as follows.

| | 31 March 2018 | | | 31 March 2017 | | |
|---|---|---|---|---|---|---|
| | **Rs.** | **Dirham*** | **SGD*** | Rs. | Dirham | SGD* |
| Trade receivables | **1,635.70** | **92.22** | **-** | 1,664.78 | 92.22 | - |
| Trade/other payables | **(1,050.77)** | **(43.79)** | **(5.50)** | (790.55) | (43.79) | - |
| **Net exposure in respect of recognised assets and liabilities** | **584.94** | **48.43** | **(5.50)** | 874.23 | 48.43 | - |

**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the INR by 1%, against each of the foreign currencies at 31 March 2018 would have affected the measurement of financial instruments denominated in the foreign currencies and affected equity and profit or loss by Rs. 5.85 Millions. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

**Interest rate risk**

The group adopts a policy of ensuring that between 80% and 90% of its interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate and using interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

(All amounts are Rs. in Millions, unless otherwise stated)

**Exposure to interest rate risk**

The interest rate profile of the group's interest-bearing financial instruments as reported to management is as follows:

| | Note | 31 March 2018 | 31 March 2017 |
|---|---|---|---|
| **Fixed rate instruments** | | | |
| Financial assets | 2.5, 2.11 & 2.12 | **1,176.09** | 1,439.56 |
| Financial liabilities | 2.5, 2.11 & 2.12 | **24,215.71** | 26,504.86 |
| | | **25,391.80** | **27,944.42** |

**Fair value sensitivity analysis for fixed-rate instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased or decreased profit or loss by Rs. 300.56 Millions (2015-16: Rs. 481.74 Millions ). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

A change of 100 basis points in interest rates would have increased or decreased equity by Rs. 300.56 Millions after tax (2016-17: Rs. 481.74 Millions). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

**10 Leases**

**Operating lease in the capacity of lessee**

The Group is obligated under non-cancellable and cancellable operating lease agreements. Total rental expense under non-cancellable operating leases was Rs.. Nil (previous year: Rs.. Nil) and under cancellable leases was Rs.. 43.24 Millions (previous year: Rs. 43.17 Millions) and these lease rentals have been disclosed as 'rent' in the statement of profit and loss.

**11 Contingent liabilities and commitments**

**(i) Contingent Liabilities**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Claims against the Company not acknowledged as debts in respect of: | | |
| (i) Indirect tax and other matters | **2,301.81** | 2,425.02 |
| (ii) Disputed claims from customers and vendors | **610.92** | 614.31 |
| Guarantees | | |
| (i) Performance guarantees issued | **14.80** | 14.80 |
| (ii) Bank guarantees and letter of credits | **9,655.60** | 8,829.90 |

**(ii) Commitments**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | **1,539.29** | 1,977.70 |

**Impact of pending litigations**

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

**(iii) Lenders' Right to Recompense (RoR) for restructured debts**

As the company's debts were restructured by the lenders under the Joint Lender Forum (JLF) on 12th June 2015, the Consortium of Lenders reserves the Right to Recompense (RoR) the economic loss/sacrifice due to concessionary pricing/waiver of charges etc., offered as a part of the restructuring package terms, and documented in the arrangement letter and master restructuring arrangement. The lender wise sacrifice as at the end of the current financial year as envisaged in the JLF agreement is as follows:

| Name of the Lender | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Statement Bank of India | 843.70 | 615.30 |
| Punjab National Bank | 273.60 | 199.50 |
| IDBI bank Ltd | 105.90 | 77.20 |
| | **1223.20** | **892.00** |

(All amounts are Rs. in Millions, unless otherwise stated)

**12 Related Party Disclosures**

**a) List of related parties:**

**i) Key managerial personnel (KMP)**

| S. No. | Name of the KMP | Designation |
|---|---|---|
| 1 | A Ayodhya Rami Reddy | Executive Chairman |
| 2 | Y R Nagaraja | Managing Director |
| 3 | A G Ravindranath Reddy | Non-Executive Independent Director |
| 4 | V Murahari Reddy | Non-Executive Independent Director |
| 5 | A Rama Devi | Non-Executive Independent Director |
| 6 | Krishna Kumar Gangadharam | Non-Executive Independent Director |
| 7 | I W Vijaya Kumar | Chief Financial Officer |
| 8 | Ashish Kulkarni | Company Secretary |
| 9 | Akash Bhagadia | Company Secretary |
| 10 | A Dakshayani | Promoter Group |

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

| S. No. | Name of the related party |
|---|---|
| 1 | Ramky Enviro Engineers Limited |
| 2 | Ramky Estates and Farms Limited |
| 3 | Mumbai Waste Management Limited |
| 4 | West Bengal Waste Management Limited |
| 5 | Hyderabad Integrated MSW Limited |
| 6 | Ramky IWM Pvt ltd |
| 7 | Ramky Foundation |
| 8 | Ramky Advisory Services Limited |
| 9 | Visakha Solvents Limited |
| 10 | Chennai MSW Private Ltd |
| 11 | Dakshayani Academy |
| 12 | Delhi MSW Solutions Limited |
| 13 | Smilax Laboratories Limited |
| 14 | East Coast Industries (India) Private Limited |
| 15 | Tamil Nadu Waste Management Limited |
| 16 | Ramky Energy & Environment Limited |
| 17 | Chhattisgarh Energy Consortium (India) Private Limited |
| 18 | Ramky Wavoo Developers Private Limited |
| 19 | Evergreen Cleantech Facilities Management (India) Limited |

**iii) Enterprises where significant influence exists (Associates)**

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

**iv) Enterprises where joint control exists (jointly controlled entities)**

| S. No. | Name of the related party |
|---|---|
| 1 | N.A.M. Expressway Limited |
| 2 | Jorabat Shillong Expressway Limited |

(All amounts are Rs. in Millions, unless otherwise stated)

**b) Transactions during the year with Related parties**

**i) Key Management Personnel**

| S. No. | Name of the related party | Relationship | Nature of transactions | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|---|---|
| 1 | A Ayodhya Rami Reddy | Executive Chairman | Remuneration | 12.50 | 1.60 |
| | | | Revenue from sale of property | 0.27 | |
| 2 | Y R Nagaraja | Managing Director | Remuneration | 8.35 | 8.35 |
| | | | Revenue from sale of property | 4.08 | 1.33 |
| 3 | A G Ravindranath Reddy | Independent Director | Sitting fee | 0.39 | 1.33 |
| 4 | V Murahari Reddy | Independent Director | Sitting fee | 0.34 | 0.98 |
| 5 | A Rama Devi | Independent Director | Sitting fee | 0.30 | 0.30 |
| 6 | I W Vijaya Kumar | Chief Financial Officer | Remuneration | 7.26 | 5.44 |
| 7 | Ashish Kulkarni | Company Secretary | Remuneration | 0.95 | - |
| 8 | A Dakshayani | Promoter Group | Amount received against issue of Equity Warrants | 126.25 | - |

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

| S. No. | Name of the related party | Relationship | Nature of transactions | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|---|---|
| 1 | Ramky Enviro Engineers Limited | Enterprise where KMP have significant influence | Revenue from Operations | 144.40 | 22.64 |
| | | | Contract expenses | 192.00 | 81.16 |
| | | | Purchase of assets | - | 3.00 |
| | | | Sale of Fixed Assets | 7.23 | - |
| 2 | Ramky Estates and Farms Limited | Enterprise where KMP have significant influence | Revenue from Operations | 975.30 | 818.52 |
| | | | Contract expenses | 59.19 | 101.13 |
| | | | Interest income | 29.60 | 82.77 |
| | | | Dividend paid | 17.10 | - |
| | | | Interest expense | 80.10 | 201.26 |
| | | | Loan received back | - | 272.51 |
| 3 | Mumbai Waste Management Limited | Enterprise where KMP have significant influence | Revenue from Operations | 63.70 | 7.19 |
| | | | Interest expense | 3.93 | 3.38 |
| 4 | West Bengal Waste Management Limited | Enterprise where KMP have significant influence | Revenue from Operations | 18.73 | 0.58 |
| | | | Interest expense | 45.93 | 48.61 |
| 5 | Ramky Wavoo Developers Private Limited | Enterprise where KMP have significant influence | Revenue from Operations | 62.72 | - |
| 6 | Delhi MSW Solutions Limited | Enterprise where KMP have significant influence | Revenue from Operations | **0.74** | 28.29 |
| 7 | Smilax Laboratories Limited | Enterprise where KMP have significant influence | Revenue from Operations | **21.70** | 13.36 |
| 8 | Ramky Foundation | Enterprise where KMP have significant influence | Donations | **1.45** | 0.86 |
| 9 | Hyderabad Integrated MSW Limited | Enterprise where KMP have significant influence | Revenue from Operations | **9.99** | 0.58 |
| 10 | Chennai MSW Private Limited | Enterprise where KMP have significant influence | Revenue from Operations | **0.44** | - |
| | | | Interest expense | **0.09** | 0.08 |
| 11 | Ramky MSW Private Limited | Enterprise where KMP have significant influence | Revenue from Operations | **-** | 65.73 |

