RED HERRING PROSPECTUS
Dated September 14, 2010
Please read section 60B of the Companies Act, 1956
100% Book Built Issue

Ramky Infrastructure Limited

Our Company was incorporated on April 13, 1994 under the provisions of the Companies Act, 1956.
For details of changes in our name and registered office, see "History and Corporate Structure" on page 108. **Registered and Corporate Office**: 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India. **Telephone**: +91 40 2331 0091; **Facsimile**: +91 40 2330 2353. **Website**: www.ramkyinfrastructure.com. **Contact Person and Compliance Officer**: Mr. V. Phani Bhushan. **E-mail**: investors@ramky.com.

PROMOTERS OF THE COMPANY: MR. ALLA AYODHYA RAMI REDDY AND MR. YANCHARLA RATNAKAR NAGARAJA

PUBLIC ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF RS. 10 ("EQUITY SHARES") EACH OF RAMKY INFRASTRUCTURE LIMITED ("RAMKY", OR THE "COMPANY", OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE, AGGREGATING UP TO RS. 5,300 MILLION ("THE ISSUE"), CONSISTING OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO RS. 3,500 MILLION BY THE COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF [●] EQUITY SHARES AGGREGATING UP TO RS. 1,800 MILLION ("OFFER FOR SALE") BY MR. ALLA AYODHYA RAMI REDDY, TARA INDIA FUND III TRUST, AND TARA INDIA HOLDINGS A LIMITED (THE "SELLING SHAREHOLDERS"). THE ISSUE WILL CONSTITUTE [●] % OF THE FULLY DILUTED POST-ISSUE PAID-UP SHARE CAPITAL OF THE COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ADVERTISED AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE.

In case of any revision in the Price Band, the Bidding Period shall be extended for three additional Working Days after such revision of the Price Band, subject to the total Bidding Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the Self Certified Syndicate Banks ("**SCSBs**"), the National Stock Exchange of India Limited (the "**NSE**") and the Bombay Stock Exchange Limited (the "**BSE**"), by issuing a press release and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate.

Pursuant to first proviso to Rule 19(2)(b) (read with erstwhile Rule 19(2)(b)) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 41(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI Regulations**"), this being an Issue for less than 25% of the post-Issue share capital, is being made through the Book Building Process wherein at least 60% of the Issue shall be Allotted to Qualified Institutional Buyers ("**QIBs**"). If at least 60% of the Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. In addition, in accordance with first proviso to Rule 19(2)(b) (read with erstwhile Rule 19(2)(b)) of the SCRR, a minimum of two million Equity Shares shall be offered to the public through this Issue and the size of this Issue shall aggregate to at least Rs. 1,000 million. Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers, allocate up to 30% of the QIB Portion on a discretionary basis to Anchor Investors at the Anchor Investor Price, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. For further details, see "Issue Procedure" on page 249. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. In the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and will be allocated QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids being received from them at or above the Issue Price. Not less than 10% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received from them at or above the Issue Price. Any Bidder (other than Anchor Investor), may participate in this Issue though the ASBA process by providing the details of the bank accounts in which the corresponding Bid amounts will be blocked by the SCSBs. Specific attention of investors is invited to "Issue Procedure – Issue Procedure for ASBA Bidders" on page 278 .

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 and the Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value**.** The Issue Price as has been determined and justified by our Company, the Selling Shareholders and the Book Running Lead Managers as stated in "Basis for the Issue Price" on page 48 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the 'risk factors' carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page x..

IPO GRADING

This Issue has been graded by CRISIL Limited and has been assigned the "IPO Grade 3/5" indicating average fundamentals. For more information on IPO grading, see the sections titled "General Information", "Other Regulatory and Statutory Disclosures" and "Material Contracts and Documents for Inspection" on pages 16, 227 and 296, respectively.

COMPANY'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Company and this Issue, which is material in the context of this Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect. Further, the Selling Shareholders, having made all reasonable inquiries accept responsibility for and confirm that the information relating to the Selling Shareholders contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect.

LISTING ARRANGEMENT

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. The Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares pursuant to their letters dated April 23, 2010 and May 11, 2010, respectively. For the purposes of this Issue, the NSE shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE
Enam Securities Private Limited SEBI Reg. No:INM000006856 801/802, Dalamal Towers, Nariman Point, Mumbai 400 021, India. Telephone: +91 22 6638 1800 Facsimile: +91 22 2284 6824 E-mail: ramky.ipo@enam.com Website: www.enam.com Contact Person: Mr. Anurag Byas Investor Grievance E-mail: complaints@enam.com	**Deutsche Equities (India) Private Limited** SEBI Reg. No: INM000010833 DB House, Hazarimal Somani Marg, Fort, Mumbai 400 001, India. Telephone: +91 22 6658 4600 Facsimile: +91 22 2200 6765 E-mail: ramky.ipo@db.com Website: www.db.com/India Contact Person: Mr. Krishan Kapur Investor Grievance E-mail: db.redressal@db.com	**Karvy Computershare Private Limited** SEBI Reg. No: INR000000221 Plot no. 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081, Andhra Pradesh, India. Telephone: +91 40 2342 0818 Facsimile: +91 40 2343 1551 E-mail: ramky.ipo@karvy.com Investor Grievance E-mail: ramky.ipo@karvy.com Website: www.karvy.com Contact Person: Mr. M. Murali Krishna

BID/ISSUE PROGRAM*

BID/ISSUE OPENS ON September 21, 2010	BID/ISSUE CLOSES ON September 23, 2010

** Our Company and the Selling Shareholders may consider participation by Anchor Investors. Anchor Investors shall bid on the Anchor Investor Bidding Date.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, all references in this Red Herring Prospectus to "Company" or "Ramky Infrastructure Limited", "RIL" are to "Ramky Infrastructure Limited", a public limited company incorporated under the Companies Act and all references in this Red Herring Prospectus to "we" or "us" or "our" are to the Company, and where the context requires, the Subsidiaries, on a consolidated basis.

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Company Related Terms

Term	Description
"Articles" or "Articles of Association"	The articles of association of our Company as amended.
Auditors	The statutory auditors of our Company, being Visweswara Rao & Associates and B S R & Co.
"Board of Directors" or "Board" or "our Board"	The board of directors of our Company, as duly constituted from time to time.
Corporate Office	The corporate office of our Company, presently situated at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India.
Director(s)	The director(s) on our Board.
ESOP 2006	Employee Stock Option Plan, 2006 of our Company.
ESPS 2006	Employee Share Purchase Scheme, 2006 of our Company.
Group Companies	The companies, firms, ventures etc. promoted by our Promoters as described in "Our Promoters and Group Companies – Group Companies" on page 140.
Joint Ventures	The joint ventures of our Company being Ramky - Elsamex JV, Srishti - Ramky JV, Som Datt Builders - Ramky - JV, Ramky - Variegate JV, ZVS - Ramky-Progressive JV, Ramky - VSM JV, and Ramky - WPIL JV.
"Memorandum" or "Memorandum of Association"	The memorandum of association of our Company, as amended.
Order Book	Value of (i) projects awarded to us for which we have entered into signed agreements or received letters of award or letters of intent or work orders but have not commenced work and (ii) the uncompleted part of the projects for which we have commenced work.
Promoters	The promoters of our Company being Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja.
Promoter Group	Individuals, companies and entities forming part of our promoter group as per the SEBI Regulations.
Registered Office	The registered office of our Company presently situated at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India.
Selling Shareholders	Mr. Alla Ayodhya Rami Reddy, Tara India Fund III Trust and Tara India Holdings.
"Subsidiaries" or "our Subsidiaries"	The subsidiaries of our Company, as described in "History and Corporate Structure – Our Subsidiaries" on page 108.
Tara India Fund III	A scheme of IL&FS Private Equity Trust, a trust created under the Indian Trust Act, 1882 and a venture capital fund registered with Securities and Exchange Board of India, whose trustee is IL&FS Trust Company Limited, a company incorporated in India under the provisions of the Companies Act.
Tara India Fund III Trust	A venture capital fund registered as a trust under the provisions of the Indian Trust Act, 1882, whose trustee is IL&FS Trust Company Limited having its registered office at IL&FS Financial Centre, C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.
Tara India Holdings	Tara India Holdings A Limited, a company registered in Mauritius as a Mauritius limited life company limited by shares and having its registered office at C/o International Financial Services Limited, IFS Court, Twenty Eight, Cybercity,

Term	Description
	Ebene, Mauritius.

Issue Related Terms

Term	Description
"Allot" or "Allotment" or "Allotted"	The allotment of Equity Shares pursuant to this Issue.
Allottee	A successful Bidder to whom an Allotment is made.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least Rs. 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated in terms of the Red Herring Prospectus to the Anchor Investors, which will be decided by our Company in consultation with the BRLMs prior to the Bid/Issue Opening Date.
Anchor Investor Bidding Date	The date one day prior to the Bid/Issue Opening Date prior to or after which the Syndicate will not accept any Bids from Anchor Investors.
AI CAN/Anchor Investor Confirmation of Allocation Note	In relation to Anchor Investors, the note or advice or allocation of the Equity Shares send to the successful Anchor Investors who have been allocated the Equity Shares after discovery of the Anchor Investor Allocation Price, including any revisions thereof.
Anchor Investor Portion	Up to [●] Equity Shares representing 30% of the QIB Portion, available for allocation to Anchor Investors on a discretionary basis at the Anchor Investor Price in accordance with the SEBI Regulations.
Anchor Investor Issue Price	The price at which Allotment will be made to Anchor Investors in terms of the Prospectus, which shall be higher than or equal to the Issue Price, but not higher than the Cap Price.
Anchor Investor Pay-in Date	In case of Anchor Investor Issue Price being higher than Anchor Investor Allocation Price, no later than two days after the Bid / Issue Closing Date.
ASBA	"Application Supported by Blocked Amount" process used by an ASBA Bidder to make a Bid as further detailed in "Issue Procedure – Issue Procedure for ASBA Bidders" on page 278.
ASBA Account	Account maintained with a SCSB which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by an ASBA Bidder.
ASBA Bid	Bid made by an ASBA Bidder.
ASBA Bidder(s)	A prospective investor who intends to Bid through ASBA and is applying through blocking of funds in an ASBA Account but does not include Anchor Investor.
ASBA Form	The form, whether physical or electronic, in terms of which an ASBA Bidder shall make a Bid/application pursuant to the terms of the Red Herring Prospectus.
ASBA Revision Form	The forms used by the ASBA Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their ASBA Forms (if submitted in physical form).
Bankers to the Issue/ Escrow Collection Banks	Axis Bank Limited, Deustche Bank AG, HDFC Bank Limited, ICICI Bank Limited, ING Vysya Bank Limited, Standard Chartered Bank and State Bank of India.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to Bidders under the Issue and which is described in "Issue Procedure – Basis of Allotment" on page 249.
Bid	An indication by a Bidder to make an offer to subscribe for Equity Shares in terms of the Red Herring Prospectus.
Bidder	A prospective investor in this Issue
Bid Amount	The highest Bid Price indicated in the Bid cum Application Form and in case of ASBA Bidders, the amount mentioned in the ASBA Form.
Bid cum Application Form	The form in terms of which a Bidder (other than an ASBA Bidder) makes a Bid in terms of the Red Herring Prospectus and which will be considered as an application for Allotment.
Bid/Issue Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate and the SCSBs will not accept any Bids, which shall be notified in an English national daily newspaper, a Hindi national daily newspaper and a Telugu daily newspaper, each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI Regulations.
Bid/Issue Opening Date	Except in relation to Anchor Investors, the date on which the members of the Syndicate and the SCSBs shall start accepting Bids, which shall be notified in an English national daily newspaper, a Hindi national daily newspaper and a Telugu daily newspaper, each with wide circulation.
Bidding Centre(s)	A centre for acceptance of the Bid cum Application Form and ASBA Form.

Term	Description
"Bidding Period" or "Bidding/Issue Period"	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date (inclusive of both days) and during which Bidders other than Anchor Investors can submit their Bids, inclusive of any revision thereof.
Book Building Process	The book building process as described in Part A Schedule XI of the SEBI Regulations.
"BRLMs" or "Book Running Lead Managers"	Book running lead managers to this Issue, being Enam Securities Private Limited and Deutsche Equities (India) Private Limited.
"CAN" or "Confirmation of Allotment Note"	Except in relation to Anchor Investors, the note or advice or intimation of Allotment of the Equity Shares sent to the Bidders who have been or are to be Allotted the Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revision thereof.
Cap Price	The higher end of the Price Band, in this case being Rs. [●], and any revisions thereof, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Controlling Branches	Such branches of the SCSBs which co-ordinate Bids under this Issue by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Cut-off Price	Any price within the Price Band determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers, at which only the Retail Individual Bidders are entitled to Bid, for Equity Shares of an amount not exceeding Rs. 100,000.
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended.
Depositories Act	The Depositories Act, 1996 as amended from time to time.
Depository Participant	A depository participant as defined under the Depositories Act.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which the Escrow Collection Banks transfer and the SCSBs issue instructions for transfer of funds from the Escrow Accounts and the ASBA Accounts, respectively, to the Public Issue Account in terms of the Red Herring Prospectus.
Deutsche	Deutsche Equities (India) Private Limited with its registered office at Kodak House, Dr. D.N. Road, 3rd Floor, Fort, Mumbai 400 001, India.
Designated Stock Exchange	NSE
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus filed with SEBI on March 29, 2010 and issued in accordance with the SEBI Regulations.
Eligible NRI	An NRI from such a jurisdiction outside India where it is not unlawful to make an offer or invitation under this Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to Bid on the basis of the terms thereof.
Enam	Enam Securities Private Limited with its registered office at 24, B.D. Rajabahadur Compound, Ambalal Doshi Marg, Fort, Mumbai 400 001, India.
Escrow Account(s)	Account opened with the Escrow Collection Banks for the Issue and in whose favour the Bidders (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	An agreement to be entered among our Company, the Selling Shareholders, the Registrar to the Issue, the Escrow Collection Banks, the Book Running Lead Managers and the Syndicate Members for the collection of Bid Amounts and for remitting refunds, if any, to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof.
Equity Shares	Equity shares of our Company of face value of Rs. 10 each.
First Bidder	The Bidder whose name appears first in the Bid cum Application Form, Revision Form or ASBA Form.
Floor Price	The lower end of the Price Band below which no Bids will be accepted, in this case being Rs. [●], and any revisions thereof.
Fresh Issue	The issue of up to [●] Equity Shares at Issue Price aggregating up to Rs. 3,500 million offered in terms of the Red Herring Prospectus.
IPO Grading Agency	CRISIL Limited, the IPO grading agency appointed by our Company for grading this Issue.
Issue	Public issue of up to [●] Equity Shares at a price of Rs. [●] each for an amount aggregating up to Rs. 5,300 million by our Company, consisting of the Fresh Issue and Offer for Sale.

Term	Description
Issue Price	The price at which Allotment will be made, as determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers.
Issue Proceeds	The proceeds of this Issue that are available to our Company and the Selling Shareholders
Issue Size	Issue price multiplied by the number of Equity Shares offered to the public.
Key Management Personnel	The officers of our Company listed as key management personnel in "Our Management – Key Management Personnel" on page 127.
Mutual Fund Portion	5% of the Net QIB Portion or [●] Equity Shares, available for allocation to Mutual Funds only.
Net Proceeds	Net proceeds of the Fresh Issue after deducting Issue related expenses from the Issue proceeds.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares allocated to the Anchor Investors, subject to a minimum of [●] Equity Shares to be allocated to QIBs on a proportionate basis.
Non-Institutional Bidders	All Bidders (including ASBA Bidders and Sub-Accounts which are foreign corporates or foreign individuals) who are not Qualified Institutional Buyers or Retail Individual Bidders and who have Bid for an amount more than Rs. 100,000.
Non-Institutional Portion	The portion of this Issue being not less than 10% of this Issue consisting of [●] Equity Shares, available for allocation to Non-Institutional Bidders.
Offer for Sale	The offer for sale of [●] Equity Shares aggregating Rs. 1,800 million by the Selling Shareholders, pursuant to terms of the Red Herring Prospectus.
Pay-in Date	With respect to the Anchor Investors, be a date not later than two Working Days after the Bid Issue Closing Date
Payment through electronic transfer of funds	Payment through ECS, Direct Credit or RTGS, as applicable.
Price Band	The price band between the Floor Price and Cap Price.
Pricing Date	The date on which the Issue Price is finalised by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers.
Prospectus	The prospectus of our Company to be filed with the RoC for this Issue on or after the Pricing Date, in accordance with Sections 56, 60 and 60B of the Companies Act and the SEBI Regulations.
Public Issue Account	The bank account opened by our Company and the Selling Shareholders under Section 73 of the Companies Act to receive money from the Escrow Accounts on the Designated Date and where the funds transferred by the SCSBs from the ASBA Accounts shall be received.
QIBs or Qualified Institutional Buyers	Public financial institutions as defined in Section 4A of the Companies Act, FIIs and their Sub-Accounts, scheduled commercial banks, Mutual Funds, multilateral and bilateral development financial institutions, VCFs, FVCIs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, NIF, provident funds with a minimum corpus of Rs. 250.00 million, pension funds with a minimum corpus of Rs. 250.00 million and insurance funds set up and managed by army, navy or air force of the Union of India, eligible for bidding in the Issue.
QIB Portion	The portion of this Issue being not more than [●] Equity Shares of Rs. 10 each available for allocation to QIB Bidders.
Refund Account(s)	The account opened with the Refund Banker(s), from which refunds of the whole or part of the Bid Amount (excluding the ASBA Bidders), if any, shall be made.
Refund Banker (s)	The Bankers to the Issue with whom the Refund Accounts will be opened, in this case being Axis Bank Limited.
"Registrar to the Issue" or "Registrar"	Karvy Computershare Private Limited.
Retail Individual Bidders	Persons, including HUFs (applying through their *Karta*), NRIs and ASBA Bidders who have Bid for an amount less than or equal to Rs. 100,000.
Retail Portion	The portion of this Issue being not less than 30% of this Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders on a proportionate basis.
Revision Form	The form used by the Bidders other than ASBA Bidders to modify the quantity of Equity Shares or the Bid Price in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable.
"RHP" or "Red Herring Prospectus"	This red herring prospectus to be issued by our Company in accordance with Sections 56, 60 and 60B of the Companies Act and the SEBI Regulations.
"Self Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 offering services in relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI Regulations and a list of which is available on http://www.sebi.gov.in or at such other website as may

Term	Description
	be prescribed by SEBI from time to time.
Stock Exchanges	The BSE and the NSE.
Syndicate Agreement	The agreement to be entered into among our Company, Selling Shareholders, the Registrar to the Issue and the Syndicate, in relation to the collection of Bids (excluding Bids from ASBA Bidders).
Syndicate Members	Intermediaries registered with the SEBI permitted to carry out activities as an underwriter, in this case being Enam Securities Private Limited and Deutsche Equities (India) Private Limited..
Syndicate	The BRLMs and the Syndicate Members.
Takeover Code	The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time.
TRS or Transaction Registration Slip	The slip or document issued by any of the members of the Syndicate, or the SCSBs upon demand as the case may be, to a Bidder as proof of registration of the Bid.
Underwriters	The BRLMs and the Syndicate Members.
Underwriting Agreement	The agreement to be entered into between the Underwriters, our Company and the Selling Shareholders on or immediately after the Pricing Date.
Working Day	Working days will be all days excluding Sundays and bank holidays.

Conventional/ General Terms, Abbreviations and Reference to other Business Entities

Abbreviation/Term	Full Form
AED	United Arab Emirates Dhirams.
AGM	Annual general meeting.
A/c	Account.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
BSE	The Bombay Stock Exchange Limited.
CDSL	Central Depository Services (India) Limited.
Companies Act	The Companies Act, 1956, as amended.
CSIDC	Chhattisgarh State Industrial Development Corporation Limited.
CST	Central Sales Tax Act, 1956.
Depositories Act	The Depositories Act, 1996, as amended.
DIN	Director's identification number.
EBITDA	Earnings before interest, tax, depreciation and amortisation.
ECS	Electronic clearing system.
EGM	Extraordinary general meeting.
EPS	Earnings per share.
FCNR Account	Foreign currency non-resident account.
FDI	Foreign direct investment, as understood under applicable Indian regulations.
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations framed thereunder, as amended.
FII	Foreign institutional investors, as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended and registered with SEBI under applicable laws in India.
FIPB	The Foreign Investment Promotion Board of the Government of India.
Fiscal/ Financial Year/FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended.
GDP	Gross Domestic Product.
GoI/Government of India/ Government	The Government of India.
HUF	Hindu undivided family.
IFRS	International Financial Reporting Standards.
IFC	International Finance Corporation.
Indian GAAP	Generally accepted accounting principles in India.
IPO	Initial public offering.
IRDA	The Insurance Regulatory and Development Authority constituted under the Insurance Regulatory and Development Authority Act, 1999, as amended.
IT Act	The Income Tax Act, 1961, as amended.
MICR	Magnetic ink character recognition.
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of

Abbreviation/Term	Full Form
	India (Mutual Funds) Regulations, 1996, as amended.
N.A.	Not Applicable.
NAV	Net Asset Value.
NIF	National Investment Fund set up by resolution F. no. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India.
NRE Account	Non-resident external account.
NRI	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended.
NRO Account	Non-resident ordinary account.
NR(s) or Non Resident(s)	A person resident outside India, as defined under FEMA, including an Eligible NRI and an FII.
NSDL	National Securities Depository Limited.
NSE	The National Stock Exchange of India Limited.
OCB(s)	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA.
p.a.	Per annum.
PAN	Permanent account number.
P/E Ratio	Price/Earnings ratio.
PLR	Prime lending rate.
RBI	The Reserve Bank of India.
REEL	Ramky Enviro Engineers Limited.
RO	Omani Riyals.
RoC	The Registrar of Companies, Andhra Pradesh, located at Hyderabad.
RoNW	Return on net worth.
Rs./Rupees	Indian Rupees.
RTGS	Real time gross settlement.
SAPE	SA 1 Holding Infrastructure Company (P) Limited having its office at Rogers House, John F Kennedy Street, Port Louis, Mauritius.
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended.
SGD	Singapore Dollars.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended.
SEBI Regulations/ SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
Securities Act	The U.S. Securities Act of 1933, as amended.
SICA	The Sick Industrial Companies (Special Provisions) Act, 1985, as amended.
STC	Service tax code.
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporates or foreign individuals.
Takeover Code	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended.
U.S.	The United States of America.
TIN	Tax Identification Number.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VAT	Value added tax.
VCFs	Venture Capital Funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended.
Water Act	The Water (Prevention and Control of Pollution) Act, 1974, as amended.

Industry Related Terms, Definitions and Abbreviations

Term	Description
BOO	Build own operate.
BOQ	Bill of quantities.
BOOT	Build own operate transfer.

Term	Description
BOT	Build operate transfer.
EMD	Earnest money deposit.
EPC	Engineering, procurement and construction.
Km/km	Kilometre.
kWh	Kilowatt hour.
LSTK	Lump sum turn key.
LT	Low tension.
MLD	Million litres per day.
MW	Mega watt.
NHAI	National Highways Authority of India.
NHDP	National highways development project.
PPP	Public private partnership.
O&M	Operations and maintenance.
SEZ	Special Economic Zone.
SPV	Special purpose vehicle.

Notwithstanding the foregoing, terms in sections titled “Main Provisions of the Articles of Association”, “Statement of Tax Benefits” and “Financial Statements” on pages 290, 51 and F-1, respectively, have the meanings given to such terms in these respective sections.

CERTAIN CONVENTIONS PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. All numbers in this document have been prescribed in millions (a million represents ten lakhs or 0.1 crores) or in whole numbers where the numbers have been too small to present in millions.

Unless stated otherwise, the financial data in this Red Herring Prospectus is derived from our restated consolidated and unconsolidated financial statements prepared in accordance with Indian GAAP and the SEBI Regulations, which are included in this Red Herring Prospectus. Our fiscal year commences on April 1 and ends on March 31 of the next year. So all references to a particular fiscal year are to the twelve-month period ended on March 31 of that year.

We have not attempted to quantify their impact on the financial data included herein and we urge you to consult your own advisors regarding such differences and their impact on our financial data. The degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

In this Red Herring Prospectus, any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off.

Market and industry data used in this Red Herring Prospectus has generally been obtained or derived from industry publications and sources. These publications typically state that the information contained therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been verified. Similarly, we believe that the internal company reports are reliable however they have not been verified by any independent sources.

The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the construction industry in India and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements." All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar import. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- Any change in government policies resulting in a decrease in the expenditure on infrastructure projects, a decrease in private sector participation in infrastructure projects, the restructuring of existing projects or delays in payment to us;
- If we experience insufficient cash flows or are unable to obtain the necessary funds to allow us to make required payments on our debt or fund working capital requirements;
- If we are unable to pass on unanticipated increases in sub-contracting costs or in the price of materials consumed, labour or other project-related inputs;
- If we are unable to get an adequate and timely supply of key materials such as steel, cement and aggregates;
- If we are unable to attract, recruit and retain skilled personnel;
- If we are unable to claim tax incentives under Section 80IA of the IT Act;
- If our actual expenses in executing projects undertaken by our developer business vary substantially from the assumptions underlying our bid and we are unable to recover all or some of the additional expenses; and
- If we are unable to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business.

For further discussion of factors that could cause our actual results to differ, see "Risk Factors" beginning on page x.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. We, the members of the Syndicate and their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, we and the BRLMs will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Investors should carefully consider each of the following risk factors and all the information set forth in this Red Herring Prospectus before making an investment in our Equity Shares. The risks and uncertainties described in this section are not the only risks that our Company currently faces. Additional risks and uncertainties not presently known to our Company may also have an adverse effect on our Company's business, results of operations and financial condition.

If any particular or some combinations of the following risks or other risks that are not currently known, actually occur, our business prospects, results of operations and financial condition could be adversely affected. The actual occurrence of such risks will also affect the trading price of our Equity Shares and the value of your investment could decline or be lost.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors that are not quantifiable and hence their financial implications have not been disclosed.

To obtain a better understanding of the risks affecting our business, you should read this section along with the sections entitled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" beginning on pages 75 and 156, respectively, of this Red Herring Prospectus, together with all other financial information contained in this Red Herring Prospectus.

Internal Risk Factors

1. ***There are outstanding litigations against our Company, Subsidiaries, and Group companies.***

   There are outstanding legal proceedings against our Company, Subsidiaries, and Group companies. These proceedings are currently being adjudicated before various courts, tribunals, enquiry officers and appellate tribunals. The following tables set out the brief details of such outstanding litigations:

Type of the case / claim	Number	Aggregate amount (In Rs. million)
Outstanding litigations against our Company		
Civil	Seven	20.02
Labour	One	Nil
Motor Accidents Claims Tribunal	Nil	Nil
Income Tax	Five	134.42
Indirect Tax	27	1,131.98
Arbitration	One	Unascertainable
Sub Total	*41*	*1,286.42*
Outstanding litigations against our Subsidiaries		
Type of the case / claim	**Number**	**Aggregate amount (In Rs. million)**
Civil	Ten	2.89
Others	Nil	Nil
Sub Total	Ten	*2.89*
Outstanding litigations against Group Companies (excluding our Subsidiaries)		
Nature of the cases/ claims	**Number**	**Aggregate amount (In Rs. million)**
Civil	Nine	Nil
Criminal	Two	Nil
Others	Nil	Nil
Sub Total	*11*	*Nil*
Outstanding litigations against our Promoters		
Sub Total	*Nil*	*Nil*
Outstanding litigations against our Directors (excluding our Promoters)		
Sub Total	*Nil*	*Nil*
TOTAL	**61**	**1,289.31**

For further details of outstanding litigations against our Company, Subsidiaries and Group Companies, please see “Outstanding Litigation and Material Developments” on page 195 of this Red Herring Prospectus**.**

2. ***Construction and infrastructure projects undertaken or awarded by government authorities and other entities funded by international and multilateral development finance institutions accounted for 82.94% of our total stand-alone income in Fiscal 2010. Any change in government policies resulting in a decrease in the expenditure on or a decrease in private sector participation in such projects, the restructuring of existing projects or delays in payments to us may adversely affect our business and results of operations.***

Our Company’s business and revenues are dependent on construction and infrastructure projects undertaken or awarded by government authorities and other entities funded by international and multilateral development finance institutions. Contracts awarded to us by the government, including its central, state or local authorities, accounted for 82.94% of our total stand-alone income in Fiscal 2010. We expect such contracts to continue to account for a high percentage of our total consolidated income in the future. The government has in the past made sustained increases to budgetary allocations for the construction and infrastructure sector and developed a policy to encourage greater private sector participation. Such measures taken by the government have also enabled increased funding by international and multilateral development financial institutions for construction and infrastructure projects in India. Additionally, the projects in which government entities participate may be subject to delays, extensive internal processes, policy changes, changes due to local, national and internal political forces, insufficiency of government funds or changes in budgetary allocations of governments or other entities. Since government entities are responsible for awarding concessions and maintenance contracts and are parties to the development and operation of our projects, our business is directly and significantly dependent on their support. Any withdrawal of support or adverse changes in their policies may lead to our agreements being restructured or renegotiated and could, though not monetarily quantifiable at this time, materially and adversely affect our financing, capital expenditure, revenues, development or operations relating to our existing projects as well as our ability to participate in competitive bidding or bilateral negotiations for our future projects. This in turn could materially and adversely affect our results of operations and financial condition.

3. ***Working capital accounted for 25.10% of our total assets on a consolidated basis as at March 31, 2010 and we required debt to part-finance our construction and infrastructure development projects. Should we be unable to obtain adequate financing or generate cash flows to meet our working capital expenditure and liquidity requirements, our business, results of operation and financial condition could be adversely affected.***

Our Company’s construction and infrastructure projects are capital intensive. Our Company has had, and expects to continue to have, substantial liquidity and capital resource requirements, which require significant capital expenditure on our part.

We use a combination of working capital, advances from customers and bank financing to fund our projects. As at March 31, 2010, our working capital on a consolidated basis accounted for Rs. 7,049.56 million, or 25.10%, of our total assets and on a consolidated basis we had outstanding secured loans of Rs. 10,110.02 million and unsecured loans of Rs. 9.10 million. In certain cases, we have been contractually obligated to our clients to fund the working capital requirements for our projects.

While we may approach various financing institutions to fund our working capital requirements, the financial institutions may require us to meet certain conditions precedent. Our Company may not be able to fulfill all or any of the conditions or agree on terms acceptable to these lending institutions, in which case they would have no obligation to provide any financing to our Company. The inability of our Company to obtain financing may impair our business, results of operations, financial condition or prospects.

Due to the nature of our Company’s contracts, we sometimes commit resources to projects prior to receiving advances or other payments from the customer in amounts sufficient to cover expenditures on projects as they are incurred. In many cases, significant amounts of working capital are required to finance the purchase of materials, the hiring of equipment and the performance of engineering, construction and other work on projects before payments are received from clients or developments are sold or leased.

It is customary for us, in accordance with practices in the construction and infrastructure industry, to provide bank guarantees or performance bonds in favour of our clients to secure our obligations. In addition, letters of credit are often required to satisfy payment obligations to suppliers and sub-contractors. Providing security to obtain letters of credit, bank guarantees and performance bonds increases our working capital needs. If we are unable to provide sufficient collateral to secure the letters of credit, bank guarantees or performance bonds, our ability to enter into new contracts or obtain adequate supplies could be limited. This could have a material adverse effect on our results of operations and financial condition.

Our working capital requirements have increased in recent years because we have undertaken an increasing number of large-scale projects and projects that have overlapping timeframes. We will need additional working capital to finance our future business plans and, in particular, to execute outstanding projects in our Order Book, as specified in "Objects of the Issue" on page 40 of this Red Herring Prospectus. Due to various factors, including certain extraneous factors such as changes in interest rates, costs associated with insurance or otherwise, or borrowing or lending restrictions, we may not be able to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms. Any such situation would adversely affect our business, results of operations and financial condition.

4. ***Contracts awarded to us by governments or government-controlled entities may be unilaterally terminated for convenience.***

Infrastructure contracts awarded by the central or state governments or government-controlled entities contain a standard condition, which states that the client has the right to terminate the contract for convenience, without any reason, after providing us with notice that may vary from a period of 30 to 90 days. While we would typically be paid for works completed prior to the date of termination, no further amount would be payable to us by the client. This could result in the resources allocated by us to a terminated project being rendered idle until such assets are assigned to another project or being rendered permanently redundant.

Furthermore, government clients retain certain rights to terminate BOT contracts prior to the expiration of the concession period, subject to payment of compensation to us. However, the amount of compensation received under the terms of the contract may be less than the amount of profit we would have made had we retained the right to operate the constructed facility until the end of the concession period. Therefore, the termination of a BOT contract prior to the expiry of the concession period could have a material adverse effect on our results of operations and financial conditions.

5. ***Most agreements that we have entered into in connection with our construction and infrastructure development business contain a penalty or liquidated damage clause for delay in the completion of a project that takes effect should the completion of a project be delayed. We have not been able to complete 59 projects in various sectors of our construction business on schedule and this could result in the invocation of performance guarantees and subject us to certain penalties.***

Our projects in both the construction and the developer businesses are typically subject to a completion schedule. We are also required to provide performance guarantees to customers to complete projects on schedule. Any failures to adhere to a contractually agreed schedule for reasons other than the agreed force majeure events could result in our being required to pay liquidated damages, which would ordinarily range between 0.10% per day to 10% of the total project cost, or lead to forfeiture of security deposits or invocation of performance guarantees. We have in the past not been able to complete some of our projects within the schedule specified, which has led to some of our clients invoking our performance guarantees or withholding amounts owed to us. We believe that as at July 31, 2010, up to Rs. 1,500 million could be subject to either payment by us as liquidated damages or forfeiture or payment by us under performance guarantees on account of 59 delayed projects in various sectors of our construction business, of which up to Rs. 1,037.38 million would be attributable to delays on the part of our sub-contractors. For further details on our delayed construction projects, please see "History and Corporate Structure" on page 108 of this Red Herring Prospectus. Any future failures to complete projects on schedule could have a material adverse effect on our results of operations and financial condition. Delays in the completion of projects could also increase our working capital requirements and cause damage to our reputation, which could in turn adversely affect our ability to pre-qualify for projects.

6. ***The scheduled completion date for one of our project has passed. We have applied for a new completion date, but we cannot assure you that a new one will be granted.***

We were awarded a concession agreement by the National Highway Authority of India to construct the new four-lane Gwalior bypass on a build, operate and transfer basis. The scheduled completion date of the project was October 8, 2009; however, we were not able to complete this project on time because of an ongoing delay in the hand over to us of a parcel of land measuring 8.13 kilometres by the forest and defence authorities.

We have applied to National Highway Authority of India to have a new completion date scheduled in September 2010. However, we have not yet received any response from the National Highway Authority of India on this matter. In the event that the National Highway Authority of India does not grant a new completion date, it might result in the non-performance of our duties under the concession agreement. Non-performance of our duties under the concession agreement if a new completion date is not granted could result in a loss of revenue for us of up to Rs. 270.61 million, which in turn might affect our business, results of operations and financial condition.

7. ***The projects that are included in our Order Book may be delayed, modified, cancelled or not fully paid for by our clients and therefore, our Order Book may not be an accurate or reliable indicator of our future earnings.***

As at March 31, 2010, the value of our Order Book was Rs. 74,317.09 million. We define our Order Book as the value of projects awarded to us and for which we have entered into signed agreements or received letters of award or letters of intent or work orders, but for which we have not yet commenced the work; and the value of the unexecuted portion of projects on which we have commenced work. The Order Book is unaudited and our Company cannot guarantee that the revenues indicated in by our Order Book will be realised or, if realised, will be realised on time or result in profits. If our Company were to deviate from the expected margins or suffer losses on one or more contracts included in our Order Book, it could considerably reduce our net income or cause our Company to incur a loss.

Our Order Book represents business that we currently consider to be firm; however contracts may remain on our Order Book for an extended period of time, may be cancelled or may be subject to changes in scope or schedule. We may also encounter problems executing the projects as ordered, or executing them on a timely basis.

Moreover, factors beyond our control or the control of our clients may postpone a project or cause its cancellation. Such factors could include delays or failures to obtain necessary permits, rights-of-way, or receive performance bonds and other types of difficulties or obstructions. Any delay, failure or execution difficulty with respect to projects in our Order Book or any other uncompleted projects could materially affect our business, results of operations and financial condition.

8. ***Projects sub-contracted or undertaken through a joint venture may be delayed on account of the performance of the joint venture partner, principal or sub-contractor, resulting in delayed payments.***

We typically sub-contract specific construction and development works on of our projects and we may be engaged as a sub-contractor for specific works on third party projects. When we act as a sub-contractor, payment on such projects may depend upon the performance of our principal contractor and when we sub-contract, payments may depend on the subcontractor's performance. A completion delay on the part of a principal or subcontractor, for any reason, could result in delayed payments to us. In addition, when our Company sub-contracts, we may be liable to the client due to failure on the part of a sub-contractor to maintain the required performance standards or insufficiency of a sub-contractor's performance guarantees.

We also enter into joint ventures to take on projects. In those instances, the completion of the contract for our client depends in part on the performance of our joint venture partners. If the joint venture partner fails to complete its work on time, it could result in delayed payments or in breach of our contract. In such cases, we may be required to pay penalties and liquidated damages, or the client may invoke our performance bond. Further, the liability of joint venture partners is joint and several. Therefore, we would be liable for the completion of the entire project if a joint venture partner were to default on its duty to perform. Failure to effectively protect ourselves against risks for any of these reasons could expose us to substantial costs and potentially lead to material losses, which could adversely affect our business, results of operations and financial condition.

9. Our construction business may be adversely affected if we are unable to pass on unanticipated increases in sub-contracting costs or in the price of materials consumed, labour or other project-related inputs.

The cost of sub-contracting, materials consumed, labour and other project-related inputs constitutes a significant part of our operating expenses. Our sub-contracting costs constituted 47.10% of our consolidated total costs for Fiscal 2010.

Our business requires various materials including, steel, cement and aggregates (i.e., sand, bricks and sized metals). Materials consumed, which also includes the cost of our mechanical and other equipment, constituted 20.08% of our consolidated total costs for Fiscal 2010. Labour costs comprise wages for site workers. Labour costs constituted 4.89% of our total costs on a consolidated basis for Fiscal 2010. Personnel costs, which include the costs of our employees' wages and benefits, constituted 3.06% for Fiscal 2010. Personnel costs for skilled personnel, such as engineers, and for unskilled construction labourers increased by 229.14% over the last three years.

Our ability to pass on increases in the price of sub-contracting charges, materials, labour and other project related inputs may be limited in the case of fixed-price and lump sum turn-key contracts, contracts with limited price escalation provisions and contracts for the construction phase of developer projects. Many of the contracts into which we enter do not contain price escalation clauses.

Unanticipated increases in the price of sub-contracting charges, materials consumed, labour and other project-related inputs may also have a compounding effect by increasing the cost of performing other parts of the contract. This may result in our profits being less than originally estimated or may even result in us experiencing losses. Depending on the size of the project, the variation from the estimated contract value could have a material adverse effect on our results of operations and financial condition.

10. In the past, our Company has sought and been granted compounding for non-compliance with the FEMA.

In July 2008, our Company filed an application with the FIPB seeking permission to act as an operating-cum-holding company. The FIPB, by its letter dated September 11, 2008, granted the approval subject to our Company compounding the existing foreign investment in our Company with the RBI and paying the requisite penalty. Accordingly, our Company filed an application dated December 23, 2009 with the RBI seeking compounding of the existing foreign investment in our Company by Sabre Abraaj Infrastructure Company Private Limited. The RBI by its order (CA. No. 908/2010) dated June 1, 2010 compounded our contraventions under the FEMA on payment of an amount of Rs. 300,000 by our Company, which amount was deposited on June 10, 2010.

While these past contraventions of FEMA have been compounded by the RBI, there can be no assurance that we will be able to compound future contraventions, if any.

11. Our Promoter is subject to a put option held by IFC.

Our Promoter, Mr. Alla Ayodhya Rami Reddy, entered into a share purchase agreement with IFC on December 7, 2007, which was amended by the Amendment Agreement by and between IFC and Mr. Reddy dated July 12, 2010 (as amended, the "IFC SPA"), pursuant to which Mr. Reddy transferred 391,400 Equity Shares to IFC on January 21, 2008. Under the terms of the IFC SPA, IFC has an option that is exercisable until completion by the Company of the Issue and the listing of the Equity Shares on the Stock Exchanges to require Mr. Reddy to purchase Equity Shares held by it at a price calculated in accordance with the IFC SPA. In the event IFC chooses to exercise this put option prior to the completion by the Company of the Issue and the listing of the Equity Shares on the Stock Exchanges, our shareholding pattern would undergo a change. Moreover, under the terms of the IFC SPA, our Company was obligated to undertake an initial public offering by January 21, 2010. Since the IPO has not taken place within the time frame provided in the IFC SPA, and in case Mr. Reddy fails to purchase Equity Shares from IFC upon IFC's exercising of the put option, IFC has a right to have its nominee appointed to the Board until such time as the Company has completed the Issue and the Equity Shares have listed on the Stock Exchanges. Such IFC nominated director would have affirmative rights similar to those that SAPE, Tara India Holdings and Tara India Fund III Trust have under the subscription and shareholders' agreement dated November 24, 2006. If IFC were to choose to exercise it right to have an IFC nominee appointed to the Company's board of directors, our Company's ability to take decisions without IFC's consent on certain maters would be restricted until such time as the Company has completed the Issue and the Equity Shares have listed on the Stock Exchanges, which could have a material adverse effect on our Company's business. For further details, please see "History and Corporate Structure" on page 108.

12. Delays associated with the collection of receivables from our clients may adversely affect our business, results of our operations and financial condition.

We have experienced delays and may continue to experience delays associated with the collection of receivables from our clients, including the government-owned, controlled or funded entities. As at March 31, 2010, on a consolidated basis, Rs. 1,156.61 million, or 23.04%, of our accounts receivable were outstanding for a period of more than six months. Of the total debtors outstanding as at March 31, 2010, Rs. 91.23 million, or 1.82%, was owed to us by related parties. Our operations involve significant working capital requirements and delayed collection of receivables could adversely affect our business, results of operations and financial condition. In addition, we may be subject to additional regulatory or other scrutiny associated with commercial transactions with government-owned, controlled or funded entities.

13. We use our corporate logo in common with other Group Companies.

We use the "Ramky" corporate logo and its associated logos for some of our businesses. Other Ramky Group companies use the "Ramky" corporate logo in common with us. One of our Group Companies, namely, Ramky Finance and Investment Private Limited, filed an application on August 29, 2007 with the registrar of trademarks for registration of the logo as a trademark in its name and such registration was granted on August 5, 2010.

The trademark application was filed by Ramky Finance and Investment Private Limited because at the time of filing a plan had been proposed to make Ramky Finance and Investment Private Limited the holding company for Ramky group companies. However, that proposal has now been abandoned. Nevertheless, in light of Ramky Finance and Investment Private Limited having submitted the trademark registration application for the "Ramky" corporate logo, we obtained a no-objection letter from Ramky Finance and Investment Private Limited in which it has confirmed that our Company has been using the logo prior to the filing of the application for registration and that it has no objection to our continued use of the logo for an indefinite period of time following the registration of the trademark in its name. There can be no assurance, however, that Ramky Finance and Investment Private Limited will continue to grant us the right to use the logo. Loss of the right to use the "Ramky" corporate logo, the associated logo and the artistic work/copyright would have a material adverse effect on our reputation, goodwill, business, prospects and results of operations.

14. As at March 31, 2010, we had contingent liabilities not provided for in the Company's accounts that aggregated to Rs.10,049.35 million. Should these contingent liabilities materialise, our financial condition and results of operations will be materially and adversely affected.

Our clients usually demand performance guarantees as a safety net against potential defaults. Additionally, we are usually required to have letters of credit issued by lenders in favour of our suppliers and other vendors. As a result we often carry substantial contingent liabilities for the projects we undertake. While to date, none of our clients have invoked any of our guarantees or letters of credit as a result of a default by us, we cannot be assured that this will be the case in the future.

In certain contracts, we are required to furnish performance guarantees within a specified period of time ranging from seven to 28 days. In some cases, we have failed to furnish the performance guarantees within such time periods. Our failure to enter into such a guarantee may result in termination of the contract or forfeiture of deposits.

Our contingent liabilities as at March 31, 2010 included Rs. 8,344.74 million of guarantees in favour of various authorities. If we are unable to complete a project on schedule, the client may invoke such performance guarantees. Our contingent liabilities also included Rs. 954.61 million of letters of credit issued by various banks. If we are unable to pay or otherwise default on our obligations, our lenders may be required pursuant to the relevant letters of credit or guarantees to cover the full or remaining balance of our obligations. In the event that any of these contingent liabilities materialize, our financial condition may be adversely affected. For further information, please see Annexure XIII of the section titled "Consolidated Financial Statements" beginning on page F-1 of this Red Herring Prospectus.

15. We have not entered into any definitive agreements to use a substantial portion of the Net Proceeds and the objects of the Issue have not been appraised by any bank or financial institution.

We intend to use the Net Proceeds as set forth in the section entitled "Objects of the Issue" beginning on page 40 of this Red Herring Prospectus. Pending utilization of the Net Proceeds, we intend to temporarily invest them in the manner described in "Objects of the Issue – Interim Use of Net Proceeds" on page 40. Subject to complying with policies established by our Board, we will have significant flexibility in the manner in which we invest these proceeds for the short term.

We have not entered into any definitive agreements to utilize the Net Proceeds. In particular, we have not placed orders for any of the plant and machinery to be financed from the Net Proceeds. We have relied on third party quotations to calculate the expected amount of the Net Proceeds to be spent on plant and machinery. We cannot confirm when we will place our orders and whether we will be able to purchase the construction equipment at the same price at which we obtained the quotations. Consequently, these estimates may be inaccurate and we may require additional funds to implement the objects of the Issue.

16. Most agreements that we have entered into have restrictions on sub-contracting and use of employees.

As at March 31, 2010, we have sub-contracted certain portions of our work to sub-contractors. While we are permitted to engage sub-contractors under some contracts, clients typically impose several restrictions on our ability to do so. These restrictions may cover the scope, type or amount of work that may be sub-contracted, which in certain cases cannot exceed 20% and in a few cases 50% of the total work to be performed under the contracts. In other cases, we cannot sub-contract unless the bid form expressly permits us to.

Additionally, certain contracts, notably those relating to construction of military facilities, include restrictions that may prevent us from using certain employees on the relevant projects. Any default or delay on our part to comply with such restrictions may result in us being liable for damages.

17. We may encounter problems relating to the operations of our joint ventures and PPPs.

We operate some of our businesses through joint ventures or PPPs. Although none of our joint venture partners or PPP partners has a larger stake than we do in any of our companies and none of our joint venture or PPP partners are able to appoint a greater number of directors to the boards of such companies, unanimity of the board is required for major decisions relating to the business operations of some of our joint ventures and PPPs.

To the extent there are disagreements between us and our various joint venture and PPP partners regarding the business and operations of the joint ventures and PPPs, we cannot assure you that we will be able to resolve them in a manner that will be in our best interests. In addition, our partners may:

- be unable or unwilling to fulfil their obligations, whether of a financial nature or otherwise;
- have economic or business interests or goals that are inconsistent with ours;
- take actions contrary to our instructions or requests or contrary to our policies and objectives;
- take actions that are not acceptable to regulatory authorities;
- have financial difficulties; or
- have disputes with us.

Any of the foregoing could have a material adverse effect on our business, prospects, financial condition and results of operations.

18. If we are unable to execute large projects and effectively manage our growth, our business could be disrupted and our profitability could be reduced.

We have experienced considerable growth in recent years. Our total income, on a consolidate basis, grew at a rate of 41.85% from Fiscal 2008 to Fiscal 2009, increasing from Rs. 11,283.74 million in Fiscal 2008 to Rs. 16,005.73 million in Fiscal 2009, and grew at a rate of 40.66% from Fiscal 2009 to Fiscal 2010, increasing from Rs. 16,005.73 million in Fiscal 2009 to Rs. 22,512.90 million in Fiscal 2010, resulting in growth at a CAGR of 41.25% between Fiscal 2008 and Fiscal 2010. Our profit after tax, on a consolidated basis, grew at a rate of 59.57% from Fiscal 2008 to Fiscal 2009, increasing from Rs. 522.17 million in Fiscal 2008 to Rs. 833.22 million in Fiscal 2009, and grew at a rate of 54.64% from Fiscal 2009 to Fiscal 2010, increasing from Rs. 833.22 million in Fiscal 2009 to Rs. 1,288.47 million in Fiscal 2010, resulting in growth at a CAGR of 57.09% between Fiscal 2008 and Fiscal 2010. We expect our business to continue to grow as we gain greater access to financial resources and are awarded larger and potentially more profitable projects by our clients. While larger projects provide the opportunity for greater profitability, they also pose greater challenges and risk. We expect our strategy of bidding for larger projects and our growth generally to place significant demands on us and require us to continuously evolve and improve our operational, financial and internal controls, including management controls, reporting systems and procedures, across our organization. In particular, taking on large projects and continued expansion increases the challenges involved in:

- preserving uniform culture, values and work environment across our projects;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems;
- recruiting, training and retaining sufficient skilled management, technical and marketing personnel;
- requirements for increased amount of working capital and therefore, increasing amounts of debt financing;
- maintaining high levels of client satisfaction; and
- adhering to health, safety, and environmental standards.

If we fail to effectively manage large projects or our growth generally, it could have a material adverse effect on our business, results of operations and financial condition.

19. We may be unable to meet the pre-qualification requirements in order to bid for certain large construction and infrastructure projects on our own and if we are unable to forge alliances with third parties to meet such requirements, we may be precluded from bidding for those projects.

We may be unable to meet the pre-qualification requirements in order to bid for certain large construction and infrastructure projects independently. In order to be able to bid for such projects, we may form alliances by entering into memoranda of understanding or joint venture agreements with various other construction companies. These alliances allow us to meet capital adequacy, technical or other criteria that may be required as part of the bidding process or for executing the contract. In cases where we are unable to forge alliances, we may lose out on opportunities to bid, which could have an adverse effect on our growth prospects.

20. One of our Subsidiaries, Ramky Pharma City (India) Limited ("Ramky Pharma City"), has received a show cause notice from the Assistant Registrar of Companies alleging violation of Section 77(2) of the Companies Act.

In June 2010, Ramky Pharma City received a show cause notice from the Assistant Registrar of Companies, Hyderabad alleging that Ramky Pharma City provided financial assistance to its shareholders to fund the purchase of equity shares in itself, which is a violation of Section 77(2) of the Companies Act. The Assistant Registrar of Companies has asked Ramky Pharma City to explain why a punitive action should not be initiated against it for violation of Section 77(2) of the Companies Act.

Ramky Pharma City in its reply to the show cause notice dated August 16, 2010 stated that while completing the declaration of beneficial interest (i.e., Form 22B), it erroneously inserted the name of Ramky Pharma City where the name of Ramky Infrastructure Limited, the intended beneficial owner of the equity shares to be issued by Ramky Pharma City, should have been inserted in the Form 22B. Ramky Pharma City has additionally requested a grant of opportunity to rectify the Form 22B previously submitted.

Under section 77(4) of the Companies Act, a company extending financial assistance for purchase of its securities can be punished with a fine of up to Rs. 10,000. For further details, please see "Outstanding Litigation and Material Developments" on page 195 of this Red Herring Prospectus.

21. Future negative operating cash flow could have an adverse effect on our business and results of operations.

We had negative net cash flow from operating activities of Rs. 1,110.18 million for Fiscal 2010. Further, we had negative net cash flow from operating activities of Rs. 1,911.20 million and Rs. 2,013.78 million in Fiscal 2009 and Fiscal 2008, respectively. There can be no assurance that we will not experience periods of negative cash flow in the future. If the negative cash flow trend persists in future, our Company may not be able to generate sufficient amounts of cash flow to finance our Company's working capital and capital expenditure requirements, which would have a material adverse effect on our business and results of operations.

22. If we face adverse publicity and incur costs associated with warranty claims and project liability, our business, results of operations and financial condition could be adversely affected.

We may have to undertake service and rectification action for defects that could occur in our projects. These actions may require us to spend considerable resources in correcting the problems and may adversely affect future demand for our construction services. Defects in our projects that arise from defective components or materials supplied by external suppliers may not be covered under warranties provided by such third parties. An unusual number or amount of warranty claims against a supplier could affect our Company adversely because our Company depends on a limited number of suppliers for the supply of raw materials and components.

A failure to meet quality standards could expose us to the risk of claims during the project execution period when our obligations are typically secured by performance guarantees, which typically range from 5.00% to 10.00% of the contract price, and during the defects liability period, which typically runs for 12 months to 36 months from the date of handing over the completed project to the client. In defending such alleged claims or taking such remedial actions, substantial costs may be incurred and adverse publicity generated. Management resources could be diverted away from our business towards defending such claims or taking remedial action. As a result, our results of operations and financial condition could be adversely affected.

Customers may also make claims against us for liquidated damages provided in the contracts. In addition, in the event that the defects are not rectified to the satisfaction of our customers, they may decide not to return part or the entire amount paid as a performance guarantee. Such actions may in aggregate materially and adversely affect our results of operations and financial condition.

23. ***If our Company were to default on any of its obligations under the working capital loan agreement with State Bank of India, which had an outstanding amount of Rs. 2,393.67 million as at July 31, 2010, the State Bank of India would be able to convert the outstanding balance of the underlying loan into Equity Shares.***

Under the terms of the working capital loan agreement provided to our Company by State Bank of India, the lenders have the right to convert the outstanding payment amounts into fully paid-up equity shares of our Company. In the event our Company were to default on any of its obligations under this agreement, the lender has the right to convert the then outstanding balance of the underlying loan into equity shares of our Company at a mutually acceptable formula. For example, if we were to default on our working capital loan agreement with State Bank of India, which had an outstanding amount of Rs. 2,393.67 million as at July 31, 2010, the State Bank of India may convert the outstanding amount into equity shares. If State Bank of India were to exercise its conversion right, the resulting issuance of new equity shares would dilute the investor's investment and adversely affect the market price of the Equity Shares.

24. ***Our Company has pledged or has agreed to pledge a large portion of the shares it holds in certain of its Subsidiaries in favour of lenders, who may take control of such Subsidiaries upon the occurrence and continuance of a default under the relevant financing documents.***

Our Company has pledged equity shares in four of its Subsidiaries as described below:

Name of Subsidiary	Pledgee(s)	Number of Pledged Shares	Amount Secured by the Pledged Shares
MDDA Ramky IS Bus Terminal Limited	Infrastructure Development Finance Company Limited	9,750,000	Rs. 97.50 million
Ramky Pharma City (India) Limited	Axis Bank Limited	8,942,000	Rs. 535.10 million
Gwalior Bypass Project Limited	Punjab National Bank (consortium leader), Indian Infrastructure Finance Company Limited, Central Bank of India and Punjab & Sind Bank	13,005	Rs. 2,400.00 million
Ramky Elsamex Hyderabad Ring Road Limited	IDBI Security Trusteeship Services Limited*	2,950,000	Rs. 2,879.00 million
Ramky Elsamex Hyderabad Ring Road Limited	IDBI Security Trusteeship Services Limited	14,800,000	Rs. 2,879.00 million

IDBI Security Trusteeship Services Limited ("ITSL") is a company jointly promoted by IDBI Bank Limited, Life Insurance Corporation of India, General Insurance Corporation of India and IFCI Limited. ITSL was appointed under the relevant loan agreement and other loan documentation to act as the service trustee on behalf of a consortium of lenders in connection with a loan in the amount of Rs. 2,879.00 million availed by Ramky Elsamex Hyderabad Ring Road ("Ramky EHRR"). Under the relevant loan agreement and other loan documentation, Ramky EHRR pledged equity shares to be held by ITSL on behalf of the lenders as security for the loan.

If our Subsidiaries default on their obligations under the relevant financing documents, the lenders may, upon the expiry of the applicable cure periods, exercise their rights under the share pledges, have the shares transferred to their names and take management control over the pledged companies. If this happens, we will lose the value of any such pledged shares and we will no longer be able to recognize any revenue attributable to them.

25. ***We are subject to certain restrictive covenants under the shareholders agreement with SAPE, Tara India Holdings and Tara India Fund III Trust.***

Our Company along with Mr. Alla Ayodhya Rami Reddy, Mr. Yancharla Ratnakar Nagaraja, Ms. A. Dakshayani, Ms. Y.N. Madhu Rani, Mr. Alla Dasratha Rami Reddy, Ms. A. Veeraghavamma, Ramky Finance & Investment Private Limited and Mr. Alla Ayodhya Rami Reddy on behalf of Master A. Sharan and Master A. Ishaan (collectively referred to as the "Members"), entered into a subscription and shareholders agreement dated November 24, 2006 with SAPE and Tara India Fund III. Subsequently, Tara India Fund III Trust and Tara India Holdings acceded Tara India Fund III as per a deed of adherence dated June 17, 2008 and such subscription and shareholders agreement was amended by the Amendment Agreement by and among our Company, the Members, Tara India Fund III Trust and Tara India Holdings (as amended, the "Shareholders Agreement"). Tara India Fund III Trust, Tara India Holdings and SAPE are referred to as the "Investors". The Shareholders Agreement contains a number of restrictive covenants, including the following:

Clause no.	Description of the Provisions	Validity
	Transfer of Shares	
20.4(b)	The Investors have a tag along right with respect to the Members in the event the transfer of Equity Shares by the Members results in a change in the control of our Company.	Until completion by the Company of the Issue and the listing of the Equity Shares on the Stock Exchanges
	Board and Shareholder Meetings	
20.3 10.11 10.16, 20.5 10.18(b), 20.3 11.1, 20.3	Each Investor has the right to appoint a nominee director on our Board (which right both Investors have exercised) and the presence of nominee directors is required for constituting a valid quorum of our Board. Further, Mr. Alla Ayodhya Rami Reddy is to continue as executive chairman of our Company. A valid quorum for the shareholders meeting requires the presence of at least one Investor representative. Further, fundamental issues would be considered in a shareholders meeting only with the presence of one Investor representative in the meeting. Consent of the Investors is required for transacting fundamental issues at the meetings of the Board or shareholders of our Company which *inter alia*, include the following: • Declaration of dividend; • Change in the capital structure of our Company; • Creation or adoption of any equity option plan; • Winding up, liquidation of our Company; and • Change in the Registered Office of our Company.	Until completion by the Company of the Issue and the listing of the Equity Shares on the Stock Exchanges
	Shareholder Meetings	
9.4, 20.4(b)	Investors have the right of first offer to invest in equity of the affiliates (as defined in the Shareholders Agreement) of our Company or Members engaged in the business of waste management.	Until completion by the Company of the Issue and the listing of the Equity Shares on the Stock Exchanges
	Appointment of Auditors	
9.6, 20.4(b)	Investors have the right to require our Company to appoint a statutory auditor from the accounting firms listed in the Shareholders Agreement.	Until completion by the Company of the Issue and the listing of the Equity Shares on the Stock Exchanges
	Most Favourable Rights	
23.2	Our Company and the Members have agreed to obtain the consent of the Investors for granting rights to any person, unless the right to be granted is subordinate to the rights of the Investors.	Until completion by the Company of the Issue and

		the listing of the Equity Shares on the Stock Exchanges

Further, as per the Shareholders Agreement, in the event our Company does not complete the initial public offering by September 2010 the Investors would have the right to sell/transfer their Equity Shares by requiring the Company to buy-back the Equity Shares from them or by exercising a put option on the promoters for a period of three months from September 2010 or to sell/transfer Equity Shares held by them through an initial public offer or a strategic sale for a period of six months from December 2010. In relation to such sale the Members do not have a right of first offer; however the Investors can exercise the drag along right on the Members, thereby requiring the Members to also sell or transfer Equity Shares held by them along with the Investors. Further, our Company has agreed to indemnify the Investors for any breach.

These restrictive covenants may restrict our Company's ability to take decisions without the Investors' consent on certain matters until such time as these restrictive covenants are no longer valid, which could have a material adverse effect on our Company's business.

For further details on the Shareholders Agreement, see the section titled "History and Corporate Structure – Material Agreements and Arrangements–Shareholders Agreement with SAPE, Tara India Holdings and Tara India Fund III Trust" beginning on page 108.

26. Our indebtedness, and the conditions and restrictions imposed on us by our financing agreements and any acceleration of amounts due under such arrangements could adversely affect our ability to conduct our business.

As at June 30, 2010, we had secured borrowings of Rs. 4,526.11 million and Rs. 13,500.13 million under fund based and non-fund based working capital facilities (including hire purchase/hypothecation loans), respectively. We may also incur additional indebtedness in the future. The use of borrowings presents the risk that our Company may be unable to service interest payments and principal repayments or comply with other requirements of any loans, rendering borrowings immediately repayable in whole or in part. Additionally, our Company might be forced to sell some of its assets to meet such obligations, with the risk that borrowings will not be able to be refinanced or that the terms of such refinancing may be less favourable than the existing terms of borrowing.

If the lenders call in the loans that are payable on demand, we would need to find alternative debt financing or issue equity share capital in order to repay those loans, which may not be available on commercially reasonable terms or at all.

Our inability to service our indebtedness could have several important consequences, including, but not limited to, the following:

- we may use our cash flows to service our existing debt instead of for our operations, which will reduce the availability of cash to finance working capital, capital expenditures, and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- an increase in interest rates may affect the cost of our borrowings and our margins, as some of our loans are at variable interest rates;
- we may be more vulnerable to economic downturns;
- we may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions;
- we may be limited in our ability to pursue our growth plans; and
- we may be required to meet additional financial covenants.

Our financing arrangements are secured by our movable assets, personal guarantees and pledges of equity shares by our Promoters. Our accounts receivable and inventories are subject to charges created in favour of specific secured lenders.

Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. We cannot assure you that we will be able to obtain these consents and any failure to obtain these consents could have significant adverse consequences for our business. Specifically, we must seek, and may be unable to obtain, prior written permission of one or more lenders to:

- effect any scheme of amalgamation, merger or acquisition;
- effect changes in our Company's capital structure;
- implement a new scheme of expansion or diversification;
- enter into any borrowing or non-borrowing arrangement either secured or unsecured with any other bank, financial institution, company or firm;
- effect any drastic changes in the composition of our Promoters, directors or management;
- approach the capital markets for mobilising additional resources either in the form of debt or equity;
- make any alterations in our Company's controlling ownership or any documents relating to our Company's constitution;
- invest in the shares or debentures of any other company or extend finance to associate companies;
- undertake any restructuring within our Company;
- repay all monies brought into our Company by its promoters, directors, principal shareholders and their relatives or friends by way of deposits, loans or advances;
- declare dividends;
- implement a new scheme of expansion or diversification;
- lend or advance or place deposits with any other concern;
- apply short term working capital funds for long-term uses;
- undertake guarantee obligations on behalf of any other borrower or third party;
- undertake any new project;
- create any charge, lien or encumbrance over our Company's undertakings in favour of any financial institution, bank, company or firm;
- sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the bank;
- enter into contractual obligations of a long-term nature or affecting our Company financially to a significant extent;
- change the practice with regard to the remuneration of Directors;
- pay commission to the Directors in consideration for the personal guarantees furnished by them; and
- make investments in fixed assets or associates and group companies except to the extent projected to the bank.

We believe that our relationships with our lenders are good. Compliance with various terms of our loans is, however, subject to interpretation and we cannot assure you that we have been in compliance with the terms of our loans at all times. As a result, it is possible that a lender could assert that we have not complied with all the terms under our financing documents. We have in past been in breach of covenants entered into with one of our lenders. Any failure to service our indebtedness, comply with the requirement to obtain a consent or perform any condition or covenant could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements. The occurrence of any of such events may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations.

27. ***We have had tax credit claims disallowed by the Deputy Commissioner of Income Tax. If we are unable to claim these tax incentives in the future, our financial condition and results of operations will be adversely affected.***

The IT Act provides certain tax benefits to companies engaged in infrastructure development and construction operations, including a deduction of 100% of the profits (for a period of 10 consecutive assessment years) derived from the business of developing an infrastructure facility. Our Company has claimed certain tax credits under Section 80IA of the IT Act relating to infrastructure development projects, which has decreased our effective tax rates compared to the statutory tax rates. There can be no assurance that these tax incentives will continue in the future.

We have had tax credit claims disallowed by the Deputy Commissioner of Income Tax for Fiscal 2003, Fiscal 2004, Fiscal 2005, Fiscal 2006 and Fiscal 2007. We have appealed against these decisions. We have not been assessed for tax purposes for Fiscal 2008, Fiscal 2009 and for Fiscal 2010. Set out below is a table showing, on a standalone basis, our total tax payable with and without claiming the tax credit under Section 80IA of the IT Act from Fiscal 2003 to Fiscal 2010.

Particulars	Tax Assessment with 80IA Deduction (Rs. Million)	Tax Assessment without 80IA Deduction (Rs. Million)	Increase in Tax if 80IA Deduction Disallowed (Rs. Million)
Fiscal 2010			
Total Tax Payable	185.27	362.32	177.05
Fiscal 2009			
Total Tax Payable	43.28	167.55	124.27
Fiscal 2008			
Total Tax Payable	144.17	208.95	64.78
Fiscal 2007			
Total Tax Payable	186.46	230.88	44.42
Fiscal 2006			
Total Tax Payable	28.94	79.72	50.78
Fiscal 2005			
Total Tax Payable	16.69	32.76	16.07
Fiscal 2004			
Total Tax Payable	9.15	19.69	10.54
Fiscal 2003			
Total Tax Payable	4.36	16.98	12.62
Grand Total	618.32	1,118.85	500.53

We have paid the tax amount assessed by the Deputy Commissioner of Income Tax from Fiscal 2003 to Fiscal 2007 and appealed the decisions to disallow our claims for the tax incentives under Section 80IA of the IT Act. These cases are still pending. For further details, please see "Outstanding Litigation and Material Developments – Income Tax Cases" on page 195 of this Red Herring Prospectus.

If we are unable to claim the tax incentives under Section 80IA of the IT Act, our results of operations and financial condition will be adversely affected. In addition, if we are unable to claim the tax incentives for Fiscal 2008, Fiscal 2009 and Fiscal 2010, we would be liable to pay interest, at applicable rates, on the unpaid tax amount.

28. Our Company's business is subject to a significant number of tax regimes and changes in legislation governing the rules implementing them or the regulator enforcing them in any one of those jurisdictions could negatively and adversely affect our results of operations.

Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, VAT, income tax, service tax and other taxes, duties or surcharges introduced from time to time. We currently have operations and staff spread across 15 states of India. Consequently, we are subject to the jurisdiction of a number of tax authorities and regimes. The revenues recorded and income earned in these various jurisdictions are taxed on differing bases, including net income actually earned, net income deemed to be earned and revenue-based tax withholding. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations, results achieved and the timing and nature of income earned and expenditures incurred. Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year.

The central and state tax scheme in India is extensive and subject to change. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

29. ***One of our Group Company is engaged in similar businesses to ours, which could be a potential conflict of interest for us and affect our results of operations and financial conditions.***

Our Group Company, Ramky Estates and Farms Limited, is engaged in the business of providing services as builders, engineers, general construction, contractors, civil engineers, mechanical engineers, contractors, design engineers and turnkey contractors. Even though Ramky Estates and Farms Limited has executed a non-compete undertaking dated December 10, 2007 in favour of our Company, there is no assurance that it will not compete with us. Ramky Estate and Farms Limited's execution of such activities could be a potential conflict of interest for us and could adversely affect our results of operations and financial condition and those of our subsidiaries. In addition, attention to the other Group entities may distract or dilute management attention from our business, which could adversely affect our results of operations and financial condition and the results of operations and financial condition of our Subsidiaries.

For further information, see the section entitled "Our Promoters and Group Companies" on page 140 of this Red Herring Prospectus.

30. ***Our Company is considering transferring all of its non-core businesses to appropriate entities within the Promoter Group, which would affect our future growth of profits.***

Our Company is considering streamlining its activities and concentrating on its core business of construction and infrastructure development. If the Company were to pursue this strategy, it may transfer some or all of its non-core businesses to appropriate entities within the Promoter Group. The non-core businesses that could be transferred include, among others, certain waste management projects that have been awarded to the Company either alone or jointly with other entities within the Promoter Group, but which have been established, financed, solely operated and managed by such other entities within the Promoter Group. Further, such other entities within the Promoter Group have also been receiving revenues and income from the operation and management of such waste management projects. So far, the Company has (with the approval of its board of directors and shareholders as well as the Kottayam Municipality) transferred and assigned its municipal waste management project in Kottayam (together with related agreements) to Ramky Energy and Environment Limited (a member of the Promoter Group) in consideration of (a) the mutual assistance provided by Ramky Energy and Environment Limited to the Company and vice – versa; and (b) Rupee 1/- paid to the Company by Ramky Energy and Environment Limited. Further the company has transferred the economic interest in the following projects:

S.No	Description of the Project	Transferred to	Agreement dated
1	Establishment of an Integrated Municipal Solid Waste Processing and Engineered Sanitary Landfill on BOT at Mavalllipura, Bangalore,	Ramky Energy and Environment Limited	12/01/2009
2	Solid Waste Processing and Disposal Facility on BOT at Vellore Compound Yard	Ramky Energy and Environment Limited	12/01/2009
3	Development, Implementation, Operation and Maintenance of a Processing and Disposal System for MSW at Kottayam, Kerala	Ramky Energy and Environment Limited	12/01/2009
4	Inertisation and Landfill Facility at Anupinakatte, Shimoga	Ramky Enviro Engineers Limited	12/01/2009
5	Hazardous Waste Treatment Storage and Disposal Facility on BOOT basis at Dobbasapete	Ramky Enviro Engineers Limited	12/01/2009
6	Common Effluent Treatment Plant at Visakhapatnam of Ramky Pharma City (India) Limited	Ramky Enviro Engineers Limited	12/01/2009
7	Commissioning, Reception, Treatment, Storage and Disposal of Haz Waste Facility at Village Nimbua	Ramky Enviro Engineers Limited	12/01/2009

Our Company is in the process of obtaining approvals from its clients for formal assignment and transfer of such projects to the relevant Promoter Group entity and expects to complete the divestiture of these projects in 2010.

Neither our Company nor any of its Subsidiaries currently receives any revenue or income from the operation of the non-core businesses proposed to be transferred. However, because we would no longer be active in the non-core businesses that we are seeking to transfer, the streamlining of our activities could affect our future growth of profits.

31. ***We have entered into certain transactions with Group companies, which could result in a conflict of interest. In addition, we generate significant revenue from contracts entered into with Group Companies. There can be no assurance that we will not continue to enter into such transactions with the Group companies.***

We have entered into certain transactions with the Group companies. Although these contracts have been entered into on an arms-length basis and are disclosed as related party transactions on our financial statements, such contracts with our related parties could potentially involve conflicts of interest. For detailed information on our related party transactions, see "Related Party Transactions" on page 154. Furthermore, our business is expected to involve transactions with such related parties in the future.

Even though 0% of our consolidated revenue in Fiscal 2010 was generated from contracts entered with Group companies, there can be no assurance that we will not enter into more of such contracts following the Issue. In the event that one or more of the Group companies were to discontinue entering into contracts with us or were to enter into fewer contracts, our business, results of operation and financial condition could be adversely affected.

32. ***Delays associated with the collection of receivables from related parties transactions may adversely affect our business and results of our operations.***

We have experienced delays and may continue to experience delays associated with the collection of receivables from our related parties. As at March 31, 2010, on a consolidated basis, we had Rs. 91.23 million in account receivable from related parties. Further, as at March 31, 2010, Rs. 72.90 million, or 1.45%, of our accounts receivable from related parties were outstanding for a period of more than six months. Our operations involve significant working capital requirements and delayed collection of receivables from related parties could adversely affect our liquidity and results of operations.

33. ***If we are unable to retain the services of our key managerial personnel, our business and results of operations could be adversely impacted.***

We are highly dependent on our key managerial personnel for strategic direction and managing our business and do maintain key-man insurance and directors and officer's insurance policies. Due to the limited pool of available skilled personnel, competition for senior management in our industry is intense. The loss of any of the members of our key managerial personnel, in particular, Mr. Y. R. Nagaraja, our Managing Director and a civil engineer who has over 24 years of experience in the field of environment and solid waste management, and Mr. Sanjiv Iyer, our Chief Financial Officer, who has in aggregate over 25 in the field of corporate strategy, implementation and financial management, may materially and adversely impact our business, results of operations and financial condition.

34. ***If we are unable to attract, recruit and retain skilled personnel, our business and results of operations could be adversely impacted.***

Our business is dependent on our ability to attract, recruit and retain talented and skilled personnel. A significant number of our employees are skilled engineers, and we face strong competition to recruit and retain skilled and professionally qualified staff. Due to the limited pool of skilled personnel, competition for skilled engineers in our industry is intense. In the last year, wages for our skilled personnel have increased by an average of 11.90%. The level of competition for skilled personnel has led to a high attrition rate in our industry, which has affected us to some extent. We had an attrition rate of 17.56% for Fiscal 2010. We may experience difficulties in attracting, recruiting and retaining an appropriate number of managers and engineers for our business needs. We may need to further increase the salaries we pay to attract and retain such personnel, which may affect our profit margins. However, there can be no assurance that increased salaries will result in a lower rate of attrition. Our future performance will depend upon the continued services of our skilled personnel. If we are unable to manage the attrition levels in different employee categories, it could materially and adversely impact our business, results of operations and financial condition.

35. We maintain a workforce based upon our current and anticipated workloads. If our Company does not receive future contract awards or if these awards are delayed, it could incur significant costs.

Our estimate of the future performance depends on, among other things, whether and when we will be awarded new contracts. While our estimates are based upon best judgment, these estimates can be unreliable and may frequently change based upon newly available information. In the case of large-scale projects where timing is often uncertain, it is particularly difficult to predict whether or when we will be awarded the contract. The uncertainty of the contract being awarded and its timing can present difficulties in matching workforce size with contract needs. If a contract, which we expect will be awarded, is delayed or not received, our Company could incur costs due to maintaining under-utilised staff and facilities that would have a material adverse effect on its results of operations and financial condition.

36. We face significant competition and margin pressures due to the competitive bidding process.

The competition for construction contracts and developer projects varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. Some of the construction businesses and developer businesses that we compete against have greater financial resources and economies of scale. For more information on our competitors, see "Our Business –Competition" beginning on page 75 of this Red Herring Prospectus. There can be no assurance that we can continue to effectively compete with our competitors in the future, and the failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

Further, a large number of construction and infrastructure-related contracts are awarded by the central and state governments following competitive bidding processes and subject to satisfaction of certain pre-qualification criteria. Once the prospective bidders clear the technical requirements of the tender, the contract is usually awarded to the lowest bidder.

We face intense competition from various companies, many of which operate on a much larger scale than us and so may be able to achieve better economies of scale than us. In addition, new entrants to these industries may reduce their margins in order to gain market share. The nature of the bidding process may cause us and our competitors to lower prices for the award of the contract so as to maintain respective market shares, which in turn could affect profitability. As a result of this competition, we face substantial margin pressure, which can have a material adverse effect on our business, prospects, financial condition and results of operations.

37. We anticipate that our portfolio will be increasingly concentrated in large-scale and long-term projects.

Our business strategy is to focus on high value and long-term contracts, which may take up an increasingly large part of our portfolio and thereby increase the potential volatility of our results through increased exposure to individual contract risks. Managing large-scale integrated projects may also increase the relative size of cost overruns.

In addition, we may need to execute large-scale projects through joint ventures, which exposes us to the risk of default by our joint venture partners. If we do not achieve our expected margins or suffer losses on large contracts, this could have an adverse effect on our results of operations.

High value and long-term contracts also restrict our operational and financial flexibility in certain important respects. For example, business circumstances may materially change over the life of one or more of our contracts and we may not have the ability to modify our contracts to reflect these changes. Further, being committed under these contracts may restrict our ability to implement changes to our business plan. This limits our business flexibility and exposes us to an increased risk of unforeseen business and industry changes, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

Given that our revenue structure under each such contract is set over the life of the contract (and fluctuates subject to the built-in mechanisms contained in such contract), our profitability is largely a function of how effectively we are able to manage our costs during the term of our contracts. If we are unable to effectively manage costs, our business, prospects, financial condition and results of operations may be materially and adversely affected.

38. Our insurance coverage may not adequately protect us against all losses.

Our significant insurance policies consist of workmen compensation policies, contractor's all-risk policies, public liability policies, vehicle insurances, transit insurance (for materials in accordance with legal requirements), money in transit policies and key-man insurance. While we believe that the insurance coverage we maintain would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, nor that we have taken out sufficient insurance to cover all material losses. To the extent that we suffer loss or damage resulting from not obtaining or maintaining insurance or exceeding our insurance coverage, the loss would have to be borne by us and it could have a material adverse effect on our results of operations and financial condition.

In some instances we have not obtained the insurance required under a contract, which gives the employer the right to terminate the contract. If we do not obtain the requisite insurance after the service of notice of breach by the employer, we will be in breach of the contract.

Under certain of our contracts, we are required to obtain insurance for the project undertaken by us, which, in some cases, we have not obtained or we have permitted such insurance policies to lapse prior to the completion of the project. In some contracts, the insurance coverage had to be extended to the defects liability period. We have, in some cases, let this lapse as well. In addition, when we sub-contract our work, our agreements with sub-contractors require them to comply with the insurance requirements set forth in the main contract between us and the employer. However, we do not always insist on seeing the insurance policies that are required to be obtained by our sub-contractors, so we cannot be assured that they always obtain the requisite insurance. In the event that we or our sub-contractors do not have the insurance policies required under a contract, the employer has the right to terminate the contract if, after serving notice of breach on us, we or our sub-contractor do not obtain the required insurance. If a contract is terminated, it could have a material adverse effect on our results of operations and financial condition.

If not otherwise required by the terms of the relevant contracts, our Company may choose not to insure projects depending upon its assessment of the risk profile for the relevant project. If a project is considered safe by our Company and is subsequently not insured, any unforeseen or unprecedented act or event resulting in a loss will affect our financial condition and results of operations. Additionally, in accordance with industry practice, our Company operates with certain business risks uninsured including business interruptions and loss of profit or revenue. To the extent that uninsured risks materialise, our business, results of operations and financial condition would be materially and adversely affected.

39. Our operations are subject to physical hazards and similar risks that could expose us to material liabilities and losses in revenues and increased expenses.

While construction companies, including us, conduct various scientific and site studies during the course of bidding for projects, there are always unanticipated or unforeseen risks that may come up due to adverse weather conditions, geological conditions, specification changes and other reasons. Additionally, our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Our policy of covering these risks through contractual limitations of liability, indemnities and insurance may not always be effective. These liabilities and costs could have a material adverse effect on our business, results of operations and financial condition.

40. We could be adversely affected if we fail to keep pace with technical and technological developments in the construction industry.

Although we attempt to keep pace with the latest international technology standards, the technology requirements for businesses in the civil construction and infrastructure sector are subject to continuing change and development. Our recent experience indicates that clients are increasingly developing larger and more technically complex projects. To meet our clients' needs, we must regularly update existing technology and acquire or develop new technology for our engineering and construction services. In addition, rapid and frequent technology and market demand changes can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures and/or write-downs of assets, which could have an adverse effect on our financial position and results of operations. In addition, if we fail to anticipate or to respond adequately to changing technical, market demands and/or client requirements, it could adversely affect our business and results of operations.

41. Claims made by us against our clients for payments have increased over the last few years and failure by us to recover adequately on existing and future claims could have a material adverse effect on our financial condition, results of operations and financial condition.

Our project claims have increased in recent years as the number and size of our projects have increased. Project claims are claims brought by us against our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. These claims typically arise from changes in the initial scope of work or from delays caused by the client. These claims are often subject to lengthy arbitration, litigation or other dispute resolution proceedings. The costs associated with these changes or client caused delays include additional direct costs, such as labour and material costs associated with the performance of the additional work, as well as indirect costs that may arise due to delays in the completion of the project, such as increased labour costs resulting from changes in labour markets. We have had to use significant working capital for projects that have cost overruns pending the resolution of the relevant project claims. We cannot assure you that we will have favourable results in claim collections going forward. Moreover, project claims may continue in the future. Also, clients that have made claims against us may not award us any future projects. For further information, please refer to "Outstanding Litigation and Material Developments" on page 195 of this Red Herring Prospectus. Failure to recover amounts under these claims could have a material adverse impact on our business, financial condition and results of operations.

42. Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.

As at March 31, 2010, we employed 1,742 full-time employees on a stand alone basis. This is in addition to temporary labor employed by our sub-contractors at our project sites. While we believe that we maintain good relationships with our employees and contract laborers, there can be no assurance that we will not experience future disruptions to our operations due to disputes, strikes or other problems with such work force, which may adversely affect our client goodwill, business and results of operations. The number of contract laborers vary from time to time based on the nature and extent of work contracted to independent contractors. We enter into contracts with independent contractors to complete specified assignments. All contract laborers engaged at our facilities are assured minimum wages that are fixed by local government authorities. Any upward revision of wages to be paid to such contract laborers, or offer of permanent employment to any temporary worker, or the unavailability of contract laborers may adversely affect our business and results of our operations.

43. Claims under the Land Acquisition Act, 1894 may adversely impact our Company.

Our Company handles various types of major and minor road projects. Most of our contracts with government authorities expressly provide that the responsibility for obtaining the right of way for the roads under a project lies with the government authority. While the government authorities may obtain land clearances on which these projects are implemented, our Company may not have copies of supporting documentation for the land acquisition. In the event that the affected landowners seek to bring claims objecting to the acquisition of their land for a particular road, it is possible that the landowners may also make claims against our Company or join it as a party to the proceedings. In case of such claims, while our Company believes it would not be liable to pay any compensation (as right of way is to be provided by the client), it faces a risk of delay in project implementation or other intangible losses such as loss of reputation or distraction of management time.

