



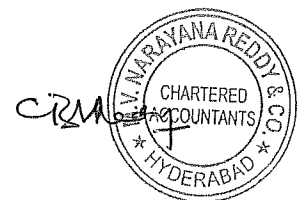
**Independent Auditor's Report on Consolidated Annual Financial Results of Ramky Infrastructure Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**To**  
**The Board of Directors of**  
**Ramky Infrastructure Limited**

1 We have audited the consolidated annual financial results (the Consolidated Statement) of Ramky Infrastructure Limited (hereinafter referred to as "the Holding Company") comprising its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates for the year ended March 31, 2019, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated annual financial results are the responsibility of the Holding Company's management and have been approved by the Board of Directors in their meeting held on May 27, 2019.

These consolidated annual financial results are based on the consolidated financial statements for the year ended March 31, 2019, prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015, as amended, as per Section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated annual financial results based on our audit of the such consolidated annual financial statements for the year ended March 31, 2019.

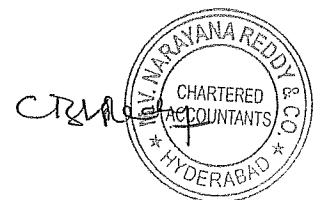
2 We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated annual financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as the consolidated annual financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.





**Attention is invited to**

- 3 Note 9 to the Consolidated Statement in respect of existence of material uncertainties over the realisability of certain construction work in progress and trade receivables aggregating to Rs. 996.12 millions as at March 31, 2019, 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.
- 4 Note 11 to the Consolidated Statement in respect of Srinagar Banihal Expressway Limited, a Subsidiary Company whereby the Statutory Auditors of the said subsidiary have drawn attention in respect of the cost overrun on the project to the extent of Rs 3,679.03 millions (including taxes) accounted during the year.
- 5 Note 12 to the Consolidated Statement in respect of Srinagar Banihal Expressway Limited, a Subsidiary Company whereby the Statutory Auditors of the said subsidiary have drawn attention that the company could not meet its borrowing obligations with the lenders during the year, as a result of which the loan accounts with various banks had become Non Performing Asset (NPA). However, the said subsidiary is confident of repayment of principal and interest to the lenders in the coming years from the future annuity receivables as the company has already achieved Provisional Commercial Operational Date (PCOD) last year.
- 6 Note 13 to the Consolidated Statement 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 Concessioneing Authority” with mutual consent. Since the Company is a project specific company, termination of project affects the Going Concern nature of the Company. The consequential financial impact was provided in the financial statement during the previous year.





7 Note 14 to the Consolidated Statement in respect of Ramky Pharma City (India) Limited ("RPCIL"), a subsidiary, whereby the auditors have reported 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.

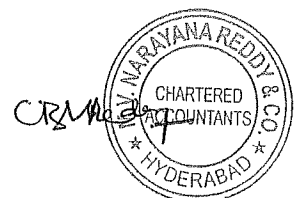
Our opinion on the consolidated annual financial results is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### **Other Matters**

8 We did not audit the financial statements and other financial information, in respect of 16 subsidiaries, whose financial statements include total assets of Rs. 29,593.59 millions as at March 31, 2019, and total revenues of Rs. 7,455.09 millions for the year ended on that date and net cash inflows of Rs. 205.77 millions for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements and whose reports have been furnished to us by the management. The above financial information are before giving effect to any consolidation adjustments.

9 Accompanying consolidated annual financial statements of the Company include the financial statement / financial information in respect of one foreign subsidiary whose financial results reflect the assets of Rs. 1,989.06 millions as at March 31, 2019 and share in profit (net) Nil for the year ended on that date. These financial statements / information have been furnished to us by the management. Further accompanying annual consolidated financial results of the Company does not include Company's share of profit in respect of one associate in which Company has investment aggregating to Rs. 1.24 millions as at March 31, 2019. Our opinion on the Consolidated Statement so far as it relates to the amounts and disclosures included in respect of the aforesaid foreign subsidiary and associate is based solely on such unaudited financial statement / information provided by the management. Any adjustment upon audit by the respective auditors to the unaudited financial statement / information could have material consequential effect on the statement.