(All amounts are Rs. in Millions, unless otherwise stated)

| S. No. | Name of the related party | Relationship | Nature of transactions | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|---|---|
| 12 | Ramky IWM Pvt Ltd | Enterprise where KMP have significant influence | Other expenses | **2.79** | 3.78 |
| | | | Revenue from sale of assets | **-** | 1.33 |
| | | | Interest expense | **-** | 24.28 |
| 13 | Visakha Solvents Limited | Enterprise where KMP have significant influence | Revenue from Operations | **0.95** | 5.28 |
| 14 | Tamil Nadu Waste Management Limited | Enterprise where KMP have significant influence | Revenue from Operations | **10.06** | 0.58 |
| 15 | Evergreen Cleantech Facilities Management (India) Limited | Enterprise where KMP have significant influence | Contract expenses | **14.62** | 11.08 |
| 16 | M Goutham Reddy | | Revenue from sale of property | **0.24** | - |

**iii) Enterprises where significant influence exists (Associates)**

| S. No. | Name of the related party | Relationship | Nature of transactions | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|---|---|
| 1 | Ramky Integrated Township Limited | Associate | Revenue from Operations | **356.58** | 346.23 |

**iv) Enterprises where joint control exists (jointly controlled entities)**

| S. No. | Name of the related party | Relationship | Nature of transactions | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|---|---|
| 1 | N.A.M Expressway Limited | Joint Venture | Revenue from Operations | **220.68** | 881.52 |
| | | | Loan given | **9.97** | 37.47 |
| | | | Interest income | **48.46** | 44.73 |
| | | | Borrowings | **78.37** | 167.46 |
| | | | Interest expense | **45.77** | 56.86 |

**b) Related parties closing balances**

**i) Key Management Personnel**

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|---|---|
| 1 | A Ayodhya Rami Reddy | Executive Chairman | Remuneration payable | **0.63** | 1.29 |
| | | | Trade receivables | **28.03** | 25.18 |
| 2 | Y R Nagaraja | Managing Director | Trade receivables | **14.70** | 10.62 |

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

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|---|---|
| 1 | Ramky Enviro Engineers Limited | Enterprise where KMP have significant influence | Trade receivables | **35.67** | - |
| | | | Trade payables | **222.92** | 35.31 |
| | | | Mobilisation advance payable | **116.18** | 147.43 |
| | | | Interest payable | **0.27** | 0.27 |
| | | | Retention money payable | **73.84** | 82.81 |
| | | | Retention money receivable | **1.80** | 25.62 |
| | | | Investment in equity share capital of a subsidiary | **0.12** | 0.12 |
| | | | Investment in preference share capital of a subsidiary | **40.72** | 40.72 |

(All amounts are Rs. in Millions, unless otherwise stated)

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|---|---|
| 2 | Ramky Estates and Farms Limited | Enterprise where KMP have significant influence | Trade receivables | **483.07** | 327.43 |
| | | | Retention money receivable | **63.94** | 64.92 |
| | | | Interest payable | **17.54** | - |
| | | | Other advances receivable | **2.74** | 2.76 |
| | | | Mobilisation advance payable | **39.27** | 3.97 |
| | | | Borrowings | **632.28** | 688.96 |
| | | | Trade payables | **147.54** | 89.35 |
| | | | Loans | **590.81** | 686.80 |
| | | | Investment in equity share capital of a subsidiary | **69.12** | 69.12 |
| | | | Investment in preference share capital of a subsidiary | **10.10** | 10.10 |
| 3 | Mumbai Waste Management Limited | Enterprise where KMP have significant influence | Mobilisation advance payable | **33.78** | 104.25 |
| | | | Borrowings | **32.62** | 29.08 |
| | | | Trade receivables | **1.21** | 4.99 |
| 4 | West Bengal Waste Management Limited | Enterprise where KMP have significant influence | Mobilisation advance payable | **2.15** | 21.85 |
| | | | Borrowings | **461.70** | 420.36 |
| | | | Trade receivables | **2.34** | - |
| 5 | Ramky Wavoo Developers Private Limited | Enterprise where KMP have significant influence | Trade receivables | **62.81** | 54.47 |
| | | | Mobilisation advance payable | **27.98** | 1.66 |
| | | | Retention money receivable | **9.23** | 6.63 |
| 6 | Delhi MSW Solutions Limited | Enterprise where KMP have significant influence | Trade receivables | **27.88** | 36.71 |
| | | | Retention money receivable | **6.56** | 6.56 |
| | | | Investment in equity shares | **0.05** | 0.05 |
| 7 | Smilax Laboratories Limited | Enterprise where KMP have significant influence | Mobilisation advance payable | **11.14** | 69.19 |
| | | | Investment in equity share capital of a subsidiary | **0.03** | 0.03 |
| | | | Trade receivables | **23.86** | 1.77 |
| 8 | Hyderabad Integrated MSW Limited | Enterprise where KMP have significant influence | Trade receivables | **6.04** | 0.52 |
| 9 | Ramky MSW Private Limited | Enterprise where KMP have significant influence | Trade receivables | **0.42** | 63.20 |
| 10 | Ramky IWM Pvt Ltd | Enterprise where KMP have significant influence | Trade payables | **6.57** | 3.78 |
| 11 | Visakha Solvents Limited | Enterprise where KMP have significant influence | Trade receivables | **0.82** | 1.23 |
| 12 | Chennai MSW Private Limited | Enterprise where KMP have significant influence | Trade receivables | **0.41** | - |
| | | | Borrowings | **0.79** | 0.70 |
| 13 | Tamil Nadu Waste Management Limited | Enterprise where KMP have significant influence | Mobilisation advance payable | **30.76** | 42.52 |
| | | | Trade payables | **0.38** | 0.38 |
| 14 | Dakshayani Academy | Enterprise where KMP have significant influence | Other advances receivable | **-** | 11.50 |
| 15 | Evergreen Cleantech Facilities Management (India) Limited | Enterprise where KMP have significant influence | Trade payables | **7.41** | 2.40 |
| 16 | A Dakshayani | Promoter | Trade receivables | **5.19** | - |
| 17 | M Goutham Reddy | | Trade receivables | **19.96** | 19.72 |

(All amounts are Rs. in Millions, unless otherwise stated)

**iii) Enterprises where significant influence exists (Associates)**

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|---|---|
| 1 | Ramky Integrated Township Limited | Associate | Capital advances | **46.72** | 48.12 |
| | | | Trade receivables | **2.93** | - |
| | | | Retention money receivable | **21.50** | 14.54 |
| | | | Investment in equity shares | **0.18** | 0.18 |
| | | | Mobilisation advance payable | **47.10** | - |
| 2 | Gwalior Bypass Project Limited | Associate | Investment in equity shares | **0.95** | 0.90 |
| | | | Investment in preference shares | **0.29** | 0.26 |

**iv) Enterprises where joint control exists (jointly controlled entities)**

| S. No. | Name of the related party | Relationship | Nature of transactions | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|---|---|---|
| 1 | N.A.M Expressway Limited | Joint Venture | Trade receivables | **221.50** | 1,742.60 |
| | | | Loan | **350.74** | 340.77 |
| | | | Interest receivable | **25.00** | 78.91 |
| | | | Retention money receivable | **11.01** | 20.72 |
| | | | Investment in equity shares | **583.78** | 583.78 |
| | | | Borrowings | **332.65** | 254.28 |
| 2 | Jorabat Shillong Expressway Limited | Joint Venture | Mobilisation advance received | **-** | 6.80 |
| | | | Investment in equity shares | **420.00** | 420.00 |

**Compensation to key managerial personnel**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Short-term employee benefits | **29.06** | 1.60 |
| Post-employment defined benefit | **-** | |
| Compensated absences | **-** | |
| Termination benefits | **-** | |
| | **29.06** | **1.60** |

**13 Disclosure in respect of projects covered under the Guidance Note issued by Institute of Chartered Accountants of India on "Accounting for Real Estate Transactions"**

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Amount of projected revenue recognised as revenue in the reporting period | **1,101.53** | 460.04 |
| Aggregate amount of costs incurred and profits recognised to date | **7,303.52** | 6,471.88 |
| Amount of advances received | **1,926.61** | 1,104.75 |
| Amount of work-in-progress and value of inventories | **1,562.93** | 1,648.01 |
| Excess of revenue recognised over actual bills raised (unbilled revenue) | **-** | - |

**14 Corporate social responsibility**

The provision for Section 135 of the Act is applicable.