44. Some of our Subsidiaries and Group Companies have incurred losses and/or have had negative net worth during the last three financial years.

Some of our Subsidiaries have had negative net worth during the last three fiscal years (as per their respective standalone financial statements), as set forth below:

Sr. No.	Name of the Subsidiary	Net worth (In Rs. million)		
		Fiscal 2010	Fiscal 2009	Fiscal 2008
1.	Ramky Engineering and Consulting Services (FZC)	(22.12)	(19.92)	(10.92)

Some of our Subsidiaries have incurred losses during last three fiscal years (as per their respective standalone financial statements), as set forth below:

Sr. No.	Name of the Subsidiary	Profit/(Loss) after tax (In Rs. million)		
		Fiscal 2010	Fiscal 2009	Fiscal 2008
1.	Ramky Engineering and Consulting Services (FZC)	(8.67)	(9.86)	(7.13)
2.	MDDA Ramky IS Bus Terminal Limited	-	(3.81)	(8.81)
3.	Gwalior Bypass Project Limited	(0.27)	(0.14)	(0.05)
4.	Ramky Enclave Limited	-	(0.48)	N/A
5.	Ramky MIDC Agro Processing Park Limited	(0.04)	-	-
6.	Naya Raipur Gems and Jewellery SEZ Limited	(0.47)	-	-
7.	Ramky Herbal and Medicinal Park (Chhattisgarh) Limited	(0.04)	-	-
8.	Ramky Elsamex Hyderabad Ring Road Limited	(3.56)	-	-

Some of our Group Companies have had negative net worth during the last three fiscal years (as per their respective standalone financial statements), as set forth below:

Sr. No.	Name of the Group Company	Net worth (In Rs. million)		
		Fiscal 2009*	Fiscal 2008	Fiscal 2007
1.	Ramky Global Solutions Private Limited	(5.40)	(4.84)	(3.36)
2.	Tamil Nadu Waste Management Limited	47.99	19.81	(2.48)
3.	Ramky Energy and Environment Limited	(26.14)	(6.06)	4.74

*Audited financial statements for Fiscal 2010 are not yet available.

Some of our Group Companies have incurred losses during last three fiscal years (as per their respective standalone financial statements), as set forth below:

Sr. No.	Name of the Group Company	Profit/(Loss) after tax (In Rs. million)		
		Fiscal 2009*	Fiscal 2008	Fiscal 2007
1.	Ramky Reclamation and Recycling Limited	(0.67)	0	0
2.	Ramky International(Singapore) Pte Limited	SGD (0.05)	SGD (0.01)	-
3.	Tamil Nadu Waste Management Limited	20.16	(6.26)	0.75
4.	Ramky Energy and Environmental Limited	(20.08)	(13.51)	4.24
5.	Ramky Finance and Investment Private Limited	(5.70)	(2.21)	0.11
6.	Ramky Cimelia E-waste Management Limited	(0.39)	-	-
7.	Guwahati Waste Management Company Private Limited	(6.64)	-	-
8.	RVAC Private Limited	SGD (0.20)	SGD (0.10)	-
9.	Al Ahila Environmental Services Co. (LLC)	(0.01)	-	-
10.	Ramky Global Solutions Private Limited	(0.56)	(1.49)	(3.52)

*Audited financial statements for Fiscal 2010 are not yet available.

For further details on these Group Companies, please see the sections titled "Our Subsidiaries" and "Our Group Companies" beginning on pages 108 and 140, respectively, of this Red Herring Prospectus.

45. ***Our zonal and regional offices are leased and the lease agreements for these premises have not been registered as required under Indian law.***

We have entered into various lease agreements for our zonal and regional offices, which have not been registered as required under Indian law. The lease agreements are required to be registered under the provisions of the Indian Stamp Act, 1899 and the Registration Act, 1908 and they may not be admitted as evidence in an Indian court until they are duly registered. Most of these lease agreements are between us and Promoter Group companies.

46. ***We have not made any provision in our financial statements for potential decline in value of our investments.***

Our investments include investments in market securities, which are subject to inherent market risks. Any fluctuation in the market index may result in fluctuations in the value of our investments. We have not made any provision in our financial statements in respect of any potential loss that may be caused due to decline in value of such investments. As on March 31, 2010, we have made investments of Rs. 601.22 million. If the value of these investments were to decline significantly, there could be a material adverse effect on our business, financial condition and results of operations.

47. ***We have not obtained certain approvals for some of our projects and some of our projects are in the preliminary stages of planning and require approvals.***

We are required to obtain statutory and regulatory approvals or permits at various stages in the development of our projects. We have applied for, or are in the process of applying for, such approvals. We may not receive such approvals in the time frames anticipated by us or at all, which could adversely affect our business.

Currently, the following applications we have filed are pending the approval of the relevant authorities:

S. No.	No./Description of Permit/Licence	Issuing Authority	Date of Application
1.	Application by Naya Raipur Gems and Jewellery SEZ Limited (at the time known as Ramky Gems and Jewellery Park (Chhattisgarh) Limited) in IPS-1 for setting up an industrial park (gems and jewellery units) on an area of 70 acres under the automatic route of the Industrial Parks Scheme, 2002.	Entrepreneurial Assistance Unit, Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion.	November 23, 2007
2.	Application by Ramky Food Park (Chhattisgarh) Limited in IPS-1 for setting up an industrial park (food processing units) on an area of 300 acres under the automatic route of the Industrial Parks Scheme, 2002.	Entrepreneurial Assistance Unit, Secretariat for Industrial Assistance, Department of Industrial Policy & Promotion.	November 23, 2007
3.	Application by Ramky Herbal and Medicinal Park (Chhattisgarh) Limited in IPS-1 for setting up an industrial park (herbal and medicinal products manufacturing units) on an area of 250 acres under the automatic route of the Industrial Parks Scheme, 2002.	Entrepreneurial Assistance Unit, Secretariat for Industrial Assistance, Department of Industrial Policy & Promotion	November 23, 2007
4.	Application by MDDA-Ramky IS Bus Terminal for approval of fire fighting works for ISBT, Dehradun	Chief Fire Safety Officer, Dehradun.	January 31, 2007

S. No.	No./Description of Permit/Licence	Issuing Authority	Date of Application
5.	Application by the project coordinator (vice chairman and housing commissioner) on behalf of Ramky Towers Limited for approval of building plans for the Gachibowli project	Hyderabad Urban Development Authority	April 9, 2007
6.	Application for renewal of license No. ZONE-1/576/2007 under the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner of Labour, Gujarat	November 13, 2009

For further details with respect to regulatory approvals required for our business, see "Regulations and Policies" on page 105. For further details in relation to required or pending government approvals, see "Government and Other Approvals" on page 215.

If we fail to obtain, or experience material delays in obtaining or renewing approvals, the schedule of development could be substantially disrupted, which could have an adverse effect on our business, prospects, financial condition and results of operations.

Additional Risks in Relation to our Developer Business

48. Our relative inexperience in the developer business could put us at a competitive disadvantage and we may not have the relevant types of knowledge to succeed in the developer business, which could adversely affect our results of operations and financial condition.

We launched and earned revenue from our developer business segment for the first time in Fiscal 2007. This is therefore a relatively new business for us. To date, our developer business has completed construction of Phase I of Inter State Bus Terminal at Dehradun and is currently undertaking operation and maintenance of this phase. We currently have 11 projects (two of which are being undertaken through Associates while the other nine projects are being undertaken through project-specific Subsidiaries) in various stages of planning and implementation, including Phase II of Inter State Bus Terminal at Dehradun. Our relative inexperience in the developer business could put us at a competitive disadvantage. Our developer business contributed 17.56% of our consolidated total income for Fiscal 2010. Any losses by our Subsidiaries undertaking developer projects could adversely affect our results of operations and financial condition on a consolidated basis.

The developer business may involve different risks, many of which may be new to us, from those associated with our traditional project mix in the civil and infrastructure construction business and may require different resources, not all of which we may have at our disposal. These new types of projects may require knowledge of different types of businesses, laws, regulations, customers, suppliers and markets. There can be no assurance that, to the extent we develop any of these new types of projects, we will succeed in their development, and there can be no assurance that we will not suffer from the redirection of resources away from the types of projects we know better. Either of these outcomes could adversely affect our results of operations and business. Our current business strategy with respect to the developer business may change in the future and may be different from that which is contained in this Red Herring Prospectus.

49. The actual expenses in executing projects undertaken by our developer business may vary substantially from the assumptions underlying our bid and we may be unable to recover all or some of the additional expenses, which may have a material adverse effect on our results of operations and financial condition.

Unless our developer business companies enter into EPC fixed price contracts, they are exposed to the risk that the actual expenses in executing their projects may vary substantially from the assumptions underlying their bids and they may be unable to recover all or some of the additional expenses. The actual expense in constructing a project undertaken by our developer business companies may vary substantially from the assumptions underlying their bid for several reasons, including:

- unanticipated increases in the cost of sub-contracting, raw materials, fuel, labour or other inputs;
- unforeseen construction conditions, including the inability to obtain requisite environmental and other approvals, resulting in delays and increased costs;
- delays caused by local weather conditions; and
- suppliers' or sub-contractors' failures to perform.

Additionally, our developer business companies may have to bear the costs related to quantities of construction material and equipment exceeding its estimates at the time of bidding.

Depending on the size of a project, variations from estimated construction costs of a project could have a material adverse effect on our results of operations and financial condition on a consolidated basis.

All infrastructure development projects are subject to long-term concession or license agreements that may have terms of up to 30 years. As our revenue structure under each such agreement is set over the life of the agreement (and fluctuates subject to the built-in adjustment mechanisms contained in such agreement), our profitability is largely a function of how effectively we are able to manage our costs during the terms of our agreements. If we are unable to effectively manage costs, our business, financial condition and results of operations may be materially and adversely affected.

Further, being committed under these agreements may restrict our ability to implement changes to our business plan. This limits our business flexibility, exposes us to an increased risk of unforeseen business and industry changes and could have a material adverse effect on our business, financial condition and results of operations.

50. Our Company has limited experience in execution and operation of projects on a PPP basis.

Historically, the bulk of construction and infrastructure projects we have undertaken have been through engineering, procurement and construction contracts; lump-sum-turnkey contracts; and item rate contracts. However, the number of public-private partnerships (PPPs) being undertaken in these sectors is increasing. PPPs involve participation in BOT/BOOT/BOO projects and similar business ventures. Such projects involve different business risks as profitability depends upon the amount of revenue generated from completed projects during the concession period. We plan to selectively bid for BOT/BOOT/BOO projects in the future in order to realise greater added value on construction projects and revenues from such projects over their concession periods. In making such bids, our analysis of revenue generation will be based on assumptions and in the event that the actual revenues generated do not match the assumptions made when bidding for a project, we may not be able to fully recover our costs or generate a profit from the project. As of the date of this Red Herring Prospectus, we have had limited experience in dealing with risks particular to such projects.

51. The success of our developer business is dependent on our ability to anticipate and respond to consumer requirements, both in terms of the type and location of our projects.

The growth of the Indian economy has led to changes in the way businesses operate in India, while population growth and urbanization continue to drive demand for mass housing. The Government has sought to address the demand for commercial and residential developments that address such growth through its SEZ policies and its involvement in PPPs. Our developer business engages in the development of SEZ projects and projects undertaken on a PPP basis. Nevertheless, pursuing SEZ projects and PPP projects does not assure the success of our developer business projects. As customers continue to seek better housing and better amenities as part of their residential needs, we are required to continue our focus on the development of quality residential accommodation with various amenities. Moreover, the growth and success of our commercial and industrial developer business depends on the provision of high quality office space and industrial space, respectively, to attract and retain businesses that are willing and able to pay rent or purchase prices at suitable levels, and on our ability to anticipate the future needs and expansion plans of these businesses. If we are unable to provide these customers with their preference or we fail to anticipate and respond to customer needs accordingly, it will have an adverse affect our business, results of operations and financial condition.

52. ***Our ability to sell or lease our development properties will be affected by the availability of financing to potential customers, especially buyers of residential properties.***

A large number of customers, especially buyers of residential properties finance their purchases through third party mortgage financing. The availing of home loans for residential properties has become particularly attractive due to income tax benefits and high disposable income. The availability of home loans may however be affected if such income tax benefits are withdrawn or the interest rates on such loans continue to increase or there is decrease in the availability of home loans. This may affect the ability of our customers to finance the purchase of their residential properties and may consequently affect the demand for our properties.

53. ***Market conditions may affect our ability to sell or lease our development properties at expected prices, which could adversely affect our results of operations and financial condition.***

There is a significant lag between the time we acquire development rights to land for SEZ and PPP projects and the time that we develop and sell or lease our projects. We will be affected if the market conditions deteriorate, if we construct inventories at higher prices than expected due to increases in sub-contracting costs, raw materials, fuel costs, labour or other inputs or if the value of constructed inventories subsequently decline. The risk of developing SEZs and public-private partnership developments can be substantial as the market value of inventories can change significantly as a result of changing economic and market conditions. Since development investments are relatively illiquid, our ability to mitigate the risk of any market fluctuations is limited. If any of these events were to occur, our ability to sell or lease properties at expected prices would be adversely affected, which could in turn adversely affect our results of operations and financial condition.

54. ***Uncertainties and/or changes in Government's policies relating to SEZs and industrial parks may adversely affect our business***

Changes or uncertainties in the Government's policies or regulatory framework may adversely affect our SEZ developments. Additionally, the selection procedure for the granting of SEZ licenses is open to challenge. The future success of SEZ developments is dependent on the continued availability of fiscal incentives under the SEZ regime. The possibility of the withdrawal of the applicable benefits and concessions in the future may adversely affect the attractiveness of SEZs, which could adversely affect our business.

55. ***If the maintenance costs for our developer projects are higher than we forecast in preparing our bid for those projects, it could have an adverse effect on our results of operations.***

We make cost forecasts based on certain assumptions when bidding for developer projects. One of the important forecasts relate to the cost of maintenance of the project during its term. These maintenance costs may not be accurate and in the event that the actual costs incurred do not match the forecast made or our assumptions are erroneous, we may not be able to generate a profit from the project. Our revenues in developer projects are fixed over the term of the agreements and therefore, our results of operations on those projects are largely a function of how effectively we are able to manage the maintenance costs. If the maintenance costs increase beyond the amount we forecast, our results of operations may be adversely affected.

56. ***Our inability to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business could have a material adverse effect on our business.***

We require certain approvals, licenses, registrations and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. Additionally, we may need to apply for more approvals in the future. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. For details, please refer to the section entitled "Government Approvals" on page 215 of this Red Herring Prospectus.

Risk Factors Relating the Objects of the Issue

57. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.

Our funding requirements and the proposed deployment of the Net Proceeds are based on management estimates, current quotations from suppliers and our current business plan and have not been appraised by an independent entity. Furthermore, in the absence of such an independent appraisal, or the requirement for us to appoint a monitoring agency pursuant to the SEBI Regulations, the deployment of the net proceeds is at our discretion.

We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations, exchange rates or other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at the discretion of our Board. In addition, the estimated dates of completion of various projects as described herein are based on management's current expectations and may change due to such factors. Further, current quotations from suppliers are only valid for limited periods and there can be no assurance that we will be able to obtain new quotations from these or other suppliers on the same terms.

58. Our Company has sought the RBI's approval for the Offer for Sale, non-receipt of which may adversely affect this Issue.

Our Company has sought the approval of the RBI in compliance with the applicable foreign exchange control norms to transfer Equity Shares forming part of the Offer for Sale in this Issue. In the event the RBI does not grant such permission, the Selling Shareholders may not transfer the Equity Shares forming part of the Offer for Sale, which may adversely affect the Issue.

59. The Offer for Sale proceeds will not be available to us.

This Issue includes an offer for sale of Equity Shares aggregating up to Rs. 1,800 million by the Selling Shareholders (i.e., the Offer for Sale). The proceeds from the Offer for Sale will be remitted to the Selling Shareholders and our Company will not benefit from such proceeds.

Risk Factors Related to the Equity Shares

60. Our Promoters will continue to retain majority control in our Company after the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval.

Upon completion of the Issue, the Promoters will beneficially own a substantial percentage of our post-Issue equity share capital. As a result, the Promoters will have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and Directors. This control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. Furthermore, for so long as the Promoters continue to exercise significant control over our Company, they may influence the material policies of our Company in a manner that could conflict with the interests of our other shareholders. The Promoters may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

61. Any further issuance of equity shares by our Company or sales of equity shares by any significant shareholders may adversely affect the trading price of the Equity Shares.

Any future issuance of equity shares by our Company could dilute your shareholding. Any such future issuance of equity shares or sales of equity shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. Upon completion of the Issue, 20% of our post-Issue paid-up capital held by our Promoters will be locked up for a period of three years from the date of Allotment. In addition to the 20% of the post-Issue shareholding of our Company locked-in for three years, our entire pre-Issue Equity Share capital, excluding Equity Shares forming part of the Offer for Sale, Equity Shares held by Tara India Fund III Trust (being a VCF) and Equity Shares allotted under ESOP 2006 and ESPS 2006 and held by our employees, shall be locked-in for a period of one year from the date of Allotment. For further information relating to such equity shares that will be locked-up, please see the notes to the Capital Structure in the section “Capital Structure” beginning on page 28 of this Red Herring Prospectus.

62. You will not be able to immediately sell any of the Equity Shares you purchase in the Issue on an Indian stock exchange.

Under the SEBI Regulations, we are permitted to allot equity shares within 15 days of the Bid/Issue Closing Date. Consequently, the Equity Shares you purchase in the Issue may not be credited to your demat account with Depository Participants until approximately 15 days after the Bid/Issue Closing Date. You can start trading in the Equity Shares only after they have been credited to your demat account and final listing and trading approvals are received from the NSE and BSE. There can be no assurance that final listing and trading approvals will be obtained from the NSE or BSE on time or at all. Further, there can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time periods.

63. There is no guarantee that the Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Approval requires all relevant documents authorizing the issuance of Equity Shares to be submitted. If this condition is not met, there could be a failure or delay in listing the Equity Shares on the BSE and the NSE. In accordance with section 73 of the Companies Act, in the event that listing permission for the Equity Shares is denied by one or both Stock Exchanges, we will be required to refund to investors all monies collected.

64. There is no existing market for the Equity Shares and the price of the Equity Shares may be volatile and fluctuate significantly in response to various factors.

Prior to this Issue, there has been no public market for our Equity Shares. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, volatility in the Indian and global securities markets, the performance of the Indian and global economy, significant developments in India’s fiscal regime and other factors. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

65. We have not paid dividends in the past except for a dividend to preference shareholders at rate of 0.001% in Fiscal 2007 and may not pay dividends in the future.

Our Company has not previously paid dividends to its shareholders except for a dividend to preference shareholders at rate of 0.001% in Fiscal 2007. Whether our Company pays dividends in the future and the amount of any such dividends, if declared, will depend upon a number of factors, including our results of operations and financial condition, contractual restrictions (including the terms of some of our financing arrangements that currently restrict our ability to pay dividends) and other factors considered relevant by our Board of Directors and shareholders. There is no assurance that our Company will declare and pay, or have the ability to declare and pay, any dividends on Equity Shares at any point in the future.

66. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.

The Indian securities markets are smaller than securities markets in more developed economies. Further, the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the US and Europe. In the past, Indian stock exchanges have experienced temporary exchange closures, broker defaults and settlement delays which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. A closure of, or trading stoppage on, the stock exchanges could adversely affect the trading price of the Equity Shares.

In the past, the stock exchanges have experienced substantial fluctuations in the prices of listed securities. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, from time to time, disputes have occurred between listed companies and the stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. Similar problems could occur in the future and, if they do, they could harm the market price and liquidity of the Equity Shares.

External Risk Factors

67. We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, financial condition and results of operations.

Changes in interest rates could significantly affect our financial condition and results of operations. As at March 31, 2010, Rs. 9,787.80 million of our borrowings were at floating rates of interest. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may adversely impact our results of operations, planned capital expenditures and cash flows.

68. Our business is subject to a variety of environmental laws and regulations. Any failure on our part to comply with applicable environmental laws and regulations could have an adverse effect on our business.

Our operations are subject to numerous environmental protection laws and regulations, which are complex and stringent. These laws and regulations include the Environmental Protection Act of 1986, the Air (Prevention and Control of Pollution) Act of 1981, the Water (Prevention and Control of Pollution) Act of 1974 and other regulations promulgated by the Ministry of Environment and the Pollution Control Boards of the relevant states. We regularly perform work in and around sensitive environmental areas such as rivers, lakes, coastlines and forests. Sanctions for failure to comply with these laws, rules and regulations, many of which may be applied retroactively, may include administrative, civil and criminal penalties, revocation of permits and corrective action orders. In addition, we incur significant expenditure relating to operating methodologies and standards in order to comply with applicable environmental laws and regulations. Furthermore, we believe environmental regulations in India will become more stringent in the future. The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with certainty. The costs and management time required to comply with these requirements could be significant. There can also be no assurance that we will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future, the costs of which could be material. Clean-up and remediation costs, as well as damages, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

69. Our operations are sensitive to weather conditions.

We have business activities that could be materially and adversely affected by severe weather. Severe weather conditions may require us to curtail services and may result in damage to a portion of our fleet of equipment or to our facilities, resulting in the suspension of operations, and may further prevent us from delivering materials to our project sites in accordance with contract schedules or generally reduce our productivity. Our operations are also adversely affected by difficult working conditions and extremely high temperatures during summer months and during monsoon, which restrict our ability to carry on construction activities and fully utilize our resources. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses, but our revenues from operations may be delayed or reduced.

We record construction business revenues for those stages of a project that we complete, after we receive certification from the client that such stage has been successfully completed. Since revenues are not recognized until we make progress on a contract and receive such certification from our clients, revenues recorded in the first half of our financial year between April and September are traditionally substantially lower compared to revenues recorded during the second half of our financial year due in part to adverse weather conditions.

70. Our business could be adversely impacted by economic, political and social developments in India.

Our performance and growth are dependent on the health of the Indian economy. The Indian economy could be adversely affected by various factors, such as political and regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in the Indian economy could adversely impact our business, our results of operations and our financial condition. Any change or downturn that leads to decreased spending on construction and infrastructure projects could adversely affect our business and results of operation may vary depending upon the demand for future construction projects.

71. Our ability to raise foreign capital may be constrained by Indian law. The limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, which could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. The limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

72. Terrorist attacks and other acts of violence or war involving India, the United States or other countries could adversely affect the financial markets, result in loss of client confidence, and adversely affect our business, financial condition and results of operations.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the November 2008 Mumbai terrorist attacks, other incidents such as those in Indonesia, Madrid, London, New York and Washington, D.C. and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability.

Also, India, the United States or other countries may enter into armed conflict or war with other countries or extend pre-existing hostilities. South Asia has, from time to time, experienced instances of civil unrest and hostilities among neighboring countries. Military activity or terrorist attacks could adversely affect the Indian economy by, for example, disrupting communications and making travel more difficult. Such events could also create a perception that investments in Indian companies involve a higher degree of risk. This, in turn, could adversely affect client confidence in India, which could have an adverse impact on the economies of India and other countries, on the markets for our products and services and on our business. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

73. ***Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. Natural calamities could have a negative impact on the Indian economy and may cause suspension, delays or damage to our current projects and operations, which may adversely affect our business and our results of operations.

74. ***An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could adversely affect our business.***

The outbreak of an infectious disease in Asia or elsewhere or any other serious public health concern, such as swine influenza, could have a negative impact on the global economy, financial markets and business activities worldwide, which could adversely affect our business. Although, we have not been adversely affected by such outbreaks in the past, we can give you no assurance that a future outbreak of an infectious disease or any other serious public health concern will not have a material adverse effect on our business.

75. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

We will be subject to a daily "circuit breaker" imposed by stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The maximum movement allowed in the price of the Equity Shares before the circuit breaker is triggered is determined by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges will not inform us of the triggering point of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

76. ***Any downgrading of India's debt rating by an international rating agency could have an adverse impact on our business.***

Any adverse revision to the rating of India's domestic or international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of the Equity Shares.

77. ***Financial instability in Indian financial markets could adversely affect our results of operations and financial condition.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in Asian emerging market countries. Financial turmoil in global economy in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

78. Our failure to successfully adopt International Financial Reporting Standards ("IFRS") effective April 2011 could have a material adverse effect on the price of our Equity Shares.

The Institute of Chartered Accountants of India, the accounting body that regulates the accounting firms in India, has announced a road map for the adoption of, and convergence with, IFRS, pursuant to which all public companies in India, including ours, will be required to prepare their annual and interim financial statements under IFRS beginning with the fiscal period commencing April 1, 2011. Because there is significant lack of clarity on the adoption of and convergence with IFRS and there is not yet a significant body of established practice on which to draw in respect of forming judgments regarding the implementation and application of IFRS, we have not determined with any degree of certainty the impact that such adoption will have on our financial reporting. There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholder's equity will not appear materially worse under IFRS than under Indian GAAP. As we transition to IFRS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems and internal controls. Moreover, there is increasing competition for the small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements. There can be no assurance that our adoption of IFRS will not adversely affect our reported results of operations or financial condition and any failure to successfully adopt IFRS by April 2011 could have a material adverse effect on the price of our Equity Shares.

79. Our business and activities will be regulated by the Competition Act, 2002 (the "Competition Act") and any application of the Competition Act to use could have a material adverse effect on our business, financial condition and results of operations.

The Indian Parliament has enacted the Competition Act for the purpose of preventing business practices that have an appreciable adverse effect on competition in India under the auspices of the Competition Commission of India, which (other than for certain provisions relating to the regulation of combinations) has recently become effective. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether or not formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement which directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area or market or number of customers in the market is presumed to have an appreciable adverse effect on competition. The effect of the Competition Act and the Competition Commission of India on the business environment in India is as yet unclear. Any application of the Competition Act to us may be unfavorable and may have a material adverse effect on our business, financial condition and results of operations.

80. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to regulation by the GoI. Under foreign exchange regulations currently in effect in India, the Reserve Bank of India ("RBI") must approve the sale of the Equity Shares from a non-resident of India to a resident of India if the sale does not meet the requirements of the circular of the RBI dated October 4, 2004. The RBI must approve the conversion of the Rupee proceeds from any such sale into foreign currency and repatriation of that foreign currency from India unless the sale is made on a recognized stock exchange in India through a stock broker at the market price. As provided in the foreign exchange controls currently in effect in India, the RBI will approve the price at which the Equity Shares are transferred based on a specified formula, and a higher price per share may not be permitted. The approval from the RBI or any other government agency may not be obtained on terms favourable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increases or limiting losses during periods of price declines.

Prominent Notes:

- Public issue of [●] Equity Shares for cash at a price of Rs. [●] per Equity Share aggregating up to Rs. 5,300 million, consisting of a fresh issue of [●] Equity Shares aggregating Rs. 3,500 million and an offer for sale of [●] Equity Shares aggregating Rs. 1,800 million by the Selling Shareholders. This Issue would constitute [●]% of the fully diluted post Issue paid-up capital of the Company.

- The net worth of the Company on a standalone basis and consolidated basis as at March 31, 2010, was Rs. 4,262.61 million and Rs. 5,349.25 million, respectively.

- The book value per Equity Share as at March 31, 2010 was Rs. 86.25 as per our stand-alone financial statements and the book value per Equity Share as at March 31, 2010 was Rs. 112.29 as per our consolidated financial statements. For more information, see "Financial Statements" beginning on page F-1.

- The net asset value per Equity Share was Rs. 86.25 as at March 31, 2010 as per our standalone financial statements and the net asset value per Equity Share was Rs. 112.29 as at March 31, 2010 as per our consolidated financial statements.

- The average cost of acquisition of per Equity Share by our Promoters is Rs. 0.58 and Nil for Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja, respectively. For further details, see "Capital Structure" on page 28.

- There are no financing arrangements whereby our Promoters, Promoter Group, Directors or their immediate relatives have financed the purchase of Equity Shares by any other person during the six months preceding the date of filing of this Red Herring Prospectus.

- For information on changes in our Company's name, Registered Office and changes in the object clause of the MOA of our Company, see "History and Corporate Structure" on page 108.

- The details of transactions by our Company with our Subsidiaries, the Group Companies and our other related party transactions are as follows:

(Rs. in millions)

Particulars	Nature of Relationship	For the year ended March 31				
		2006	2007	2008	2009	2010
Security deposit paid	Associates / Group Companies	-	1.29	9.90	0.36	-
Security deposit paid	Subsidiaries	2.00	329.18	638.37	41.48	135.15
Security deposit received	Associates / Group Companies	-	0.19	0.20	-	-
Unsecured loans repaid	Associates / Group Companies	5.00	-	-	-	-
Unsecured loans received back	Associates / Group Companies	-	73.69	-	-	-
Unsecured loans paid	Associates / Group Companies	4.75	-	-	-	-
Advance paid	Associates / Group Companies	-	1.46	0.07	-	54.01
Advance received	Associates / Group Companies	-	-	-	5.26	-
Share application money paid	Associates / Group Companies	51.15	-	-	100.00	-
Share application money paid	Subsidiaries	-	8.19	401.63	24.30	212.78
Sub contract expenses	Group Companies / Relative of Key	16.57	227.08	3.37	27.50	184.32

Particulars	Nature of Relationship	For the year ended March 31				
		2006	2007	2008	2009	2010
	Management Personnel					
Consultancy paid	Associates / Group Companies	0.26	-	-	-	-
Rent paid	Group Companies	-	0.63	3.18	4.52	12.81
Contract revenue	Associates / Group Companies / Subsidiaries	1,125.84	1,698.28	2,199.24	3,159.37	2,028.26
Mobilisation advances received	Subsidiaries	-	-	299.26	-	-
Mobilisation advances paid	Group Companies	-	-	-	-	60.88
Consultancy fee received	Group Companies	0.26	-	-	-	-
Hire charges received	Group Companies	9.84	11.19	11.19	11.19	2.80
Rent received	Group Companies	0.10	-	-	-	-
Slump sale	Group Companies	-	78.61	-	-	-
Sale of land	Group Companies	-	0.30	-	-	-
Donation paid	Entity in which Key Management Personnel is interested	-	0.68	2.21	3.80	4.50
Remuneration and allowances to Directors	Key Management Personnel	4.66	6.47	9.72	14.46	12.12
Sale of investments	Key Management Personnel	23.92	-	-	-	-
Salaries	Relatives of Key Management Personnel	0.40	1.03	-	-	-
Interest income	Subsidiaries	9.33	3.33	-	-	0.85
Interest expense	Group Companies	0.16	-	-	-	-

For further details pertaining to our related party transactions, refer to the notes on related party transactions in the "Financial Statements – Annexure XVI" and "Financial Statements – Annexure XV" beginning from page F-1.

- Except as disclosed in the sections titled "Financial Statements – Annexure XVI", "Financial Statements – Annexure XV" and "Our Promoters and Group Companies" beginning from pages F-1, F-1 and 140,respectively, none of Group Companies are interested in our Company.

- Any clarification or information relating to this Issue shall be made available by the Book Running Lead Managers and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. The Book Running Lead Managers shall be obligated to provide information or clarifications relating to this Issue. Investors may contact the Book Running Lead Managers and the Syndicate Members for any complaints or comments pertaining to this Issue which the Book Running Lead Managers will attend to expeditiously.

All grievances relating to ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the applicants, number of Equity Shares applied for, Bid Amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Form has been submitted by the ASBA Bidder.

SECTION III – INTRODUCTION

SUMMARY OF BUSINESS

Overview

We are an integrated construction and infrastructure development and management company in India. Since commencing our business in 1994, we have serviced a diverse range of construction and infrastructure projects in sectors as varied as water and waste water, transportation, irrigation, industrial parks (including SEZs), power transmission and distribution, residential, commercial and retail property. We are headquartered in Hyderabad, Andhra Pradesh, and have five zonal offices and three regional offices to manage our business operations throughout India and an overseas office in Sharjah, UAE. Our pan-India presence has allowed us to service the growing infrastructure needs throughout the country. We are currently exploring an opportunity to undertake our first construction project in Africa.

Our Company is the flagship company of the Ramky Group, a group of affiliated companies that, in addition to the services provided by our Company, is involved in the provisions of services in relation to waste management, environmental consulting, finance and accounting, data management, indirect procurement, real estate development, pharmaceuticals and emerging technologies.

We operate in two principal business segments: (i) a construction business which is operated by our Company, and (ii) a developer business which is operated through 10 Subsidiaries and four Associates. A majority of our development projects are public private partnerships and are operated by separate special purpose vehicles promoted by our Company and the Government. Our wholly owned Subsidiary in the UAE, Ramky Engineering and Consulting Services FZC, operates a small consultancy business in areas such as infrastructure development, waste management, environment and property development.

We own a large fleet of sophisticated construction equipment, including: crushing plants, hot mix plants, wet mix plants, asphalt batching plants, concrete batching plants, excavators, rock breakers, graders, pavers, compactors, tower cranes, dozers, bar bending and cutting machines. Our work force, as at March 31, 2010, consisted of 1,742 full-time employees on a stand alone basis. Our work force, machinery assets, financial net worth and past execution capabilities enable us to undertake many large-scale projects.

Our Company is ISO 9001:2008 certified for quality management systems, which we apply to the design, development, engineering, procurement and construction of projects. We have also received several awards, including the 2005 Best Construction Award from the Government of Rajasthan, the 2005 Outstanding Concrete Structure Award from the Indian Concrete Institute, Best Project Award 2007-08 for the Married Accommodation Project at Amritsar from Central Public Works Department, GOI, Infrastructure Excellence Award 2008 in the Urban Infrastructure Category from CNBC TV18 & Essar Steel, and the Water Digest's Water Awards 2009-2010 in the category of Best Water Conserver – Waste Water Management. Our Chairman, Mr. Alla Ayodhya Rami Reddy, received the Engineer of the Year Award in 2005 from the Government of Andhra Pradesh and the Institution of Engineers (India).

In Fiscal 2010, our total income on a consolidated basis was Rs. 22,512.90 million. In Fiscal 2010, we earned a net profit, as restated, on a consolidated basis of Rs. 1,288.47 million. The value of our Order Book was Rs. 74,317.09 million at March 31, 2010 compared with Rs. 59,237.91 million as at March 31, 2009. We have added contracts worth Rs. 31,473.11 million to our Order Book during the period from April 1, 2010 through to June 30, 2010.

Our Business Operations

1. We are involved in (i) construction and (ii) infrastructure development, operation and management.

Construction Business

2. Our Company operates our construction business and undertakes projects in the following sectors:

- Water and waste water projects such as water treatment plants, water transmission and distribution systems, elevated reservoirs and ground level service reservoirs, sewage treatment plants, common effluent treatment plants, tertiary treatment plants, underground drainage systems and lake restorations (the "Water and Waste Water" sector);
- Irrigation projects such as cross-drainage works, lift irrigation projects, dams and barrages (the "Irrigation" sector);
- Industrial construction projects such as industrial parks, SEZs and related works (the "Industrial" sector);
- Transportation projects such as expressways, highways, bridges, flyovers and dedicated service corridors (the "Transportation" sector);
- Building construction, which includes commercial, residential, public, institutional and corporate buildings, mass housing projects and related infrastructure and facilities such as hospitals and shopping malls (the "Building Construction" sector); and
- Power transmission and distribution projects such as electricity transmission networks, substation feeder lines and low tension distribution lines (the "Power Transmission and Distribution" sector).

In addition to executing projects for third party clients, our Company also executes projects for related parties. In Fiscal 2010, projects undertaken for parties other than related parties, i.e. those clients that are not classified as related parties under Indian GAAP, accounted for 89.87% of our Company's operating income on a standalone basis; projects undertaken for related parties excluding Subsidiaries accounted for 0.00% of our Company's operating income on a standalone basis; and projects undertaken for the Subsidiaries accounted for 10.13% of our Company's operating income on a standalone basis.

For the purposes of calculating consolidated operating income, we only consider revenue received from third parties and Promoter Group companies, which are considered to be external clients, and the revenue received from the Subsidiaries is eliminated. For Fiscal 2010, the construction business segment revenue from external clients accounted for 82.44% of our Company's operating income on a consolidated basis.

We primarily enter into three types of contracts in the construction business: engineering, procurement and construction ("EPC") contracts; lump-sum-turnkey ("LSTK") contracts; and item rate contracts. For a description of these contract types see "Industry" on page 63 of this Red Herring Prospectus. Contracts entered into with unaffiliated parties are the result of our Company having successfully engaged in a competitive bidding process. Contracts entered into with the Promoter Group companies, the Subsidiaries and the Associates are negotiated on an arms-length basis after competitive bids have been called for and usually after third-party quotes have been received. Our Company is a preferred contractor of the Promoter Group companies, the Subsidiaries and the Associates.

Developer Business

Our developer business began in Fiscal 2007 and is an extension of our operations and competencies in the civil and infrastructure construction businesses. Development projects are usually undertaken on a public private partnership basis with the Government and are typically awarded after qualifying through a competitive bidding process.

Each of the entities that comprise our developer business is a special purpose vehicle formed for the development of a single project and most of them are jointly controlled by the Government and us. The table below gives summary details of each of the Subsidiaries and Associates that comprise our developer business.

Name of Subsidiary	Company's Equity Interest (%)	Project and Location	Project Cost /Estimated Project Cost in Rs. Million	Completion Date/ Scheduled Completion Date
Ramky Elsamex Hyderabad Ring Road Limited	74	Outer ring road to Hyderabad City	3,993.70	Completed November 2009
Ramky Pharma City (India) Limited	51	Jawaharlal Nehru Pharma City, an Industrial Park in Parawada Visakhapatnam, Andhra Pradesh	5,204.65	September 2010
MDDA Ramky IS Bus Terminal Limited	100	Inter State Bus Terminal in Dehradun, Uttarakhand (Phase 1) Commercial mall located next to the Inter State Bus Terminal at Dehradun, Uttarakhand (Phase 2)	131.00 (Phase 1) 350.00 (Phase 2)	June 2004 (Phase 1) December 2010 (Phase 2)
Gwalior Bypass Project Limited	51	Gwalior Bypass Project in Gwalior, Madhya Pradesh	3,321.12	October 2009*
Ramky Towers Limited	51	Commercial and residential buildings in Gachibowli, Hyderabad, Andhra Pradesh	4,000.29	June 2011
Ramky MIDC Agro Processing Park Limited	100(1)	Agricultural-processing industrial park at Latur, Maharashtra	467.57	August 2013
Ramky Herbal and Medicinal Park (Chhattisgarh) Limited	100(2)	Herbal and medicinal industrial park in the district of Dhamtari, Chhattisgarh	964.43	October 2014
Ramky Food Park (Chhattisgarh) Limited	100(3)	Food processing industrial park in the district of Rajnandagao, Chhattisgarh	834.84	October 2014
Naya Raipur Gems and Jewellery SEZ Limited	100(4)	Gems and jewellery industrial park in the district of Raipur, Chhattisgarh	1,834.00	October 2014
Ramky Enclave Limited	89.01	Integrated housing project Warangal	2,163.70	December 2010
Name of Associate	**Company's Equity Interest (%)**	**Project and Location**	**Project Cost /Estimated Project Cost in Rs. Million**	**Completion Date/ Scheduled Completion Date**
Ramky Integrated Township Limited	29.19	Integrated housing project	34,244.20	72 months from satisfaction of conditions precedents
NAM Expressway Limited(5)	50	Design, construct, operate and maintain four lanes of the Narketpalli-Addanki-Medaramitla road (SH-2) from Km 0.000 to 212.50 in the state of Andhra Pradesh	11,968.40	30 months from satisfaction of conditions precedents
Jorabat Shillong Expressway Limited	50	Develop four lanes of the Jorabat Shillong (Barapani) section of NH-40 from Km 0.000 to Km 61.800 in the state of Assam and Meghalaya	5,360.00	36 months from satisfaction of conditions precedents

- *Gwalior Bypass Project Limited has vide letter dated September 19, 2009 applied for extension of completion date to September 2010.*

(1) The Company will have a 74% interest in Ramky MIDC Agro Processing Park Limited after financial closure of the project. The remaining 26% will be owned by Maharashtra Industrial Development Corporation.

(2) Our Company's interest in Ramky Herbal and Medicinal Park (Chhattisgarh) Limited will drop to 89% after financial closure of the project. The remaining 11% will be owned by Chhattisgarh Infrastructure Development Corporation ("CIDC").

(3) Our Company's interest in Ramky Food Park (Chhattisgarh) Limited will drop to 89% after financial closure of the project. The remaining 11% will be owed by CIDC.

(4) Our Company's interest in Naya Raipur Gems and Jewellery SEZ Limited will drop to 26% after financial closure of the project. The remaining interest will be split between CIDC (11%), Aerens Goldsouk International Limited (21%), P.D. Gupta Infratech Private Limited (21%) and Chhattisgarh Futuristic Infrastructure Private Limited (21%).

(5) Our Company has a 50% interest in NAM Expressway Limited ("NAM"). NAM is currently executing the Narketpalli-Addanki-Medaramitla road project, which was originally to be executed by another special purpose vehicle, namely Narketpalli Addanki Expressway Limited ("Narketpalli Addanki"). However, subsequent to receiving a letter of intent with respect to the Narketpalli-Addanki-Medaramitla road project, Andhra Pradesh Road Development Corporation Limited rejected on technical grounds our approach to have the Narketpalli-Addanki-Medaramitla road project executed by Narketpalli Addanki. We therefore incorporated NAM on June 15, 2010 for the purpose of executing the Narketpalli-Addanki-Medaramitla road project.

Competitive Strengths

We believe that our principal competitive strengths are as follows:

Experience and expertise in the construction and management of Water and Waste Water infrastructure projects

We believe that our experience and expertise in planning, designing and constructing Water and Waste Water infrastructure projects is a competitive strength that differentiates us from many of our competitors when bidding for such projects. Constructing and operating these infrastructure projects has been a significant area of focus for our business.

We have an in-house design and engineering team headquartered at Mumbai that specializes in designing Water and Waste Water projects. This team is equipped with the latest design tools, including design software, computers, and technology. For example, we use a sequential batch reactor technology (commonly known as C-Tech) for sewage treatment plants, which is an aerobic biological process whereby aeration, settling and decanting happens in a single tank which eliminates the inefficiencies of a continuous system like activated sludge process and extended aeration. The focus of this team enables us to build on our past experience in the Water and Waste Water sector and to maintain our differentiated expertise in this area.

From April 1, 2002 to March 31, 2010, we completed 104 Water and Waste Water projects valued at Rs. 4,157.51 million and are currently undertaking 85 Water and Waste Water projects with an estimated value of Rs. 39,010.16 million. Our achievements in this area have been recognised with three awards: an Environmental Leadership Award by the United States – Asia Environmental Partnership in 2004, the Safety, Health and Environment Performance Award by Confederation of Indian Industry in 2005 and the Water Digest's Water Awards 2009-2010 in the category of Best Water Conserver – Waste Water Management. We believe our success in this sector has enhanced our reputation as a significant player in the Water and Waste Water sector.

Our construction business operates in diverse sectors and has a pan-India presence

We provide engineering, design, procurement and construction services across six industry sectors: Water and Waste Water; Building Construction; Irrigation; Industrial; Transportation; and Power Transmission and Distribution. This variety of project types enables us to keep our construction business diversified and reduces our dependence on any one sector or type of project. In addition, our broad range of clients within the government and private sectors ensures that we are not dependent on a limited number of clients.

We are also geographically diversified in our business operations. Our five zonal offices and three regional offices enable us to service clients throughout the country and give us the ability to participate in projects in all regions of India.

The total amount of new orders for our construction business and the average order size for our construction business has been consistently growing

We have consistently received orders for our construction business as shown in the table below. The average order size in our construction business increased from Rs. 31 million in Fiscal 2003 to Rs. 925 million in Fiscal 2010.

Period	Number of Orders	Orders (Rs. in Millions)	Average Size of New Orders (Rs. in Millions)	Number of Employees[(1)]	New Orders per Employee (Rs. in Millions)
Fiscal 2003	49	1,519.73	31	214	7.10
Fiscal 2004	52	2,363.11	45	250	9.45
Fiscal 2005	46	5,771.35	125	508	11.36
Fiscal 2006	77	10,210.85	133	904	11.30
Fiscal 2007	70	15,279.90	218	1,032	14.80
Fiscal 2008	113	35,412.26	313	1,384	25.59
Fiscal 2009	56	39,927.14	713	1,444	27.65
Fiscal 2010	37	34,220.20	925	1,742	19.64

(1) Number of employees at the end of each Fiscal year or fiscal period.

Strong and diverse Order Book

The value of our Order Book was Rs. 74,317.09 million as at March 31, 2010. We continue to add new orders to our Order Book at a steady pace, and have added contracts worth Rs. 31,473.11 million to our Order Book during the period from April 1, 2010 through to June 30, 2010. Additionally, our Order Book is diversified across sectors. As at March 31, 2010, none of the sectors in which our construction business is involved contributed to more than 33% of our Order Book. Our execution capabilities have also seen a steady growth and by leveraging on our planning and execution expertise, we have ensured that our orders are completed within the estimated budget and on schedule. Furthermore, we believe that a large order book will increase our operational efficiency by allowing us economies of scale.

Strategically positioned to realize opportunities in the infrastructure sector

Infrastructure growth in India has been propelled in the past decade with reforms and benefits extended by the government, which has been accompanied by a host of private investments. Increased allocation of resources to the infrastructure sector, facilitation of incremental lending to the infrastructure sector and increased social sector projects benefiting infrastructure development are contemplated as part of the eleventh five year plan. Our Company believes that the increasing level of investment in infrastructure by central and state governments and private industry will be a major growth driver for its business in the future and its demonstrated expertise and experience in the infrastructure segment will provide our Company with a significant advantage in pursuing such opportunities. We believe that our Company is in an advantageous position because of its operating history, industry knowledge, experience and familiarity with civil and infrastructure construction projects.

Qualified and experienced employees and proven management team

We have a qualified and trained workforce consisting of vice presidents, general managers, managers, engineers, technical staff and non-technical staff. As at March 31, 2010, we employed 1,742 full-time employees, of which 717 or 41%, were engineers, including 16 members of our management team. The skill sets of our employees give us the flexibility to adapt to the needs of our clients and the technical requirements of the various projects that we undertake. We are committed to the development of the expertise and know-how of our employees through regular technical seminars and training sessions organized or sponsored by our Company.

Our management team is qualified and experienced in construction and infrastructure development, and has substantially contributed to the growth of our operations. In particular, Mr. Y. R. Nagaraja, our Managing Director, is a civil engineer who has over 22 years of project management experience and Mr. Sanjiv Iyer, our Chief Financial Officer, has over 25 years of experience in the finance and accounts function in India and the Middle East. We believe that the strength and quality of our management has been instrumental in the implementation of our business strategy.

Sustained investment in equipment and fixed assets

We have invested in modern construction equipment that allows us to meet the requirements of a broad spectrum of construction activity. Such an equipment base also gives us the capability to design and execute projects of any scale. Our Company has a skilled employee resource which has the requisite expertise and experience in the use and handling of modern construction equipment and machinery. We believe that owning and managing a large portion of the equipment we typically use on projects gives us a competitive advantage and allows us to achieve higher operating margins.

Business Strategy

Our Company's objective is to be a world class construction and infrastructure development company. To achieve our objective, we will continue to improve on and consolidate our position by implementing the following strategies:

Focus on high value projects in the construction business to benefit from economies of scale

In our construction business, we intend to focus on undertaking projects having a high order value, which we consider to be projects above Rs. 1 billion in value. As at March 31, 2010, we had 30 projects in our Order Book with a value higher than Rs. 1 billion. Projects having a high order value typically have a smaller percentage of overhead cost as a percentage of total cost and therefore provide a greater potential for profit.

Projects having a high order value are also, in the current market, subject to less competition. The pre-qualification and financial entry barriers for pursuing such projects result in a limited number of competitors being able to bid for such projects. We believe that these high entry barriers make this an attractive sector in which to participate. As our financial condition and pre-qualification capabilities have improved in recent years, our average bidding value has steadily increased. This demonstrates our increasing ability to bid for and undertake high value projects. We aim to firmly establish ourselves as a player in the large order size sector by successfully executing high order value projects so that we can take advantage of these higher barriers to entry, lower levels of competition and higher profit margins.

Diversify our construction business into more complex and multi-disciplinary projects, which tend to have a higher contract value and the potential for better margins

Leveraging upon our existing engineering and execution capabilities in diverse areas such as civil, structural, piping, water treatment and electrical engineering, we intend to undertake more complex and multi-disciplinary projects such as power transmission and distribution projects, industrial construction projects and airport terminals. Complex and multi-disciplinary projects tend to have higher contract values compared with less complex and sector specific projects, and also offer the potential to realize better margins. We are currently constructing our first power transmission and distribution project in Madhya Pradesh, our first major industrial construction project in Orissa and our first airport terminal at Chandigarh through a 70:30 joint venture collaboration with Srishti Constructions.

Enhance our design capabilities

We currently have in-house design capabilities for the Water and Waste Water and Irrigation sectors, which enables us to provide turnkey construction services in those sectors. We intend to enhance our design capabilities in other sectors such as the institutional Building Construction and the Transportation sectors so as to be able to provide turnkey services in those sectors as well.

Reduce costs of materials through backward integration and importation

The construction industry is subject to periodic shortfalls in the supply of bulk construction materials such as, cement, steel, concrete and pipes. To address this shortfall, we are pursuing two strategies. First, we are seeking to reduce supply costs by importing supplies from overseas suppliers where that is more economical. Second, we have in-house capabilities to produce certain construction materials, such as mixed concrete, aggregates and asphalt, which enables us to control the quality of the materials we use and ensure timely delivery of materials required for the projects we undertake.

Achieve higher operating margins by acquiring further capital equipment and other strategic assets

Our strategy is to continue to acquire the core equipment that we typically require for our projects. We intend to use Rs. 804.55 million from the Net Proceeds towards the acquisition of capital equipment and other strategic assets, as stated in the section entitled "Objects of the Issue" on page 40 of this Red Herring Prospectus. The continued acquisition of such equipment will enable us to achieve higher operating margins.

Expand our developer business by undertaking more projects in the sectors in which we are already engaged

In recent years the Government has increased the emphasis on infrastructure development through enhanced Five-Year Plan allocation and encouraging PPPs. PPPs offer significant advantages in terms of attracting private capital in the creation of public infrastructure as well as in improving efficiencies in the provision of services to users. BOT/BOOT/BOO projects offer attractive opportunities to developers because such projects provide long-term sources of revenue. Concession periods for BOT/BOOT/BOO projects generally range from 15-99 years. To take advantage of such opportunities, we leveraged the experience of our construction business to establish a developer business in Fiscal 2007. Our developer business, including income from operating and maintenance operations, generated Rs. 2,124.52 million, Rs. 4,050.81 million and Rs. 3,832.14 million in income in Fiscal 2008, Fiscal 2009 and Fiscal 2010, respectively. Thus far, our development business has engaged in the designing, financing and building of industrial parks, residential and commercial properties, transportation terminals and roads. In addition, our Company has been actively pursuing PPP projects, particularly through the various Subsidiaries, which are currently being developed as PPPs. We believe our Company is well positioned to benefit from the continued use of the PPP model.

Diversify our developer business into other sectors

A fundamental aspect of our business strategy is to engage in projects from a varied range of sectors so as to avoid dependency on one or a few sectors. Because BOT/BOOT/BOO projects offer long-term sources of revenue, we intend to apply this philosophy to our developer business in addition to applying it to our construction business. Therefore, we are considering diversifying our developer business into other sectors such as power, marine works, mechanized parking, and cargo and bulk handling terminals.

SUMMARY OF INDUSTRY

The Indian construction industry has witnessed rapid growth over the last few years, with the growth of the sector having been strongly linked to the overall growth and development of the Indian economy. Investments in construction account for nearly 11.0% of India's GDP, and almost 50.0% of the gross fixed capital formation, which is the value of additions to the existing pool of fixed assets in India less fixed assets sold off or scrapped. (*Source: Infrastructure: Construction, CRISIL Research, September 2009*)

Construction expenditure is expected to almost double to Rs.12,189 billion during the period from 2008-2009 to 2012-2013 from Rs.6,217 billion expended during the period from 2003-2004 to 2007-2008 (based on 2008-2009 prices). Currently, the size of the construction industry is Rs.1,866 billion (based on 2008-2009 prices). (*Source: Infrastructure: Construction, CRISIL Research, September 2009*)

Expenditure on industrial construction is expected to grow by 2.2 times over the next five years (the period from 2008-2009 to 2012-2013) as compared to the previous five year period from 2003-2004 to 2007-2008. Industrial investment will maintain its growth momentum due to the increased government focus on this area. CRISIL Research expects construction expenditure of Rs.2,641 billion to be incurred in the industrial segment over the next five years (in the period from 2008-2009 to 2012-2013). (*Source: Infrastructure: Construction, CRISIL Research, September 2009*)

The Government's emphasis on infrastructure development holds significant promise for the construction industry. Over the next five years, infrastructure development will account for 78.3% of all construction expenditure in India. CRISIL Research estimates that infrastructure construction opportunities will almost double over the next five years, from Rs.5,006 billion in the period from 2003-2004 to 2007-2008 (based on 2008-2009 prices), to Rs.9,548 billion in the period from 2008-2009 to 2012-2013. (*Source: Infrastructure: Construction, CRISIL Research,* September 2009)

Traditionally, the government has played a key role in supplying and regulating infrastructure services in India. However, the Indian government is actively encouraging private investments in infrastructure, especially in solid waste management, power, urban water supplies and mass rapid transport system. The investment in infrastructure during the Tenth Five-Year Plan was Rs.8,877,940 million, which constituted 5.1% of GDP. This included Rs.1,752,030 million of investment by the private sector. (Source: Private Participation in Infrastructure, Planning Commission Report, June 2009)

In order to overcome the infrastructure deficit, the Eleventh Five-Year Plan projects an investment of Rs.20,561,500 million, which would imply an investment of 7.6% of GDP during the course of the Plan and 9.0% of GDP in the final year of the Plan (2011-12). This includes public sector investment of Rs.7,656,220 million in the central government projects and Rs.6,709,370 million in the state government projects, leaving the remaining Rs.6,195,910 million to be invested by the private sector. Private capital is thus expected to fund approximately 30.0% of the total investment during the Eleventh Plan, as compared to 20.0% during the Tenth Plan. (Source: Private Participation in Infrastructure, Planning Commission Report, June 2009)

Further, private participation in the infrastructure industry through PPPs not only provides needed funding, it enables the government to transfer construction and commercial risks to the private sector. Such arrangements are increasingly becoming the preferred vehicle for infrastructure construction, given the large investment needs.

SUMMARY OF FINANCIAL INFORMATION

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs in millions)

PARTICULARS	AS AT 31 MARCH				
	2006	**2007**	**2008**	**2009**	**2010**
1. FIXED ASSETS :					
a) Gross block	351.64	578.65	811.68	1,575.54	1,699.90
b) Less : Accumulated depreciation	61.00	100.99	152.16	244.14	348.31
c) Net block	**290.64**	**477.66**	**659.52**	**1,331.40**	**1,351.59**
d) Capital work-in-progress including capital advances	40.87	238.39	28.48	33.68	34.57
Total	**331.51**	**716.05**	**688.00**	**1,365.08**	**1,386.16**
2. INVESTMENTS	41.61	191.85	195.82	527.29	601.22
3. DEFERRED TAX ASSET (net)	-	47.24	59.02	30.88	6.73
4. CURRENT ASSETS, LOANS AND ADVANCES :					
a) Inventories (including contract work-in-progress)	483.10	500.16	917.53	1,798.50	3,308.69
b) Sundry debtors	853.84	2,397.51	4,479.07	5,648.16	5,743.97
c) Retention money	358.90	876.86	580.30	1,157.59	1,821.62
d) Cash and bank balances	316.35	630.24	494.52	618.83	1,384.05
e) Current assets, loans and advances	513.84	973.89	2,554.24	2,554.58	3,812.28
Total	**2,526.03**	**5,378.66**	**9,025.66**	**11,777.66**	**16,070.61**
5. LIABILITIES AND PROVISIONS :					
a) Secured loans	416.46	1,235.55	2,644.43	3,898.95	4,739.01
b) Unsecured loans	-	-	-	-	-
c) Current liabilities and provisions	2,053.54	3,067.78	4,783.49	6,581.63	9,063.09
Total	**2,470.00**	**4,303.33**	**7,427.92**	**10,480.58**	**13,802.10**
6. DEFERRED TAX LIABILITY (net)	15.30	-	-	-	-
7. NET WORTH (1 + 2 + 3 + 4 - 5 - 6)	**413.85**	**2,030.47**	**2,540.58**	**3,220.33**	**4,262.61**
NET WORTH REPRESENTED BY					
8. SHARE CAPITAL					
a) Equity share capital	69.80	70.82	494.20	494.20	494.20
b) Preference share capital	-	10.89	-	-	-
9. SHARE APPLICATION MONEY PENDING ALLOTMENT	-	-	-	-	-
10. RESERVES AND SURPLUS	344.05	1,948.76	2,046.38	2,726.13	3,768.41
11. NET WORTH (8 + 9 + 10)	**413.85**	**2,030.47**	**2,540.58**	**3,220.33**	**4,262.61**

STATEMENT OF PROFITS AND LOSSES, AS RESTATED

(Rs in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH				
	2006	**2007**	**2008**	**2009**	**2010**
INCOME :					
Income from operations	4,082.19	7,115.50	10,492.78	14,592.31	20,023.38
Other income	43.11	38.61	67.60	95.46	69.97
Total	**4,125.30**	**7,154.11**	**10,560.38**	**14,687.77**	**20,093.35**
EXPENDITURE :					
Contract materials and supplies consumed	1,311.03	1,747.49	2,402.02	4,028.05	4,324.28
Sub-contractor costs	1,605.85	2,777.82	4,754.88	6,173.82	9,486.03
Other contract costs	615.86	1,517.72	1,855.59	2,203.72	3,244.24
Personnel costs	104.01	180.14	273.70	488.02	569.98
Administrative and selling expenses	166.56	155.63	250.76	318.63	452.30
Finance charges	68.99	193.08	285.23	533.90	612.00
Depreciation	23.09	40.05	51.54	92.37	104.87
Total	**3,895.39**	**6,611.93**	**9,873.72**	**13,838.51**	**18,793.68**
Profit before tax	**229.91**	**542.18**	**686.66**	**849.26**	**1,299.67**
Less: Provision for tax					
a) Current tax	38.32	215.14	184.05	193.38	268.65
b) Fringe benefit tax	2.08	3.39	4.03	3.66	0.00
c) Deferred tax	4.58	(62.53)	(11.79)	28.14	24.15
d) Wealth tax	0.15	0.09	0.13	0.16	0.16
e) MAT credit entitlement	-	-	-	(55.82)	(35.58)
Total	**45.13**	**156.09**	**176.42**	**169.52**	**257.38**
Profit after tax, as restated	**184.78**	**386.09**	**510.24**	**679.74**	**1,042.28**
Add: Balance in profit and loss account brought forward, as restated	205.80	344.05	730.14	1,240.27	1,920.01
Amount available for appropriation	**390.58**	**730.14**	**1,240.38**	**1,920.01**	**2,962.29**
Appropriations					
a) Dividend on preference shares	-	-	-	-	-
b) Tax on preference dividend	-	-	(0.11)	-	-
Bonus shares issued by capitalisation of profits	(46.53)	-	-	-	-
Balance carried forward to balance sheet, as restated	**344.05**	**730.14**	**1,240.27**	**1,920.01**	**2,962.29**

STATEMENT OF CASH FLOWS, AS RESTATED

(Rs in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH				
	2006	2007	2008	2009	2010
A) Cash flow from operating activities					
Net profit before tax, as restated	229.91	542.18	686.66	849.26	1,299.67
Adjustments for:					
Depreciation	23.09	40.05	51.54	92.37	104.87
Interest expense	38.48	126.28	236.59	454.52	523.54
Interest income	(14.71)	(15.10)	(26.68)	(25.55)	(27.05)
Preliminary expenses written-off	4.09	(3.66)	23.20	-	-
Chit loss written-off	0.34	-	-	-	-
Loss on sale of assets	0.21	0.03	0.23	0.61	0.66
Profit on sale of assets	(0.13)	(0.50)	-	-	-
Profit on sale of investments	(7.97)	-	-	-	-
Operating profit before changes in working capital	**273.31**	**689.28**	**971.54**	**1,371.21**	**1,901.69**
Adjustments for:					
Increase / (decrease) in current liabilities and provisions	1,150.10	937.65	1,756.29	1,796.45	2,429.07
(Increase) / decrease in loans, advances and other current assets and retention money	(413.55)	(1,047.59)	(1,246.73)	(282.49)	(1,649.88)
(Increase) / decrease in inventories	(376.27)	(17.06)	(417.37)	(880.97)	(1,510.19)
(Increase) / decrease in sundry debtors	(395.31)	(1,543.68)	(2,081.56)	(1,169.10)	(95.80)
Cash outflow from operating activities	238.28	(981.40)	(1,017.83)	835.10	1,074.89
Adjustments for:					
Income-tax / TDS adjustments	(88.25)	(61.16)	(282.97)	(421.26)	(460.56)
Fringe benefit tax	(2.08)	(3.39)	(1.64)	(2.65)	-
Net cash flow from operating activities [A]	**147.95**	**(1,045.95)**	**(1,302.44)**	**411.19**	**614.33**
B) Cash flow from investing activities					
Sale of fixed assets	1.70	0.70	1.31	0.60	1.02
Increase in fixed assets / capital work-in-progress	(211.81)	(425.07)	(25.02)	(770.66)	(127.64)
Interest received	13.55	11.12	22.32	14.83	19.74
(Purchase) / sale of investments	23.92	(150.25)	(3.97)	(331.47)	(73.93)
Net cash flow from investing activities [B]	**(172.64)**	**(563.50)**	**(5.36)**	**(1,086.70)**	**(180.81)**
C) Cash flow from financing activities:					
Proceeds from issue of share capital / share application money	-	1,230.54	-	-	-
Corporate dividend tax	-	-	(0.11)	-	-
Proceeds from borrowings	784.99	1,825.96	2,044.53	2,855.20	14,073.64
Repayment of borrowings	(510.95)	(1,008.67)	(639.71)	(1,597.64)	(13,233.58)
Interest paid	(38.49)	(124.49)	(232.63)	(457.74)	(508.35)
Net cash flow from financing activities [C]	**235.55**	**1,923.34**	**1,172.08**	**799.82**	**331.70**
Net Increase / (decrease) in cash and cash equivalents [A+B+C]	210.86	313.89	(135.72)	124.31	765.22
Cash and cash equivalents at the beginning of the year	105.49	316.35	630.24	494.52	618.83
Cash and cash equivalents at the end of the year	**316.35**	**630.24**	**494.52**	**618.83**	**1,384.05**

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(Rs. in millions)

PARTICULARS	AS AT 31 MARCH			
	2007	2008	2009	2010
1. FIXED ASSETS :				
i) Tangible assets				
Gross block	991.71	989.62	1,824.04	1,951.13
Less : Accumulated depreciation	125.51	186.21	289.21	405.05
Net block	**866.20**	**803.41**	**1,534.83**	**1,546.08**
ii) Intangible assets				
Goodwill	21.27	21.27	21.27	21.27
iii) Capital work-in-progress including capital advances	486.30	740.31	1,184.41	1,254.61
Total	**1,373.77**	**1,564.99**	**2,740.51**	**2,821.96**
2. INVESTMENTS	**0.41**	**0.41**	**875.97**	**876.07**
3. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS	**28.23**	**891.73**	**4,202,.67**	**6,695.58**
4. DEFERRED TAX ASSETS (NET)	**46.10**	**18.14**	**-**	**-**
5. CURRENT ASSETS, LOANS AND ADVANCES :				
a) Inventories (including contract work-in-progress)	1,262.24	2,593.67	3,981.46	5,527.34
b) Sundry debtors	2,142.67	3,779.71	4,423.12	5,020.42
c) Retention money	545.68	580.30	1,187.37	1,821.62
d) Cash and Bank Balances	1,122.34	700.26	814.86	1,677.70
e) Loans , Advances and other current assets	1,047.21	2,234.96	2,416.48	3,641.41
Total	**6,120.14**	**9,888.90**	**12,823.29**	**17,688.49**
6. LIABILITIES AND PROVISIONS :				
a) Secured loans	1,623.11	3,190.60	7,042.71	10,110.22
b) Unsecured loans	6.81	40.08	28.56	9.10
c) Current liabilities and provisions	3,813.12	5,915.22	8,297.64	10,638.93
Total	**5,443.04**	**9,145.90**	**15,368.91**	**20,758.25**
7. DEFERRED TAX LIABITY (NET)	-	-	145.54	294.58
8. MINORITY INTEREST	**93.97**	**664.87**	**866.93**	**1,480.02**
NET WORTH (1+2+3+4+5-6-7-8)	**2,031.64**	**2,553.40**	**4,261.06**	**5,549.25**
NET WORTH REPRESENTED BY:				
7. SHARE CAPITAL				
a) Equity share capital	70.82	494.20	494.20	494.20
b) Preference share capital	10.89	-	-	-
8. RESERVES AND SURPLUS	1,949.93	2,059.20	3,766.86	5,055.05
NET WORTH (7+8)	**2,031.64**	**2,553.40**	**4,261.06**	**5,549.25**

STATEMENT OF CONSOLIDATED PROFITS AND LOSSES, AS RESTATED

(Rs. in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH			
	2007	**2008**	**2009**	**2010**
I. INCOME				
Income from operations	7,384.02	11,163.68	15,560.32	21,631.01
Operation and maintenance revenue	0.67	6.30	86.24	196.24
Other income	46.70	113.76	359.17	685.65
TOTAL	**7,431.39**	**11,283.74**	**16,005.73**	**22,512.90**
II. EXPENDITURE				
Contract materials and supplies consumed	1,747.49	2,362.46	3,747.69	4,138.57
Sub-contractor costs	2,777.82	4,291.63	6,004.84	9,708.41
Other contract costs	1,760.26	2,860.73	3,311.77	4,471.58
Personnel costs	191.93	284.60	519.37	631.72
Administrative and selling expenses	155.17	249.71	316.07	459.57
Finance charges	195.59	305.96	701.50	1,084.51
Depreciation	43.90	61.05	103.39	116.57
Share of loss in associate companies	-	-	-	0.20
TOTAL	**6,872.16**	**10,416.14**	**14,704.63**	**20,611.13**
Profit before tax	**559.23**	**867.60**	**1,301.10**	**1,901.77**
Prior Period Adjustments				
Profit / Loss before Extra-ordinary Items	559.23	867.60	1,301.10	1,901.77
Less: Provision for tax				
a) Current tax	220.63	209.06	210.90	294.86
b) Deferred tax	(61.39)	27.96	163.68	149.04
c) Fringe benefit tax	3.54	4.26	3.90	-
d) MAT credit entitlement	-	-	(55.82)	(36.97)
e) Wealth tax	0.09	0.13	0.16	0.16
Profit after tax but before minority interest	**396.36**	**626.19**	**978.28**	**1,494.68**
Minority interest	8.98	104.02	145.06	206.21
Net Profit after tax, as restated	**387.38**	**522.17**	**833.22**	**1,288.47**
Add: Balance in profit and loss account brought forward, as restated	344.04	731.42	1,253.48	2,086.70
Amount available for appropriation	**731.42**	**1,253.59**	**2,086.70**	**3,375.17**
Appropriations:				
a) Dividend on preference shares	-	-	-	-
b) Tax on preference dividend	-	(0.11)	-	-
Balance carried forward to balance sheet, as restated	**731.42**	**1,253.48**	**2,086.70**	**3,375.17**

STATEMENT OF CONSOLIDATED CASH FLOWS, AS RESTATED

(Rs in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH			
	2007	2008	2009	2010
A) Cash flow from operating activities				
Net profit before tax, as restated	559.23	867.60	1,301.10	1,901.77
Adjustments for:				
Depreciation	43.90	61.05	103.39	116.57
Interest paid	128.70	257.23	625.48	994.37
Interest received	(21.92)	(35.12)	(44.74)	(45.44)
Preliminary expenses written-off	(2.86)	22.36	0.13	-
(Profit) / loss on sale of assets, net	(0.24)	0.23	0.61	0.66
Operating profit before changes in working capital	706.81	1,173.35	1,985.97	2,967.93
Adjustments for:				
Increase / (decrease) in trade payables and others	770.36	2,148.22	2,381.61	2,662.88
(Increase) / decrease in loans and advances & Retention money	(602.24)	(1,205.17)	(473.19)	(1,702.31)
(Increase) / decrease in inventories	(38.34)	(1,331.43)	(1,387.79)	(1,545.89)
(Increase) / decrease in trade receivables	(1,286.72)	(1,637.04)	(643.41)	(597.30)
Cash from / (used in) operations	**(450.13)**	**(852.07)**	**1,863.19**	**1,785.31**
Taxes paid:				
(increase) / decrease in long-term receivables under service concession arrangements	(28.23)	(863.50)	(3,310.82)	(2,492.91)
Income-tax	(63.80)	(293.28)	(459.81)	(402.58)
Fringe benefit tax	(4.39)	(4.93)	(3.76)	-
Net cash from / (used in) operating activities - (A)	**(546.55)**	**(2,013.78)**	**(1,911.20)**	**(1,110.18)**
B) Cash flows from investing activities				
Proceeds from sale of fixed assets	0.72	1.28	0.59	1.49
Purchase of fixed assets / capital work-in-progress	(866.91)	(253.85)	(1,281.26)	(200.17)
Interest received	13.81	34.32	34.53	38.14
Payments for net assets acquired of subsidiary, net of cash	(127.67)	-	(0.18)	(0.10)
Net cash flow from investing activities - (B)	**(980.05)**	**(218.25)**	**(1,246.32)**	**(160.64)**
C) Cash flows from financing activities				
Proceeds from issue of share capital / share application money	1,230.55	-	-	-
Payment (to) / from minority interest	87.82	466.88	57.00	79.98
Proceeds from borrowings	2,155.86	2,404,.44	5,592.81	16,487.26
Repayment of borrowings	(1,014.14)	(807.62)	(1,751.69)	(13,434.05)
Interest paid	(127.50)	(253.64)	(626.00)	(999.53)
Payments for dividend including tax	-	(0.11)	-	-
Net cash flow from financing activities - (C)	**2,332.59**	**1,809.95**	**3,272.12**	**2,133.66**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	805.99	(422.08)	114.60	862.84
Cash and cash equivalents at the beginning of the year / period	316.35	1,122.34	700.26	814.86
Cash and cash equivalents at the end of the year / period	**1,122.34**	**700.26**	**814.86**	**1,677.70**

THE ISSUE

Public Issue	[●] Equity Shares aggregating up to Rs. 5,300 million
Of which:	
Fresh Issue	[●] Equity Shares aggregating up to Rs. 3,500 million
Offer for Sale*	[●] Equity Shares aggregating up to Rs. 1,800 million
Of which:	
QIB Portion(1)	At least [●] Equity Shares
Net QIB Portion(1)	[●] Equity Shares
Of which:	
Mutual Fund Portion	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
Non-Institutional Portion(2)	Not less than [●] Equity Shares
Retail Portion(2)	Not less than [●] Equity Shares
Equity Shares outstanding prior to this Issue	49,420,014 Equity Shares
Equity Shares outstanding after this Issue	[●] Equity Shares
Use of Issue proceeds	See "Objects of the Issue" on page 40.Our Company will not receive any proceeds of the Offer for Sale.

* The Selling Shareholders are together offering [●] Equity Shares aggregating Rs. 1,800 million in this Issue in the following manner:

Selling Shareholders	Number of Equity Shares	Aggregate Value
Mr. Alla Ayodhya Rami Reddy	[●]	Rs. 1,500 million
Tara India Holdings	[●]	Rs. 259 million
Tara India Fund III Trust	[●]	Rs. 41 million

(1) Allocation to QIBs, except Anchor Investors, is proportionate as per the terms of this Red Herring Prospectus. Provided that, our Company may, allocate up to 30% of the QIB Portion on a discretionary basis to Anchor Investors at the Anchor Investor Price, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation to Mutual Funds. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining Net QIB Portion. Under-subscription below 5% of the Mutual Fund Portion would be included for allocation to the remaining QIB Bidders on a proportionate basis.

(2) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories at the discretion of our Company, in consultation with the BRLMs.

GENERAL INFORMATION

Our Company was incorporated as "Ramky Engineers Private Limited" on April 13, 1994 under the provisions of the Companies Act. For further details, see "History and Corporate Structure" on page 108.

Registered Office and Corporate Office

Our Registered Office, as well as Corporate Office, is situated at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India. For details of changes in our Registered Office, see the section "History and Corporate Structure" on page 108.

Corporate Identity Number: U74210AP1994PLCO17356

Registration Number: 01-17356

Address of the RoC

Our Company is registered at the RoC, located at 2nd Floor, CPWD Building, Kendriya Sadan, Sultan Bazar, Koti, Hyderabad 500 195, India.

Our Board of Directors

Name and Designation	Age	Address
Mr. Alla Ayodhya Rami Reddy *Executive Chairman*	47	Plot no. 238-A-C 1, New MLA's Colony, Road no. 12, Banjara Hills, Hyderabad 500 034, India.
Mr. Yancharla Ratnakar Nagaraja *Managing Director*	48	No. 6-3-661/1/K/1 and 2, Flat no. 101, Jyothi Abode, Kapadia Lane, Somajiguda, Hyderabad 500 082, India.
Mr. Rajiv Maliwal* *Non-executive Director*	50	61, Grange Road, 06-01, Baverly Hill, Singapore 249 570.
Dr. Archana Niranjan Hingorani ** *Non-executive Director*	45	No. 10, Jeevan Dhara, Dr. Ambedkar Road, Bandra (West), Mumbai 400 050, India.
Mr. P.V. Narasimham *Independent Director*	69	1303, Aushutosh, Near Neelkanth Vihar, New Tilak Marg, Chembur (West), Mumbai 400 089, India.
Mr. V. Murahari Reddy *Independent Director*	68	C/77, Madhuranagar, S.R. Nagar P.O., Hyderabad 500 038, India.
Dr. P.G. Sastry *Independent Director*	74	1-8-678/A/1 (new no.98), Padma Colony, Nallakunta, Hyderabad 500 044, India.
Mr. Kamlesh Shivji Vikamsey *Independent Director*	50	No. 194, 19th Floor, A-Wing, Kalpataru Habitat, Dr. S.S. Rao Road, Parel, Mumbai 400 012, India.
Mr. V. Harish Kumar *Independent Director*	44	Flat No.303, Vineyard's Whiteline Apartments, Plot No.341 & 343, Defence Colony, Sainikpuri, Secunderabad 500 094, India.

** Nominee of SAPE*
*** Nominee of Tara India Fund III Trust*

For further details and profiles of our Directors, see "Our Management" on page 127.

Company Secretary and Compliance Officer

Our Company Secretary and Compliance Officer is Mr. V. Phani Bhushan. His contact details are as follows:

6-3-1089/G/10 & 11, 1st Floor,

Gulmohar Avenue,
Raj Bhavan Road, Somajiguda,
Hyderabad 500 082, India.
Telephone: +91 40 2331 0091
Facsimile: +91 40 2330 2353
E-mail: investors@ramky.com

Investors can contact the Compliance Officer, the Registrar to the Issue or the Book Running Lead Managers in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account or refund orders.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for Bid Amount blocked, ASBA Account number and the Designated Branch of the SCSB where the ASBA Form was submitted by the ASBA Bidders.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Managers. All complaints, queries or comments received by SEBI shall be forwarded to the Book Running Lead Managers, who shall respond to the same.

Book Running Lead Managers

Enam Securities Private Limited
SEBI Reg. No:INM000006856
801/802, Dalamal Tower,
Nariman Point,
Mumbai 400 021, India.
Telephone: + 91 22 6638 1800
Facsimile: + 91 22 2284 6824
E-mail: ramky.ipo@enam.com
Investor Grievance email: complaints@enam.com
Website: www.enam.com
Contact Person: Mr. Anurag Byas

Deutsche Equities (India) Private Limited
SEBI Reg. No: INM000010833
DB House, Hazarimal Somani Marg,
Fort, Mumbai 400 001, India.
Telephone: +91 22 6658 4600
Facsimile: +91 22 2200 6765
E-mail: ramky.ipo@db.com
Investor Grievance E-mail: db.redressal@db.com
Website: www.db.com/India
Contact Person: Mr. Krishan Kapur

Syndicate Members

Enam Securities Private Limited
SEBI Reg. No:INM000006856
801/802, Dalamal Tower,
Nariman Point,
Mumbai 400 021, India.
Telephone: + 91 22 6638 1800
Facsimile: + 91 22 2284 6824
E-mail: ramky.ipo@enam.com
Investor Grievance email: complaints@enam.com
Website: www.enam.com
Contact Person: Mr. Anurag Byas

Deutsche Equities (India) Private Limited
SEBI Reg. No: INM000010833
DB House, Hazarimal Somani Marg,
Fort, Mumbai 400 001, India.
Telephone: +91 22 6658 4600
Facsimile: +91 22 2200 6765
E-mail: ramky.ipo@db.com
Investor Grievance E-mail: db.redressal@db.com
Website: www.db.com/India
Contact Person: Mr. Krishan Kapur

Legal Counsels

Domestic Legal Counsel to our Company

Trilegal
One Indiabulls Centre,
14th Floor, Tower One,
Jupiter Mills, Elphinstone Road,
Mumbai 400 013, India.
Telephone: +91 22 4079 1000
Facsimile: +91 22 4079 1098
E-mail: ramkyipo@trilegal.com

Domestic Legal Counsel to the Underwriters

Luthra & Luthra Law Offices
103, Ashoka Estate,
24, Barakhamba Road,
New Delhi 110 001, India.
Telephone: +91 11 4121 5100
Facsimile: +91 11 2372 3909
E-mail: delhiluthra@luthra.com

International Legal Counsel to the Issue

Dorsey & Whitney LLP
50 South Sixth Street,
Suite 1500, Minneapolis,
Minnesota 55402
USA
Telephone: +1 612 340 2600
Facsimile: +1 612 340 2868
E-mail: india@dorsey.com

Registrar to the Issue

Karvy Computershare Private Limited
SEBI Reg. No: INR000000221
Plot no. 17-24, Vithalrao Nagar,
Madhapur, Hyderabad 500 081,
Andhra Pradesh, India.
Telephone: +91 40 2342 0818
Facsimile: +91 40 2343 1551
E-mail: ramky.ipo@karvy.com
Investor Grievance E-mail: ramky.ipo@karvy.com
Website: www.karvy.com
Contact Person: Mr. M. Murali Krishna

Bankers to the Issue/ Escrow Collection Banks

Axis Bank Limited
SEBI Reg. No: INB100000017
E-Wing, 3rd Floor, Maker Towers,
Cuffe Parade,
Mumbai 400 005
Telephone: +91 22 6707 1657
Facsimile: +91 22 2215 5157
E-mail: prashant.fernandes@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. Prashant Fernandes

Deustche Bank AG
SEBI Reg. No: INB100000003
Kodak House, 222, Dr. D.N. Road, Fort,
Mumbai 400 001
Telephone: +91 22 6658 4045
Facsimile: +91 22 6658 4374
E-mail: shyamal.malhotra@db.com
Website: www.db.com
Contact Person: Mr. Shyamal Malhotra

HDFC Bank Limited
SEBI Reg. No: INB100000063
FIG – OPS Department, - Lodha,
1 Think Techno Campus, 0-3, Level,
Next to Kanjurmarg Railway Station, Kanjurmarg (East),
Mumbai 400 042
Telephone: +91 22 3075 2928
Facsimile: + 91 22 2579 9801
E-mail: deepak.rane@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Deepak Rane

ICICI Bank Limited
SEBI Reg. No: INB100000004
Capital Market Division
30, Mumbai Samachar Marg,
Mumbai – 400 001
Maharashtra, India
Telephone: +91 22 6631 0312
Facsimile: +91 22 2261 1138
Email: viral.bharani@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Viral Bharani

ING Vysya Bank Limited
SEBI Reg. No: INB100000022
22, M.G. Road,
Bangalore 560 001
Telephone: +91 80 2500 5348
+91 80 2500 5330
Facsimile: +91 80 2500 5262
E-mail: jeethakrishnab@ingvysyabank.com
amarm@ingvysyabank.com
Website: www.ingvysyabank.com
Contact Persons: Ms. Jeetha Krishna
Mr. Amar Mahendrakar

Standard Chartered Bank
SEBI Reg. No: INB100000885
270, D.N. Road, Fort,
Mumbai 400 001
Telephone: +91 22 2268 3955
Facsimile: +91 22 2209 6067
E-mail: Joseph.George@sc.com
Website: www.standardchartered.co.in
Contact Person: Mr. Joseph George

State Bank of India
SEBI Reg. No: INB100000038
Cash Management Product Centre
31, Mahal Industrial Estate, Ground Floor,
Off Mahakali Caves Road, Opp Paper Box,
Anheri (East)
Mumbai 400 093
Telephone: +91 22 2681 4805
Facsimile: +91 22 2687 5060
+91 22 2687 5061
E-mail: agmpi.cmp@sbi.co.in
Website: www.sbi.co.in
Contact Person: Mr. Ejaz Ahmed

Self Certified Syndicate Banks

The list of banks who have been notified by SEBI to act as SCSBs are provided at http://www.sebi.gov.in. For details on Designated Branches of SCSBs collecting the ASBA Form, please refer the above mentioned SEBI link.

Auditors

B S R & Co.