Our opinion on the consolidated annual financial results 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.





10 In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on separate financial statements and other financial information of subsidiaries and associates as aforesaid, these consolidated annual financial results :

i. includes the annual financial results of the following entities

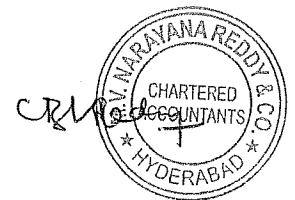
● Subsidiaries

- MDDA-Ramky IS Bus Terminal Limited
- Ramky Pharma City (India) Limited
- Ramky Elsamex Hyderabad Ring Road Limited
- Ramky Towers Limited
- Ramky Food Park (Chhattisgarh) Limited
- Naya Raipur Gems and Jewellery SEZ limited
- Ramky Herbal and Medicinal Park (Chhattisgarh) Limited
- Ramky Enclave Limited
- Ramky MIDC Agro Processing Park Limited
- Srinagar Banihal Expressway Limited
- Ramky Multi Product Industrial Park Limited
- Sehore Kosmi Tollways Limited
- Hospet Chitradurga Tollways Limited
- Frank Llyod Tech Management Services Limited
- JNPC Pharma Innovation Limited
- Pantnagar CETP Private Limited
- N.A.M. Expressway Limited\*
- Ramky Engineering and Consulting Services (FZC)
- Ramky Infrastructure Sociedad Anonima Cerradada
- Ramky Engineering and Consulting Services Gabon SA

● Associates

- Gwalior Bypass Project Limited

\* ceases to be a subsidiary from 30th November, 2018



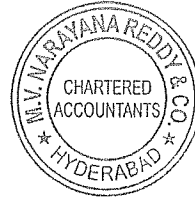


- ii. have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, in this regard; and
- iii. give a true and fair view of the total comprehensive income (comprising of net loss and other comprehensive income) and other financial information for the year ended March 31, 2019.

For **M V Narayana Reddy & Co.,**  
Chartered Accountants  
Firm Registration No. 002370 S

*C Bala Venkata Subba Reddy*

**C Bala Venkata Subba Reddy**  
Partner  
Membership No: 229891



Place: Hyderabad  
Date: 27-May-2019

RAMKY INFRASTRUCTURE LIMITED

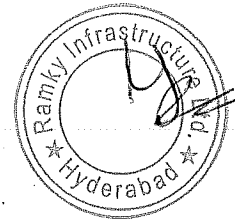
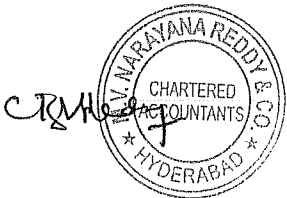
Registered office: Ramky Grandiose, 15th Floor, Sy. No. 136/2&4, Gachibowli, Hyderabad-500 032

CIN L74210TG1994PLC017356; Mail id: info@ramky.com

Statement of Consolidated Audited Financial Results for the Year ended 31 March 2019

(All amounts in Rupees Millions except share data)