(a) Gross amount required to be spent by the Holding Company during the year amounts to Rs. Nil (previous year: Rs. Nil)

(b) Amount spent during the year:

| Particulars | Amount Paid | Amount yet to be paid | Total |
|---|---|---|---|
| On purposes other than acquisition or construction of assets | 1.45 | - | 1.45 |
| | **1.45** | **-** | **1.45** |

(All amounts are Rs. in Millions, unless otherwise stated)

(c) Amount spent in the previous year:

| Particulars | Amount Paid | Amount yet to be paid | Total |
|---|---|---|---|
| On purposes other than acquisition or construction of assets | 1.01 | - | 1.01 |
| | **1.01** | **-** | **1.01** |

**15 Dues to micro and small enterprises**

Based on information available with the company, there are no micro or small enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues, which are outstanding as at 31 March 2018 ( 31 March 2017 : Nil).The Company has not received any claim for interest from any supplier under the said Act.

**16 Terms of Security and terms of repayment for secured and unsecured borrowings are as follows:**

**1. Terms of security:**

a) Working capital limits (Cash credit/LC/BG) are secured first pari-passu charge on entire (both present and future) current assets and non-current assets of the Company and second pari-passu charge on unencumbered (both present and future) fixed assets of the Company.

b) Term loan, short term loans, priority debt, funded interest term loan (FITL), working capital term loan (WCTL) are secured by first pari-passu charge on unencumbered (both present and future) fixed assets of the company and second pari-passu charge on entire (both present and future) current assets and non-current assets of the Company.

c) Entire Term loans, Short terms loans, Working Capital Term Loans, fund based and non-fund based working capital limits are further secured by personal guarantee of Promoter (i.e. A Ayodhya Rami Reddy). Working capital loans and term loans from State Bank of India (SBI) are further secured by personal guarantee of M Venu Gopal Reddy (Relative of promoter) and corporate guarantee of certain subsidiary companies.

**2. Terms of interest and repayment**

The Board of Directors of the Company in its meeting held on February 13, 2015 had accorded its approval for restructure of the debts of the Company under Joint lender Forum (JLF). The proposal is only for the company and not for any of its subsidiaries and associates. JLF in its meeting held on June 12, 2015 has approved the scheme submitted by the Company.

The repayment schedules of the Loans are as follows:

**a. Working Capital Term Loan-I (WCTL-I)**

The Board of Directors of the Company in its meeting held on February 13, 2015 had accorded its approval for restructure of the debts of the Company under Joint lender Forum (JLF). The proposal is only for the company and not for any of its subsidiaries and associates. JLF in its meeting held on June 12, 2015 has approved the scheme submitted by the Company.

**Interest Rate:**

- Till 30.09.2016 SBI Base Rate plus 100 basis points.
- w.e.f. 01.10.2016 to 30.09.2017 SBI Base Rate plus 125 basis points.
- w.e.f. 01.10.2017 onwards SBI Base rate plus 150 basis points.

**b. Working Capital Term Loan-II (WCTL-II)**

WCTL - I to be repaid in 30 structured quarterly installments, commencing from December 31, 2016 after a principal moratorium of 8 quarters from cut-off date (October 1st 2014).

**Interest Rate:**

- Till 30.09.2016 SBI Base Rate plus 100 basis points.
- w.e.f. 01.10.2016 to 30.09.2017 SBI Base Rate plus 125 basis points.
- w.e.f. 01.10.2017 onwards SBI Base rate plus 150 basis points.

**f. Equipment and vehicle loan**

These loans are repayable in equated monthly instalments (i.e. 30 to 60 EMIs) beginning along the month subsequent to the receipt of the loan along with interest in the range of 8.85% p.a. to 13.06% p.a. against loans taken from others. Equipment and vehicle Loan from others are secured by way of hypothecation of respective equipment/vehicle.

**g. Unsecured loan from related parties**

In respect of unsecured loans from related parties, loan aggregating to Rs. 665.30 Millions (interest rate 14% per annum) is payable within 60 months or at the earliest convenience of the borrower after a moratorium of 36 months from the date of first disbursement (i.e. April 30, 2015). Further, as agreed with lender of term loan aggregating to Rs. 550.00 Millions (interest rate 14% per annum), and Rs. 519.00 Millions (interest rate 14% per annum), it shall not be repayable within 12 months from balance sheet date.

**h. Cash Credit**

Rs. 3,799.86 Millions stands outstanding as on March 31, 2018. Rate of interest shall be SBI base rate plus 100 basis points payable on monthly basis.

(All amounts are Rs. in Millions, unless otherwise stated)

**17 Details of Delay in repayment of dues to banks, which were outstanding as at March 31, 2018**

**i) Cash credit facilities(i.e. Overdrawn)**

| Particulars | Total amount of over drawn | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI | - | 22.17 | 1 |
| Axis Bank | - | 1.08 | 1 |
| PNB | - | 7.81 | 1 |

**ii) Funded Interest Term Loan**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| PNB | - | 1.93 | 1 |
| PNB (Principal) | 276.96 | - | 1 |
| IDBI | - | 78.00 | 1 |
| IDBI (Principal) | 78.05 | - | 1 |

**iii) Term loans**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI - WCTL I | - | 11.89 | 1 |
| SBI (Principal) - WCTL I | 22.21 | - | 1 |
| PNB - WCTL I | - | 6.85 | 1 |
| PNB (Principal) - WCTL I | 7.10 | - | 1 |
| IDBI - WCTL I | - | 2.44 | 1 |
| IDBI (Principal) - WCTL I | 3.08 | - | 1 |
| PNB - WCTL II | - | 1.13 | 1 |
| PNB (Principal) - WCTL II | 1.30 | - | 1 |
| IDBI - WCTL II | - | 0.02 | 1 |
| IDBI (Principal) - WCTL II | 0.03 | - | 1 |

**iv) Other defaults**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| PNB -Priority debt | - | 2.07 | 1 |
| PNB (Principal) -Priority debt | 7.10 | - | 1 |
| IDBI -Priority debt | - | 1.80 | 1 |
| IDBI (Principal) -Priority debt | 219.46 | - | 1 |

**Details of continuing default as at 31 March 2017**

**i) Cash credit facilities(i.e. Overdrawn)**

| Particulars | Total amount of over drawn | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI | 1.68 | 56.27 | 60 |
| Axis Bank | - | 2.20 | 32 |
| PNB | - | 8.23 | 1 |
| SBH | 3.01 | 9.68 | 32 |

(All amounts are Rs. in Millions, unless otherwise stated)

**ii) FITL**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI | - | 19.78 | 60 |
| SBI (Principal) | 2.56 | - | 1 |
| PNB | - | 5.17 | 60 |
| PNB (Principal) | 0.81 | - | 1 |
| **Particulars** | **Total amount of principal delayed** | **Total amount interest delayed** | **Period of default (In days)** |
| SBH | - | 1.52 | 1 |
| SBH (Principal) | 0.58 | - | 1 |
| IDBI | - | 2.04 | 60 |
| IDBI (Principal) | 0.38 | - | 1 |
| YES | - | 0.03 | 4 |