Chartered Accountants
8-2-618/2, Reliance Humsafar,
IV Floor, Road no.11, Banjara Hills,
Hyderabad 500 034,
Andhra Pradesh, India.
Telephone: +91 40 30465000
Facsimile: +91 40 30465053
E-mail: zshekary@kpmg.com
Contact Person: Mr. Zubin Shekary

Visweswara Rao & Associates

"SRI" Plot No. 512A1,
Road No.31, Jubilee Hills,
Hyderabad 500 033,
Andhra Pradesh, India.
Telephone: +91 40 23546705
Facsimile: +91 40 23548003
E-mail: svrvrao@gmail.com
Contact Person: Mr. S.V.R. Visweswara Rao

Bankers to our Company

State Bank of India Corporate Accounts Group Branch, "Ozone", 2nd Floor, 6-3-669, Panjagutta Main Road, Hyderabad 500 082	**State Bank of Hyderabad** Industrial Finance Branch, 'Topaz' Amrutha Hills, Punjagutta, Hyderabad – 500 082

Andhra Pradesh, India. Telephone: +91 040 2342 1400/ 1401/ 1411 Facsimile: +91 040 2342 1407/ 1408 E-mail: sbi13039@sbi.co.in Contact Person: Mr. S. Ravi/ Mr. Janardhanarao	Andhra Pradesh, India. Telephone: +91 040 2340 2297,6610 0201 Facsimile: +91 040 2340 2101 E-mail: sbhifb_hyd@yahoo.com Contact Person: Mr. D.K.Nayak / Mr. Naveen
Axis Bank 6-3-879/B, Ground Floor, G.Pulla Reddy Building, Greenlands, Begumpet Road, Hyderabad – 500 016 Andhra Pradesh, India. Telephone: +91 040 6662 4524/ 6457 6134 Facsimile: +91 040 2341 8128 E-mail: s.bhaskargopal@axisbank.com Contact Person: Mr. S. Bhaskar Gopal	**ICICI Bank Ltd.** ICICI Bank Towers 1-11-256, Street No.1, Begumpet, Hyderabad – 500 016 Andhra Pradesh, India. Telephone: +91 040 6643 4505 / 2778 4000 Facsimile: +91 040 66335814 E-mail: santhosh.g@icicibank.com Contact Person: Mr. Santhosh Kumar G / Mr. Suresh Jaya
ING Vysya Bank Limited 5th Floor, Naspur House, Himayat Nagar, Hyderabad 500 029 Andhra Pradesh, India. Telephone: +91 040 2344 6610 Facsimile: +91 040 2344 6654 E-mail: jatin.bakshi@ingvysyabank.com; kiranmayi.reddy@ingvysyabank.com Contact Person: Mr. Jatin Bakshi and Ms. Kiranmayi Reddy	**Standard Chartered Bank** 6-3-1090, Raj Bhavan Road, Somajiguda, Hyderabad 500 082 Andhra Pradesh, India. Telephone: +91 040 6613 9741 Facsimile: +91 040 6668 0083 E-mail: Csc.Hyderabad@sc.com Contact Person: Ms. Shanthi Murugan
Yes Bank Limited Somajiguda Branch, Ground Floor, Mayank Towers, 6-3-1090/B/1 & 6-3-1090/B/2, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, Andhra Pradesh, India. Telephone: +91 040 6673 9000 Facsimile: +91 040 6646 9001 E-mail: lokesh.jain@yesbank.in Contact Person: Mr. Lokesh Jain	**IDBI Bank Limited** Specialized Corporate Branch – Hyderabad 5-9-89/1, Chapel Road, Hyderabad 500 001, Andhra Pradesh, India. Telephone: +91 040 2323 6848 Facsimile: +91 040 2323 0613 E-mail: ravikumar.m@idbi.co.in Contact Person: Mr. M. Ravi Kumar
Development Credit Bank Ltd. 5th Floor, Siddharth Plaza, 44, Sarojini Devi Road, Secunderabad – 500 003 Andhra Pradesh, India. Telephone: +91 040 2770 0154 / 2780 6433 Facsimile: +91 040 2780 6428 E-mail: rpadma@dcbl.com Contact Person: Ms R. Padma	

Statement of Responsibilities of the Book Running Lead Managers

The following table sets forth the *inter se* allocation of responsibilities for various activities among the BRLMs:

S. No.	Activity	Responsibility	Coordinator
1.	Capital Structuring with relative components and formalities such as type of instruments, etc.	Enam and Deutsche	Enam

S. No.	Activity	Responsibility	Coordinator
2.	Due-diligence of the company including its operations/management/business plans/legal, etc. Drafting and design of the DRHP, RHP and Prospectus and of statutory advertisement including memorandum containing salient features of the Prospectus. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and SEBI, including finalisation of Prospectus and the RoC filing	Enam and Deutsche	Enam
3.	Drafting and approving all statutory advertisements	Enam and Deutsche	Enam
4.	Approval of all non-statutory advertisements including corporate advertisements Preparation and finalization of the road-show presentation Preparation of FAQs for the road-show team	Enam and Deutsche	Deutsche
5.	Appointment of intermediaries, *viz.*, printer(s), and advertising agency to the Issue.	Enam and Deutsche	Enam
6.	Appointment of Registrar and Banker(s) to the Issue	Enam and Deutsche	Deutsche
7.	Retail Marketing of the Issue, which will cover, *inter alia*, Formulating marketing strategies, preparation of publicity budget Finalize Media & PR strategy Finalizing centers for holding conferences for brokers, etc. Follow-up on distribution of publicity and Issuer material including form, prospectus and deciding on the quantum of the Issue material Finalize collection centers	Enam and Deutsche	Enam
8.	HNI marketing of the Issue, which will cover, *inter alia*, Formulating marketing strategies, preparation of publicity budget Finalize Media & PR strategy Finalizing centers for holding conferences for brokers, etc. Follow-up on distribution of publicity and Issuer material including form, prospectus and deciding on the quantum of the Issue material Finalize collection centers	Enam and Deutsche	Deutsche
9.	Domestic Institutional marketing of the Issue, which will cover, *inter alia*, Institutional marketing strategy Finalizing the list and division of investors for one to one meetings, and Finalizing road show schedule and investor meeting schedules	Enam and Deutsche	Enam
10.	Overseas Institutional marketing of the Issue, which will cover, *inter alia*, Institutional marketing strategy Finalizing the list and division of investors for one to one meetings, and Finalizing road show schedule and investor meeting schedules	Enam and Deutsche	Deutsche
11.	Co-ordination with Stock Exchanges for Book Building Process software, bidding terminals and mock trading	Enam and Deutsche	Deutsche

S. No.	Activity	Responsibility	Coordinator
	Managing the book and finalisation of pricing in consultation with the company		
12.	Post bidding activities including management of escrow accounts, co-ordination of allocation, intimation of allocation and dispatch of refunds to bidders, etc. The post issue activities for the Issue will involve essential follow-up steps including finalisation of trading and dealing of instruments and dispatch of certificates and demat and delivery of shares with the various agencies connected with the work such as the Registrar(s) to the Issue and the bank handling refund business. The merchant banker shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with the company*	Enam and Deutsche	Deutsche

** In case of under-subscription in the Issue, the lead merchant banker responsible for underwriting arrangements shall be responsible for invoking underwriting obligations and ensuring that the notice for devolvement containing the obligations of the underwriters is issued in terms of these regulations and as agreed to in the underwriting agreement.*

IPO Grading Agency

CRISIL Limited
CRISIL House, Central Avenue,
Hiranandani Business Park, Powai,
Mumbai 400 076
Telephone: +91 22 3342 3000
Facsimile: +91 22 3342 3501
Website: www.crisil.com

IPO Grading

This Issue has been graded by CRISIL Limited and has been assigned the “IPO Grade 3” indicating average fundamental through its letter dated August 16, 2010. The IPO grading is assigned on a five point scale from 1 to 5 wherein an “IPO Grade 5” indicates strong fundamentals and “IPO Grade 1” indicates poor fundamentals.

A copy of the report provided by CRISIL Limited, furnishing the rationale for its grading will be made available for inspection at our Registered Office from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date. For details of summary of rationale for the grading assigned by the IPO Grading Agency, please see “Other Regulatory and Statutory Disclosures” on page 227.

Monitoring Agency

There is no requirement for a monitoring agency for this Issue as the Fresh Issue size is less than Rs. 5,000 million.

Expert

Except for the reports of the Auditors of our Company on the restated financial statements, included in this Red Herring Prospectus and the report provide by the IPO Grading Agency (a copy of which report is annexed to the Red Herring Prospectus), furnishing the rationale for its grading, which will be provided to the Designated Stock Exchange, we have not obtained any expert opinions.

Project Appraisal

None of the objects of this Issue have been appraised.

Book Building Process

"Book building" refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the ASBA Forms. The Issue Price shall be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

(1) our Company;
(2) Selling Shareholders;
(3) Book Running Lead Managers;
(4) Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchanges and eligible to act as underwriters;
(5) Registrar to the Issue;
(6) Escrow Collection Banks; and
(7) SCSBs.

In terms of first proviso to Rule 19(2)(b) (read with erstwhile Rule 19(2)(b)) of the SCRR read with Regulation 41(1) of the SEBI Regulations, this being an Issue for less than 25% of the post-Issue equity share capital, is being made through the Book Building Process wherein at least 60% of the Issue shall be Allotted to QIBs. If at least 60% of the Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith.

Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers, allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Price out of which at least one-third will be available for allocation to domestic Mutual Funds only. Allocation to Anchor Investors shall be on a discretionary basis subject to a minimum number of two Anchor Investors. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least Rs. 100 million. Further, Anchor Investors shall pay the Anchor Investor Margin Amount at the time of submission of the Bid cum Application Form to the Book Running Lead Managers and the balance within the Pay-in Date. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion.

5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.

Further, not less than 10% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Undersubscription in any category, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of the Company in consultation with the BRLMs.

In accordance with the SEBI Regulations, QIBs bidding in the Net QIB Portion are not allowed to withdraw their Bids after the Bid/Issue Closing Date. In addition, QIBs bidding in the Net QIB Portion are required to pay Bidding Amount in full, upon submission of their Bid and allocation to QIBs will be on a proportionate basis. For further details, see the sections titled "Terms of the Issue" and "Issue Procedure" on pages 241 and 249, respectively.

Our Company and the Selling Shareholders will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company and the Selling Shareholders have appointed the Book Running Lead Managers to manage this Issue and procure subscriptions to this Issue.

The Book Building Process is subject to change. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Steps to be taken by the Bidders for making a Bid or application in this Issue:

1. Check eligibility for making a Bid. For further details, see "Issue Procedure" on page 249. Specific attention of ASBA Bidders is invited to "Issue Procedure – Issue Procedure for ASBA Bidders" on page 249;
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form or the ASBA Form, as the case may be;
3. Ensure that the Bid cum Application Form or ASBA Form is duly completed as per the instructions given in the Red Herring Prospectus and in the respective forms;
4. Except for Bids on behalf of the Central or State Government and the officials appointed by the courts, for Bids of all values, ensure that you have mentioned your PAN in the Bid cum Application Form or ASBA Form (see "Issue Procedure" on page 249). However, Bidders residing in the State of Sikkim are exempted from the mandatory requirement of PAN. The exemption is subject to the 'Depository Participants' verifying the veracity of the claim of the investors that they are residents of Sikkim, by collecting sufficient documentary evidence in support of their address;
5. Ensure the correctness of your Demographic Details (as defined in "Issue Procedure – Bidder's Depository Account and Bank Account Details" on page 249), given in the Bid cum Application Form or ASBA Form, with the details recorded with your Depository Participant;
6. Bids by ASBA Bidders will only have to be submitted to the SCSBs at the Designated Branches. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that their ASBA Form is not rejected; and
7. Bids by QIBs will only have to be submitted to members of the Syndicate.

Illustration of Book Building Process and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration and is not specific to this Issue)

Bidders including ASBA Bidders can bid at any price within the Price Band. A graphical representation of the consolidated demand and price would be made available at the Bidding Centres during the bidding period. For instance, assuming a price band of Rs. 20 to Rs. 24 per share, an issue size of 3,000 equity shares and receipt of five bids from bidders, the details are shown in the table below. The illustrative book as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The issuer, in consultation with book running lead managers, will finalise the issue price at or below such cut-off, i.e., at or below Rs. 22. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Withdrawal of the Issue

Our Company in consultation with Book Running Lead Managers reserve the right not to proceed with this Issue in accordance with SEBI Regulations. In the event of withdrawal of this Issue, the reasons therefor shall be disclosed in a public notice which shall be published within two days of the Bid/Issue Closing Date in the same newspapers where the pre Issue advertisement had appreared and the Stock

Exchanges shall be informed promptly. The Book Running Lead Managers, through the Registrar to the Issue shall notify the SCSBs to unblock the Bank Accounts of the ASBA Bidders withn one day from the date of receipt of such notification. Further, in the event of withdrawal of the Issue and subsequently, plans of an IPO by our Company, a draft red herring prospectus will be submitted again for observations of the SEBI.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus after it is filed with the RoC.

In terms of the SEBI Regulations, QIBs bidding in the Net QIB Portion shall not be allowed to withdraw their Bids after the Bid/Issue Closing Date.

Bid/Issue Programme*

BID/ISSUE OPENS ON	**September 21, 2010**
BID/ISSUE CLOSES ON	**September 23, 2010**

* *Our Company and the Selling Shareholders may, in consultation with the Book Runnning Lead Managers, allocate up to 30% of the QIB Portion, i.e. [●] Equity Shares, to Anchor Investors on a discretionary basis, in accordance with the SEBI Regulations. Anchor Investors shall bid on the Anchor Investor Bidding Date.*

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 3.00 p.m.** (Indian Standard Time) during the Bidding Period as mentioned above at the Bidding Centres mentioned on the Bid cum Application Form or, in case of Bids submitted through ASBA Form, the Designated Branches of the SCSBs **except that on the Bid/Issue Closing Date, Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time)** and uploaded until (i) 4.00 p.m. in case of Bids by QIBs bidding in the Net QIB Portion and Non-Institutional Bidders where the Bid Amount is in excess of Rs. 100,000 and (ii) until 5.00 p.m. in case of Bids by Retail Individual Bidders, where the Bid Amount is up to Rs. 100,000, which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Managers to the Stock Exchanges within half an hour of such closure. Due to limitation of the time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings in India, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation under this Issue. Bids will only be accepted on Working Days.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid form, for a particular Bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical or electronic ASBA Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSB for rectified data.

On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings for acceptance of Bid cum Application Forms and ASBA Forms as stated herein and reported by the Book Running Lead Managers to the Stock Exchange within half an hour of such closure.

Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, reserve the right to revise the Price Band during the Bidding Period in accordance with the SEBI Regulations provided that the Cap Price should not be more than 120% of the Floor Price. Subject to compliance with the above mentioned condition, the Floor Price can move up or down to the extent of 20% of the Floor Price advertised at least two Working Days before the Bid/Issue Opening Date.

In case of revision in the Price Band, the Bidding Period shall be extended for three additional Working Days after such revision subject to the Bidding Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the SCSBs and the Stock Exchanges, by issuing a press release, and

also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price, but prior to filing of the Prospectus with the RoC, our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue, except such Equity Shares as are required to be compulsorily Allotted to QIBs under the QIB Portion. It is proposed that pursuant to the terms of the Underwriting Agreement, the Underwriters responsible for bringing in the amount devolved in the event the respective Syndicate Members do not fulfil their underwriting obligations. The underwriting shall be to the extent of the Bids uploaded by the Underwriters including through its Syndicate/sub syndicate, subject to Regulation 13 of the SEBI Regulations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein, including that at least 60 per cent of the Issue should have been Allotted to QIBs.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)

Details of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (*Rs. million*)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned amount is indicative and will be finalised after determination of the Issue Price and finalization of the 'Basis of Allocation'.

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriters, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure/subscribe for Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in this Issue.

In case of under-subscription in the Issue, the Book Running Lead Managers as described in "General Information – Statement of Responsibilities of the Book Running Lead Managers" on page 16, responsible for underwriting arrangements shall be responsible for invoking underwriting obligations and ensuring that the notice for devolvement containing the obligations of the Underwriters is issued in terms of the SEBI Regulations.

CAPITAL STRUCTURE

The equity share capital of our Company as of the date of this Red Herring Prospectus is set forth below:

(Rs. in million)

		Aggregate Nominal Value	Aggregate Value at Issue Price
A)	**Authorised Share Capital[(a)]**		
	70,000,000 Equity Shares	700.00	
B)	**Issued, Subscribed and Paid Up Share Capital Before the Issue**		
	49,420,014 Equity Shares	494.20	[•]
C)	**Present Issue in Terms of this RHP[(b)]**		
	[•] Equity Shares aggregating Rs. 5,300 million	[•]	[•]
	Of which		
	[•] Equity Shares aggregating Rs. 1,800 million are offered by way of Offer for Sale*	[•]	[•]
D)	**Paid up Share Capital After The Issue**		
	[•] Equity Shares	[•]	[•]
E)	**Share Premium Account**		
	Before the Issue	806,131,860**	[•]
	After the Issue	[•]	[•]

(a)

Date	Nature of amendment
March 29, 1997	The authorised share capital increased from Rs. 1,000,000 to Rs. 5,000,000.
February 22, 1999	The authorised share capital increased from Rs. 5,000,000 to Rs. 10,000,000.
June 22, 2001	The authorised share capital increased from Rs. 10,000,000 to Rs. 25,000,000.
July 1, 2005	The authorised share capital increased from Rs. 25,000,000 to Rs. 289,000,000.
July 30, 2005	The authorised share capital increased from Rs. 289,000,000 to Rs. 335,000,000.
November 28, 2006	Authorised share capital of Rs. 335,000,000 was divided into 3,24,09,450 Equity Shares, 2,000 Equity Shares with differential voting rights and 10,88,550 convertible, cumulative convertible participating preference shares of Rs. 10 each.
December 7, 2007	The authorised share capital increased from Rs. 335,000,000 to Rs. 700,000,000.

(b) The Issue has been authorized by a resolution passed by our Board on March 16, 2010 and by a special resolution passed pursuant to Section 81(1A) of the Companies Act, at the EGM of the shareholders of our Company held on March 26, 2010.

* Our Promoter, Mr. Alla Ayodhya Rami Reddy has given his consent for the transfer of [•] Equity Shares aggregating Rs. 1,500 million by his letter dated March 25, 2010; Tara India Holdings by its resolution dated March 22, 2010 has authorised the transfer of [•] Equity Shares aggregating Rs. 259 million and IL&FS Investment Managers Limited, Investment Manager of Tara India Fund III Trust has by its letter dated March 25, 2010 authorised the transfer of [•] Equity Shares aggregating Rs. 41 million.

** There have been deductions from the share premium account towards issue expenses and capitalization for issue of bonus shares against Rs. 441,962,640.

Notes to the Capital Structure

1. **Share Capital History:**

(a) History of the Equity Share Capital of our Company

(Amount in Rs.)

Date of Allotment /Date when made Fully Paid	No. of Equity Shares	Face Value	Issue Price	Nature of Consideration	Reasons for Allotment	Cumulative no. of Equity Shares	Cumulative Equity Share Capital	Cumulative Share Premium
April 13, 1994	99	10	10	Cash	Initial subscription (1)	99	990	NIL
March 29, 1996	79,901	10	10	Cash	Further issue of Equity Shares(2)	80,000	800,000	NIL
March 31,	232,500	10	10	Cash	Further issue of	312,500	3,125,000	NIL

Date of Allotment /Date when made Fully Paid	No. of Equity Shares	Face Value	Issue Price	Nature of Consideration	Reasons for Allotment	Cumulative no. of Equity Shares	Cumulative Equity Share Capital	Cumulative Share Premium
1997					Equity Shares[(3)]			
March 31, 1999	662,500	10	10	Cash	Further issue of Equity Shares[(4)]	975,000	9,750,000	NIL
July 20, 2001	1,084,500	10	10	Cash	Further issue of Equity Shares[(5)]	2,059,500	20,595,000	NIL
July 1, 2005	267,000	10	10	Cash	Further issue of Equity Shares[(6)]	2,326,500	23,265,000	NIL
July 30, 2005	4,653,000	10	10^	Other than cash	Bonus issue (in the ratio of 1:2)	6,979,500	69,795,000	NIL
May 31, 2006	50,000	10	100	Cash	Allotment of Equity Shares pursuant to ESPS 2006	7,029,500	70,295,000	4,500,000
December 27, 2006	1,000*	10	1,146.21	Cash	Further issue of Equity Shares[(7)]	7,030,500	70,305,000	5,636,210
December 28, 2006	1,000*	10	1,146.21	Cash	Further issue of Equity Shares[(8)]	7,031,500	70,315,000	6,772,420
March 31, 2007	50,000	10	100	Cash	Exercise of vested stock option pursuant to ESOP 2006	7,081,500	70,815,000	11,272,420
December 7, 2007	1,155,169*	10	10	Cash	Conversion of preference shares into fully paid-up Equity Shares in the ratio of 1:1	8,236,669	82,366,690	11,272,420
December 7, 2007	41,183,345	10	10^	Other than cash	Bonus issue in the ratio of 5:1	49,420,014	494,200,140	11,272,420

(1) *36 Equity Shares to each of Mr. Alla Ayodhya Rami Reddy and Ms. A Dakshyani and 9 Equity Shares to each of Mr. Y.R. Nagaraja, Ms. Y.N. Madhu Rani and Mr. A. Peri Reddy.*

(2) *19,964 Equity Shares were allotted to Mr. Alla Ayodhya Rami Reddy; 35,955 Equity Shares were allotted to Ms. A Dakshyani; 12,491 Equity Shares to Mr. Y.R. Nagaraja and 11,491 Equity Shares to Ms. Y.N. Madhu Rani.*

(3) *3,509 Equity Shares to Ms. A. Dakshyani; 11,450 Equity Shares to Ms. Y.N. Madhu Rani; 31,450 Equity Shares to Mr. A. Dasaratha Rami Reddy; 13,500 Equity Shares to Ms. A. Peramma; 10,000 Equity Shares to Mr. A. Ramakrishna Reddy; 5,000 Equity Shares to each of Ms. A. Radha Devi, Ms. M. AdiLakshmi, Mr. S.P. Rami Reddy, Mr. S.C. Rami Reddy and Mr. I.K. Reddy; 24,991 Equity Shares to Mr. A. Peri Reddy; 7,500 Equity Shares to each of Mr. Pulicharla Nagesh and Mr. Pulicharla Ganesh; 2,500 Equity Shares to Ms. P. Vankayamma and Ms. N. Kotamma; 23,500 Equity Shares to Mr. M. Vasudeva Reddy; 12,500 Equity Shares to Ms. M. Udaya Kumari; 15,000 Equity Shares to Mr. M. Venugopal Reddy; 14,700 Equity Shares to Mr. I.K. Reddy; 9,500 Equity Shares to Mr. I. Krishna Peri Reddy; 9,300 Equity Shares to Mr. I. Srinivas Reddy; 8,000 Equity Shares to Mr. D.C. Reddy and 100 Equity Shares to Mr. Alla Ayodhya Rami Reddy.*

(4) *77,500 Equity Shares to Mr. Alla Ayodhya Rami Reddy; 25,000 Equity Shares to Mr. A. Peri Reddy; 54,000 Equity Shares to Ms. A. Peramma; 58,500 Equity Shares to Ms. A. Parvathi; 45,000 Equity Shares to Ms. A. Aparna, 10,000 Equity Shares to Mr. A. Ramakrishna Reddy; 37,500 Equity Shares to Ms. A. Radha Devi; 15,000 Equity Shares to Ms. A Rama Devi; 25,000 Equity Shares to Mr. D.C. Reddy; 15,000 Equity Shares to Mr. A.L. Reddy; 32,500 Equity Shares to Ms. A. Veera Raghavamma; 10,000 Equity Shares to Mr. A.S. Reddy; 15,000 Equity Shares to Mr. K. Siva Reddy; 2,500 Equity Shares to Mr. I.Kolambi Reddy; 17,500 Equity Shares to Mr. I. Konda Reddy; 12,500 Equity Shares to Mr. I. Krishna Reddy; 15,000 Equity Shares to Mr. I. Srinivasa Reddy; 12,500 Equity Shares to Mr. A.B. Reddy; 17,500 Equity Shares to Mr. K.R. Reddy; 15,000 Equity Shares to Ms. K. Vijaialakshmi; 12,500 Equity Shares to Ms. A Annapurna; 7,500 Equity Shares to Mr. AP. Reddy; 12,500 Equity Shares to Mr. A.R. Reddy; 17,500 Equity Shares to Mr. S.C. Rami Reddy; 15,000 Equity Shares to Mr. S.P. Rami Reddy; 12,500 Equity Shares to Ms. S. Samrajyam; 15,000 Equity Shares to Ms. V. Pandit; 10,000 Equity Shares to Mr. G.V. Reddy; 15,000 Equity Shares to Ms. M. AdiLakshmi; 17,500 Equity Shares to Mr. M. Venkat Reddy and 15,000 Equity Shares to M. Vijayalkshmi.*

(5) *60,000 Equity Shares to each of Mr. Alla Ayodhya Rami Reddy and Ms. A. Veeraraghavamma; 30,000 Equity Shares to Mr. Y.R. Nagaraja, Ms. A. Peramma, Ms. M. Adilakshmi, Mr. D.C. Reddy and Ms. M. Vijayalakshmi; 50,000 Equity Shares to each of Ms. A. Dakshyani, Mr. A. Dasaratha Rami Reddy, Mr. I.Kolambi Reddy, Mr. I. Konda Reddy, Ms. A. Aparna, Ms. A. Rama Devi, Mr. M. Papi Reddy, Ms. D.L. Shankar Reddy, Ms. K.P. Peri Reddy, Ms. K. Kotamma and Ms. K. Rathamma; 20,000 Equity Shares to Ms. A. Radha Devi; 10,000 Equity Shares to each of Mr. M. Vasudeva Reddy and Mr. S.V. Reddy; 29,000 Equity Shares to Mr. S.C. Rami Reddy; 55,000 Equity Shares to Ms. A. Parvathi; 47,500 Equity Shares to Mr. A.L. Reddy; 15,000 Equity Shares to Mr. K.R. Reddy and Ms. K. Vijayalakshmi; 17,500 Equity Shares to each of Mr. A Parameswara Reddy and Mr. M.V. Reddy; 28,000 Equity Shares to Mr. Y.R. Nagakrishna.*

(6) *Allotted to Mr. Alla Ayodhya Rami Reddy.*

(7) *Allotted to SAPE.*

(8) *Allotted to Tara India Fund III.*

** 2,000 equity shares of our Company with differential voting rights allotted to SAPE and Tara India Fund III on December 27, 2006 and December 28, 2006, respectively were converted into ordinary Equity Shares ranking pari passu with existing Equity Shares vide resolution passed by the shareholders of our Company on December 7, 2007. The same has not been added to the allotment on December 7, 2007 as the equity shares had been in existence as of their respective dates of allotment.*

^ Assumed to be the effective issue price of the Equity Shares for all shareholders as the bonus issues were at par.

(b) History of Preference Share Capital of our Company

(Amount in Rs.)

Date of Allotment	Date of Conversion	Number of Preference Shares	Face Value per Preference Share	Issue Price per Preference Share	Nature of Consideration	Reasons for Allotment	Cumulative no. of Preference Shares	Cumulative Share Premium
December 27, 2006*	December 7, 2007	653,330	10	1146.21	Cash	Private Placement	653,330	742,320,079.30
December 28, 2006**	December 7, 2007	435,220	10	1146.21	Cash	Private Placement	1,088,550	1,236,821,395
December 7, 2007***	December 7, 2007	66,619	10	Nil	Other than cash	Bonus Issue in the ratio of 6,120: 100,000	1,155,169	1,236,821,395

* *Allotted to SAPE.*

** *Allotted to Tara India Fund III.*

*** *39,984 bonus cumulative convertible participating preference shares were allotted to SAPE and 26,635 to Tara India Fund III in proportion of 6,120 cumulative convertible participating preference shares for every 100,000 cumulative convertible preference shares held by them as on December 7, 2007.*

On December 7, 2007, our Company issued 693,314 and 461,855 Equity Shares to SAPE and Tara India Fund III, respectively, pursuant to conversion of 693,314 and 461,855 cumulative convertible preference shares of our Company held by SAPE and Tara India Fund III respectively, in terms of the shareholders agreement dated November 24, 2006 entered into between SAPE (at the time as Sabre Abraaj Infrastructure Company Private Limited), Tara India Fund III, our Company, Mr. Alla Ayodhya Rami Reddy (our Promoter), Mr. Yancharla Ratnakar Nagaraja (our Promoter) and others. Subsequently, Tara India Fund III Trust and Tara India Holdings acceded Tara India Fund III as per a deed of adherence dated June 17, 2008. For further details see "History and Corporate Structure – Material Agreements and Arrangements" on page 108.

(c) Shares Issued for Consideration Other than Cash

Date of allotment*	Names of the Alottees	Number of Shares allotted	Face Value (Rs.)**	Reasons for allotment
Equity Shares				
July 30, 2005	Mr. Allla Ayodhya Rami Reddy (also as nominee for Master A. Sharan and Master A. Ishaan); Mr. Y.R. Nagaraja; Ms. A. Dakshyani; Ms. Y.N. Madhu Rani; Mr. A. Dasaratha Rami Reddy; Ms. A. Veera Raghavamma; Ramky Finance and Investment Private Limited	4,653,000	10	Allotment pursuant to the bonus issue by the Company.
December 7, 2007	Holders of Equity Shares as on December 7, 2007^	41,183,345	10	Allotment pursuant to the bonus issue by the Company.
Preference Shares				
December 7, 2007	SAPE and Tara India Fund III	66,619	10	Allotment pursuant to the bonus issue by the Company.

* *The Equity Shares were fully paid on the date of their allotment.*

** *The cost of acquisition excludes the stamp duty paid.*

^ Mr. Alla Ayodhya Rami Reddy (also as nominee for Master A. Sharan and Master A. Ishaan), Ms. A Dakshyani, Mr. Y.R. Nagaraja, Ms. Y.N. Madhu Rani, Ramky Finance and Investment Private Limited, Mr. Ravi Kant, Mr. M. Goutham Reddy, Mr. Hemanth Kumar Reddy G., Ms. Hema Prasad M., Mr. Shantharam B., Mr. Victor Babu B., Mr. Anil Kumar T., Mr. Subramanyam K.V., Mr. Manohar G., Mr. Pochaiah B., Mr. Sreenivas Rao G., Mr. Bhushaiah P., Mr. Gouse T., Mr. Ramesh Babu S., Mr. Raghava Reddy P.V., Mr. Ramakrishna Reddy A., Ms. M. Udaya Kumari, Mr. Nagakirshna Y.R., Mr. Kameshwar Rao V., Mr. Pandiyan P., Mr. Sridhar Reddy M., Mr. M.V. Rami Reddy, Mr. Seshi Reddy K., Mr. Sambasiva Rao M., Mr. K.Venkat Reddy, Mr. A. Peri Reddy, Mr. K.S.M. Rao, Mr. Arun Aggarwall, Mr. Bipin Patel, Mr. Satish Babu.V., Mr. Nagesh Naik, Mr. Venkat Reddy J., Ms. Pallavi Halkar, Mr. Srinivas Reddy J., Ms. Vijaya Rami Reddy S., Mr. Nagaraja D.K., Mr. Bhaskar Reddy A.V., Mr. Venugopal Reddy M., Mr. Kurian A. P., Mr. Dhiresh Nigam, Mr. Chandan K. Choudhry, Mr. Battiwala A.F., Mr. Krishna Reddy J., Mr. Venkateswarlu K., Mr. Ramesh J., Mr. Vasudeva Reddy M., Mr. Lakshman Rao.D., Mr. Jayprakash Ramachandra Vijapure, Mr. Gotham Kumar De, Mr. Rege D.P., Mr. Divakar M., Mr. K.S.N. Rao, Mr. Basha S. K., Mr. Ravi Kumar K.S., Mr. Sai Rama Krishna T., Mr. Satyalingam G., Mr. Sateesh B., Mr. Srinivas Reddy K., Mr. Narendar S., Mr. Ravi Prasad P., Mr. Bala Bhaskar Rao V., Mr. Asim Kumar Ghosh, Mr. Gopal Bera, Mr. V. Phani Bhushan V., Mr. Ravi Kumar G., Mr. Amarnath S., Mr. Satya

Prakash V., Mr. Vijay Kataria, Mr. Kishore Kumar V., Mr. Narayan Bhattacharya, Mr. Venu Gopal M., Mr. Satti Raju G., Mr. Nagaraj S.B., Mr. Sivaiah A., Mr. Rama Reddy K., Mr. Chakradhar M., Mr. Muttar Ahmed Khan, Mr. Shivakoti Chakram, Mr. Satti Reddy T., Mr. Srinivas T.V., Mr. Chandra Shekar V., Mr. Rama Swamy G., Mr. Ravi P., Mr. Vijay Ghatti, Mr. Senthilnathan B., Mr. Prasanna Kumar S., Ms. Pinki Lal, Mr. Chakradhar S., Mr. K. Srinivas Reddy, Mr. Yedukondal Reddy P., Mr. Shivaiah A.V., Mr. Surendar Reddy B., Mr. Anantha Rao G., Mr. Sudheer P., Mr. Radha Krishna S., Mr. Raju K., Mr. Anwar Baig M., Mr. Damodhar Reddy M., Mr. Koti Reddy K., Mr. K. Sreenivas Reddy, Mr. Koti Reddy P., Mr. Govinda Chary T., Mr. Raj Kumar P., Mr. Prem Kumar G., Mr. Kolali Gowda S., Mr. Raja Shekar M., Mr. Madhu Babu V.B., Mr. Venkata Ramana K.R., Mr. Vijay Kumar Reddy B., Mr. Hari Prakash P., Mr. Rama Rao P., Mr. Chanti Babu G., Mr. Narasimha B., Mr. Manjunath C.V., Mr. Shiva Reddy T.V., Mr. Sreenivas Rao S., Mr. Subba Rao Tav, Mr. Subba Reddy G., Mr. Srinivas Reddy D., Mr. K.S.K. Reddy, Mr. Srinivasa Reddy M., Mr. Sanjeevulu V., Mr. Srinivas Reddy A., Mr. Krishna Reddy S., Mr. Raghava Reddy P.V., Mr. Narendra Kumar Reddy V., Ms. Sunitha T., Mr. Kalyan Kumar S.K., Mr. Yadagiri Reddy P., Ms. Anji Reddy P., Ms. Lalitha Kumari D., Mr. Vijayabhaskar Reddy K., Mr. Vijayabhaskar Reddy V., Mr. Sreenivasa Reddy K., Mr. Chako P.L., Mr. P. Eshwar Reddy, Mr. Sharada V., Mr. Mahendra Kumar P., SAPE and Tara India Fund III.

No benefits accrued to our Company out of the above issuances.

2. Build up, Contribution and Lock-in of Promoters and Promoter Group

(a) Details of the Build-up of Promoters' Shareholding in our Company:

Name	Date of Allotment*/ Transfer	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition /Transfer price (Rs.)	% of pre-Issue Capital	% of post-Issue Capital	Consideration	Nature of Transaction	No. of Shares Pledged^	% of pre-Issue Capital
Mr. Alla Ayodhya Rami Reddy	April 13 1994	36	10	10	0.00	[●]	Cash	Initial subscription	-	-
	March 29, 1996	19,964	10	10	0.04	[●]	Cash	Preferential allotment	-	-
	March 31, 1997	100	10	10	0.00	[●]	Cash	Preferential allotment	-	-
	March 31, 1999	77,500	10	10	0.16	[●]	Cash	Preferential allotment	-	-
	July 20, 2001	60,000	10	10	0.12	[●]	Cash	Preferential allotment	-	-
	May 27, 2004	1,300,300	10	10.50	2.63	[●]	Cash	Transfer by existing shareholders(1)	258,000	0.52
	June 3, 2004	97,500	10	10	0.20	[●]	Cash	Transfer from existing shareholder(2)	-	-
	June 3, 2004	(20,000)	10	0.00	(0.04)	[●]	Cash	Gift to existing shareholders(3)	-	-
	July 1, 2005	267,000	10	10	0.54	[●]	Cash	Preferential allotment	267,000	0.54
	July 30, 2005	3,604,800	10	N.A.	7.29	[●]	Other than cash	Bonus Issue	-	-
	April 21, 2006	405,270	10	20	0.82	[●]	Cash	Transfer from existing shareholders(4)	-	-
	February 6, 2007	521,850	10	0.00	1.05	[●]	N.A.	Gift of Equity Shares from existing shareholders(5)	-	-
	December 7, 2007	31,671,600	10	N.A.	64.09	[●]	Other than cash	Bonus Issue	2,625,000	5.31
	January 21, 2008	(391,400)	10	300	(0.79)	[●]	Cash	Transfer to International Finance Corporation	-	-
Sub Total		*37,614,520*			*76.11*	*[●]*			*3,150,000*	*6.37*
										-
Mr. Yancharla Ratnakar Nagaraja	April 13, 1994	9	10	10	0.00	[●]	Cash	Initial subscription	-	-
	March 29, 1996	12,491	10	10	0.03	[●]	Cash	Preferential allotment	-	-
	July 20, 2001	30,000	10	10	0.06	[●]	Cash	Preferential allotment	-	-
	May 27, 2004	162,700	10	10.50	0.33	[●]	Cash	Transfer from existing	-	-

Name	Date of Allotment*/ Transfer	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition /Transfer price (Rs.)	% of pre-Issue Capital	% of post-Issue Capital	Consideration	Nature of Transaction	No. of Shares Pledged^	% of pre-Issue Capital
								shareholders[6]		
	July 30, 2005	410,400	10	N.A.	0.83	[●]	Other than cash	Bonus Issue	-	-
	April 21, 2006	(336,520)	10	20	(0.68)	[●]	Cash	Transfer to Mr. Alla Ayodhya Rami Reddy	-	-
	December 7, 2007	1,395,400	10	N.A.	2.82	[●]	Other than cash	Bonus Issue	-	-
Sub Total		*1,674,480*			*3.39*	*[●]*			-	-
Total		**39,289,000**			**79.50**	**[●]**			**3,150,000**	**6.37**

(1) 50,000 Equity Shares from Mr. A. Peri Reddy, Ms. M. Adilakshmi, Mr. M. Papi Reddy, Ms. D.L. Shankar Reddy, K. Kotamma and K. Rathamma; 20,000 Equity Shares from Mr. A. Ramakrishna Reddy, Mr. S.V. Rami Reddy and Mr. S. Peda Rami Reddy; 62,500 Equity Shares from Ms. A. Radha Devi and Mr. A.L. Reddy; 7,500 Equity Shares from Mr. P. Nagesh and Mr. P. Ganesh; 2,500 Equity Shares from Ms. M. Kotamma; 33,500 Equity Shares from Mr. M. Vasudeva Reddy; 12,500 Equity Shares from Ms. M. Udaya Kumari, Mr. A Busha Reddy, S. Samrajayan, and Mr. K.Ramohan Reddy; 15,000 Equity Shares from Mr. M. Venugopal Reddy and Mr. K.S. Reddy; 51,500 Equity Shares from Mr. S. Chinna Rami Reddy; 22,000 Equity Shares from Mr. I. Krishna Peri Reddy; 72,500 Equity Shares from Mr. I. Konda Reddy; 24,300 Equity Shares from Mr. I. Srinivasa Reddy; 63,000 Equity Shares from Mr. D.C. Reddy; 113,500 Equity Shares from Ms. A. Parvati; 95,000 Equity Shares from Ms. A. Aparna; 65,000 Equity Shares from Mr. A. Rama Reddy; 10,000 Equity Shares from Mr. A.S. Reddy; 32,500 Equity Shares from Mr. K.R. Reddy; 30,000 Equity Shares from Ms. K.V. Lakshmi; 25,000 Equity Shares from Mr. A. Parmeshwar Reddy; 35,000 Equity Shares from Mr. M. Venkat Reddy; 45,000 Equity Shares from Ms. M. Vijaya Lakshmi.
(2) 97,500 Equity Shares from A. Peramma.
(3) 10,000 Equity Shares each to Master Ishaan and Master Sharan.
(4) 336,520 Equity Shares from Mr. Y.R. Nagaraja; 68,750 Equity Shares from Ms. Y.N. Madhu Rani.
(5) Gift of 244,350 Equity Shares from Ms. A. Dasaratha Rami Reddy and 277,500 Equity Shares from Ms. A. Veeraraghavamma.
(6) 2,500 Equity Shares from Ms. P. Venkayamma; 67,200 Equity Shares from Mr. I. Kolambi Reddy; 15,000 Equity Shares from Ms. S.V. Pandit; 28,000 Equity Shares from Mr. Y.R. Nagakrishna; 50,000 Equity Shares from Mr. K.P.P. Reddy.

*The Equity Shares were made fully paid on the date of their allotment. Hence the date of the allotment of these Equity Shares is the date when these Equity Shares were made fully paid up.

^ Pledged in favour of Infrastructure Leasing and Financial Services Limited in order to enable Ramky Estates and Farms Private Limited and Ramky Enviro Engineers Limited to avail term finance from Infrastructure Leasing and Financial Services Limited.

(b) Details of Promoters' Contribution Locked-in for Three Years:

Pursuant to Regulations 32 and 36 of the SEBI Regulations, an aggregate of 20% of the post Issue capital of our Company held by our Promoters shall be considered as promoters' contribution ("**Promoters' Contribution**") and locked-in for a period of three years from the date of Allotment.

The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchanges before listing of the Equity Shares.

Mr. Alla Ayodhya Rami Reddy and Mr. Y.R. Nagaraja have, pursuant to undertakings dated March 25, 2010 and March 26, 2010, respectively granted consent to include such number of Equity Shares held by them as may constitute 20% of the post-Issue equity share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose off in any manner, the Promoters' Contribution from the date of filing of the Draft Red Herring Prospectus until the commencement of the lock-in period specified above. Details of Promoters' Contribution are as provided below:

Date of allotment/ transfer	Nature of allotment	Face Value (Rs.)	Issue/ Acquisition Price per Equity Share (Rs.)	% of Pre-Issue Capital	% of Post-Issue Capital	Nature of Consideration	Number of Equity Shares locked in*
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

** The figures to be provided in this table shall be finalised upon determination of Issue Price and the number of Equity Shares to be issued in the Fresh Issue, consequent to the Book Building Process.*

The Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from persons who are classified as 'promoters' of this Company as per the SEBI Regulations. All Equity Shares, which are to be locked-in, are eligible for computation of Promoters' contribution, as per the SEBI Regulations.

Securities Eligible for Promoters' Contribution

The following Equity Shares are eligible to be locked-in as Promoters' Contribution, and subsequent to determination of the Issue Price, 20% of the post-Issue equity share capital of our Company, held by Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja, shall be locked in as Promoters' Contribution, from the allotments and/or transfers mentioned herein below:

Name	Date of Acquisition Transfer	Consideration	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition price (Rs.)	Nature of Transaction
Mr. Alla Ayodhya Rami Reddy	April 13, 1994	Cash	36	10	10	Initial allotment
	March 29, 1996	Cash	19,964	10	10	Allotment by the Company
	March 31, 1997	Cash	100	10	10	Allotment by the Company
	May 27, 2004	Cash	1,026,400	10	10.50	Transfer from existing shareholders
	June 3, 2004	Cash	97,500	10	10	Transfer from existing shareholder
	July 1, 2005	Other than cash	267,000	10	10	Allotment by the Company
	July 30, 2005	N.A.	3,604,800	10	N.A	Bonus Issue
	April 21, 2006	Cash	405,270	10	20	Transfer from existing shareholders
	February 6, 2007	Cash	521,850	10	10	Transfer from existing shareholders
	December 7, 2007	Other than cash	31,671,600	10	N.A.	Bonus Issue
Total			**37,614,520**			
Mr. Yancharla Ratnakar Nagaraja	July 30, 2005	Other than cash	279,080	10	N.A.	Bonus Issue
	December 7, 2007	Other than cash	1,395,400	10	N.A.	Bonus Issue
Total			**1,674,480**			

All the Equity Shares which are to be locked-in are eligible for computation of Promoters' Contribution, in accordance with the SEBI Regulations.

The above mentioned Equity Shares proposed to be included as part of the Promoters' Contribution:

(a) have not been subject to pledge or any other form of encumbrance; or
(b) are not resulting from a bonus issue by utilisation of revaluation reserves, unreleased profits of our Company or from a bonus issue against Equity Shares which are ineligible for Promoters' Contribution; or
(c) have not been acquired for consideration other than cash or revaluation of assets or from a transaction involving capitalisation of intangible assets; or
(d) are not arising out of securities acquired during the preceding one year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue; or
(e) have not been acquired by the Promoter during the period of one year immediately preceding the date of filing of the Draft Red Herring Prospectus at a price lower than the Issue Price.

Further, our Company has not been formed by the conversion of a partnership firm into a company.

The Equity Shares held by our Promoters to be locked-in as Promoters' Contribution may be pledged with banks or financial institutions as collateral security for loans granted by such banks or financial institutions, provided the pledge of such Equity Shares is one of the terms of sanction of loan and is for the purpose of financing one or more of the objects of the Issue, as mentioned in the "Objects of the Issue" on page 40.

Equity Shares held by our Promoters, which are locked-in, may be transferred to and amongst the Promoter Group or to promoters or persons in control of our Company, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

3. **Details of Share Capital Locked in for One Year**

In addition to the lock-in of Promoters' Contribution, the entire pre-Issue Equity Share capital of our Company, excluding Equity Shares forming part of the Offer for Sale, Equity Shares held by Tara India Fund III Trust (being a VCF) and Equity Shares allotted under ESOP 2006 and ESPS 2006 and held by our employees, shall be locked-in for a period of one year from the date of Allotment.

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

The Equity Shares held by persons other than our Promoters prior to the Issue, which are locked-in for a period of one year from the date of Allotment as mentioned above, may be transferred to any other person holding Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Code.

4. **Shareholding pattern of our Company**

The table below represents the shareholding pattern of our Company before the proposed Issue and as adjusted for the Issue:

Description	**Pre Issue**						**Post Issue**			
Category of Shareholder	**Number of shareholders**	**Total number of Equity Shares**	**Number of shares held in dematerialized form**	**Total shareholding as a % of total number of Equity Shares (A+B)**	**Shares pledge or otherwise encumbered**		**Total number of Equity Shares***	**Total shareholding as a % of total number of Equity Shares**	**Shares pledge or otherwise encumbered**	
					Number of shares	**As a %**			**Number of shares**	**As a %**
Shareholding of Promoter and Promoter Group (A)										
R Indian										
Individuals/Hindu Undivided Family	11	41,347,300	34,464,520	83.67	3,150,000	7.61	41,347,300^	[•]	[•]	[•]
Central Government/State Government(s)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Bodies Corporate	1	225,000	NA	0.45	[•]	[•]	225,000	[•]	[•]	[•]
Financial Institutions/Banks	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any Other	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Foreign										
Individuals (Non-Resident Individuals/Foreign Individuals)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Bodies Corporate (OCB)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Institutions/FII	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any Other	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total Shareholding of Promoter and Promoter Group (A)	**12**	**41,572,300**	**3,44,64,520**	**84.12**	**3,150,000**	**7.61**	**41,572,300**	[•]	[•]	[•]
Public shareholding (B)										
Institutions (B1)										

Description	Pre Issue						Post Issue			
Category of Shareholder	**Number of shareholders**	**Total number of Equity Shares**	**Number of shares held in dematerialized form**	**Total shareholding as a % of total number of Equity Shares (A+B)**	**Shares pledge or otherwise encumbered**		**Total number of Equity Shares***	**Total shareholding as a % of total number of Equity Shares**	**Shares pledge or otherwise encumbered**	
					Number of shares	**As a %**			**Number of shares**	**As a %**
Mutual Funds/ UTI	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Financial Institutions / Banks	1	391,400	391,400	0.79	NA	NA	391,400	[•]	[•]	[•]
Central Government/State Government(s)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Foreign Institutional Investors	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Foreign Venture Capital Investor	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Venture Capital Fund	1	380,467	380,467	0.77	NA	NA	380,467	[•]	[•]	[•]
Insurance Companies	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Sub-Total (B)(1)	2	771,867	771,867	1.56	NA	NA	NA	NA	NA	NA
Non-institutions (B2)										
Bodies Corporate	2	6,562,547	2,396,663	13.28	NA	NA	6,562,547^	[•]	[•]	[•]
Individuals- i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	125	319,500	10,500	0.65	NA	NA	319,500	[•]	[•]	[•]
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	9	193,800	12,600	0.39	NA	NA	193,800	[•]	[•]	[•]
Any Other (Specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Sub-Total (B)(2)	**136**	**7,075,847**	**2,419,763**	**14.32**	NA	NA	**7,075,847**	[•]	[•]	[•]
Total Public Shareholding (B) = (B)(1)+(B)(2)	**138**	**7,847,714**	**3,191,630**	**15.88**	NA	NA	**7,847,714**	[•]	[•]	[•]
(C) Shares held by custodians and against which Depository receipts have been issued	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
(D) Issue to Public	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	[•]	[•]	[•]	[•]
GRAND TOTAL (A)+(B)+(C)+(D)	**150**	**49,420,014**	**37,656,150**	**100**	**3,150,000**	**7.61**	[•]	[•]	[•]	[•]

* *This is based on the assumption that existing shareholders, except the Selling Shareholders, shall continue to hold the same number of Equity Shares after the Issue.*
This does not include any Equity Shares that such shareholders (excluding our Promoters and the members of our Promoter Group) may Bid for and be Allotted.

^ The shareholding of Mr. Alla Ayodhya Rami Reddy, Tara India Holdings and Tara India Fund III Trust would be reduced to the extent their Equity Shares aggregating Rs. 1,500 million, Rs. 259 million and Rs. 41 million, respectively, are transferred as part of the Offer for Sale.

5. Except as disclosed above in Note 4 above, none of our Promoters, Directors or Promoter Group hold Equity Shares. The details of Equity Shares held by our Key Management Personnel is as follows:

Name of the Shareholder	No. of Equity Shares	Pre-Issue Percentage Shareholding (%)	Post-Issue Percentage Shareholding (%)
Mr. Dhiresh Nigam	9,000	0.02	[●]
Mr. Battiwala A.F	6,000	0.01	[●]
Mr. P. Mahendar Kumar	6,000	0.01	[●]
Total	**21,000**	**0.04**	**[●]**

6. **Top Ten shareholders**

The list of our Company's top ten shareholders and the number of Equity Shares held by them is provided below:

(a) As on the date of this Red Herring Prospectus:

S. No.	Name of Shareholder	No. of Equity Shares Held	Pre-Issue %
1.	Mr. Alla Ayodhya Rami Reddy	37,614,520	76.11
2.	SA 1 Holding Infrastructure Private Limited	4,165,884	8.43
3.	Tara India Holdings	2,396,663	4.85
4.	Mr. Yancharla Ratnakar Nagaraja	1,674,480	3.39
5.	Ms. A. Dakshyani	1,611,000	3.26
6.	International Finance Corporation	391,400	0.79
7.	Tara India Fund III Trust	380,467	0.77
8.	Ramky Finance and Investment Private Limited	225,000	0.45
9.	Mr. Alla Ayodhya Rami Reddy (as nominee holder for Master A. Sharan)	180,000	0.36
10.	Mr. Alla Ayodhya Rami Reddy (as nominee holder for Master A. Ishaan)	180,000	0.36

(b) As on September 4, 2010 (i.e., 10 days before the date of the RHP):

S. No.	Name of Shareholder	No. of Equity Shares	Pre-Issue %
1.	Mr. Alla Ayodhya Rami Reddy	37,614,520	76.11
2.	SA 1 Holding Infrastructure Private Limited	4,165,884	8.43
3.	Tara India Holdings	2,396,663	4.85
4.	Mr. Yancharla Ratnakar Nagaraja	1,674,480	3.39
5.	Ms. A. Dakshayani	1,611,000	3.26
6.	International Finance Corporation	391,400	0.79
7.	Tara India Fund III Trust	380,467	0.77
8.	Ramky Finance and Investment Private Limited	225,000	0.45
9.	Mr. Alla Ayodhya Rami Reddy (as nominee holder for Master A. Sharan)	180,000	0.36
10.	Mr. Alla Ayodhya Rami Reddy (as nominee holder for Master A. Ishaan)	180,000	0.36

(c) As on September15, 2008 (i.e. two years before date of filing of this RHP):

S. No.	Name of Shareholder	No. of Equity Shares Held	Pre-Issue %
1.	Mr. Alla Ayodhya Rami Reddy	3,76,14,520	76.11
2.	SA 1 Holding Infrastructure Private Limited	4,165,884	8.43

S. No.	Name of Shareholder	No. of Equity Shares Held	Pre-Issue %
3.	Tara India Holdings A Ltd	2396663	4.85
4	Mr. Yancharla Ratnakar Nagaraja	1,674,480	3.39
5	Ms. A. Dakshayani	1,611,000	3.26
6	International Finance Corporation	3,91,400	0.79
7	IL&FS Trust Company Limited a/c. - Tara India Fund III Trust	380467	0.77
8	Ramky Finance & Investment Private Limited	225,000	0.45
9	Mr. Alla Ayodhya Rami Reddy (as nominee holder for Master A. Sharan)	180,000	0.36
10	Mr. Alla Ayodhya Rami Reddy (as nominee holder for Master A. Ishaan)	180,000	0.36

7. Our Company, Selling Shareholders, Directors and the Book Running Lead Managers have not entered into any buy-back arrangements or similar arrangements for purchase of Equity Shares being offered through this Issue.

8. Our Company has not issued any Equity Shares in the last one year preceding the date of filing of the Draft Red Herring Prospectus.

9. Neither the Book Running Lead Managers nor their associates hold any Equity Shares as on the date of filing of this Red Herring Prospectus.

10. There will be no further issue of capital whether by way of public issue, bonus shares, preferential allotment, rights issue, qualified institutional placement, or in any other manner during the period commencing from the submission of the DRHP with SEBI until the Equity Shares to be issued pursuant to the Issue have been listed. Further, our Company does not have any intention, proposal, negotiations or consideration to alter its capital structure by way of split /consolidation of the denomination of the Equity Shares, or issue of Equity Shares on a preferential basis or issue of bonus or rights or further public issue of shares or any other securities, within a period of six months from the Bid/Issue Opening Date.

11. Our Company has not issued Equity Shares out of its revaluation reserves.

12. There are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares after the Issue.

13. Our Company had an ESPS 2006 and ESOP 2006 in 2006. Pursuant to the ESPS 2006, our Company allotted 50,000 Equity Shares to the employees of our Company and its group companies. Further pursuant to the ESOP 2006, our Company allotted 50,000 Equity Shares to the employees of our Company and its subsidiaries. The ESPS 2006 and ESOP 2006 were terminated by the Board in their meeting dated September 3, 2007. We currently do not have any existing employee stock option scheme or employee share purchase scheme and neither are any options outstanding pursuant to our previous schemes.

14. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Red Herring Prospectus.

15. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

16. Our Company will not, without the prior written consent of the Book Running Lead Managers, during the period commencing from the date of the Draft Red Herring Prospectus and ending 180 calendar days after the date of listing and commencement of trading of the Equity Shares, alter its capital structure in any manner including by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares or any securities convertible into or exchangeable, directly or indirectly, for the Equity Shares. If we enter into acquisitions or joint ventures for the purposes of our business, we may, subject to necessary approvals and consents, consider raising additional capital to fund such activities or use the Equity Shares as

currency for acquisition or participation in such joint ventures.

17. None of our Promoters, Promoter Group, Directors or their immediate relatives have purchased or sold any securities of the Company within the six months preceding the date of filing of the Draft Red Herring Prospectus.

18. There are no financing arrangements whereby our Promoters, Promoter Group, Directors or their immediate relatives have financed the purchase of Equity Shares by any other person other than in the normal course of business of a financing entity during the six months preceding the date of filing of the Draft Red Herring Prospectus.

19. Our Promoters and Promoter Group will not participate in this Issue.

20. Pursuant to first proviso to Rule 19(2)(b) (read with erstwhile Rule 19(2)(b)) of the SCRR read with Regulation 41(1) of the SEBI Regulations, this being an Issue for less than 25% of the post-Issue equity share capital, is being made through a Book Building Process wherein at least 60% of the Issue shall be alloted to QIBs. If at least 60% of the Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith.

    Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Price, out of which at least one-third will be available for allocation to Mutual Funds only. For further details, see "Issue Procedure" on page 249. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

    5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.

    Further, not less than 10% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

21. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Retail Portion or the Non-Institutional Portion would be met with spill-over from any other category or a combination of other categories, at the sole discretion of our Company, in consultation with Book Running Lead Managers. Such inter-se spill-over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.

22. Any oversubscription to the extent of 10% of this Issue can be retained for the purpose of rounding off and making allotments in minimum lots, while finalising the 'Basis of Allocation'. Consequently, the Allotment may increase by a maximum of 10% of this Issue, as a result of which the post-Issue paid-up capital would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares to be locked-in towards the Promoters' Contribution shall be suitably increased, so as to ensure that 20% of the post-Issue paid-up capital is locked in.

23. An investor cannot make a Bid for more than the number of Equity Shares offered through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

24. The Equity Shares issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.

25. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

26. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

27. As on the date of the RHP, the total number of holders of Equity Shares was 150.

28. Our Company shall ensure that transactions in the Equity Shares by our Promoters and the Promoter Group between the date of filing of the Draft Red Herring Prospectus and the Bid/Issue Closing Date shall be intimated to the Stock Exchanges within 24 hours of such transaction.

OBJECTS OF THE ISSUE

The Issue comprises a Fresh Issue and an Offer for Sale.

The Proceeds of Fresh Issue

The activities for which funds are being raised by our Company through this Issue, after deducting the proceeds from the Offer for Sale are:

1. investment in capital equipments;
2. to meet the working capital requirements;
3. repayment of loans; and
4. general corporate purposes.

(collectively referred to herein as the "**Objects**").

In addition, our Company expects to receive the benefits of listing the Equity Shares on the Stock Exchanges.

The Proceeds of Offer for Sale

The funds from the Offer for Sale shall be received by the Selling Shareholders and our Company shall not receive any proceeds from the Offer for Sale.

Utilisation of Proceeds of the Fresh Issue

The details of the proceeds of the Fresh Issue are summarized below:

Particular	Estimated Amount (*Rs. million*)
Gross proceeds to be raised through this Fresh Issue	3,500
Less Issue related expenses of our Company*	[●]
Net proceeds of the Fresh Issue after deducting the Issue related expenses of our Company ("**Net Proceeds**") *	[●]

* *Will be incorporated after finalization of the Issue Price*

Requirement of Funds

The main objects as set out in our Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

The total fund requirement and utilization of Net Proceeds will be as per the table set forth below:

(In Rs. million)

Sr. No.	Particulars	Total Estimated Cost	Amount deployed till July 30, 2010	Balance Amount Payable	Amount Payable from the Net Proceeds	Proposed schedule of Deployment
						Fiscal 2011
1	Investment in capital equipment	804.55	Nil	804.55	804.55	804.55
2	Working capital requirements	7,000.00	Nil	7,000.00	1,750.00	1,750.00
3	Repayment of loans	500.00	Nil	500.00	250.00	250.00
4	General Corporate Purpose Purposes	[●]*	Nil	[●]	[●]	[●]
	Total	[●]		[●]	[●]	[●]

**To be finalized upon determination of Issue Price*

We operate in a competitive and dynamic sector. We may have to revise our estimates from time to time on account of modifications in plans for existing projects, future projects and the initiatives which we may pursue.

Our funding requirements for the Objects and the deployment schedule of the Net Proceeds are based on current conditions and are subject to change in light of external circumstances such as geological assessments, exchange or interest rate fluctuations, changes in design of the projects, increase in costs of steel and cement, other construction materials and labour costs, other pre-operative expenses and other external factors which may not be in our control. This may also include rescheduling or revising the proposed utilization of Net Proceeds at the discretion of the management of our Company. In the event of a shortfall in raising the requisite capital from the proceeds of the Issue towards meeting the objects of the Issue, the extent of the shortfall will be met by way of such means available to our Company, including through incremental debt, or further issue of capital.

Details of the activities to be financed from the Net Proceeds

1. Investment in Capital Equipment

We are required to make investments in capital equipments on a recurring basis due to the nature of the industry we operate in. We intend to use Rs. 804.55 million from the Net Proceeds for the purchase of capital equipments to meet the requirements of our various projects based on our Order Book and future requirements as estimated by the management.

The following table sets out the equipments for which we have received quotations and are currently under consideration for placement of order:

Sr. No.	Description	Purchase Quantity	Unit Cost* (In Rs. million)	Total Amount (In Rs. million)	Name of the Supplier	Date of Quotation
Plant and Earthmoving Equipments						
1.	Aggregate Crushing Plant, 200TPH	3	38.81	116.44	Puzzlana Machinery	01-Sept-10
2.	Asphalt Batching Plant, 200TPH (1)	2	47.43	94.86	Linhoff Technologies Pte Ltd	01-Sept-10
3.	Wet Mix Macadam Plant, 200TPH	2	2.98	8.94	Maxmech Equipments Pnt.Ltd	01-Sept-10
4.	Electronic Weigh Bridge, 60 Ton	4	0.90	3.60	IPA Flowmatics	01-Sept-10
5.	Generators					
	A) 600KVA	3	3.71	11.14	Gmmco Ltd	01-Sept-10
	B) 500KVA	2	2.90	5.81	Powerica Limited	01-Sept-10
	C) 320KVA	3	1.78	5.33	Gmmco Ltd	01-Sept-10
	D) 125 KVA	7	0.66	4.63	Powerica Limited	01-Sept-10
	E) 62.5 KVA	3	0.42	1.26	Powerica Limited	01-Sept-10
	F) 30 KVA	5	0.32	1.61	Powerica Limited	01-Sept-10
6.	Hydraulic Excavators					
	A) 20 ton class	5	5.42	27.09	GMMCO Limited	01-Sept-10
	B) Breakers	3	1.99	5.97	Atlas Copco	01-Sept-10
7.	Motor Graders	5	8.06	40.32	GMMCO Limited	01-Sept-10
8.	Wheel Loaders, 3 Cum	5	8.95	44.73	GMMCO Limited	01-Sept-10
9.	Dozer	2	8.57	17.14	GMMCO Limited	01-Sept-10
10.	Vibratory Soil Compactor, 1	8	2.25	18.00	Dynapac	01-Sept-10
11.	Vibratory Tandem Roller	6	3.04	18.23	Dynapac	01-Sept-10

Sr. No.	Description	Purchase Quantity	Unit Cost* (In Rs. million)	Total Amount (In Rs. million)	Name of the Supplier	Date of Quotation
12.	Pneumatic Tyre Roller, 25Ton (2)	4	5.25	21.00	Dynapac	01-Sept-10
13.	Mini Tandam Roller(2)	5	1.82	9.08	Dynapac	01-Sept-10
14.	Asphalt Sensor Pavers					
	A) Sensor, 5.5Mt(3)	5	12.08	60.39	Dynapac	01-Sept-10
	B) Sensor, 9Mt(3)	3	15.39	46.20	Dynapac	01-Sept-10
15.	Tipper - 25 Ton	40	1.85	74.00	TATA Motors	01-Sept-10
Construction Aid Equipments						
16.	Vertical Cuplocks 2mt	10000	0.0005	5.08	Feddersllloyed	01-Sept-10
17.	Vertical Cuplocks 2.5mt	10000	0.0007	6.60	Feddersllloyed	01-Sept-10
18.	Vertical Cuplocks 3mt	10000	0.0008	8.16	Feddersllloyed	01-Sept-10
19.	Horizontal Cuplocks 1mt	8700	0.0002	1.52	Feddersllloyed	01-Sept-10
20.	Horizontal Cuplocks 1.2mt	9500	0.0002	1.95	Feddersllloyed	01-Sept-10
21.	Horizontal Cuplocks 1.5mt	10000	0.0003	2.55	Feddersllloyed	01-Sept-10
22.	Horizontal Cuplocks 2mt	9500	0.0003	3.09	Feddersllloyed	01-Sept-10
23.	Base Plate	8500	0.0003	2.72	Feddersllloyed	01-Sept-10
24.	Universal Jack 600mm long	7250	0.0002	1.20	Feddersllloyed	01-Sept-10
25.	Universal Jack 900mm long	7000	0.0002	1.51	Feddersllloyed	01-Sept-10
26.	Acro Spans	10000	0.0025	24.50	Feddersllloyed	01-Sept-10
27.	Tele Props	10000	0.0013	12.80	Feddersllloyed	01-Sept-10
28.	U Head Jack	5000	0.0003	1.66	Feddersllloyed	01-Sept-10
29.	Spigot	20000	0.0001	1.40	Feddersllloyed	01-Sept-10
Concrete Equipments						
31.	Concrete Batching Plant					
	a) 30Cum/ Hr	3	3.15	9.45	Maxmech Equipments Pnt.Ltd	01-Sept-10
32.	Transit Mixers, 6Cum with Tata Chasis, LPK2516RMC	10	2.68	26.81	Schwing Stetter (India) Pvt.Ltd & Tata Motors	01-Sept-10
33.	Concrete Pumps					
	a) BP 350D	3	1.91	5.74	Schwing Stetter (India) Pvt.Ltd	01-Sept-10
	b) BP 1800D	1	2.93	2.93	Schwing Stetter (India) Pvt.Ltd	01-Sept-10
Material Handling Equipments						
34.	Tower Cranes	2	5.46	10.91	Action Construction Equipments (P) Ltd.	01-Sept-10
35.	Mobile Cranes	6	1.01	6.08	Action Construction Equipments (P) Ltd.	01-Sept-10
36.	Mobile Tower crane	3	2.70	8.10	Action Construction Equipments (P) Ltd.	01-Sept-10

Sr. No.	Description	Purchase Quantity	Unit Cost* (In Rs. million)	Total Amount (In Rs. million)	Name of the Supplier	Date of Quotation
Reinforcement Equipments						
37.	Bar Cutting m/cs	11	0.17	1.86	Spartan Engineering	01-Sept-10
38.	Bar Bending m/cs	11	0.18	1.86	Spartan Engineering	01-Sept-10
Others						
39.	LMV					
	a) Pickup	9	0.50	4.46	Automotive Manufacturers Pvt. Ltd Prathul Automobiles	01-Sept-10
	b) Four Wheeler	10	1.14	11.38	Automotive Manufacturers Pvt. Ltd Prathul Automobiles	01-Sept-10
40.	Survey Equipment					
	a) Total Station, 1 Sec	6	0.73	4.39	Topcon	01-Sept-10
Total				**804.55**		

**inclusive of applicable taxes.*

(1) *Since the quotation is nominated in Singapore Dollar, exchange rate taken for conversion is 1 S.D. = Rs. 34.69*

(2) *Since the quotation is nominated in Swedish Kroner, exchange rate taken for conversion is 1 S.K. = Rs. 6.40*

(3) *Since the quotation is nominated in Euro, exchange rate taken for conversion is 1 Euro = Rs. 59.90*

None of the machinery described above, is used/second hand in nature, and we do not propose to purchase any used / second hand machinery.

The Promoters, Directors, Key Managerial Personnel and the Group Companies do not have any interest in the proposed acquisition of the equipments and machineries or in the entity from whom we have obtained quotations for the same.

We purchase the equipments set out above on a regular basis in the course of our business. The prices for the equipments proposed to be purchased as set out above are as per the quotations received from the respective suppliers. We will obtain fresh quotations at the time of actual placement of the order for the respective equipment. The actual cost would thus depend on the prices finally settled with the suppliers and to that extent may vary from the above estimates.

Further, our Company's capital expenditure plans are subject to a number of variables, including possible cost overruns, construction delays or defects and changes in the management's views of the desirability of current plans, among others.

2. Working capital requirements

Our business is working capital intensive and we avail majority of our working capital in the ordinary course of our business from various banks. As on March 31, 2010, our Company's working capital facility consisted of an aggregate fund based limit of Rs. 4,200.00 million and an aggregate non-fund based limit of Rs. 18,600.00 million. As of March 31, 2010 the aggregate amounts outstanding under the fund based and non-fund based working capital facilities was Rs. 3,840.45 million and Rs. 13,290.30 million, respectively. For further details of the working capital facility currently availed by us, please see "Financial Indebtedness" on page 156. Our Company requires additional working capital for executing its outstanding Order Book that has been received by our Company. For details of our Order Book, Please see "Our Business" on page 75.

Basis of estimation of working capital requirement

The details of our Company's working capital requirements and funding of the same as at March 31, 2010 and March 31, 2009 are as set out in the table below:

(In Rs. million)

Sr. No.	Particulars	As at March 31, 2009	As at March 31, 2010
I.	***Current Assets***		
1.	Inventories		
(a).	*Raw material*	962.98	1062.32
(b).	*Work-in-progress*	835.52	2246.37
2.	Sundry debtors (due within six months)	3,845.97	4247.60
3.	Cash and bank balances (net of overdraft against deposit)	618.83	1384.05
4.	Loans and advances	3,712.18	5,633.90
	Total current assets (A)	**9,975.48**	**14,574.24**
II.	***Current Liabilities***		
•	Creditors	2,714.92	3,740.69
•	Other current liabilities	3,851.93	5,322.40
	Total current liabilities (B)	6,566.85	9,063.09
III.	**Total Working Capital Requirements (A - B)**	**3,408.63**	**5,511.15**
IV.	**Funding Pattern**		
1.	Working Capital funding from banks	2,600.55	3,840.45
2.	Internal accruals	808.08	1,670.70

The details of our Company's expected working capital requirements as at March 31, 2011 is as set out in the table below:

(In Rs. million)

Sr. No.	Particulars	As on March 31, 2011
I.	***Current Assets***	
1.	Inventories	
(a).	*Raw material*	2,227.00
(b).	*Work-in-progress*	2,475.00
2.	Sundry debtors	8,250.00
3.	Cash and bank balances	500.00
4.	Loans and advances	6,555.00
5.	**Total current assets (A)**	**20007.00**
II.	***Current Liabilities***	
1.	Creditors	6,270.00
2.	Other current liabilities	6,737.00
	Total current liabilities (B)	**13,007.00**
III.	**Projected Total Working Capital Requirements (A - B)**	**7,000.00**
IV.	**Proposed Funding Pattern**	
1.	Working capital funding from banks*	4,250.00
2.	Others – enhanced working capital funding from banks**	1,000.00
3.	Proceeds from IPO	1750.00
	Total	**7,000.00**

* *Our Company has entered into a working capital loan agreements for an aggregate working capital loan amount of Rs.4,250 million and aggregate non-fund based limit of Rs. 18,600 million. For further details, please see "Financial Indebtedness – Working Capital Loans" on page 156.*

** *Our Company proposes to avail additional working capital facility of Rs. 1,000.00 million from various lenders.*

Assumptions for working capital requirements

Holding Levels:

(in Months)

Sr. No.	Particulars	Holding Level March 31, 2010	As on March 31, 2011
		Audited	**Estimated**
1.	Inventories		
(a).	*Raw material*	0.64	0.81
(b).	*Work-in-progress*	1.35	0.90
2.	Sundry debtors (below six months)	2.55	3.00
3.	Current Liabilities		
(a).	Creditors	2.24	2.28
(b).	Other Current Liabilities	3.19	2.45

The justifications for the holding levels mentioned in the table above are provided below:

1	**Inventories**	
a.	Raw material	The level of raw materials is estimated at the level of 0.81 month as on March 31, 2011 as against 0.64 month as on March 31, 2010. As our Company is executing good number of projects in water and waste water and power segments in the FY 2010-11 where the requirement of raw material is more, the increased levels of holding is justified.
b.	Work-in-progress	The work in progress stood at the level of 1.35 month as on March 31, 2010 and estimated to be at the level of 0.90 month as on March 31, 2011. Our Company follows percentage completion method for sales. The estimates of work in progress are comparable with the industry norms and are justified.
2	**Sundry debtors (below six months)**	The sundry debtors stood at 2.55 months of gross sales as on March 31, 2010 and estimated to be at the 3.00 months as on March 31, 2011. Our Company is engaged in execution of various State / Central Govt. funded projects. As the settlement of bills by various Government/PSUs vary, the projected levels are justified. It is also as per the industry trends.
3	**Current Liabilities**	
a.	Creditors	The Sundry Creditors stood at the level of 2.24 months as on March 31, 2010 and estimated / projected at the 2.28 months as on March 31, 2011, which is consistent and justified**.**
b.	Other Current Liabilities	Other current liabilities mainly consists of advances from customers, provision for taxation and installments due within one year etc The same are estimated to be at reduced level of 2.45 months of sales as on March 31, 2011 as against 3.19 months as on March 31, 2010.

3. Repayment of loans availed by our Company

Our Company has availed debt facilities from certain banks and financial institutions. As on July 31, 2010 the principal loan amount outstanding against our Company aggregated Rs. 4,739.01 million.

Our Company intends to utilise an amount of Rs. 250.54 million out of the Net proceeds to repay part of the outstanding amount under the loans availed by us from IndusInd Bank.

Detail of the loans proposed to be repaid out of the Net Proceeds is provided in the table below:

(In Rs. million)

Sr. No.	Name of the lender	Date of the loan facility agreement	Total Amount	Principal amount outstanding as on 31 July 2010	Repayment Date/ schedule	Interest (%)	Purpose for availing the loan facility	Amount proposed to be repaid out of the Net proceeds
1.	IndusInd Bank	March 8, 2010	350.00	150.00	Repayable on September 12, 2011	7.00	Specific Term Loan for Thane Project	150.00
2.	IndusInd Bank	March 8, 2010	150.00	100.00	Repayable on March 12, 2011	7.00	Specific Term Loan for Belapur and Narul Project	100.00
TOTAL			**500.00**	**250.00**				**250.00**

The loan agreements mentioned above do not contain any pre payment penalty. For further details on the terms and conditions of the loan facility, see "Financial Indebtedness" on page 156

The amount outstanding towards the above-mentioned loan facilities is Rs. 500 million, as certified by Visweswara Rao & Associates, Chartered Accountants, through its certificate dated September 2, 2010.

Our Company intends to utilize the Net Proceeds up to Rs. 250.00 million towards repayment of the aforesaid loans during Fiscal 2011.

Our Company has deployed the loan towards the intended purpose, as certified by Visweswara Rao & Associates, Chartered Accountants, through its certificate dated September 2, 2010.

Until our Company realizes the Net Proceeds, it will utilize its internal resources for the scheduled repayments of the above mentioned loan, which will be recouped by our Company from the Net Proceeds.

For further details in relation to the terms and conditions under the loan agreements, see "Financial Indebtedness" on page 156.

4. General Corporate Purposes

The Net Proceeds will be first utilized towards investment in capital equipments, meeting the working capital requirements and repayment of loans availed by our Company. The balance is proposed to be utilized for general corporate purposes, including strategic initiatives, brand building exercises and strengthening of our marketing capabilities partnerships, joint ventures, meeting exigencies, which our Company in the ordinary course of business may face, or any other purposes as approved by our Board.

Issue related expenses

The total expenses of the Issue are estimated to be approximately Rs. [●] million. The expenses of this Issue include, among others, underwriting and management fees, selling commissions, SCSBs' commissions/fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees.

The Issue expenses, except the listing fee, which will be borne by our Company, shall be shared between our Company and the Selling Shareholders in the proportion to the number of Equity Shares sold to the public as part of the Issue.

The estimated Issue expenses are as under:

Activity	Amount (Rs. million)	% of the Issue Expenses	% of total Issue Size
Lead management fees*	[●]	[●]	[●]
Underwriting commission, brokerage and selling commission*	[●]	[●]	[●]
Registrar's fees*	[●]	[●]	[●]
Advertisement and marketing expenses*	[●]	[●]	[●]
Printing and distribution expenses*	[●]	[●]	[●]
IPO Grading expenses*	[●]	[●]	[●]
Advisors*	[●]	[●]	[●]
Bankers to the Issue*	[●]	[●]	[●]
Others (SEBI filing fees, bidding software expenses, depository charges, listing fees, etc.) *	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**

**Will be incorporated at the time of filing of the Prospectus.*

Appraisal

The Objects have not been appraised by any banks, financial institutions or agency.

Bridge loans

We have not raised any bridge loans against the Net Proceeds.

Means of Finance

All the requirement of funds for investment in capital equipment and repayment of the loans availed by our Company would be met entirely from the amount raised from the Issue and no amount is required to be raised through other means of finance.

Interim Use of Net Proceeds

The management of our Company, in accordance with the policies set up by the Board, will have flexibility in deploying the Net Proceeds. Pending utilization for the purposes described above, we intend to temporarily invest the Net Proceeds in interest-bearing liquid instruments including deposits with banks, mutual funds or temporarily deploy the funds in investment grade interest bearing securities as may be approved by the Board. Such investments would be in accordance with the investment policies approved by the Board from time to time. We confirm that pending utilization of the Net Proceeds, we shall not use the funds for any investments in the equity markets.

Monitoring of Utilization of Funds

There is no requirement for a monitoring agency as the Fresh Issue size is less than Rs. 5,000 million. Our audit committee shall monitor the utilization of the proceeds of the Issue. We will disclose the utilization of the Net Proceeds, including interim use, under a separate head specifying the purpose for which such proceeds have been utilized along with details, if any in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Issue in our Balance Sheet for the relevant Financial Years commencing from FY 2011.

We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements of our listing agreements with the Stock Exchanges. As per the requirements of Clause 49 of the listing agreement, we will disclose to the audit committee the uses/ applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in this Red Herring Prospectus and place it before the audit committee. The said disclosure shall be made till such time that the full proceeds raised through the Issue have been fully spent. The statement shall be certified by our Statutory Auditors. Further, in terms of Clause 43A of the listing agreement, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in this Red Herring Prospectus. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Clause 41 of the listing agreement and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the audit committee in terms of Clause 49 of the listing agreement.

No part of the Net Proceeds will be paid by our Company as consideration to the Promoters, the Directors, Key Management Personnel or Group Companies.

BASIS FOR THE ISSUE PRICE

The Issue Price of Rs. [●] will be determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand from the investors for the offered Equity Shares by way of Book Building Process. The face value of the Equity Shares is Rs.10 and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Specific attention of the investors is drawn to the sections titles "Risk Factors" and "Financial Statements" beginning on page x and 156, respectively, to have a more informed view about the investment proposition.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the prices are:

- Experience and expertise in the construction and management of Water and Waste Water infrastructure projects
- construction business operations in diverse sectors and has a pan-India presence
- Consistent growth of new orders for our construction business and the average order size for our construction business.
- Strong and diverse Order Book
- Strategically positioned to realize opportunities in the infrastructure sector
- Qualified and experienced employees and proven management team
- Sustained investment in equipment and fixed assets

For further details, refer to "Our Business - Competitive Strengths" and "Risk Factors" on pages 75 and x respectively.

Quantitative Factors

Information presented in this section is derived from our restated consolidated audited financial statements and restated standalone audited financial statements prepared in accordance with Indian GAAP and SEBI Regulations.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

- **Basic and Diluted Earnings Per Share ("EPS")**

As per our restated consolidated audited financial statements

Particulars	Earning Per Share (Face Value Rs. 10 per share)		
	Basic	Diluted	Weight
Year ended March 31, 2008	10.74	10.58	1
Year ended March 31, 2009	16.86	16.86	2
Year ended March 31, 2010	26.07	26.07	3
Weighted Average	**20.45**	**20.42**	

As per our restated unconsolidated audited financial statements

Particulars	Earning Per Share (Face Value Rs. 10 per share)		
	Basic	Diluted	Weight
Year ended March 31, 2008	10.49	10.33	1
Year ended March 31, 2009	13.75	13.75	2
Year ended March 31, 2010	21.09	21.09	3
Weighted Average	**16.88**	**16.85**	

Note: EPS calculations have been done in accordance with Accounting Standard 20-"Earning per share" issued under the Companies (Accounting Standards) Rules, 2006.

- **Price Earning Ratio (P/E) in relation to the Issue Price of Rs. [●] per share**

  - P/E ratio in relation to the Floor Price: [●] times
  - P/E ratio in relation to the Cap Price: [●] times
  - P/E based on the EPS as per our restated consolidated financial statements for the year ended March 31, 2009: [●] times
  - P/E ratio based on Weighted average EPS: [●] times
  - Peer Group P/E:
    a. Highest: 62.0
    b. Lowest: 18.40
    c. Peer Group Average: 34.80

  Source: *Capital Markets Vol. XXV/02 dated March 22, 2010 to April 4, 2010 (Industry – Construction). Data based on full year results as reported in the edition. Data based on full year results as reported in the edition.*

Peer Group includes, Consolidated Construction Consortium Limited ("CCCL"), IVRCL Infrastructures & Projects Limited ("IVRCL"), Nagarjuna Construction Company Limited ("NCCL")

- **Return on Average Net Worth (RoNW) as per restated Indian GAAP financials**

  RoNW:

  As per our restated consolidated and standalone audited financial statements

Particulars	RONW %		Weight
	Consolidated	Standalone	
Year ended March 31, 2008	20.45	20.08	1
Year ended March 31, 2009	19.55	21.12	2
Year ended March 31, 2010	23.22	24.44	3
Weighted Average	**21.54**	**22.61**	

- **Minimum Return on Increased Net Worth required for maintaining pre-issue EPS is [●].**

- **Net Asset Value Per Share***

  - Net Asset Value per Equity Share as per restated standalone audited financial statements as of March 31, 2010 is Rs. 86.25 and on consolidated basis as of March 31, 2010 is Rs. 112.29.
  - After the Issue: [●]
  - Issue Price: Rs. [●] #

** Net Asset Value per Equity Share represents net worth, as restated, divided by the number of Equity Shares outstanding at the end of the period.*

 # Issue Price will be determined on the conclusion of the Book Building Process.

- **Comparison with Industry Peers**

Fiscal 2010		Face Value (Rs.)	EPS (Rs.)	NAV (per share) (Rs.)	P/E	RONW (%)
CCCL		2	3.16	27.5	18.4	14.4
IVRCL		2	16.8	135.4	62.0	13.3
NCCL		2	5.9	80.0	24.0	21.03
Ramky Infrastructure Limited	Standalone	10	21.09	86.25	[●]	24.44
	Consolidated	10	26.07	112.29	[●]	23.22

Source*: Capital Markets Vol. XXV/02 dated March 22, 2010 to April 4, 2010 (Industry –Construction). Data based on full year results as reported in the edition. Data based on full year results as reported in the edition.*

Since the Issue is being made through the 100% Book Building Process, the Issue Price will be determined on the basis of investor demand.