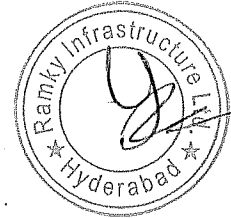
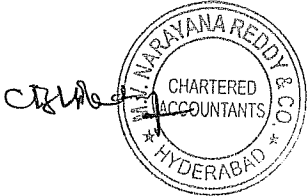
S. No	Particulars	Year ended	
		31 March 2019	31 March 2018
		(Audited)	(Audited)
1	<b>INCOME</b>		
	Revenue from Operations	17,487.63	15,784.97
	Other income	2,546.20	5,249.75
	<b>Total Income</b>	<b>20,033.83</b>	<b>21,034.72</b>
2	<b>EXPENSES</b>		
	Operating expenses	11,551.32	12,679.10
	Cost of traded materials consumed	1.21	2.98
	Change in inventories of contract work-in-progress	583.65	472.64
	Employee benefits expense	505.68	499.96
	Finance costs	3,782.45	3,688.86
	Depreciation and amortisation expense	479.08	554.44
	Other expenses	3,099.31	2,025.60
	<b>Total expenses</b>	<b>20,002.70</b>	<b>19,923.58</b>
3	<b>Profit from operations before tax (1-2)</b>	<b>31.13</b>	<b>1,111.14</b>
4	<b>Tax Expense</b>		
	Current tax	38.84	71.57
	Deferred tax charge / (credit)	(7.24)	381.61
	<b>Total Tax Expense</b>	<b>31.60</b>	<b>453.17</b>
5	<b>Net Profit/(Loss) before Non-Controlling Interest/Share in net profit/(loss) of equity accounted investees (3-4)</b>	<b>(0.48)</b>	<b>657.97</b>
6	<b>Share in net profit/(loss) of equity accounted investees</b>	<b>-</b>	<b>(332.72)</b>
7	<b>Profit/(Loss) for the year (5+6)</b>	<b>(0.48)</b>	<b>325.25</b>
8	<b>Other comprehensive income</b>		
	Items that will not be reclassified to profit or loss		
	Remeasurements of defined benefit liability (Net of tax)	3.19	25.73
	Items that will be reclassified subsequently to profit or loss		
	Exchange differences on translating financial statements of foreign operations	67.89	(18.34)
9	<b>Total comprehensive income (7+8)</b>	<b>70.60</b>	<b>332.65</b>
	<b>Attributable to:</b>		
	Owners of the Company	221.74	292.70
	Non-controlling interests	(151.14)	39.95
10	<b>Paid up Equity Share Capital (face value of Rs 10/- each, fully paid-up)</b>	<b>598.48</b>	<b>571.98</b>
11	<b>Earnings per share</b>		
	Basic EPS (Rs)	2.55	4.85
	Diluted EPS (Rs)	2.41	4.58



## Segment reporting (Consolidated)

(All amounts in Rupees Millions except share data)

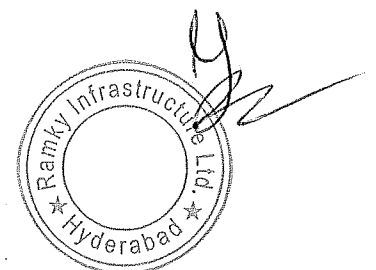
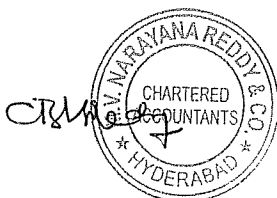
S. No	Particulars	Year ended	
		31 March 2019	31 March 2018
		(Audited)	(Audited)
1	Segment revenue :		
	a) Construction business	14,766.52	15,896.11
	b) Developer business	7,435.29	2,308.22
	c) Other segments	19.80	12.38
	Total	22,221.62	18,216.71
	Less: Inter-segment revenue	(4,733.99)	(2,431.74)
	<b>Total Revenue</b>	<b>17,487.63</b>	<b>15,784.97</b>
2	Segment results :		
	(Loss)/ Profit before tax and interest from each segment		
	a) Construction business	395.31	(715.77)
	b) Developer business	330.91	330.16
	c) Other segments	(7.95)	(64.14)
	Total	718.28	(449.75)
	Less: Finance costs	(3,782.45)	(3,688.86)
Add: Unallocable Other Income	2,546.20	5,249.75	
Add: Unallocable Income net of expenditure	549.10	-	
	<b>Total profit before tax</b>	<b>31.13</b>	<b>1,111.14</b>
3	Segment Assets		
	a) Construction business	25,582.76	27,654.37
	b) Developer business	21,038.18	22,621.75
	c) Other segments	59.86	76.01
	<b>Total</b>	<b>46,680.81</b>	<b>50,352.13</b>
4	Segment Liabilities		
	a) Construction business	20,099.33	22,847.22
	b) Developer business	20,988.71	22,136.37
	c) Other segments	46.80	59.76
	<b>Total</b>	<b>41,134.84</b>	<b>45,043.36</b>



Statement of Consolidated Audited Assets and Liabilities as at 31 March 2019

(All amounts in Rupees Millions except share data)