**iii) Term loans**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI -TL | - | 16.20 | 60 |
| SBH - TL | - | 1.31 | 1 |
| SBI - WCTL I | - | 58.81 | 60 |
| SBI (Principal) - WCTL I | 5.60 | - | 1 |
| SBH - WCTL I | - | 4.43 | 1 |
| SBH (Principal) - WCTL I | 1.25 | - | 1 |
| PNB - WCTL I | - | 18.79 | 60 |
| PNB (Principal) - WCTL I | 1.80 | - | 1 |
| IDBI - WCTL I | - | 8.14 | 60 |
| IDBI (Principal) - WCTL I | 0.77 | - | 1 |
| SBI - WCTL II | - | 3.31 | 60 |
| SBI (Principal) - WCTL II | 0.31 | - | 1 |
| PNB - WCTL II | - | 2.47 | 32 |
| PNB (Principal) - WCTL II | 0.30 | - | 1 |
| IDBI - WCTL II | - | 0.07 | 60 |

**iv) Other defaults**

| Particulars | Total amount of principal delayed | Total amount interest delayed | Period of default (In days) |
|---|---|---|---|
| SBI -Priority debt | - | 18.75 | 60 |
| SBI (Principal) -Priority debt | 1.92 | - | 1 |
| PNB -Priority debt | - | 5.64 | 60 |
| PNB (Principal) -Priority debt | 0.58 | - | 1 |
| SBH -Priority debt | - | 1.64 | 1 |
| SBH (Principal) -Priority debt | 0.49 | - | 1 |
| IDBI -Priority debt | - | 6.04 | 60 |
| IDBI (Principal) -Priority debt | 0.59 | - | 1 |
| Shriram Equipment Finance | 50.67 | 4.44 | 497 to 1076 |

(All amounts are Rs. in Millions, unless otherwise stated)

**18 Borrowings by subsidiaries and jointly controlled entities**

**Secured borrowings:**

a. Term loan outstanding of Rs. 44.90 Millions (previous year: 26.34 Millions) obtained by MDDA-Ramky IS Bus Terminal Limited from a bank is secured by way of first charge on the assets by way of hypothecation and endorsement of ICICI Bank Limited on the insurance policies as Hyp financier / first loss payee. Loan taken from a bank is repayable in 36 monthly instalments from September 2015 and interest rate applicable is 10.70% p.a.

b. Term loan outstanding of Rs. 1020.00 Millions (previous year: Rs. 1245.00 Millions) obtained by Ramky Pharma City (India) Limited (RPCIL) from a Bank is secured by way of (a) First charge on all movable and immovable assets of the company and second charge on all current assets of the company; (b) Pledge of 10% of class A Equity shares of Ramky Enviro Engineers Limited held by Mr. A.Ayodhya Rami Reddy, pledge of 30% Equity shares of Smilax Laboratories Limited held by Mr. A.Ayodhya Rami Reddy and pledge of 30% equity shares of the company held by Ramky Infrastructure Limited. These are common securities on pari-passu basis with Smilax Laboratories Limited. Personal Guarantee of Mr. A.Ayodhya Rami Reddy.

Loan from Axis Bank Limited is repayable in 16 Quarterly instalments of Rs. 65.00 Millions each and 3 quarterly instalments of Rs. 86.67 Millions each commencing from 30th June,2017 and Interest rate is 11% p.a.

c. Term loans outstanding of Rs. 890.97 Millions (previous year: Rs. 1021.64 Millions) and Rs. 409.52 Millions (previous year: Rs. 579.11 Millions) obtained by Ramky Elsamex Hyderabad Ring Road Limited (REHRRL) from banks and financial institutions respectively are secured by way of i) first charge on pari-passu basis on all the movable, immovable, tangible and intangible assets of the borrower, letter of credit issued by the HUDA, all the revenues and receivables, charge on the Escrow cum Trust and Retention Account; ii) Pledge of 1,48,00,000 and 52,00,000 Equity shares of the company held by Ramky Infrastructure Limited and Elsamex S.A. respectively and pledge of 29,50,000 Cumulative, Redeemable, Optional, Convertible Preference shares of the company held by Ramky Infrastructure Limited. The secured loans are repayable in unequal quarterly and half yearly instalments starting from January 2011 to February 2022 along with interest rate ranging from 11.65% p.a. to 12.75% p.a.

d. Term loans outstanding of Rs. 14,214.12 Millions (previous year: Rs. 12,143.96 Millions) and Rs. 900.00 Millions (previous year: Rs. 900.00 Millions) obtained by Srinagar Banihal Expressway Limited from banks are secured by way of first ranking pari-passu basis by a mortgage/ hypothecation/ assignment/ security interest/ charge/ pledge, without limitation (a) all the borrower's immovable and moveable properties both present and future except for project assets (as defined in Concession Agreement); (b) assignment of rights, interest and obligations of the Concessionaire to the extent covered by and in accordance with the Substitution agreement; (c) all the borrower's bank accounts in relation to the project, including but not limited to the escrow account(s) to the extent of waterfall of the priorities as provided in the Escrow agreement; and (d) Pledge of 30% of equity share capital of the Borrower held by Sponsors. Senior term loan is repayable in maximum 22 structured semi-annual instalments starts from July 2018 and Subordinate Term Loan is repayable 24 structured semi-annual installments with the first repayment starting from July 2018 as per Amendment to Amendatory Common Loan Agreement Dt: 20th Oct 2016.

e. Term loans outstanding of Rs. 6720.67 Millions (previous year: Rs. 4798.51 Millions) obtained by N.A.M. Expressway Limited (NAMEL) from banks are secured by way of hypothecation and second charge of; (a) all movable, tangible and intangible assets, receivables, cash and investments created as part of the projects; (b) all the monies lying in escrow account into which all the investments in the project and all project revenues and insurance proceeds are to be deposited; (c) assignment of all rights, title, benefits, claims and demands of the borrowers under project agreements i.e. Concession agreement, Substitution agreement, Construction contract and Operations contract, etc.; (d) assignment of all rights under project guarantees obtained pursuant to Development contract or Operations contract, if any relating to the project; (e) first ranking assignment of all contract, documents insurance contracts/insurance proceeds (Security Trustee to be named as loss payee), clearances and interests of the borrower; and (f) DSRA and any other accounts required to be created by the borrower under any Project agreement contract. Senior term loans are repayable in 44 unequal quarterly basis instalments starting from March 2014 to September 2030 along with interest rate ranging from 11.75% p.a. to 13.00% p.a. and subordinate term loan is repayable in 64 structured quarterly instalments commencing from December 2014 to September 2030 along with interest rate ranging from 13.50% p.a. to 14.% p.a.

f. Term loans outstanding of Rs. 4,086.47 Millions (previous year: Rs. 3,456.70 Millions) obtained by Jorabat Shillong Expressway Limited from banks are secured by way of; (a) first charge on all the accounts of the borrower, including the escrow account, subject however to the condition that such charge on the accounts shall arise only after proceeds of such accounts if any have been received into the escrow account designated for the project and thereafter shall only be to the extent of the waterfall of priorities for payments/withdrawal of payments as provided in the Escrow agreement and not beyond that; (b) assignment of all the rights, interest and obligations of the borrower to or in favour of senior lenders under Project agreements, to the extent covered by and in accordance with the Substitution agreement, all as amended, varied or supplemented from time to time; and (c) assignment of all rights of the borrower under any guarantees that may be provided by any counter-party under any contract/agreement/document relating to the project to the extent permissible under the Concession agreement and d) The senior lenders shall to the extent permitted under the Concession Agreement, share the security on pari-passu basis amongst themselves. The senior lenders shall cede a second charge in favour of the subordinate Lenders, to the extent permitted under the concession agreement entered with NHAI. Term loans to the extent of 85% of debt payable in 44 unequal quarterly instalments commencing from post principal moratorium period i.e. 6 month from the date of Commercial Operation Date (COD) which is tentatively January 2014. Balance 15% to be repayable in single bullet instalment at the end of 44th quarter along with interest rate ranging from 11.70% p.a. to 13.85% p.a.

g. Term loan outstanding of Rs. 474.76 Millions (previous year: Rs. 489.98 Millions) and Rs. 176.44 Millions (previous year: Rs. 174.24 Millions) obtained by Sehore Kosmi Tollways Limited from banks and financial institutions respectively are secured by way of; (a) first mortgage and charge on all the borrower's immovable properties, both present and future; (b) a first charge on all the borrower's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets; (c) a first charge over all accounts and all other bank accounts; (d) a first charge on all revenues and receivables, the book debts, the operating cash flows; (e) a first charge on all intangible assets including but not limited to goodwill, rights, undertaking and uncalled capital excluding the project assets; and (f) A pledge of shares held by sponsor in the equity share capital of the Borrower aggregating to 51% of the total paid up equity share capital. The loans are repayable in 48 unequal quarterly instalments starting from December 2014 to December 2026 along with interest rate of 12.25% p.a.