The face value of our Equity Shares is Rs.10 each and the Issue Price is [●] times of the face value of our Equity Shares.

The Issue Price of Rs. [●] has been determined by us and the Selling Shareholders in consultation with the BRLMs on the basis of the assessment of demand from investors for the Equity Shares through the Book-Building Process and is justified based on the above accounting ratios. For further details, see "Risk Factors" beginning on page x and the financials of the Company including important profitability and return ratios, as set out in the "Financial Statements" stated on page F-1 to have a more informed view. The trading price of the Equity shares of the company could decline due to the factors mentioned in "Risk Factors" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

The Board of Directors
Ramky Infrastructure Limited
6-3-1089/G/10 & 11, 1st floor
Gulmohar Avenue, Raj Bhavan Road
Somajiguda, Hyderabad – 500 082
Andhra Pradesh

Re: Statement of possible tax benefits available to Ramky Infrastructure Limited and its Shareholders

We hereby certify that the enclosed annexure, prepared by the Company, details the possible tax benefits/consequences available to Ramky Infrastructure Limited ('the Company') and its Shareholders under the applicable provisions of the Income Tax Act, 1961 and other direct and indirect tax laws presently in force in India. Several of these tax benefits/consequences are dependent on the Company or the Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or the Shareholders to derive tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil. No assurance is given that the revenue authorities will concur with the views expressed herein.

The benefits disclosed in the enclosed annexure are not exhaustive in nature. The enclosed annexure is only intended to provide general information to the Company and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; and
- the conditions prescribed for availing the benefits, where applicable have been/would be met with.

The contents of the enclosed annexure are based on information, explanations and representations obtained from the management of the Company which are based on their understanding of the business activities and operations of the Company and our views are based on an interpretation of the current tax laws in force in India which are subject to change from time to time. We do not have any obligation or assume any responsibility to update the views consequent to these changes.

The enclosed annexure is intended solely for your information and for inclusion in the Red herring Prospectus in connection with the proposed Issue and is not to be used, referred to or distributed for any other purpose without our prior written consent.

for **B S R & Co.**
Chartered Accountants

Zubin Shekary

Partner
Membership No: 48814
Firm Registration No: 101248W

Place :Hyderabad
Date :September 3, 2010

for **Visweswara Rao & Associates**
Chartered Accountants

S.V.R.Visweswara Rao

Partner
Membership No: 29088
Firm Registration No: 005774S

Place : Hyderabad
Date : September 3, 2010

ANNEXURE

ANNEXURE TO STATEMENT OF TAX BENEFITS

A. (i) Benefits available to the Company under the Income Tax Act, 1961:

1. Under section 10(34) of the Act, any income by way of dividends referred to in section 115-O received by the Company is exempt from income-tax.

However, in view of the provisions of section 14A of Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.

Also, Section 94(7) of the Act provides that losses arising form the sale/ transfer of shares or units purchases within a period of three months prior to the record date and sold/ transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

2. By virtue of section 10(35) of the Act, the following income shall be exempt in the hands of the company –

(a) Income received in respect of the units of a Mutual Fund specified under clause (23D) of Section 10; or
(b) Income received is respect of units from the Administrator of the specified undertaking ; or
(c) Income received in respect of units from the specified company.

Provided that this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified company or of a mutual fund, as the case may be. For this purpose:

i. "Administrator" means the Administrator as referred to in clause (a) of section 2 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002.

ii. "Specified Company" means a company as referred to in clause (h) of section 2 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002;

3. As per the provisions of section 10 (38) of the Act that the long term capital gains arising from the transfer of shares or a unit of a equity oriented fund, where the transaction of sale of such shares is entered into in a recognized stock exchange in India on or after October 1, 2004 and chargeable to Securities Transaction Tax will be exempt from tax.

Provided that the income by way of long-term capital gain of a company shall be taken into account in computing the book profit and income-tax payable under section 115JB from the assessment year 2007-08.

For this purpose 'Equity Oriented Fund' means a fund:

(i) where the investiable funds are invested by way of equity shares in domestic companies to the extent of more than sixty-five per cent of the total proceeds of such fund; and

(ii) which has been set up under a scheme of Mutual Fund specified under clause (23D)

Provided that percentage of equity share holding shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

4. Under section 48 of the Act, if the investments in shares are sold after being held for not less than twelve months, the gains, if any, will be treated as long-term capital gains and the gains will be calculated by deducting from the gross consideration, the indexed cost of acquisition. The indexed cost of acquisition / improvement adjusts the cost of acquisition / improvement by the cost of inflation index, as prescribed from time to time.

5. Under section 54EC of the Act, subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered Section 10(38) of the Act) arising on transfer of long term capital assets are exempt from tax if the gains are invested within six months from the date of transfer in certain long term specified assets being bonds issued on or after April 1, 2007 and redeemable after three years by:

a) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;

b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956

If only part of the capital gain is so reinvested, exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain.

If the long-term specified asset is transferred or converted into money at any time within a period of three years from the date of acquisition, the amount of capital gains on which tax was not charged earlier shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the specified asset is transferred or converted into money.

However, the investment made on or after the 1st day of April, 2007 in the long-term specified asset by an assessee during any financial year does not exceed fifty lakh rupees.

6. As per the provisions of section 111A of the Act the short term capital gains arising from the transfer of equity shares or unit of an equity oriented fund, where the transaction of sale of such shares is entered into in a recognized stock exchange in India on or after October 1, 2004 and chargeable to Securities Transaction Tax will be chargeable to tax @ 15% (Plus applicable surcharge).

Where the gross total income includes short term capital gains referred to above, the deduction under Chapter VI-A and rebate under section 88 shall be allowed from the gross total income as reduced by such capital gains.

For the purpose of this section, 'equity oriented fund' shall have meaning as assigned to it in explanation to section 10(38).

7. Under section 112 of the Act, and other relevant provisions of the Act, long term capital gains.(i.e., if shares are held for a period exceeding 12 months) (In case not covered under section 10(38) of the Act), arising on transfer of shares in the Company, shall be taxed at a rate of 20% (plus applicable surcharge). The tax shall however, not exceed 10% (plus applicable surcharge) without indexation, if the transfer is made of a listed security.

Where the gross total income includes long term capital gains referred to above, the deduction under Chapter VI-A and rebate under section 88 shall be allowed from the gross total income as reduced by such capital gains.

8. According to section 115JB of the Act, MAT is applicable to a company if the tax payable by a company on its total income, as computed under the normal provision is less than 18% of its book profits. In computing book profits for MAT purposes, certain positive and negative adjustments must be made to the net profits of the Company. As per section 115 JAA (1A) of the Act, a company is eligible to claim credit for any taxes paid under section 115 JB of the Act against tax liabilities incurred in subsequent years.

MAT credit eligible for carry forward to subsequent years is the difference between MAT paid and the tax computed as per normal provisions of the Act for a financial year. Such MAT credit is allowed to be carried forward for set off up to 10 years succeeding the year in which the MAT credit becomes available.

9. U/Sec. 80IA of the Act

In accordance with and subject to the conditions specified in Section 80IA of the Act, the Company would be entitled to deduction of 100% of profits derived from any enterprise carrying on the business of (i) developing or (ii) operating and maintaining or (iii) developing, operating and maintaining any infrastructure facility which fulfils all the following conditions namely :-

(a) It is owned by a company registered in India or by a consortium of such companies or by an authority or board or a corporation or any other body established or constituted under any central or state act.
(b) It has entered into an agreement with the Central Government or a State Government or a Local Authority or any other statutory body for (i) developing or (ii) operating and maintaining or (iii) developing, operating and maintaining any infrastructure facility.
(c) It has started or starts operating and maintaining infrastructure facility on or after 1st day of April 1995

For the purpose of this clause, "infrastructure facility" means

(a) a road including toll road, a bridge or a rail system;
(b) a highway project including housing or other activities being an integral part of the highway project;
(c) a water supply project, water treatment system, irrigation project, sanitation and sewerage system or solid waste management system;
(d) a port, airport, inland waterway (or inland port)

10. Education Cess of 2% and Secondary and higher education cess of 1% on Income tax payable including surcharge. The rate of tax would therefore increase accordingly.

11. As per section 74 Short term capital loss suffered during the year is allowed to be set-off against short term as well as long term capital gain of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains. Long term capital loss suffered during the year is allowed to be set-off against long term capital gains only. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' Long term capital gains only.

A (ii). Special tax benefits available to the Company under the Income Tax Act, 1961

There are no company specific special tax benefits available to the Company. Tax benefits mentioned above in A(i) are available to all the companies subject to fulfilment of specified conditions.

B. (i) Benefits available to the shareholders of the Company under the Income Tax Act, 1961:

Benefits to Resident Shareholders

12. Under section 10(34) of the Act, any income by way of dividends referred to in section 115-O received from a domestic company is exempt from income tax.
However, in view of the provisions of section 14A of Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.
Also, Section 94(7) of the Act provides that losses arising form the sale/ transfer of shares or units purchases within a period of three months prior to the record date and sold/ transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

13. As per the provisions of section 10 (38) of the Act that the long term capital gains arising from the transfer of shares or a unit of a equity oriented fund, where the transaction of sale of such shares is entered into in a recognized stock exchange in India on or after October 1, 2004 and chargeable to Securities Transaction Tax will be exempt from tax.
Provided that the income by way of long-term capital gain of a company shall be taken into account in computing the book profit and income-tax payable under section 115JB from the assessment year 2007-08.

For this purpose 'Equity Oriented Fund' means a fund:

i. where the investiable funds are invested by way of equity shares in domestic companies to the extent of more than sixty-five per cent of the total proceeds of such fund; and

ii. which has been set up under a scheme of Mutual Fund specified under clause (23D)

Provided that percentage of equity share holding shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

14. Under section 48 of the Act, if the investments in shares are sold after being held for not less than twelve months, the gains, if any, will be treated as long-term capital gains and the gains will be calculated by deducting from the gross consideration, the indexed cost of acquisition. The indexed cost of acquisition / improvement adjusts the cost of acquisition / improvement by the cost of inflation index, as prescribed from time to time.

15. Under section 112 of the Act, and other relevant provisions of the Act, long term capital gains (i.e., if shares are held for a period exceeding 12 months) (in case not covered Section 10(38) of the Act), arising on transfer of shares in the Company, shall be taxed at a rate of 20% (plus applicable surcharge) after indexation as provided in the second proviso to section 48. The amount of such tax shall however, not exceed 10% (plus applicable surcharge) without indexation, if the transfer is made of a listed security.

As per section 112(2) of the Act, where the gross total income includes long term capital gains referred to above, the deduction under Chapter VI-A and rebate under section 88 shall be allowed from the gross total income as reduced by such capital gains.

16. Under section 54EC of the Act, subject to the conditions and to the extent specified therein, long-term capital gains (in case not covered under Section 10(38) of the Act) arising on transfer of the shares of the Company are exempt from tax if the gains are invested within six months from the date of transfer in certain long term specified assets being bonds issued on or after April 1, 2007 and redeemable after three years by:

a. National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;

b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956

If only part of the capital gain is so reinvested, exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. In such a case, the cost of such long-term specified asset will not qualify for deduction under section 80C of the Act. If the long-term specified asset is transferred or converted into money at any time within a period of three years from the date of acquisition, the amount of capital gains on which tax was not charged earlier shall be deemed to be income chargeable under the head “Capital Gains” of the year in which the specified asset is transferred or converted into money.

However, the investment made on or after the 1st day of April, 2007 in the long-term specified asset by an assessee during any financial year does not exceed fifty lakh rupees.

17. Under section 54F of the Act, long term capital gains (in case not covered 10(38) of the Act) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) are exempt from capital gains tax if the net consideration is utilize, within a period of one year before, or within two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years. Such benefit will not be available:

a) if the individual or Hindu Undivided Family-

    i. Owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or

ii. Purchases another residential house within a period of one year after the date of transfer of the shares; or

iii. Constructs another residential house other than the new house within a period of three years after the date of transfer of the shares; and

b) The income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property"

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the residential house bears to the net consideration shall be exempt.

If the residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

18. As per the provisions of section 111A of the Act, the short term capital gains arising from the transfer of equity shares, where the transaction of sale of such shares is entered into in a recognized stock exchange in India on or after 1st Day of October, 2004 and such transaction is chargeable to securities transaction tax will be chargeable to tax @ 15% (plus surcharge).

Where the gross total income includes short term capital gains referred to above, the deduction under Chapter VI-A and rebate under section 88 shall be allowed from the gross total income as reduced by such capital gains.

19. Education Cess of 2% and Secondary and higher education cess of 1% on Income tax payable including surcharge. The rate of tax would therefore increase accordingly.

20. As per section 74 Short term capital loss suffered during the year is allowed to be set-off against short term as well as long term capital gain of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains. Long term capital loss suffered during the year is allowed to be set-off against long term capital gains only. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' Long term capital gains only.

B (ii). <u>Special tax benefits available to the shareholders of the Company under the Income Tax Act, 1961</u>

There are no individual specific special tax benefits available to the share holders of the Company. Tax benefits mentioned above in B(i) are available to all the individuals subject to fulfilment of specified conditions.

C. <u>Benefits to Non-resident Indians / Non residents shareholders (Other than FIIs)</u>

21. Under section 10(34) of the Act, any income by way of dividends referred to in section 115-O received from a domestic company is exempt from income tax.

However, in view of the provisions of section 14A of Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.
Also, Section 94(7) of the Act provides that losses arising form the sale/ transfer of shares or units purchases within a period of three months prior to the record date and sold/ transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

22. As per the provisions of section 10 (38) of the Act that the long term capital gains arising from the transfer of shares or a unit of a equity oriented fund, where the transaction of sale of such shares is entered into in a recognized stock exchange in India on or after October 1, 2004 and chargeable to Securities Transaction Tax will be exempt from tax.

Provided that the income by way of long-term capital gain of a company shall be taken into account in computing the book profit and income-tax payable under section 115JB from the assessment year 2007-08.

For this purpose 'Equity Oriented Fund' means a fund:

i. where the investiable funds are invested by way of equity shares in domestic companies to the extent of more than sixty-five per cent of the total proceeds of such fund; and

ii. which has been set up under a scheme of Mutual Fund specified under clause (23D)

Provided that percentage of equity share holding shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

23. Under the first proviso to section 48 of the Act, in case of a non-resident, in computing the capital gains arising from transfer of shares of the Indian Company acquired in convertible foreign exchange, cost indexation will not be applicable. The capital gains/loss in such a case will be computed by converting the cost of acquisition, consideration for transfer and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilized in the purchase of the shares and the capital gains computed in such foreign currency shall be reconverted into Indian currency, such that the aforesaid manner of computation of capital gains shall be applicable in respect of capital gains accruing/arising from every reinvestment thereafter and sale of shares or debentures of an Indian company.

24. Under Section 54EC of the Act, subject to the conditions and to the extent specified therein, long-term capital gains (in case not covered under section 10(38) of the Act) arising on transfer of long term capital asset are exempt from tax if the gains are invested within six months from the date of transfer in certain long term specified assets being bonds issued on or after April 1, 2007 and redeemable after three years by:

a. National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;

b. Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

If only part of the capital gain is so reinvested, exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. In such a case, the cost of such long-term specified asset will not qualify for deduction under section 80C of the Act. If the long-term specified asset is transferred or converted into money at any time within a period of three years from the date of acquisition, the amount of capital gains on which tax was not charged earlier shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the specified asset is transferred or converted into money.

However, the investment made on or after the 1st day of April, 2007 in the long-term specified asset by an assessee during any financial year does not exceed fifty lakh rupees.

25. Under section 54F of the Act, long term capital gains (in case not covered Section 10(38) of the Act) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) are exempt from capital gains tax if the net consideration is utilized, within a period of one year before, or within two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years. Such benefit will not be available:

a) If the individual or Hindu Undivided Family-

i. owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or

ii. Purchases another residential house within a period of one year after the date of transfer of the shares; or

iii. Constructs another residential house within a period of three years after the date of transfer of the shares; and

b) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property"

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred within a period of three years from the date of purchase of construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

26. As per the provisions of section 111A of the Act, the short term capital gains arising from the transfer of equity shares, where the transaction of sale of such shares is entered into in a recognized stock exchange in India on or after 1st day of October, 2004 and chargeable to Securities Transaction Tax will be chargeable to tax @ 15% (plus surcharge).

Where the gross total income includes short term capital gains referred to above, the deduction under Chapter VI-A and rebate under section 88 shall be allowed from the gross total income as reduced by such capital gains.

- Under section 112 of the Act, and other relevant provisions of the Act, long term capital gains.(i.e., if shares are held for a period exceeding 12 months) (In case not covered under section 10(38) of the Act), arising on transfer of shares in the Company, shall be taxed at a rate of 20% (plus applicable surcharge). The tax shall however, not exceed 10% (plus applicable surcharge) without indexation, if the transfer is made of a listed security.

As per section 112(2) of the Act, where the gross total income includes long term capital gains referred to above, the deduction under Chapter VI-A and rebate under section 88 shall be allowed from the gross total income as reduced by such capital gains.

- Education Cess of 2% and Secondary and higher education cess of 1% on Income tax payable including surcharge. The rate of tax would therefore increase accordingly.

- A non-resident Indian (i.e. an individual being a citizen of India or person of Indian origin who is not a resident) has an option to be governed by the provisions of Chapter XIIA of the Act, viz. "Special Provisions Relating to Certain Incomes of Non-Residents" which are as follows:

  a. According to the provisions of section 115D read with section 115E of the Act and subject to the conditions specified therein, long term capital gains arising on transfer of shares in an Indian Company not exempt under section 10 (38), will be subject to tax at the rate of 10 percent (plus applicable education cess and secondary higher education cess) without indexation benefit.

  b. Under section 115F of the Act, long term capital gains (in case not covered under section 10(38) of the Act) arising to a non-resident Indian from the transfer of shares of the company subscribed to in convertible foreign exchange is exempt from Income tax, if the net consideration is reinvested in specified assets within six months from the date of transfer. If only a part of the net consideration is so invested, the exemption shall be proportionately reduced.

  If the specified asset is transferred or converted into money within a period of three years from the date of its acquisition, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head "Capital gains" of the year in which the specified asset is transferred or converted.

c. Under Section 115G of the Act, it shall not be necessary for a Non-resident Indian to furnish his return of income if his income chargeable under the act consists on only investment income or long term capital gains or both arising out of specified assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from.

d. Under section 115H of the Act, where the Non-resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of the Chapter XIIA shall continue to apply to him in relation to such investment income derived from the specified assets mentioned in sub clauses (ii), (iii), (iv) and (v) of clause (f) of Sec 115C for that year and subsequent assessment years until such assets are converted into money.

e. Under section 115I of the Act, a Non-Resident Indian may elect not be governed by the provisions of Chapter XIIA for any assessment year by furnishing his return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

- Under section 90(2) of the Act, where the central Government has entered into an agreement with the government of any country outside India for granting relief of tax, or as the case may be, avoidance of double taxation, then, in relation to the assessee to whom such agreement applies, the provisions of the Act shall apply to the extent they are more beneficial to that assessee.

D. Benefits to Foreign Institutional Investors (FIIs)

- Under section 10(34) of the Act, any income by way of dividends referred to in section 115-O received from a domestic company is exempt from income tax.

However, in view of the provisions of section 14A of Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.
Also, Section 94(7) of the Act provides that losses arising form the sale/ transfer of shares or units purchases within a period of three months prior to the record date and sold/ transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt.

32. As per the provisions of section 10 (38) of the Act that the long term capital gains arising from the transfer of shares or a unit of a equity oriented fund, where the transaction of sale of such shares is entered into in a recognized stock exchange in India on or after October 1, 2004 and chargeable to Securities Transaction Tax will be exempt from tax.

Provided that the income by way of long-term capital gain of a company shall be taken into account in computing the book profit and income-tax payable under section 115JB from the assessment year 2007-08.

For this purpose 'Equity Oriented Fund' means a fund:

i. where the investiable funds are invested by way of equity shares in domestic companies to the extent of more than sixty-five per cent of the total proceeds of such fund; and

ii. which has been set up under a scheme of Mutual Fund specified under clause (23D)

Provided that percentage of equity share holding shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

33. As per the provisions of Section 115AD of the Income Tax Act, income (other than income by way of dividends referred to in Section 115 O of the IT Act) of FIIs arising from securities (other than the units purchased in foreign currency referred to Section 115AB of the Income Tax Act) would be taxed at concessional rates , as follows:

Nature of Income	Rate of Tax (%)
Income in respect of securities	20
Long Term Capital Gains	10
Short Term Capital Gains (other than short term capital gain referred to in Section 111A)	30

The benefits of indexation and foreign currency fluctuation protection as provided under Section 48 of the Income Tax Act are not available.

34. As per the provisions of section 111A of the Act, the short term capital gains arising from the transfer of equity shares, where the transaction of sale of such shares is entered into in a recognized stock exchange in India on or after 1st day of October, 2004 and chargeable to Securities Transaction Tax will be chargeable to tax @ 15% (plus surcharge).

35. Under Section 54EC of the Act, subject to the conditions and to the extent specified therein, long-term capital gains (in case not covered section 10(38) of the Act) arising on transfer of a long term capital asset are exempt from tax if the gains are invested within six months from the date of transfer in certain long term specified assets being bonds issued on or after April 1, 2007 and redeemable after three years by:

a. National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;

b. Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

If only part of the capital gain is so reinvested, exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain.

In such a case, the cost of such long-term specified asset will not qualify for deduction under section 80C of the Act.

If the long-term specified asset is transferred or converted into money at any time within a period of three years from the date of acquisition, the amount of capital gains on which tax was not charged earlier shall be deemed to be income chargeable under the head “Capital Gains” of the year in which the specified asset is transferred or converted into money.

However, the investment made on or after the 1st day of April, 2007 in the long-term specified asset by an assessee during any financial year does not exceed fifty lakh rupees.

36. Education Cess of 2% and Secondary and higher education cess of 1% on Income tax payable including surcharge. The rate of tax would therefore increase accordingly.

37. Under section 90(2) of the Act, where the central Government has entered into an agreement with the government of any country outside India for granting relief of tax, or as the case may be, avoidance of double taxation, then, in relation to the assessee to whom such agreement applies, the provisions of this act shall apply to the extent they are more beneficial to that assessee.

E. <u>Benefits to Mutual Funds</u>

38. Under section 10(34) of the Act, any income by way of dividends referred to in section 115-O received from a domestic company is exempt from income tax.

However, in view of the provisions of section 14A of Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.

Also, Section 94(7) of the Act provides that losses arising form the sale/ transfer of shares or units purchased within a period of three months prior to the record date and sold/ transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt

39. Under section 10(23D) of the Act, any income of:

a) A Mutual Fund registered under the Securities and Exchange Board of India Act, 1992 or regulations made there under;

b) Such other Mutual Fund set up by a public sector bank or a public financial institution or authorized by the Reserve Bank of India and subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf will be exempt from income-tax.

F. Benefits available to Venture Capital Companies / Funds:

40. Under section 10(34) of the Act, any income by way of dividends referred to in section 115-O received from a domestic company is exempt from income tax.
However, in view of the provisions of section 14A of Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.
Also, Section 94(7) of the Act provides that losses arising form the sale/ transfer of shares or units purchased within a period of three months prior to the record date and sold/ transferred within three months or nine months respectively after such date, will be disallowed to the extent dividend income on such shares or units is claimed as tax exempt

41. As per the provisions of section 10 (23FB) of the Act, any income of Venture Capital Companies / Funds registered with the Securities and Exchange Board of India would be exempt from income tax, subject to the conditions specified.

G. Benefits available to the shareholders of the Company under the Wealth Tax Act, 1957:

42. Shares of the company held by the shareholders will not be treated as an asset within the meaning of section 2 (ea) of the Wealth Tax Act, 1957. Hence, shares are not liable to wealth tax.

H. Benefits available to the shareholders of the Company under the Gift Tax Act, 1958:

43. Gift made on or after 1st October, 1998 is not liable for any gift tax, and hence, gift of shares of the Company would not be liable for any gift tax. However, the same will be taxed in the hands of the donee if it fulfils the conditions entailed in Clause (vii) and Clause (vii a) of section 56 of the Income Tax Act, 1961

Notes:

1. The above statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.
2. The above Statement of possible tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or list of all potential tax consequences.
3. The stated benefits will be available only to the sole/first named holder in case the shares are held by joint holders.
4. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreements, if any, between India and the country in which the non-resident has fiscal domicile.

5. In view of the individual nature of tax consequences, each investor is advised to consult his/her/its own tax advisor with respect to specific tax consequences of his/her/its participation in the scheme.
6. The tax benefits listed above are not exhaustive.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources, including reports that have been prepared by CRISIL Limited ("CRISIL"). Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Our Company accepts responsibility for accurately reproducing such information, data and statistics. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information.

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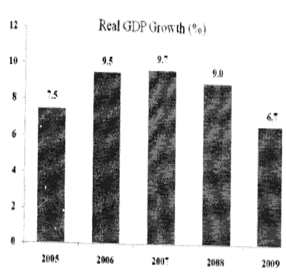
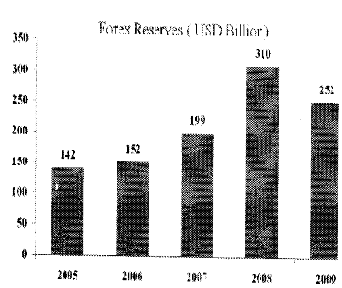
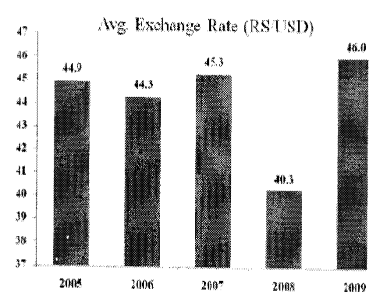
Overview of the Indian Economy

India is the fifth largest economy in terms of purchasing power parity after the European Union, the United States, China and Japan, with an estimated GDP (at purchasing power parity exchange rates) of US$ 3.30 trillion in 2008. *(CIA – The World Factbook)* Between fiscal years 2004 and 2008, India's GDP grew at an average annual rate of approximately 8.8%. At 1999-2000 prices, India's GDP grew at a rate of 9.7%, 9.0% and 6.7% in fiscal years 2007, 2008 and 2009, respectively. *(Source: Economic Survey 2008-2009, Ministry of Finance, Government of India)*

The global financial crisis and economic recession have been identified as being major factors resulting in lower growth rate of India's GDP in fiscal year 2009 as compared to fiscal year 2007 and fiscal year 2008. Despite the slowdown in growth, investment in India has remained relatively stable with the ratio of fixed investment to GDP increasing to 32.2% of GDP in fiscal year 2009 compared to 31.6% in fiscal year 2008. *(Source: Economic Survey 2008-2009, Ministry of Finance, Government of India)* The charts below set forth certain indicators of the Indian economy for the past five fiscal years.







(Source: Economic Survey 2008-2009, Ministry of Finance, Government of India)

Construction Industry

Introduction

The Indian construction industry has witnessed rapid growth over the last few years, with the growth of the sector having been strongly linked to the overall growth and development of the Indian economy. Investments in construction account for nearly 11.0% of India's GDP, and almost 50.0% of the gross fixed capital formation, which is the value of additions to the existing pool of fixed assets in India less fixed assets sold off or scrapped. *(Source: Infrastructure: Construction, CRISIL Research, September 2009)*

The Indian government has taken a number of measures to encourage and facilitate foreign investment in the construction and infrastructure development sector. Such measures have included:

- permitting FDI of up to 100% in companies engaged in construction development projects relating to housing, commercial premises, resorts, educational institutions, recreational facilities, townships and city and regional level infrastructure, subject to certain conditions contained in Press Note No. 2 (2005) issued by the Government of India;

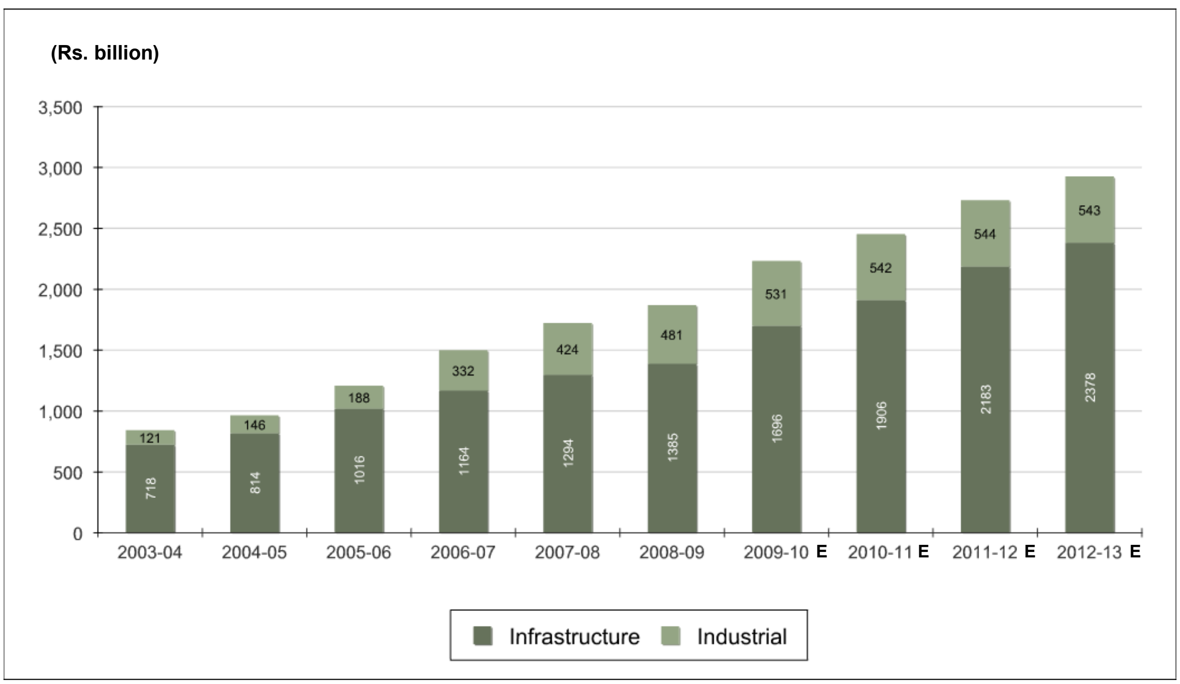
- permitting FDI of up to 100% for setting up SEZs; and

- supporting the repeal of the Urban Land Ceiling Act by state governments, with some states having already repealed this act.

In addition, a number of state governments have rationalised property taxes.

Construction expenditure is expected to almost double to Rs.12,189 billion during the period from 2008-2009 to 2012-2013 from Rs.6,217 billion expended during the period from 2003-2004 to 2007-2008 (based on 2008-2009 prices). Currently, the size of the construction industry is Rs.1,866 billion (based on 2008-2009 prices). *(Source: Infrastructure: Construction, CRISIL Research, September 2009)*

The graph below displays the expected growth of the infrastructure and industrial segments of the construction industry through fiscal 2012-2013:



E= Estimate

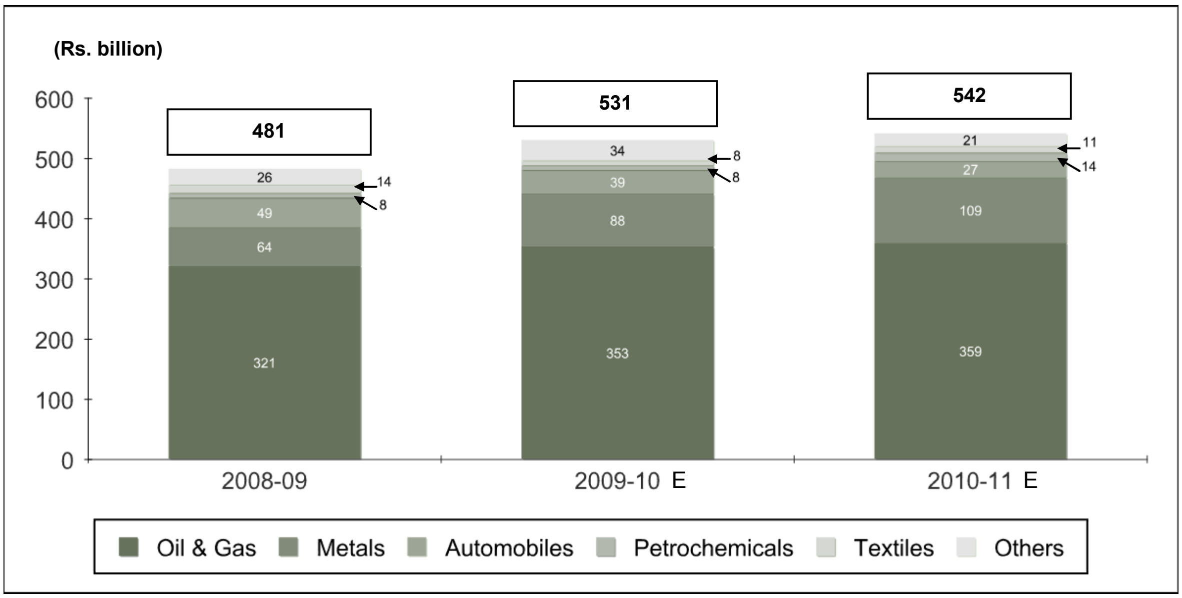
(Source: Infrastructure: Construction, CRISIL Research, September 2009)

Industrial Construction

Expenditure on industrial construction is expected to grow by 2.2 times over the next five years (the period from 2008-2009 to 2012-2013) as compared to the previous five year period from 2003-2004 to 2007-2008. Industrial investment will maintain its growth momentum due to the increased government focus on this area. CRISIL Research expects construction expenditure of Rs.2,641 billion to be incurred in the industrial segment over the next five years (in the period from 2008-2009 to 2012-2013). *(Source: Infrastructure: Construction, CRISIL Research, September 2009)*

Industrial investments are likely to be driven mainly by oil and gas investments. Companies in both the upstream and downstream sectors have planned extensive expansion. These companies include: Indian Oil Corporation, Oil and Natural Gas Corporation, Reliance Industries, Hindustan Petroleum Corporation and Bharat Petroleum Corporation.

The Graph below displays the construction opportunity within the industrial sector through 2010-2011:



E = Estimate

(Source: Infrastructure: Construction, CRISIL Research, September 2009)

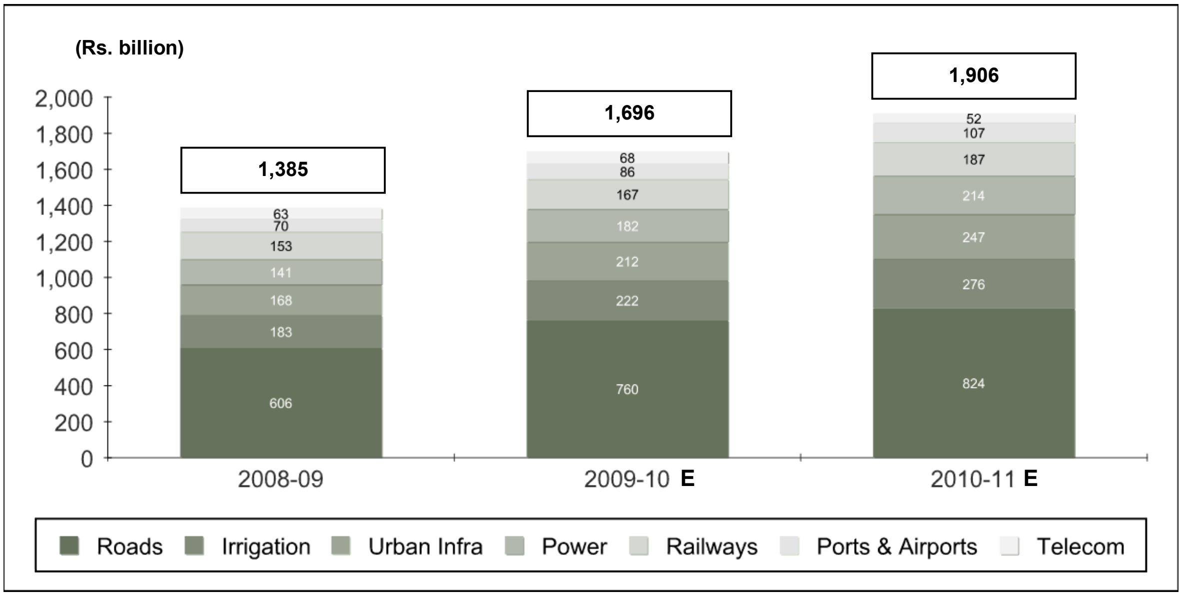
Infrastructure Construction

The Government's emphasis on infrastructure development holds significant promise for the construction industry. Over the next five years, infrastructure development will account for 78.3% of all construction expenditure in India. CRISIL Research estimates that infrastructure construction opportunities will almost double over the next five years, from Rs.5,006 billion in the period from 2003-2004 to 2007-2008 (based on 2008-2009 prices), to Rs.9,548 billion in the period from 2008-2009 to 2012-2013. *(Source: Infrastructure: Construction, CRISIL Research, September 2009)*

In the infrastructure sector, road construction will be the primary growth driver, accounting for an expected 44.0% of total construction expenditure on infrastructure over the next five years, followed by irrigation and the development of urban infrastructure, which together will contribute 28.0%. *(Source: Infrastructure: Construction, CRISIL Research, September 2009)* Road programmes such as the National Highway Development Project ("NHDP") and Pradhan Mantri Gram Sadak Yojana, together with state level projects, are expected to propel the construction industry. Other sectors, such as irrigation (especially in Andhra Pradesh); water supply and sanitation (driven by Jawaharlal Nehru National Urban Renewal Mission and

Bharat Nirman Yojana); railways (driven by freight corridor programmes and other rail capital outlays); and power (driven by capacity additions in thermal and hydel sectors), will act as catalysts for construction investment.

The graph below displays the construction opportunity within various areas of the infrastructure construction segment:



E = Estimate

(Source: Infrastructure: Construction, CRISIL Research, September 2009)

Infrastructure is considered a key component of GDP growth. It is believed that a country with an improved infrastructure can enhance GDP growth, while increased GDP growth can trigger the need for further infrastructure development to continue to fuel additional growth. However, in the past India has spent far less on infrastructure than other developed and developing nations. The importance of infrastructure for sustained economic development is well recognised by the Government in its Eleventh Five Year Plan (fiscal 2008 to fiscal 2012). It is difficult to estimate the exact financing requirement for infrastructure as the quality and amount required increases in line with the economy's growth. As a result, the infrastructure target becomes a moving target. The revised draft of the Eleventh Plan Approach Paper states that investments in physical infrastructure would have to increase to around 8.0% in the five-year period of fiscal 2007-2008 to 2011-2012 to meet the Government's GDP growth target of 9.0%. This translates into an investment of around US$310 billion (Rs. 13,950 billion) over the five-year period of fiscal 2007-2008 to 2011-2012 (*source: Planning Commission Vice-Chairman, Mr. Montek Singh Ahluwalia, 2006*). These investments are to be achieved through a combination of public investment, public-private partnerships ("PPPs") and exclusive private investments, wherever feasible.

The Role of the Private Sector in Infrastructure Development

Traditionally, the government has played a key role in supplying and regulating infrastructure services in India. The private sector has historically refrained from significant investment in infrastructure development because of the pervasiveness of market failure associated with infrastructure investment and provision of infrastructure services. However, due to the public sector's limited ability to meet the massive infrastructure funding needs, private sector investment in infrastructure has become critical. Therefore, the Indian government is actively encouraging private investments in infrastructure, especially in solid waste management, power, urban water supplies and mass rapid transport system. The investment in infrastructure during the Tenth Five-Year Plan was Rs.8,877,940 million, which constituted 5.1% of GDP. This included Rs.1,752,030 million of investment by the private sector. *(Source: Private Participation in Infrastructure, Planning Commission Report, June 2009)*

In order to overcome the infrastructure deficit, The Eleventh Five-Year Plan projects an investment of Rs.20,561,500 million, which would imply an investment of 7.6% of GDP during the course of the Plan and 9.0% of GDP in the final year of the Plan (2011-12). This includes public sector investment of Rs.7,656,220 million in the central government projects and Rs.6,709,370 million in the state government projects, leaving the remaining Rs.6,195,910 million to be invested by the private sector. Private capital is thus expected to fund approximately 30.0% of the total investment during the Eleventh Plan, as compared to 20.0% during the Tenth Plan. *(Source: Private Participation in Infrastructure, Planning Commission Report, June 2009)*

Further, private participation in the infrastructure industry through PPPs not only provides needed funding, it enables the government to transfer construction and commercial risks to the private sector. Such arrangements are increasingly becoming the preferred vehicle for infrastructure construction, given the large investment needs.

Types of PPP arrangements

In a PPP project, private investors invest in public service infrastructure through one of the following four ways (according to the World Bank classification):

- concessions: a private entity takes over the management of a state-owned enterprise either to rehabilitate and operate or to operate for a given period;

- greenfield projects: a private entity or a public-private joint venture builds and operates a new facility for the period specified in the project contract. The facility may be returned to the public sector at the end of the concession period;

- divestitures: a private entity buys an equity stake (full or partial) in a state-owned enterprise through an asset sale, public offering, or mass privatisation programme; or

- management and lease contracts: a private entity takes over management of a state-owned enterprise for a fixed period, while ownership and investment decisions remain with the state.

Key segments of the infrastructure industry in which the Company is involved are described below.

Roads

Introduction

Road development is a priority in India because roads constitute a vital part of India's transportation infrastructure. Roads account for about 86.0% of passenger traffic and 62.0% of freight traffic. India has the second largest road network in the world, aggregating 3.3 million km, consisting of national highways, expressways, state highways, and district roads. The road network comprises of 66,754km of national highways, 128,000km of state highways, and 3,120,000km of district and rural roads. National highways comprise only about 2.0% of the total length of roads in India, but carry about 40.0% of the total traffic across the length and breadth of the country. Whereas state roads and major district roads carry about 40.0% of the total traffic across the length and breadth of the country, they only account for approximately 18.0% of the road length. *(Source: Roads and Highways, CRISIL Research, August 2009)*

National Highway

Poor finances have historically restrained the Government from making heavy investments in transport infrastructure. However, the Government has taken several steps to correct this problem, including, most importantly, the implementation of the NHDP. The NHDP is the largest highway project ever undertaken in India and is being implemented by the National Highway Authority of India ("NHAI"). The NHDP entails seven phases involving the development and upgrading of national highways. Between 2009 and 2014, the Government is anticipating the construction of approximately 18,000 km of national highways over the various phases of NHDP, at an estimated cost of Rs.1,888 billion.

(Source: Roads and Highways, CRISIL Research, August 2009)

The estimated time of completion and cost of works that remain to be performed on the first three phases and the Phase V of the NHDP are as follows:

NHDP Component	Estimated time of Completion	Estimated cost of remainder of work as of August 2009 (in Rs. billion)
Phase I	2013-2014	26
Phase II	2014-2015	322
Phase III	2016-2017	913
Phase V	2016-2017	Data unavailable

Note: Phase IV has been excluded as no work has yet been performed.

(Source: Roads and Highways, CRISIL Research, August 2009)

The table below sets forth the status of the NHDP as of 31 March 2009:

	Phase I	Phase II	Phase III	Phase V	Total
Total length	7,188	7,274#	12,109	6,500	33,071
Completed to date	6,708	3,399	787	102	10,996
Completion rate as % of total	*93.3*	*46.7*	*6.5*	*1.6*	*33.2*
Under implementation ("UI")	454	3,032	1,878	928	6,292
UI as a % total	*6.3*	*41.7*	*15.5*	*14.3*	*19.0*
Balance length for award ("BFA")	26	843*	9,444	5,470	15,783
BFA as a % of total	*0.4*	*11.6*	*78.0*	*84.2*	*47.7*
Cost incurred so far	359	288	84	13	744

Note: For the purpose of the analysis, the entire lengths of NSEW Corridor in Phase II and of National Highways ("NH") in Phase I have been utilised.

Actual current length is 7,274km (excluding 442km of common length with the Golden Quadrilateral portion of Phase I). The original approved length of NSEW corridor was 7,300km.
* Includes 53km terminated in 2008.

(Source: Roads and Highways, CRISIL Research, August 2009)

As can been seen from the table above, 33.2% of the total road length under Phases I-III and Phase V of the NHDP has been achieved at completed as of 31 March 2009. The focus of implementation has shifted to the Phase II (NSEW Corridor) and Phase III. Of the total length of 33,071 km to be developed during Phases I, II, III, and V of the NHDP, approximately 6,300 km is under implementation and about 15,800 km is yet to be awarded, mainly from Phase III and Phase V.

State Road Networks

State roads contribute significantly to the economy of midsized towns and to the rural economy. They also contribute to India's industrial development by enabling the movement of raw materials to and from the rural areas surrounding urban areas. *(Source: Roads and Highways, CRISIL Research, August 2009)*

Investments in state roads have risen continuously since fiscal 2006-2007. The cumulative actual capital expenditure, by the respective state governments, was RS.195 billion in fiscal 2006-2007. The revised estimate of state government's expenditure for fiscal 2007-2008 was Rs.251 billion, compared with the originally budgeted estimate of Rs.233 billion. The budget estimate for 2008-2009 is Rs.272 billion. Due to the prevailing economic climate, the future growth rate is expected to slow down. For 2009-2010 and 2010-2011, the growth in the states' outlay for capital expenditure on roads and highways is expected to be 8.0% per annum, which is further expected to decrease to 6.0% per annum for the next three years. *(Source: Roads and Highways, CRISIL Research, August 2009)*

Certain progressive states such as Maharashtra, Gujarat, Madhya Pradesh, Rajasthan and Karnataka will contribute 34.0% to the total outlay of capital expenditure on roads and highways by state governments over the next five years. States are taking several initiatives in facilitating and promoting private sector participation in road projects. These states have taken several initiatives to facilitate and promote private sector participation in road projects such as putting in place model concession agreements and well-defined toll policies and bidding processes. These initiatives have further encouraged private sector participation in road and highway projects in these five states. *(Source: Roads and Highways, CRISIL Research, August 2009)*

Outlook and Investment Opportunities

Between fiscal 2009-2010 and fiscal 2013-14, it is estimated that the governmental expenditure in the road sector will be approximately Rs.5,216 billion. Out of the total investments, state roads would account for 39.0% of the investment, followed by national highways which would account for 36.0%, and rural roads with 25.0% of the total investment. Since 2006-2007, state governments' focus on improving state roads can be seen by their increased share in investment in road projects. *(Source: Roads and Highways, CRISIL Research, August 2009)*

The table below displays trends in road sector investment:

(Rs. billion)	2006-07	2007-08	2008-09	2009-10 P	2010-11 P	2011-12 P	2012-13 P	2013-14 P	Total (2009-10 to 2013-14 P)	Proportion
National Highways	124	187	183	264	287	388	471	477	1,888	36.0%
% growth	-	51%	-2%	44%	9%	35%	21%	1%	-	-
State roads*	195	251#	272##	326	373	395	445	471	2,010	39.0%
% growth	-	29%	8%	8%	14%	6%	13%	6%	-	-
Rural roads	73	106	152	181	218	264	304	352	1,319	25.0%
% growth	-	45%	43%	19%	20%	21%	15%	16%	-	-
Total	392	544	607	771	878	1047	1,220	1,300	5,216	100.0%

Revised estimates; ## Budget estimates; P = Projected

* State roads investment number for 2006-07, 2007-08 and 2008-09 includes only state's capital outlay

Source: MORTH, NHAI, RBI, National Rural Roads Development Agency, CRISIL Research

Historically, road projects have been largely financed through public funds, which will remain true for the next five years. Out of the Rs.5.2 trillion of funding that is required for the road sector over the next five years, around Rs.3.7 trillion is expected to come from the public sector and the remaining Rs.1.5 trillion is expected to come from the private sector. The proportion of public funding is slowly decreasing as private funding becomes more prominent through BOT (build-operate-transfer) projects. It is anticipated that private-sector funding will increase in the future. (Source: Roads and Highways, CRISIL Research, August 2009)

Irrigation

Irrigation is critical for the growth and success of the agricultural industry. Future growth of the agricultural industry is dependant on intensive cultivation of existing land and decreased reliance on rainfall. Irrigation infrastructure facilitates more intensive cultivation of existing land and decreased reliance on rainfall by enabling farmers to grow multiple crops on the same plot during different agricultural seasons. Irrigation infrastructure includes dams, barrages, reservoirs, canal networks, lift irrigation and treatment plants, among others.

Irrigation Investments

After the road, urban infrastructure and power sectors, irrigation is expected to be the biggest contributor to total infrastructure investment expected to materialise during the five year period from 2008-2009 to 2012-2013. Investment in India in irrigation-based infrastructure is expected to grow by 1.8 times during this five year period, with an expected investment of Rs.2,474 billion from 2008-2009 to 2012-2013 compared to RS.1,361 billion during the period from 2003-2004 to 2007-2008 (based on 2008-2009 prices), which would reflect growth of 182.0%. (Source: Infrastructure: Construction, CRISIL Research, September 2009)

Irrigation is mainly funded by state government allocations. Andhra Pradesh has consistently been the highest investing state in irrigation. Out of the total investments made in India during 2006-2007 and 2007-2008, 31.0% and 34.0%, respectively, were made in Andhra Pradesh. Andhra Pradesh's total expenditure on irrigation projects is expected to be approximately Rs.166 billion in fiscal 2010 and Rs.190 billion in fiscal 2011. The leading seven states, in terms of level of investment in irrigation projects, account for almost 80.0% of the total expenditure on irrigation. Considering the current status and the future potential of irrigation infrastructure, five states, Bihar, Andhra Pradesh, Gujarat, Tamil Nadu and Madhya Pradesh, offer substantial opportunities going forward. These states have realised less than 70.0% of their total irrigation potential. (Source: Infrastructure: Construction, CRISIL Research, September 2009)

Water and Waste Water

The quality and delivery of water has become increasingly important in India in recent years. Even though as of 2006 over 96.0% of urban India had access to water supply, availability of water varied considerably from city to city. Additionally, only 52.0% of the urban population of India had access to improved sanitation facilities as of 2006. (Source: World Bank) Access to improved sanitation facilities with sewage continues to vary significantly among the various states in India. Due to the increased focus being placed on the quality and delivery of water and the significant need to improve sanitation facilities with a sewage connection, there is now considerable focus on the water and waste water sector. In order to provide 100.0% water supply accessibility to the entire urban population by the end of the Eleventh plan in 2012, it has been estimated that Rs.536,660 million of expenditure on the water and waste water sector will be required through the end of the Eleventh Plan. (Source: Planning Commission, Eleventh Five-Year Plan, December 2007)

In India the individual states are responsible for urban water supply and sewerage. State-level urban land banks and public health and engineering departments typically operate and maintain water supply and sewerage services. As a result, the public sector has been and continues to be the dominant player in the water and waste water sector. However, because the large capital investments noted above are required and since most state governments and local bodies do not have the required resources, there exists a huge need for private sector participation in the water and waste water sector.

Power

Introduction

The Indian power sector has undergone a variety of reforms intended to encourage private sector participation since the early 1990s. The reforms make state electricity boards viable by unbundling them into generation, transmission and distribution utilities, privatising distribution and providing choice to some categories of consumers. Despite these reforms, however, the ability of the power sector to attract private sector investment remains low. High transmission and distribution losses, poor capacity utilisation, irrational tariff structure, grid disturbance and low creditworthiness of purchasers of electricity have discouraged active private sector participation. The Tenth Five-Year Plan's (fiscal 2002-2007) targets for the power sector have not been met, and reforms have been underway for several years now.

The global economic downturn in 2008 and 2009 resulted in a contraction of India's GDP, which resulted in reduced demand for electricity. In 2008-2009, the year-over-year growth for electricity was 4.7%, which was considerably lower than the average growth of 9.0% that had prevailed over the preceding five years. *(Source: Power, CRISIL Research, August 2009)*

The Government of India launched an ambitious mission of "Power for all by 2012" in 2005. The mission requires significant capacity additions, especially towards expanding the regional transmission network and inter-regional capacity to transmit power. The Government has announced significant capacity additions in order to meet the target. The Tenth and Eleventh Plans were supposed to add to the capacity, providing a total of 100,000MW, with approximately 40,000MW and 66,000MW under the Tenth and Eleventh Plans, respectively. However, the Tenth Plan saw capacity additions of only 21,095MW. The revised estimate for the Eleventh Plan has been adjusted accordingly to 78,700MW. *(Source: Power, CRISIL Research, August 2009)*

Demand-Supply

Electricity demand increased at a CAGR of approximately 6.0% from 1998-1999 to 2008-2009. There has also been a shift in the demand for electricity across various sectors. The share of the industrial sector declined steadily until 2001-2002, at which point it began to rise at a flat rate. *(Source: Power, CRISIL Research, August 2009)*

In 2008-2009, the government fell short of its target to increase the electricity capacity by 69.0%, due to delays in the supply of critical components of thermal projects and the unavailability of fuel. Hence, in 2008-2009 only 3,453.70 MW of capacity was added, even though the target was 11,061MW. On the basis of these complications, CRISIL Research estimates that only around 44,846MW of capacity will be added during the Eleventh Plan period. The central government sector is expected to account for a major portion of the capacity additions (37.0%), followed by the state sector (35.0%) and the private sector (28.0%). *(Source: Power, CRISIL Research, August 2009)*

The table below displays the installed capacity by sector (2008-2009):

(MW)	Central	State	Private	Total	%
Thermal	36,259	46,812	10,654	93,725	63.0
Hydro	8,592	27,056	1,230	36,878	25.0
Nuclear	4,120	0	0	4,120	3.0
RES*	0	2,248	10995	13,242	9.0
Total	**48,971**	**76,116**	**22,879**	**147,965**	**100.0**

* renewable energy sources, includes wind energy.

(Source: Power, CRISIL Research, August 2009)

Generation

Between fiscal 2007-2008 and fiscal 2008-2009, power generation increased by 3.0%, from 699.1 billion kWh to 724 billion kWh. Between the period of 1998-1999 and 2008-2009, power generation increased at a CAGR of 4.9%, from 448 billion kWh to 724 billion kWh. *(Source: Power, CRISIL Research, August 2009)*

The plant load factor (“PLF”), which is a measure of average capacity utilisation, of thermal power plants increased from 64.6% in 1998-1999 to 77.19% in 2008-2009. The PLF of Indian plants is lower than that of their international counterparts on account of old plants, inadequate maintenance, poor quality and unsatisfactory transmission infrastructure as well as the lack of assured fuel supply. *(Source: Power, CRISIL Research, August 2009)*

Transmission and Distribution

In India, the transmission and distribution system is a three-tier structure comprising distribution networks, state grids and regional grids. These distribution networks and state grids are primarily owned and operated by the respective state electricity boards (or state electricity departments). Most inter-state transmission links are owned and operated by the Power Grid Corporation of India (“Power Grid”), while some are jointly owned by the state electricity boards concerned. In addition, Power Grid owns and operates many inter-regional transmission lines (part of the national grid) to facilitate the transfer of power from surplus to deficit regions. *(Source: Power, CRISIL Research, August 2009)*

Investments in the transmission and distribution sector have been inadequate due to the emphasis on generation capacity. In fact, the average outlay for transmission and distribution in the Five Year Plans has been only about 25.0-30.0% of the total outlay for the power sector. Thus, the present transmission and distribution system is characterised by low reliability and high losses of approximately 28.0%, compared with 10.0-15.0% in developed countries. Transmission and distribution losses increased from 22.3% in 1995-1996 to an estimated 26.9% in 2007-2008. The losses peaked at 34.0% in 2001-2002, but have since registered a declining trend. *(Source: Power, CRISIL Research, August 2009)*

Outlook and Investment Opportunities

To improve distribution, the government formulated the Accelerated Power Development Reform Programme. This programme aims to improve the financial viability of state utilities, reduce aggregate technical and commercial losses to around 10.0%, improve customer satisfaction, and increase reliability and quality of power supply. *(Source: Power, CRISIL Research, August 2009)*

According to the forecast of the Seventeenth Electric Power Survey, energy demand will increase at a CAGR of 8.4% to 969 Billion kWh during the Eleventh Five-Year Plan period (2007-2012). Peak demand is projected to register a CAGR of 12.3% to 167,054MW. *(Source: Power, CRISIL Research, August 2009)*

Through December 2008, the Indian government had sanctioned 571 projects, totalling Rs.170.33 billion, to strengthen and upgrade sub-transmission and distribution systems of the various states. The states have so far utilised Rs.126.07 billion. An amount of Rs.28.79 billion has also been released to nine states for achieving a reduction in cash losses under the incentive component of the programme. *(Source: Power, CRISIL Research, August 2009)*

The following table sets forth the tentative capacity addition plan in the Eleventh Five Year Plan (fiscal 2008-2012):

(MW)	Thermal	Hydel	Nuclear	Total
2007-2008	6,620	2,423	220	9,263
2008-2009	2,485	969	0	3,454
2009-2010	8,246	178	440	8,864
2010-2011	9,568	487	1,220	11,275
2011-2012	11,405	585	0	11,990
Total	**38,324**	**4,642**	**1,880**	**44,846**

(Source: Power, CRISIL Research, August 2009)

In power generation, a number of projects have been identified as mega power projects. Power Trading Corporation has been incorporated to buy power from mega power projects under long-term power purchase agreements and sell it to beneficiary states. Transmission projects for power transfer are available for competitive bidding by the central transmission utility (Power Grid) and state transmission utilities (state electricity boards and grid corporations). Power distribution may present attractive investment opportunities and several state governments have agreed to allow the gradual entry of the private sector in distribution. *(Source: Power, CRISIL Research, August 2009)*

Special Economic Zones

A Special Economic Zone ("SEZ") is defined as a specially delineated duty-free enclave that is deemed to be a foreign territory for the purpose of trade operations, and duties and tariffs. It is a geographical region where economic laws differ from a country's typical economic laws.

SEZs are aimed at providing an internationally competitive environment for exports and encouraging investment to generate economic activity, employment and technical knowledge. SEZ models are generally of three types: full private ownership; private and government co-participation; and full government ownership.

Previously, India had been among the first countries in Asia to recognise the effectiveness of the Export Processing Zone ("EPZ") model in promoting exports. Asia's first EPZ was set up in Kandla in 1965, followed by seven other EPZs. Some of the existing EPZs in India have now been converted into SEZs. The Export Import policy of the Government of India introduced SEZ schemes in India for the first time in April 2000 to provide an internationally competitive environment for exports. This was followed by the SEZ Act in 2005 and SEZ rules in 2006.

As of November 25, 2009, there were a total of 531 government approved SEZs in India, of which 260 have been notified. Furthermore, SEZs in India employed a total of 113,426 people and resulted in total investments of approximately Rs.834.50 billion as of November 25, 2009. Also, exports from SEZs increased by 92.0% during fiscal year 2008 to approximately Rs.666 billion from approximately Rs.346 billion in fiscal year 2007. (*source: http://sezindia.nic.in*)

Types of Contracts Used in the Infrastructure and Construction Industry

The following is a description of the contract types typically used in the infrastructure, real estate and construction industries.

Lump-sum Turnkey ("LSTK") Contracts

LSTK contracts provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In LSTK contracts, the client supplies all the information relating to the project, such as designs and drawings. Based on such information, a construction company is required to estimate the quantities of various items, such as raw materials, and the amount of work that would be needed to complete the project, and then prepare its own bill of quantities ("BOQ") to arrive at the price to be quoted. The construction company is responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at a quoted price. Many LSTK contractors form consortia to bid for LSTK projects.

Engineering, Procurement & Construction ("EPC") Contracts

EPC contracts, like LSTK contracts, provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In EPC contracts, the client supplies conceptual information pertaining to the project and spells out the project requirements and specifications. A construction company is required to: (i) appoint consultants to design the proposed structure in instances where it does not have in-house design team; (ii) estimate the quantities of various items that would be needed to complete the project based on the designs and drawings prepared by consultants or its in-house design team; and (iii) prepare its own BOQ to arrive at the price to be quoted. The construction company is responsible for the execution of all aspects of the project based on the above at its quoted price. As with LSTK contracts, EPC contractors often form consortia to bid for EPC projects.

Engineering, Procurement, Construction and Management ("EPCM") Contracts

Under an EPCM, the contractor has to provide engineering, procurement and construction management services only. EPCM contractors assist, manage and advise the owner on selection of suppliers and other construction contractors. In an EPC contract, the owner enters into only one contract with the EPC contractor; in the case of EPCM contract, the owner enters into multiple contracts such as equipment supply contracts and on-site construction contracts and takes other important decisions like supplier selection, with due assistance and advice. A major difference between EPCM and EPC contracts is that under EPCM contracts decisions with respect to all matters lie with the owner and not the contractor, as is the case in an EPC contract.

Item Rate Contracts

Item rate contracts are contracts for which a construction company has to quote the price for each item presented in a BOQ furnished by it. In item rate contracts, the client supplies all the information such as design and drawings. The construction company is responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at the construction company's quoted rates for each respective item.

Percentage Rate Contracts

In the percentage rate contract context, a client will furnish to a construction company an estimated cost for a project. The client also supplies to the construction company all relevant information such as design, drawings and BOQ with the estimated rates for each item of the BOQ. A construction company bidding for such project will then provide a quote to the client for the project that is a percentage above, below or at par with the estimated cost furnished by the client. The construction company that wins the bid and undertakes the project is responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at the quoted rates.

Build, Operate, and Transfer ("BOT") or Build, Own, Operate and Transfer ("BOOT") Contracts

BOT or BOOT contracts have appeared in India to attract private sector investments in the development of projects in various sectors such as water and waste water, transportation infrastructure and power transmission. Typically, these contracts involve the construction of an asset as required by the client, with partial or total financing arrangements provided by the contractor. BOT/BOOT contracts require the contractor to construct, operate and maintain the asset over a pre-defined period (known as the concession period) at its own expense. In a BOOT contract, the contractor not only constructs, operates and maintains the asset, it also owns the asset during the concession period. In return for constructing, operating and maintaining the asset, the contractor is granted a right to collect revenues from the end users of the asset during the concession period through a pre-defined mechanism. For example, for road projects executed on a BOT/BOOT basis, the contractor is permitted to collect and keep tolls received from vehicles that use that road during the concession period or receive annuities for services provided. The client usually provides revenue guarantees through long-term take-or-pay contracts for bulk supply facilities or minimum traffic revenue guarantees. The contractor is required to transfer ownership and operation of the asset back to the client at the end of the concession period. BOT/BOOT contracts may provide for a "take or pay clause" (i.e. even if the client does not utilize the constructed facility during the period of operation and maintenance, a pre-determined amount of revenue is paid to the contractor by the client).

Build, Operate and Own ("BOO") Contracts

BOO contracts have also appeared in India to attract private sector investments in the development of projects in various sectors such as water and waste water, transportation engineering and power transmission. BOO contracts are similar to BOT/BOOT contracts except that the asset remains indefinitely with the bidder rather than being transferred back to the client at a pre-determined time.

Annuity Contracts

Annuity contracts typically provide for the facility to be constructed, maintained and financed by the bidder. The client agrees to pay the successful bidder annuity payments in pre-determined amounts at pre-defined intervals over the course of the concession period. However, the client retains ownership of the asset and collects revenues, if applicable, during the entire life of the project.

Build and Transfer (B&T) Contracts

The developer undertakes the financing and construction of a project. After the project is completed, the developer is required to transfer the project to the government or the specified government agency. The developer is paid a fixed amount, as set in the amortisation schedule specified in the relevant agreement.

Rehabilitate-Operate-Transfer (ROT) Contracts

An existing project is handed to a contractor to renovate, operate and maintain for a specified period, after which the project is to be transferred to the government or the specified government agency. During the operating phase, the contractor is permitted to levy user charges, as specified in the relevant agreement.

Price Variation and Escalation Clauses

Contracts, irrespective of their type (i.e. LSTK, EPC, EPCM, item rate, percentage rate, BOT/BOOT annuity contracts, B&T and ROT), frequently contain price variation or escalation clauses that provide for either reimbursement by the client in the event of a variation in the prices of key raw materials (e.g. steel and cement) or a formula that splits the contract into pre-defined components for materials, labour, fuel and links the escalation in amounts payable by the client to pre-defined price indices published periodically by the RBI or the Government. However, some contracts do not include such price variation or escalation clauses. In those instances, a construction company faces the risk that the price of key raw materials and other inputs will increase during the project execution period and are unable to pass on the increases in such costs to the client.

OUR BUSINESS

Overview

We are an integrated construction and infrastructure development and management company in India. Since commencing our business in 1994, we have serviced a diverse range of construction and infrastructure projects in sectors as varied as water and waste water, transportation, irrigation, industrial parks (including SEZs), power transmission and distribution, residential, commercial and retail property. We are headquartered in Hyderabad, Andhra Pradesh, and have five zonal offices and three regional offices to manage our business operations throughout India and an overseas office in Sharjah, UAE. Our pan-India presence has allowed us to service the growing infrastructure needs throughout the country. We are currently exploring an opportunity to undertake our first construction project in Africa.

Our Company is the flagship company of the Ramky Group, a group of affiliated companies that, in addition to the services provided by our Company, is involved in the provisions of services in relation to waste management, environmental consulting, finance and accounting, data management, indirect procurement, real estate development, pharmaceuticals and emerging technologies.

We operate in two principal business segments: (i) a construction business which is operated by our Company, and (ii) a developer business which is operated through 10 Subsidiaries and four Associates. A majority of our development projects are public private partnerships and are operated by separate special purpose vehicles promoted by our Company and the Government. Our wholly owned Subsidiary in the UAE, Ramky Engineering and Consulting Services FZC, operates a small consultancy business in areas such as infrastructure development, waste management, environment and property development.

We own a large fleet of sophisticated construction equipment, including: crushing plants, hot mix plants, wet mix plants, asphalt batching plants, concrete batching plants, excavators, rock breakers, graders, pavers, compactors, tower cranes, dozers, bar bending and cutting machines. Our work force, as at March 31, 2010, consisted of 1,742 full-time employees on a stand alone basis. Our work force, machinery assets, financial net worth and past execution capabilities enable us to undertake many large-scale projects.

Our Company is ISO 9001:2008 certified for quality management systems, which we apply to the design, development, engineering, procurement and construction of projects. We have also received several awards, including the 2005 Best Construction Award from the Government of Rajasthan, the 2005 Outstanding Concrete Structure Award from the Indian Concrete Institute, Best Project Award 2007-08 for the Married Accommodation Project at Amritsar from Central Public Works Department, GOI, Infrastructure Excellence Award 2008 in the Urban Infrastructure Category from CNBC TV18 & Essar Steel, and the Water Digest's Water Awards 2009-2010 in the category of Best Water Conserver – Waste Water Management. Our Chairman, Mr. Alla Ayodhya Rami Reddy, received the Engineer of the Year Award in 2005 from the Government of Andhra Pradesh and the Institution of Engineers (India).

In Fiscal 2010, our total income on a consolidated basis was Rs. 22,512.90 million. In Fiscal 2010, we earned a net profit, as restated, on a consolidated basis of Rs. 1,288.47 million. The value of our Order Book was Rs. 74,317.09 million at March 31, 2010 compared with Rs. 59,237.91 million as at March 31, 2009. We have added contracts worth Rs. 31,473.11 million to our Order Book during the period from April 1, 2010 through to June 30, 2010.

Our Business Operations

3. We are involved in (i) construction and (ii) infrastructure development, operation and management.
Construction Business

4. Our Company operates our construction business and undertakes projects in the following sectors:

- Water and waste water projects such as water treatment plants, water transmission and distribution systems, elevated reservoirs and ground level service reservoirs, sewage treatment plants, common effluent treatment plants, tertiary treatment plants, underground drainage systems and lake restorations (the "Water and Waste Water" sector);
- Irrigation projects such as cross-drainage works, lift irrigation projects, dams and barrages (the

"Irrigation" sector);

- Industrial construction projects such as industrial parks, SEZs and related works (the "Industrial" sector);
- Transportation projects such as expressways, highways, bridges, flyovers and dedicated service corridors (the "Transportation" sector);
- Building construction, which includes commercial, residential, public, institutional and corporate buildings, mass housing projects and related infrastructure and facilities such as hospitals and shopping malls (the "Building Construction" sector); and
- Power transmission and distribution projects such as electricity transmission networks, substation feeder lines and low tension distribution lines (the "Power Transmission and Distribution" sector).

In addition to executing projects for third party clients, our Company also executes projects for related parties. In Fiscal 2010, projects undertaken for parties other than related parties, i.e. those clients that are not classified as related parties under Indian GAAP, accounted for 89.87% of our Company's operating income on a standalone basis; projects undertaken for related parties excluding Subsidiaries accounted for 0.00% of our Company's operating income on a standalone basis; and projects undertaken for the Subsidiaries accounted for 10.13% of our Company's operating income on a standalone basis.

For the purposes of calculating consolidated operating income, we only consider revenue received from third parties and Promoter Group companies, which are considered to be external clients, and the revenue received from the Subsidiaries is eliminated. For Fiscal 2010, the construction business segment revenue from external clients accounted for 82.44% of our Company's operating income on a consolidated basis.

We primarily enter into three types of contracts in the construction business: engineering, procurement and construction ("EPC") contracts; lump-sum-turnkey ("LSTK") contracts; and item rate contracts. For a description of these contract types see "Industry" on page 63 of this Red Herring Prospectus. Contracts entered into with unaffiliated parties are the result of our Company having successfully engaged in a competitive bidding process. Contracts entered into with the Promoter Group companies, the Subsidiaries and the Associates are negotiated on an arms-length basis after competitive bids have been called for and usually after third-party quotes have been received. Our Company is a preferred contractor of the Promoter Group companies, the Subsidiaries and the Associates.

Developer Business

Our developer business began in Fiscal 2007 and is an extension of our operations and competencies in the civil and infrastructure construction businesses. Development projects are usually undertaken on a public private partnership basis with the Government and are typically awarded after qualifying through a competitive bidding process.

Each of the entities that comprise our developer business is a special purpose vehicle formed for the development of a single project and most of them are jointly controlled by the Government and us. The table below gives summary details of each of the Subsidiaries and Associates that comprise our developer business.

Name of Subsidiary	Company's Equity Interest (%)	Project and Location	Project Cost /Estimated Project Cost in Rs. Million	Completion Date/ Scheduled Completion Date
Ramky Elsamex Hyderabad Ring Road Limited	74	Outer ring road to Hyderabad City	3,993.70	Completed November 2009
Ramky Pharma City (India) Limited	51	Jawaharlal Nehru Pharma City, an Industrial Park in Parawada Visakhapatnam, Andhra Pradesh	5,204.65	September 2010
MDDA Ramky IS Bus Terminal Limited	100	Inter State Bus Terminal in Dehradun, Uttarakhand (Phase 1) Commercial mall located next to the Inter State Bus Terminal at Dehradun, Uttarakhand (Phase 2)	131.00 (Phase 1) 350.00 (Phase 2)	June 2004 (Phase 1) December 2010 (Phase 2)
Gwalior Bypass	51	Gwalior Bypass Project in	3,321.12	October 2009*

Name of Subsidiary	Company's Equity Interest (%)	Project and Location	Project Cost /Estimated Project Cost in Rs. Million	Completion Date/ Scheduled Completion Date
Project Limited		Gwalior, Madhya Pradesh		
Ramky Towers Limited	51	Commercial and residential buildings in Gachibowli, Hyderabad, Andhra Pradesh	4,000.29	June 2011
Ramky MIDC Agro Processing Park Limited	100(1)	Agricultural-processing industrial park at Latur, Maharashtra	467.57	August 2013
Ramky Herbal and Medicinal Park (Chhattisgarh) Limited	100(2)	Herbal and medicinal industrial park in the district of Dhamtari, Chhattisgarh	964.43	October 2014
Ramky Food Park (Chhattisgarh) Limited	100(3)	Food processing industrial park in the district of Rajnandagao, Chhattisgarh	834.84	October 2014
Naya Raipur Gems and Jewellery SEZ Limited	100(4)	Gems and jewellery industrial park in the district of Raipur, Chhattisgarh	1,834.00	October 2014
Ramky Enclave Limited	89.01	Integrated housing project Warangal	2,163.70	December 2010
Name of Associate	**Company's Equity Interest (%)**	**Project and Location**	**Project Cost /Estimated Project Cost in Rs. Million**	**Completion Date/ Scheduled Completion Date**
Ramky Integrated Township Limited	29.19	Integrated housing project	34,244.20	72 months from satisfaction of conditions precedents
NAM Expressway Limited(5)	50	Design, construct, operate and maintain four lanes of the Narketpalli-Addanki-Medaramitla road (SH-2) from Km 0.000 to 212.50 in the state of Andhra Pradesh	11,968.40	30 months from satisfaction of conditions precedents
Jorabat Shillong Expressway Limited	50	Develop four lanes of the Jorabat Shillong (Barapani) section of NH-40 from Km 0.000 to Km 61.800 in the state of Assam and Meghalaya	5,360.00	36 months from satisfaction of conditions precedents

- *Gwalior Bypass Project Limited has vide letter dated September 19, 2009 applied for extension of completion date to September 2010.*

(1) The Company will have a 74% interest in Ramky MIDC Agro Processing Park Limited after financial closure of the project. The remaining 26% will be owned by Maharashtra Industrial Development Corporation.

(2) Our Company's interest in Ramky Herbal and Medicinal Park (Chhattisgarh) Limited will drop to 89% after financial closure of the project. The remaining 11% will be owned by Chhattisgarh Infrastructure Development Corporation ("CIDC").

(3) Our Company's interest in Ramky Food Park (Chhattisgarh) Limited will drop to 89% after financial closure of the project. The remaining 11% will be owed by CIDC.

(4) Our Company's interest in Naya Raipur Gems and Jewellery SEZ Limited will drop to 26% after financial closure of the project. The remaining interest will be split between CIDC (11%), Aerens Goldsouk International Limited (21%), P.D. Gupta Infratech Private Limited (21%) and Chhattisgarh Futuristic Infrastructure Private Limited (21%).

(5) Our Company has a 50% interest in NAM Expressway Limited ("NAM"). NAM is currently executing the Narketpalli-Addanki-Medaramitla road project, which was originally to be executed by another special purpose vehicle, namely Narketpalli Addanki Expressway Limited ("Narketpalli Addanki"). However, subsequent to receiving a letter of intent with respect to the Narketpalli-Addanki-Medaramitla road project, Andhra Pradesh Road Development Corporation Limited rejected on technical grounds our approach to have the Narketpalli-Addanki-Medaramitla road

project executed by Narketpalli Addanki. We therefore incorporated NAM on June 15, 2010 for the purpose of executing the Narketpalli-Addanki-Medaramitla road project.

Competitive Strengths

We believe that our principal competitive strengths are as follows:

Experience and expertise in the construction and management of Water and Waste Water infrastructure projects

We believe that our experience and expertise in planning, designing and constructing Water and Waste Water infrastructure projects is a competitive strength that differentiates us from many of our competitors when bidding for such projects. Constructing and operating these infrastructure projects has been a significant area of focus for our business.

We have an in-house design and engineering team headquartered at Mumbai that specializes in designing Water and Waste Water projects. This team is equipped with the latest design tools, including design software, computers, and technology. For example, we use a sequential batch reactor technology (commonly known as C-Tech) for sewage treatment plants, which is an aerobic biological process whereby aeration, settling and decanting happens in a single tank which eliminates the inefficiencies of a continuous system like activated sludge process and extended aeration. The focus of this team enables us to build on our past experience in the Water and Waste Water sector and to maintain our differentiated expertise in this area.

From April 1, 2002 to March 31, 2010, we completed 104 Water and Waste Water projects valued at Rs. 4,157.51 million and are currently undertaking 85 Water and Waste Water projects with an estimated value of Rs. 39,010.16 million. Our achievements in this area have been recognised with three awards: an Environmental Leadership Award by the United States – Asia Environmental Partnership in 2004, the Safety, Health and Environment Performance Award by Confederation of Indian Industry in 2005 and the Water Digest's Water Awards 2009-2010 in the category of Best Water Conserver – Waste Water Management. We believe our success in this sector has enhanced our reputation as a significant player in the Water and Waste Water sector.

Our construction business operates in diverse sectors and has a pan-India presence

We provide engineering, design, procurement and construction services across six industry sectors: Water and Waste Water; Building Construction; Irrigation; Industrial; Transportation; and Power Transmission and Distribution. This variety of project types enables us to keep our construction business diversified and reduces our dependence on any one sector or type of project. In addition, our broad range of clients within the government and private sectors ensures that we are not dependent on a limited number of clients.

We are also geographically diversified in our business operations. Our five zonal offices and three regional offices enable us to service clients throughout the country and give us the ability to participate in projects in all regions of India.

The total amount of new orders for our construction business and the average order size for our construction business has been consistently growing

We have consistently received orders for our construction business as shown in the table below. The average order size in our construction business increased from Rs. 31 million in Fiscal 2003 to Rs. 925 million in Fiscal 2010.

Period	Number of Orders	Orders (Rs. in Millions)	Average Size of New Orders (Rs. in Millions)	Number of Employees[(1)]	New Orders per Employee (Rs. in Millions)
Fiscal 2003	49	1,519.73	31	214	7.10
Fiscal 2004	52	2,363.11	45	250	9.45
Fiscal 2005	46	5,771.35	125	508	11.36
Fiscal 2006	77	10,210.85	133	904	11.30
Fiscal 2007	70	15,279.90	218	1,032	14.80
Fiscal 2008	113	35,412.26	313	1,384	25.59
Fiscal 2009	56	39,927.14	713	1,444	27.65

Fiscal 2010	37	34,220.20	925	1,742	19.64

(2) Number of employees at the end of each Fiscal year or fiscal period.

Strong and diverse Order Book

The value of our Order Book was Rs. 74,317.09 million as at March 31, 2010. We continue to add new orders to our Order Book at a steady pace, and have added contracts worth Rs. 31,473.11 million to our Order Book during the period from April 1, 2010 through to June 30, 2010. Additionally, our Order Book is diversified across sectors. As at March 31, 2010, none of the sectors in which our construction business is involved contributed to more than 33% of our Order Book. Our execution capabilities have also seen a steady growth and by leveraging on our planning and execution expertise, we have ensured that our orders are completed within the estimated budget and on schedule. Furthermore, we believe that a large order book will increase our operational efficiency by allowing us economies of scale.

Strategically positioned to realize opportunities in the infrastructure sector

Infrastructure growth in India has been propelled in the past decade with reforms and benefits extended by the government, which has been accompanied by a host of private investments. Increased allocation of resources to the infrastructure sector, facilitation of incremental lending to the infrastructure sector and increased social sector projects benefiting infrastructure development are contemplated as part of the eleventh five year plan. Our Company believes that the increasing level of investment in infrastructure by central and state governments and private industry will be a major growth driver for its business in the future and its demonstrated expertise and experience in the infrastructure segment will provide our Company with a significant advantage in pursuing such opportunities. We believe that our Company is in an advantageous position because of its operating history, industry knowledge, experience and familiarity with civil and infrastructure construction projects.

Qualified and experienced employees and proven management team

We have a qualified and trained workforce consisting of vice presidents, general managers, managers, engineers, technical staff and non-technical staff. As at March 31, 2010, we employed 1,742 full-time employees, of which 717 or 41%, were engineers, including 16 members of our management team. The skill sets of our employees give us the flexibility to adapt to the needs of our clients and the technical requirements of the various projects that we undertake. We are committed to the development of the expertise and know-how of our employees through regular technical seminars and training sessions organized or sponsored by our Company.

Our management team is qualified and experienced in construction and infrastructure development, and has substantially contributed to the growth of our operations. In particular, Mr. Y. R. Nagaraja, our Managing Director, is a civil engineer who has over 22 years of project management experience and Mr. Sanjiv Iyer, our Chief Financial Officer, has over 25 years of experience in the finance and accounts function in India and the Middle East. We believe that the strength and quality of our management has been instrumental in the implementation of our business strategy.

Sustained investment in equipment and fixed assets

We have invested in modern construction equipment that allows us to meet the requirements of a broad spectrum of construction activity. Such an equipment base also gives us the capability to design and execute projects of any scale. Our Company has a skilled employee resource which has the requisite expertise and experience in the use and handling of modern construction equipment and machinery. We believe that owning and managing a large portion of the equipment we typically use on projects gives us a competitive advantage and allows us to achieve higher operating margins.

Business Strategy

Our Company's objective is to be a world class construction and infrastructure development company. To achieve our objective, we will continue to improve on and consolidate our position by implementing the following strategies:

Focus on high value projects in the construction business to benefit from economies of scale

In our construction business, we intend to focus on undertaking projects having a high order value, which we consider to be projects above Rs. 1 billion in value. As at March 31, 2010, we had 30 projects in our Order Book with a value higher than Rs. 1 billion. Projects having a high order value typically have a smaller percentage of overhead cost as a percentage of total cost and therefore provide a greater potential for profit.

Projects having a high order value are also, in the current market, subject to less competition. The pre-qualification and financial entry barriers for pursuing such projects result in a limited number of competitors being able to bid for such projects. We believe that these high entry barriers make this an attractive sector in which to participate. As our financial condition and pre-qualification capabilities have improved in recent years, our average bidding value has steadily increased. This demonstrates our increasing ability to bid for and undertake high value projects. We aim to firmly establish ourselves as a player in the large order size sector by successfully executing high order value projects so that we can take advantage of these higher barriers to entry, lower levels of competition and higher profit margins.

Diversify our construction business into more complex and multi-disciplinary projects, which tend to have a higher contract value and the potential for better margins

Leveraging upon our existing engineering and execution capabilities in diverse areas such as civil, structural, piping, water treatment and electrical engineering, we intend to undertake more complex and multi-disciplinary projects such as power transmission and distribution projects, industrial construction projects and airport terminals. Complex and multi-disciplinary projects tend to have higher contract values compared with less complex and sector specific projects, and also offer the potential to realize better margins. We are currently constructing our first power transmission and distribution project in Madhya Pradesh, our first major industrial construction project in Orissa and our first airport terminal at Chandigarh through a 70:30 joint venture collaboration with Srishti Constructions.