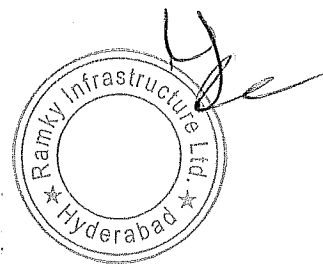
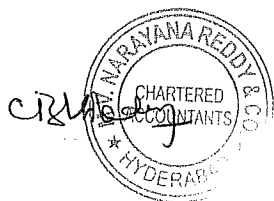
Particulars	Year ended	
	31 March 2019	31 March 2018
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non current assets</b>		
Property, plant and equipment	2,387.28	2,495.04
Capital work-in- progress	0.45	158.88
Goodwill on consolidation	21.30	21.30
Other intangible assets	392.08	465.86
<b>Financial assets</b>		
- Investments	60.65	1,375.32
- Trade receivables	14.15	23.85
- Loans	0.05	701.86
- Other financial assets	20,678.83	19,135.10
Deferred tax assets (net)	3,291.08	3,534.61
Non current tax assets (net)	1,122.90	783.93
Other non current assets	474.72	534.30
	<b>28,443.50</b>	<b>29,230.05</b>
<b>Current assets</b>		
Inventories	3,888.47	5,203.35
<b>Financial assets</b>		
- Trade receivables	6,055.85	9,430.79
- Cash and cash equivalents	921.70	592.51
- Bank balances other than above	1,005.51	208.50
- Loans	412.77	925.87
- Other financial assets	2,782.47	1,656.91
Other current assets	3,170.55	3,104.15
	<b>18,237.31</b>	<b>21,122.08</b>
<b>Total assets</b>	<b>46,680.81</b>	<b>50,352.13</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share Capital	598.48	571.98
Other equity	3,885.11	3,523.28
Equity attributable to equity holders of the parent	4,483.59	4,095.26
Non-controlling interests	1,062.38	1,213.52
<b>Total equity</b>	<b>5,545.97</b>	<b>5,308.78</b>
<b>LIABILITIES</b>		
<b>Non current liabilities</b>		
<b>Financial liabilities</b>		
- Borrowings	20,478.86	20,118.14
- Trade payables		
(i) Total outstanding dues to micro and small enterprises	-	-
(ii) Total Outstanding dues to creditors other than micro and small enterprises	2.98	11.78
- Other financial liabilities	56.36	52.16
Provisions	71.76	114.31
Deferred tax liabilities (net)	520.87	387.89
Other non-current liabilities	1,392.17	2,716.36
	<b>22,523.00</b>	<b>23,400.64</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
- Borrowings	3,837.42	4,097.58
- Trade payables		
(i) Total outstanding dues to micro and small enterprises	14.86	-
(ii) Total Outstanding dues to creditors other than micro and small enterprises	5,994.52	8,217.55
- Other financial liabilities	4,955.71	6,300.88
Other current liabilities	3,304.78	2,826.13
Provisions	479.90	200.57
Current tax liabilities (net)	24.66	0.01
	<b>18,611.84</b>	<b>21,642.72</b>
<b>Total liabilities</b>	<b>41,134.84</b>	<b>45,043.36</b>
<b>Total equity and liabilities</b>	<b>46,680.81</b>	<b>50,352.13</b>