(All amounts are Rs. in Millions, unless otherwise stated)

h. Cash credit outstanding of Rs. 52.54 Millions (previous year: Rs. 53.47 Millions) obtained by Ramky Engineering Consulting Services Gabon S.A. from banks is secured by way of lien on fixed deposits and promissory notes. Loan is also secured by way of corporate Guarantees from Ramky Engineering and Consulting Services FZC and the Company. Bank overdraft is repayable on demand along with the interest rate in the range of 8% p.a to 9.75% p.a payable on monthly basis.

i. Short term loans outstanding of Rs. 617.89 Millions (previous year: Rs. 233.61 Millions) obtained by Ramky Towers Limited from Indusind bank is secured by way of (a) exclusive charge on entire Current assets and Fixed assets of the company present and future. (b) equitable mortgage of 13 unsold flats and one unsold villa. (c) Pledge of 1,66,66,667 number of shares of Ramky Infrastructure Limited held by Mr. A.Ayodhya Rami Reddy.(d) Personal guarantee of Mr. A.Ayodhya Rami Reddy and security by way of post dated cheques. The loan is repayable within 12 months and interest rate @ 12% p.a.

**Unsecured borrowings:**

a. Unsecured working capital loans outstanding of Rs. 53.39 Millions (previous year: Rs. 128.17 Millions) obtained by Ramky Enclave Limited from a Group Company.

b. Unsecured working capital loan from a related party obtained by Ramky Towers Limited outstanding of Rs. 670.46 Millions (previous year: Rs. 529.92 Millions) is repayable on demand and interest on loan in the range of 12% to 15%.

d. Unsecured loan outstanding of Rs. 2,684.42 Millions (previous year: Rs. 1,483.78 Millions) obtained by Jorabat Shillong Expressway Limited from related party.

e. Unsecured Term Loan outstanding of Rs. 350.74 Millions (previous year: Rs. 340.77 Millions) obtained by N.A.M Expressway Limited from related party.

**19 Service Concession Arrangements**

The Group and its joint ventures and associates had an Option to account for its infrastructure projects undertaken in PPP mode to follow exposure draft issued by the ICAI for Service Concession Accounting. Ind AS requires companies to Mandatorily adopt Service Concession Accounting for its infrastructure projects under PPP mode.

Revenue related to construction or upgrade services provided under a service concession arrangement is recognised based on the stage of completion of the work performed, consistent with the Group's accounting policy on recognising revenue on construction contracts. Operation or service revenue is recognised in the period in which the services are provided by the Company.

**Description of the arrangements:**

The following subsidiaries and jointly controlled entities ("the Concessionaire") of the Company have entered into a services concession arrangement (s) (SCA) with various authorities ("the Grantor") for Design, Construction, Development, Finance, Operation and Maintenance of Road Projects on Build, Operate and Transfer (BOT) basis. As per SCA, the Concessionaire is required to construct the Road, required to operate and maintain the Road and is required to resurface the Road, at its cost and during the period in the manner so defined in the SCA. At the end of the concession period the Concessionaire will hand over the Road to the Grantor for no consideration. The premature termination is permitted only upon the happening of force major events or upon the parties defaulting on their respective obligations.

I. The following are annuity based service concession arrangements. In consideration for performing its obligations under the SCA, the Concessionaire will be entitled to an annuity of predefined sums receivable on dates specified in the annuity payment schedule of the SCA. The Grantor will retain the right to levy and collect fees from users of the Road and to permit advertisements, hoardings and other commercial activity at the Road site. Having regard to the terms of the arrangement, the right to receive annuity has been classified as a financial asset (i.e. "Receivables under the service concession arrangement") in the financial statements.

**Ramky Elsamex Hyderabad Ring Road Limited (REHRRL):**

REHRRL has entered into a service concession arrangement with Hyderabad Metropolitan Development Authority (HMDA) for a period of fifteen (15) years from commencement date i.e. 27 November 2007 including construction period of two years and six months. The construction activities were completed on 26 November 2009. The SCA does not provide for any renewal of this arrangement.

**Jorabat Shillong Expressway Limited (JSEL):**

JSEL has entered into a service concession arrangement with National Highway Authority of India (NHAI) for a period of twenty (20) years from commencement date i.e. 12 January 2011 including construction period of three years. The SCA does not provide for any renewal of this arrangement.

**Srinagar Banihal Expressway Limited (SBEL):**

SBEL has entered into a service concession arrangement with National Highway Authority of India (NHAI) for a period of twenty (20) years from commencement date i.e. 27 June 2011 including construction period of three years. The SCA does not provide for any renewal of this arrangement.

II. The following is the toll based service concession arrangement. In consideration for performing its obligations under the SCA, the Concessionaire will be entitled to collect toll/user charges from the users of Road. Having regard to the terms of the arrangement, the right to receive toll has been classified as an intangible assets/intangible assets under development (i.e. "Concession intangibles") under the head fixed assets in the financial statements.

**N.A.M. Expressway Limited (NAMEL):**

NAMEL has entered into a service concession arrangement with Andhra Pradesh Road Development Corporation (APRDC) for a period of twenty four (24) years from commencement date i.e. 18 January 2011 including construction period of two years and six months. The SCA does not provide for any renewal of this arrangement. NAMEL will also be entitled to a "Grant" by way of cash support from APRDC and Central Government.

(All amounts are Rs. in Millions, unless otherwise stated)

III. The following is the annuity cum toll based service concession arrangement. In consideration for performing its obligations under the SCA, the Concessionaire will be entitled to an annuity of predefined sums receivable on dates specified in the annuity payment schedule of the SCA and to collect toll/user charges from the users of Road. Having regard to the terms of the arrangement, the right to receive annuity has been classified as a financial asset (i.e. "Receivables under the service concession arrangement") in the financial statements and the right to receive toll has been classified as an intangible asset/intangible assets under development (i.e. "Concession intangibles") under the head fixed assets in the financial statements.

**Sehore Kosmi Tollways Limited (SKTL):**

During the previous year, SKTL has entered into a service concession arrangement with Madhya Pradesh Road Development Corporation Limited (MPRDC) for a period of fifteen (15) years from commencement date i.e. 22 February 2012 including construction period of two years. The SCA does not provide for any renewal of this arrangement.

**20** As at 31 March 2018, certain Trade Receivable and non-moving inventory/work in progress aggregating to Rs. 3,607.42 Millions (previous year Rs. 4,415.49 Millions) are outstanding. The management of the Company is in continuous engagement/ negotiation with the respective contractee / clients to recover such amounts and keeping in view the status of negotiations and the outcome of arbitration proceedings on the basis on which steps to recover these amounts are currently in process, is confident of recovering such receivables.

**21** During the financial year 2017-18, the Company has recognized insurance claim Income aggregating to Rs. 350.46 Millions ( previous year Rs. 219.73 Millions ) to the extent measured reliably and accounted/charged off related additional costs incurred towards damage by floods in respect of insurance claim lodged by concessionaire of the Project, a subsidiary Company due to flood on Company's road project, at Srinagar in Jammu and Kashmir The management of the company does not expect any material adjustment in this respect in future.

**22 Liabilities/provisions no longer required written back**

During the financial year 2017-18, the management has written back liabilities/provisions no longer required aggregating to Rs. 2,388.04 Millions (previous year Rs. 1,208.29 Millions) which were outstanding for a long period of time and being carried by the management as a measure of prudence. The management is confident that no material adjustment will be required in future.

**23 Assets no longer receivables written off**

During the financial year 2017-18, the management has written-off of unrealisable receivables no longer receivable aggregating to Rs. 1,437.82 Millions (previous year Rs. 673.07 Millions). The management considered it prudent not to carry such receivables and hence, written off those amounts.