Enhance our design capabilities

We currently have in-house design capabilities for the Water and Waste Water and Irrigation sectors, which enables us to provide turnkey construction services in those sectors. We intend to enhance our design capabilities in other sectors such as the institutional Building Construction and the Transportation sectors so as to be able to provide turnkey services in those sectors as well.

Reduce costs of materials through backward integration and importation

The construction industry is subject to periodic shortfalls in the supply of bulk construction materials such as, cement, steel, concrete and pipes. To address this shortfall, we are pursuing two strategies. First, we are seeking to reduce supply costs by importing supplies from overseas suppliers where that is more economical. Second, we have in-house capabilities to produce certain construction materials, such as mixed concrete, aggregates and asphalt, which enables us to control the quality of the materials we use and ensure timely delivery of materials required for the projects we undertake.

Achieve higher operating margins by acquiring further capital equipment and other strategic assets

Our strategy is to continue to acquire the core equipment that we typically require for our projects. We intend to use Rs. 804.55 million from the Net Proceeds towards the acquisition of capital equipment and other strategic assets, as stated in the section entitled "Objects of the Issue" on page 40 of this Red Herring Prospectus. The continued acquisition of such equipment will enable us to achieve higher operating margins.

Expand our developer business by undertaking more projects in the sectors in which we are already engaged

In recent years the Government has increased the emphasis on infrastructure development through enhanced Five-Year Plan allocation and encouraging PPPs. PPPs offer significant advantages in terms of attracting private capital in the creation of public infrastructure as well as in improving efficiencies in the provision of services to users. BOT/BOOT/BOO projects offer attractive opportunities to developers because such projects provide long-term sources of revenue. Concession periods for BOT/BOOT/BOO projects generally range from 15-99 years. To take advantage of such opportunities, we leveraged the experience of our construction business to establish a developer business in Fiscal 2007. Our developer business, including income from operating and maintenance operations, generated Rs. 2,124.52 million, Rs. 4,050.81 million and Rs. 3,832.14 million in income in Fiscal 2008, Fiscal 2009 and Fiscal 2010, respectively. Thus far, our development business has engaged in the designing, financing and building of industrial parks, residential and commercial properties, transportation terminals and roads. In addition, our Company has been actively pursuing PPP projects, particularly through the various Subsidiaries, which are currently being developed as PPPs. We believe our Company is well positioned to benefit from the continued use of the PPP model.

Diversify our developer business into other sectors

A fundamental aspect of our business strategy is to engage in projects from a varied range of sectors so as to avoid dependency on one or a few sectors. Because BOT/BOOT/BOO projects offer long-term sources of revenue, we intend to apply this philosophy to our developer business in addition to applying it to our construction business. Therefore, we are considering diversifying our developer business into other sectors such as power, marine works, mechanized parking, and cargo and bulk handling terminals.

Our Construction Business

Our construction business is operated by the Company and consists of infrastructure and civil construction services. We executed our first infrastructure project in 1994. In recent years increased investment in Indian infrastructure has led to a surge in the activities of the construction industry. We believe that construction and infrastructure projects will continue to be a significant business driver for us. We have developed skill sets in providing engineering and construction services for a diverse range of industry sectors, such as Water and Waste Water, Irrigation, Transportation, and Power Transmission and Distribution. We also provide engineering and construction services for industrial projects and buildings.

The table below provides a breakdown by sector of the number of projects that our construction business has completed from April 1, 2002 to March 31, 2010 and the value of these completed projects.

Sector	Number of Completed Projects	Value of Completed Projects in Rs. Million
Water and Waste Water	104	4,157.51
Building Construction	84	6,560.09
Irrigation	15	631.71
Transportation	29	4,583.49
Industrial	34	1,028.41
Total	266	16,961.22

We are currently working on our first power transmission and distribution project in Madhya Pradesh, which involves electrification works in the Seoni, Jabalpur and Damoh districts under the Government of India's Rajiv Gandhi Grameen Vidhyuti Karan Yojana scheme, and our first airport modernisation project, which involves construction of a new integrated terminal complex at Chandigarh Airport.

We have not yet received completion certificates for 195 of our completed projects.

Completed Projects – Water and Waste Water

Between April 1, 2002 and March 31, 2010, we successfully completed 104 Water and Waste Water projects, including water treatment plants, water transmission and distribution systems, elevated reservoirs and ground level service reservoirs, sewage treatment plants, common effluent treatment plants, tertiary treatment plants, underground drainages and lake restorations. The table below provides the details of five key Water and Waste Water projects that we completed between April 1, 2002 and March 31, 2010.

Project and Location	Client	Value of Completed Project in Rs. Million	Completion Date
100 MLD Sewage Treatment Plant in Jalandhar, Punjab	Punjab Water Supply and Sewerage Board	225.30	September 30, 2008
Bangalore Water Supply & UGD Facility, Bengaluru, Karnataka	Bangalore Water Supply and Sewerage Board	214.75	November 30, 2005

Project and Location	Client	Value of Completed Project in Rs. Million	Completion Date
Construction of main UGD for BTDA in Bagalkot, Karnataka	BTDA	121.23	December 31, 2008
Water Supply, Limbdi	Ahmedabad Municipal Corporation	93.49	September 30, 2007
30 MLD STP at Neyvelli Lignite Corporation, Neyveli	DGM Civil, Neyvelli Lignite Corporation, Neyveli	59.01	March 31, 2005

Completed Projects – Building Construction

Between April 1, 2002 and March 31, 2010, we successfully completed 84 Building Construction projects, which includes the construction of commercial, residential, public, institutional and corporate buildings, mass housing projects and related infrastructure and facilities such as hospitals and shopping malls. The table below provides the details of five major Building Construction projects that we completed between April 1, 2002 and March 31, 2010.

Project and Location	Client	Value of Completed Project in Rs. Million	Completion Date
Construction of 1,190 Miners Quarters at Ramagundam	The Singareni Colleries Company Limited	524.46	November 30, 2007
750-bed hospital building and ancillary structures in Cuddapah, Andhra Pradesh	Andhra Pradesh Health & Medical Housing & Infrastructure Development Corporation	340.10	October 31, 2006
Shriram Properties Private Limited	Shriram Properties Private Limited	317.61	February 28, 2007
Construction of Garment Park - Phase- 1	West Bengal Infrastructure Development Corporation	307.38	March 28, 2008
Construction of Paryataka Bhavan, Hyderabad	Andhra Pradesh Tourism Development Corporation	242.14	November 20, 2006

Completed Projects – Irrigation

Between April 1, 2002 and March 31, 2010, we successfully completed 15 irrigation projects, including cross drainage works, lift irrigation projects, dams and barrages. The table below provides the details of three key Irrigation projects that we completed between April 1, 2002 and March 31, 2010.

Project and Location	Client	Value of Completed Project in Rs. Million	Completion Date
Construction of branch canal works in Nandyal, Andhra Pradesh	Sri Ramsagar Branch Canal Scheme, Nandyal	106.10	July 31, 2003
Upper Thunga Project – (Irrigation Canals - Km 148-150) in Rattihalli, Karnataka	Karnataka Neeravari Nigam Limited	52.06	March 30, 2007
Construction of Barrage Works for BTDA, Bagalkot	Chief Engineer, B.T.D.A., Bagalkot, Karnataka	15.37	June 30, 2004

Completed Projects – Transportation

Between April 1, 2002 and March 31, 2010, we successfully completed 29 transportation projects, including expressways, highways, bridges, flyovers and dedicated service corridors. The table below provides the details of five key Transportation projects that we completed between April 1, 2002 and March 31, 2010.

Project and Location	Client	Value of Completed Project in Rs. Million	Completion Date

Project and Location	Client	Value of Completed Project in Rs. Million	Completion Date
Design, construction and development of Expressway under Phase – II A-Phase – I – ORR to Hyderabad City (Tukkuguda to Shamshabad Km. 121.00 to Km. 133.63)	Ramky Hyderabad Ring Road Limited (Ramky Infrastructure Limited and Ramky Elsamex JV)	3,320.00	November 26, 2009
Project Road No. 14, SH -11 Satna - Amarpatnam -30.2 KM and Project Road No. 13, SH -9 Rewa - Semaria - 26 KM in Madhya Pradesh	Madhya Pradesh Road Development Corporation Limited	426.42	April 30, 2008
Construction of roads - Pkg WRP - 4, Warangal, Andhra Pradesh	Superintendent Engineer, Panchayat Raj Circle, Warangal, Andhra Pradesh	48.07	July 31, 2004
Construction of Hyderabad - Bijapur Project	Engineer-in-Chief (R&B), Hyderabad	30.77	May 05, 2002
Construction of roads - Pkg WRP - 8, Warangal, Andhra Pradesh	Superintendent Engineer, Panchayat Raj Circle, Warangal, Andhra Pradesh	25.56	March 30, 2005

Completed Projects – Industrial

Between April 1, 2002 and March 31, 2010, we successfully completed 34 Industrial projects such as parks and related services such as waste management for pharmaceutical, aluminum and textile industry clients. The table below provides the details of two major Industrial projects that we completed between April 1, 2002 and March 31, 2010.

Project and Location	Client	Value of Completed Project in Rs. Million	Completion Date
Installation of lifts at Aranya Bhavan, Hyderabad, Andhra Pradesh	Andhra Pradesh Industrial Infrastructure Corporation Limited, Hyderabad	61.96	May 31, 2007
Bangalore Development Authority IT Booths	Bangalore Development Authority	25.30	May 30, 2007

Order Book

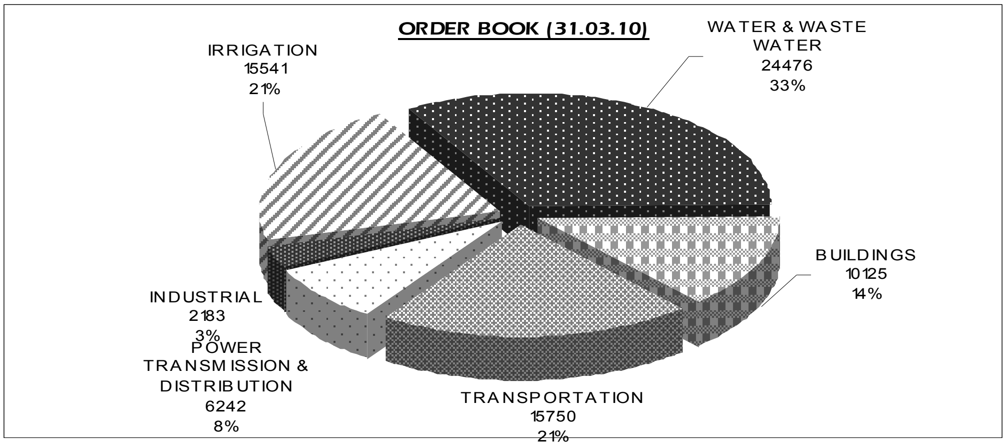
We define our Order Book as the value of projects awarded to us and for which we have entered into signed agreements or received letters of award or letters of intent or work orders, but for which we have not yet commenced the work; and the value of the unexecuted portion of projects on which we have commenced work. Our Order Book is not audited and may not accurately depict our future financial results.

In our industry, the Order Book is considered to be one of the indicators of future performance as it represents a significant portion of anticipated future revenue. For details on how our Order Book may not be representative of our future results, see the risk factor entitled "The projects included in our Order Book may be delayed, modified, cancelled or not fully paid for by our clients and, therefore, our Order Book may not be an accurate or reliable indicator of our future results" in the section entitled "Risk Factors" on page x.

Our Order Book as at March 31, 2010 was Rs. 74,317.09 million, of which Rs. 49,709.08 million related to ongoing projects and Rs. 24,608.00 million related to projects for which we were yet to begin construction. We have added additional contracts worth Rs. 31,473.11 million to our Order Book during the period from April 1, 2010 through June 30, 2010. We expect to substantially complete the projects that constitute our existing Order Book in the next 3 years. However, these projects are subject to cancellation and modification under the terms of their contracts and other relevant documentation.

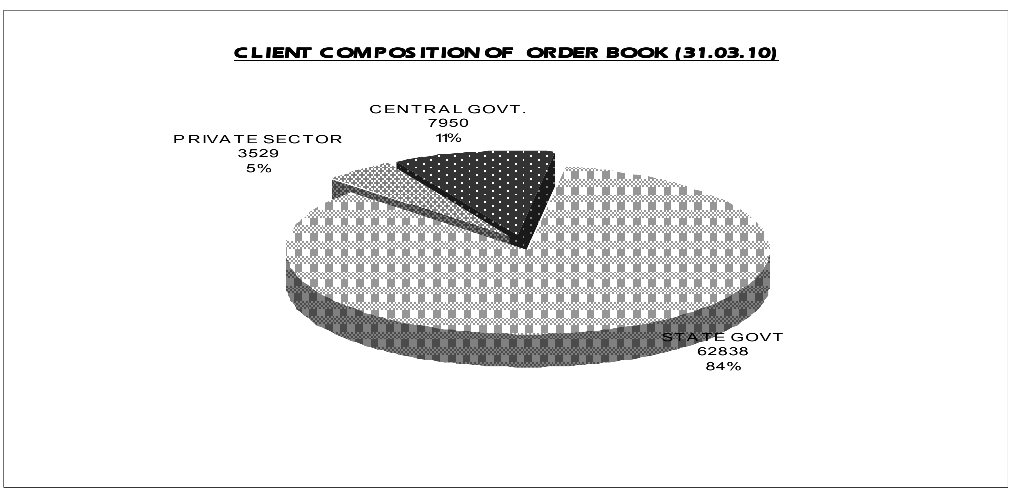
Segment Composition of our Order Book as at March 31, 2010

As at March 31, 2010, Rs. 24,476 million, or approximately 33% of our Order Book related to projects in the Water and Waste Water sector, Rs. 15,541 million, or approximately 21% of our Order Book related to projects in the Irrigation sector, Rs. 2,183 million, or approximately 3% of our Order Book related to projects in the Industrial sector, Rs. 15,750 million, or approximately 21% of our Order Book related to projects in the Transportation sector, Rs. 10,125 million, or approximately 14% of our Order Book related to projects in the Building Construction sector, and Rs. 6,242 million, or approximately 8% of our Order Book related to projects in the Power Transmission and Distribution sector.



Client Composition of Order Book as at March 31, 2010

A high proportion of our contracts are entered with governmental agencies, as shown in the chart below. Approximately 95% of our Order Book as at March 31, 2010 relate to projects sponsored by government or governmental agencies, including the GOI, state governments and municipalities, while 5% related to projects sponsored by private sector clients. Some of our government projects are sponsored by multi-lateral agencies such as World Bank, Asian Development Bank, Japanese Bank for International Cooperation and the International Bank for Reconstruction and Development.



Spread of Order Book by Business Units as at March 31, 2010

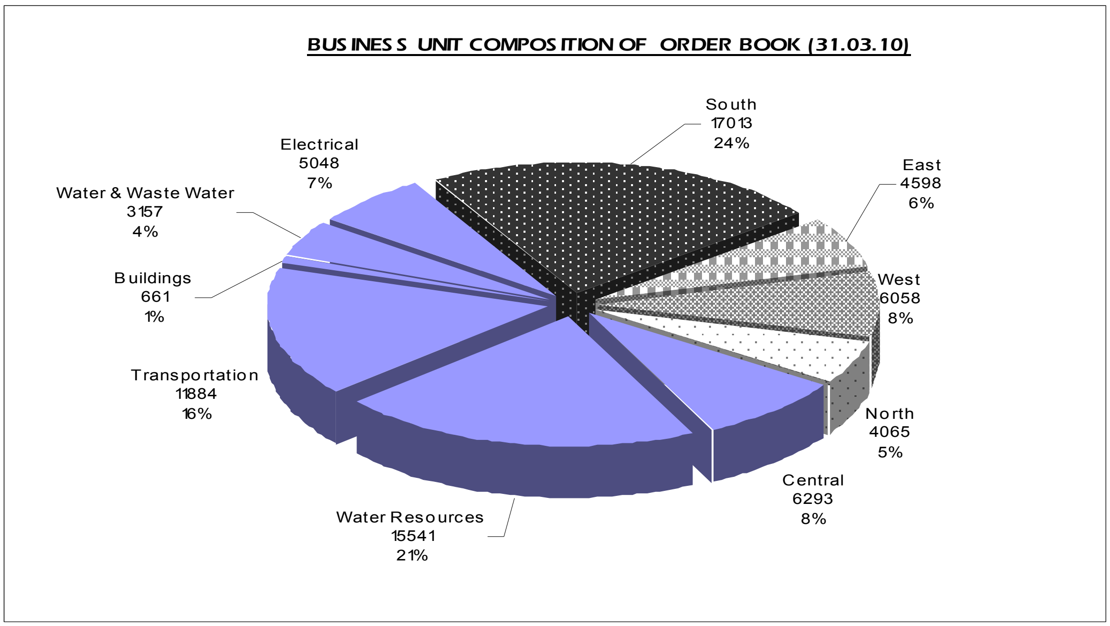
We have five zonal offices and three regional offices to oversee our business operations throughout India. These zonal offices include:

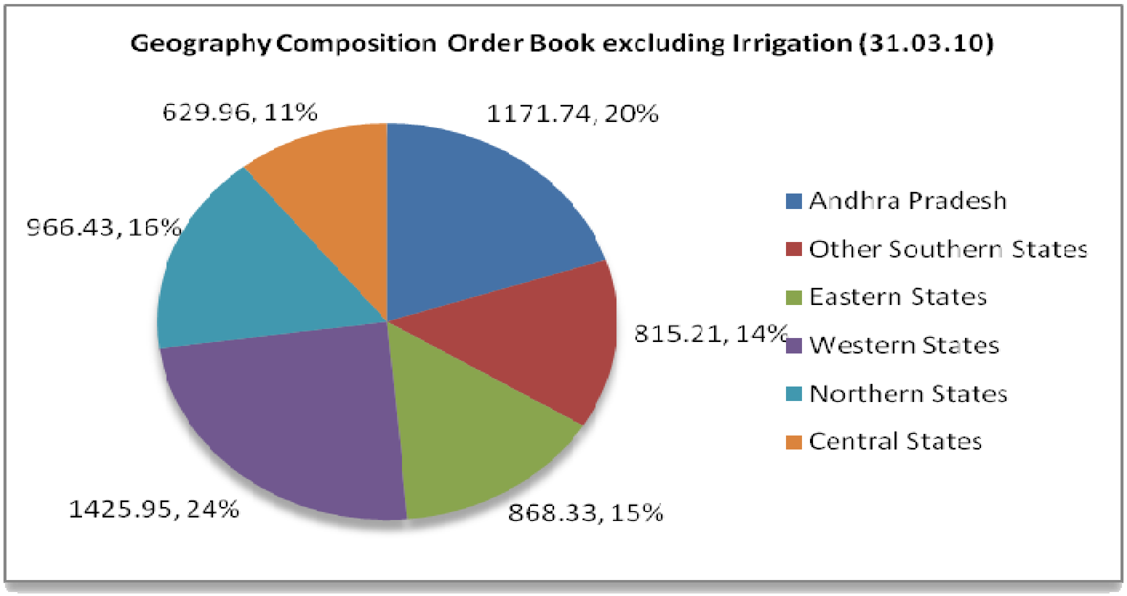
(1) the central zone office at Bhopal to oversee business operations in Madhya Pradesh and Chhattisgarh;

(2) the south zone office at Hyderabad to oversee business operations in Andhra Pradesh, Karnataka, Tamil Nadu, Kerala and Puducherry;
(3) the east zone office at Kolkata to oversee business operations in West Bengal, Orissa, Bihar, Jharkhand and North Eastern States;
(4) the west zone office at Ahmedabad to oversee business operation in Maharashtra, Gujarat and Rajasthan;
(5) the north zone at Delhi to oversee business operation in Delhi, Punjab, Haryana, Uttaranchal, Uttar Pradesh and Chandigarh; and
(6) three regional offices at Bengaluru, Mumbai and Chennai.

Our Chennai and Bengaluru regional office operates under the administration of our south zone office and Mumbai regional office operates under the administration of our west zone office. We also have five strategic business units operating from Hyderabad that focus on the transportation, water resources, buildings, water and waste water and the electrical industry sectors.

The spread of our Order Book by our zonal offices and strategic business units as at March 31, 2010 is shown in the chart below:





Note: The above describes our Order Book as of 31 March 2010. As of that date the value of our irrigation projects was Rs. 15,541 million, of which 92.1% were located in Andhra Pradesh.

Details of our Order Book as at March 31, 2010

We set out below the top five contracts in each segment we operate that have amounts outstanding on our Order Book as at March 31, 2010. These orders represented 63.33% of our Order Book as at March 31, 2010.

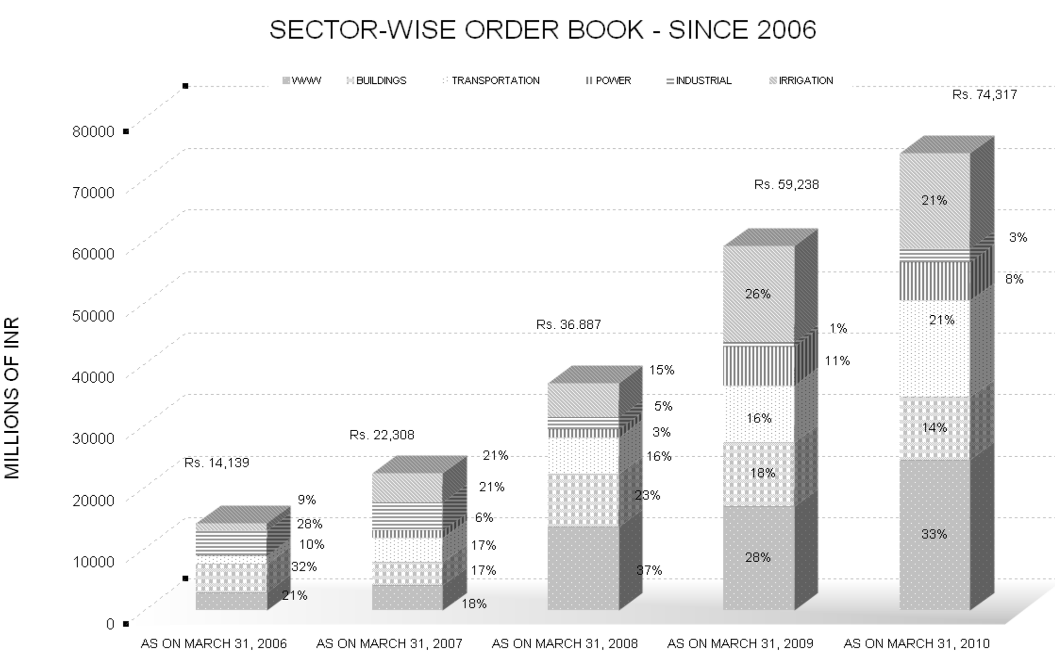
Project and Location	Total Contract Value (Rs. in Million)	Client Name	Amount Outstanding as at March 31, 2010 (Rs. in Millions)
Water and Waste Water Projects			
Akola Underground Drainage Scheme	3,157.00	Akola Municipal Corporation, Akola	3,157.00
Drinking Water Plant at Kanpur Extension under JNNURM Programme – Phase-II	3,150.00	Uttar Pradesh Jal Nigam	3,018.75
Comprehensive Sewerage Scheme for the urban areas of Puducherry	2,821.66	Government of Puducherry	2,821.66
Laying and commissioning of a sewerage network for Thane City, Maharashtra	1,946.80	The Municipal Corporation of City of Thane	1,405.29
Designing, construction, erecting and commissioning of 87.5 MLD sewage treatment plant and designing, providing and laying of sewer network and improvement of sewerage system at Koperkhairne, Maharashtra	1,669.59	Navi Mumbai Municipal Corporation	1,332.13
Irrigation			
Construction of Dummugudem Nagarjunasagar project tail pond link canal at Khammam district, Andhra Pradesh	5,072.60	Government of Andhra Pradesh, Irrigation & CAD Department	5,072.60
Construction of sluices, cross-masonry & cross-drainage works near Tummidi Hetti, Adilabad District, Andhra Pradesh	2,291.40	Government of Andhra Pradesh, Irrigation & CAD Department	2,259.18
Krishna western bank canal,	1,463.60	Government of Andhra Pradesh,	1,387.39

Project and Location	Total Contract Value (Rs. in Million)	Client Name	Amount Outstanding as at March 31, 2010 (Rs. in Millions)
Krishna district, Andhra Pradesh		Irrigation & CAD Department	
Modernisation of the Mandapeta Canal and its distribution system, Andhra Pradesh	1,316.80	Government of Andhra Pradesh, Irrigation & CAD Department	1,063.28
Construction of Regulator Cum Bridge in Chamravattom across Bharathapuzha river in Malappuram district, Kerala	1,282.10	Irrigation Department, Project Circle, Kannur.	899.85
Transportation Projects			
Widening of Moradabad – Bareili section of NH-24 from Km.148+000 to Km 190+000	5,700.00	IL & FS (NHAI)	5,595.00
Improvement / upgrading of Bihar-Naubatpur-Newa-Dumri-Beldarichak-Kansari-Daniywan & Chandi-Noorsarai-Bhaganbigha-Rahui-Bind-Gopalbad-Sarmera Road (SH-78) with length of 100.4 Km	3,917.63	Bihar State Road Development Corporation Limited	3,917.63
Construction of eight lane controlled access expressway as outer ring road to Hyderabad City in Andhra Pradesh, India	3,239.63	Hyderabad Growth Corridor Limited	2,370.90
Construction of roads at different locations in Tripura including preparation of design and drawings	1,000.00	Government of Tripura	1,000.00
Construction of Sky Walk at Mulund, Maharashtra	544.72	Mumbai Metropolitan Region Development Authority	495.28
Power Projects			
Construction, testing and commissioning of sub-transmission lines, distribution lines, power transformers and new substations and augmentation of existing substation in Buldhana	1,661.98	Maharashtra State Electricity Dist. Co. Limited	1,620.35
Construction, testing and commissioning of sub-transmission lines, distribution lines, power transformers and new substations and augmentation of existing substation in Malkapur	1,689.04	Maharashtra State Electricity Dist. Co. Limited	1,516.57
Construction, testing and commissioning of sub-transmission lines, distribution lines, power transformers and new substations and augmentation of existing substation in Amravati	1,519.00	Maharashtra State Electricity Dist. Co. Limited	1,474.75
Electrification works in Seoni, Jabalpur and Damoh Districts in Madhya Pradesh	1,459.51	Madhya Pradesh Poorv Kshetra Vidyut Vitran Company Limited	550.37
Civil, structural, and architectural work including foundation / super structure of various plant equipment, systems and facilities such as induced draft cooling tower, non-plant buildings, facilities and miscellaneous civil work of 100 MW NRPP for APGCL at Namrup, Assam.	391.90	NTPC-BHEL Power Private Limited	391.91
Industrial Projects			
Construction of houses and development of infrastructure for	592.14	Bhopal Development Authority	592.14

Project and Location	Total Contract Value (Rs. in Million)	Client Name	Amount Outstanding as at March 31, 2010 (Rs. in Millions)
slum localities in Bhopal under JNNURM Package I			
Modernisation and installation of infrastructure for environment protection and implementation of zero discharge systems in Pallavaram, Tamil Nadu	360.00	Chennai Environmental Management Company of Tanners	360.00
Design, engineering, supply, erection, commissioning of 3000 m3 / d Reverse Osmosis System and allied units at CETP-Pallavaram, Tamil Nadu	360.00	Chennai Environmental Management Company of Tanners	360.00
Construction of arterial roads, roadside drains and shifting of natural canal at Vidyasagar Industrial Park, Kharagpur.	418.39	West Bengal Industrial Development Corporation Limited	309.17
Building Construction Projects			
Construction of Capital Complex - Integrated Infrastructure Development (Master Plan) Work	1,080.55	Naya Raipur Development Authority	1,080.55
Construction of Government Medical College Building at Raigarh, Chattisgarh	1,063.58	PWD Raigarh Division, Raigarh	1,063.58
Construction of RAMKY Enclave	991.59	Ramky Enclave Limited	742.82
Construction of Administrative Training Institute and Bihar Rural Development Institute at Bodhgaya	669.39	Government of Bihar Building Construction Department	669.39
Construction of Indian Institute of Science Education and Research (IISER) Bhopal	537.92	Indian Institute of Science Education and Research - Bhopal	537.92

Growth of our Order Book

The following chart sets forth the value of our Order Book as at March 31, 2006, 2007, 2008, 2009 and 2010 and the percentage of the order book that is made up by each of the six sectors.



Joint Ventures

We have entered into three joint ventures to undertake irrigation projects; one joint venture to construct a new integrated terminal complex at Chandigarh Airport and a government medical college and hospital at Amritsar; two joint ventures to undertake road projects; and one joint venture to undertake power transmission and distribution projects. For more information about these joint venture entities, see the section entitled "History and Corporate Structure – Joint Ventures" beginning on page 108.

Ramky-VSM Joint Venture

Our Company and Mr. V. Satyamurthy entered into a joint venture agreement pursuant to which Ramky-VSM joint venture was set up as an association of persons on September 4, 2004 for the purpose of infrastructure development, particularly water resources development for medium size projects. Our Company and Mr. V. Satyamurthy hold a 75% and 25% participation interest, respectively, in the joint venture. The joint venture is currently undertaking its first ten projects. The joint venture had an income of Rs. 678.44 million for Fiscal 2010. The joint venture had a profit after tax of Rs. 19.68 million for Fiscal 2010.

Ramky-WPIL Joint Venture

Our Company and WPIL Limited ("WPIL") entered into a joint venture agreement dated April 13, 2005, pursuant to which Ramky-WPIL joint venture was set up as an association of persons for the purpose of preparing and submitting tenders and executing works such as setting up pumping stations and the execution of connected civil, electrical and mechanical works at the Aliminate Madhava Reddy Project in Nalgonda District, Andhra Pradesh. Our Company and WPIL execute 44% and 56% of the work, respectively, in the joint venture. The Andhra Pradesh Irrigation & CAD Department awarded the works of the pumping station for the Aliminate Madhava Reddy Project on January 6, 2007. Subsequently, the joint venture partners entered into an agreement dated August 14, 2007 for the purpose of undertaking the works so awarded and to determine the relationship between the partners. The joint venture had an income of Rs. 46.83 million for Fiscal 2010. The joint venture had a profit after tax of Rs. 2.65 million for Fiscal 2010.

Ramky-Srishti Joint Venture

Our Company and Srishti Constructions ("Srishti") entered into a joint venture agreement dated January 23, 2007 for the purpose of constructing a new integrated terminal complex at Chandigarh Airport and a joint venture agreement dated November 12, 2008 for the purpose of constructing a government medical college and hospital at Amritsar. Our Company holds a 70% interest in the joint venture while Srishti holds the balance 30%. The joint venture was awarded the contract for construction of a new integrated terminal complex at Chandigarh Airport pursuant to an award letter dated November 8, 2007 for a contract amount of Rs. 475.81 million and the award to construct a Government medical college and a hospital at Amritsar pursuant to an award letter dated January 2, 2009 for a contract amount of Rs. 753.93 million. The joint venture had income of Rs. 212.39 million for Fiscal 2010 and profit after tax of Rs. 10.57 million for Fiscal 2010.

Ramky- Elsamex Joint Venture

Our Company and Elsamex S.A. ("Elsamex") entered into a joint venture agreement dated December 7, 2007, pursuant to which Ramky-Elsamex JV was set up as an association of persons for the purpose of preparing and submitting tenders and for the design, construction, development, finance, operation and maintenance of the eight lane access controlled expressway to Hyderabad city on a BOT basis. Ramky Infrastructure Limited and Elsamex hold a 90% and 10% participation interest respectively in the joint venture. The joint venture had income of Rs. 1,259.19 million for Fiscal 2010. The joint venture had a profit after tax of Rs. 53.31 million for Fiscal 2010.

Ramky-Som Datt Builders Joint Venture

Ramky Infrastructure Limited and Som Datt Builders Private Limited (the "Som Datt Builders") entered into a joint venture agreement dated September 18, 2008, pursuant to which Som Datt Builders - Ramky JV was set up as an association of persons for the purpose of preparing and submitting tenders and for construction of eight lane access controlled expressway Outer Ring Road to Hyderabad City in the State of Andhra

Pradesh. The Hyderabad Growth Corridor Limited awarded this project by a letter of acceptance dated February 25, 2009. Our Company and Som Datt Builders have entered into an agreement setting out the joint venture arrangement for the purpose of undertaking this project. Ramky Infrastructure Limited and Som Datt Builders Private Limited hold a 26% and 74% participation interest respectively in the joint venture. It had income of Rs. 874.40 million for Fiscal 2010 and profit after tax of Rs. 25.52 million for Fiscal 2010.

Ramky-Variegate Joint Venture

Our Company and Variegate Projects Private Limited entered into a joint venture agreement dated October 8, 2008, pursuant to which the Ramky-Variegate Joint Venture was set up as an association of persons for the purpose of executing works such as rural power distribution lines in Maharashtra. Our Company and Variegate Projects Private Limited hold a 74% and 26% interest in the joint venture respectively. No audited financial results of the joint venture are available.

Ramky-ZVS-Progressive Constructions Joint Venture

Our Company, Zarubezhvodstory Public Limited ("ZVS") and Progressive Constructions Limited ("Progressive") entered into a joint venture agreement dated February 20, 2009 pursuant to which Ramky-ZVS-Progressive Joint Venture ("ZVS Progressive JV") was set up as an association of persons for the purpose of executing works such as the Dummugudem Nagarjuna Sagar Project. Our Company, ZVS and Progressive hold a 20%, 55% and 25% interest in the joint venture, respectively. No audited financial results of the joint venture are available.

5. Project Development and Execution Methodology

Business Development

We enter into contracts through a competitive bidding process. Government and other clients typically advertise potential projects in leading national newspapers or on their websites. Our business development department regularly scans newspapers and websites to identify projects that could be of interest to us. The head of the business development department evaluates bid opportunities and decides whether we should pursue a particular project based on various factors, including the client's reputation and financial strength, the geographic location of the project and the degree of difficulty in executing the project in such location, our current and projected workload, the likelihood of additional work, the project's cost and profitability estimates and our competitive advantage relative to other likely bidders. Once we have identified projects that meet our criteria, we submit an application to the client according to the procedures set forth in the advertisement.

Engineering and Design

We provide detailed engineering services, if required by the client, for the projects that we undertake. Typically, for design-build projects, the client supplies conceptual information pertaining to the project and spells out the project requirements and specifications. We are required to prepare detailed architectural and/or structural designs based on the conceptual requirements of the client and also conform to various statutory and code requirements.

For those particular segments in which we do not have in-house design capabilities, we outsource design services from experienced consultants who specialise in that segment. Prior to bidding for a project, our tendering department and senior management review the preliminary design prepared by these consultants. Over the years, we have through a combination of experience and technical ability developed expertise in assessing the preliminary pre-tender designs prepared by our consultants, vis-à-vis the requirements of the client. After our initial review of the preliminary designs, we continue to confer with our consultants to arrive at the final solution for the project. Once the project is awarded to us, our consultants prepare detailed designs pursuant to the project requirements.

Project Management

Our project sites are managed by a project management team at the site level, headed by the project manager with essential support from the functional in charges at the site for procurement, plant and machinery, finance, and human resources along with an execution team. Each of these projects is in turn managed by the coordination team at the respective Regional/Zonal level headed by the Regional/Zonal Head and the support functions. The Regions/Zones concurrently report to the Regional/Zonal Coordination Team at our head office, which is headed by Vice President - Projects. We believe this system of administration and coordination helps to ensure the smooth execution and supervision of the projects at different levels.

Once we are awarded a contract (denoted by the receipt of the letter of intent/acceptance from the client), a detailed project management plan is produced. This plan consists of an activity based project budget, which details among other things, the scope, revenue, direct and indirect cost, cash flow, resources and expenditure relating to the project. The execution team is in charge of systematically implementing the plan, which is tracked at the different levels of management. At regular and appropriate intervals, the project management plan is assessed based on the project's performance and various aspects affecting it, and the plan is revised for enhanced performance and timely completion.

Procurement

Procurement of bulk materials is a centralized function performed at our headquarters by a team headed by our Vice President - Materials. Only in certain cases is the procurement of bulk material done from zonal and/or project sites.

Upon award of a contract, the purchase department is provided with the project details along with the budgeted rates for material, services and equipment. The material, services and equipment required for projects are estimated by the engineering planning personnel and then passed on to the purchase department along with the schedule of requirements.

We have over the years developed relationships with a number of vendors for key materials, services and equipment. Our Company has also developed an extensive vendor database for various materials and services. Over and above the quotations received at the time of bidding, the purchase department invites quotations from additional vendors, if required. Vendors are invited to negotiate before finalizing the terms and prices. The materials ordered are provided to the sites from time to time as per their scheduled requirements. We maintain material procurement, tracking and control systems, which enable monitoring of our purchases.

Procurement of materials, services and equipment from external suppliers typically comprises a significant part of a project's cost. We continually evaluate our existing vendors and also attempt to develop additional sources of supply for most of the materials, services and equipment needed for our projects. Due to the rising cost of materials, we have begun to import supplies in instances where supplies can be obtained economically from overseas suppliers. Additionally, we have the capability to manufacture in-house so as to reduce the cost of materials. Our in-house capabilities allow us to produce 305 cubic meters per hour of ready-mixed concrete using our eleven ready-mixed concrete plants, 800 tonnes per hour of crushed aggregate using our four crusher plants, 360 tonnes per hour of asphalt using our two asphalt batching plants, 400 tonnes per hour of wet mix macadam using our two wet mix macadam plants and 2,500 fly ash concrete bricks using our concrete block making machine.

Execution

The issuance of a letter of acceptance or letter of intent by a client signifies that we have been awarded the contract. Upon receipt of the letter, we typically commence pre-construction activities promptly, such as mobilising manpower, equipment resources and setting up site offices, stores and other ancillary facilities.

Construction activity typically commences once a client approves working designs and issues drawings. The project team immediately identifies and works with the purchase department to procure the key construction materials and services required in order to be able to commence construction. Based on the contract documents, a detailed schedule of construction activities is prepared. This schedule identifies interim milestones, if any, stipulated in the contract with corresponding time schedules for achieving these milestones. The key construction activities involved in a project depend on the nature and scope of the project.

We have a "Project Control System" that is used by our Internal Monitoring and Assessment Team to track the physical and financial progress of work vis-à-vis the project schedule. Daily progress reports are prepared by the major sites and sent to the project monitoring cell in the head office for collation. Project personnel hold periodic review meetings with the client at sites and also with key personnel in our headquarters and zonal offices to discuss the progress being made on the project. The project managers also hold periodic review meetings with our vendors and sub-contractors to review progress and assess future needs.

Each project site has a billing department that is responsible for preparing and dispatching periodic invoices to the clients. The billing department is also responsible for certifying the bills prepared by our vendors and sub-contractors for particular projects and forwarding the same to our head office or zonal offices for further processing.

We have a defined and documented quality management system. The quality assurance cells at our various project sites help to ensure compliance with our quality management system in order to enable us to comply with the quality parameters stipulated in the contract by the client. The Company is ISO 9001:2008 certified for the quality management system we apply to the design, development, engineering, procurement and construction of projects across all our regional locations.

We consider a project to be "virtually complete" when it is ready to be handed over to the client. We then jointly inspect the project with the client to begin the process of handing over the project to the client. Once satisfied, the client prepares a "virtual completion certificate", which signifies the commencement of the defects liability period or the maintenance period (i.e., the period during which we are contractually bound to rectify any defects arising out of construction, which can last up to 60 months). On completion of the defects liability period, we request the client to release any performance bonds or retention monies that may be outstanding.

Our Equipment

We believe that our strategic investment in equipment and fixed assets enables us to mobilize our equipment to project sites as needs arise. We own certain construction equipment, including crushing plants, hot mix plants, wet mix plants, asphalt batching plants, concrete batching plants, transit mixers, concrete pumps, reversible drum mixers, excavators, rock breakers, backhoe loaders, graders, pavers, compactors, tower cranes, mobile cranes, dozers, tough riders and bar bending and cutting machines. Such an asset base gives us the capability to design and execute projects of any scale and allows us to undertake the technically challenging and diverse range of construction and development projects in which we are engaged. Also, our equipment is managed, maintained and operated by trained personnel. We believe that owning and managing a large portion of the equipment we typically use on projects enables us to achieve higher operating margins. Because equipment ownership is an important parameter to determine our margins, we intend to use Rs. 804.55 million from the Net Proceeds towards acquisition of equipment and other strategic assets, as stated in the section entitled "Objects of the Issue" on page 40 of this Red Herring Prospectus.

The following table provides a list of certain of our substantial construction equipment as at March 31, 2010:

Name of Equipment	Number of Units	Name of Equipment	Number of Units
Crushing Plants - 200 TPH	4	Tower Cranes - 18 meters (mobile equipment)	2
Asphalt Batching Plant - 200 TPH	1	Tower Cranes - 40 meters	2
Asphalt Batching Plant - 160 TPH (Mobile)	1	Tower Cranes - 50 meters	2
WMM Plant - 200 TPH	2	Tower Cranes - 70 meters	4
Concrete Batching Plants - 45 cum/hr	1	Tractor Cranes	4
Concrete Batching Plants - 30 cum/hr	6	Diesel Generators - 2 KVA to 600 KVA	55
Concrete Batching Plants - 20 cum/hr	4	Tower lights - 18 meters	6
Excavators - 7 ton	6	Air compressors - 30 HP	7
Excavators - 20 ton	8	Bar cutting & bending machines - 32 mm	50
Motor Graders	4	Tower hoists	32
Dozers	7	Fly ash bricks & paver Machine	3
Sensor Paver Finishers - 5.5 meters	2	Mini Tandam Compactors - 2.5 ton	2
Sensor Paver Finishers - 9.5 meters	1	Pneumatic Tyre Rollers - 8 ton	4

Name of Equipment	Number of Units	Name of Equipment	Number of Units
Sensor Paver Finishers - 12.0 meters	1	Fassi Cranes - 20 ton	5
Bitumen Sprayers - 6000 KL	2	Mobile Cranes (Hydra) - 12 ton	3
Soil Compactors - 11 ton	6	Mobile Cranes (Hydra) - 14 ton	2
Tandam Compactors - 8 ton	2	Concrete Pumps -43 cum/hr	7
Concrete Pumps - 76 cum/hr	4	Transit Mixer - 6 cum	22
Transit Mixer - 4 cum	2	Backhoe Loaders	10
Wheel or Front End Loaders - 1.0 cum	2	Wheel or Front End Loaders - 1.7 cum	1
Wheel or Front End Loaders - 3.0 cum	6	Skid Steer Loaders (Bobcat)	7
Walk Behind Rollers - 1.5 ton	8	Weigh Bridges - 40 ton	5
Weigh Bridges - 60 ton	6		

Guarantees

We are often required to provide financial and performance guarantees with respect to our obligations in relation to a construction project. The amount of guarantee facilities available to us depends upon our financial condition and the availability of adequate security from banks and financial institutions that provide us with such facilities. There have been no instances where our performance guarantees have been invoked by our clients.

Developer Business

Our developer business comprises the following subsidiaries of our Company: Ramky Pharma City (India) Limited; MDDA Ramky IS Bus Terminal Limited; Gwalior Bypass Project Limited; Ramky Towers Limited; Ramky Elsamex Hyderabad Ring Road Limited; Ramky Herbal and Medicinal Park (Chhattisgarh) Limited; Ramky Food Park (Chhattisgarh) Limited; Naya Raipur Gems and Jewellery SEZ Limited; Ramky Enclave Limited; Ramky-MIDC Agro Processing Park Limited; and our Company's Associates: Ramky Integrated Township Limited; Narketpally Addanki Expressway Limited; NAM Expressway Limited and Jorabat Shillong Expressway Limited.

Each of these Subsidiaries and Associates are special purpose vehicles formed for the development of a single project. Our developer business segment began in Fiscal 2007.

Ramky Pharma City (India) Limited

<u>*Description of the Project*</u>

Ramky Pharma City (India) Limited, in which our Company has a 51% equity interest, is currently developing the Jawaharlal Nehru Pharma City Industrial Park at Parawada, Visakhapatnam. This is an integrated industrial park aimed at bulk drug manufacturers, pharmaceutical companies and fine chemical manufacturers. When complete, the industrial park will be 2,143 acres, of which 611.37 acres has been notified as a pharmaceutical SEZ industrial park. The industrial park will have a saleable/leasable area of approximately 1,429.21 acres. The total project cost is expected to be Rs. 5,204.65 million. The project is being developed on a BOO basis.

The features of the industrial park will include power, water, a road network with street lighting, a common effluent treatment plant, a hazardous waste management facility, a marine outfall for the disposal of treated effluents, a dedicated telephone exchange with internet connectivity, a central fire protection service, a logistics hub, container terminals and a common warehouse facility. The amenities will include banking facilities, a primary health centre, food courts and a club house. The construction of the industrial park is due to be completed by September 2010.

Ramky Pharma City (India) Limited currently earns revenue from the sale of plots of land in the non-SEZ part of the park and long-term lease premiums for plots of land in the SEZ part of the park, common user fees for operation and maintenance of infrastructure facilities such as roads, street lights and security, and user charges for utilities like water and a common effluent treatment plant. As at March 31, 2010, 61 companies have committed to buy a total of 737.12 acres in the non-SEZ part of the industrial park for a total price of Rs. 1,911.99 million. As at March 31, 2010, 14 companies have committed to take on lease land totaling 331.33 acres in the SEZ part of the industrial park for total upfront lease premiums of Rs. 2,015.02 million. Long-term leases in the SEZ part of the park are subject to the upfront lease premiums and recurring annual lease payments. The entire 611.37 acres of land in the SEZ was purchased on March 17, 2007 by Ramky Pharma City (India) Limited for Rs. 256.93 million from Andhra Pradesh Industrial Infrastructure Corporation ("APIIC"), an entity owned by the government of Andhra Pradesh.

The non-SEZ land will mostly be sold to industrial companies; however, customers will have the option to take land on a lease basis with an option to purchase in the future.

As at March 31, 2010, Ramky Pharma City (India) Limited has awarded contracts totaling Rs. 3,368.00 million for the construction of the industrial park. Most of the contracts for the construction of the industrial park were awarded to our Company and aggregated to Rs. 2,938.00 million.

Further, subject to fulfilling conditions set forth in a letter from APIIC dated July 4, 2008, Ramky Pharma City (India) Limited will be awarded 100.10 acres of land on an "as is where is" basis for expansion of the Jawaharlal Nehru Pharma City Industrial Park.

Ramky Pharma City (India) Limited has also made a request to APIIC in a letter dated December 5, 2009 for the allotment of additional land aggregating to 128.50 acres for an SEZ incubation center and the establishment of a research and development center at the Jawaharlal Nehru Pharma City Industrial Park.

Financing

The development of the industrial park is expected to be financed through Rs. 180 million by way of equity, Rs. 780 million by way of bank loans and the balance from customer collections.

MDDA Ramky IS Bus Terminal Limited

Description of the Project

MDDA Ramky IS Bus Terminal Limited, which is 100% owned by our Company, operates the Inter State Bus Terminal, Dehradun. This bus terminal is one of the first interstate bus terminals to be built on a BOT basis in India. The bus terminal was built by our Company and the construction was completed in June 2004. The cost of construction was approximately Rs. 131.00 million. The bus terminal comprises of bus passenger drop off, loading bays, shops, which are leased, parking for cars and a dormitory. MDDA Ramky IS Bus Terminal Limited earns revenue from bus terminal fees, shop rental fees, vehicle parking fees, fees from advertisements on hoardings and wall space, accommodation charges from the dormitory located at the bus terminal and operation and maintenance fees.

MDDA Ramky IS Bus Terminal Limited, in the second phase of the project, is developing a 113,039 square feet commercial mall. The mall will include shops, a three-screen multiplex, three food courts and parking bays. The cost of the mall is expected to be Rs. 350.00 million and it is expected to be completed by the end of December 2010. The contracts for the construction of the mall have been awarded to our Company for Rs. 254.90 million. MDDA Ramky IS Bus Terminal Limited will earn revenue from the mall from upfront lease payments, parking fees, fees from advertisements on hoardings and wall space and operation and maintenance charges.

Concession Agreement

The concession agreement for the development of the bus terminal and the mall was granted by Mussoorie Dehradun Development Authority (MDDA), Dehradun on July 26, 2003. The initial concession period expires on August 2023, with an option to renew for a further 10 years. MDDA Ramky IS Bus Terminal Limited will have to pay a development fee of Rs. 4.05 million on a half yearly basis with an escalation of 5.00% per annum after the expiry of three years from the date of executing the agreement.

Financing

The construction of the bus terminal and the mall is expected to be financed by Rs. 150.00 million in equity by MDDA Ramky IS Bus Terminal, Rs. 220.00 million by way of bank loans and the rest of the amount by way of collections from customers.

Gwalior Bypass Project Limited

Gwalior Bypass Project Limited, in which our Company has a 51% equity interest, is developing a 42 km road that will connect the NH-3 & NH-75 highways in Madhya Pradesh. The road is being built on a BOT basis, with semi-annuity payments. Construction of the road is expected to cost Rs. 3,321.12 million. The construction of the road began in April 2007 and was expected to be completed by October 8, 2009; however, we have been unable to procure the necessary land from the forest and defense authorities as expected. As a result of these circumstances, on September 19, 2009 we submitted an application to the NHAI requesting that it schedule a new completion date for some time in September 2010, when we expect to be able to complete this project. We have not yet received a response from the NHAI regarding this request.

Concession Agreement

The concession agreement to build, operate and transfer the road was awarded by National Highway Authority of India ("NHAI"). The concession period expires in April 2027. The semi-annuity payment of Rs. 265.3 million is payable after completion of the construction of the road until the end of the concession period, with no escalation clause. Gwalior Bypass Project Limited does not have the right to collect tolls on the road. Moreover, NHAI may modify the scope of the project provided that the costs do not increase or reduce by more than 10% of contract value. Our Company holds a 51% equity interest in the Gwalior Bypass Project Limited.

Construction Contract

The contract for the construction of the road was awarded to ERA Infra Engineering Limited. The contract value is Rs. 2,969.50 million, of which Rs. 496.32 million is outstanding as at March 31, 2010.

Financing

The construction of the road is expected to be financed by Rs. 755.20 million in equity and preference shares by Gwalior Bypass Project Limited and a 12.5-year term loan of Rs. 2,566.00 million.

Ramky Towers Limited

Ramky Towers Limited, in which our Company has a 51% equity interest, is developing an integrated residential and commercial project on 17.10 acres of land in Gachibowli, Hyderabad and Andhra Pradesh. The development will have a saleable area of 1,478,470 square feet. There will also be a 20,670 square feet club house, which will not be for sale. The estimated project cost is Rs. 4,000.29 million. Construction of the development began in April 2007 and it is scheduled to be completed by March 2011.

Development Agreement

The development agreement for the project was originally entered into between our Company and Andhra Pradesh Housing Board on July 8, 2005. Our Company has assigned its rights and obligations under the development agreement to Ramky Towers Limited. The land for the development of the project is owned by Andhra Pradesh Housing Board. In consideration for the development rights, Ramky Towers Limited has paid Rs. 10.17 million per acre and is required to pay 3.50% of the sale price for residential property and 4.00% of the sale price for commercial property. Ramky Towers Limited has the right to sell the properties constructed on the development but the actual transfer of the property to each individual purchaser shall be made by Andhra Pradesh Housing Board.

Construction Contract

The contract for the construction of the project has been awarded to our Company. The contract value is Rs. 1,433.42 million.

Financing

The construction of the towers is expected to be financed through internal accruals and a two-year term loan of Rs. 750.00 million.

Ramky Elsamex Hyderabad Ring Road Limited

Ramky Elsamex Hyderabad Ring Road Limited, in which our Company has a 74% equity interest, has entered into an agreement with the Hyderabad Urban Development Authority ("HUDA") to design, develop, finance, operate and maintain a 12.63 km long, eight-lane access controlled expressway under Phase–II A Program as an extension of Phase–I of the Outer Ring Road to Hyderabad. This project will provide easy connectivity to NH-7 and NH-9, which passes through Hyderabad. We are undertaking this project on a BOT basis with semi-annuity payments. The estimated project cost is Rs. 3,993.70 million. The construction of the road began in October 2007 and it was completed in November 2009.

Concession Agreement

Ramky Elsamex Hyderabad Ring Road Limited has been awarded a grant of Rs. 665.02 million for entering into the concession agreement. The construction of the road was completed in November 2009. The semi-annuity payment is Rs. 315.00 million payable after completion of the construction of the road until the end of the concession period, with no escalation clause. The concession period expires in November 2022.

Construction Agreement

The construction contract for the road was awarded to the Ramky Elsamex joint venture for a fixed price of Rs. 3,325.08 million on August 25, 2007, in which our Company has a 90% interest.

Financing

The construction of the road is expected to be financed by Rs. 450.00 million in equity and preference shares by Ramky Elsamex Hyderabad Ring Road Limited, a grant of Rs. 665.02 million from HUDA, a 10-year term loan of Rs. 2,628.68 million and subordinated debt of Rs. 250 million.

Ramky Enclave Limited

Ramky Enclave Limited, in which our Company has an 89.01% equity interest, is developing an integrated housing project on 32.69 acres of land. It will have a saleable area of 946,210 square feet. There will also be a 10,500 square feet club house, which will not be for sale. The estimated project cost is Rs. 2,163.70 million. Construction of the housing project began in December 2007 and is expected to be completed by September 2011.

Development Agreement

The land for the housing project was transferred to Ramky Enclave Limited by Andhra Pradesh Housing Board. The development agreement for the project was originally entered into between our Company and Andhra Pradesh Housing Board on June 7, 2006. Our Company will be assigning its rights and obligations under the development agreement to Ramky Enclave Limited. The land for the development of the project is owned by Andhra Pradesh Housing Board. In consideration for the development rights, Ramky Enclave Limited has paid Rs. 4.88 million per acre and is required to pay 3.50% of the sale price for residential property and 4.00% of the sale price for commercial property. Ramky Enclave Limited has the right to sell the properties constructed on the development but the actual transfer of the property to each individual purchaser shall be made by Andhra Pradesh Housing Board.

Construction Contract

The contract for the construction of the housing project has been awarded to our Company. The contract value is Rs. 991.59 million.

Financing

The construction of the project is expected to be financed through internal accruals and a term loan of Rs. 210.00 million. Ramky Enclave Limited has not yet applied for the proposed bank loan.

Ramky Herbal and Medicinal Park (Chhattisgarh) Limited

Ramky Herbal and Medicinal Park (Chhattisgarh) Limited has been awarded the concession to develop a 250-acre herbal and medicinal industrial park in the district of Dhamtari, Chhattisgarh on a BOT basis by CSIDC. The concession period is for 90 years. When complete, the project will have a leasable area of 150.33 acres. The estimated project cost is Rs. 964.43 million. The construction of the project is expected to start in Fiscal 2011 and be completed by October 2014. Our Company currently has a 100% equity interest in Ramky Herbal and Medicinal Park (Chhattisgarh) Limited but its equity interest will drop to 89% on financial closure of the project. The other 11% equity interest will be owned by Chhattisgarh Infrastructure Development Corporation Limited ("CIDC"), an entity owned by the government of Chhattisgarh.

Ramky Herbal and Medicinal Park (Chhattisgarh) Limited will earn revenue from upfront lease premiums and annual lease rental payments. Once the construction of the park is finished, it will also earn revenue from charging common user fees for infrastructure facilities, such as roads, street lights and security, and user charges for utilities and facilities like water and a common effluent treatment plant.

Concession Agreement

The land for the project was leased to Ramky Herbal and Medicinal Park (Chhattisgarh) Limited under an authorization agreement dated October 1, 2007 for 90 years by CSIDC in consideration for a 11% equity interest in Ramky Herbal and Medicinal Park (Chhattisgarh) Limited and Rs. 93.72 million. The price for the land is to be paid over a six-year period: 10% is to be paid in each of the first two years, 15% is to be paid in each of the following two years and 25% is to be paid in each of the two years following that. The construction of the industrial park is required to be completed by October 2014. Under the terms of the concession agreement, Ramky Herbal and Medicinal Park (Chhattisgarh) Limited has to provide CIDC with a bank guarantee of Rs. 101.8 million as a performance security upon fulfillment of conditions precedent set forth in the concession agreement. As these conditions precedent have not yet been fulfilled, the performance guarantee has not yet been provided to CIDC. A bid security deposit of Rs. 15 million was paid to CIDC, but it expired on October 10, 2008. The concession agreement provides that both our Company's and CIDC's shares (when issued) in Ramky Herbal and Medicinal Park (Chhattisgarh) Limited are subject to a five-year lock-in during which time they may not sell their shares.

Construction Agreement

The Company is expecting a work order from Ramky Herbal and Medicinal Park (Chhattisgarh) Limited for the construction of the industrial park for a fixed price of Rs. 650 million.

Financing

The development of the industrial park is expected to be financed by Rs. 289.30 million in equity by Ramky Herbal and Medicinal Park (Chhattisgarh) Limited and a loan of Rs. 675.10 million. Ramky Herbal and Medicinal Park (Chhattisgarh) Limited has not yet applied for the proposed bank loan.

Ramky Food Park (Chhattisgarh) Limited

Ramky Food Park (Chhattisgarh) Limited was awarded the concession to develop a 303-acre food processing industrial park in the district of Rajnandagao, Chhattisgarh on a BOT basis by CSIDC. The concession period is for 90 years. The industrial park will have a leasable area of 195.15 acres. The estimated project cost is Rs. 834.84 million. The construction of the project is expected to begin in Fiscal 2011 and be completed by October 2014. Our Company currently has a 100% equity interest in Ramky Food Park (Chhattisgarh) Limited. However, on financial closure of the project, our Company's equity interest will drop to 89% and CIDC will have an 11% equity interest in Ramky Food Park (Chhattisgarh) Limited.

Ramky Food Park (Chhattisgarh) Limited will earn revenue from upfront lease premiums and annual lease rental payments. Once the construction of the industrial park is finished, it will also earn revenue from charging common user fees for infrastructure facilities, such as roads, street lights and security, and user charges for utilities and facilities such as water and a common effluent treatment plant.

Concession Agreement

The land for the project was leased to Ramky Food Park (Chhattisgarh) Limited for 90 years by CSIDC in consideration for its 11% equity interest in Ramky Food Park (Chhattisgarh) Limited and Rs. 105.10 million under an authorization agreement dated October 1, 2007. The price for the land is to be paid over a six-year period: 10% is to be paid in each of the first two years, 15% is to be paid in each of the following two years and 25% is to be paid in each of the two years following that. The construction of the industrial park is required to be completed by October 2014. Under the terms of the concession agreement, Ramky Food Park (Chhattisgarh) Limited has to provide CIDC with a bank guarantee of Rs. 115.3 million as a performance security upon the fulfillment of conditions precedent set forth in the concession agreement. As the conditions precedent have not yet been fulfilled, the performance guarantee has not yet been provided to CIDC. A bid security deposit of Rs. 10.0 million was paid to CIDC, but it expired on October 10, 2008. The concession agreement provides that both our Company's and CIDC's shares in Ramky Food Park (Chhattisgarh) Limited are subject to a five-year lock-in after issuance and during which time they may not sell the shares.

Construction Agreement

The Company is expecting a work order from Ramky Food Park (Chhattisgarh) Limited for the construction of the industrial park for a fixed price of Rs. 600 million.

Financing

The project is expected be financed by Rs. 250.50 million in equity by Ramky Food Park (Chhattisgarh) Limited and a Rs. 584.40 million bank loan. Ramky Food Park (Chhattisgarh) Limited has not yet applied for the proposed bank loan.

Naya Raipur Gems and Jewellery SEZ Limited

Naya Raipur Gems and Jewellery SEZ Limited has been awarded the concession to develop a 70-acre gems and jewellery SEZ in the district of Raipur, Chhattisgarh on a BOT basis by CSIDC. The concession period is 90 years. When complete, the SEZ will have a leasable area of 42.03 acres. The estimated cost of the project is Rs. 1,834 million. The construction of the project is expected to begin in Fiscal 2010 and be completed by October 2014. Our Company currently has a 100% equity interest in Naya Raipur Gems and Jewellery SEZ Limited. However, on financial closure of this project, shareholding interest in the Naya Raipur Gems and Jewellery SEZ Limited will be split, resulting in our Company having a 26% equity interest, CSDIC having a 11% equity interest, Aetens Goldsouk International Limited having a 21% equity interest, P.D. Gupta Infratech Private Limited having a 21% equity interest and Chhattisgarh Futuristic Infrastructure Private Limited having a 21% equity interest.

Naya Raipur Gems and Jewellery SEZ Limited will earn revenue from upfront lease premiums and annual lease rental payments. Once the construction of the industrial park is finished, it will also earn revenue from charging common user fees for infrastructure facilities, such as roads, street lights and security, and user charges for utilities and facilities such as water and a common effluent treatment plant.

Concession Agreement

The land for the project was leased to Naya Raipur Gems and Jewellery SEZ Limited for 90 years by CSIDC in consideration for its 11% equity interest in Naya Raipur Gems and Jewellery SEZ Limited and Rs. 70.00 million under an authorisation agreement dated October 1, 2007. The price for the land is to be paid over a six-year period: 10% is to be paid in each of the first two years, 15% is to be paid in each of the following two years and 25% is to be paid in each of the two years following that. The construction of the industrial park is required to be completed by October 2014. Under the terms of the concession agreement, Naya Raipur Gems and Jewellery SEZ Limited has to provide CIDC with a bank guarantee of Rs. 77.00 million as a performance security upon fulfillment of condition precedents set forth in the concession agreement. As the conditions precedent have not yet been fulfilled, the performance guarantee has not yet been provided to CIDC. A bid security deposit of Rs. 30.0 million was paid to CIDC, but it expired on October 10, 2008. The concession agreement provides that all of the shareholders in Naya Raipur Gems and Jewellery SEZ Limited are subject to a five-year lock-in period during which they cannot not sell their shares.

Construction Agreement

The Company is expecting a work order from Naya Raipur Gems and Jewellery SEZ Limited for the construction of an industrial park for a fixed price of Rs. 1,250 million.

Financing

The project is expected to be financed by Rs. 550.20 million in equity by Naya Raipur Gems and Jewellery SEZ Limited and a Rs. 1,283.80 million bank loan. Naya Raipur Gems and Jewellery SEZ Limited has not yet applied for the proposed bank loan.

Ramky-MIDC Agro Processing Park Limited

Our Company received the letter of intent from Maharashtra Industrial Development Corporation ("MIDC") on December 19, 2007 accepting our Company's proposal for development of an agro-processing SEZ at Latur, Maharashtra. Our Company currently has a 100% equity interest in Ramky-MIDC Agro Processing Park Limited. However, on financial closure of this project, our Company's interest in this project will drop to a 74% equity interest and MIDC will have a 26% equity interest in this project. The land for the project was leased to Ramky-MIDC Agro Processing Park Limited for Rs.123.89 million by MIDC under an authorization agreement.

The SEZ will be developed over an area of 344 acres. Our Company has paid Rs. 44.47 million to MIDC and the balance amount will be paid in three equal installments at the end of first, second and third year, respectively, from the date of signing the authorisation agreement.

When complete the SEZ is estimated to have a leasable area of 172 acres. The preliminary estimated project cost for the entire development is Rs. 467.57 million. The construction of the project is expected to begin in Fiscal 2010 and is required to be completed by August 2013.

Ramky-MIDC Agro Processing Park Limited will earn revenue from upfront lease premiums and annual lease rentals. Once construction of the SEZ is finished, it will also earn revenue from charging common use maintenance charges for roads, street lights and security and user charges for utilities such as water and common effluent treatment plant.

Construction Agreement

Our Company expects to receive a work order from Ramky-MIDC Agro Processing Park Limited for the construction of the entire 344 acre park for a price of approximately Rs. 279.37 million.

Financing

The development of the SEZ is expected to be financed by Rs. 140.27 million in equity and a bank loan of Rs. 327.30 million. Ramky-MIDC Agro Processing Park Limited has not yet applied for the bank loan.

Ramky Integrated Township Limited

Ramky Integrated Township Limited, in which our Company has a 29.19% equity interest, is developing an integrated township project called Discovery City on 374.60 acres of land in Srinagar Village, Maheshwaram Mandal, Ranga Reddy District in Andhra Pradesh on a BOO basis. The proposed project will be comprised of 45% residential developments, 5% social developments (police stations, fire stations, etc.) and will include commercial and industrial developments. 5% of the developed area of the project is to be set aside for the economically disadvantaged classes. The development will have a saleable area of approximately 14 million square feet. The preliminary estimated project cost is Rs. 34,244.20 million. The detailed project report has been submitted to Hyderabad Metropolitan Development Authority (HMDA) and is awaiting final approval. The construction of the project is expected to begin in April 2010.

This project was awarded by HUDA (now HMDA) through our consortium by a letter of award dated November 12, 2007 to a consortium consisting of land owners and a joint venture company and two of our Promoter group companies, Ramky Estates and Farm Private Limited and Mumbai Waste Management Limited. A shareholders' agreement among the consortium members, Ramky Integrated Township Limited and the owners of the land on which the project is to be built was executed on December 11, 2007 and a development agreement for the project was executed among HMDA and the parties to the shareholders agreement on January 28, 2008. The developer agreement requires our Company to hold a 51% interest in the joint venture, Ramky Estates and Farms Private Limited to hold a 38% interest in the joint venture and Mumbai Waste Management Limited to hold an 11% interest in the joint venture. Further, the developer agreement requires the joint venture to hold at least 51% of the equity share capital in the project during the project implementation. In compliance with this requirement, the Company currently holds 29.19% of the equity interest in the project and Ramky Estates and Farm Private Limited holds a 24.80% equity interest in the project for an aggregate equity interest of 53.99%.

The project is required to be completed within six years of the date on which the conditions precedent set out in expression of interest-cum-request for proposal document for the project are satisfied. The internal infrastructure facilities and utilities required for the project are required to be completed within four years of the later of (a) the date on which the conditions precedent set forth in expression of interest-cum-request for proposal document for the project are satisfied and (b) the receipt of all applicable permits for the project. We expected to have satisfied all of the conditions precedent by March 2010; however the HMDA only granted us an extension until January 27, 2010 to fulfill the conditions precedent. The Company applied through a letter dated February 6, 2010 for a waiver of the condition precedent requiring it to pay a development premium, but HMDA has not yet communicated a response to such request.

The price of the land for the project is Rs. 5.20 million per acre, amounting to a total price of Rs. 1,948.66 million. The total price comprises a reserve price of Rs. 1,921.69 million and a premium of Rs. 26.97 million. 40% of the reserve price for the land (i.e., Rs. 768.68 million) has been paid to the land owners in the form of equity shares in Ramky Integrated Township Limited at par value. 60% of the reserve price for the land will be paid in cash by the consortium to the land owners on the execution of the development agreement for the project. 50% of the premium of Rs. 26.97 million is to be paid by the consortium to HUDA and 50% to the land owners on or before the execution of the development agreement for the project. In addition to paying for the land, the consortium is required to pay HUDA (i) Rs. 1,000 million development premium, payable in four equal installments, all of which must be paid within 12 months from the date of the development agreement for the project and (ii) Rs. 4 million towards development expenses. In addition, the consortium or Ramky Integrated Township Limited is required to give a Rs. 100 million bank guarantee as performance security.

The construction contracts for the project have not yet been awarded. The construction of the project has thus far been financed by Rs. 3,000 million in equity by Ramky Integrated Township Limited and is expected to be further financed by Rs. 1,500 million in bank loans with the remainder to be financed by internal accruals.

As per the memorandum of understanding dated August 10, 2007 among the Government of Andhra Pradesh, the land owners and HUDA, Ramky Integrated Township Limited has the right of first refusal to develop 150 acres of land adjacent to the Srinagar integrated township project on the same terms and conditions as the letter of award. In addition, the Government of Andhra Pradesh is considering transferring 200 acres of land adjacent to the project to Ramky Integrated Township Limited if and when such land is resumed by the government on terms and conditions to be agreed between the parties. The Government of Andhra Pradesh has initiated steps to assigning the 200 acres of land to Ramky Integrated Township Limited, including issuing a memorandum on August 27, 2008 in respect of this assignment. It is intended that the land will be assigned to HMDA, which in turn will assign this land to Ramky Integrated Township Limited. Ramky Integrated Township Limited has already deposited Rs. 183.00 million with the Revenue Divisional Officer as a first installment payable to HMDA.

N.A.M. Expressway Limited

N.A.M. Expressway Limited, in which our Company has a 50% equity interest, entered into an agreement with the Andhra Pradesh State Road Development Corporation Limited ("APSRDC") to design, construct, finance, operate and maintain four lanes of the Narketpalli Addanki Medarametla road (SH 2) from Km 0.000 to Km 212.500 in the state of Andhra Pradesh under a public private partnership on design, build, finance, operate and transfer (toll) basis. The estimated project cost as per the APSRDC's estimate is Rs. 11,968.40 million.

<u>Concession Agreement</u>

N.A.M. Expressway Limited has been awarded a grant of Rs. 4,670.20 million for entering into the concession agreement. The concession agreement provides that the construction of the road is to be completed within 30 months from the date of satisfaction of condition precedents. The concession period expires 24 years from the date of satisfaction of condition precedents.

Construction Agreement

The construction agreement for the project has not yet been awarded.

Financing

We have not yet achieved financial closure for this project.

Jorabat Shillong Expressway Limited

Jorabat Shillong Expressway Limited, in which our Company has a 50% equity interest, has entered into an agreement with the National Highway Authority of India ("NHAI") to develop four lanes of the Jorabat – Shillong (Barapani) section of NH – 40 in the state of Assam & Meghalaya aggregating to 61.92 Km under a design, build, finance, operate and transfer (annuity) basis. The estimated project cost as per NHAI's estimate is Rs. 5,360 million.

Concession Agreement

The concession agreement provides that the construction of the road is to be completed within 36 months from the date of satisfaction of the condition precedents. The semi-annuity payment is Rs. 725.10 million payable after completion of the construction of the road until the end of the concession period. There is no price escalation clause. The concession period expires 20 years from the date of satisfaction of the condition precedents.

Construction Agreement

The construction agreement for this project has not yet been awarded.

Financing

We have not yet achieved financial closure for this project.

For more information on the Subsidiaries and the Associate, please see "History and Corporate Structure" beginning on page 108.

Tendering for the Construction and Developer Businesses

We have a centralized tender department that is responsible for applying for pre-qualifications and tenders. The tender department evaluates our credentials vis-à-vis the stipulated eligibility criteria. We endeavor to qualify on our own for projects in which we propose to bid. In instances where we do not qualify for a project in which we are interested, we may seek to form strategic alliances or project-specific joint ventures with other experienced and qualified contractors.

A notice inviting bids may either involve pre-qualification, or short listing of contractors, or a post-qualification process. In a pre-qualification or short listing process, the client stipulates technical and financial eligibility criteria to be met by the potential applicants. Pre-qualification applications generally require us to submit details about our organizational set-up, financial parameters (such as turnover, net worth and profit and loss history), employee information, plant and equipment owned, portfolio of executed and ongoing projects and details in respect of litigations and arbitrations in which we are involved. Pre-qualification is key to our winning major projects and we continue to develop our pre-qualification status by executing a diverse range of projects and building our financial strength.

If we pre-qualify for a project, the next step is to submit a financial bid. Prior to submitting a financial bid, we carry out a detailed feasibility study of the proposed project, including performing a detailed study of the technical and commercial conditions and requirements of the tender followed by a site visit.

A site visit enables us to determine the site conditions by studying the terrain and access to the site. Thereafter, a local market survey is conducted to assess the availability, rates and prices of key construction materials and the availability of labour and specialist sub-contractors in that particular region. Sources of the key natural construction materials, such as quarries for aggregates, are also visited to assess the availability, leads and quality of such material. The site visit also allows us to determine the incidence and rates of local taxes and levies, such as sales tax or value added tax, octroi and cess.

The tendering department invites quotations from vendors, sub-contractors and specialist agencies for various items or activities in respect of the tender. The gathered information is then analysed to arrive at the cost of items included in the bill of quantities. The estimated cost of items is then marked up to arrive at the selling price to the client. The basis of determination of the mark-up is based in part on the evaluation of the conditions of the contract.

Alternatively, the client may choose to invite bids through a post-qualification process wherein the contractor is required to submit the financial bid along with the information mentioned above in two separate envelopes. In such a situation, the client typically evaluates the technical bid or pre-qualification application initially and then opens the financial bids only to those contractors who meet the stipulated criteria.

Competition

We operate in a competitive environment. Our competition depends on whether the project is in the construction sector or developer sector. It also depends on a host of other factors, such as the type of project, contract value and potential margins, the complexity and location of the project, the reputation of the client and the risks relating to revenue generation. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price is often the deciding factor in most tender awards. We mainly compete with domestic Indian entities in the different segments in which we operate. Some of our key competitors in the integrated construction and developer sectors are L&T Limited, IVRCL Infrastructures & Projects Limited, Nagarjuna Construction Company Limited, Consolidated Construction Consortium Limited, LANCO Infratech Limited, Maytas Infra Limited, Gayatri Projects Limited, KMC Limited, Kalpataru Limited, Vijay Electricals Limited, SEW Infrastructure Limited, Subhash Projects Limited and Soma Enterprise Limited. Some of our competitors may have significantly greater resources than those available to us. For details on risks relating to our competition, see the risk factor entitled "We face significant competition" in the section entitled "Risk Factors" on page x.

Insurance

Our operations are subject to hazards inherent in providing engineering, construction and real estate development services. We may also be subject to claims resulting from defects arising from engineering, procurement or construction services provided by us within the warranty periods extended by us.

We obtain specialized insurance for construction risks and third party liabilities for most projects for the duration of the project and the defect liability period. We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate. Risks of loss or damage to project works and materials are often insured jointly with our clients.

Our significant insurance policies consist of coverage for risks relating to physical loss or damage as well as business interruption loss. Loss or damage to our materials and property, including contract works, whether permanent or temporary, and materials or equipment supplied by us or supplied to us, are generally covered by "contractors' all risks" insurance. Under our general public liability insurance policy, we are indemnified against legal liability to pay damages for third party civil claims arising out of bodily injury or property damage caused by an accident during the project in the course of business.

We also maintain vehicle insurance policies for all of our vehicles and workmen's compensation policies for each of our projects.

For details on risks relating to our insurance coverage, see the risk factor entitled "Our insurance coverage may not adequately protect us against all losses" in the section entitled "Risk Factors" on page x of this Red Herring Prospectus.

Our Employees

We believe that a well-trained, motivated and satisfied employee base is key to our competitive advantage. As at March 31, 2010, we employed 1,742 full-time employees on a stand alone basis, of which 717, or 41% were engineers, including 16 members of our management team. As at March 31, 2010, 1,348 of our full-time employees, or 77.38% were employed at our various project sites, while the remainder were employed at our corporate office or zonal/regional offices. The skill sets of our employees give us the flexibility to adapt to the needs of our clients and the technical requirements of the various projects that we undertake. As at March 31, 2010, we did not have any temporary employees. We had an employee turnover of 17.56% in Fiscal 2010.

We are committed to the development of the expertise and know-how of our employees through regular technical seminars and training sessions organized or sponsored by our Company. Our Company ensures that its employees are up-to-date with current trends in our industries and simultaneously work to improve each employee's efficiency and effectiveness, both as an individual and as a team member. To accomplish this, competency mappings are performed for each employee, which is used to identify and categorize the training requirements for each employee so that we can provide each employee with the relevant training programs. Training takes the form of company-based programs, co-sponsored events with professional training agencies, in-house training workshops and seminars. We offer training sessions at three different levels: management-level, mid-level and elementary-level. Training sessions for management-level and mid-level employees are offered from time to time at our headquarters, while Ramky foundation courses are offered locally or regionally to lower-level employees.

In addition to recruiting employees who already have experience in their areas of focus, we also recruit university students on campus for positions within our Company. For incoming recruits from universities, we have formulated programs to groom them to deal with the various issues and become effective employees. This is done through specially designed programs such as co-sponsored programs with professional training agencies, function-wise induction and module-based training and mentoring.

To enhance our ability to attract, motivate and retain skilled employees, we instituted the Ramky Infrastructure Limited Employee Stock Option Plan 2006. We also offer group mediclaim, group personnel accident policies and employee deposit linked insurance to our permanent employees. None of our employees are in a union. As such, we consider our relations with our employees to be good.

Health, Safety and Environment

We are committed to complying with applicable Health, Safety and Environmental ("HSE") regulations and other requirements in our operations and have documented policies in place. Our policies are of particular importance to us given that we operate the civil, environmental and social infrastructure for industrial parks that we have designed, financed and built. In designing, building and operating such infrastructure, we maintain strict adherence to HSE policies.

To help ensure effective implementation of our practices, at the beginning of every project we seek to identify all potential material hazards, evaluate all material risks and institute, implement and monitor appropriate controls. We believe that accidents and occupational health hazards can be significantly reduced through the systematic analysis and control of risks and by providing appropriate training to management, employees and sub-contractors. We seek to work proactively towards minimizing or eliminating the impact of hazards to people and the environment. At large project sites, we employ safety personnel dedicated to helping ensure the implementation of our HSE policies at such sites. Project managers are principally responsible for ensuring that safety standards are met at small sites. Additionally, safety personnel are sent from the head office or other project sites to monitor such sites.

Our achievements in the HSE area have lead to significant recognition, including receiving an Environmental Leadership Award by the United States – Asia Environmental Partnership in 2004, the Safety, Health and Environment Performance Award by the Confederation of Indian Industry in 2005 and the Greentech Safety Silver Award 2010. This recognition has enhanced our reputation as a significant player in field of designing, building and operating civil, environmental and social infrastructure for industrial parks

In addition, our Company is required to comply with various laws and regulations relating to the environment. India has a number of pollution control statutes which empower state regulatory authorities to establish and enforce effluent standards relating to the discharging of pollutants or effluents into water or the air. As our Company increases its operations, we will become increasingly subject to more stringent environmental regulatory regimes. We believe that our Company complied in all material respects with all such statutes applicable to it and the regulations thereunder. In particular, we have applied for and/or have obtained all the consents from the appropriate regulatory authorities necessary to carry on our business.

Our Properties

Our Company's registered office and corporate headquarters are located at Ramky House, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500 082, Andhra Pradesh, India. Ramky House is partially owned by our Company and partially leased to our Company by Ramky Estates and Farms Private Limited, a Group company, Kumari K. Swetha and certain other individuals. Under the terms of the lease agreement, our Company has monthly rental obligations and is responsible for all taxes, cesses and levies relating to the use of the property during the term of the lease.

We also lease office space in Hyderabad, Bangalore, Ahmedabad, Delhi, Kolkata, Mumbai, Chennai and Bhopal for our zonal and regional offices. These lease agreements have not been registered as required under Indian law. The lease agreements are required to be registered under the provisions of the Indian Stamp Act, 1899 and the Registration Act, 1908 and they may not be admitted as evidence in an Indian court until they are duly registered. In addition, Ramky Engineering & Consulting Services (FZC), our subsidiary, leases office space in Sharjah, United Arab Emirates.

Our Intellectual Property

Our corporate logo is a registered trademark in the name of Ramky Finance and Investment Private Limited. We use it in common with our other Promoter Group Companies. One of our Promoter Group Companies, namely, Ramky Finance and Investment Private Limited, filed an application with the registrar of trademarks on August 29, 2007 for registration of the logo as a trademark in its name, and such registration was granted on August 5, 2010. Ramky Finance and Investment Private Limited has, however, given a no-objection letter to us in which it has confirmed that our Company has been using the logo prior to the filing of the registration application and that it does not have any objection to our current and continued use for an indefinite period of time of the logo subsequent to the registration of the trademark.

REGULATIONS AND POLICIES

Depending upon the nature of the projects undertaken by our Company, the applicable environmental and labour laws and regulations include the following:

- Apprentices Act, 1961;
- Contract Labour (Regulation and Abolition) Act, 1970;
- Child Labour (Prohibition & Regulation) Act, 1986;
- Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;
- Employer's Liability Act, 1938;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Inter State Migrant Workers Act, 1979;
- Minimum Wages Act, 1948;
- Payment of Wages Act, 1936;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Shops and Commercial Establishments Acts, where applicable;
- Air (Prevention and Control of Pollution) Act, 1981;
- Environment Protection Act, 1986 and Environment (Protection) Rules, 1986;
- Hazardous Waste (Management and Handling) Rules, 1989;
- Hazardous Chemicals Rules, 1989; and
- Water (Prevention and Control of Pollution) Act, 1974.

A brief description of certain labour legislations and environmental laws is set forth below:

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "CLRA"), requires establishments that employ or have employed on any day in the previous 12 months, 20 or more workmen as contract labour to be registered and prescribes certain obligations with respect to the welfare and health of contract labour.

To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, drinking water, washing facilities, first aid facilities, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period.

Minimum Wages Act, 1948

State governments may stipulate the minimum wages applicable to a particular industry. The minimum wages may consist of a basic rate of wages and a special allowance; or a basic rate of wages and the cash value of the concessions in respect of supplies of essential commodities; or an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any.

Payment of Bonus Act, 1965

Pursuant to the Payment of Bonus Act, 1965, as amended (the "Bonus Act"), an employee in a factory or in any establishment where 20 or more persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year is eligible to be paid a bonus.

Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972, as amended (the "Gratuity Act"), an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement or resignation, superannuation or death or disablement due to accident or disease.

Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 (the "ESI Act") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (the "EPF Act") provides for the institution of compulsory provident fund, pension fund and deposit linked insurance funds for the benefit of employees in factories and other establishments. A liability is placed both on the employer and the employee to make certain contributions to the funds mentioned above.

Workmen's Compensation Act, 1923

The Workmen's Compensation Act, 1952 (the "WC Act") provides for compensation of workers by their respective employers in case of injury by accident arising out of and during the course of employment.