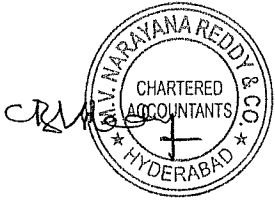


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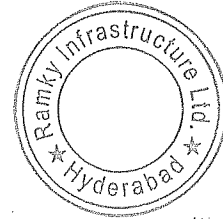
- 1 The financial results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013, read with relevant Rules issued thereunder.
- 2 The above audited financial results for the year ended March 31, 2019 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on May 27, 2019.
- 3 The new Indian Accounting Standard, Ind AS 115 (Revenue from contracts with customers) was effective from 1 April 2018. Accordingly, the Company has changed its income recognition policy in line with Ind AS 115 from 1 April 2018 and the impact of the same on the financial results is not material.
- 4 Consequent to the amendment in Schedule III to the Companies Act, 2013, presentation of financial statements is amended to comply with the new requirements.
- 5 During the year ended 31st March 2019, a share warrant holder exercised her option to convert 26,50,000 share warrants to ordinary shares by remitting the balance sum of Rs. 200.74 millions. Consequently, the number of equity shares increased by 26,50,000 making the total share capital to Rs. 598.48 millions.
- 6 During the year ended 31st March 2019, the Company sold its entire 50% equity to the JV partner IL&FS Transportation Networks Limited, i.e., 4,20,00,000 equity shares of Rs. 10/- each in Jorabat Shillong Expressway Limited and incurred a loss of Rs. 252 millions.
- 7 During the year ended 31st March 2019, the Company has settled in full the OTS amounts to two of the consortium lenders as per the consent terms and conditions and therefore reversed the excess liability of Rs.951.99 millions made in this behalf to statement of profit and loss.
- 8 During the year ended 31st March 2019, the Company has acquired 50% equity, i.e., 11,67,55,000 equity shares of Rs. 10/- each from IL&FS Transportation Networks Limited for Rs. 600 millions in NAM Expressway Limited making it a wholly owned subsidiary and subsequently sold its entire equity in NAM Expressway Limited to Cube Highways and Infrastructure Pte.Ltd.,i.e., 23,35,10,000 equity shares of Rs. 10/- each and incurred a loss of Rs.367.55 millions.
- 9 As at March 31, 2019 certain trade receivables and non-moving work in progress aggregating to Rs. 996.12 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.
- 10 Basic and diluted earnings per share for the year ended March 31, 2018 have been retrospectively adjusted for effect of share warrants issued.
- 11 The Company made a claim for cost over run to Srinagar Banihal Expressway Limited an amount of Rs. 3679.03 millions (including taxes) during the year ended 31st March 2019, which is also acknowledged by them.
- 12 During the financial year ending March 31, 2019, Srinagar Banihal Expressway Limited, a subsidiary company could not meet its borrowing obligations with the lenders, as a result of which the loan accounts with various banks had become Non Performing Asset (NPA). The Annuities received during the year were used for construction purpose, as a result of which the company was not able to service the interest and principal during the year. The company has achieved Provisional Commercial Operational Date (PCOD) on 27th March 2018 and became eligible for receiving annuities. The company has already received first, second annuities and lapsed annuity for the delay attributable to NHAI. The remaining life of the project is 13 years and estimated annuity receivables are Rs 36,000 Mn (Approx). The company is confident of repayment of principal and interest to the lenders in the coming years.



- 13 In respect of Hospet Chitradurga Tollways Limited, a subsidiary company ceases to be a Going Concern as the project was terminated on mutual consent by the Company and National Highways Authority of India (NHAI) "the Concessing Authority". The financial impact on account of the same has been provided in the financial Statements.
- 14 Ramky Pharma City Limited India: During the Financial Year 2012-13 a Charge sheet has been filed by CBI against company with the CBI court, Nampally, Hyderabad alleging certain irregularities by the Company pertaining to reduction of Green belt area and also the Company has received a provisional attachment order under Section 5 (1) of the Prevention of Money Laundering Act, 2002 from Enforcement Directorate (ED) dated 07 January 2013 for attachment of assets/properties valued at Rs 1337.4 millions comprising Land and facilities valuing Rs. 1305.4 millions and Mutual Fund of Rs. 32 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 honorable High court of Andhra Pradesh, Hyderabad seeking for stay of proceedings. The honorable High court of Andhra Pradesh has granted an 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 ED's 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 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 2161.8 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 1337.4 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.
- 15 In respect of Ramky Engineering & Consulting Services (FZC) Sharjah , the Consolidated Annual Accounts was not audited therefore figures have been consolidated on the basis of Management Financial Statements.



Place: Hyderabad  
Date: 27-May-2019



By order of the Board  
for Ramky Infrastructure Limited

Y R Nagaraja  
Managing Director  
DIN: 00009810