**24 Specific notes pertaining to group entities**

**1. Ramky Pharma City (India) Limited (RPCIL)**

During the F.Year 2012-13 a Charge sheet has been filed by CBI against company with the CBI court, Nampally, Hyderabad alleging certain irregularities by the company pertaining to reduction of Green belt area and also the Company has received a provisional attachment order under Section 5 (1) of the Prevention of Money Laundering Act, 2002 from Enforcement Directorate (ED) dated 07 January 2013 for attachment of assets/properties valued at Rs 1,337.40 Millions comprising Land and facilities valuing Rs. 1,305.40 Millions and Mutual Fund of Rs. 32.0 Millions. During the previous year the adjudicating authority passed a confirmation order of the above provisional attachment order and the company has preferred an appeal before the Appellate Tribunal. In the meantime, the office of Joint Director, Enforcement Directorate, Hyderabad Zonal office has served a Notice for taking the possession of the referred properties under section 8(4) of the PMLA 2002. The company has filed a writ petition before the honourable High court of Andhra Pradesh, Hyderabad seeking for stay of proceedings. The honourable High court of Andhra Pradesh has granted a interim stay of all further proceedings till a stay application is considered and appropriate orders passed by the Appellate authority. On 20th November, 2013, the Appellate Tribunal has considered the stay application and stayed the EDs notice. Since the Appellate Tribunal ceased of the matter, the cause in the writ petition does not survive. Hence, the above referred Writ Petition is dismissed. The case is posted for hearing on 29th July 2015 with the Appellate Tribunal. However, Mutual Fund of Rs. 32.00 Millions was transferred in the name of the Directorate of Enforcement. Further on 26th March 2015, the Joint Director, Enforcement directorate, Hyderabad zonal office has passed a provisional attachment order for Rs 2,161.80 Millions on the assets of company. The Joint Director has filed a complaint under PMLA before the Adjudicating authority seeking for confirmation of the above provisional attachment order on 10 April 2015. The Adjudicating Authority (AA) has served a show cause notice on 22 April 2015 calling upon to show cause as to why the provisional attachment order shall not be confirmed and directed to appear before the AA on 15 June 2015 and on 04-08-2015 the AA confirmed the provisional attached order and this order is in continuation to the order passed by ED for 1,337.40 Millions. On 18-08-2015 the office of Joint Director, Enforcement Directorate, Hyderabad Zonal office has served a Notice for taking the possession of the referred properties under section 8(4) of the PMLA 2002. No adjustments have been made in the financial statements, as the Management believes that the project of the company is being carried out in accordance with the provisions of the Concession Agreement executed between the company and Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) after obtaining the requisite approvals and following the due process of law.

**2. Hospet Chitradurga Tollways Limited (HCTL):**

HCTL has entered into a service concession arrangement with National Highways Authority of India (NHAI) for a period of twenty five (25) years from commencement date including construction period of two years and six months. SCA entered by the entity on 19 January 2012. The SCA does not provide for any renewal of this arrangement.

However, HCTL has served a termination notice to NHAI on 5 December 2013 due to delay in availability of land and other statutory clearances, which resulted in increase in the project cost against bid provisions. In turn, NHAI, also served termination notice on 31 December 2013, citing reasons of default on part of HCTL.

The Company and NHAI have mutually agreed to terminate the Concession Agreement dated January 19, 2012 and signed settlement and close out agreement dated October 31, 2014 and which interalia provides that the concessionaire agrees and undertake and herby forgoes any and all claims against the Authority on any account whatsoever related to this Concession Agreement. Similarly the Authority Agrees not to raise any other Claims against the Concessionaire under the Concession Agreement.

Since the company is a project specific company, termination of the project affects the Going Concern nature of the company. However, the financial impact on the Accounts of the same has been provided in the Financial Statements.

(All amounts are Rs. in Millions, unless otherwise stated)

**3. Ramky Engineering and Consultancy Services (FZC)**

In respect of Ramky Engineering and Consultancy Services (FZC) Sharjah, the Consolidated financials was not audited, therefore figures have been consolidated on the basis of Management financials. The Consolidated financial statement include total assets of Rs. 1,866.60 Millions (Net of Elimination) as at March 31, 2018.

**4. Ramky Elsamex Hyderabad Ring Road Limited (REHRRL)**

In respect of Ramky Elsamex Hyderabad Ring Road Limited, the Company has executed the project for Hyderabad Metropolitan Development Authority (HMDA). As at 31 March 2018, the trade receivable includes the following amounts from HMDA towards various retentions:

| Particulars | Amount |
|---|---|
| Bonus Annuity` | 315.00 |
| Retention In First Annuity | 197.75 |
| Retention In Fourth Annuity | 161.63 |
| Retention In Eight Annuity | 29.60 |

During the year 2013-14 the Company had sent Arbitration Notice to HMDA for recovery of the receivables. During the year both the company and HMDA appointed Arbitrators and now the matter is pending before the Arbitral Tribunal. The Company is in the opinion that the retention is an adhoc retention and it is therefore recoverable.

**25. Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III**

**As at 31 March 2018**

| Name of the Entity | Net Assets | | Share in profit or (loss) | | Share in OCI | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit or (loss) | Amount | As % of consolidated other OCI | Amount | As % of consolidated total OCI | Amount |
| **Parent** | | | | | | | | |
| Ramky Infrastructure Limited | 39.32 % | 3,772.54 | 217.65 % | 649.51 | 82.81 % | 6.12 | 214.39 % | 655.63 |
| **Subsidiaries** | | | | | | | | |
| **Indian** | | | | | | | | |
| MDDA-Ramky IS Bus Terminal Limited | 1.24 % | 119.20 | (11.08)% | (33.06) | (6.11)% | (0.45) | (10.96)% | (33.51) |
| Ramky Pharma City (India) Limited | 8.41 % | 806.92 | 14.00 % | 41.78 | 10.21 % | 0.76 | 13.91 % | 42.54 |
| Ramky Elsamex Hyderabad Ring Road Limited | 4.11 % | 394.07 | 31.45 % | 93.86 | 0.00 % | - | 30.69 % | 93.86 |
| Ramky Towers Limited | 1.13 % | 107.94 | (9.98)% | (29.77) | 0.00 % | - | (9.73)% | (29.77) |
| Ramky Food Park (Chhattisgarh) Limited | 0.00 % | - | (3.51)% | (10.48) | 0.00 % | - | (3.43)% | (10.48) |
| Naya Raipur Gems and Jewellery SEZ limited | 0.14 % | 13.19 | (3.37)% | (10.07) | 0.00 % | - | (3.29)% | (10.07) |
| Ramky Herbal and Medicinal Park (Chhattisgarh) Limited | 0.00 % | - | (3.12)% | (9.30) | 0.00 % | - | (3.04)% | (9.30) |
| Ramky Enclave Limited | (0.55)% | (52.60) | 1.23 % | 3.66 | 0.00 % | - | 1.20 % | 3.66 |
| Ramky MIDC Agro Processing Park Limited | 0.68 % | 65.49 | (0.01)% | (0.02) | 0.00 % | - | (0.01)% | (0.02) |
| Srinagar Banihal Expressway Limited | 7.07 % | 677.97 | 6.66 % | 19.89 | 0.00 % | - | 6.50 % | 19.89 |
| Ramky Food Park (Karnataka) Limited | 0.00 % | - | (0.18)% | (0.55) | 0.00 % | - | (0.18)% | (0.55) |
| Ramky Multi Product Industrial Park Limited | 3.65 % | 349.87 | (2.79)% | (8.34) | 0.00 % | - | (2.73)% | (8.34) |