Equal Remuneration Act, 1979

The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotions etc.

Child Labour (Prohibition and Regulation) Act, 1986

The Act prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

Inter-State Migrant Workmen's (Regulation of Employment and Conditions of Service) Act, 1979

The Act is applicable to an establishment, which employs five or more inter-state migrant workmen through an intermediary (who has recruited workmen from one State for employment in an establishment situated in another State). The inter State migrant workmen, in an establishment to which this Act becomes applicable, are required to be provided certain facilities such as housing, medical aid, travel expenses etc.

The Environment (Protection) Act, 1986

The Act provides for the protection and improvement of environment and for matters connected therewith, and the prevention of hazards to human beings, other living creatures, plants and property. 'Environment' includes water, air and land and the inter-relationship which exists among and between water, air and land, and human beings, other living creatures, plants, micro-organisms and property.

The Public Liability Insurance Act, 1991

The Act provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling hazardous substances and for matters connected herewith or incidental thereto. Hazardous substance means any substance or preparation which is defined as hazardous substance under the Environment (Protection) Act, 1986, and exceeding such quantity as may be specified by notification by the Central Government.

The Water (Prevention and Control of Pollution) Act, 1974

The Act provides for the prevention and control of water pollution and the maintaining and restoring of wholesomeness of water. 'Pollution' means such contamination of water or such alteration of the physical, chemical or biological properties of water or such discharge of any sewage or trade effluent or of any other liquid, gaseous or solid substance into water (whether directly or indirectly) as may, or is likely to, create a nuisance or render such water harmful or injurious to public health or safety, or to domestic, commercial, industrial, agricultural or other legitimate uses, or to the life and health of animals or plants or of aquatic organisms.

The Air (Prevention and Control of Pollution) Act, 1981

The Act provides for prevention, control and abatement of air pollution. 'Air Pollution' means the presence in the atmosphere of any 'air pollutant', which means any solid, liquid or gaseous substance (including noise) present in the atmosphere in such concentration as may be or tend to be injurious to human beings or other living creatures or plants or property or environment.

HISTORY AND CORPORATE STRUCTURE

Brief Corporate History of our Company

Our Company was incorporated as "Ramky Engineers Private Limited" on April 13, 1994 under the provisions of the Companies Act. The Company diversified into the field of infrastructure activities such as construction of roads, highways, bridges, flyovers, water supply and irrigation projects, the name of our Company was changed to "Ramky Infrastructure Private Limited" pursuant to a special resolution passed by the shareholders of our Company at an EGM held on June 16, 2003. The fresh certificate of incorporation consequent upon the change of name was granted on June 17, 2003 by the RoC. Subsequently, pursuant to a special resolution passed by the shareholders of our Company at an EGM held on June 23, 2003, our Company was converted to a public limited company. The new certificate of incorporation to reflecting the name change was issued on June 24, 2003 by the RoC.

Our Company is engaged in the business of construction and infrastructure development and management. For further details in relation to our business, see "Our Business" on page 75.

Changes in the Registered Office

The registered office of our Company was situated at D-4, 115, Shanthi Sikara Apartments, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India. To facilitate operational convenience, the registered office was shifted to the present location at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India by a Board resolution dated July 5, 1997.

Our Shareholders

As on the date of this Red Herring Prospectus, the total number of members of our Company is 150.

Major Events

Calendar Year	Events
1994	• Incorporation of our Company
1995	• Expanded operations to include water and waste water segment projects.
1997	• Expanded operations to include government works in addition to private contracting.
1998	• Expanded operations to include segments like buildings, irrigation, roads and industrial structures.
2002	• Expanded area of operations with projects in the states of Tamil Nadu, Karnataka, Kerala, Maharashtra, Gujarat, Rajasthan, Punjab, Delhi, Uttar Pradesh, West Bengal and Orissa.
2003	• Name of our Company changed from 'Ramky Engineers Private Limited' to 'Ramky Infrastructure Limited'. • Entered into a PPP for infrastructure projects through Deheradun's Inter-State Bus Terminal, a private sector bus terminal on a BOT basis. • Amendment of Clause III of the MOA to enlarge the objects clause of our Company to include development of infrastructure facilities and waste management as the main objects. .
2005	• Received the 'Best Contractor' award from the Government of Rajasthan. • Mr. Alla Ayodhya Rami Reddy, received the 'Engineer of the Year Award – 2005' from the Government of Andhra Pradesh and the Institution of Engineers (India). • Received the Indian Concrete Institute's '2005 Outstanding Concrete Structure Award' for Gandhi Medical College and Hospital Complex in Hyderabad. • Commenced construction of one Asia's largest sewage treatment plants (172 MLD) with uplift anaerobic sludge blanket process, at Nagole Hyderabad.
2006	• Entered into a share subscription and shareholders' agreement with SAPE and Tara India Fund III for purchase of equity shares and securities of our Company. • Expanded operations to include power transmission projects. • Completed the construction of the Paryatak Bhavan Complex in Hyderabad, a venture with the Andhra Pradesh Tourism Development Corporation.

Calendar Year	Events
2007	• Launched Ramky Elsamex Hyderabad Ring Road Limited an SPV for the development and construction of the Hyderabad Ring Road, a 150m wide road cum area development corridor with an eight lane controlled access expressway. • Commenced the developer business.
2008	• Best Project Award for the Married Accommodation Project at Amritsar from Central Public Works Department, GOI. • Infrastructure Excellence Award 2008 in the Urban Infrastructure Category from CNBC TV18 & Essar Steel, • The Company was in breach some of the covenants agreed to as part of the loan documentation entered into with Standard Chartered Bank. The said breaches were condoned.
2009	• Received an award for commendable water conserver-waste water management by the Water Digest.
2010	• Received Greentech Safety Silver Award 2010 from M/s Greentech Foundation; • Received ISO 9001:2008 certification in accordance with TUV NORD CERT procedures for the entire operations of our Company.

Capital Raising Activities through Equity and Debt

For details in relation to our capital raising activities through equity and debt, see the sections titled "Capital Structure" and "Financial Indebtedness" on pages 28 and 156, respectively.

Changes in the Activities of our Company during the Last Five Years

For details in the change in activities being carried out by our Company in the last five years see "Our Business – Our Business Operations" on page 75.

Main Objects

The main objects of our Company as contained in its Memorandum of Association are set forth in the table below:

Clause	Particulars
1.	To construct, build, develop, maintain, operate, own and transfer infrastructure facilities including housing, roads, highways, flyovers, bridges, airports, ports, rail system, water supply projects, irrigation projects, inland water ways and inland ports, water treatment systems, sea water desalination plants, reverse osmosis systems, under ground drainage systems, solid waste management systems, tertiary treatment plants, sanitation and sewerage systems or any other public facilities of a similar nature; any project for generation and/or distribution of electricity or any other form of power, and any telecommunication services and to deal with the same in any manner whatsoever in India or anywhere in the world.
2.	To collect, transport, treat, store, recycle & reuse and dispose wastes generated by various industries, health care establishments and commercial establishments including solids, semi-solids, aqueous non-aqueous liquids by establishing treatment storage disposal facilities or such other facilities required thereon in India or anywhere in the world.
3.	To carry on all or any of the businesses in India or elsewhere as manufacturers, designers, traders, importers, exporters and dealers in all types of engineering goods & equipment including environmental engineering equipment, pollution control both air, water and gas engineering equipment, laboratory material & equipment, effluent treatment plant and all other acts and things as may be necessary or incidental.
4.	To carry on the business of builders, engineers, general construction, civil contractors, mechanical contractors, design engineers, turnkey contractors, real estates and all other engineering work as may be necessary or incidental.
5.	To establish, provide maintain and conduct research laboratories and experimental workshops for engineering research and experiments and carry out of tests of all kinds.

6.	To carry on the business of consultants, advisors in areas of engineering mentioned in (1) to (5) above.

Amendments to the Memorandum of Association of our Company

The following changes have been made to our Memorandum since incorporation:

Date	Nature of Amendment
March 29, 1997	Increase in the authorised share capital from Rs. 1,000,000 to Rs. 5,000,000.
February 22, 1999	Increase in the authorised share capital from Rs. 5,000,000 to Rs. 10,000,000.
June 22, 2001	Increase in the authorised share capital from Rs. 10,000,000 to Rs. 25,000,000.
June 16, 2003	Amendment of Clause III to enlarge the objects clause of our Company to include development of infrastructure facilities and waste management as the main objects.
June 17, 2003	Name changed from "Ramky Engineers Private Limited" to "Ramky Infrastructure Private Limited".
June 24, 2003	The status of our Company was changed to a public limited company from a private limited company and accordingly the name of our Company was changed to "Ramky Infrastructure Limited".
July 1, 2005	Increase in the authorised share capital from Rs. 25,000,000 to Rs. 289,000,000.
July 30, 2005	Increase in the authorised share capital from Rs. 289,000,000 to Rs. 335,000,000.
November 28, 2006	Authorised share capital of Rs. 335,000,000 was altered into 32,409,450 Equity Shares, 2,000 Equity Shares with differential voting rights and 10,88,550 convertible, cumulative, redeemable, participating preference shares of Rs. 10 each.
December 7, 2007	Increased the authorised share capital from Rs. 335,000,000 to Rs. 700,000,000

Time and Cost Overrun

In respect of projects undertaken by us in various sectors of our construction business, there were time overruns in relation to some of our projects, details of which are set forth in the following table:

Sector	Number of delayed project	Aggregate contract value (Rs. Million)	Aggregate liquidated damages, if any (Rs. Million)
Water and Waste Water	15	4,575.36	409.31
Building Construction	17	4,312.84	392.54
Irrigation	14	4,975.80	450.18
Transportation	3	1,252.92	119.03
Power	7	1,459.51	72.98
Industrial	3	598.87	58.89
Total	59	17,175.30	1,502.93*

* Of this amount, up to Rs. 1,037.38 million is attributable to delays on the part of our sub-contractors.

These delays have been caused due to factors including delays or failures to obtain necessary permits, rights of-way, or receive performance bonds and other types of difficulties or obstructions.

Material Agreements and Arrangements

Shareholders Agreement with SAPE, Tara India Holdings and Tara India Fund III Trust.

Our Company along with Mr. Alla Ayodhya Rami Reddy, Mr. Yancharla Ratnakar Nagaraja, Ms. A. Dakshayani, Ms. Y.N. Madhu Rani, Mr. Alla Dasratha Rami Reddy, Mr. A. Veeraghavamma, Ramky Finance & Investment Private Limited and Mr. Alla Ayodhya Rami Reddy on behalf of Master A. Sharan and Master A. Ishaan (collectively referred to as the "**Members**"), entered into a subscription and shareholders agreement dated November 24, 2006 with SAPE (at the time as Sabre Abraaj Infrastructure Company Private Limited) and Tara India Fund III. Subsequently, Tara India Fund III Trust and Tara India Holdings acceded Tara India Fund III as per a deed of adherence dated June 17, 2008 (the "**Shareholders Agreement**"). The Shareholders Agreement was amended by an agreement dated July 14, 2010 ("the "**Amendment Agreement**") wherein certain key terms of the Shareholders Agreement were modified.

Certain provisions of the Shareholders Agreement, as amended by the Amendment Agreement are applicable till the listing of the Equity Shares on a recognized stock exchange.

Set forth below are the terms of the Shareholders Agreement that would subsist till the listing of Equity Shares:

Clause no.	Description of the Provisions	Validity
	Transfer of Shares	
7.2 7.3	In the event the Members intend to transfer their shareholding, then such Equity Shares will first be offered to the Investors. In the event the price quoted by the Investors for purchase of Equity Shares is not acceptable to the Members, then the Members may transfer Equity Shares to any third party at a price higher than the one quoted by the Investors and on terms and conditions no less favourable than those offered to the Investors. The Investors also have a tag along right and can require such third party to purchase Equity Shares from Investors at the same price and terms and conditions offered by the third party to the Members.	Till listing of Equity Shares
20.4(b)	The tag along right will also be available to the Investors for a period of 18 months after the Issue in the event the transfer of Equity Shares by the Members results in a change in the control of our Company.	Till listing of Equity Shares
	Restrictions on Transfer and Issue of Shares of Holding Companies	
7.1(b) and 7.1 (c)	The Members shall not directly or indirectly transfer any of their shareholdings in any holding company, subsidiary or affiliate of the Members which holds Equity Shares of our Company or issue any shares or buy back any shares without Investors consent.	Till listing of Equity Shares
	Anti Dilution Rights	
9.1	The Investors have a pre-emptive right to subscribe in any issue of securities by our Company in proportion to their respective shareholdings. Further, our Company shall not issue securities to any person other than the Investors in terms more favourable than those provided to the Investors under the Shareholders Agreement.	Till listing of Equity Shares
	Board composition	
3.4(a), 20.3, 10.11	Each Investor has the right to appoint a nominee director on our Board (which right both Investors have exercised) and the presence of nominee directors is required for constituting a valid quorum of our Board.	Till listing of Equity Shares
	Board and Shareholder Meetings	
10.16, 20.5 10.18(b), 20.3 11.1, 20.3	Mr. Alla Ayodhya Rami Reddy is to continue as executive chairman of our Company. A valid quorum for the shareholders meeting requires the presence of at least one Investor representative. Further, fundamental issues would be considered in a shareholders meeting only with the presence of one Investor representative in the meeting. Consent of the Investors is required for transacting fundamental issues at the meetings of the Board or shareholders of our Company, which *inter alia*, include the following: A. Declaration of dividend; B. Change in the capital structure of our Company; C. Creation or adoption of any equity option plan; D. Winding up, liquidation of our Company; and E. Change in the Registered Office of our Company.	Till listing of Equity Shares
	Shareholder Meetings	
9.4, 20.4(b)	Investors have the right of first offer to invest in equity of the affiliates (as defined in the Shareholders Agreement) of our Company or Members engaged in the business of waste management.	Till listing of Equity Shares
	Appointment of Auditors	
9.6, 20.4(b)	Investors have the right to require our Company to appoint a statutory auditor from the accounting firms listed in the Shareholders Agreement.	Till listing of Equity Shares
	Non-compete and Non-solicitation	
16.3, 16.4	The Members have agreed that neither they nor their affiliates shall compete with the business of our Company. Further the members have agreed to non-solicitation with respect to employees of our Company and the Investors.	Till listing of Equity Shares
	Restriction on Equity Participation in Future SPVs	

Clause no.	Description of the Provisions	Validity
16.4(d)	No affiliate of the Members shall participate in the equity of the future SPVs and subsidiaries set up for the purposes of our Company's business, including the execution of build, operate, transfer projects, and public private partnerships, provided that in the event our Company does not meet the technical qualification on a stand alone basis, our Company may, with the Investor's consent, allow an affiliate of a Member to participate in the equity of any future special purpose vehicle to be set up by our Company or in our Subsidiaries.	Till listing of Equity Shares
	Most Favourable Rights	
23.2	Our Company and the Members have agreed to obtain the consent of the Investors for granting rights to any person, unless the right to be granted is subordinate to the rights of the Investors.	Till listing of Equity Shares
	Exit Option	
12.5(a) 12.5(b) 12.5(c)	Under the Shareholders Agreement, our Company and the Members had agreed to use reasonable efforts to complete an initial public offer by December 2009, or an additional period of nine months thereafter i.e. by September 2010. In the event an initial public offer is not completed by September 2010 the Investors have the right to sell/transfer their shares in the following modes: *Buy-Back:* The Investors have the right to require our Company to buy-back Equity Shares held by them at a price to be determined by a merchant banker registered with the SEBI. *Put Option:* The Investors have the right to require our Promoters (and the remaining Members) to jointly and severally acquire Equity Shares held by them at a price to be determined by a merchant banker registered with the SEBI. The Investors have the right to sell/transfer Equity Shares held by them at a price to be determined by a merchant banker registered with the SEBI, through an initial public offer or through a strategic sale. In relation to such sale the Members do not have a right of first offer. In the event the Investors exercise their right to sell or transfer their Equity Shares as listed above they have an additional right to require the Members to also sell or transfer Equity Shares held by them on the same terms and conditions, provided the that the aggregate holding of the Members shall not be reduced below 51% of the equity share capital of our Company.	Till listing of Equity Shares

However, in terms of Clause 15 of the Shareholders Agreement, in case of material breach the investors have a right to require the Company and or the Promoters to acquire the securities held by the Investors at a price equal to 120% of the fair market value of the securities held by the Investor.

Share purchase agreement between Mr. Alla Ayodhya Rami Reddy with International Finance Corporation

Mr. Alla Ayodhya Rami Reddy has entered into a share purchase agreement with International Finance Corporation ("**IFC**") on December 7, 2007 amended on January 5, 2008 and July 12, 2010 pursuant to which Mr. Reddy transferred 391,400 Equity Shares to IFC on January 21, 2008. The share purchase agreement was further amended through an agreement dated July 12, 2010. Pursuant to the amendment on July 12, 2010, the terms and conditions governing the transfer of Equity Shares that were previously agreed to were amended. The transfer of Equity Shares is subject to certain terms and conditions *inter alia* as mentioned below:

1. Our Company will undertake an initial public offer within two years from the date of purchase of Equity Shares by IFC ("**IFC Shares Purchase**") i.e. two years from January 21, 2008.

2. From the expiry of six months from the date of IFC Shares Purchase or filing of the RHP by our Company, whichever is earlier, IFC shall have the right to require Mr. Reddy to purchase Equity Shares held by IFC at a price of Rs. 1,800 plus interest of 15.75% per annum calculated from January 21, 2008 (the "**Put Price**"). However, in the event the Put Price is higher than the maximum price payable per Equity Share under applicable law as on the date of transfer then the Put Price shall be the maximum price permitted under applicable law.*

3. In the event the IPO does not take place by January 21, 2008 or our Promoter, Mr. Alla Ayodhya Rami Reddy, fails to purchase Equity Shares from IFC pursuant to the put option, IFC has the right to require the appointment of a nominee on our Board. Such IFC nominated director would have affirmative rights similar to those that the Investors have under the Shareholders Agreement.*

4. Until such time as the IPO does not take place, Mr. Reddy shall continue to hold at least 51% of the paid up share capital of our Company and shall not directly or indirectly transfer any his shareholding in our Company which may result in shareholding reducing to less than 51%, with IFC's prior written consent.

5. In the event Mr. Reddy transfers his shareholding in our Company prior to the completion of the IPO, IFC shall have the right to tag along in as much as they can call upon the purchaser to buy proportionate number of shares from IFC.

** The rights mentioned at point 2 and 3 above will fall upon listing of the Equity Shares.*

Non-Compete Undertaking

Ramky Estates and Farms Limited, our Group Company, has executed a non-compete undertaking, dated December 10, 2007 in favour of our Company. Ramky Estates and Farms Limited, is engaged in the business of builders, engineers, general construction, civil, mechanical, contractors, design engineers and turnkey contractors. As per the undertaking, Ramky Estates and Farms Limited has agreed not to compete with our Company in the business of integrated construction and infrastructure development and management in India with a strategic emphasis on environmental oriented projects.

Subsidiaries, Joint Ventures and Associates

Subsidiaries

1. MDDA-Ramky IS Bus Terminal Limited;
2. Ramky Engineering & Consulting Services FZC;
3. Gwalior Bypass Project Limited;
4. Ramky Elsamex Hyderabad Ring Road Limited;
5. Ramky Towers Limited;
6. Ramky Pharma City (India) Limited;
7. Ramky Food Park (Chhattisgarh) Limited;
8. Ramky Herbal and Medicinal Park (Chhattisgarh) Limited;
9. Naya Raipur Gems and Jewellery SEZ Limited;
10. Ramky Enclave Limited; and
11. Ramky-MIDC Agro Processing Park Limited.

Joint Ventures

1. Ramky-VSM JV;
2. Ramky-WPIL JV;
3. Ramky-Elsamex JV;
4. Srishti- Ramky JV;
5. Som Datt Builders - Ramky- JV;
6. Ramky- Variegate JV; and
7. ZVS-Ramky-Progressive JV.

Associates

1. Ramky Integrated Township Limited;
2. Narketpalli Addanki Expressway Limited;
3. NAM Expressway Limited; and
4. Jorabat Shillong Expressway Limited.

Our Subsidiaries

1. MDDA-Ramky IS Bus Terminal Limited ("MDDA-Ramky")

MDDA-Ramky was incorporated on August 20, 2003 under the Companies Act and has its registered office at 6-3-1089/G/10&11, 3[dr] floor, Ramky House, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad 500 082. MDDA-Ramky is primarily engaged in the business of infrastructure facilities in relation to any project for the Mussorie Dehradun Development Authority.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In Rs.)	
Authorised Share Capital		
9,750,000 equity shares of Rs. 10 each	97,500,000	
Issued, Subscribed and Paid-Up Share Capital		
9,750,000 equity shares of Rs. 10 each	97,500,000	
Share Premium Account	Nil	
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	9,660,009	99.08
Indirect Shareholding of our Company (through the following nominees)		
Mr. Alla Ayodhya Rami Reddy	9,999	0.10
Mr. Yancharla Ratnakar Nagaraja	9,999	0.10
Mr. Perumal Ponnu Raj	9,999	0.10
Mr. G.V. Raghava Rao	9,999	0.10
Ms. A. Dakshyani	9,999	0.10
Mr. M. Vasudeva Reddy	9,999	0.10
Mr. Alla Ramakrishna Reddy	9,999	0.10
Mr. Alla Peri Reddy	9,999	0.10
Mr. M. Goutham Reddy	9,999	0.10
Total	**9,750,000**	**100.00**

Board of Directors

As of July 31, 2010 the board of directors of MDDA-Ramky comprises Mr. Yancharla Ratnakar Nagaraja (our Promoter), Mr. S. Vijaya Rami Reddy and Mr. M. Goutham Reddy.

Financial Performance:

The audited financial results of MDDA-Ramky, for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	**Fiscal 2009**	**Fiscal 2008**
Income/Sales	20.50	17.22	13.62
Profit (Loss) after Tax	1.36	(3.81)	(8.81)
Equity Share Capital	97.50	97.50	97.50
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(31.60)	(32.95)	(29.17)
Earnings (Loss) Per Share	0.14	(0.39)	(0.90)
Diluted Earnings (Loss) Per Share	0.10	(0.30)	(0.80)
Net Asset Value	65.90	64.55	68.33

** Net of miscellaneous expenditure not written off.*

2. Ramky Engineering & Consulting Services FZC ("Ramky FZC")

Ramky FZC was incorporated on May 30, 2006 as a free zone company with limited liability pursuant to Emiri Decree no. 2 of 1995 in accordance with the Implementation Procedures of the Free Zone Company issued by Sharjah Airport International Free Zone authority in the Sharjah Airport International Free Zone and has its registered office at Executive Suite, P.O. Box no. 120347, Sharjah, United Arab Emirates. Ramky FZC is currently engaged in the business of offering consultancy services in the field of engineering.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In AED)	
Authorised Share Capital		
7,500 equity shares of AED 100 each	750,000	
Issued, Subscribed and Paid-Up Share Capital		
7,500 equity shares of AED 100 each	750,000	
Share Premium	Nil	
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	7,350	98.00
Indirect Shareholding of our Company (through the following nominees)		
Mr. Alla Ayodhya Rami Reddy	75	1.00
Mr. M. Goutham Reddy	75	1.00
Total	**7,500**	**100.00**

Board of Directors

As of July 31, 2010 the board of directors of Ramky FZC comprises Mr. Alla Ayodhya Rami Reddy (our Promoter) and Mr. M. Goutham Reddy.

Financial Results

The audited financial results of Ramky FZC for the last three Fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	Fiscal 2009	Fiscal 2008
Income/Sales	0.94	-	-
Profit (Loss) after Tax	(8.67)	(9.86)	(7.13)
Equity Share Capital	9.15	10.38	1.64
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(31.27)	(26.06)	(11.36)
Earnings (Loss) Per Share	(1,156.41)	(1,314.67)	(4,753.33)
Diluted Earnings (Loss) Per Share	(1,156.41)	(1,314.67)	(4,753.33)
Net Asset Value	(22.12)	(15.68)	(9.72)

** Net of miscellaneous expenditure not written off.*

Significant Notes:

The auditors have drawn attention in their audit report for 2008-09, as follows:

"*Although the net worth of the company has been eroded, the financial statements have been prepared considering the entity as going concern as the company is in the process of increasing the net worth by infusing the fresh funds into the business as at balance sheet date and in the month of April'2009, they have infused the required funds to make net worth positive…*"

3. Gwalior Bypass Project Limited ("Gwalior Bypass")

Gwalior Bypass was incorporated as a private limited company on June 23, 2006 under the Companies Act, and has its registered office at 370-371/2, Sahi Hospital Road, Jangpura, Bhogal, New Delhi 110 014, India. Gwalior Bypass was converted into a public limited company on March 21, 2007. Gwalior Bypass is primarily engaged in the business of infrastructure development particularly for highway projects.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In Rs.)
Authorised Share Capital	
2,000,000 equity shares of Rs. 10 each	20,000,000
2,310,000preference shares of Rs. 100 each	231,000,000
Issued, Subscribed and Paid-Up Share Capital	

50,000 equity shares of Rs. 10 each	500,000	
2,198,375 preference shares of Rs. 100 each	219,837,500	
Share Premium	659,512,500	
Shareholding pattern as of July 31, 2010		
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	25,500	51.00
Other Shareholders		
Era Infra Engineering Limited	19,496	38.99
Shriram Chits Private Limited	5,000	10.00
Mr. H.S. Bharana	1	0.00
Ms. Rekha Bharana	1	0.00
Ms. Rashmi Bharana	1	0.00
Mr. Amit Bharana	1	0.00
Total	**50,000**	**100.00**
Name of Shareholder	**No. of preference shares**	**% of Issued Capital**
Our Company	2,240	0.10
Other Shareholders		
Era Infra Engineering Limited	1,368,635	62.26
Era Infrastructure (India) Limited	827,500	37.64
Total	**2,198,375**	**100.00**

Board of Directors

As of July 31, 2010 the board of directors of Gwalior Bypass comprises Mr. Yancharla Ratnakar Nagaraja (our Promoter), Mr. J. L. Khushu, Mr. S.D. Sharma, Mr. Ajay Kumar Mishra, Mr. M. Goutham Reddy and Mr. Dhiresh Nigam.

Financial Performance:

The audited financial results of Gwalior Bypass, for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	**Fiscal 2009**	**Fiscal 2008**
Income/Sales	-	-	-
Profit (Loss) after Tax	(0.27)	(0.14)	(0.05)
Equity Share Capital	0.5	0.5	0.5
Preference Share Capital	219.84	124.59	116.84
Reserves and Surplus (Excluding revaluation reserves)*	662.43	376.95	353.83
Earnings (Loss) Per Share	(5.33)	(2.73)	(0.99)
Diluted Earnings (Loss) Per Share	(5.33)	(2.73)	(0.99)
Net Asset Value (Excluding Preference Share Capital)	662.93	377.45	354.33

** Net of miscellaneous expenditure not written off.*

4. Ramky Elsamex Hyderabad Ring Road Limited ("Ramky EHRR")

Ramky EHRR was incorporated on July 18, 2007 under the Companies Act and has its registered office at 6-3-1089/G/10&11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad 500 082. Ramky EHRR is primarily engaged in the business of designing, constructing, developing, financing, operating and maintaining an eight lane access controlled expressway in the State of Andhra Pradesh.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In Rs.)
Authorised Share Capital	
20,000,000 equity shares of Rs. 10 each	200,000,000
25,000,000 preference shares of Rs. 10 each	250,000,000
Issued, Subscribed and Paid-Up Share Capital	
20,000,000 equity shares of Rs. 10 each	200,000,000
25,000,000 preference shares of Rs. 10 each	250,000,000

Share Premium		Nil
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	14,787,000	73.97
Indirect Shareholding of our Company (through the following nominees)		
Mr. Alla Ayodhya Rami Reddy	12,995	0.06
Mr. M. Goutham Reddy	1	0.00
Mr. J. Krishna Reddy	1	0.00
Ms. M. Udaya Kumari	1	0.00
Mr. V. Venkateswara Rao	1	0.00
Mr. S. Vijaya Rami Reddy	1	0.00
Total Shareholding of our Company (A+B)	*14,800,000*	*74.00*
Elsamex S.A.	5,200,000	26.00
Total	**20,000,000**	**100.00**
Name of Shareholder	**No. of Preference Shares**	**% of Issued Capital**
Our Company	25,000,000	100.00
Total	**25,000,000**	**100.00**

Board of Directors

As of July 31, 2010 the board of directors of Ramky EHRR comprises Mr. Yancharla Ratnakar Nagaraja (our Promoter), Mr. Muralidhar Khattar and Mr. Vijaya Rami Reddy.

Financial Performance:

The audited financial results of Ramky EHRR, for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	**Fiscal 2009**	**Fiscal 2008**
Income/Sales	-	-	-
Profit (Loss) after Tax	(3.56)	-	-
Equity Share Capital	200.00	100.50	0.5
Preference Share Capital	250.00	250.00	-
Reserves and Surplus (Excluding revaluation reserves)*	661.46	396.59	232.73
Earnings (Loss) Per Share	(0.20)	-	-
Diluted Earnings (Loss) Per Share	(0.20)	-	-
Net Asset Value (Excluding preference share capital)	864.46	497.09	233.23

** Net of miscellaneous expenditure not written off.*

5. Ramky Towers Limited ("Ramky Towers")

Ramky Towers was incorporated on July 26, 2007 under the Companies Act and has its registered office at 6-3-1089/G/10 & 11, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India. Ramky Towers is primarily engaged in the business of developing, constructing, operating and maintaining a township at Gachibowli, Hyderabad.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In Rs.)	
Authorised Share Capital		
50,000 equity shares of Rs. 10 each		500,000
Issued, Subscribed and Paid-Up Share Capital		
50,000 equity shares of Rs. 10 each		500,000
Share Premium		Nil
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	25,500	51.00
Other Shareholders		
Ramky Estates and Farms Limited	24,437	48.86

	Aggregate Nominal Value (In Rs.)	
Mr. Yancharla Ratnakar Nagaraja*	9	00.02
Mr. S. Vijaya Rami Reddy*	9	00.02
Ms. A. Dakshayani*	9	00.02
Mr. M. Goutham Reddy*	9	00.02
Mr. Alla Peri Reddy*	9	00.02
Ms. A. Rama Devi*	9	00.02
Ms. A. Radha Devi*	9	00.02
Total	**50,000**	**100.00**

* *Nominees of Ramky Estates and Farms Limited.*

Board of Directors

As of July 31, 2010 the board of directors of Ramky Towers comprises Mr. N.S. Hariharan, Mr. Dinesh Kumar Khare and Mr. M. Goutham Reddy.

Financial Performance:

The audited financial results of Ramky Towers, for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	Fiscal 2009	Fiscal 2008
Income/Sales	588.14	205.49	-
Profit (Loss) after Tax	32.81	17.86	-
Equity Share Capital	0.50	0.50	0.50
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	50.66	17.83	(0.03)
Earnings (Loss) Per Share	656.13	357.13	-
Diluted Earnings (Loss) Per Share	157.65	0.85	-
Net Asset Value	51.16	18.33	0.47

** Net of miscellaneous expenditure not written off.*

6. Ramky Pharma City (India) Limited ("Ramky Pharma City")

Ramky Pharma City was incorporated on March 11, 2004 under the Companies Act and has its registered office at 6-3-1089/G/10 & 11, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India. Ramky Pharma City is currently engaged in the business of developing a pharma city project at Parawada Village, Andhra Pradesh, India.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In Rs.)	
Authorised Share Capital		
18,000,000 equity shares of Rs. 10 each	180,000,000	
Issued, Subscribed and Paid-Up Share Capital		
18,000,000 equity shares of Rs. 10 each	180,000,000	
Share Premium	Nil	
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	9,129,000	50.72
Indirect Shareholding of our Company (through the following nominees)		
Mr. Alla Ayodhya Rami Reddy	27,000	0.15
Mr. Yancharla Ratnakar Nagaraja	3,000	0.02
Mr. Perumal Ponnu Raj	3,000	0.02
Ms. A. Rama Devi	3,000	0.02
Ms. A. Dakshayani	3,000	0.02
Ms. P. Nagamalleswari	3,000	0.02
Ms. A. Radha Devi	3,000	0.02

Ms. M. Udaya Kumari	3,000	0.02
Mr. A. Peri Reddy	3,000	0.02
Total Shareholding of our Company (A+B)	*9,180,000*	*51.00*
Ramky Estates and Farms Limited	6,840,000	38.00
Andhra Pradesh Industrial Infrastructure Corporation Limited	1,980,000	11.00
Total	**18,000,000**	**100.00**

Board of Directors

As of July 31, 2010 the board of directors of Ramky Pharma City comprises Mr. Alla Ayodhya Rami Reddy (our Promoter), Dr. K.S.M. Rao, Mr. M. Goutham Reddy and Mr. D. Muralidhar Reddy (nominee of the Andhra Pradesh Industrial Infrastructure Corporation Limited).

Financial Performance

The audited financial results of Ramky Pharma City for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	Fiscal 2009	Fiscal 2008
Income/Sales	688.55	614.74	1,060.65
Profit (Loss) after Tax	221.48	103.29	147.85
Equity Share Capital	180.00	180.00	180.00
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	478.70	256.88	153.34
Earnings (Loss) Per Share	12.30	5.74	8.21
Diluted Earnings (Loss) Per Share	12.30	5.74	8.21
Net Asset Value	658.70	436.88	333.34

** Net of miscellaneous expenditure not written off.*

7. Ramky Food Park (Chhattisgarh) Limited ("Ramky Food Park")

Ramky Food Park was incorporated on September 14, 2007 under the Companies Act, and has its registered office at R-IX, Anupam Nagar, Raipur 492 001, India. Ramky Food Park is currently engaged in the business of developing, designing, marketing, operating and maintaining a food processing park on a BOT basis.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In Rs.)	
Authorised Share Capital		
50,000 equity shares of Rs. 10 each	500,000	
Issued, Subscribed and Paid-Up Share Capital		
50,000 equity shares of Rs. 10 each	500,000	
Share Premium	Nil	
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	49, 994	100.00
Indirect Shareholding of our Company (through the following nominees)		
Mr. Yancharla Ratnakar Nagaraja	1	0.00
Mr. S. Vijaya Rami Reddy	1	0. 00
Mr. J. Krishna Reddy	1	0. 00
Mr. M. Goutham Reddy	1	0. 00
Mr. Alla Peri Reddy	1	0. 00
Dr. K.S.M. Rao	1	0. 00
Total Shareholding of our Company (A+B)	*50,000*	*100.00*
Total	**50,000**	**100.00**

Board of Directors

As of July 31, 2010 the board of directors of Ramky Food Park comprises Dr. K.S.M. Rao, Mr. P. Eshwar Reddy and Mr. Dhiresh Nigam.

Financial Performance

The audited financial results of Ramky Food Park for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	Fiscal 2009	Fiscal 2008
Income/Sales	0.08	-	-
Profit (Loss) after Tax	0.01	-	-
Equity Share Capital	0.5	0.5	0.5
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	0.01	(0.03)	(0.03)
Earnings (Loss) Per Share	0.12	-	-
Diluted Earnings (Loss) Per Share	0.01	-	-
Net Asset Value	0.51	0.47	0.47

** Net of miscellaneous expenditure not written off.*

8. Ramky Herbal and Medicinal Park (Chhattisgarh) Limited ("Ramky Medicinal Park")

Ramky Medicinal Park was incorporated on September 14, 2007 under the Companies Act, and has its registered office at R-IX, Anupam Nagar, Raipur 492 001, India. Ramky Medicinal Park is currently engaged in the business of developing, designing, marketing, operating and maintaining a herbal and medicinal park comprising industrial units and infrastructure on a BOT basis.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In Rs.)	
Authorised Share Capital		
50,000 equity shares of Rs. 10 each		500,000
Issued, Subscribed and Paid-Up Share Capital		
50,000 equity shares of Rs. 10 each		500,000
Share Premium		Nil
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	49, 994	100.00
Indirect Shareholding of our Company (through the following nominees)		
Mr. Yancharla Ratnakar Nagaraja	1	0. 00
Mr. S. Vijaya Rami Reddy	1	0. 00
Mr. J. Krishna Reddy	1	0. 00
Mr. M. Goutham Reddy	1	0. 00
Mr. Alla Peri Reddy	1	0. 00
Dr. K.S.M. Rao	1	0. 00
Total	**50,000**	**100.00**

Board of Directors

As of July 31, 2010 the board of directors of Ramky Medicinal Park comprises Mr. K. Surya Mohan Rao, Mr. Eshwar Reddy and Mr. Dhiresh Nigam.

Financial Performance

The audited financial results of Ramky Medicinal Park for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	Fiscal 2009	Fiscal 2008
Income/Sales	-	-	-
Profit (Loss) after Tax	(0.04)	-	-
Equity Share Capital	0.5	0.5	0.5

	Fiscal 2010	Fiscal 2009	Fiscal 2008
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(0.04)	(0.03)	(0.03)
Earnings (Loss) Per Share	(0.74)	-	-
Diluted Earnings (Loss) Per Share	(0.03)	-	-
Net Asset Value	0.46	0.47	0.47

** Net of miscellaneous expenditure not written off.*

9. Naya Raipur Gems and Jewellery SEZ Limited

Naya Raipur Gems and Jewellery SEZ Limited was incorporated on September 14, 2007 under the Companies Act, and has its registered office at R-IX, Anupam Nagar, Raipur 492 001, India. It is currently engaged in the business of developing, designing, marketing, operating and maintaining a gems and jewellery park comprising industrial units and infrastructure on a BOT basis.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In Rs.)	
Authorised Share Capital		
50,000 equity shares of Rs. 10 each	500,000	
Issued, Subscribed and Paid-Up Share Capital		
50,000 equity shares of Rs. 10 each	500,000	
Share Premium	Nil	
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	49, 994	100.00
Indirect Shareholding of our Company (through the following nominees)		
Mr. Yancharla Ratnakar Nagaraja	1	0.00
Mr. S. Vijaya Rami Reddy	1	0. 00
Mr. J. Krishna Reddy	1	0. 00
Mr. M. Goutham Reddy	1	0. 00
Mr. Alla Peri Reddy	1	0. 00
Dr. K.S.M Rao	1	0. 00
Total	**50,000**	**100.00**

Board of Directors

As of July 31, 2010 the board of directors of Naya Raipur Gems and Jewellery SEZ Limited comprises Dr. K.S.M Rao, Mr. M. Goutham Reddy and Mr. P. Eshwar Reddy.

Financial Performance

The audited financial results of Naya Raipur Gems for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	Fiscal 2009	Fiscal 2008
Income/Sales	-	-	-
Profit (Loss) after Tax	(0.46)	-	-
Equity Share Capital	0.5	0.5	0.5
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(0.46)	(0.04)	(0.04)
Earnings (Loss) Per Share	(9.28)	-	-
Diluted Earnings (Loss) Per Share	(0.20)	-	-
Net Asset Value	0.04	0.46	0.46

** Net of miscellaneous expenditure not written off.*

10. Ramky Enclave Limited ("REL")

REL was incorporated on November 2, 2007 under the Companies Act, and has its registered office at 6-3-1089/G/10 & 11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad 500 082, India. REL is currently engaged in the business of developing, designing, marketing of a modern township at Warangal, Andhra Pradesh.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In Rs.)	
Authorised Share Capital		
50,000 equity shares of Rs. 10 each		500,000
Issued, Subscribed and Paid-Up Share Capital		
50,000 equity shares of Rs. 10 each		500,000
Share Premium		Nil
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	44,500	89.00
Indirect Shareholding of our Company (through the following nominees)		
Mr. Yancharla Ratnakar Nagaraja	1	0.01
Mr. S. Vijaya Rami Reddy	1	0.01
Mr. Alla Ayodhya Rami Reddy	1	0.01
Mr. M. Goutham Reddy	1	0.01
Mr. Alla Peri Reddy	1	0.01
Total Shareholding of our Company (A+B)	*44,505*	*89.05*
Ramky Estates and Farms Limited	5,495	10.95
Total	**50,000**	**100.00**

Board of Directors

The board of directors of REL as of July 31, 2010 comprises Mr. Y.R Nagaraja (our Promoter), Mr. N.S. Hariharan and Mr. S. Vijaya Rami Reddy.

Financial Performance:

The audited financial results of REL, for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	Fiscal 2009	Fiscal 2008
Income/Sales	76.60	0.01	-
Profit (Loss) after Tax	7.24	(0.48)	-
Equity Share Capital	0.50	0.50	0.50
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	6.76	(0.50)	-
Earnings (Loss) Per Share	144.85	(9.64)	-
Diluted Earnings (Loss) Per Share	0.24	(0.08)	-
Net Asset Value	7.26	-	0.48

** Net of miscellaneous expenditure not written off.*

11. Ramky-MIDC Agro Processing Park Limited ("Ramky MIDC")

Ramky MIDC was incorporated on February 25, 2008 under the Companies Act, and has its registered office at 6-3-1089/G/10&11, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad 500 082. Ramky MIDC Agro Processing Park Limited is currently engaged in the business of developing, designing, marketing, operating and maintaining an agro processing park comprising industrial units and infrastructure on a BOT basis.

Capital Structure as of July 31, 2010 is as follows:

	Aggregate Nominal Value (In Rs.)
Authorised Share Capital	
50,000 equity shares of Rs. 10 each	500,000
Issued, Subscribed and Paid-Up Share Capital	

50,000 equity shares of Rs. 10 each		500,000
Share Premium		Nil
Name of Shareholder	**No. of Equity Shares**	**% of Issued Capital**
Our Company	49,994	100.00
Indirect Shareholding of our Company (through the following nominees)		
Mr. Yancharla Ratnakar Nagaraja	1	0.00
Mr. S. Vijaya Rami Reddy	1	0.00
Mr. A. Ayodhya Rami Reddy	1	0.00
Mr. M. Goutham Reddy	1	0.00
Mr. P. Eshwar Reddy	1	0.00
Ms. A. Dakshayani	1	0.00
Total	**50,000**	**100.00**

Board of Directors

As of July 31, 2010 the board of directors of Ramky MIDC comprises Mr. Y.R. Nagaraja (our Promoter), Mr. Eshwar Reddy, Mr. M. Goutham Reddy, Mr. R.L. Mopalwar and Mr. S. Vijaya Rami Reddy.

Financial Performance

The audited financial results of MIDC, for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2010	**Fiscal 2009**	**Fiscal 2008**
Income/Sales	0.01	-	-
Profit (Loss) after Tax	(0.04)	-	-
Equity Share Capital	0.50	0.50	0.50
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(0.04)	(0.02)	(0.02)
Earnings (Loss) Per Share	(0.75)	-	-
Diluted Earnings (Loss) Per Share	(0.01)	-	-
Net Asset Value	0.46	0.48	0.48

** Net of miscellaneous expenditure not written off.*

Previous Public Issues

None of our Subsidiaries have completed any public or rights issue in the three years preceding the Draft Red Herring Prospectus.

Sick companies or Companies under Winding Up

None of our Subsidiaries have become sick companies under the SICA, or are currently under winding up.

Litigation

For information on details relating to the litigation in relation to our Subsidiaries, see "Outstanding Litigation and Material Developments" on page 195.

Negative Net Worth

Except for Ramky FZC none of our other Subsidiaries have negative net worth.

Guarantees Given to Third Parties by Promoters

Our Promoter, Mr. Alla Ayodhya Rami Reddy, has not given any guarantees to third parties offering Equity Shares in the Offer for Sale.

Other Confirmations

The accumulated profits or losses of our Subsidiaries have been accounted for by our Company in the restated audited consolidated financial statements of our Company included in this Red Herring Prospectus. For further details, see the section "Financial Statements" on page F-1.

All of our Subsidiaries are unlisted companies.

Joint Ventures

1. Ramky-VSM JV

Our Company and Mr. V. Satyamurthy entered into a joint venture agreement pursuant to which Ramky-VSM JV was set up as an association of persons on September 4, 2004 for the purpose of infrastructure development particularly water resources development for projects of medium size packages. The principal office of the joint venture is at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India.As of November 30, 2009, our Company and Mr. V. Satyamurthy hold a participation interest of 75% and 25%, respectively in the joint venture.

Participation by our Company and Mr. V. Satyamurthy in a bond, guarantee or an indemnity is to be proportionate to the participation interest. Further, Ramky-VSM JV will be jointly and severally liable for completion of the projects to be undertaken. However, the overall control of Ramky-VSM JV is in the hands of a steering committee consisting of one representative from both our Company and Mr. V. Satyamurthy.

There are no accumulated profits or losses of Ramky-VSM JV which have not been accounted for by our Company.

2. Ramky-WPIL JV

Our Company and Wellington Pumps India Limited ("**WPIL**") entered into a joint venture agreement dated April 13, 2005, pursuant to which Ramky-WPIL JV was set up as an association of persons for the purpose of preparing and submitting tenders and for executing works like setting up pumping stations and execution of connected civil, electrical and mechanical works at Aliminate Madhava Reddy Project in Nalgonda District, Andhra Pradesh. The principal office of the joint venture is at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India.

The Andhra Pradesh Irrigation and Command Area Development Department awarded the works of pumping station of Aliminate Madhava Reddy Project on January 6, 2007. For the purpose of undertaking the said works our Company and WPIL entered into an agreement dated August 14, 2007 to determine the relationship amongst them. Accordingly, it was agreed that our Company would be entitled to all the profits and would pay an amount of Rs. 468.9 million to WPIL as consideration for carrying out the works. The participation interest of our Company and WPIL was accordingly modified.

There are no accumulated profits or losses of Ramky-WPIL JV which have not been accounted for by our Company.

3. Ramky-Elsamex JV

Our Company and Elsamex, S.A ("**Elsamex**") entered into a joint venture agreement dated December 7, 2007, pursuant to which Ramky-Elsamex JV was set up as an association of persons for the purpose of preparing and submitting tenders and for executing works like design, construction, development, finance, operation and maintenance of an eight lane access controlled expressway under Phase IIA programme as an extension of phase I of outer ring road to Hyderabad city in the state of Andhra Pradesh, India for the package from Tukkuguda to Shamshabad totalling to 12.63 Km on build, operate and transfer basis. The principal office of the joint venture is at Ramky House, Gulmohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad.

The Hyderabad Growth Corridor Limited awarded the works of outer ring road project on November 16, 2007. Subsequently, our Company and Elsamex entered into an agreement dated December 7, 2007, for the purpose of undertaking the works so awarded and to determine the arrangement amongst them. Accordingly, our Company and Elsamex have a 90% and 10% interest, respectively in the joint venture.

Our Company is responsible for meeting all local requirements including obtaining necessary government approvals, for execution of the works and is also responsible for timely completion of the project.

4. Srishti-Ramky JV

Our Company and Srishti Constructions entered into a joint venture agreement dated January 23, 2007 for setting up a joint venture establishing it as an association of persons which shall jointly prepare and submit the tenders in the name of the joint venture. The principal office of the joint venture is at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India.

As of November 30, 2009, our Company and Srishti Constructions hold a 70% and 30% participation interest respectively in the joint venture. Any participation in a bond, guarantee or an indemnity is in accordance with the participatory interest. The overall control of is in the hands of a steering committee consisting of one representative of our Company and Srishti Constructions.

5. Som Datt Builders - Ramky- JV

Our Company and Som Datt Builders Private Limited ("**Som Datt**") entered into a joint venture agreement dated September 18, 2008, pursuant to which Som Datt Builders - Ramky JV was set up as an association of persons for the purpose of preparing and submitting tenders for construction of eight line access controlled expressway as outer ring road to Hyderabad City in the State of Andhra Pradesh, for the Package -I which stretches from Patancheru - Mallampet covering a distance of 11.3 Km. The principal office of the joint venture is at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India.

Ramky Infrastructure Limited and Som Datt hold a 26% and 74% participation interest respectively in the joint venture. Our Company and Som Datt Builders are jointly and severally bound by the terms of the tender and are liable to the extent of their respective holdings.

The Hyderabad Growth Corridor Limited awarded the works vide their Letter of Acceptance dated February 25, 2009. Our Company and Som Dutt are currently in the process of entering into an agreement to undertake the works awarded and to determine the relationship.

6. Ramky-Variegate JV

Our Company and Variegate Projects Private Limited ("**Variegate**") entered into a joint venture agreement dated October 8, 2008, pursuant to which Ramky-Variegate JV was set up as an association of persons for the purpose of preparing and submitting tenders and for executing electrification works under Infrastructure Plan Phase II Project, Mumbai, issued by Maharashtra State Electricity Distribution Company Limited. The principal office of the joint venture is at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India.

Our Company and Variegate hold a 74% and 26% participation interest respectively in the joint venture and are jointly and severally responsible for completion of the contract to be awarded. However, Variegate has agreed that in the event our Company breaches any part of the contract to be awarded, it will be responsible both for successful performance of the contract as well as for discharging any obligations of our Company.

The Maharashtra State Electricity Distribution Company Limited awarded the works of on March 2, 2009 following which our Company and Variegate are in the process of entering into an agreement for the purpose of undertaking the works so awarded and to determine the relationship amongst them.

7. ZVS-Ramky-Progressive JV

Our Company, Zarubezhvodstory Public Limited Company and Progressive Constructions Limited (the "**JV Partners**") entered into a joint venture agreement dated October 28, 2008, pursuant to which ZVS-Ramky-Progressive JV was set up as an association of persons for the purpose of preparing and submitting tenders and for executing works of Dummugudem Nagarjuna Sagar Project for gravity canal including 'construction of concrete' lining covering a distance of 67 Km to carry construction of aqueduct and viaducts and off take sluices and to release 4,000 cusecs into branch feeders. The principal office of the joint venture is at 6-3-1089/G/10 & 11, 1st Floor, Gulmohar Avenue, Raj Bhavan Road, Somajiguda, Hyderabad 500 082, India.

The Government of Andhra Pradesh, I & CAD -SE-I & CAD - Dummagudem Project Circle, Tekulapally, Khammam, awarded the works of on February 16, 2009. Subsequently, the JV Partners entered into an agreement dated February 20, 2009, for the purpose of undertaking the works so awarded and to determine the relationship amongst them.

As per the agreement, each JV Partner is equally responsible for execution of the project. Any provision of guarantees and advance payments is to be provided by the JV Partners in proportion to their share in ZVS-Ramky-Progressive JV. The participation interest of our Company, Zarubezhvodstory Public Limited Company and Progressive Constructions Limited is 20%, 55% and 25%, respectively.

Associates

Ramky Integrated Township Limited, Narketpalli Addanki Expressway Limited, NAM Expressway Limited and Jorabat Shillong Expressway Limited, associates of our Company, are also Group Companies. For further details see "Our Promoters and Group Companies – Group Companies" on page 140.

Strategic and Financial Partners

Our Company does not have any strategic or financial partners.

OUR MANAGEMENT

Our Articles require us to have not less than three and not more than 12 directors. Our Company currently has nine Directors consisting of two executive Directors and five independent Directors.

The following table sets forth details regarding the Board of Directors as of the date of this Red Herring Prospectus.

Name, Designation, Father's Name, Occupation, DIN and Term	Age and Address	Other Directorships
Mr. Alla Ayodhya Rami Reddy *Executive Chairman* S/o Mr. Alla Dasaratha Rami Reddy Occupation: Business DIN: 00251430 Term: March 31, 2013	47 years Plot no. 238-A-C 1, New MLA's Colony, Road no. 12, Banjara Hills, Hyderabad 500 034, India.	• Ramky Finance and Investment Private Limited • Ramky Enviro Engineers Limited • Ramky Engineering and Consulting Services FZC • Ramky Pharma City (India) Limited • SembRamky Environmental Management Private Limited • Smilax Laboratories Limited • Ramky Reclamation and Recycling Limited • Ramky International (Singapore) Pte. Limited • RVAC Private Limited • Ramky Cimelia E-Waste Management Limited • Tridax Laboratories Limited • Ramky Enviro Engineers Middle East FZ-LLC
Mr. Yancharla Ratnakar Nagaraja *Managing Director* S/o Mr. Y.K. Rathnakar Occupation: Business DIN: 00009810 Term: March 31, 2012	48 years No. 6-3-661/1/K/1 and 2, Flat no. 101, Jyothi Abode, Kapadia Lane, Somajiguda, Hyderabad 500 082, India.	• Ramky Finance and Investment Private Limited • MDDA-Ramky IS Bus Terminal Limited • Gwalior Bypass Project Limited • Ramky Elsamex Hyderabad Ring Road Limited • Ramky Enclave Limited • Ramky Integrated Township Limited • Ramky MIDC Agro Processing Park Limited • Narketpalli Addanki Expressway Limited • NAM Expressway Limited • Jorabat Shillong Expressway Limited
Mr. Rajiv Maliwal *Non-Executive Director* *(Nominee of SAPE)* S/o Mr. Prakash Maliwal Occupation: Business DIN: 00869035 Term: Liable to retire by rotation	50 years 61, Grange Road, 06-01, Baverly Hill, Singapore 249 570.	• ECI Engineering & Construction Company Limited • Man Infra Construction Limited • Oyster & Pearl Hospitals Private Limited • Praj Industries Limited
Dr. Archana Niranjan Hingorani *Non-Executive Director* *(Nominee of Tara India Fund III Trust)* D/o Mr. Niranjan Lilaram Hingorani Occupation: Business DIN: 00028037 Term: Liable to retire by rotation	45 years No. 10, Jeevan Dhara, Dr. Ambedkar Road, Bandra (West), Mumbai 400 050, India.	• IL&FS Ecosmart Limited • Continental Warehousing Corporation (Nhava Seva) Limited • IL&FS Urban Infrastructure Managers Limited • IL&FS Trust Company Limited • IL&FS Property Management Services Limited • Konaseema Gas Power Limited • IL&FS Investment Managers Limited • IL & FS Portfolio Management Services Limited • Hem Infrastructure and Property Developers Private Limited • Unitech Amusement Parks Limited • International Recreations Parks Private Limited • QVC Realty Private Limited

Name, Designation, Father's Name, Occupation, DIN and Term	Age and Address	Other Directorships
		• M.K. Malls & Developers Private Limited • Island Star Mall Developers Private Limited • Neelkamal Realtors Tower Private Limited • Patanishamy Properties Private Limited • Ansal SEZ Projects Limited • G.K. Industrial Park Private Limited • Ramky Integrated Township Limited • Infrastructure Ventures India (Private) Limited • JB SEZ Private Limited • Pan India Motors Private Limited • Wondervalue Realty Developers Private Limited • Emrald Lands (India) Private Limited • Ramky Enviro Engineers Limited • Orbit High City Private Limited
Mr. P.V. Narasimham *Independent Director* S/o Mr. P. Venkateswarlu Occupation: Professional DIN: 00046977 Term: Liable to retire by rotation	69 years 1303, Aushutosh, Near Neelkanth Vihar, New Tilak Marg, Chembur (West), Mumbai 400 089, India.	• National Securities Clearing Corporation Limited • Swarna Tollways Private Limited • Appu Hotels Limited • Maheshwar Hydel Power Corporation Limited • Sundar Tajmahal Hotels Private Limited • Ashoka Developers & Builders Limited
Mr. V. Murahari Reddy *Independent Director* S/o Mr. V. Bala Subba Reddy Occupation: Professional DIN: 01865148 Term: Liable to retire by rotation	67 years C/77, Madhuranagar, S.R. Nagar P.O., Hyderabad 500 038, India.	• IVRCL Assets & Holdings Limited
Dr. P.G. Sastry *Independent Director* S/o Mr. P. Sreeramulu Occupation: Professional DIN: 01890172 Term: Liable to retire by rotation	74 years 1-8-678/A/1 (New No.98) Padma Colony, Nallakunta, Hyderabad 500 044, India.	• Everest Infratech Management Services and Training Private Limited • Aquagreen Engineering Management Private Limited
Mr. Kamlesh Shivji Vikamsey *Independent Director* S/o Mr. Shivji Kunverji Vikamsey Occupation: Business DIN: 00059620 Term: Liable to retire by rotation	50 years No.194, 19th Floor, A-wing, Kalpataru Habitat, Dr. S.S. Rao Road, Parel, Mumbai 400 012, India.	• Navneet Publications (India) Limited • HLB Offices & Services Private Limited • Tribhovandas Bhimji Zaveri Private Limited • Aditya Birla Retail Limited • Fabmall (India) Private Limited • H.A.S. Two Holdings Private Limited • Trinethra Superretail Private Limited • Terrafirma Agroprocessing (India) Private Limited • CheKam Properties Private Limited • VarAsh Properties Private Limited • Neptune Developers Private Limited • Man Infraconstruction Limited • Axis Mutual Fund Trustee Limited
Mr. V. Harish Kumar *Independent Director* S/o Mr. U.R. Ramanathan Occupation: Professional DIN: 00887484	43 years Flat No.303, Vineyard's Whiteline Apartments,	• Nettlinx Limited • NetMatrix Limited

Name, Designation, Father's Name, Occupation, DIN and Term	Age and Address	Other Directorships
Term: Liable to retire by rotation	Plot No.341 & 343, Defence Colony, Sainikpuri, Secunderabad 500 094, India.	

All our Directors are Indian nationals and none of our Directors are related to each other.

Brief Profile of the Directors

Mr. Alla Ayodhya Rami Reddy, 47 years, is the Chairman of our Company. He is the founder/promoter of our Company and has been on the Board since the incorporation of the Company. He was appointed as Chairman by resolution in the EGM, dated July 12, 2007 and his term has been further renewed for a period of three years with effect from April 1, 2010. He has a Bachelor's Degree in Civil Engineering from Karnataka University and a Masters Degree in Civil Engineering from Osmania University. He has 25 years of experience in the field of environmental services, civil works, bio-medical waste and hazardous waste management. He has worked for various water, waste water and engineering projects, notably with Gannon Dunkerly & Co., Reliance Industries Limited during the years 1984 to 1988 and has also worked for various projects on Turnkey EPC basis until 1995. He is currently responsible for strategy and direction of our Company.

He has several distinctions to his portfolio including being accredited with best "Engineer of the Year Award" in 2005 by from the Government of Andhra Pradesh and the Institution of Engineers (India). He also started the Ramky Foundation which supports the needy through various schemes related to empowerment of women, awareness camps for social causes, career counselling, communication skills, environment management and providing financial aid for educational activities etc.

Mr. Yancharla Ratnakar Nagaraja, 48 years, is the Managing Director of our Company. He has been a Director of our Company since its incorporation and has been the Managing Director since 1996. He was re-appointed as, a managing Director in the EGM, dated July 12, 2007. He has a Bachelor's Degree in Civil Engineering from Karnataka University. He has 24 years of experience in the field of environment and solid waste management. His experience includes positions he has held with the Public Works Department of the State of Karnataka, Mandanlal Steels Limited and Navega Engineers Private Limited. He has to his credit the successful implementation of a number of civil infrastructure and environmental projects. He is currently responsible for overall management of our Company.

Mr. Rajiv Maliwal, 50 years, is a non-executive Director of our Company. He was appointed as a Director in the AGM dated September 29, 2007. He holds a Degree in Mechanical Engineering (Honours) from Birla Institute of Technology and Science, Pilani and a Post Graduate Degree in Business Administration from IIM, Bangalore. He was co-founder of Sabre Capital Worldwide Incorporated and has 25 years of experience in managing large businesses in the financial services industry. He has previously worked with Lotus India, Standard Chartered Bank in Singapore, ANZ Grindlays, Goldman Sachs in Hong Kong, JP Morgan in Singapore and Citibank India. He was involved in the recapitalization and restructuring by Sabre Group of Centurion Bank and in setting up an asset management business, Lotus India, as a joint venture with a subsidiary of Temasek Holdings.

Dr. Archana Niranjan Hingorani, 45 years, is a non-executive Director of our Company. She was appointed as Director in the AGM dated September 29, 2007. She has a Masters Degree in Business Administration and a Ph.D. in Finance from the University of Pittsburgh, USA. She is presently the Executive Director of IL&FS Investment Managers Limited and has over 24 years of experience in financial services, teaching and research, with a focus on private equity, project finance and financial restructuring and a specialization in infrastructure, manufacturing and more recently in real estate projects. She is one of the founding members of the IL&FS's private equity business and has been associated with the IL&FS group of companies for 16 years in various capacities.

Mr. P.V. Narasimham, 69 years, is an independent Director of our Company. He was appointed as a Director in the AGM dated 30, 2008. He has a Masters Degree in Economics from the Andhra University, Waltair. He has served as Chairman and Managing Director of the Industrial Finance Corporation of India and has been associated with the RBI and the Industrial Development Bank of India in various capacities. Currently he is serving as the Director General of K.J. Somaiya Institute of Management and Research Studies, Mumbai.

Mr. V. Murahari Reddy, 67 years, is an independent Director of our Company. He was appointed as a Director in the AGM dated September 30, 2008. He has a Bachelor's Degree in Civil Engineering (Honours) from S.V. University Tirupati. He has worked in various positions in Roads & Buildings Department, Government of Andhra Pradesh and retired as Engineer-in-Chief (R&B). He has also worked as the Commissioner, Commissionerate of Tenders Government of Andhra Pradesh. He was the Managing Director of the Andhra Pradesh Road Development Corporation. He has acted as a consultant to various State Governments and the World Bank in relation to development projects and has been appointed as an arbitrator in various matters involving the NHAI and state governments. He is presently a visiting faculty at the National Institute for Training of Highway Engineers.

Dr. P.G. Sastry, 74 years, is an independent Director of our Company. He was appointed as a Director in the AGM held on September 30, 2008. He has a Bachelor's Degree in Civil Engineering (Honours) and a Master's Degree in Civil Engineering from the Indian Institute of Technology, Kharagpur as well as a Doctorate in Engineering from Technical University, Dresden, Germany. He has served as the Chairman of the Environmental Appraisal Committee, Ministry of Environment and Forests, Government of India and has also been the principal of the Mahatma Gandhi Institute of Technology, Hyderabad as well as the Jayaprakash Narayan College of Engineering, Mahabubnagar, Andhra Pradesh. He was a training specialist of the World Bank Aided Hydrology Project. He was an Alaxendar Von Humboltt Post Doctoral Fellow on global Competition and carried out ground water modelling. He was also a visiting professor at the Ohio Agriculture Research and Development Centre of the Ohio State University. Presently, he is the Dean, Administration and Acadamic of Srinidhi Institute of Science and Technology and has also been designated as Advisor to Andhra Pradesh Government on Technical Education. He is also presently the Director of Srinidhi – Vaughn Institute of Aviation Technology, Hyderabad.

Mr. Kamlesh Shivji Vikamsey, 50 years, is an independent Director of our Company. He was appointed as a Director in the AGM dated September 29, 2007. He has been a Chartered Accountant by profession since 1982. He has served on various expert committees set up by the Finance Ministry, Reserve Bank of India as well as the Securities and Exchange Board of India and has also served on the Steering Committee of the United Nations. Previously, he was the President of the Institute of Chartered Accountants of India, New Delhi, a part time member of the Insurance Regulatory and Development Authority of India and President of the Confederation of Asian and Pacific Accountants, Hong Kong. He has served as a member of various advisory and expert committees at national and international levels, including as a Member of the Steering Committee for Comprehensive Review of Governance and Oversight within the United Nations and as a Member of the Secondary Market Advisory Committee of the SEBI.

Mr. V. Harish Kumar, 43 years, is an independent Director of our Company. He was appointed as a Director in October, 2007. He holds a Bachelor's Degree in Commerce, a Post Graduate Diploma in Direct Taxes and a Bachelor's Degree in Law, all from the Osmania University, Hyderabad. He is also a company secretary having qualified for the membership of the Institute of Company Secretaries of India. Previously he had set up his practice as a company secretary and thereafter he has been practising as corporate lawyer under the name of Harish Kumar & Associates. At present he is a member of the Andhra Pradesh High Court Advocates Association, Bar Council, Andhra Pradesh, Institute of Company Secretaries of India. He is also a member of the Rotary Organization, 41 clubs of India (in association with the ex-members of Round Table of India) and a member of the Society of Free Masons.

Borrowing Powers of the Board of Directors

Pursuant to a resolution passed by the shareholders of our Company on September 29, 2007, the Board has been authorized to borrow sums of money for the purpose of our Company upon such terms and conditions and with or without security as the Board may think fit, provided that the money or monies to be borrowed together with the monies already borrowed by our Company (apart from the temporary loans obtained from our Company's bankers in the ordinary course of business) shall not exceed, at any time, a sum of Rs. 50,000 million. For further details on the borrowing powers of the Directors as authorized by our Articles of Association, see the section "Main Provisions of Articles of Associations" on page 290. For details of the borrowing of our Company – secured and unsecured loans, see the section "Financial Indebtedness" beginning on page 156.

Remuneration Details of our Directors

Executive Directors

Mr. Alla Ayodhya Rami Reddy

Subject to the approval of the shareholders of our Company, remuneration payable to Mr. Reddy has been determined with effect from April 1, 2010, until March 31, 2013, by a resolution passed by the Remuneration Committee on April 30, 2010 and is up to a limit of Rs. 9.00 million per annum towards salary, dearness allowance and other allowances and up to 1% of net profits as commission for Fiscal 2010-2011 (which is to be reviewed and revised by the Remuneration Committee on a yearly basis) subject to the overall limit of 5% of the net profits of our Company.

Remuneration paid to Mr. Reddy in Fiscal 2010 is Rs. 6,300,000.

Mr. Yancharla Ratnakar Nagaraja

Subject to the approval of the shareholders of our Company, remuneration payable to Mr. Yancharla Ratnakar Nagaraja has been determined with effect from April 1, 2010, until March 31, 2012, by a resolution passed by the Remuneration Committee on April 30, 2010 and is up to a limit of Rs. 7.5 million per annum towards salary, dearness allowance, perquisites and other allowances (which is to be reviewed and revised by the Remuneration Committee on a yearly basis) subject to the overall limit of 5% of the net profits of our Company. In addition, Mr. Yancharla Ratnakar Nagaraja is entitled to our Company's contribution to provident fund, payment of gratuity and encashment of leave as per Company policy.

Remuneration paid to Mr. Yancharla Ratnakar Nagaraja in Fiscal 2010 is Rs.5,535,309.

Non-Executive Directors

The non-executive Directors, i.e. Mr. Rajiv Maliwal and Dr. Archana Niranjan Hingorani are not paid any remuneration, but are entitled to sitting fees for attending meetings. The sitting fees to which they are entitled was decided by a resolution passed by the Board on June 22, 2007, the details of which are as follows.

Designation	Fees Payable
As a Director present in the meeting	Rs. 10,000
As chairman of a committee	Rs. 10,000
As a committee member	Rs. 5,000

However, no sitting fees was paid to our non-executive Directors in Fiscal 2010.

Independent Directors

The independent Directors, i.e. Mr. Kamlesh Shivji Vikamsey, Mr. V. Murahari Reddy, Dr. P.G. Sastry, Mr. P.V. Narasimham and Mr. V. Harish Kumar are entitled to payment of a commission of up to a maximum of Rs. 300,000 per annum for the Chairman of the Audit Committee and Rs. 200,000 per annum for other independent Directors for Fiscal 2010 subject to the overall limits of 1% of the net profits of our Company (to be reviewed by the Board or a committee of the Board on a yearly basis) and as approved by a resolution passed by our shareholders on September 30, 2009. Further, vide board resolution dated July 8, 2009 the provision for payment of sitting fees to our independent Directors has been discontinued.

Shareholding of the Directors

The Articles of Association do not require the Directors to hold any qualification Equity Shares. The following table details the shareholding of the Directors in their personal capacity, as at the date of this Red Herring Prospectus.

Name of the Director	Equity Shares owned before the Issue		Equity Shares owned after the Issue	
	No. of shares	% of paid-up capital	No. of shares	% of paid-up capital
Mr. Alla Ayodhya Rami Reddy	37,614,520	76.11	37,614,520*	[●]
Mr. Yancharla Ratnakar Nagaraja	1,674,480	3.39	1,674,480	[●]
Total	**39,289,000**	**79.50**	**39,289,000***	**[●]**

**The shareholding of Mr. Reddy would be reduced to the extent his Equity Shares aggregating Rs. 1,500 million are transferred as part of the Offer for Sale.*

Interest of Directors

All of our Directors may be deemed to be interested to the extent of remuneration and fees payable to them for services rendered as Directors of our Company such as attending meetings of the Board or a committee thereof and to the extent of other reimbursement of expenses, if any.

Our Directors, excluding our Promoters, may also be regarded as interested in the Equity Shares that may be subscribed by or Allotted to them or the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue.

The Directors have no interest in any property or land acquired by our Company and do not have any direct or indirect interest in completed transactions relating to property of the Company, as a vendor or otherwise, within two years prior to the date of filing of this Red Herring Prospectus.

Except as stated in the section "Financial Statements – Annexure XVI" and "Financial Statements – Annexure XV" and in relation to our Promoters "Our Promoters and Group Companies – Interests of our Promoters in our Company" beginning from pages F pages and 140, respectively, and to the extent of their shareholding in our Company, the Directors do not have any other interest in our business, including in relation to construction of building, supply of machinery etc. or in the promotion of our Company.

Changes in the Board of Directors during the Last Three Years

Name	Date of Appointment	Date of Cessation	Reason
Mr. Anuj Kumar*	December 22, 2006	September 3, 2007	Resignation
Mr. G. Krishna Kumar*	December 22, 2006	September 3, 2007	Resignation
Mr. Mareddy Goutham Reddy*	March 16, 2007	September 3, 2007	Resignation
Mr. V. Murahari Reddy	October 26, 2007	Continuing	Appointment
Mr. P.G. Sastry	October 26, 2007	Continuing	Appointment
Mr. P.V. Narasimham	October 26, 2007	Continuing	Appointment
Mr. V. Harish Kumar	October 26, 2007	Continuing	Appointment
Mr. Ravi Kant	December 22, 2006	July 8, 2009	Resignation
Mr. Anuj Kumar*	March 21, 2008	June 26, 2008	Resignation
Mr. G. Krishna Kumar*	March 21, 2008	June 26, 2008	Resignation

* Alternate Directors.

Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to the Company immediately upon the listing of the Equity Shares with the Stock Exchanges. We have complied with the requirements of corporate governance contained in the Listing Agreement, to particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee, Shareholders/Investors' Grievance Committee and Remuneration Committee.

We have a Board constituted in compliance with the Companies Act and Listing Agreement with Stock Exchanges. The Board has nine Directors and an Executive Chairman. Accordingly, fifity percent of our Board is independent.

Committees of the Board of Directors

The Company has constituted the following committees for compliance with corporate governance requirements:

(a) Audit Committee

The Audit Committee was constituted by the Directors at a Board meeting held on July 30, 2005 and re-constituted by a resolution passed by the Board on on July 8, 2009. The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of our Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters.

The constitution of the Audit Committee is as follows.

Name of the Directors	Executive/Non-executive/Independent
Mr. Kamlesh Shivji Vikamsey (Chairman of the committee)	Independent Director
Mr. P.V. Narasimham	Independent Director
Mr. V. Harish Kumar	Independent Director
Dr. P.G. Sastry	Independent Director
Dr. Archana Niranjan Hingorani	Non-executive Director
Mr. Rajiv Maliwal	Non-executive Director

The terms of reference of the Audit Committee are as follows.

1. Overseeing the financial reporting process of our Company and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions; and
    g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors and the adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussing with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(b) Remuneration Committee

The Remuneration Committee was constituted at a Board meeting held on October 1, 2003 and re-constituted by a resolution passed by the Board on on December 7, 2007. The Remuneration Committee has been constituted in accordance with Clause 49 of the Listing Agreement.

The constitution of the Remuneration Committee is as follows.

Name of the Directors	Executive/Non-executive/Independent
Mr. Kamlesh Vikamsey	Independent Director
Mr. V. Murahari Reddy	Independent Director
Mr. V. Harish Kumar	Independent Director
Mr. Rajiv Maliwal	Non-executive Director
Dr. Archana N. Hingorani	Non-executive Director

The terms of reference of the Remuneration Committee are as follows.

1. All fees/compensation paid to non-executive Directors, including independent directors, shall be fixed by the Board and shall require previous approval of the shareholders in a general meeting (which meeting shall also specify the limits for the maximum number of stock options that can be granted to the Directors).

2. Sitting fees will not require prior approval of shareholders if it is within the limits prescribed in the Companies Act.

3. The payment of remuneration to senior managerial personnel and issue of stock options are for the consideration of the Remuneration Committee.

In addition to the above, the role of the Remuneration Committee includes the following.

1. To bring out objectivity in determining the remuneration package while striking a balance between the interest of our Company and the shareholders.

2. To take into account the financial position of our Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc. in determining the remuneration payable.

3. To determine the remuneration, review performance and decide on variable pay of executive Directors;

4. To establish and administer employee compensation and benefit plans;

5. To determine the number of stock options to be granted under our Company's employees stock option schemes and administer any stock option plan; and

6. To determine such other matters as may from time to time be required under any statutory, contractual or other regulatory requirement.

(c) Shareholders / Investors Grievance Committee

The Shareholders / Investors Grievance Committee was constituted at Board meeting held on December 7, 2007 and was reconstituted at a Board meeting on November 30, 2009. The Shareholders and Investors Grievance Committee is responsible for the redressal of investor grievances.

The constitution of the Shareholders / Investor Grievance Committee is as follows.

Name of the Directors	Executive/Non-executive/Independent
Mr. V. Harish Kumar (chairman of the committee)	Independent Director
Dr. P.G. Sastry	Independent Director
Mr.Y.R.Nagaraja	Executive Director

The terms of reference of the Shareholders and Investor Grievance Committee are as follows.

The Committee was constituted to specifically look into the redressal of shareholder and investors complaints which, *inter alia*, includes:

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

Other Committees

(a) Board Committee

The Board Committee was constituted pursuant to a Board resolution dated May 16, 2007 with the objective of assisting the Board in the decision making process and to improve operational efficiency and has been subsequently re-constituted on July 8, 2009.

The constitution of the Board Committee is as follows:

Name of the Directors	Executive/Non-executive/Independent
Mr. Alla Ayodhya Rami Reddy	Executive Director
Mr.Y.R.Nagaraja	Executive Director

The terms of reference of the Board Committee is as follows:

1. to make investment up to the limits approved by the members at the extra ordinary general meetings;
2. to avail credit facilities (fund based/ non fund based) from various banks / institutions up to limits set by the Board from time to time;
3. to avail equipment finance from various banks/NBFC/institutions up to limits set by the Board from time to time;
4. to issue power of attorneys / authorizations to represent before the authorities like Sales Tax, Income Tax, Excise, Service Tax, Registrar of Companies, Company Law Board and such other Government Authorities, bodies and organizations as may be deemed necessary on behalf of the Company and other matters incidental and ancillary thereto;
5. to issue authorization to sign and delegate authorization to sign tender documents up to limits set by the Board from time to time;
6. to open / close bank accounts;
7. to change the signatories to operate the bank accounts;
8. to make investment upto the limits approved by the members at the extra ordinary general meetings;
9. to issue the necessary resolution for formation of special purpose companies;
10. to invest/guarantee/provide security upto an amount not exceeding Rs. 1,000,000 per special purpose company and or other company;
11. to authorise such persons to subscribe to the memorandum and articles of association of special purpose company;
12. to give such authorisations/power of attorney as may be deemed necessary on behalf of the Company; and
13. to invest upto an amount of Rs 80 million or its equivalents in Ramky Engineering & Consulting Services FZC.

All the minutes of the Board Committee are placed before Board.

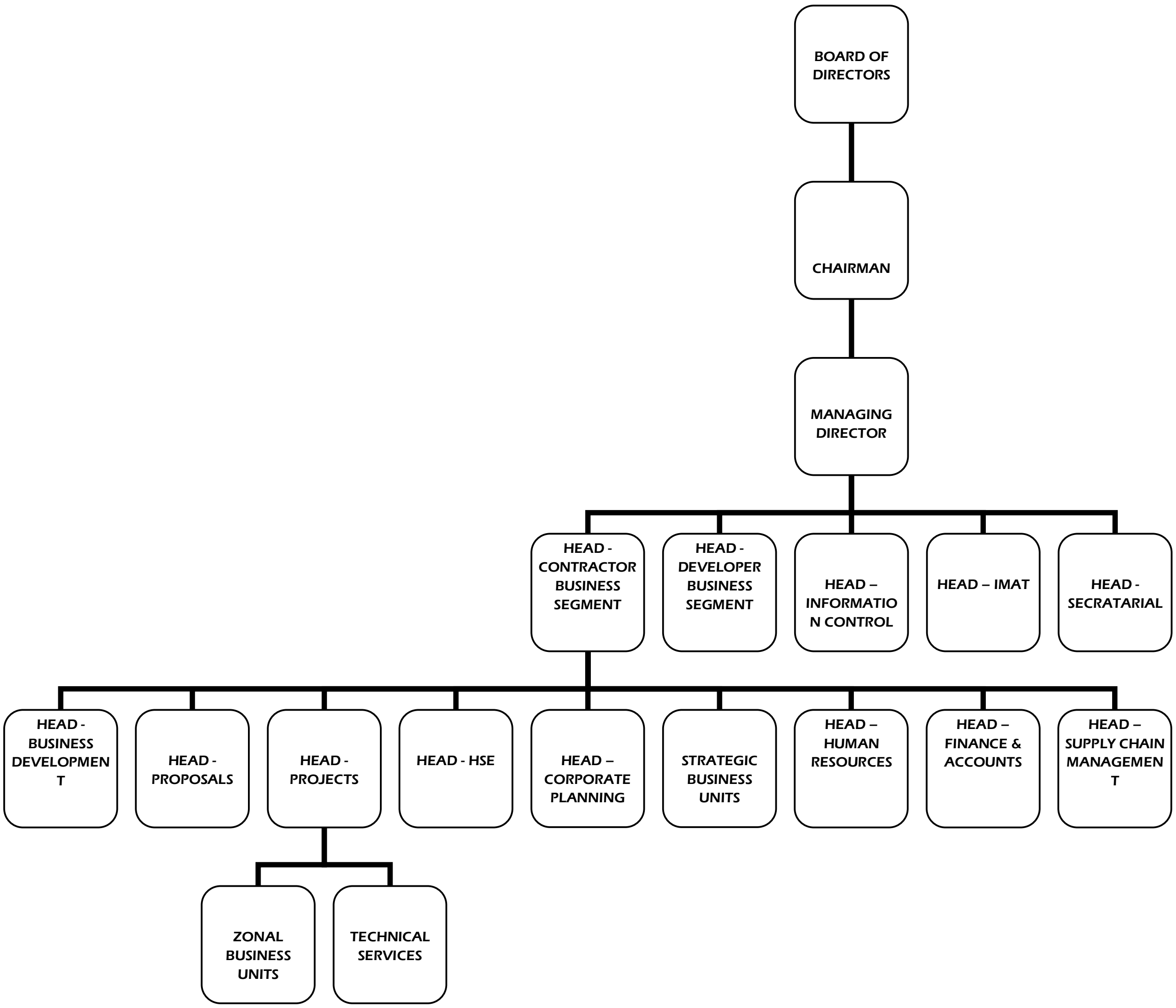
IPO Committee

The IPO committee was constituted at the Board meeting held on March 16, 2006 and was reconstituted at the Board meeting on November 30, 2009. The IPO committee is in charge of appointment of intermediaries in relation to the proposed IPO.

The constitution of the IPO Committee is as follows.

Name of the Directors	Executive/Non-executive/Independent
Mr. Yancharla Ratnakar Nagaraja	Executive Director
Mr. Alla Ayodhya Rami Reddy	Executive Director
Mr. Rajiv Maliwal	Non-executive Director
Dr. Archana Niranjan Hingorani	Non-executive Director

Management Organisational Structure



Key Management Personnel

In addition to our Directors, the following are the Key Management Personnel of our Company.

Mr. Gopalakrishnan Sanjiv Iyer, 47 years, is the Chief Financial Officer of our Company. He joined our Company in October 2009. He has 25 years of experience in the field of corporate strategy, implementation, financial management etc. He has a Bachelors Degree in Commerce from the Mumbai University and is a qualified Chartered Accountant. He has previously served as Chief Financial Officer to Dhofar Power Company SAOG (DPC), Oman and has also been employed by Oman Abrasives LLC, Oman, Indian Rayon & Industries Limited, Reliance Industries Limited and Modern Mills. The gross compensation paid to him during Fiscal 2010 is Rs. 1,864,950.

Mr. Shuvendu Sekhar Mohanty, 57 Years, is the Chief Executive Officer (Contracts Business) of our Company. He joined our company on July 8, 2010 from RSB Transmission Pune, where he was the President since 2007. He has over 20 years of experience of working in various companies in different capacities and 12 years as an entrepreneur. He has a PG Diploma in Management from IIM, Ahmedabad, and B.Sc Engineering (Mechanical) from NIT, Rourkela. He has previously served companies like Sibelco Asia (India Operations) as Country Head, India Meters Limited, Chennai, as Director of Meters Division and also as VP (Marketing), Nagarjuna Signode Limited, Hyderabad, as all India Sales Manager, TEGA India Limited, Kolkata, as Marketing Manager and Bharat Forge Co. Ltd, as project manager. He also established and ran Kaizen Auto, his own enterprise as a vendor to Telco. There was no compensation paid to him in Fiscal 2010.

Mr. Sanjay Kumar Sultania, 39 years, is the Deputy Chief Financial Officer of our Company. He joined our Company in December 2009. He has a Bachelor's Degree from Calcutta University, West Bengal and is a qualified Chartered Accountant with 15 years of experience in the field of corporate and project finance, capital structuring, accounts and strategic issues. Prior to joining our Company, he has served with Stallion Group, Aditya Birla Group, Ispat Group and the Kedia Group. The gross compensation paid to him during Fiscal 2010 is Rs. 843,633.

Mr. Aspun F. Battiwala, 46 years, is the Vice President (Projects) of our Company. He joined our Company in September 2005 as General Manager (Projects) for central zone and was promoted to his current post in 2007. He has nearly 23 years of experience in the field of construction management, project management and execution. He has a Masters Degree in Construction from Oklahoma State University, USA and a Bachelor's Degree in Civil Engineering from Manipal Institute of Technology. He has worked with Shapoorji Pallongi & Company Limited, Kalpataru Construction Overseas Private Limited, and Stup Consultants. He is currently responsible for the coordination of various projects of our Company at different locations in India. The gross compensation paid to him during Fiscal 2010 was Rs. 2,144,915.

Mr. Dhiresh Nigam, 47 years, is the Vice President (Projects), Madhya Pradesh and Chattishgarh region of our Company. He joined our Company in May 2006 and has nearly 25 years of experience in diversified fields relating to various construction activities like tunnelling, canal works, building and road. He has a Bachelor's Degree in Civil Engineering (Honours) from A.P.S. University, Rewa. He has worked with Madhya Pradesh State Electricity Board, Madhya Pradesh Secondary Education Board, Madhya Pradesh State Development Corporation and Madhya Pradesh Road Development Corporation drawing positions such as executive engineer and general manager in these organizations. He is currently responsible for operations of our Company in Bhopal, specifically as the profit centre head. The gross compensation paid to him during Fiscal 2010 was Rs. 2,592,509.

Mr. Dilip Kumar Solanki, 46 years, is the Vice President (West Zone), of our Company. He joined our Company in April 2007 and has 23 years of experience in the field of civil engineering. He has a Bachelor's Degree in Civil Engineering from the Regional Engineering College, Warangal and a Post Graduate Diploma in Marketing Management from Indira Gandhi National Open University. He has worked for various companies since 1986, including Tinplate Company of India Limited (a Tata Enterprise), Engineers India Limited (a government of India undertaking), Welspun Power and Steel Limited and Bhushan Steel & Strips Limited. He is currently responsible for the operations of our Company in the west zone. The gross compensation paid to him during Fiscal 2010 was Rs. 2,294,106.

Mr. P. Mahendra Kumar, 56 years, is the Vice President (Projects) of our Company. He joined our Company in February 2005 and has 30 years of experience in the field of materials management. He has a Masters Degree in Technology from Regional Engineering College, Warangal (Presently NIT), a Diploma in Marketing Management from Davar's College of Commerce, Bombay and a Graduate Diploma in Materials Management from Indian Institute of Materials Management. He has previously been employed by Coromandel Fertilizers Limited and Voltas Limited. He is currently responsible for purchases and material management of our Company. The gross compensation paid to him during Fiscal 2010 was Rs. 1,653,938.

Mr. K.V.S.S. Narayanrao, 42 years, is the Assistant Vice President (Human Resources), of our Company. He joined our Company in May 2009 and has 18 years of experience in the field of human resource management. He has a Master of Social Work with specialization in Personal Management & Industrial Relations from Nagarjuna University and Master's in Business Administration with specialization in Human Resource Management from Indira Gandhi National Open University. He has previously been employed by National Dairy Development Board, ITC Limited and Maytas Infra Limited. He is currently responsible for the human resource function in our Company. The gross compensation paid to him during Fiscal 2010 was Rs. 1,752,059.

Mr. T. Hari Babu, 43 years, is the Head (Transportation) of our Company. He joined our Company in July 2007 and has 18 years of experience in the field of civil engineering. He has a Master's Degree in Engineering from M.S. University, Baroda. He has previously been employed by KMC Constructions, Madhucon Bina Puri JV and the Louis Berger Group Inc. He is currently responsible for the transportation vertical of our Company. The gross compensation paid to him during Fiscal 2010 was Rs. 2,298,780.

All the Key Management Personnel are permanent employees of our Company and are not related to each other or any Director.

Service Contracts

No service contracts have been entered into with any Key Management Personnel or Director for provision of benefits or payments of any amount upon termination of employment. However, as per the shareholders resolution dated September 30, 2008 of our Company, Mr. Y.R. Nagaraja is entitled to gratuity and our Company's contribution to the Pension/Superannuation Fund and Provident Fund.

Shareholding of the Key Management Personnel

Except as disclosed in the "Capital Structure – Notes to Capital Structure – Note 5" on page 28, none of the Key Management Personnel hold any Equity Shares in our Company.

Bonus or profit sharing plan for the Key Management Personnel

There is no bonus or profit sharing plan for the Key Management Personnel and the Directors. However, Mr. Alla Ayodhya Rami Reddy and our independent Directors are entitled to receive a commission reviewed and revised by the Remuneration Committee and the Board, respectively, on a yearly basis as described in the paragraphs titled "Remuneration Details of our Directors – Executive Directors" and "Remuneration Details of our Directors – Independent Directors" on page 127.

Interest of Key Management Personnel

The Key Management Personnel do not have any interest in our Company other than the extent of any remuneration or benefits to which the Key Management Personnel are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them.

Changes in the Key Management Personnel

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Red Herring Prospectus otherwise than by way of retirement in due course.

Name	Designation	Date of Appointment	Date of Cessation	Reason
Mr. V. Venkateswara Rao	Chief Financial Officer	January 20, 2007	February 13, 2009	Resignation
Mr. Jankey Krishna Reddy	Vice President	December 3, 2003	March 31, 2008	Transferred to RFIPL
Mr. Chandan Kanti Chowdhary	Chief Operating Officer, Eastern Region	December 1, 2004	October 9, 2009	Resignation
Mr. K.V.S.S. Narayanrao	Assistant Vice President (Human Resources)	May 27, 2009	Continuing	Appointment
Mr. T. Hari Babu	Head (Transportation)	July 12, 2007	Continuing	Appointment
Mr. Anil Puliyelil Kurian	Senior Vice President	May 24, 2004	December 11, 2009	Resignation
Mr. G. Sanjiv Iyer	Chief Financial Officer	October 1, 2009	Continuing	Appointment
Mr. Sanjay Sultania	Deputy Chief Financial Officer	December 1, 2009	Continuing	Appointment
Mr. Shuvendu Sekhar Mohanty	Chief Executive Officer (Contracts Business)	July 8, 2010	Continuing	Appointment

Employee Stock Option Scheme

Our Company had an ESPS 2006 and ESOP 2006 in 2006, which were terminated by the Board in their meeting dated September 3, 2007. We currently do not have any existing employee stock option scheme or employee share purchase scheme and neither are any options outstanding pursuant to our previous schemes. See "Capital Structure" on page 28.

Loans taken by Directors / Key Management Personnel

Our Directors and Key Management Personnel have not taken any loan from our Company. Further, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Arrangements and/or Understanding with Major Shareholders

Except Mr. Rajiv Maliwal and Dr. Archana Niranjan Hingorani, who are on our Board as nominees of SAPE and Tara India Fund III Trust, respectively, none of our Key Management Personnel or Directors have been appointed pursuant to any arrangement and/or understanding with our major shareholders, customers, suppliers or others. However, vide amendment agreement dated July 14, 2010 the said arrangement between our Company, SAPE and Tara India Fund III Trust will be withdrawn.

Turnover of our Key Management Personnel

The average turnover of our Key Management Personnel is less than 1%.

Payment of Benefit to Officers of our Company (non-salary related)

Except the statutory payments made by our Company, in the last two years, our Company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/rewards and has not paid any non-salary amount or benefit to any of its officers.

OUR PROMOTERS AND GROUP COMPANIES

Our Promoters

Our Company is promoted by Mr. Alla Ayodhya Rami Reddy and Mr. Y.R. Nagaraja.

We confirm that that the PAN, bank account numbers and passport numbers of our Promoters will be submitted to the Stock Exchanges at the time of filing the Draft
Red Herring Prospectus with them.

Details of our Promoters

1. Mr. Alla Ayodhya Rami Reddy

Identification Particulars	Details
PAN	ADIPA3333K
Passport No.	Z1865561
Voter ID Number	FZZ4221016
Driving License Number	DLRAP009253162003
Bank Account Number	00801010100472593

Mr. Alla Ayodhya Rami Reddy, 46 years, is the Chairman of our Company. He is the founder/promoter of our Company and has been on the Board since its incorporation. He holds a bachelor's degree in civil engineering from Karnataka University and a master's degree in civil engineering from Osmania University. He has 23 years of experience in the field of environmental services, civil works, bio-medical waste and hazardous waste management. He has worked for various water, waste water and engineering projects, notably with Gannon Dunkerly & Co., Reliance Industries Limited during the years 1984 to 1988 and has also worked for various projects on Turnkey EPC basis until 1995. He is currently responsible for strategy and direction of our Company.He has several distinctions to his portfolio including being accredited with the "Engineer of the year award" in 2005 from the Government of Andhra Pradesh and the Institution of Engineers (India). He also started the Ramky Foundation which supports the needy through various schemes related to empowerment of women, awareness camps for social causes, career counselling, communication skills, environment management and providing financial aid for educational activities etc.

For further details in relation to Mr. Alla Ayodhya Rami Reddy, see "Our Management" on page 127.

2. Mr. Yancharla Ratnakar Nagaraja

Identification Particulars	Details
PAN	AAIPY7302D
Passport No.	H2028321
Voter ID Number	FYY4065843
Driving License Number	DLDAP009240152009
Bank Account Number	801503096

	Mr. Yancharla Ratnakar Nagaraja, 47 years, is the managing Director of our Company. He has been a Director of our Company since its incorporation in 1994 and has been the managing Director since 1996. He holds a bachelor's degree in civil engineering from Karnataka University. He has 24 years of experience in the field of environment and solid waste management. His experience in the field includes positions he has held with the Public Works Department of the State of Karnataka, Mandanlal Steels Limited and Navega Engineers Private Limited. He has to his credit the successful implementation of a number of civil infrastructure and environmental projects. For further details in relation to Mr. Yancharla Ratnakar Nagaraja, see "Our Management" on page 127.

Interests of our Promoters

Our Company had been incorporated by Mr. Alla Ayodhya Rami Reddy and Mr. Y.R. Nagaraja amongst others. For this purpose, they had subscribed to our Memorandum of Association and to the initial issue of our Equity Shares.

Further, except as disclosed in "Financial Statements – Annexure XVI" and "Financial Statements – Annexure XV" beginning from pages F-pages, in this section under the paragraph titled "Common Pursuits and Conflict of Interest" below on page 140 and to the extent of their shareholding in our Company as detailed in the "Capital Structure – Notes to Capital Structure – Note 4" on page 28, our Promoters do not have any other interest in our Company.

Our Promoters do not have any interest in any property or land acquired by our Company within two years preceding the date of the Draft Red Herring Prospectus or proposed to be acquired by our Company. Further our Promoters do not have any interest in any transaction for construction of building and/or supply of machinery relating to our Company.

Group Companies

The following companies are promoted by our Promoters (including companies under the same management pursuant to section 370(1B) of the Companies Act) and are thus our Group Companies:

1. Ramky Enviro Engineers Limited;
2. Smilax Laboratories Limited;
3. Mumbai Waste Management Limited;
4. Ramky Estates and Farms Limited;
5. Ramky Pharma City (India) Limited;
6. Ramky Energy and Environment Limited;
7. Ramky Global Solutions Private Limited;
8. Tamil Nadu Waste Management Limited;
9. Ramky Engineering & Consulting Services FZC;
10. Ramky Reclamation and Recycling Limited;
11. Ramky International (Singapore) Pte Limited;
12. Ramky Finance and Investment Private Limited;
13. Ramky Cimelia E-waste Management Limited;
14. Guwahati Waste Management Company Private Limited;
15. RVAC Private Limited;
16. Al Ahlia Environmental Services Co. (LLC);
17. MDDA-Ramky IS Bus Terminal Limited;
18. Gwalior Bypass Project Limited;
19. Ramky Enclave Limited;
20. Visakha Solvents Limited;
21. West Bengal Waste Management Limited;
22. SembRamky Environmental Management Private Limited;
23. Hyderabad Integrated MSW Limited;
24. Delhi MSW Solutions Limited;

25. Ramky Cleantech Services Pte. Limited;
26. Ramky Integrated Township Limited;
27. Ramky Wavoo Developers Private Limited;
28. Ramky Villas Limited;
29. Narketpalli Addanki Expressway Limited;
30. Tridax Laboratories Limited;
31. R.K. Constructions;
32. N.R. Environmental Engineers Inc.;
33. R.K. Consultancy Services;
34. A.D.R. Constructions;
35. Ramky Elsamex Hyderabad Ring Road Limited;
36. Ramky Towers Limited;
37. Ramky Food Park (Chhattisgarh) Limited;
38. Ramky Herbal and Medicinal Park (Chhattisgarh) Limited;
39. Naya Raipur Gems and Jewellery SEZ Limited;
40. Ramky-MIDC Agro Processing Park Limited;
41. Jorabat Shillong Expressway Limited;
42. Ramky Advisory Services Limited;
43. Ramky Enviro Engineers Middle East FZ-LLC;
44. NAM Expressway Limited; and
45. RVAC Facilities Management (India) Limited.

All the Group Companies are unlisted companies and they have not made any public issue or rights issue of securities in the preceding three years.

Top Five Group Companies

Pursuant to sub-clause (2) of clause (C) of (IX) of Part A of Schedule VIII of the SEBI Regulations, the relevant details of the five largest unlisted Group Companies as determined on the basis of their turnovers are as provided below:

1. Ramky Enviro Engineers Limited ("REEL")

REEL was incorporated on November 28, 1994 under the provisions of the Companies Act and is currently engaged in the business of treating, processing, purifying and controlling industrial pollutants by establishing treatment plants in India and abroad.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy holds 94.93% of the issued capital of REEL and is also on the board of director of REEL.

Financial Performance:

The audited financial results of REEL for the past three fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	1,723.18	1,239.12	510.73
Profit (Loss) after Tax	128.63	176.49	113.04
Equity Share Capital	41.77	30.47	30.47
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	694.28	515.92	296.45
Earnings (Loss) Per Share	30.89	57.92	37.08
Diluted Earnings (Loss) Per Share	30.89	57.92	37.10
Net Asset Value	736.05	546.38	326.92

** Net of miscellaneous expenditure not written off.*

Significant Notes:

The auditors have drawn attention in their audit report for 2007-08, as follows:

"*During the year the company has received the Capital Subsidy of Rs.389.40 and Rs.40 lakhs for incinerator from government of Andhra Pradesh and Ministry of Environmental & Forest respectively. The above capital Subsidies have been included in capital reserve which is not in agreement with the Accounting Standard (AS – 12) "Accounting for Government Grants" issued by the Institute of Chartered Accountants of India.*"

2. Smilax Laboratories Limited

Smilax Laboratories Limited was incorporated on October 20, 2004 under the provisions of the Companies Act and is currently engaged in the business of researching, designing, manufacturing and otherwise dealing in pharmaceutical products.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy holds 83.73 of the issued capital of Smilax Laboratories Limited and is also on the board of director of Smilax Laboratories Limited.

Financial Performance:

The audited financial results of Smilax Laboratories Limited for the last three Fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	626.64	598.61	319.73
Profit (Loss) after Tax	20.17	29.75	14.01
Equity Share Capital	19.01	19.01	19.01
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	137.96	117.75	87.95
Earnings (Loss) Per Share	10.61	15.65	133.52
Diluted Earnings (Loss) Per Share	1.26	2.74	1.31
Net Asset Value	156.96	136.75	106.96

** Net of miscellaneous expenditure not written off.*

3. Mumbai Waste Management Limited

Mumbai Waste Management Limited was incorporated on September 20, 2001 under the provisions of the Companies Act and is currently engaged in the business of industrial and hazardous waste management

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 74% of the issued capital of Mumbai Waste Management Limited through his holding in REEL.

Financial Performance:

The audited financial results of Mumbai Waste Management Limited for the last three Fiscal years are set forth below:

(In Rs. million, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	495.40	555.71	422.03
Profit (Loss) after Tax	190.04	230.15	121.25
Equity Share Capital	49.90	49.90	49.90
Preference Share Capital	-	-	-
Reserves and surplus (excluding revaluation reserves)*	709.78	519.74	289.59
Earnings (Loss) per share	38.08	46.12	24.30
Diluted Earnings (Loss) Per Share	38.08	46.12	24.30
Net Asset Value	759.68	569.64	339.49

** Net of miscellaneous expenditure not written off.*

Significant Notes:

The auditors have drawn attention in their audit report for 2006-07, as follows:

"*During the year the company has received the Capital Subsidy of Rs. 4,53,20,992/- for TSDF Project from MIDC, Mumbai. The above capital Subsidy has been included in capital reserve which is not in agreement with the Accounting Standard (AS – 12) "Accounting for Government Grants" issued by the institute of Chartered Accountants of India.*"

4. Ramky Estates and Farms Limited

Ramky Estates and Farms Limited was incorporated as "Ramky Estates and Farms Limited" on August 4, 1995 under the provisions of the Companies Act and is currently engaged in the business of real estate, i.e. as builders, engineers, general construction, civil, mechanical, contractors, design engineers and turnkey contractors.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja hold 79.73 % and 4.27 %, respectively of the issued capital of Ramky Estates and Farms Limited.

Financial Performance:

The audited financial results of Ramky Estates and Farms Limited for the last three Fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	305.26	371.92	354.02
Profit (Loss) after Tax	24.72	29.41	17.89
Equity Share Capital	6.97	6.97	6.97
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	76.88	52.16	23.14
Earnings (Loss) per share	35.47	42.19	25.67
Diluted Earnings (Loss) per share	35.47	42.19	25.67
Net Asset Value	83.85	59.13	30.10

** Net of miscellaneous expenditure not written off.*

5. Ramky Pharma City (India) Limited

Ramky Pharma City (India) Limited is also our Subsidiary, for details see the "History and Corporate Structure – Our Subsidiaries" on page 108.

<u>Group Companies with Negative Worth</u>

Pursuant to the proviso to sub-clause (2) of clause (C) of (IX) of Part A of Schedule VIII of the SEBI Regulations, the relevant details of Group Companies with negative net worth are provided below:

6. Ramky Energy and Environment Limited

Ramky Energy and Environment Limited was incorporated on February 22, 2006 under the provisions of the Companies Act and is currently engaged in the business of industrial waste management, power generation and transmission and undertaking engineering procurement contracts.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy directly holds one equity share and indirectly holds 99.99% of the issued capital of Ramky Energy and Environment Limited through his holding in REEL.

Financial Performance:

The audited financial results of Ramky Energy and Environment Limited for the last three Fiscal years are set forth below:

(In Rs. million, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	107.22	59.73	24.86
Profit (Loss) after Tax	(20.08)	(13.51)	4.24
Equity Share Capital	0.79	0.79	0.50

Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(26.93)	(6.85)	4.24
Earnings (Loss) Per Share	(254.82)	(267.38)	84.87
Diluted Earnings (Loss) Per Share	(1.10)	(1.91)	15.72
Net Asset Value	(26.14)	(6.06)	4.71

** Net of miscellaneous expenditure not written off.*

Significant Notes:

The auditors have drawn attention in their audit report for 2007-08 as follows:

"*During the year the company has received the Capital Subsidy of Rs.389.40 and Rs.40 lakhs for incinerator from government of Andhra Pradesh and Ministry of Environmental & Forest respectively. The above capital Subsidies have been included in capital reserve which is not in agreement with the Accounting Standard (AS – 12) "Accounting for Government Grants" issued by the Institute of Chartered Accountants of India.*"

7. Ramky Global Solutions Private Limited

Ramky Global Solutions Private Limited was incorporated on July 10, 2000 under the provisions of the Companies Act and is currently engaged in the business of undertaking business process outsourcing contracts for clients in India and or abroad in relation to operating and management processes and the development and maintenance of computer software.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja, hold 70.03 % and 0.50%, respectively, of the issued capital of Ramky Global Solutions Private Limited.

Financial Performance:

The audited financial results of Ramky Global Solutions Private Limited for the last three Fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	0.76	1.22	0.21
Profit (Loss) after Tax	(0.56)	(1.49)	(3.52)
Equity Share Capital	0.10	0.10	0.10
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(5.50)	(4.94)	(3.46)
Earnings (Loss) Per Share	55.04	146.00	(346.00)
Net Asset Value	(5.40)	(4.84)	(3.35)

** Net of miscellaneous expenditure not written off.*

8. Tamil Nadu Waste Management Limited

Tamil Nadu Waste Management Limited was incorporated on October 3, 2002 under the provisions of the Companies Act and is currently engaged in the business of industrial and hazardous waste management.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy directly holds one equity share and indirectly holds 100% of the issued capital of Tamil Nadu Waste Management Limited through his holding in REEL.

Financial Performance:

The financial results of Tamil Nadu Waste Management Limited for Fiscals 2007, 2008 and 2009 are set forth below:

(In Rs. millions, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	81.85	19.64	8.62
Profit (Loss) after Tax	20.16	(6.26)	0.75
Equity Share Capital	29.32	29.32	0.69

Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	18.67	(9.30)	(3.10)
Earnings (Loss) Per Share	6.87	(80.51)	10.75
Diluted Earnings (Loss) Per Share	1.29	(0.72)	0.30
Net Asset Value	47.99	20.02	(2.41)

** Net of miscellaneous expenditure not written off.*

Significant Notes:

The auditors have drawn attention in their audit report for 2008-09, as below:

"*During the year the company has received Grant of Rs. 80,00,000/- for Project from Tamil Nadu Pollution Control Board, Chennai. The above Grant has been included in Capital Reserve which is not in agreement with the Accounting Standard (AS – 12) "Accounting for Government Grants.*"

9. Ramky Engineering & Consulting Services FZC

Ramky Engineering & Consulting Services FZC is also our Subsidiary. For details see "History and Corporate Structure – Our Subsidiaries" on page 108.

The details of our other loss making Group Companies are as provided below:

10. Ramky Reclamation and Recycling Limited ("RRRL")

RRRL was incorporated on May 25, 2007 under the provisions of the Companies Act and is currently engaged in the business of recycling various types of wastes generated from different types of Industries.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy directly holds one equity share and indirectly holds 99.98% of the issued capital of Ramky Reclamation and Recycling Limited through his holding in REEL. He is also a director on its board of directors.

Financial Performance:

As RRRL was incorporated in Fiscal 2008, financial results for Fiscal 2007 are not available. The audited financial results of RRRL for the last two Fiscal years are set forth below:

(In Rs. millions, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	0.33	-	-
Profit (Loss) after Tax	(0.67)	-	-
Equity Share Capital	0.50	0.50	-
Preference Share Capital	-	-	-
Reserves and Surplus (excluding revaluation reserves)*	(0.70)	(0.028)	-
Earnings (Loss) Per Share	(13.41)	-	-
Diluted Earnings (Loss) Per Share	(0.56)	-	-
Net Asset Value	(0.19)	0.47	

** Net of miscellaneous expenditure not written off.*

11. Ramky International (Singapore) Pte Limited ("RISPL")

RISPL was incorporated on April 27, 2007 under the provisions of the Companies Act, and is currently engaged in the business of infrastructure engineering services, sewage and refuse disposal, sanitation and similar activities.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 100% of the issued capital of Ramky RISPL through his holding in REEL and is also on its board of directors.

Financial Performance:

As RISPL was incorporated in Fiscal 2008, audited financial results for Fiscal 2007 are not available. The audited financial results of RISPL for the two Fiscal years are set forth below:

(In SGD. millions, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	-	-	-
Profit (Loss) after Tax	(0.05)	(0.01)	-
Equity Share Capital	0.50	0.50	-
Preference Share Capital	-	-	-
Reserves and Surplus (excluding revaluation reserves)*	-	-	-
Earnings (Loss) Per Share	(0.09)	(0.02)	-
Diluted Earnings (Loss) Per Share	(0.09)	(0.02)	-
Net Asset Value	0.44	0.49	-

** Net of miscellaneous expenditure not written off.*

12. Ramky Finance and Investment Private Limited

Ramky Finance and Investment Private Limited was incorporated on February 9, 1994 under the provisions of the Companies Act and is currently engaged in the business of merchant banking and providing financial services such as portfolio management etc. (excluding banking activities).

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 100% of the issued capital of Ramky Finance and Investment Private Limited through his holding in REEL and is on its board of directors.

Financial Performance:

The audited financial results of Ramky Finance and Investment Private Limited for the last three Fiscal years are set forth below:

(In Rs. million, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	0.84	0.16	0.78
Profit (Loss) after Tax	(5.70)	(2.21)	0.11
Equity Share Capital	12.82	12.82	9.57
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(4.36)	1.34	3.57
Earnings (Loss) Per Share	(4.45)	(1.84)	0.11
Diluted Earnings (Loss) Per Share	(2.06)	(1.50)	0.10
Net Asset Value	8.46	14.16	13.14

** Net of miscellaneous expenditure not written off.*

13. Ramky Cimelia E-waste Management Limited ("Ramky Cimelia")

Ramky Cimelia was incorporated on March 13, 2008 under the provisions of the Companies Act, and is currently engaged in the business of e-waste management.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy directly holds one equity share and indirectly holds 51% of the issued capital of Ramky Cimelia E-waste Management Limited through his holding in REEL. He is also on its board of directors.

Financial Performance:

The audited financial results of Ramky Cimelia for the last three Fiscal years are set forth below:

(In Rs. million, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	0.53	-	-
Profit (Loss) after Tax	(0.39)	-	-
Equity Share Capital	18.00	-	-
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(0.57)	-	-

Earnings (Loss) Per Share	(0.22)	-	-
Diluted Earnings (Loss) Per Share	(0.13)	-	-
Net Asset Value	17.43	-	-

** Net of miscellaneous expenditure not written off.*

14. Guwahati Waste Management Company Private Limited

Guwahati Waste Management Company Private Limited was incorporated on September 17, 2007 under the provisions of the Companies Act and is currently engaged in the business of handling municipal solid waste management.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 99.9% of the issued capital of Guwahati Waste Management Company Private through his holding in REEL.

Financial Performance:

As Guwahati Waste Management Company Private Limited was incorporated in Fiscal 2008, financial results for Fiscal 2007 are not available. The financial results of Guwahati Waste Management Company Private Limited for the past two Fiscals are set forth below:

(In Rs. millions, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	12.75	-	-
Profit (Loss) after Tax	(6.64)	-	-
Equity Share Capital	0.10	0.10	-
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	70.91	-	-
Earnings (Loss) Per Share	(664.00)	-	-
Diluted Earnings (Loss) Per Share	(2.00)	-	-
Net Asset Value	70.95	0.03	-

** Net of miscellaneous expenditure not written off.*

15. RVAC Private Limited

RVAC Private Limited was incorporated on February 15, 2007 under the provisions of Singapore Companies Act, Cap. 50, and is currently engaged in the business of providing integrated environmental management services, sewage and refuse disposal, recycling and processing services.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy is the promoter of Ramky International (Singapore) Pte. Limited which holds 60% of the issued capital of RVAC Private Limited and is also on the board of directors of RVAC Private Limited.

Financial Performance:

As RVAC Private Limited was incorporated on March 15, 2007, financial results for Fiscal 2007 are not available. The financial results of RVAC Private Limited for Fiscals 2008 and 2009 are set forth below:

(In SGD. millions, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	1.15	0.58	-
Profit (Loss) after Tax	(0.20)	(0.10)	-
Equity Share Capital	0.50	0.50	-
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(0.30)	(0.10)	-
Earnings (Loss) Per Share	(0.40)	(0.20)	-
Diluted Earnings (Loss) Per Share	(0.40)	(0.20)	-
Net Asset Value	0.20	0.40	-

** Net of miscellaneous expenditure not written off.*

16. Al Ahlia Environmental Services Co. (LLC) ("Al Ahlia")

Al Ahlia was incorporated on July 9, 2008 under the Laws of Oman and is currently engaged in the business of providing environmental services.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 50% of the issued capital of Al Ahlia through his holding in REEL.

Financial Performance:

The audited financial results of Al Ahlia for the year ended March 31, 2009 are set forth below:

(In RO millions, except share data)

	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income/Sales	0.18	-	-
Profit (Loss) after Tax	(0.01)	-	-
Equity Share Capital	0.15	-	-
Preference Share Capital	-	-	-
Reserves and Surplus (Excluding revaluation reserves)*	(0.01)	-	-
Earnings (Loss) Per Share	(0.06)	-	-
Diluted Earnings (Loss) Per Share	(0.07)	-	-
Net Asset Value	0.14	-	-

** Net of miscellaneous expenditure not written off.*

Our other loss making group companies Gwalior Bypass Project Limited, Ramky Elsamex Hyderabad Ring Road Limited, Ramky Herbal and Medicinal Park (Chattisgarh) Ltd, Ramky –MIDC Agro Processing Park Ltd and Naya Raipur Gems and Jewellery SEZ Limited are also our Subsidiaries. For details see “History and Corporate Structure – Our Subsidiaries” on page 108.

The details of our other Group Companies are as provided below:

17. Visakha Solvents Limited

Visakha Solvents Limited was incorporated on October 30, 2008 under the provisions of the Companies Act, and is currently engaged in the business of manufacture, process, reprocess and/or purify, buy and sell solvents, multi component mixtures and spent solvents.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 50.99% of the issued capital of Visakha Solvents Limited through his holding in REEL.

18. West Bengal Waste Management Limited

West Bengal Waste Management Limited was incorporated on March 29, 2004 under the provisions of the Companies Act, and is engaged in the business of collecting, transporting, treating, storing, recovering, processing, recycling and re-using and disposing hazardous waste, bio-medical waste and municipal wastes by establishing treatment storage disposal facilities and integrated waste management complexes or such facilities required for the said purpose.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy directly holds one equity share and indirectly holds 97.00% of the issued capital of West Bengal Waste Management Limited through his holding in REEL.

19. SembRamky Environmental Management Private Limited (“SembRamky”)

SembRamky was incorporated on March 3, 1997 under the provisions of the Companies Act and is currently engaged in the business of bio-waste management.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy is the promoter of Ramky Finance and Investment Private Limited which holds 49% of the issued capital of SembRamky and is also on the board of directors of SembRamky.

20. Hyderabad Integrated MSW Limited

Hyderabad Integrated MSW Limited was incorporated on April 23, 2009 under the provisions of the Companies Act, and is currently engaged in the business of handling municipal solid waste management.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 99.99% of the issued capital of Hyderabad Integrated MSW Limited through his holding in REEL.

21. Delhi MSW Solutions Limited

Delhi MSW Solutions Limited was incorporated on May 20, 2009 under the provisions of the Companies Act and is currently engaged in the business of municipal solid waste management.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 50.99% of the issued capital of Delhi MSW Solutions Limited through his holding in REEL.

22. Ramky Cleantech Services Pte. Limited

Ramky Cleantech Services Pte. Limited was incorporated on July 7, 2009 under the provisions of the Singapore Companies Act, Cap. 50, and is currently engaged in the business of car park management, cleaning and conservancy services.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy is on the board of Ramky Cleantech Services Pte. Limited.

23. Ramky Integrated Township Limited

Ramky Integrated Township Limited was incorporated on December 4, 2007 under the provisions of the Companies Act and is engaged in the business of builders, engineers, general construction, civil contractor, mechanical contractor, design engineer, turnkey contractors, real estate etc. and is currently engaged in the business of developing operating and maintaining an integrated township at Srinagar village.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 50.81% of the issued and paid up equity capital and 80.00% of the issued preference equity capital of of Ramky Integrated Township Limited through his holding in Ramky Estates and Farms Limited.

24. Ramky Wavoo Developers Private Limited ("Ramky Wavoo")

Ramky Wavoo was incorporated on September 1, 2006 under the provisions of the Companies Act and is currently engaged in the business of real estate.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 50% of the issued capital of Ramky Wavoo through his holding in Ramky Estates and Farms Limited.

25. Ramky Villas Limited

Ramky Villas Limited was incorporated on November 2, 2007 under the provisions of the Companies Act and is currently engaged in real estate and for that purpose it is involved in the business of buying, selling, taking on lease, giving on lease or on license, maintaining, developing, demolishing, altering, constructing, building and turning to account any land or buildings owned or acquired or leased by it.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 100% of the issued capital of Ramky Villas through his holding in Ramky Estates and Farms Limited.

26. Narketpalli Addanki Expressway Limited

Narketpalli Addanki Expressway Limited was incorporated on December 29, 2009 under the provisions of the Companies Act and is currently engaged in design, construction, operation and maintenance of four laning of the Narketpalli-Addanki-Medaramitla Road (SH-2) in Andhra Pradesh.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja indirectly hold 50% of the issued capital of Narketpalli Addanki Expressway Limited through their holding in our Company. Further Mr. Yancharla Ratnakar Nagaraja is also a director on the board of Narketpalli Addanki Expressway Limited.

27. Tridax Laboratories Limited

Tridax Laboratories Limited was incorporated on September 24, 2008 under the provisions of the Companies Act and is currently engaged in the business of manufacture of drugs, chemicals and pharmaceuticals.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy directly holds 50.99% of the total issued capital of Tridax Laboratories Limited and is also on its board.

28. NAM Expressway Limited

N.A.M Expressway Limited was incorporated on June 15, 2010 under the provisions of the Companies Act and is currently engaged in design, construction, operation and maintenance of four laning of the Narketpalli-Addanki-Medarametla Road (SH-2) in Andhra Pradesh.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja indirectly hold 50% of the issued capital of N.A.M Expressway Limited through their holding in our Company. Further, Mr. Yancharla Ratnakar Nagaraja is also a director on the board of N.A.M Expressway Limited.

29. Jorabat Shillong Expressway Limited

Jorabat Shillong Expressway Limited was incorporated on June 18, 2010 under the provisions of the Companies Act and is currently engaged in four laning of Jorabat Shillong (Barapani) section of NH-40 in the state of Assam and Meghalaya on DBFOT Pattern under SARDP-NE on BOT (annuity) basis.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja indirectly hold 50% of the issued capital of Jorabat Shillong Expressway Limited through their holding in our Company. Further, Mr. Yancharla Ratnakar Nagaraja is also a director on the board of Jorabat Shillong Expressway Limited.

30. Ramky Advisory Services Limited

Ramky Advisory Services Limited was incorporated on April 12, 2010 under the provisions of the Companies Act and is currently engaged in the business of providing management and human resources related consultancy and advisory services including leadership capability building, manpower recruitment & selection, training & development, executive coaching, management development, corporate management and administration, business management, performance management systems and retention strategies.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja directly hold 99.98% of the total issued capital of Ramky Advisory Services Limited.

31. Ramky Enviro Engineers Middle East FZ-LLC

Ramky Enviro Engineers Middle East FZ-LLC was incorporated on June 3, 2010 under the provisions of Dubai Technology & Media Free zone Private Companies Regulations, 2003, Dubai, United Arab Emirates and is currently engaged in the business of environmental services & consultancy and waste management.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy indirectly holds 100% of the issued capital of Ramky Enviro Engineers Middle East FZ-LLC through his holding in REEL.

32. RVAC Facilities Management (India) Limited

RVAC Facilities Management (India) Limited was incorporated on July 19, 2010 under the provisions of the Companies Act and is currently engaged in the business of facilities management.

Interest of our Promoters: Mr. Alla Ayodhya Rami Reddy is the promoter of Ramky Cleantech Services Pte. Ltd., Singapore, which holds 99.99% of the issued capital of RVAC Facilities Management (India) Limited.

33. R.K. Constructions

R.K. Constructions was established by a partnership deed dated April 21, 1986 entered into between Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja. It is engaged in the business of providing pollution control consultancy, civil structural and environmental services, laboratory services, turnkey construction etc.

Partners:

The partners in R.K. Constructions are Mr. Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja.

34. N.R. Environmental Engineers Inc.

N.R. Environmental Engineers Inc. is a sole proprietorship of Mr. Y.R. Nagakrishna.

35. R.K. Consultancy Services

R.K. Consultancy Services is a sole proprietorship of Ms. A. Dakshyani.

36. A.D.R. Constructions

A.D.R. Constructions is the sole proprietorship of Mr. Dasartha Rami Reddy.

Our other Group Companies are also our Subsidiaries. For details see "History and Corporate Structure – Our Subsidiaries" on page 108.

Disassociation by the Promoters in the Last Three Years

Our Promoters have not disassociated themselves from any companies in the last three years.

Common Pursuits and Conflict of Interest

Our Group Company, Ramky Estates and Farms Limited, is engaged in the business of providing services as builders, engineers, general construction, civil, mechanical, contractors, design engineers and turnkey contractors. Ramky Estates and Farms Limited has executed a non-compete undertaking, dated December 10, 2007 in favour of our Company. As per the undertaking, Ramky Estates and Farms Limited has agreed not to compete with us in the business of integrated construction and infrastructure development and management in India with a strategic emphasis on environmental oriented projects.

Sales or Purchases exceeding 10% in Aggregate, in Value of the Total Sales or Purchases of our Company

Except as disclosed in the sections titled "Financial Statements – Annexure XVI" there are no sales or purchase between our Group Companies or Subsidiaries or associate companies where such sales or purchases exceed 10% in aggregate, in value of the total sales or purchases of our Company.

Payment of Benefits to our Promoter and Group Companies during the Last Two Years

There has been no payment of benefits to our Promoters or Group Companies during the last two years prior to the date of filing of the Draft Red Herring Prospectus.

Interest of Group Companies in our Company

Other than Ramky Finance and Investment Private Limited, which is interested in our Company to the extent of its shareholding of 225,000 Equity Shares constituting 0.46% of our pre-Issue share capital, none of our other Group Companies have any interest in our Company or in its business.

Interest of Group Companies in promotion of our Company

None of our Group Companies were interested in the promotion of our Company.

Interest of our Group Companies in the Property of our Company

None of our Group Companies have any interest in any property acquired by our Company within two years preceding the date of the Draft Red Herring Prospectus or proposed to be acquired by our Company.

Payment of Amount or Benefits to our Group Companies during the Last Two Years

Except as stated in the sections titled "Financial Statements – Annexure XVI" and "Financial Statements – Annexure XV" on pages F-pages, no amount or benefits were paid or are intended to be paid to our Group Companies during the last two years from the date of filing of the Draft Red Herring Prospectus.

Interest of Group Companies in any Transaction by our Company

None of our Group Companies were interested in any transaction by our Company involving acquisition of land, construction of building or supply of any machinery.

Related Party Transactions

For details of the related party transactions, see the section "Financial Statements – Annexure XVI" and "Financial Statements – Annexure XV" beginning on pages F-pages, respectively.

Other Confirmations

Our Promoters and Group Companies have confirmed that they have not been mentioned as wilful defaulters by the RBI or any other Governmental authority and, there are no violations of securities laws committed by them in the past or are pending against them and none of our Promoters or persons in control of corporate bodies forming part of our Group Companies have been restricted from accessing the capital markets for any reasons, by SEBI or any other authorities.

None of our Group Companies have become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up or is a defunct in the five years preceding the filing of the Draft Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

For details on related party transactions of our Company, see Annexures XVI and XV - Notes to Accounts to the financial statements, respectively, in "Financial Information" beginning from F-pages.

DIVIDEND POLICY

The declaration and payment of dividend will be recommended by the Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by the Board. Further, pursuant to the terms of the term loans obtained by our Company, prior written consent of the lenders of our Company is required to pay any dividends. The Board may also from time to time pay interim dividend. All dividend payments are made in cash to the shareholders of our Company. Under financing arrangements there are certain restrictions. For further details see "Financial Indebtedness" on page 156.

Our Company has not declared any dividends in the last five Fiscal years except for in the Fiscal year 2006-07 at the rate of 0.001% to the preference shareholders.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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

Visweswara Rao & Associates
SRI, Plot No.512A1,
Road No.31, Jubilee Hills
Hyderabad – 500 033

Auditors' Report

The Board of Directors
Ramky Infrastructure Limited

We B S R & Co. ("B S R") and Visweswara Rao & Associates ("VRA") (collectively the "Joint Auditors" or "We") have examined the attached restated financial information of Ramky Infrastructure Limited ('RIL' or 'the Company'), as approved by the Board of Directors of the Company, prepared in terms of the requirements of Paragraph B, Part II of Schedule II to the Companies Act, 1956, as amended ('the Act') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the 'SEBI Regulations'), the Guidance note on 'Reports in Company's Prospectus (Revised) issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable ('Guidance Note') and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 15 February 2010 in connection with the proposed issue of Equity Shares of the Company.

These information have been extracted by the Management from the financial statements for the years ended 31 March 2006, 2007, 2008, 2009 and 2010. Audit of the financial statements for the years ended 31 March 2006, 2007, and 2008 was conducted by the Visweswara Rao & Associates, as sole auditor and whose reports have been furnished to the joint auditors and accordingly relied upon by the joint auditors. The financial statements for the year ended 31 March 2009 and 31 March 2010 have been audited by us.

In accordance with the requirements of Paragraph B, Part II of Schedule II of the Act, the SEBI Regulations and the terms of our engagement agreed with you, we further report that:

(a) The Restated Summary Statement of assets and liabilities of the Company as at 31 March 2006, 2007, 2008, 2009 and 2010 examined by us, as set out in Annexure I to this report read with the significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion are appropriate and more fully described in Notes to the Restated Summary Statements enclosed as Annexure IV to this report.

(b) The Restated Summary Statement of profits and losses of the Company for the years ended 31 March 2006, 2007, 2008, 2009 and 2010 are as set out in Annexure II to this report read with the significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion are appropriate and more fully described in Notes to the Restated Summary Statements enclosed as Annexure IV to this report.

(c) Based on the above, we are of the opinion that the restated financial information have been made after incorporating:
   i. Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods.
   ii. Adjustments for the material amounts in the respective financial years to which they relate.
   iii. And there are no extra-ordinary items that need to be disclosed separately in the accounts and qualification requiring adjustments.

(d) We have also examined the following financial information as set out in Annexures prepared by the Management and approved by the Board of Directors relating to the Company for the years ended 31 March 2006, 2007, 2008, 2009 and 2010.

i. Annexure III containing statement of cash flows, as restated;

ii. Annexure VI containing details of dividend;

iii. Annexure VII containing statement of accounting ratios, as restated;

iv. Annexure VIII containing details of other income, as restated;

v. Annexure IX containing details of secured loans, as restated;

vi. Annexure X containing details of unsecured loans, as restated;

vii. Annexure XI containing details of investments; as restated;

viii. Annexure XII containing details of sundry debtors; as restated;

ix. Annexure XIII containing details of loans and advances; as restated;

x. Annexure XIV containing details of contingent liabilities, as restated;

xi. Annexure XV containing capitalisation statement as at 31 March 2010;

xii. Annexure XVI containing details of the related parties, transactions and balances outstanding with them; and

xiii. Annexure XVII containing statement of tax shelter.

In our opinion, the above financial information contained in Annexure I to XVII of this report read along with the significant accounting policies (Refer Annexure V) and Notes to the Restated Summary Statements (Refer Annexure IV) are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Paragraph B, Part II of Schedule II of the Act and the SEBI Regulations.

Our report is intended solely for use of the Management and for inclusion in the offer document in connection with the proposed issue of equity shares of the Company. Our report should not to be used, referred to or distributed for any other purpose without our written consent.

for **B S R & Co.**
Chartered Accountants
Firm Registration No: 101248W

Zubin Shekary
Partner
Membership No: 48814

Place : Hyderabad
Date : September 3, 2010

for **Visweswara Rao & Associates**
Chartered Accountants
Firm Registration No: 005774S

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

Place : Hyderabad
Date : September 3, 2010

ANNEXURE - I

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs in millions)

PARTICULARS	AS AT 31 MARCH				
	2006	2007	2008	2009	2010
1. FIXED ASSETS :					
a) Gross block	351.64	578.65	811.68	1,575.54	1,699.90
b) Less : Accumulated depreciation	61.00	100.99	152.16	244.14	348.31
c) Net block	**290.64**	**477.66**	**659.52**	**1,331.40**	**1,351.59**
d) Capital work-in-progress including capital advances	40.87	238.39	28.48	33.68	34.57
Total	**331.51**	**716.05**	**688.00**	**1,365.08**	**1,386.16**
2. INVESTMENTS	41.61	191.85	195.82	527.29	601.22
3. DEFERRED TAX ASSET (net)	-	47.24	59.02	30.88	6.73
4. CURRENT ASSETS, LOANS AND ADVANCES :					
a) Inventories (including contract work-in-progress)	483.10	500.16	917.53	1,798.50	3,308.69
b) Sundry debtors	853.84	2,397.51	4,479.07	5,648.16	5,743.97
c) Retention money	358.90	876.86	580.30	1,157.59	1,821.62
d) Cash and bank balances	316.35	630.24	494.52	618.83	1,384.05
e) Current assets, loans and advances	513.84	973.89	2,554.24	2,554.58	3,812.28
Total	**2,526.03**	**5,378.66**	**9,025.66**	**11,777.66**	**16,070.61**
5. LIABILITIES AND PROVISIONS :					
a) Secured loans	416.46	1,235.55	2,644.43	3,898.95	4,739.01
b) Unsecured loans	-	-	-	-	-
c) Current liabilities and provisions	2,053.54	3,067.78	4,783.49	6,581.63	9,063.09
Total	**2,470.00**	**4,303.33**	**7,427.92**	**10,480.58**	**13,802.10**
6. DEFERRED TAX LIABILITY (net)	15.30	-	-	-	-
7. NET WORTH (1 + 2 + 3 + 4 - 5 - 6)	**413.85**	**2,030.47**	**2,540.58**	**3,220.33**	**4,262.61**
NET WORTH REPRESENTED BY					
8. SHARE CAPITAL					
a) Equity share capital	69.80	70.82	494.20	494.20	494.20
b) Preference share capital	-	10.89	-	-	-
9. SHARE APPLICATION MONEY PENDING ALLOTMENT	-	-	-	-	-
10. RESERVES AND SURPLUS	344.05	1,948.76	2,046.38	2,726.13	3,768.41
11. NET WORTH (8 + 9 + 10)	**413.85**	**2,030.47**	**2,540.58**	**3,220.33**	**4,262.61**

Note:

The above statement should be read with the notes to restated summary statements and significant accounting policies as appearing in Annexures IV and V respectively.

ANNEXURE -II

STATEMENT OF PROFITS AND LOSSES, AS RESTATED

(Rs in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH				
	2006	**2007**	**2008**	**2009**	**2010**
INCOME :					
Income from operations	4,082.19	7,115.50	10,492.78	14,592.31	20,023.38
Other income	43.11	38.61	67.60	95.46	69.97
Total	**4,125.30**	**7,154.11**	**10,560.38**	**14,687.77**	**20,093.35**
EXPENDITURE :					
Contract materials and supplies consumed	1,311.03	1,747.49	2,402.02	4,028.05	4,324.28
Sub-contractor costs	1,605.85	2,777.82	4,754.88	6,173.82	9,486.03
Other contract costs	615.86	1,517.72	1,855.59	2,203.72	3,244.24
Personnel costs	104.01	180.14	273.70	488.02	569.98
Administrative and selling expenses	166.56	155.63	250.76	318.63	452.30
Finance charges	68.99	193.08	285.23	533.90	612.00
Depreciation	23.09	40.05	51.54	92.37	104.87
Total	**3,895.39**	**6,611.93**	**9,873.72**	**13,838.51**	**18,793.68**
Profit before tax	**229.91**	**542.18**	**686.66**	**849.26**	**1,299.67**
Less: Provision for tax					
a) Current tax	38.32	215.14	184.05	193.38	268.65
b) Fringe benefit tax	2.08	3.39	4.03	3.66	0.00
c) Deferred tax	4.58	(62.53)	(11.79)	28.14	24.15
d) Wealth tax	0.15	0.09	0.13	0.16	0.16
e) MAT credit entitlement	-	-	-	(55.82)	(35.58)
Total	**45.13**	**156.09**	**176.42**	**169.52**	**257.38**
Profit after tax, as restated	**184.78**	**386.09**	**510.24**	**679.74**	**1,042.28**
Add: Balance in profit and loss account brought forward, as restated	205.80	344.05	730.14	1,240.27	1,920.01
Amount available for appropriation	**390.58**	**730.14**	**1,240.38**	**1,920.01**	**2,962.29**
Appropriations					
a) Dividend on preference shares	-	-	-	-	-
b) Tax on preference dividend	-	-	(0.11)	-	-
Bonus shares issued by capitalisation of profits	(46.53)	-	-	-	-
Balance carried forward to balance sheet, as restated	**344.05**	**730.14**	**1,240.27**	**1,920.01**	**2,962.29**

Note 1:

The above statement should be read with the notes to restated summary statements and significant accounting policies as appearing in Annexures IV and V respectively.

Annexure III
STATEMENT OF CASH FLOWS, AS RESTATED

(Rs in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH				
	2006	2007	2008	2009	2010
A) Cash flow from operating activities					
Net profit before tax, as restated	229.91	542.18	686.66	849.26	1,299.67
Adjustments for:					
Depreciation	23.09	40.05	51.54	92.37	104.87
Interest expense	38.48	126.28	236.59	454.52	523.54
Interest income	(14.71)	(15.10)	(26.68)	(25.55)	(27.05)
Preliminary expenses written-off	4.09	(3.66)	23.20	-	-
Chit loss written-off	0.34	-	-	-	-
Loss on sale of assets	0.21	0.03	0.23	0.61	0.66
Profit on sale of assets	(0.13)	(0.50)	-	-	-
Profit on sale of investments	(7.97)	-	-	-	-
Operating profit before changes in working capital	**273.31**	**689.28**	**971.54**	**1,371.21**	**1,901.69**
Adjustments for:					
Increase / (decrease) in current liabilities and provisions	1,150.10	937.65	1,756.29	1,796.45	2,429.07
(Increase) / decrease in loans, advances and other current assets and retention money	(413.55)	(1,047.59)	(1,246.73)	(282.49)	(1,649.88)
(Increase) / decrease in inventories	(376.27)	(17.06)	(417.37)	(880.97)	(1,510.19)
(Increase) / decrease in sundry debtors	(395.31)	(1,543.68)	(2,081.56)	(1,169.10)	(95.80)
Cash outflow from operating activities	238.28	(981.40)	(1,017.83)	835.10	1,074.89
Adjustments for:					
Income-tax / TDS adjustments	(88.25)	(61.16)	(282.97)	(421.26)	(460.56)
Fringe benefit tax	(2.08)	(3.39)	(1.64)	(2.65)	-
Net cash flow from operating activities [A]	**147.95**	**(1,045.95)**	**(1,302.44)**	**411.19**	**614.33**
B) Cash flow from investing activities					
Sale of fixed assets	1.70	0.70	1.31	0.60	1.02
Increase in fixed assets / capital work-in-progress	(211.81)	(425.07)	(25.02)	(770.66)	(127.64)
Interest received	13.55	11.12	22.32	14.83	19.74
(Purchase) / sale of investments	23.92	(150.25)	(3.97)	(331.47)	(73.93)
Net cash flow from investing activities [B]	**(172.64)**	**(563.50)**	**(5.36)**	**(1,086.70)**	**(180.81)**
C) Cash flow from financing activities:					
Proceeds from issue of share capital / share application money	-	1,230.54	-	-	-
Corporate dividend tax	-	-	(0.11)	-	-
Proceeds from borrowings	784.99	1,825.96	2,044.53	2,855.20	14,073.64
Repayment of borrowings	(510.95)	(1,008.67)	(639.71)	(1,597.64)	(13,233.58)
Interest paid	(38.49)	(124.49)	(232.63)	(457.74)	(508.35)
Net cash flow from financing activities [C]	**235.55**	**1,923.34**	**1,172.08**	**799.82**	**331.70**
Net Increase / (decrease) in cash and cash equivalents [A+B+C]	210.86	313.89	(135.72)	124.31	765.22
Cash and cash equivalents at the beginning of the year	105.49	316.35	630.24	494.52	618.83
Cash and cash equivalents at the end of the year	**316.35**	**630.24**	**494.52**	**618.83**	**1,384.05**

Note:

The Cash flow statement has been prepared under the Indirect method as set out in Accounting Standard 3 on Cash flow statements as prescribed under by the Companies (Accounting Standards) Rules 2006

ANNEXURE - IV

NOTES TO RESTATED SUMMARY STATEMENTS

(Rs in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH				
	2006	**2007**	**2008**	**2009**	**2010**
Profit after tax as per audited profit and loss account	201.65	396.62	515.73	644.55	1,027.50
Adjustments on account of:					
1) Prior period items:					
a) Service tax	3.70	-	-	(0.71)	0.71
b) Short / excess tax provision adjusted	(10.63)	(5.74)	5.74	-	-
c) Interest on income-tax / TDS adjustments	(6.25)	(10.27)	(1.01)	26.79	14.07
d) Others matters	-	-	(1.05)	1.05	-
2) Provision no longer required written back	-	3.12	7.75	(10.87)	-
3) Miscellaneous expenditure written-off	(3.70)	5.17	(22.16)	23.62	-
4) Deferred tax impact	0.01	(2.81)	5.24	(4.69)	-
Net adjusted profit after tax	**184.78**	**386.09**	**510.24**	**679.74**	**1,042.28**

1) Prior period items

In the audited financial statements for the years ended 31 March 2005, 31 March 2006, 31 March 2007, 31 March 2008, 31 March 2009 and 31 March 2010, certain items with respect to service tax, income-tax and other matters were identified as prior period items. Accordingly, in the preparation of the Restated Summary Statements, the effect of these prior period items has been appropriately adjusted to the results of the respective year / period to which these items pertain to with a corresponding restatement of the respective assets / liabilities.

2) Provision no longer required written back

The Company has reversed the excess provision for gratuity and compensated absences during the year ended 31 March 2009 amounting to Rs. 10.87 million. The effect of reversal of provision has been appropriately adjusted to the results of the respective years.

3) Miscellaneous expenditure written-off

Company in its audited financial statements had carried forward miscellaneous expenditure, to the extent of not written off, pertaining to Initial Public Offering (IPO) related expenses and unmatured finance charges. In the preparation of the Restated Summary Statements, the Company has made adjustments by expensing off the miscellaneous expenditure to the respective year's profit and loss account.

4) Tax impact on above restatement adjustments

Represents the tax impact on above restatement adjustments.

ANNEXURE – V

A. Background

The restated summary statement of assets and liabilities of Ramky Infrastructure Limited ('RIL' or 'the Company') as at March 31, 2010, March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006 and the related restated summary statement of profits and losses and cash flows for years ended on that date (hereinafter collectively referred to as "Restated Summary Statements") relate to Ramky Infrastructure Limited ("the Company") and have been prepared specifically for inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed Initial Public Offering.

These Restated Summary Statements have been prepared to comply in all material respects with the requirements of Schedule II to the Companies Act, 1956 ("the Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations").

B. Statement of significant accounting policies adopted by the Company in preparation of financial statements as at and for the year ended 31 March 2010

Basis of preparation

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

Use of estimates

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

Fixed assets and depreciation

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

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

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

Investments

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

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

Inventories

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

Cost of materials is determined on a weighted average basis.

Contract work-in-progress is valued at cost.

Employee benefits

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

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

Foreign currency transactions and balances

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

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

Revenue recognition

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

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

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

Accounting for joint ventures

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

Jointly Controlled Assets:

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

Income-tax expense

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

Current tax

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

Deferred tax

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

Minimum Alternate Tax (MAT) Credit entitlement

MAT credit entitlement represents amounts paid in a year under Section 115 JB of the Income Tax Act 1961 (‘IT Act’), in excess of the tax payable, computed on the basis of normal provisions of the IT Act.

Such excess amount can be carried forward for set off against future tax payments for ten succeeding years in accordance with the relevant provisions of the IT Act. Since such credit represents a resource controlled by the Company as a result of past events and there is evidence as at the reporting date that the Company will pay normal income tax during the specified period, when such credit would be adjusted, the same has been disclosed as “MAT Credit entitlement”, under “Loans and Advances” in balance sheet with a corresponding credit to the profit and loss account, as a separate line item.

Such assets are reviewed as at each balance sheet date and written down to reflect the amount that will not be available as a credit to be set off in future, based on the applicable taxation law then in force.

Fringe benefit tax

Before the same was abolished with effect from 1 April 2009, the Company used to provide for and disclose Fringe Benefit Tax (‘FBT’) in accordance with the provisions of Section 115 WC of the Income Tax Act, 1961 and guidance note on FBT issued by the Institute of Chartered Accountants of India (ICAI).

Earnings per share

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

Provisions and contingent liabilities

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

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

Impairment of assets

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

Leases

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

ANNEXURE - VI

DETAILS OF DIVIDEND

(Rs in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH				
	2006	2007	2008	2009	2010
Equity share capital	69.80	70.82	494.20	494.20	494.20
Face value (Rs.)	10.00	10.00	10.00	10.00	10.00
Rate of dividend %	-	-	-	-	-
Amount of dividend	-	-	-	-	-
PARTICULARS	**FORTHEYEARENDED31MARCH**				
	2006	**2007**	**2008**	**2009**	**2010**
Cumulative, Convertible, Redeemable, Participating Preference Shares	-	10.89	-	-	-
Face value (Rs.)	-	10.00	-	-	-
Rate of dividend %	-	0.001	-	-	-
Amount of dividend	-	-	-	-	-

Note:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

ANNEXURE - VII

STATEMENT OF ACCOUNTING RATIOS

(Rs in millions)

PARTICULARS	AS AT 31 MARCH				
	2006	2007	2008	2009	2010
Net worth (A) (Excluding share application money pending allotment and Preference share capital)	413.85	2,019.58	2,540.58	3,220.33	4,262.61
Restated Profit after Tax (B)	184.78	386.09	510.24	679.74	1,042.28
Weighted average number of equity shares outstanding during the year					
- For basic earnings per share * (C)	48,096,278	48,205,281	48,630,964	49,420,014	49,420,014
- For diluted earnings per share * (D)	48,162,853	48,487,782	49,374,509	49,420,014	49,420,014
Earnings Per Share of Rs. 10 each					
- Basic Earnings per share (Rs.) (E - B/C)	3.84	8.01	10.49	13.75	21.09
- Diluted Earnings per share (Rs.) (F - B/D)	3.84	7.96	10.33	13.75	21.09
Return on Net Worth (%) (G - B/A)	44.65%	19.12%	20.08%	21.11%	24.45%
Number of Shares outstanding at the end of the year / period (H)	6,979,500	7,081,500	49,420,014	49,420,014	49,420,014
Net Assets Value per share of Rs. 10 each (I - A/H) (refer Note 5)	59.29	285.19	51.41	65.16	86.25
(not adjusted for bonus)					

* On 30 July 2005 and on 7 December 2007 the Shareholders of the Company approved the issue of bonus equity shares in the ratio of 2:1 and 5:1 respectively. The calculation of basic and diluted earnings per share has been adjusted for bonus equity shares for all periods presented in accordance with the requirements of Accounting Standard (AS) – 20 "Earnings Per Share" prescribed under the Companies (Accounting Standards) Rules, 2006.

Notes:

1. The above ratios are calculated as under:

a) Earnings per share = Net profit after tax, as restated / Weighted average number of shares as at year end

b) Return of Net worth (%) = Net profit after tax, as restated / Net worth as restated as at year end

c) Net asset value (Rs.) = Net worth as restated / Number of equity shares as at year end

2. The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

3. Earning per shares (EPS) calculation are done in accordance with Accounting Standard 20 "Earnings per share" prescribed by the Companies (Accounting Standards) Rules, 2006.

4. The EPS and return on net worth for the six months period ended 30 September 2009 are not comparable with the other financial years presented.

5. Net worth as at 31 March 2007 excludes preference share capital of Rs.10.89 million.

ANNEXURE - VIII

DETAILS OF OTHER INCOME, AS RESTATED

(Rs in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH				
	2006	**2007**	**2008**	**2009**	**2010**
Recurring					
Interest income	14.71	15.10	26.68	25.55	27.05
Equipment lease / hire charges	10.01	11.19	11.66	29.92	9.74
Dividend on shares	0.03	0.21	0.08	0.09	0.09
Sale of scrap	-	-	5.82	14.71	14.91
Miscellaneous income	9.90	11.48	23.36	25.19	14.17
Sub Total (A)	34.65	37.98	67.60	95.46	65.96
Non-recurring					
Insurance claim received	0.02	0.21	-	-	4.01
Profit on sale of fixed assets, net	-	0.24	-	-	
Dividend on chit	0.33	0.18	-	-	-
Rent received	0.14	-	-	-	-
Profit on sale of investments	7.97	-	-	-	
Sub Total (B)	8.46	0.63	-	-	4.01
Total (A+B)	**43.11**	**38.61**	**67.60**	**95.46**	**69.97**

Note:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

ANNEXURE - IX
STATEMENT OF SECURED LOANS, AS RESTATED

(Rs in millions)

PARTICULARS	AS AT 31 MARCH				
	2006	**2007**	**2008**	**2009**	**2010**
From banks:					
- Term loans	217.19	427.69	899.81	920.47	576.14
- Working capital loans	124.95	707.26	1,543.29	2,600.55	3,840.45
- Equipment and vehicle loans	44.42	45.80	43.83	214.03	149.70
	386.56	**1,180.75**	**2,486.93**	**3,735.05**	**4,566.29**
From others:					
- Equipment and vehicle loans	29.90	53.00	151.76	161.21	172.72
	29.90	**53.00**	**151.76**	**161.21**	**172.72**
Interest accrued and due	-	1.80	5.74	2.69	-
Total	**416.46**	**1,235.55**	**2,644.43**	**3,898.95**	**4,739.01**

Note:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

ANNEXURE - IX (continued)
STATEMENT OF SECURED LOANS, AS RESTATED (continued)

(Rs. in millions)

S. No.	Bank / Lendor	Amount Sanctioned	Amount outstanding as of 31 March 2010	Rate of Interest	Nature of interest	Repayment terms	Security offered
Term loans							
1	Indus Ind Bank	350.00	150.00	7.00%	Variable	Repayable Rs 150 Million in March 2011	Pari-passu charge on the entire Thane project specific current assets (pari passu only with lenders financing the specific project) of the Company comprising of stocks of raw material, WIP, finished work, book debts, unbilled revenue and other current assets.
2	Indus Ind Bank	150.00	100.00	7.00%	Variable	Repayable Rs 100 Million in September 2011	Pari-passu charge on the entire Navi Mumbai (Belapur and Nerul) project specific current assets (pari passu only with lenders financing the specific project) of the Company comprising of stocks of raw material, WIP, finished work, book debts, unbilled revenue and other current assets.
3	Andhra Bank	500.00	206.82	12.25%	Variable	Repayable in 18 monthly installments of Rs 27.8 million each commencing from July 2009.	Exclusive charge on the assets of the specific projects (1) IIIT Nuziveedu Project (2) Personal Guarantee of Sri Alla Ayodhya Rami Reddy and Sri Yancharla Ratnakar Nagaraja.
4	Andhra Bank	120.00	119.32	12.25%	Variable	Repayable in 6 Monthly installments of Rs 20 million each commencing from May 2010	Exclusive charge on the assets of the specific projects (1)Kamothe Project (2) Personal Guarantee of Sri Alla Ayodhya Rami Reddy and Sri Yancharla Ratnakar Nagaraja.
	Total (A)	**1,120.00**	**576.14**				
Working capital loans							
1	State Bank Of India	2,500.00	2,398.49	11.25%	Variable	Cash credit limits subject to annual review	**Primary** :First charge on entire current assets - Present & Future & pari passu first charge on un-encumbered fixed assets of the Company on pari passu basis with other working capital lenders **Collateral : 1)** EM 45 guntas land belonging to Ramky Estates and Farms P Ltd at S.NO.53/3 and 53/6 at Vajrahalli Village, Nelamangala Taluk Near Bangalore **Collateral : 2)** EM OF 5899 SQ.Yards land in S.NO.71/1, at Vajrahalli Village, Nelamangala Taluq near Bangalore belonging to Sri M.Venugopal Reddy S/o M.Papi Reddy

S. No.	Bank / Lendor	Amount Sanctioned	Amount outstanding as of 31 March 2010	Rate of Interest	Nature of interest	Repayment terms	Security offered
							Collateral : 3) EM OF 717 Square Yards of SIT (Plot no.495 block III of jubliee hills in survey no 403/1(old) new no.120 of Shaikpet, S.no.102/1 of Hakim pet village Hyderabad belonging to Smt. Alla Dakshyani w/o A.Ayodhya Rami Reddy.
							Collateral : 4) Commercial Building consisting of 5 floors in plot no 29/B H, No 6-3-1239/4 situated at Rajbhavan Road, Somajiguda, Hyderabad belonging to Ramky Estates & Farms Pvt Ltd.
							Collateral: 5) Cash Deposit of Rs 0.60 Crores.
							Collateral : 6) Corporate guarantee of Ramky Estates & Farms Pvt Ltd
							Guarantees: Personal Guarantee of Sri A.Ayodhya Rami Reddy, Y.R.Nagaraja, A.Dakshayani and M.Venugopala Reddy.
2	Ing Vysya Bank Ltd	200.00	147.18	12.25%	Variable	Cash credit limits subject to annual review	**Primary :** Pari Passu charge on all current assets of the Company **Collateral : 1)** Second pari passu charge on Fixed Assets of the Company. **Guarantees :** Personal guarantee of Sri Ayodhyarami Reddy and Sri Yancharla Ratnakar Nagaraja
3	Development Credit Bank	150.00	149.64	11.00%	Variable	Cash credit limits subject to annual review	**Primary:** Pari Passu charge on all current assets of the Company Collateral**:** Second pari passu charge on Fixed Assets of the Company **Guarantees:** Personal guarantee of Sri Ayodhya Rami Reddy and Sri Yancharla Ratnakar Nagaraja.
4	State Bank Of Hyderabad	600.00	545.16	12.25%	Variable	Cash credit limits subject to annual review	**Primary Security :** First Pari Passu charge on entire current assets present and future of the Company along with other Working capital lenders **Collateral Security : 1)** Pari passu 1st charge on unencumbered Fixed Assets along with other working capital lenders. 2) Fixed deposits aggregating Rs. 504 million. **Guarantees:** Personel guarantee of Mr Alla Ayodya Rami Reddy and Mr Y.R.Nagaraja.
5	Standard Chartered Bank	100.00	99.98	12.25%	Variable	Cash credit limits subject to annual review	**Primary :** Pari Passu charge on all current assets of the Company **Collateral :** Second pari passu charge on Fixed Assets of the Company **Guarantees :** Personal guarantee of Sri Ayodhya Rami Reddy and Sri Yancharla Ratnakar Nagaraja.

S. No.	Bank / Lendor	Amount Sanctioned	Amount outstanding as of 31 March 2010	Rate of Interest	Nature of interest	Repayment terms	Security offered
6	IDBI Bank Ltd	500.00	500.00	8.00%	Variable	Repayable on demand	**Primary :** First charge on paripassu basis with other working capital lenders on all chargeable current assets of our Company.
							Guarantees : Personal guarantee of Mr Alla Ayodya Rami Reddy and Mr Y.R.Nagaraja.
	Total (B)	**4,050.00**	**3,840.45**				
	Equipment and vehicle loans from various vendors	-	322.42		Fixed	Repayable as per monthly EMIs	Secured by way of hypothecation of respective assets
	Total (C)	**-**	**322.42**				
	Total (A+B+C)	**5,170.00**	**4,739.01**				

ANNEXURES - X

DETAILS OF UNSECURED LOAN, AS RESTATED

(Rs in millions)

PARTCULARS	AS AT 31 MARCH				
	2006	2007	2008	2009	2010
From Promoters, Promoter Group and Group Companies of Promoters	-	-	-	-	-
From Other than Promoters, Promoter Group and Group Companies of Promoters	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
Rate of interest on Promoters Group loans	-	-	-	-	-
Rate of interest on other loans	-	-	-	-	-

Note:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

ANNEXURES - XI

DETAIL OF INVESTMENTS, AS RESTATED

(Rs in millions)

PARTICULARS	AS AT 31 MARCH				
	2006	2007	2008	2009	2010
Long term investment unless otherwise stated					
I) Quoted at cost					
Canara Bank - 11,600 equity shares	0.41	0.41	0.41	0.41	0.41
IIa) Unquoted - in subsidiary companies					
MDDA - Ramky IS Bus Terminal Limited	-	97.50	97.50	97.50	97.50
Ramky Pharma City (India) Limited	-	91.80	91.80	91.80	91.80
Ramky Elsamex Hyderabad Ring Road Limited	-	-	0.36	324.37	398.00
Ramky Towers Limited	-	-	0.26	0.26	0.26
Ramky Food Park (Chattisgarh) Limited	-	-	0.50	0.50	0.50
Naya Raipur Gems and Jewellery SEZ Limited	-	-	0.50	0.50	0.50
Ramky Herbal and Medicinal Park (Chattisgarh) Limited	-	-	0.50	0.50	0.50
Ramky Enclave Limited	-	-	0.44	0.44	0.44
MIDC Agro Processing Park Limited	-	-	0.50	0.50	0.50
Gwalior Bypass Project Limited	-	0.24	1.15	1.15	1.15
Ramky Engineering and Consultancy Services (FZC)	-	1.90	1.90	9.18	9.18
IIb) Unquoted - in associates/ group companies					
Ramky Integrated Township Limited	-	-	-	0.18	0.18
Mumbai Waste Management Limited	-	-	-	-	-
MDDA Ramky IS Bus Terminal Limited	41.20	-	-	-	-
Narketpally Addanki Expressway Limited	-	-	-	-	0.25
Delhi MSW Solutions Limited	-	-	-	-	0.05
Total(I+II)	**41.61**	**191.85**	**195.82**	**527.29**	**601.22**
Aggregate book value of quoted investment	0.41	0.41	0.41	0.41	0.41
Aggregate book value of unquoted investment	41.20	191.44	195.41	526.88	600.81
Aggregate market value of quoted investment	3.10	2.26	2.61	1.92	4.76

Notes:

1. Quoted investment's market value disclosed above are as per Bombay Stock Exchange stock index as at year / period end.

2. The above figures disclosed are as per the restated financial information of Ramky Infrastructure Limited.

ANNEXURE - XII

STATEMENT OF SUNDRY DEBTORS, AS RESTATED

(Rs in millions)

PARTICULARS	AS AT 31 MARCH				
	2006	**2007**	**2008**	**2009**	**2010**
Unsecured, considered good					
Debts outstanding for a period exceeding six months from					
- Related parties	201.57	182.95	244.09	876.04	540.82
- Promoters and Directors	-	-	-	-	-
- Others	69.77	81.64	112.98	926.15	955.54
Total (A)	271.34	264.59	357.07	1,802.19	1,496.36
Other debts					
- Related parties	319.94	1,106.60	1,032.33	1,037.40	754.09
- Promoters and Directors	-	-	-	-	-
- Others	262.56	1,026.32	3,089.67	2,808.57	3,493.52
Total (B)	582.50	2,132.92	4,122.00	3,845.97	4,247.61
TOTAL (A+B)	**853.84**	**2,397.51**	**4,479.07**	**5,648.16**	**5,743.97**

Note:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

ANNEXURE – XIII

STATEMENT OF LOANS AND ADVANCES, AS RESTATED

(Rs in millions)

PARTICULARS	AS AT 31 MARCH				
	2006	2007	2008	2009	2010
Advances recoverable in cash or kind or for the value to be received					
Loans and advances to:					
- group companies (including subsidiaries and associates)	87.90	21.69	331.44	372.43	548.80
- share application money pending allotment	46.79	9.26	409.99	265.37	477.06
- Promoters and Directors	-	-	-	-	-
- others	228.38	805.60	1,591.42	1,411.69	2,099.83
Earnest money deposits	47.84	105.65	134.30	115.06	127.02
Interest accrued but not due / received	2.99	6.97	11.33	22.06	29.37
Prepaid expenses	26.37	24.72	43.05	50.85	71.60
Advance tax and tax deducted at source, net	73.57	-	32.71	261.30	367.19
MAT Credit entitlement	-	-	-	55.82	91.40
TOTAL	**513.84**	**973.89**	**2,554.24**	**2,554.58**	**3,812.27**

Note:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

ANNEXURE - XIV

DETAIL OF CONTINGENT LIABILITIES, AS RESTATED

(Rs in millions)

PARTICULARS	As at 31 March 2009	As at 31 March 2010
Bank guarantee issued by banks in favour of various authorities	8,280.51	8,437.15
Letters of credit outstanding	561.54	954.60
Disputed dues with respect to:		
- Sales tax / Value added tax matters	107.03	189.39
- Income tax matters (refer note 1)	90.00	134.42
- Service tax matters	136.24	258.11
- Other matters	58.51	67.69
Corporate Guarantee given in favour:		
- Axis Bank for credit facility availed by Ramky Enviro Engineers Limited	90.00	-
- IDFC for credit facility availed by MDDA Ramky IS Bus Terminal Limited	97.50	97.50
- Axis Bank for credit facility availed by Ramky Pharma City (India) Limited	775.10	775.10
- IDBI Trusteeship Services Limited for credit facility availed by Ramky Elsamex Hyderabad Ring Road Limited	2,879.00	2,879.00
Ramky Towers Limited	-	500.00
TOTAL	**13,075.43**	**14,292.96**
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1.47	2.24

Note 1:

The Company had claimed deduction under section 80-IA (4) in its returns of income relating to assessment years 2003-04 to 2009-10. However, the IT department is contesting the same on the grounds that the Company was not "developing" the infrastructure facility. The Company appealed against these orders which was also dismissed by CIT (Appeals). The Company has preferred an appeal with Income Tax Appellate Tribunal (ITAT) for these years, which is currently pending.

Also, subsequent to the period end, in October 2009, the deduction u/s.80-IA claimed for assessment year 2007-08 in the return filed, has been rejected by the AO and the matter is now pending with CIT (Appeals). The amount disallowed amounts to Rs. 58.54 million and the same is not included in the above annexure.

The Company has evaluated various judicial precedence on this matter and also the fact of its case. Based on such evaluation and in the pendency of an ITAT ruling in its own case, no provision is made in the financial statements for such amounts.

Note 2:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

ANNEXURE - XV
CAPITALISATION STATEMENT

(Rs in millions)

PARTICULARS	PRE- ISSUE AS AT 31 MARCH 2010	POST ISSUE *
Short term debt	4,554.87	
Long term debt (A)	184.14	
	4,739.01	
Shareholders funds		
Share capital	494.20	
Reserves and surplus	3,768.41	
Total shareholders funds (B)	**4,262.61**	
Long term debt/Equity (A/B)	**0.04**	

Note:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.
* Post issue details can be provided only on the conclusion of the book building process.

ANNEXURE - XVI

DETAILS OF THE LIST OF RELATED PARTIES AND NATURE OF RELATIONSHIPS

Particulars	Year ended 31 March 2006	Year ended 31 March 2007	Year ended 31 March 2008	Year ended 31 March 2009	Year ended 31 March 2010
Key Management Personnel	A. Ayodhya Rami Reddy	A. Ayodhya Rami Reddy	A. Ayodhya Rami Reddy	A. Ayodhya Rami Reddy	A. Ayodhya Rami Reddy
	Y.R.Naga Raja	Y.R.Naga Raja	Y.R.Naga Raja	Y.R.Naga Raja	Y.R.Naga Raja
	Smt. M.Udaya Kumari	Smt. M.Udaya Kumari	-	-	-
	K. Venkata Krishna Reddy	-	-	-	-
	D.K Nagaraja	-	-	-	-
Subsidiaries	-	MDDA Ramky IS Bus Terminal Limited	MDDA Ramky IS Bus Terminal Limited	MDDA Ramky IS Bus Terminal Limited	MDDA Ramky IS Bus Terminal Limited
	-	Ramky Pharma City (India) Limited	Ramky Pharma City (India) Limited	Ramky Pharma City (India) Limited	Ramky Pharma City (India) Limited
	-	Ramky Engineering & Consultancy Services (FZC)	Ramky Engineering & Consultancy Services (FZC)	Ramky Engineering & Consultancy Services (FZC)	Ramky Engineering & Consultancy Services (FZC)
	-	Gwalior Bypass Project Limited	Gwalior Bypass Project Limited	Gwalior Bypass Project Limited	Gwalior Bypass Project Limited
	-	-	Ramky Food Park (Chattisgarh) Limited	Ramky Food Park (Chattisgarh) Limited	Ramky Food Park (Chattisgarh) Limited
	-	-	Ramky Herbal and Medicinal Park (Chattisgarh) Limited	Ramky Herbal and Medicinal Park (Chattisgarh) Limited	Ramky Herbal and Medicinal Park (Chattisgarh) Limited
	-	-	Naya Raipur Gems and Jewellery SEZ Limited	Naya Raipur Gems and Jewellery SEZ Limited	Naya Raipur Gems and Jewellery SEZ Limited
	-	-	Ramky MIDC Agro Processing Park Limited	Ramky MIDC Agro Processing Park Limited	Ramky MIDC Agro Processing Park Limited
	-	-	Ramky Elsamex Hyderabad Ring Road Limited	Ramky Elsamex Hyderabad Ring Road Limited	Ramky Elsamex Hyderabad Ring Road Limited
	-	-	Ramky Towers Limited	Ramky Towers Limited	Ramky Towers Limited
	-	-	Ramky Enclave Limited	Ramky Enclave Limited	Ramky Enclave Limited
Associates / Group Companies /Relatives & Associates of Key Management Personnel	Ramky Enviro Engineers Limited	Ramky Enviro Engineers Limited	Ramky Enviro Engineers Limited	Ramky Enviro Engineers Limited	Ramky Enviro Engineers Limited
	Ramky Estates & Farms (P) Limited	Ramky Estates & Farms (P) Limited	Ramky Estates & Farms Limited	Ramky Estates & Farms Limited	Ramky Estates & Farms Limited
	Ramky Finance & Investment (P) Limited	Ramky Finance & Investment (P) Limited	Ramky Finance & Investment (P) Limited	Ramky Finance & Investment (P) Limited	Ramky Finance & Investment (P) Limited
	Mumbai Waste Management Limited	Mumbai Waste Management Limited	Mumbai Waste Management Limited	Mumbai Waste Management Limited	Mumbai Waste Management Limited
	Tamil Nadu Waste Management Limited	Tamil Nadu Waste Management Limited	Tamil Nadu Waste Management Limited	Tamil Nadu Waste Management Limited	Tamil Nadu Waste Management Limited
	Ramky Pharma City (India) Limited	-	-	-	-
	N.R.Environmental Engineers Inc.	N.R.Environmental Engineers Inc.	N.R.Environmental Engineers Inc.	N.R.Environmental Engineers Inc.	N.R. Environmental Engineers Inc

Particulars	Year ended 31 March 2006	Year ended 31 March 2007	Year ended 31 March 2008	Year ended 31 March 2009	Year ended 31 March 2010
	MDDA Ramky IS Bus Terminal Limited	-	-	-	-
	R.K. Consultancy Services	R.K. Consultancy Services	R.K. Consultancy Services	-	-
	R.K. Constructions	R.K. Constructions	R.K. Constructions	-	-
	ADR Constructions	ADR Constructions	ADR Constructions	ADR Constructions	ADR Constructions
	-	-	-	-	-
	-	-	-	-	-
	SembRamky Environmental Management Private Limited	SembRamky Environmental Management Private Limited	SembRamky Environmental Management Private Limited	SembRamky Environmental Management Private Limited	SembRamky Environmental Management Private Limited
	West Bengal Waste Management Limited	West Bengal Waste Management Limited	West Bengal Waste Management Limited	West Bengal Waste Management Limited	West Bengal Waste Management Limited
	Ramky infotech (P) Limited	-	-	-	-
	Ramky Global Solutions Private Limited	Ramky Global Solutions Private Limited	Ramky Global Solutions Private Limited	Ramky Global Solutions Private Limited	Ramky Global Solutions Private Limited
	-	Ramky Energy & Environment Limited	Ramky Energy & Environment Limited	Ramky Energy & Environment Limited	Ramky Energy & Environment Limited
	-	Ramky Foundation	Ramky Foundation	Ramky Foundation	Ramky Foundation
	Ramky Infra Consulting (P) Limited	Ramky Infra Consulting (P) Limited	-	-	-
	-	-	-	Ramky Integrated Township Limited	Ramky Integrated Township Limited
	-	-	Ramky Villas Limited	Ramky Villas Limited	Ramky Villas Limited
					Delhi MSW Solutions Limited
					Narketpally Addanki Express Roadway Limited
	A.Peri Reddy	A.Peri Reddy	A.Peri Reddy	-	-
	A.Dashrathа Rami Reddy	A.Dashratha Rami Reddy	A.Dashratha Rami Reddy	-	-
	Y.R.Naga Krishna	Y.R.Naga Krishna	Y.R.Naga Krishna	-	-
	-	Sri. M.Vasudeva Reddy	-	-	-
	-	Smt. A. Dakshayani	-	-	-
	-	Sri. A. Rama Krishna Reddy	-	-	-

Note 1:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

Note 2:

Above disclosures are made in accordance with Accounting Standard (AS) 18 "Related Party Disclosures" prescribed by the Companies (Accounting Standards) Rules, 2006.

ANNEXURE - XVI (continued)

DISCLOSURES OF SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

(Rs in millions)

PARTICULARS	NATURE OF RELATIONSHIP	FOR THE YEAR ENDED 31 MARCH				
		2006	2007	2008	2009	2010
Security deposit paid	Associates / Group Companies	-	1.29	9.90	0.36	-
Security deposit paid	Subsidiaries	2.00	329.18	638.37	41.48	135.15
Security deposit received	Associates / Group Companies	-	0.19	0.20	-	-
Unsecured loans repaid	Associates / Group Companies	5.00	-	-	-	-
Unsecured loans received back	Associates / Group Companies	-	73.69	-	-	-
Unsecured loans paid	Associates / Group Companies	4.75	-	-	-	-
Advance paid	Associates / Group Companies	-	1.46	0.07	-	54.01
Advance received	Associates / Group Companies	-	-	-	5.26	-
Share application money paid	Associates / Group Companies	51.15	-	-	100.00	-
Share application money paid	Subsidiaries	-	8.19	401.63	24.30	212.78
Sub contract expenses	Group Companies / Relative of Key Management Personnel	16.57	227.08	3.37	27.50	184.32
Consultancy paid	Associates / Group Companies	0.26	-	-	-	-
Rent paid	Group Companies	-	0.63	3.18	4.52	12.81
Contract revenue	Associates / Group Companies / Subsidiaries	1,125.84	1,698.28	2,199.24	3,159.37	2,028.26
Mobilisation advances received	Subsidiaries	-	-	299.26	-	-
Mobilisation advances paid	Group Companies	-	-	-	-	60.88
Consultancy fee received	Group Companies	0.26	-	-	-	-
Hire charges received	Group Companies	9.84	11.19	11.19	11.19	2.80
Rent received	Group Companies	0.10	-	-	-	-
Slump sale	Group Companies	-	78.61	-	-	-
Sale of land	Group Companies	-	0.30	-	-	-
Donation paid	Entity in which Key Management Personnel is interested	-	0.68	2.21	3.80	4.50
Remuneration and allowances to Directors	Key Management Personnel	4.66	6.47	9.72	14.46	12.12
Sale of investments	Key Management Personnel	23.92	-	-	-	-
Salaries	Relatives of Key Management Personnel	0.40	1.03	-	-	-
Interest income	Subsidiaries	9.33	3.33	-	-	0.85
Interest expense	Group Companies	0.16	-	-	-	-

Note 1:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.
Note 2:

Above disclosures are made in accordance with Accounting Standard (AS) 18 "Related Party Disclosures" prescribed by the Companies (Accounting Standards) Rules, 2006.