(All amounts are Rs. in Millions, unless otherwise stated)

| Name of the Entity | Net Assets | | Share in profit or (loss) | | Share in OCI | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit or (loss) | Amount | As % of consolidated other OCI | Amount | As % of consolidated total OCI | Amount |
| Sehore Kosmi Tollways Limited | 1.20 % | 115.46 | (12.82)% | (38.27) | 3.55 % | 0.26 | (12.43)% | (38.00) |
| Agra Etawah Tollways Limited | 0.00 % | 0.17 | (0.01)% | (0.02) | 0.00 % | - | (0.01)% | (0.02) |
| Hospet Chitradurga Tollways Limited | 0.00 % | 0.06 | (0.01)% | (0.04) | 0.00 % | - | (0.01)% | (0.04) |
| Frank Llyod Tech Management Services Limited | (0.17)% | (16.66) | (13.33)% | (39.79) | (4.92)% | (0.36) | (13.13)% | (40.15) |
| JNPC Pharma innovation limited | 0.02 % | 1.83 | 0.03 % | 0.08 | 0.00 % | - | 0.03 % | 0.08 |
| Jabalpur Patan Shahpura Tollways Limited | 0.00 % | 0.07 | (0.00)% | (0.00) | 0.00 % | - | (0.00)% | (0.00) |
| Ramky Esco Limited | (0.00)% | (0.00) | (0.12)% | (0.36) | 0.00 % | - | (0.12)% | (0.36) |
| Pantnagar CETP Pvt Ltd | 0.02 % | 2.08 | 1.17 % | 3.49 | 0.00 % | - | 1.14 % | 3.49 |
| **Foreign** | | | | | | | | |
| Ramky Engineering and Consulting Services (FZC) | 10.78 % | 1,034.63 | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Ramky Infrastructure Sociedad Anonima Cerradda | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Ramky Engineering and Consulting Services Gabon SA | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| **Jointly controlled entities** | | | | | | | | |
| Jorabat Shillong Expressway Limited | 7.19 % | 689.45 | (6.23)% | (18.61) | 0.00 % | - | (6.08)% | (18.61) |
| N.A.M. Expressway Limited | 5.82 % | 558.01 | (106.42)% | (317.57) | 12.95 % | 0.96 | (103.53)% | (316.61) |
| Ramky Integrated Township Limited | 9.94 % | 953.81 | 0.80 % | 2.39 | 1.51 % | 0.11 | 0.82 % | 2.50 |
| **Total** | **100%** | **9,593.49** | **100.00%** | **298.42** | **100.00%** | **7.40** | **100.00%** | **305.81** |

**As at 31 March 2017**

| Name of the Entity | Net Assets | | Share in profit or (loss) | | Share in OCI | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit or (loss) | Amount | As % of consolidated other OCI | Amount | As % of consolidated total OCI | Amount |
| **Parent** | | | | | | | | |
| Ramky Infrastructure Limited | 30.93 % | 2,813.91 | 813.19 % | 572.15 | 197.54 % | 2.26 | 803.32 % | 574.42 |
| **Subsidiaries** | | | | | | | | |
| **Indian** | | | | | | | | |
| MDDA-Ramky IS Bus Terminal Limited | 1.67 % | 152.25 | (8.83)% | (6.21) | (150.10)% | (1.72) | (11.09)% | (7.93) |
| Ramky Pharma City (India) Limited | 8.71 % | 792.00 | 56.01 % | 39.40 | 46.70 % | 0.54 | 55.86 % | 39.94 |
| Ramky Elsamex Hyderabad Ring Road Limited | 3.30 % | 300.22 | (26.83)% | (18.87) | 0.00 % | - | (26.40)% | (18.87) |
| Ramky Towers Limited | 1.51 % | 137.72 | (63.44)% | (44.64) | (1.07)% | (0.01) | (62.44)% | (44.65) |
| Ramky Food Park (Chhattisgarh) Limited | 0.12 % | 10.48 | (0.02)% | (0.01) | 0.00 % | - | (0.02)% | (0.01) |

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

(All amounts are Rs. in Millions, unless otherwise stated)

| Name of the Entity | Net Assets | | Share in profit or (loss) | | Share in OCI | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit or (loss) | Amount | As % of consolidated other OCI | Amount | As % of consolidated total OCI | Amount |
| Naya Raipur Gems and Jewellery SEZ limited | 0.26 % | 23.26 | 0.06 % | 0.04 | 0.00 % | - | 0.06 % | 0.04 |
| Ramky Herbal and Medicinal Park (Chhattisgarh) Limited | 0.10 % | 9.30 | (0.03)% | (0.02) | 0.00 % | - | (0.03)% | (0.02) |
| Ramky Enclave Limited | (0.55)% | (50.48) | (2.95)% | (2.08) | 3.30 % | 0.04 | (2.85)% | (2.04) |
| Ramky MIDC Agro Processing Park Limited | 0.72 % | 65.51 | (0.03)% | (0.02) | 0.00 % | - | (0.03)% | (0.02) |
| Srinagar Banihal Expressway Limited | 5.56 % | 506.01 | (184.54)% | (129.84) | 0.00 % | - | (181.58)% | (129.84) |
| Ramky Food Park (Karnataka) Limited | 0.01 % | 0.47 | 0.00 % | 0.00 | 0.00 % | - | 0.00 % | 0.00 |
| Ramky Multi Product Industrial Park Limited | 6.27 % | 570.18 | (23.90)% | (16.82) | 0.00 % | - | (23.52)% | (16.82) |
| Sehore Kosmi Tollways Limited | 1.69 % | 153.46 | (55.28)% | (38.90) | 0.00 % | - | (54.40)% | (38.90) |
| Agra Etawah Tollways Limited | 0.00 % | 0.19 | (0.03)% | (0.02) | 0.00 % | - | (0.03)% | (0.02) |
| Hospet Chitradurga Tollways Limited | 0.00 % | 0.10 | 0.00 % | 0.00 | 0.00 % | - | 0.00 % | 0.00 |
| Frank Llyod Tech Management Services Limited | 0.26 % | 23.66 | (7.50)% | (5.28) | (0.04)% | (0.00) | (7.38)% | (5.28) |
| JNPC Pharma innovation limited | 0.02 % | 1.75 | 0.11 % | 0.08 | 0.00 % | - | 0.11 % | 0.08 |
| Jabalpur Patan Shahpura Tollways Limited | 0.00 % | 0.07 | (0.04)% | (0.03) | 0.00 % | - | (0.04)% | (0.03) |
| Ramky Esco Limited | 0.00 % | 0.36 | (0.03)% | (0.02) | 0.00 % | - | (0.03)% | (0.02) |
| Pantnagar CETP Pvt Ltd | (0.02)% | (1.41) | (2.01)% | (1.41) | 0.00 % | - | (1.97)% | (1.41) |
| Foreign | | | | | | | | |
| Ramky Engineering and Consulting Services (FZC) | 11.58 % | 1,053.02 | 0.00 % | - | 0.00 % | | 0.00 % | - |
| Ramky Infrastructure Sociedad Anonima Cerradda | 0.00 % | - | 0.00 % | - | 1833.44 % | - | 0.00 % | - |
| Ramky Engineering and Consulting Services Gabon SA | 0.00 % | - | 0.00 % | - | 0.00 % | - | 0.00 % | - |
| Jointly controlled entities | | | | | | | | |
| Jorabat Shillong Expressway Limited | 7.78 % | 708.05 | (139.26)% | (97.99) | 0.00 % | - | (137.03)% | (97.99) |
| N.A.M. Expressway Limited | 9.62 % | 874.62 | (259.36)% | (182.48) | 161.99 % | - | (255.20)% | (182.48) |
| Ramky Integrated Township Limited | 10.46 % | 951.53 | 4.72 % | 3.32 | 3.66 % | 0.04 | 4.70 % | 3.36 |
| **Total** | **100%** | **9,096.25** | **100.00%** | **70.36** | **100.00%** | **1.15** | **100.00%** | **71.51** |

(All amounts are Rs. in Millions, unless otherwise stated)

**26 Issue of Convertible Equity Warrants to Promoter Group and Non-Promoter Investors**

The share allotment committee of the Company at its meeting held on Dec 15, 2017 has allotted 1,20,00,000 Convertible Equity warrants of Rs.10 each at a price of Rs. 101 each to the following promoter and non-promoter investors group.

| S No | Name of the Shareholder | Investors | No. of Convertible Equity Warrants issued |
|---|---|---|---|
| 1 | Alla Dakshayani | Promoter Group | 5,000,000 |
| 2 | Aadi Financial Advisors LLP [LLPIN: AAA-1118] | Non- Promoter group | 5,000,000 |
| 3 | Saraswati Commercial (India) Limited, a public Listed Company on BSE (Scrip Code: 512020) [CIN: L51909MH1983PLC166605] | | 1,000,000 |
| 4 | Ind-Finance and Securities Trust Private Limited [CIN: U65910MH1986PTC039201] | | 1,000,000 |
| | **Total** | | **12,000,000** |

The Warrant holders shall pay 25% of the exercise price on the day of allotment and paid accordingly.

The balance 75% shall be payable on or before the conversion of the said warrants into equity shares, within a maximum permissible period of 18 months

The Warrant holders has the right to apply for and get allotted one equity share of Rs. 10 for each warrant, within a period of 18 months from the date of allotment of Warrants in one or more trenches

In the event the warrant holders does not exercise the warrants within 18 months from the date of allotment of warrants, the warrants shall lapse and the amount paid on such warrants shall stand forfeited by the company

**The notes 1 to 26 are an integral part of these financial statements.**

As per our Report of even date attached

for **M V NARAYANA REDDY & CO.,**
Chartered Accountants
Firm Registration No. 002370S

Sd/-
**M V NARAYANA REDDY**
Partner
Membership No: 028046

Place : Hyderabad
Date : 30-May-2018

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

Sd/-
**A AYODHYA RAMI REDDY**
Executive Chairman
DIN : 00251430

Sd/-
**Y R NAGARAJA**
Managing Director
DIN: 00009810

Sd/-
**I W VIJAYA KUMAR**
Chief Financial Officer

Sd/-
**AKASH BHAGADIA**
Company Secretary

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# ATTENDANCE SLIP




## RAMKY INFRASTRUCTURE LIMITED

**CIN: L74210TG1994PLC017356**

Regd.Office: Ramky Grandiose, 15th Floor, Sy No 136/2 & 4, Gachibowli, Hyderabad – 500032
Phone: 040-23015000, Fax: 040-23015444, Email: investors@ramky.com, www.ramkyinfrastructure.com

### 24th Annual General Meeting – September 25th, 2018

**(Please Fill This Attendance Slip And Hand It Over At The Entrance Of The Meeting Hall)**

| | | | |
|---|---|---|---|
| **DP ID*`** | | **Folio No** | |
| **Client ID*** | | **No. of Shares held** | |

Name & Address (in BLOCK LETTERS):

I certify that I am member /Proxy for the member of the company, I hereby record my presence at the 24th Annual General Meeting of the Company held on Tuesday, September 25th, 2018 at 3.00 P.M at AVASA Hotels, Plot No: 15,24,25 & 26, Sector - 1, Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad- 500081.

* Applicable for Investors holding shares in electronic form

.....

(Signature of Member / Proxy)

Note : Please fill in the attendance slip and hand it over at the entrance of the meeting.

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

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**PROXY FORM**

Towards sustainable growth

# RAMKY INFRASTRUCTURE LIMITED

**CIN: L74210TG1994PLC017356**

Regd.Office: Ramky Grandiose, 15th Floor, Sy No 136/2 & 4, Gachibowli, Hyderabad – 500032
Phone: 040-23015000, Fax: 040-23015444, Email: investors@ramky.com, www.ramkyinfrastructure.com

## Form No. MGT-11

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

| | |
|---|---|
| Name of the Member(s) | |
| Registered Address | |
| Folio No /Client ID | DP ID |
| E-mail Id | |

I/We, being the member(s) of _____shares of the above named company. Hereby appoint

| | |
|---|---|
| Name : | E-mail Id: |
| Address: | |
| Signature, or failing him | |

| | |
|---|---|
| Name : | E-mail Id: |
| Address: | |
| Signature, or failing him | |

| | |
|---|---|
| Name : | E-mail Id: |
| Address: | |
| Signature, or failing him | |

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the company, to be held on the Tuesday, September 25th, 2018 at 3.00 P.M at AVASA Hotels, Plot No: 15,24,25 & 26, Sector - 1, Survey No: 64, Huda Techno Enclave, Madhapur, Hyderabad- 500081. and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution Details:**

| S.No | Resolution | For | Against |
|---|---|---|---|
| | **Ordinary Business** | | |
| 1 | To receive, consider and adopt:<br>- the Audited Financial Statements (Standalone) of the Company for the financial year ended March 31, 2018, the Report of the Board of Directors and the Report of the Auditors thereon; and<br>- the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 and the Report of the Auditors thereon | | |
| 2 | To appoint a director in place of Dr. Anantapurguggilla Ravindranath Reddy (DIN: 01729114), who retires by rotation and being eligible offers himself for re-appointment | | |
| 3 | To appoint of M/s. M V Narayana Reddy & Co, Chartered Accountants (Firm Registration No. 002370S) Statutory Auditors of the Company, and to fix their remuneration and to pass with or without modifications the following resolution as an Ordinary Resolution: | | |
| | **Special Business** | | |
| 4 | To appoint Mrs. Mahpara Ali (DIN: 06645262) as Nominee Director of the company and for this purpose to consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution: | | |
| 5 | To fix remuneration of the Cost Auditor and to consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution: | | |

* Applicable for investors holding shares in Electronic form.

Signed this _____day of _____2018

Affix Revenue Stamps

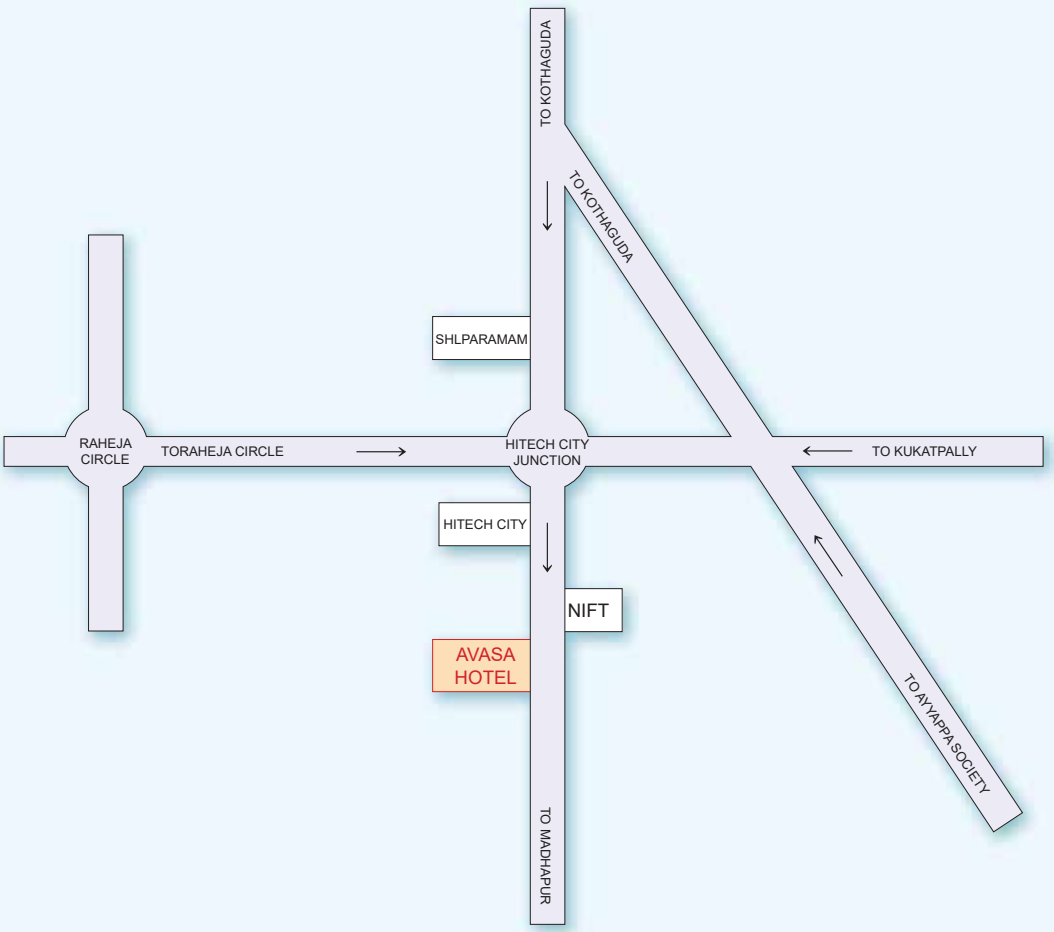
Signature of Shareholder | Signature of Proxy holder | Signature of the shareholder across Revenue Stamp

Note:

1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

2) The proxy need not be a member of the company

# Route Map to AGM Venue



By Couner / Regd. Post

*If undeliverd, please return to:*


## Ramky Infrastructure Limited

CIN: L74210TG1994PLC017356
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