ANNEXURE - XVI (continued)

DETAILS OF RELATED PARTIES OUTSTANDING BALANCES

(Rs in millions)

PARTICULARS	NATURE OF RELATIONSHIP	AS AT 31 MARCH				
		2006	2007	2008	2009	2010
Current assets, loans and advances	Associates / Subsidiaries / Group Companies	87.90	21.69	331.44	372.43	628.39
Investments	Associates / Subsidiaries / Group Companies	41.20	191.44	195.41	526.88	600.81
Share application money	Subsidiaries / Group Companies	46.79	9.26	409.99	265.37	477.06
Sundry debtors	Subsidiaries / Group Companies	521.51	1289.55	1276.42	1913.44	1,294.91
Salaries payable	Relatives of Key Management Personnel	-	0.07	-	-	-
Remuneration payable	Key Management Personnel	0.16	0.33	-	0.57	0.65
Sundry creditors / advances received	Associates / Subsidiaries / Group Companies	11.23	41.94	341.22	105.83	96.93

Note 1:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

Note 2:

Above disclosures are made in accordance with Accounting Standard (AS) 18 "Related Party Disclosures" prescribed by the Companies (Accounting Standards) Rules, 2006.

ANNEXURE - XVII

STATEMENT OF TAX SHELTER (Rs in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH				
	2006	**2007**	**2008**	**2009**	**2010**
Profits before current and restated taxes as per books, as restated (A)	229.91	542.18	686.66	849.26	1,299.67
Income tax rates (including surcharge and education cess) applicable (B)	33.66%	33.66%	33.99%	33.99%	33.99%
Tax at normal rates (C)	77.39	182.50	233.40	288.66	441.76
Permanent differences					
Donation disallowed under tax laws, net	0.54	2.71	2.50	2.81	4.41
Dividend income exempt under section 10(34)	(0.03)	(0.21)	(0.08)	(0.09)	(0.09)
Prior period expenses - other expenses debited	(3.70)	-	1.04	-	-
Deduction u/s 80IA	(150.85)	(131.99)	(190.59)	(365.61)	(520.89)
Preliminary expenses written-off	3.71	(3.66)	22.16	-	-
(Profit) / loss on sale of assets	0.21	(0.24)	0.22	0.61	0.66
Other disallowances u/s 36(1)(va)	-	-	-	0.06	-
Total permanent differences (D)	**(150.12)**	**(133.39)**	**(164.75)**	**(362.22)**	**(515.91)**
Timing differences					
Differences between book depreciation and tax depreciation	(15.96)	(26.62)	(34.24)	(82.12)	(74.41)
Differences in tax and accounting treatment of preliminary expenses	-	(0.38)	-	-	-
Provision no longer required reversed	-	(3.12)	(7.75)	10.87	-
Amounts disallowed u/s.43B, net	29.20	187.86	59.04	1.19	11.00
Provision for expenses u/s 35D disallowed earlier year now allowed	-	-	-	(4.72)	(4.72)
Provision for gratuity disallowed under section 40(A)(7)	-	-	-	(4.93)	(3.68)
Amount inadmissible u/s 40(a)(ia)	-	-	-	16.41	(15.12)
Income from other sources considered separately	(7.97)	-	-	-	-
Total timing differences (E)	**5.27**	**157.74**	**17.05**	**(63.30)**	**(86.94)**
Share of income from AOP (F)	(3.18)	(17.70)	(114.83)	(296.41)	(151.74)
Net adjustments(H)=(D+E+F)	**(148.03)**	**6.65**	**(262.53)**	**(721.93)**	**(754.58)**
Tax impact of adjustments (I)=(H)*(B)	**(49.83)**	**2.24**	**(89.23)**	**(245.38)**	**(256.48)**
Taxable Income at special rates	6.19	0.25	-	-	-
Tax impact of taxable income at special rates (J)	1.39	0.06	-	-	-
Tax provision based on taxable income as per tax laws (C+I+J)	**28.95**	**184.80**	**144.17**	**43.27**	**185.27**
Income tax, net of MAT credit	-	-	-	38.48	185.27
Interest on Income tax		14.07	-	0.71	-
TDS receivable written-off	7.69	10.17	1.02	-	-
Wealth tax	0.15	0.09	0.13	0.16	0.16
Fringe benefit tax	2.09	3.39	4.03	3.66	-
Income taxes of joint ventures, as restated	1.67	6.10	38.86	98.37	47.80
Tax expenses (K)	**40.55**	**218.62**	**188.21**	**141.38**	**233.23**
Deferred tax charge / (credit) on unabsorbed depreciation and brought forward losses (L)	**-**	**-**	**-**	**-**	**-**
Deferred tax charge / (credit) on expenses debited to Profit and Loss Account in the current year but allowable for tax purpose in following year (net of reversal of earlier periods) (M)	**-**	**-**	**-**	**-**	**-**
Deferred tax impact on timing differences (N)	**4.58**	**(62.53)**	**(11.79)**	**28.14**	**24.15**
Total tax expenses / (credit) (K+N)	**45.13**	**156.09**	**176.42**	**169.52**	**257.38**

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

Visweswara Rao & Associates
SRI, Plot No.512A1,
Road No.31, Jubilee Hills
Hyderabad – 500 033

Auditors' Report

The Board of Directors
Ramky Infrastructure Limited

We B S R & Co. ("B S R") and Visweswara Rao & Associates ("VRA") (collectively the "Joint Auditors" or "We") have examined the attached restated consolidated financial information of Ramky Infrastructure Limited ('RIL' or 'the Company') and its subsidiaries and associates, as approved by the Board of Directors of the Company, prepared in terms of the requirements of Paragraph B, Part II of Schedule II to the Companies Act, 1956, as amended ('the Act') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the 'SEBI Regulations'), the Guidance note on 'Reports in Company's Prospectus (Revised)' issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable ('Guidance Note') and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 15 February 2010 in connection with the proposed issue of Equity Shares of the Company.

These information have been extracted by the Management from the consolidated financial statements for the years ended 31 March 2007, 2008, 2009 and 2010. Audit for the consolidated financial statements for the years ended 31 March 2007 and 2008 was conducted by Visweswara Rao & Associates, as sole auditor and whose reports have been furnished to the joint auditors and accordingly relied upon by the joint auditors. The consolidated financial statements for the year ended 31 March 2009 and 2010 have been audited by the joint auditors.

The financial statements of certain subsidiaries and associates for the years ended 31 March 2007, 2008, 2009 and 2010 have been audited by Visweswara Rao & Associates, as sole auditor and whose reports have been furnished to the joint auditors and accordingly relied upon by the joint auditors. The said financial statements reflect the total assets of Rs. 1,703.54 million, Rs. 3,785.95 million, Rs. 7,748.56 million and Rs. 9,038.58 million as at 31 March 2007, 2008, 2009 and 2010 respectively and the total revenues of Rs. 949.60 million, Rs. 1,065.42 million, Rs. 817.60 million and Rs. 1,346.51 million for the years ended 31 March 2007, 2008, 2009 and 2010 respectively.

The financial statements of certain subsidiaries for the years ended 31 March 2007, 2008, 2009 and 2010 have been audited by other firm of Chartered Accountants namely, M/s. N.R. Doshi & Co, M/s. P.C. Bindal & Co. and M/s. S R Goyal & Co, whose reports have been furnished to us and accordingly relied upon by us. The said financial statements reflect the total assets of Rs. 432.39 million, Rs. 846.32 million, Rs. 1,833.18 million and Rs. 2,884.18 million as at 31 March 2007, 2008, 2009 and 2010 respectively and the Group's share of total revenues of Rs.Nil, Rs.Nil, Rs.Nil and Rs. 0.94 million for the years ended 31 March 2007, 2008, 2009 and 2010 respectively.

In accordance with the requirements of Paragraph B, Part II of Schedule II of the Act, the SEBI Regulations and the terms of our engagement agreed with you, we further report that:

(a) The Restated Consolidated Summary Statement of assets and liabilities of the Company as at 31 March 2007, 2008, 2009 and 2010 examined by us, as set out in Annexure I to this report read with the significant accounting policies in Annexure VA are after making such adjustments and regroupings as in our opinion are appropriate and more fully described in Notes to the Restated Consolidated Summary Statements enclosed as Annexure IV to this report.

(b) The Restated Consolidated Summary Statement of profits or losses of the Company for the years ended 31 March 2007, 2008, 2009 and 2010 are as set out in Annexure II to this report read with the significant accounting policies in Annexure VA are after making such adjustments and regroupings as in our opinion are appropriate and more fully described in Notes to the Restated Consolidated Summary Statements enclosed as Annexure IV to this report.

(c) Based on the above, we are of the opinion that the restated consolidated financial information have been made after incorporating:

iv. Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods.

v. Adjustments for the material amounts in the respective financial years to which they relate.

vi. And there are no extra-ordinary items that need to be disclosed separately in the accounts and qualification requiring adjustments.

(d) We have also examined the following consolidated financial information as set out in Annexures prepared by the Management and approved by the Board of Directors relating to the Company and its subsidiaries and associates for the years ended 31 March 2007, 2008, 2009 and 2010.

i. Annexure III containing statement of consolidated cash flows, as restated;
ii. Annexure IVB containing other notes
iii. Annexure VI containing statement of accounting ratios, as restated;
iv. Annexure VII containing details of other income, as restated;
v. Annexure VIII and Annexure VIII A containing details of secured loans, as restated;
vi. Annexure IX containing details of unsecured loans, as restated;
vii. Annexure X containing details of investments; as restated;
viii. Annexure XI containing details of sundry debtors; as restated;
ix. Annexure XII containing details of loans and advances; as restated;
x. Annexure XIII containing details of contingent liabilities, as restated;
xi. Annexure XIV containing capitalisation statement as at 31 March 2010;
xii. Annexure XV containing details of related party transactions and balances outstanding with them; and
xiii. Annexure XVI containing details of dividend.

In our opinion, the above financial information contained in Annexure I to XVI of this report read along with the significant accounting policies (Refer Annexure VA), Notes to the Restated Consolidated Summary Statements (Refer Annexure IV) are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Paragraph B, Part II of Schedule II of the Act and the SEBI Regulations.

Our report is intended solely for use of the Management and for inclusion in the offer document in connection with the proposed issue of Equity Shares of the Company. Our report should not to be used, referred to or distributed for any other purpose without our written consent.

for **B S R & Co.**
Chartered Accountants
Firm Registration No: 101248W

Zubin Shekary
Partner
Membership No: 48814

Place : Hyderabad
Date : September 3, 2010

for **Visweswara Rao & Associates**
Chartered Accountants
Firm Registration No: 005774S

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

Place : Hyderabad
Date : September 3, 2010

ANNEXURE – I

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(Rs. in millions)

PARTICULARS	AS AT 31 MARCH			
	2007	2008	2009	2010
1. FIXED ASSETS :				
i) Tangible assets				
Gross block	991.71	989.62	1,824.04	1,951.13
Less : Accumulated depreciation	125.51	186.21	289.21	405.05
Net block	**866.20**	**803.41**	**1,534.83**	**1,546.08**
ii) Intangible assets				
Goodwill	21.27	21.27	21.27	21.27
iii) Capital work-in-progress including capital advances	486.30	740.31	1,184.41	1,254.61
Total	**1,373.77**	**1564.99**	**2,740.51**	**2,821.96**
2. INVESTMENTS	**0.41**	**0.41**	**875.97**	**876.07**
3. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS	**28.23**	**891.73**	**4,202,.67**	**6,695.58**
4. DEFERRED TAX ASSETS (NET)	**46.10**	**18.14**	**-**	**-**
5. CURRENT ASSETS, LOANS AND ADVANCES :				
a) Inventories (including contract work-in-progress)	1,262.24	2,593.67	3,981.46	5,527.34
b) Sundry debtors	2,142.67	3,779.71	4,423.12	5,020.42
c) Retention money	545.68	580.30	1,187.37	1,821.62
d) Cash and Bank Balances	1,122.34	700.26	814.86	1,677.70
e) Loans , Advances and other current assets	1,047.21	2,234.96	2,416.48	3,641.41
Total	**6,120.14**	**9,888.90**	**12,823.29**	**17,688.49**
6. LIABILITIES AND PROVISIONS :				
a) Secured loans	1,623.11	3,190.60	7,042.71	10,110.22
b) Unsecured loans	6.81	40.08	28.56	9.10
c) Current liabilities and provisions	3,813.12	5,915.22	8,297.64	10,638.93
Total	**5,443.04**	**9,145.90**	**15,368.91**	**20,758.25**
7. DEFERRED TAX LIABITY (NET)	-	-	145.54	294.58
8. MINORITY INTEREST	**93.97**	**664.87**	**866.93**	**1,480.02**
NET WORTH (1+2+3+4+5-6-7-8)	**2,031.64**	**2,553.40**	**4,261.06**	**5,549.25**
NET WORTH REPRESENTED BY:				
7. SHARE CAPITAL				
a) Equity share capital	70.82	494.20	494.20	494.20
b) Preference share capital	10.89	-	-	-
8. RESERVES AND SURPLUS	1,949.93	2,059.20	3,766.86	5,055.05
NET WORTH (7+8)	**2,031.64**	**2,553.40**	**4,261.06**	**5,549.25**

Note:

The above statement should be read with the accompanying annexures and notes related thereto, notes to restated consolidated summary statements and significant accounting policies as appearing in Annexures IV and V respectively.

ANNEXURE – II

STATEMENT OF CONSOLIDATED PROFITS AND LOSSES, AS RESTATED

(Rs. in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH			
	2007	**2008**	**2009**	**2010**
I. INCOME				
Income from operations	7,384.02	11,163.68	15,560.32	21,631.01
Operation and maintenance revenue	0.67	6.30	86.24	196.24
Other income	46.70	113.76	359.17	685.65
TOTAL	**7,431.39**	**11,283.74**	**16,005.73**	**22,512.90**
II. EXPENDITURE				
Contract materials and supplies consumed	1,747.49	2,362.46	3,747.69	4,138.57
Sub-contractor costs	2,777.82	4,291.63	6,004.84	9,708.41
Other contract costs	1,760.26	2,860.73	3,311.77	4,471.58
Personnel costs	191.93	284.60	519.37	631.72
Administrative and selling expenses	155.17	249.71	316.07	459.57
Finance charges	195.59	305.96	701.50	1,084.51
Depreciation	43.90	61.05	103.39	116.57
Share of loss in associate companies	-	-	-	0.20
TOTAL	**6,872.16**	**10,416.14**	**14,704.63**	**20,611.13**
Profit before tax	**559.23**	**867.60**	**1,301.10**	**1,901.77**
Prior Period Adjustments				
Profit / Loss before Extra-ordinary Items	559.23	867.60	1,301.10	1,901.77
Less: Provision for tax				
a) Current tax	220.63	209.06	210.90	294.86
b) Deferred tax	(61.39)	27.96	163.68	149.04
c) Fringe benefit tax	3.54	4.26	3.90	-
d) MAT credit entitlement	-	-	(55.82)	(36.97)
e) Wealth tax	0.09	0.13	0.16	0.16
Profit after tax but before minority interest	**396.36**	**626.19**	**978.28**	**1,494.68**
Minority interest	8.98	104.02	145.06	206.21
Net Profit after tax, as restated	**387.38**	**522.17**	**833.22**	**1,288.47**
Add: Balance in profit and loss account brought forward, as restated	344.04	731.42	1,253.48	2,086.70
Amount available for appropriation	**731.42**	**1,253.59**	**2,086.70**	**3,375.17**
Appropriations:				
a) Dividend on preference shares	-	-	-	-
b) Tax on preference dividend	-	(0.11)	-	-
Balance carried forward to balance sheet, as restated	**731.42**	**1,253.48**	**2,086.70**	**3,375.17**

Note:

The above statement should be read with the accompanying annexures and notes related thereto, notes to restated consolidated summary statements and significant accounting policies as appearing in Annexures IV and V respectively.

ANNEXURE – III

STATEMENT OF CONSOLIDATED CASH FLOWS, AS RESTATED

(Rs in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH			
	2007	2008	2009	2010
A) Cash flow from operating activities				
Net profit before tax, as restated	559.23	867.60	1,301.10	1,901.77
Adjustments for:				
Depreciation	43.90	61.05	103.39	116.57
Interest paid	128.70	257.23	625.48	994.37
Interest received	(21.92)	(35.12)	(44.74)	(45.44)
Preliminary expenses written-off	(2.86)	22.36	0.13	-
(Profit) / loss on sale of assets, net	(0.24)	0.23	0.61	0.66
Operating profit before changes in working capital	706.81	1,173.35	1,985.97	2,967.93
Adjustments for:				
Increase / (decrease) in trade payables and others	770.36	2,148.22	2,381.61	2,662.88
(Increase) / decrease in loans and advances & Retention money	(602.24)	(1,205.17)	(473.19)	(1,702.31)
(Increase) / decrease in inventories	(38.34)	(1,331.43)	(1,387.79)	(1,545.89)
(Increase) / decrease in trade receivables	(1,286.72)	(1,637.04)	(643.41)	(597.30)
Cash from / (used in) operations	**(450.13)**	**(852.07)**	**1,863.19**	**1,785.31**
Taxes paid:				
(increase) / decrease in long-term receivables under service concession arrangements	(28.23)	(863.50)	(3,310.82)	(2,492.91)
Income-tax	(63.80)	(293.28)	(459.81)	(402.58)
Fringe benefit tax	(4.39)	(4.93)	(3.76)	-
Net cash from / (used in) operating activities - (A)	**(546.55)**	**(2,013.78)**	**(1,911.20)**	**(1,110.18)**
B) Cash flows from investing activities				
Proceeds from sale of fixed assets	0.72	1.28	0.59	1.49
Purchase of fixed assets / capital work-in-progress	(866.91)	(253.85)	(1,281.26)	(200.17)
Interest received	13.81	34.32	34.53	38.14
Payments for net assets acquired of subsidiary, net of cash	(127.67)	-	(0.18)	(0.10)
Net cash flow from investing activities - (B)	**(980.05)**	**(218.25)**	**(1,246.32)**	**(160.64)**
C) Cash flows from financing activities				
Proceeds from issue of share capital / share application money	1,230.55	-	-	-
Payment (to) / from minority interest	87.82	466.88	57.00	79.98
Proceeds from borrowings	2,155.86	2,404,.44	5,592.81	16,487.26
Repayment of borrowings	(1,014.14)	(807.62)	(1,751.69)	(13,434.05)
Interest paid	(127.50)	(253.64)	(626.00)	(999.53)
Payments for dividend including tax	-	(0.11)	-	-
Net cash flow from financing activities - (C)	**2,332.59**	**1,809.95**	**3,272.12**	**2,133.66**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	805.99	(422.08)	114.60	862.84
Cash and cash equivalents at the beginning of the year / period	316.35	1,122.34	700.26	814.86
Cash and cash equivalents at the end of the year / period	**1,122.34**	**700.26**	**814.86**	**1,677.70**

Note:

The above statement should be read with the accompanying annexures and notes related thereto, notes to restated consolidated summary statements and significant accounting policies as appearing in Annexures IV and V respectively

The cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statements as prescribed under by the Companies (Accounting Standards) Rules, 2006.

ANNEXURE – IV

NOTES TO RESTATED CONSOLIDATED SUMMARY STATEMENTS:

A. Summary of restated adjustments:

(Rs. in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH			
	2007	2008	2009	2010
Profit after tax as per audited consolidated profit and loss account	397.65	437.89	424.55	1,273.73
Adjustments on account of:				
1) Prior period items:				
a) Short / excess tax provision adjusted	(5.78)	5.74	-	-
b) Interest on income-tax / TDS receivable written-off	(10.28)	(2.10)	27.19	14.74
c) Other matters	-	(1.26)	1.28	-
2) Provision no longer required written back	3.12	7.75	(10.87)	-
3) Miscellaneous expenditure written off	4.71	(22.24)	24.17	-
4) Gratuity provision	(0.37)	-	-	-
5) Change in accounting policy Adjustments on account of change in accounting policy for Service Concession Arrangement net of taxes)	1.13	91.14	371.59	-
5) Deferred tax impact on restated adjustments	(2.80)	5.25	(4.69)	-
Net adjusted profit after tax	**387.38**	**522.17**	**833.22**	**1,288.47**

1) Prior period items

In the audited financial statements for the years ended 31 March 2007, 31 March 2008 and 31 March 2009 and 31 March2010, certain items with respect to income-tax, service-tax and other matters were identified as prior period items. Accordingly, in the preparation of the Restated Summary Statements, the effect of these prior period items has been appropriately adjusted to the results of the respective year / period to which these items pertain with a corresponding restatement of the respective assets / liabilities.

2) **Provision no longer required written back**

The Company has reversed the excess provision for gratuity and compensated absences during the year ended 31 March 2009 amounting to Rs. 10.87 million. The effect of reversal of provision has been appropriately adjusted to the results of the respective years.

3) Miscellaneous expenditure written-off

Company in its audited financial statements had carried forward miscellaneous expenditure, to the extent of not written off, pertaining to Initial Public Offering (IPO) related expenses and unmatured finance charges. In the preparation of the Restated Summary Statements, the Company has made adjustments by expensing off the miscellaneous expenditure to the respective year's profit and loss account.

4) Gratuity provision

An amount of Rs.0.37 million with respect to gratuity was adjusted to reserves in Ramky Pharmacity (India) Limited during the year ended 31 March 2008 , which has now been recognised in the respective profit and loss account as a restatement adjustment.

5) Change in accounting policy

Adjustments on account of adoption of Exposure Draft of the Guidance Note on Accounting for Service Concession Arrangements:

On March 31 2010, the Ramky Group voluntarily decided to revise its accounting policy by adopting the

Exposure Draft of the Guidance Note on Accounting for Service Concession Arrangements for certain construction service contracts that in substance are Build, Operate and Transfer (BOT) contracts. Till the year ended March 31, 2009, the Company accounted for these contracts as capital work-in-progress (CWIP) and capitalized the same as part of its fixed assets at cost.

Management believes that in the absence of an existing prescribed mandatory accounting standard in India on accounting for such BOT contracts, developing and applying an accounting policy similar to the accounting treatment prescribed by the Exposure Draft of the Guidance Note is relevant to the economic decision making needs of users and reflects the economic substance of such contracts. Accordingly, from the year ended March 31, 2010 the Company has not capitalized the assets constructed under BOT contracts as CWIP but recorded these as financials assets at fair value based on the accounting treatment prescribed by the Guidance Note.

Further, the effect of this change in accounting policy has been appropriately adjusted in the profit and loss account for the years ended 31 March 2007, 31 March 2008 and 31 March 2009 with a corresponding restatement of the respective assets (Receivables under service concession arrangements) at fair value. (Also refer Note 1(j) to Annexure - V)

6) Tax impact on above restatement adjustments

Represents the tax impact on above restatement adjustments.

ANNEXURE - IV

B. Segmental Reporting

(Rs in Millions)

	FOR THE YEAR ENDED 31 MARCH 2007				FOR THE YEAR ENDED 31 MARCH 2008			
PARTICULARS	**Construction Business Segment**	**Developer Business Segment**	**Elimination**	**Total**	**Construction Business Segment**	**Developer Business Segment**	**Elimination**	**Total**
Revenue								
External	6,408.11	976.58	-	7,384.69	9,045.46	2,124.52	-	11,169.98
Inter-Segment	707.39	-	(707.39)	-	1,447.30	-	(1,447.30)	-
	7,115.50	**976.58**	**(707.39)**	**7,384.69**	**10,492.76**	**2,124.52**	**(1,447.30)**	**11,169.98**
Result								
Operating Profit/Loss (PBT)	498.73	13.80	-	512.53	521.75	232.09	-	753.84
	498.73	**13.80**	**-**	**512.53**	**521.75**	**232.09**	**-**	**753.84**
Interest income	15.11	8.06	-	23.17	26.68	45.71	-	72.39
Other income	-	-	-	23.53	-	-	-	41.37
Income tax expense	-	-	-	(162.87)	-	-	-	(241.41)
Net Profit after tax	-	-	-	396.36	-	-	-	626.19
Other information								
Segment assets	5,417.15	2,130.23	-	7,547.38	8,278.45	4,064.45	-	12,342.90
Unallocable corporate assets	-	-	-	21.27			-	21.27
Segment liabilities	4,303.94	1,139.70		5,443.04	7,129.15	2,016.75	-	9,145.90
Unallocable corporate liabilities	-	-	-	93.97			-	664.87
Capital expenditure	425.07	441.84		866.91	25.02	552.39	-	577.41
Depreciation (included in segment expense)	40.05	3.85	-	43.90	51.54	9.51	-	61.05
Non cash expenses (other than depreciation included in segment expense)	-	0.59	-	0.59	22.43	0.20	-	22.63

ANNEXURE -IV (continued)

B. Segment reporting

(Rs in Millions)

	FOR THE YEAR ENDED 31 MARCH 2009				FOR THE YEAR ENDED 31 MARCH 2010			
PARTICULARS	**Construction Business Segment**	**Developer Business Segment**	**Elimination**	**Total**	**Construction Business Segment**	**Developer Business Segment**	**Elimination**	**Total**
Revenue								
External	11,595.75	4,050.81	-	15,646.56	17,995.11	3,832.14	-	21,827.25
Inter-Segment	2,996.56	-	(2,996.56)	-	2,028.26	-	(2,028.26)	-
	14,592.31	**4,050.81**	**(2,996.56)**	**15,646.56**	**20,023.37**	**3,832.14**	**(2,028.26)**	**21,827.25**
Result								
Operating Profit/Loss (PBT)	673.90	268.03	-	941.93	1,192.48	23.64	-	1,216.12
	673.90	**268.03**	**-**	**941.93**	**1,192.48**	**23.64**	**-**	**1,216.12**
Interest income	25.56	263.04	-	288.60	26.20	608.67	-	634.87
Other income	-	-	-	70.57	-	-	-	50.78
Income tax expense	-	-	-	(322.82)	-	-	-	(407.09)
Net Profit after tax	-	-	-	978.28	-	-	-	1,494.68
Other information								
Segment assets	12,044.00	8,577.17	-	20,621.17	16,165.25	11,895.58	-	28,060.83
Unallocable corporate assets			-	21.27	-	-	-	21.27
Segment liabilities	10,719.49	4,794.98	-	15,514.47	13,795.38	7,257.44	-	21,052.82
Unallocable corporate liabilities			-	866.93			-	1,480.02
Capital expenditure	770.66	509.58	-	1,280.24	125.25	80.52	-	205.77
Depreciation (included in segment expense)	92.37	11.02	-	103.39	104.87	11.70	-	116.57
Non cash expenses (other than depreciation included in segment expense)	10.50	0.13	-	10.63	0.66	0.62	-	1.28

Note 1:

The above figures disclosed are as per the restated consolidated financial information of Ramky Infrastructure Limited.

Geographic segments:

Operations of the Company do not have geographic segments under the criteria set out under Accounting Standard 17 on 'Segment Reporting' prescribed by the Companies (Accounting Standards) Rules, 2006

ANNEXURE -V

1. Significant accounting policies

Basis of preparation

The restated consolidated summary statement of assets and liabilities of Ramky Infrastructure Limited ('RIL' or 'the Company'), the parent company all of its subsidiaries and an associate (collectively referred to as "Group") as at 31 March 2010, 31 March 2009, 31 March 2008 and 31 March 2007 and the related restated consolidated summary statement of profits and losses and cash flows for years ended on that date (hereinafter collectively referred to as "Restated Consolidated Summary Statements") relate to Ramky Infrastructure Limited ("the Company") and have been prepared specifically for inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed Initial Public Offering.

These Restated Consolidated Summary Statements have been prepared to comply in all material respects with the requirements of Schedule II to the Companies Act, 1956 ("the Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the " SEBI Regulations").

The restated consolidated summary statements have been prepared based on the consolidated financial statements of the Group prepared and presented in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India under Section 211 (3C) of the Companies Act, 1956, other pronouncements of Institute of Chartered Accountants of India, the provisions of Companies Act, 1956, to the extent applicable.

Use of estimates

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

Principles of consolidation

The consolidated summary statement include the financial statements of the Company, all of its subsidiary companies, in which the Company has more than one-half of the voting power of an enterprise or where the Company controls the composition of the board of directors. In accordance with AS-27 "Financial Reporting of Interests in Joint Ventures", issued under Companies (Accounting Standards) Rules, 2006, the Group has accounted for its proportionate share of interest in a joint venture by the proportionate consolidation method.

The consolidated summary statements have been prepared on the following basis:

- The financial statements of the parent company and the subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profits in full. Unrealised losses resulting from intra-group transactions have also been eliminated in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the subsidiaries.
- The Group accounts for investments by the equity method of accounting in accordance with AS-23 "Accounting for Investment in Associates in Consolidated Financial Statements", where it is able to exercise significant influence over the operating and financial policies of the investee. Inter company profits and losses have been proportionately eliminated until realised by the investor or investee.
- The proportionate share of Group's interest in Joint Ventures (including arrangements which involve joint control and joint ownership by the venturers of one or more assets contributed to or acquired for the purpose of the joint venture, "jointly controlled assets"), is combined on a line-by-line basis by

adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group transactions and resulting unrealised profits, to the extent it pertains to the Group.

- The excess / deficit of cost to the parent company of its investment in the subsidiaries and associate over its portion of equity at the respective dates on which investment in such entities were made is recognised in the financial statements as goodwill / capital reserve. The parent company's portion of equity in such entities is determined on the basis of the book values of assets and liabilities as per the financial statements of such entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant transactions, up to the date of investment.
- Minority interest in the net assets of consolidated subsidiaries consists of: (a) the amount of share capital attributable to minorities at the date on which investment in a subsidiary is made; and (b) the minorities' share of movements in share capital since the date the parent subsidiary relationship came into existence.

- The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.
- The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Fixed assets and depreciation

Fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes purchase price, non-refundable taxes, duties, freight and other incidental expenses related to the acquisition or installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed under capital work-in-progress. Depreciation on fixed assets is provided using the straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956 except for office equipment which is depreciated @ 6.33% based on useful life of the asset. In the opinion of the management, the rates specified in Schedule XIV reflect the economic useful lives of these assets. Depreciation is calculated on a pro-rata basis from/upto the date the assets are purchased/sold. Individual assets costing less than Rs. 5,000 are depreciated in full in the year of acquisition.

Investments

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

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

Inventories

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

Cost of materials is determined on a weighted average basis.

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.

Employee benefits

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

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

Foreign currency transactions, balances and translation of financial statements of foreign subsidiaries

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions or at an average monthly rate that approximates the actual rate at the date of transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the profit and loss account.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at year-end rates. The resultant exchange differences are recognised in the profit and loss account. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

The consolidated foreign subsidiary has been identified as non integral operations in accordance with the requirements of AS -11(Revised 2003) "The Effect of Changes in Foreign Exchange rates" which is effective for the accounting periods commencing on or after 1 April 2004. In accordance with AS -11 (Revised 2003) , the financial statements of such non-integral foreign operations are translated into Indian rupees as follows:

- All assets and liabilities, both monetary and non-monetary, are translated using the closing rate.
- Revenue items are translated at the respective monthly average rates.
- The resulting net exchange difference is credited or debited to a foreign currency translation reserve.
- Contingent liabilities are translated at the closing rate.

Revenue recognition

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

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

In case of project related development activities, revenue is recognized by reference to the stage of completion of the development activity as at the balance sheet date as laid down in Guidance note on Recognition of Revenue by Real Estate Developers read with Accounting Standard -7 "Accounting for Construction Contracts". The stage of completion is determined at the proportion cost incurred to date to the total estimated cost of the project.

Income from other operation and maintenance contracts is recognised on the basis of utilisation of the facility by the clients and is based on the agreements entered into with the clients.

Dividend income is recognised when the unconditional right to receive the income is established.

Income from interest on deposits and interest bearing securities is recognised on the time proportionate method taking into account the amount outstanding and the rate applicable.

Accounting for service concession arrangements (BOT contracts)

The Group builds infrastructure facilities (roads) under public-to-private Service Concession Arrangements (SCAs) which it operates and maintains for periods specified in the SCAs. These projects that are in the nature of 'Build Operate and Transfer' (BOT) meet the characteristics of a public-to-private service concession arrangement. The Group recognises and measures revenue in accordance with Accounting Standard (AS) 7 'Construction Contracts' and Accounting Standard (AS) 9 'Revenue Recognition' for the construction or upgrade and operating and maintenance services it performs under the contract or arrangement as prescribed in the Exposure Draft Guidance note on Accounting for Service Concession Arrangements.

The Group has recognised a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the grantor for the construction and operation and maintenance services. Such financial assets are classified as "Receivables under Service Concession Arrangements". Interest income arising on account of the Receivables under Service Concession Arrangements is recognized in the profit and loss account using the effective interest rate method.

Income-tax expense

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

Current tax

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

Deferred tax

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

Minimum Alternate Tax (MAT) Credit entitlement

MAT credit entitlement represents amounts paid in a year under Section 115 JB of the Income Tax Act 1961 ('IT Act'), in excess of the tax payable, computed on the basis of normal provisions of the IT Act.

Such excess amount can be carried forward for set off against future tax payments for ten succeeding years in accordance with the relevant provisions of the IT Act. Since such credit represents a resource controlled by the Company as a result of past events and there is evidence as at the reporting date that the Company will pay normal income tax during the specified period, when such credit would be adjusted, the same has been disclosed as "MAT Credit entitlement", under "Loans and Advances" in balance sheet with a corresponding credit to the profit and loss account, as a separate line item.

Such assets are reviewed as at each balance sheet date and written down to reflect the amount that will not be available as a credit to be set off in future, based on the applicable taxation law then in force.

Fringe benefit tax

Before the same was abolished with effect from 1 April 2009, the Company used to provide for and disclose Fringe Benefit Tax ('FBT') in accordance with the provisions of Section 115 WC of the Income Tax Act, 1961 and guidance note on FBT issued by the Institute of Chartered Accountants of India (ICAI).

Borrowing cost:

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time i.e., more than 12 months to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Segment reporting

The Company's operating businesses are organized and managed separately according to the nature of business and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs. General corporate income and expense items are not allocated to any business segment.

Earnings per share

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

Provisions and contingent liabilities

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

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

Impairment of assets

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

Leases

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

ANNEXURE – VI

STATEMENT OF ACCOUNTING RATIOS

(Rs. in millions)

PARTICULARS	AS AT 31 MARCH			
	2007	2008	2009	2010
Net worth (A)	2,020.75	2,553.40	4,261.06	5,549.25
Restated Profit after tax (B)	387.38	522.17	833.22	1,288.47
Weighted average number of equity shares outstanding during the year				
- For basic earnings per share * (C)	48,205,281	48,630,964	49,420,014	49,420,014
- For diluted earnings per share * (D)	48,487,782	49,374,509	49,420,014	49,420,014
Earnings per share Rs.10 each				
- Basic earnings per share (Rs.) (E - B/C)	8.04	10.74	16.86	26.07
- Diluted earnings per share (Rs.) (F - B/D)	7.99	10.58	16.86	26.07
Return on Net Worth (%) (G - B/A) annualized	19.17%	20.45%	19.55%	23.22%
Number of shares outstanding at the end of the year / period (H)	7,081,500	49,420,014	49,420,014	49,420,014
Net Assets Value per share of Rs. 10 each (I - A/H) (Note 5)	285.36	51.67	86.22	112.29
(not adjusted for bonus)				

* On 7 December 2007 the Shareholders of the Company approved the issue of bonus equity shares in the ratio of 5:1. The calculation of basic and diluted earnings per share has been adjusted for bonus equity shares for all periods presented in accordance with the requirements of Accounting Standard (AS) – 20 "Earnings Per Share" prescribed under the Companies (Accounting Standards) Rules, 2006.

Notes:

1. The above ratios are calculated as under:
   a) Earnings per share (Rs.) = Net profit after tax, as restated / Weighted average number of shares as at year / period end
   b) Return of Net worth (%) = Net profit after tax, as restated / Net worth as restated as at year or period end
   c) Net asset value (Rs.) = Net worth as restated / Number of equity shares as at year or period end

2. The figures disclosed above are based on the restated consolidated financial information of Ramky Infrastructure Limited.

3. Earning per shares (EPS) calculation are done in accordance with Accounting Standard (AS) 20 "Earnings per share" prescribed by the Companies (Accounting Standards) Rules, 2006.

4. Net worth as at 31 March 2007 excludes preference share capital of Rs.10.89 million.

ANNEXURE – VII

DETAILS OF OTHER INCOME, AS RESTATED

(Rs. in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH			
	2007	2008	2009	2010
Recurring				
Interest income	21.92	35.12	44.74	45.44
Interest on receivables under service concession arrangements	1.25	37.27	243.86	589.42
Equipment lease / hire charges	11.19	11.66	29.91	9.74
Dividend on shares	0.21	0.08	0.09	0.09
Sale of scrap	-	5.82	14.71	14.91
Miscellaneous income	11.48	23.76	25.86	22.04
Sub total (A)	**46.05**	**113.71**	**359.17**	**681.64**
Non-Recurring				
Insurance claim received	0.21	-	-	4.01
Profit on sale of fixed assets, net	0.26	0.05	-	-
Dividend on chit	0.18	-	-	-
Sub total (B)	**0.65**	**0.05**	**-**	**4.01**
Total	**46.70**	**113.76**	**359.17**	**685.65**

Note:

The above figures disclosed are as per the restated consolidated financial information of Ramky Infrastructure Limited.

ANNEXURE – VIII

DETAILS OF SECURED LOANS, AS RESTATED

(Rs. in millions)

PARTICULARS	AS AT 31 MARCH			
	2007	2008	2009	2010
From banks				
- Term loans	738.11	1,371.72	3,350.43	4,739.53
- Working capital loans	707.26	1,543.29	2,600.55	3,840.45
- Equipment and vehicle loans	46.12	45.95	215.29	149.96
	1,491.49	2,960.96	6,166.27	8,729.94
From others				
- Term loans	76.46	72.08	710.01	1,207.52
- Equipment and vehicle loans	53.36	151.82	161.21	172.72
	129.82	223.90	871.22	1,380.24
Interest accrued and due	1.80	5.74	5.22	0.04
Total	**1,623.11**	**3,190.60**	**7,042.71**	**10,110.22**

Note:

The above figures disclosed are as per the restated consolidated financial information of Ramky Infrastructure Limited.

ANNEXURE – VIIIA

STATEMENT OF SECURED LOANS AS ON 31.03.2010

(Rs. in millions)

S. No.	BANK	AMOUNT SANCTIONED	OUTSTANDING	RATE OF INT	REPAYMENT TERMS	SECURITY OFFERED
Term Loans						
1	Indus Ind Bank	350	150	7%	Repayable Rs 150 Million in March 2011	Pari-passu charge on the entire Thane project specific current assets(pari passu only with lenders financing the specific project) of the company comprising of stocks of raw material,WIP,finished work,book debts,unbilled revenue and other current assets
2	Indus Ind Bank	150	100	7.00%	Repayable Rs 100 Million in September 2011	Pari-passu charge on the entire Navi Mumbai(Belapur and Nerul) project specific current assets(pari passu only with lenders financing the specific project) of the company comprising of stocks of raw material,WIP,finished work,book debts,unbilled revenue and other current assets
3	Andhra Bank	500	206.82	12.25%	Repayable in 18 monthly installments of Rs 2.78 Crore each Commencing from July 2009	(1) Exclusive charge on the assets of IIIT Nuziveedu Project (2) Personal Guarantee of Sri Alla Ayodhya Rami Reddy and Sri Y R Nagaraja.
4	Andhra Bank	120.00	119.32	12.25%	Repayable in 6 monthly installments of Rs 2.00 Crore each commencing from May 2010	(1) Exclusive charge on the assets of Kamothe Project (2) Personal Guarantee of Sri Alla Ayodhya Rami Reddy and Sri Y R Nagaraja.
5	State Bank of India	620.00	599.1	11.25%	Repayable in 11 yearly unequal installments -2011-Rs.12.40, 2012-Rs.41.91, 2013-Rs.49.60, 2014-Rs.55.80, 2015-Rs.63.49, 2016-Rs.68.20, 2017-Rs.68.20, 2018-Rs.62.00, 2019-Rs.66.71, 2020-Rs.62.00 & 2021-Rs.69.69 Millions	A first charge/assignment/security interest on the Company's rights under the concession agreement project documents contracts and all licenses permits approvals consents and insurance policies in respect of the project.
6	State Bank of India	250.00	250.00	13.50%	Repayable in 9 Equal yearly installments - @ Rs. 27.8 Millions	Secured by second charge on the entire security structure as applicable for the Senior RTL however

S. No.	BANK	AMOUNT SANCTIONED	OUTSTANDING	RATE OF INT	REPAYMENT TERMS	SECURITY OFFERED
						having priority over promoters contribution as equity/quasi equity/any other unsecured loans.
7	IDBI Bank	500.00	482.4	10.75%	Repayable in 11 yearly unequal installments -2011-Rs.10.00, 2012-Rs.33.75, 2013-Rs.40.00, 2014-Rs.45.00, 2015-Rs.51.25, 2016-Rs.55.00, 2017-Rs.55.00, 2018-Rs.50.00, 2019-Rs.53.75, 2020-Rs.50.00 & 2021-Rs.56.25 Millions	First charge on all immovable properties & movable properties, assignment of all project agreements receivables, LC issued by HUDA for payment of the semi annual annuities and Corporate Guarantee from RIL.
8	Axis Bank	620.00	575.4	11.00%	Repayable in 11 yearly unequal installments -2011-Rs.12.40, 2012-Rs.41.85, 2013-Rs.49.61, 2014-Rs.55.81, 2015-Rs.63.56, 2016-Rs.68.21, 2017-Rs.68.21, 2018-Rs.62.00, 2019-Rs.66.66, 2020-Rs.62.00 & 2021-Rs.69.69 Millions	A first charge on pari-passu basis on all the movable assets (including receivables) of the company. A charge assignment of book debts, intangible assets , pledge of shares held by the sponsors , assignment of LC issued by HUDA for payment of semi annual payments and corporate guarantee from RIL
9	Punjab National Bank	250.00	241.7	11.75%	Repayable in 11 yearly unequal installments -2011-Rs.5.00, 2012-Rs.16.88, 2013-Rs.20.00, 2014-Rs.22.50, 2015-Rs.25.63, 2016-Rs.27.50, 2017-Rs.27.50, 2018-Rs.25.00, 2019-Rs.26.88, 2020-Rs.25.00 & 2021-Rs.28.13 Millions	A charge/assignment of all revenues and receivables. A first charge on pari-passu basis on all the movable and immovable assets (including receivables) of the Company. A first charge on pari-passu basis on all intangible assets, pledge of shares held by sponsors , assignment of LC issued by HUDA Corporate guarantee of Ramky Infrastructure Limited
10	IDFC	639.00	617.49	10.36%	Repayable in 11 unequal yearly installments -2011-Rs.12.78, 2012-Rs.43.13, 2013-Rs.51.12, 2014-	A charge/assignment of all revenues and receivables A first charge on pari-passu basis on all the movable and immovable assets

S. No.	BANK	AMOUNT SANCTIONED	OUTSTANDING	RATE OF INT	REPAYMENT TERMS	SECURITY OFFERED
					Rs.57.51, 2015-Rs.65.50, 2016-Rs.70.29, 2017-Rs.70.29, 2018-Rs.63.90, 2019-Rs.68.69, 2020-Rs.63.90 & 2021-Rs.71.89 Millions	(including receivables) of the Company. A first charge on pari-passu basis on all intangible assets, pledge of shares held by sponsors, assignment of LC issued by HUDA Corporate Guarantee of Ramky Infrastructure Limited
11	AXIS BANK	300.00	151.80	13.00%	Repayable in 24 equal monthly installments of Rs 12.5 Millions each, commencing from April 2009.	Exclusive first hypothecation charge on entire current assets, receivables, plant & machinery and movable fixed assets pertaining to the project. Assignment in favour of the Bank of all rights available to the company as per the project agreements. Charge by way of equitable mortgage of 47.10 acres under survey no 12,13,14,20,21,22,23,24,105,106 & 107 in Lemarthi Revenue village Parawada Mandal Vishakapatnam District A.P. Personal guarantee of the promoter director Sri A.Ayodhya Rami Reddy Corporate guarantee of Ramky Infrastructure Limited
12	AXIS BANK	180.00	152.00	12.00%	Repayable in 18 equal monthly installments of Rs 10 millions each, commencing from January 2010.	Exclusive First hypothecation charge on entire current assets, receivables, plant & machinery and movable fixed assets pertaining to the project Assignment in favour of the Bank of all rights available to the company as per the project agreements. Charge by way of equitable mortgage of 47.10 acres under survey no 12,13,14,20, 21,22,23, 24,105,106 & 107 in Lemarthi Revenue village Parawada Mandal Vishakapatnam District

S. No.	BANK	AMOUNT SANCTIONED	OUTSTANDING	RATE OF INT	REPAYMENT TERMS	SECURITY OFFERED
						A.P. Personal guarantee of the promoter director Sri A.Ayodhya Rami Reddy Corporate guarantee of Ramky Infrastructure Limited
13	IDFC	97.5	61.09	11.00%	Repayable in 108 unequal monthly installments commencing from February 15 2006 to January 15 2015.	First Charge by way of mortgage in favor of IDFC of all the immovable properties of the Company, present and future. First charge by way of hypothecation in favor of IDFC of all movables, including movable plant and machinery, machinery spares tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future. For the working capital requirement of the company from the designated working capital bankers, such charge shall rank pari-passu with the borrowings to an extent of Rs 45 Lakhs First Charge in favour of IDFC of all book debts, operating cash flows, revenues and receivables of the Company present and future First charge in favor of IDFC on all intangibles including but not limited to goodwill uncalled capital, present and future. First charge by way of assignment or creation of security in favor of IDFC of all rights, title, interest, benefits, claims and demands whatsoever of the company in the project documents First charge on the trust and retention account debt service reserve account and other reserves and any other

S. No.	BANK	AMOUNT SANCTIONED	OUTSTANDING	RATE OF INT	REPAYMENT TERMS	SECURITY OFFERED
						bank accounts of the company wherever maintained.
						Pledge of 100 % shares (equity and preference) of the Company; present and future and Corporate guarantee in favor of IDFC of Ramky Infrastructure Limited (RIL) in aform and substance satisfactory to IDFC. The Company shall not pay any guarantee commission by whatever name called to any of the guarantor/s
14	Central Bank of India	500.00	424.52	9.00%	Repayable in 49 Quarterly unequal installments commencing from 30.06.2010	A charge / assignment of all revenues, project agreements and receivables of GBPPL. First charge on pari-passu basis on all movable and immovable assets (including receivables) of the Company (except project assets) First charge on pari-passu basis on all intangible assets Collateral Security Pledge of shares held by sponsors of the Company Corporate Guarantee of Era Constructions (India) Ltd Personal Guarantee of Sri H.S.Bharana.
15	Punjab & Sindh Bank	250.00	206.72	11.00%	Repayable in 49 quarterly unequal installments commencing from 30.06.2010	A charge / assignment of all revenues, project agreements and receivables of GBPPL. First charge on pari-passu basis on all movable and immovable assets (including receivables) of the Company (except project assets). First charge on pari-passu basis on all intangible assets Collateral Security Pledge of shares held by sponsors of the Company Corporate Guarantee of Era Constructions (India) Ltd Personal Guarantee of Sri

S. No.	BANK	AMOUNT SANCTIONED	OUTSTANDING	RATE OF INT	REPAYMENT TERMS	SECURITY OFFERED
						H.S.Bharana
16	India Infrastructure Finance Co Ltd	650.00	528.94	11.00%	Repayable in 49 quarterly unequal installments commencing from 30.06.2010	A charge / assignment of all revenues, project agreements and receivables of GBPPL. First charge on pari-passu basis on all movable and immovable assets (including receivables) of the Company (except project assets). First charge on pari-passu basis on all intangible assets Collateral Security Pledge of shares held by sponsors of the Company Corporate Guarantee of Era Constructions (India) Ltd Personal Guarantee of Sri H.S.Bharana
17	Punjab National Bank	1000.00	829.75	11.50%	Repayable in 49 quarterly unequal installments commencing from 30 June 2010	A charge / assignment of all revenues, project agreements and receivables of GBPPL. First charge on pari-passu basis on all movable and immovable assets (including receivables) of the Company (except project assets). First charge on pari-passu basis on all intangible assets Collateral Security Pledge of shares held by sponsors of the Company Corporate Guarantee of Era Constructions (India) Ltd Personal Guarantee of Sri H.S.Bharana
18	Bank of Baroda	500	250.00	12.25%	Repayable in 8 equal quarterly instalments starting from July-Sept'2010	(i) Mortgage on 11.45 acres of land on pari pasu basis amongst all the participating lenders of the project. (ii) Assignment of rights of the land and project documents, insurance policies relating to the project. (iii) Assignment of the Escrow account and charge on the receivables. (iv) Corporate Guarantee

S. No.	BANK	AMOUNT SANCTIONED	OUTSTANDING	RATE OF INT	REPAYMENT TERMS	SECURITY OFFERED
						of M/s ramky Infrastructure Limited.
	Total (A)		**5,947.05**			

Working Capital Loans						
S. No.	**BANK**	**AMOUNT SANCTIONED**	**OUTSTANDING**	**RATE OF INT**	**REPAYMENT TERMS**	**SECURITY OFFERED**
1	State Bank Of India	2500	2398.49	11.25%	Cash Credit Limits Subject to Annual Review	Primary :First charge on entire current assets - Present & Future & pari passu first charge on un-encumbered fixed assets of the Company on pari passu basis with other working capital lenders
						Collateral : 1) EM 45 guntas land belonging to Ramky Estates and Farms P Ltd at S.NO.53/3 and 53/6 at Vajrahalli Village, Nelamangala Taluk Near Bangalore
						Collateral : 2) EM OF 5899 SQ.Yards land in S.NO.71/1, at Vajrahalli Village, Nelamangala Taluq near Bangalore belonging to Sri M.Venugopal Reddy S/o M.Papi Reddy
						Collateral : 3) EM OF 717 Square Yards of SIT (Plot no.495 block III of jublieehills in survey no 403/1(old) new no.120 of shaikpet, S.no.102/1 of hakimpet village Hyderabad belonging to Smt. Alla Dakshyani w/o A.Ayodya Rami Reddy.
						Collateral : 4) Commercial Building consisting of 5 floors in plot no 29/B H, No 6-3-1239/4 situated at Rajbhavan Road, Somajiguda,Hyderabad belonging to Ramky Estates & Farms Pvt Ltd.
						Collateral : 5) Cash Deposit of Rs 0.60 Crores.
						Collateral : 6) Corporate guarantee of Ramky Estates & Farms Pvt Ltd
						Guarantees : Personal Guarantee of Sri A.Ayodya Rami Reddy, Y.R.Nagaraja,A.Dakshayani and M.Venugopala

Working Capital Loans						
S. No.	**BANK**	**AMOUNT SANCTIONED**	**OUTSTANDING**	**RATE OF INT**	**REPAYMENT TERMS**	**SECURITY OFFERED**
						Reddy.
2	ING Vysya Bank Ltd	200	147.18	12.25%	Cash Credit Limits Subject to Annual Review	Primary: Pari Passu charge on all current assets of the Company Collateral: 1) Second pari passu charge on Fixed Assets of the Company Guarantees: Personal guarantee of Sri Ayodhya Rami Reddy and Sri Y R Nagaraja
3	Development Credit Bank	150	149.64	11.00%	Cash Credit Limits Subject to Annual Review	Primary: Pari Passu charge on all current assets of the Company Collateral: Second pari passu charge on Fixed Assets of the Company Guarantees: Personal guarantee of Sri Ayodhya Rami Reddy and Sri Y R Nagaraja.
4	State Bank Of Hyderabad	600	545.16	12.25%	Cash Credit Limits Subject to Annual Review	Primary Security : First Pari Passu charge on entire current assets present and future of the Company along with other working capital lenders Collateral Security : 1) Pari passu 1st charge on unencumbered Fixed Assets along with other working capital lenders. 2. Fixed deposits aggregating Rs. 504 million. Guarantees: Personal guarantee of Sri Ayodhya Rami Reddy and Sri Y R Nagaraja.
5	Standard Chartered Bank	100	99.98	12.25%	Cash Credit Limits Subject to Annual Review	Primary: Pari Passu charge on all current assets of the Company Collateral: Second pari passu charge on Fixed Assets of the Company Guarantees: Personal guarantee of Sri Ayodhya Rami Reddy and Sri Y R Nagaraja.
6	IDBI Bank td	500	500	8.00%	Repayable on demand	Primary : First charge on paripassu basis with other working capital lenders on all chargeable current

Working Capital Loans						
S. No.	**BANK**	**AMOUNT SANCTIONED**	**OUTSTANDING**	**RATE OF INT**	**REPAYMENT TERMS**	**SECURITY OFFERED**
						assets of our company Guarantees : Personal guarantee of Mr Alla Ayodya Rami Reddy and Mr Y.R.Nagaraja
	Total (B)		**3,840.45**			
	Hire purchase loan from various vendors		322.68			Secured by way of hypothecation of respective assets
	Total (C)		**322.68**			
	Total (A+B+C)		**10,110.18**			

ANNEXURE – IX

DETAILS OF UNSECURED LOANS, AS RESTATED

(Rs. in millions)

PARTICULARS	AS AT 31 MARCH			
	2007	2008	2009	2010
From Promoters, Promoter Group and Group Companies of Promoters	6.81	-	-	-
From other than Promoters, Promoter Group and Group Companies of Promoters	-	40.08	28.56	9.10
Total	**6.81**	**40.08**	**28.56**	**9.10**
Rate of interest on Promoters Group loans	13.50%	-	-	-
Rate of interest on other loans	-	12.50%	12.50%	12.50%

Terms and conditions:

The amount outstanding as at 31 March 2010 is repayable to M/s. Srei Infrastructure Finance Limited in monthly instalments @Rs.1.79 million till August 2010.

Note:

The above figures disclosed are as per the restated consolidated financial information of Ramky Infrastructure Limited.

ANNEXURE – X

DETAIL OF INVESTMENTS, AS RESTATED

(Rs. in millions)

PARTICULARS	AS AT 31 MARCH			
	2007	2008	2009	2010
Long term investment, unless otherwise stated				
Quoted at cost				
Canara Bank - 11,600 equity shares	0.41	0.41	0.41	0.41
Unquoted - in associate				
Ramky Integrated Township Limited	-	-	875.56	875.38
Narketpalli Addanki Expressway Limited	-	-	-	0.23
Total	**0.41**	**0.41**	**875.97**	**876.02**
Unquoted – in Others				
Delhi MSW Solutions Limited	-	-	-	0.05
Total	**-**	**-**	**-**	**0.05**
Grand Total	0.41	0.41	875.97	876.07
Aggregate book value of quoted investment	0.41	0.41	0.41	0.41
Aggregate book value of unquoted investment	-	-	875.56	875.66
Aggregate market value of quoted investment	2.26	2.61	1.92	4.76

Notes:

1. Quoted investment's market value disclosed above are as per Bombay Stock Exchange (BSE) stock index as at year / period end.

2. The above figures disclosed are as per the restated consolidated financial information of Ramky Infrastructure Limited.

3. During the financial year 2008-09, the Company had made an investment in the share capital of Ramky Integrated Township Limited ('RITL' or 'associate') by purchasing 18,241 equity shares of RITL at face value of Rs. 10 each. Pursuant to this investment, the Company had a 29.19% equity holding in RITL thereby making it an associate of the Company. Subsequent to the investment, associate company had issued certain additional equity shares and preference shares to an external investor at a premium, which was credited to the 'Share Premium Account' in the financial statements of the associate.

   As required by the Accounting Standard-23 "Accounting for Investments in Consolidated Financial Statements", the investment is accounted under the Equity Method, wherein the investment is initially recorded at cost and the carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee. Pursuant to the equity and preference share capital infusion by external investors, the Company's share in the net assets of the associate increased. This increase was recorded as an adjustment to the value of the investment in associate with a corresponding adjustment to capital reserve. On account of the above, the carrying value of the Company's investment in the associate increased as at 31 March 2009 by Rs. 875.38 million.

ANNEXURE – XI

STATEMENT OF SUNDRY DEBTORS, AS RESTATED

(Rs. in millions)

PARTICULARS	AS AT 31 MARCH			
	2007	2008	2009	2010
Unsecured, considered good				
Debts outstanding for a period exceeding six months from				
- Related parties	169.45	160.22	532.03	72.90
- Promoters and Directors	-	-	-	-
- Others	63.69	172.07	907.97	1,083.71
Total (A)	233.14	332.29	1,440.00	1,156.61
Others debts				
- Related parties	751.85	347.34	0.24	18.33
- Promoters and Directors	-	-	-	-
- Others	1,157.68	3,100.08	2,982.88	3,845.48
Total (B)	1,909.53	3,447.42	2,983.12	3,863.81
TOTAL	**2,142.67**	**3,779.71**	**4,423.12**	**5,020.42**

Note:

The above figures disclosed are as per the restated consolidated financial information of Ramky Infrastructure Limited.

ANNEXURE – XII

STATEMENT OF LOANS AND ADVANCES, AS RESTATED

(Rs. in millions)

PARTICULARS	AS AT 31 MARCH			
	2007	2008	2009	2010
Advances recoverable in cash or kind or for the value to be received				
Loans and advances to:				
- to group companies	21.69	14.13	13.64	79.58
- share application money pending allotment	1.07	1.07	101.07	100.00
- Promoters and Directors	-	-	-	-
- to others	882.85	2,013.98	1,790.47	2,727.18
Security deposit	-	-	-	33.22
Earnest money deposit	105.65	134.30	115.06	127.02
Interest accrued but not due / received	11.10	11.90	22.10	29.40
Prepaid expenses	24.85	43.18	52.54	73.83
Advance tax and tax deducted at source, net	-	16.40	265.78	378.39
MAT credit entitlement	-	-	55.82	92.79
TOTAL	**1,047.21**	**2,234.96**	**2,416.48**	**3,641.41**

Note:

The figures disclosed above are based on the restated consolidated financial information of Ramky Infrastructure Limited.

ANNEXURE – XIII

DETAIL OF CONTINGENT LIABILITIES, AS RESTATED

(Rs. in millions)

PARTICULARS	AS AT 31 MARCH 2009	AS AT 31MARCH 2010
Bank guarantee issued by bankers in favour of various authorities	8,288.10	8,444.74
Letters of credit outstanding	561.54	954.61
Disputed dues with respect to:		
- Sales tax / Value added tax matters	107.03	189.40
- Income tax matters (refer note 1)	90.00	134.43
- Service tax matters	136.24	258.48
- Other matters	64.52	67.69
Corporate Guarantee given in favour:		
- Axis Bank for credit facility availed by Ramky Enviro Engineers Limited	90.00	-
Total	**9,337.43**	**10,049.35**
Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)	2,475.09	525.45

Note 1:

The Company had claimed deduction under section 80-IA (4) in its returns of income relating to assessment years 2003-04 to 2009-10. However, the IT department is contesting the same on the grounds that the Company was not "developing" the infrastructure facility and disallowed the deductions for assessment years 2003-04 to assessment year 2007-08. The Company appealed against these orders with CIT (Appeals), of which assessment years 2003-04 to 2006-07 were dismissed. The Company has preferred an appeal with Income Tax Appellate Tribunal (ITAT) for these years, which is currently pending.

The Company has evaluated various judicial precedence on this matter and also the fact of its case. Based on such evaluation and in the pendency of an ITAT ruling in its own case, no provision is made in the financial statements for such amounts

Note 2:

The figures disclosed above are based on the restated consolidated financial information of Ramky Infrastructure Limited.

ANNEXURE – XIV

CAPITALISATION STATEMENT

(Rs. in millions)

PARTICULARS	PRE- ISSUE AS AT	POST - ISSUE *
	31 MARCH-2010	
Short term debt	5,221.90	
Long term debt (A)	4,888.32	
	10,110.22	
Shareholders funds		
Share capital	494.20	
Reserves and surplus	5,055.05	
Total shareholders funds (B)	**5,549.25**	
Long term debt/Equity (A/B)	**0.88**	

Note:

The figures disclosed above are based on the consolidated restated financial information of Ramky Infrastructure Limited.

* Post issue details can be provided only on the conclusion of the book building process.

ANNEXTURE – XV

DETAILS OF THE LIST OF RELATED PARTIES AND NATURE OF RELATIONSHIPS

PARTICULARS	YEAR ENDED 31 MARCH 2007	YEAR ENDED 31 MARCH 2008	YEAR ENDED 31 MARCH 2009	YEAR ENDED 31 MARCH 2010
Key Management Personnel	A.Ayodhya Rami Reddy	A.Ayodhya Rami Reddy	A.Ayodhya Rami Reddy	A.Ayodhya Rami Reddy
	Y.R.Nagaraja	Y.R.Nagaraja	Y.R.Nagaraja	Y.R.Nagaraja
	Sri M Goutham Reddy	Sri M Gautham Reddy	-	-
	Sri J.L. Khushu	Sri J.L. Khushu	-	-
	Sri Kapil Singhal	-	-	-
	Dr K.S.M Rao	Dr K.S.M Rao	Dr K.S.M Rao	Dr K.S.M Rao
	Sri G V Ragava Rao	-	-	-
	Sri Soma Gopikrishna	-	-	-
	Sri P Ponnu Raju	-	-	-
	Smt. M.Udaya Kumari	-	-	-
	Sri. M.Vasudeva Reddy	-	-	-
	-	Sri VV Rao	-	-
	-	Sri P Eswar Reddy	-	-
	-	Sri S Vijaya Rami reddy	-	-
	-	Sri AP Kurian	-	-
	-	-	Mr Madan Mohan Sharma	Mr Madan Mohan Sharma
	-	-	-	Mr.Pradyot Kumar
Associates / Group Companies / Relatives & Associates of Key Management Personnel	Ramky Enviro Engineers Limited	Ramky Enviro Engineers Limited	Ramky Enviro Engineers Limited	Ramky Enviro Engineers Limited
	Ramky Estates & Farms (P) Limited	Ramky Estates & Farms Limited	Ramky Estates & Farms Limited	Ramky Estates & Farms Limited
	Ramky Finance & Investment (P) Limited	Ramky Finance & Investment (P) Limited	Ramky Finance & Investment (P) Limited	Ramky Finance & Investment (P) Limited
	SembRamky Environmental Management Private Limited	SembRamky Environmental Management Private Limited	SembRamky Environmental Management Private Limited	SembRamky Environmental Management Private Limited
	Ramky Global Solutions Private Limited	Ramky Global Solutions Private Limited	Ramky Global Solutions Private Limited	Ramky Global Solutions Private Limited
	Mumbai Waste Management Limited	Mumbai Waste Management Limited	Mumbai Waste Management Limited	Mumbai Waste Management Limited
	Tamil Nadu Waste Management Limited	Tamil Nadu Waste Management Limited	Tamil Nadu Waste Management Limited	Tamil Nadu Waste Management Limited
	R.K. Consultancy Services	R.K. Consultancy Services	-	-
	R.K. Constructions	R.K. Constructions	-	-
	ADR Constructions	ADR Constructions	ADR Constructions	ADR Constructions
	West Bengal Waste Management Limited	West Bengal Waste Management Limited	West Bengal Waste Management Limited	West Bengal Waste Management Limited
	N.R. Environmental Engineers Inc	N.R. Environmental Engineers Inc	N.R. Environmental Engineers Inc	N.R. Environmental Engineers Inc
	Ramky Energy & Environment Limited	Ramky Energy & Environment Limited	Ramky Energy & Environment Limited	Ramky Energy & Environment Limited
	Ramky Foundation	Ramky Foundation	Ramky Foundation	Ramky Foundation

PARTICULARS	YEAR ENDED 31 MARCH 2007	YEAR ENDED 31 MARCH 2008	YEAR ENDED 31 MARCH 2009	YEAR ENDED 31 MARCH 2010
	Era Infra Engineering Limited	Era Infra Engineering Limited	Era Infra Engineering Limited	Era Infra Engineering Limited
	Ramky Infra Consulting (P) Limited	-	-	-
	-	Ramky Villas Limited	Ramky Villas Limited	Ramky Villas Limited
	-	-	Ramky Integrated Township Limited	Ramky Integrated Township Limited
	-	-	Elsamex SA	Elsamex SA
	-	-	-	Narketpalli Addanki Expressway Limited
	-	-	-	Smilax Laboratories Limited
	-	-	-	Delhi MSW solutions Limited.
	A.Dashratha Rami Reddy	A.Dashratha Rami Reddy	-	-
	A.Peri Reddy	A.Peri Reddy	-	-
	Y.R.Naga Krishna	Y.R.Naga Krishna	-	-
	Smt. A. Dakshayani	-	-	-
	Sri. A. Rama Krishna Reddy	-	-	-

Note 1:

The figures disclosed above are based on the consolidated restated financial information of Ramky Infrastructure Limited.

Note 2:

Above disclosures are made in accordance with Accounting Standard (AS) 18 "Related Parties" prescribed by the Companies (Accounting Standards) Rules, 2006.

ANNEXURE - XV (continued)

DISCLOSURE OF SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

(Rs. in millions)

PARTICULARS	NATURE OF RELATIONSHIP	FOR THE YEAR ENDED 31 MARCH			
		2007	2008	2009	2010
Security deposit paid	Associates / Group Companies	1.29	9.90	0.36	-
Security deposit received	Associates / Group Companies	0.19	17.14	-	15.50
Unsecured loans received back	Associates / Group Companies	73.69	-	-	145.00
Unsecured loan taken	Associates	25.15	1.00	-	145.00
Unsecured loan repaid	Associates	18.50	7.81	-	-
Advance paid	Associates / Group Companies	1.46	456.35	193.86	-
Advance received	Associates / Group Companies	68.40	1.58	337.74	412.97
Share application money paid	Associates / Group Companies	-	-	100.00	-
Share application money repaid	Associates / Group Companies	-	-	-	326.89
Equity investment made	Associates / Group Companies	42.15	0.43	26.18	25.87
Consultancy charges paid	Associates / Group Companies	-	-	-	52.93
Sub contract expenses	Group Companies / Relative of Key Management Personnel	227.08	438.01	918.07	1,629.44
Rent paid	Group Companies	0.80	3.21	4.52	12.82
Rent received	Group Companies	-	-	-	0.60
Contract revenue	Associates / Group Companies	959.54	751.94	162.81	-
Mobilisation advances paid	Group Companies	-	-	-	60.88
O & M Revenue received	Group Companies	-	-	-	32.21
Hire charges received	Group Companies	11.19	11.19	11.19	2.80
Slump sale	Group Companies	78.61	-	-	-
Sale of land	Group Companies	0.30	-	-	-
Donation paid	Key Management Personnel Interested	0.68	2.21	3.80	4.50
Development Charges	Group Companies	-	-	-	4.02
Remuneration and allowances to Directors	Key Management Personnel	7.90	9.72	14.46	12.12
Salaries	Relatives of Key Management Personnel	1.03	22.30	4.98	1.11
Interest Income	Group Companies	3.33	-	-	6.68
Interest expense	Group Companies	0.20	0.47	-	-
Creditors paid	Group Companies	-	-	-	0.03

Note 1:

The figures disclosed above are based on the consolidated restated financial information of Ramky Infrastructure Limited.

Note 2:

Above disclosures are made in accordance with Accounting Standard (AS) 18 "Related Parties" prescribed by the Companies (Accounting Standards) Rules, 2006.

ANNEXURE - XV (continued)

DETAILS OF RELATED PARTIES OUTSTANDING BALANCES

(Rs. in millions)

PARTICULARS	NATURE OF RELATIONSHIP	AS AT 31 MARCH			
		2007	2008	2009	2010
Share application money given	Group Companies	1.07	1.07	101.07	100.00
Share application money received (included in sundry creditors)	Group Companies	-	1.58	350.99	24.10
Equity investment made	Associate/Group Companies	-	-	0.18	0.48
Equity investment received	Group Companies	-	68.83	94.83	120.70
Sundry debtors	Group Companies	921.30	507.56	532.27	91.23
Current assets, loans and advances	Group Companies	21.69	14.13	13.64	79.59
Capital advances	Group Companies	-	449.09	626.63	156.51
Salaries Payable	Relatives of Key Management Personnel	0.07	0.15	0.07	0.09
Remuneration Payable	Key Management Personnel	0.33	-	0.57	0.65
Sundry creditors / advance received	Associates / Group Companies	42.06	104.52	24.82	121.87
Unsecured loan	Associates	6.81	-	-	-

Note 1:

The figures disclosed above are based on the consolidated restated financial information of Ramky Infrastructure Limited.

Note 2:

Above disclosures are made in accordance with Accounting Standard (AS) 18 "Related Parties" prescribed by the Companies (Accounting Standards) Rules, 2006

ANNEXURE – XVI

DETAILS OF DIVIDEND

(Rs. in millions)

PARTICULARS	FOR THE YEAR ENDED 31 MARCH			
	2007	2008	2009	2010
Equity share capital	70.82	494.20	494.20	494.20
Face value (Rs.)	10	10	10	10
Rate of dividend %	-	-	-	-
Amount of dividend	-	-	-	-

PARTICULARS	FOR THE YEAR ENDED 31 MARCH			
	2007	2008	2009	2010
Cumulative, Convertible, Redeemable, Participating Preference Shares	10.89	-	-	-
Face value (Rs.)	10	-	-	-
Rate of dividend %	0.001	-	-	-
Amount of dividend	-	-	-	-

Note:

The figures disclosed above are based on the restated financial information of Ramky Infrastructure Limited.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with (a) our restated consolidated financial statements as at and for the years ended March 31, 2010, 2009, 2008 and 2007 and the reports thereon and annexures thereto and (b) our standalone restated financial statements as at and for the year ended March 31, 2006 and the reports thereon and annexures thereto, which have been presented in accordance with paragraph B(1) of Part II of Schedule II to the Companies Act and with the SEBI Regulations, and which are all included in this Red Herring Prospectus. Unless otherwise stated, the financial information used in this section is derived from our restated consolidated summary statements as of and for the years ended March 31, 2010, 2009, 2008 and 2007. Our financial statements are prepared in conformity with Indian GAAP. Indian GAAP differs in certain significant respects from IFRS and other accounting principles and auditing standards in other countries with which prospective investors may be familiar.

In this section, references to "we", "our" and "us" refers to the Company on a consolidated basis for any period or date between and including March 31, 2007 and March 31, 2010. References to "we", "our" and "us" for any period or date prior to March 31, 2007 refers to the Company on a standalone basis.

OVERVIEW

We are an integrated construction and infrastructure development and management company in India. Since commencing our business in 1994, we have serviced a diverse range of construction and infrastructure projects in sectors as varied as water and waste water, transportation, irrigation, industrial parks (including SEZs), power transmission and distribution, residential, commercial and retail property. We are headquartered in Hyderabad, Andhra Pradesh, and have five zonal offices and three regional offices to manage our business operations throughout India and an overseas office in Sharjah, UAE. Our pan-India presence has allowed us to service the growing infrastructure needs throughout the country.

Our Company is the flagship company of the Ramky Group, a group of affiliated companies that, in addition to the services provided by our Company, is involved in the provisions of services in relation to waste management, environmental consulting, finance and accounting, data management, indirect procurement, real estate development, pharmaceuticals and emerging technologies.

We operate in two principal business segments: (i) a construction business which is operated by our Company, and (ii) a developer business which is operated through 10 Subsidiaries and four Associates. A majority of our development projects are public private partnerships and are operated by separate special purpose vehicles promoted by our Company and the Government. Our wholly owned Subsidiary in the UAE, Ramky Engineering and Consulting Services FZC, operates a small consultancy business in areas such as infrastructure development, waste management, environment and property development.

We own a large fleet of sophisticated construction equipment, including: crushing plants, hot mix plants, wet mix plants, asphalt batching plants, concrete batching plants, excavators, rock breakers, graders, pavers, compactors, tower cranes, dozers, bar bending and cutting machines. Our work force, as at March 31, 2010, consisted of 1,742 full-time employees on a stand alone basis. Our work force, machinery assets, financial net worth and past execution capabilities enable us to undertake many large-scale projects.

Our Company is ISO 9001:2000 certified for quality management systems, which we apply to the design, development, engineering, procurement and construction of projects. We have also received several awards, including the 2005 Best Construction Award from the Government of Rajasthan, the 2005 Outstanding Concrete Structure Award from the Indian Concrete Institute, Best Project Award 2007-08 for the Married Accommodation Project at Amritsar from Central Public Works Department, GOI and the Infrastructure Excellence Award 2008 in the Urban Infrastructure Category from CNBC TV18 & Essar Steel and the Water Digest's Water Awards 2009-2010 in the category of Best Water Conserver – Waste Water Management. Our Chairman, Mr. Alla Ayodhya Rami Reddy, received the Engineer of the Year Award – 2005 from the Government of Andhra Pradesh and the Institution of Engineers (India).

In Fiscal 2010, our total income on a consolidated basis was Rs. 22.512.90 million. In Fiscal 2010, we earned a net profit, as restated, on a consolidated basis of Rs. 1,288.47 million. The value of our Order Book was Rs. 74,317.09 million as at March 31, 2010 compared with Rs. 59,237.91 million as at March 31, 2009. We have added contracts worth Rs. 31,473.11 million to our Order Book during the period from April 1, 2010 through to June 30, 2010.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

A number of factors have affected and we expect will continue to affect our results of operations. Some of the factors affecting our results of operations are discussed below.

Dependence on Infrastructure Projects Awarded by Government Authorities

Our business is substantially dependent on infrastructure projects in India undertaken or awarded by government authorities and other entities funded by governments. Contracts awarded to us by the government, including its central, state or local authorities, accounted for 82.94% of our total stand-alone income in Fiscal 2010. Any change in government policies resulting in a decrease in the amount of infrastructure projects undertaken, a decrease in private sector participation in infrastructure projects, the restructuring of existing projects or delays in payment to us may adversely affect our results of operations.

Variation between Actual Construction Expenses and Assumptions Underlying Bids

Our actual expenses in executing fixed-price contracts or lump sum, turn-key contracts or agreements for the construction phase of a developer project may vary substantially from the assumptions underlying our bid and we may be unable to recover all or some of the additional expenses, which may have a material adverse effect on our results of operations.

Raw Material Costs

Our results of operations may be adversely affected in the event of increases in the price of materials, fuel costs, labour or other project-related inputs. Timely and cost effective execution of our projects is dependant on the adequate and timely supply of key materials such as steel, cement and aggregate (sand, bricks and sized metals). If we are unable to procure the requisite quantities of materials, our results of operations may be adversely affected.

Labour Costs and Availability of Skilled Labour and Engineers

The cost and timely availability of skilled labour and engineers can have a significant effect on our results of operations. In addition, our results of operations could be adversely affected by disputes with our employees.

Availability of Funds

We have high working capital requirements and require debt to partly finance our construction projects and developer projects. If we experience insufficient cash flows or are unable to obtain the necessary funds to allow us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations. In addition, fluctuations in market interest rates may affect the cost of our borrowings, as some of our loans are at variable interest rates.

Changes in Our Order Book

Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to Order Book projects or any other uncompleted projects, or disputes with clients in respect of any of the foregoing, could have a material adverse effect on our results of operations.

Our Execution Capability and Our Ability to Manage Growth

If we are unable to execute larger projects and effectively manage our growth it could disrupt our business and reduce our profitability.

Competition

We face significant competition. The competition for construction contracts and developer projects varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. Furthermore, an increase in competition arising from the entry of new competitors into any sector in which we compete may force us to reduce our bid prices, which in turn could affect our profitability.

Weather Conditions

We have business activities that could be materially and adversely affected by severe weather. Our operations are also adversely affected by difficult working conditions and extremely high temperatures during summer months and during monsoon, which restrict our ability to carry on construction activities and fully utilize our resources. We record contract revenues for those stages of a project that we complete, after we receive certification from the client that such stage has been successfully completed. Since revenues are not recognized until we make progress on a contract and receive such certification from our clients, revenues recorded in the first half of our financial year between April and September are traditionally substantially lower compared with revenues recorded during the second half of our financial year. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses, but our revenues from operations may be delayed or reduced.

Tax Benefits

Our Company has claimed certain tax benefits under Indian tax laws. For a detailed discussion on these tax benefits, please see "Statement of Tax Benefits" on page 51 of this Red Herring Prospectus.

The tax benefits claimed by our Company under section 80-IA (4) of the Income-tax Act, 1961 for the assessment year 2003-2004 to 2007-2008 have been disallowed by tax authorities. The aggregate amount of these tax benefits is Rs. 134.43 million. We have appealed against the assessment orders from assessment year 2003-2004 to assessment year 2006-2007 and our appeal is currently pending before the Income-Tax Appellate Tribunal. Further, we have an appeal against the assessment order from assessment year 2007-08 pending before the Commissioners of Income-tax (Appeals). We have in addition claimed tax benefits under section 80-IA (4) of the Income-tax Act, 1961 for the assessment year 2008-2009 to 2010-2011 aggregating to Rs. 330.52 million.

In the event these tax benefits are not available to us because our appeals before the Income-Tax Appellate Tribunal are rejected or due to any change in law, or a change in the nature of our projects whereby we are not eligible to avail the benefits of various provisions of the Income Tax Act, the effective tax rates payable by us may increase and consequently our results of operation and financial condition will be affected.

General Economic Conditions in India and Globally

Our performance is highly correlated to general economic conditions in India, which are in turn influenced by global economic factors. Any event or trend resulting in a deterioration in whole or in part of the Indian or global economy may directly or indirectly affect our performance, including the quality and growth of our assets. Any volatility in global commodity prices could adversely affect our results of operations.

For further discussion of factors that may affect our results of operations, see the section entitled "Risk Factors" beginning on page x of this Red Herring Prospectus.

CRITICAL ACCOUNTING POLICIES

Our Company maintains its accounts on an accrual basis following the historical cost convention in accordance with Indian GAAP. Indian GAAP comprises accounting standards notified by the Government of India in Section 211(3C) of the Companies Act, pronouncements of the Institute of Chartered Accounts of India and relevant provisions of the Companies Act. We seek to apply our accounting policies consistently from period to period.

Some of our accounting policies are particularly critical to the portrayal of our financial position and results of operations and require the application of significant management assumptions and estimates. We refer to these accounting policies as our "critical accounting policies". Our management uses our historical experience and analyses the terms of existing contracts, historical cost conventions, industry trends, information provided by our agents and others and information available from outside sources, as appropriate, to formulate its assumptions and estimates. These assumptions and estimates are inherently subject to uncertainty and actual results could differ from our management's assumptions and estimates. While all aspects of our financial statements and accounting policies should be understood in assessing our current and expected financial condition and results of operations, we believe that the following critical accounting policies warrant additional attention:

Use of Estimates

In order to prepare our financial statements in accordance with Indian GAAP, the applicable accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act require our management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the restated consolidated financial statements and the reported amount of revenue and expenses during the reporting period. Any revision to accounting estimates is recognised prospectively in the current and future periods. Our accounting policies as a whole are more fully described in the section entitled "Financial Information" beginning on page F-1 of this Red Herring Prospectus.

Principles of Consolidation

The restated consolidated financial statements of our Company and its Subsidiaries have been prepared on the basis stated below.

The restated consolidated financial statements include the financial statements of the Company, all of its subsidiaries companies, in which the Company has more than one-half of the voting power of an enterprise or where the Company controls the composition of the board of directors. In accordance with AS-27 "Financial Reporting of Interests in Joint Ventures", issued under Companies (Accounting Standards) Rules, 2006, the Group has accounted for its proportionate share of interest in a joint venture by the proportionate consolidation method.

The financial statements of our Company and the Subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profits in full. Unrealised losses resulting from intra-group transactions have also been eliminated in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the Subsidiaries.

The Group accounts for investments by the equity method of accounting in accordance with AS-23 "Accounting for Investment in Associates in Consolidated Financial Statements", where it is able to exercise significant influence over the operating and financial policies of the investee. Inter company profits and losses have been proportionately eliminated until realised by the investor or investee.

The proportionate share of the Group's interest in Joint Ventures (including arrangements which involve joint control and joint ownership by the parties of one or more assets contributed to or acquired for the purpose of the joint venture, "jointly controlled assets"), is combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group transactions and resulting unrealised profits, to the extent it pertains to the Group.

The excess / deficit of cost to our Company of its investment in the Subsidiaries and associate over its portion of equity at the respective dates on which investment in such entities were made is recognised in the financial statements as goodwill / capital reserve. Our Company's portion of equity in such entities is determined on the basis of the book values of assets and liabilities as per the financial statements of such entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant transactions, up to the date of investment.

Minority interest in the net assets of consolidated subsidiaries consists of: (a) the amount of equity attributable to minorities at the date on which investment in a Subsidiary is made; and (b) the minorities' share of movements in equity since the date the parent-subsidiary relationship came into existence.

The list of Subsidiaries that are included in the restated consolidated financial statements and the Company's holdings therein are:

Name of Subsidiary	Company's Equity Interest (%)	Country of Incorporation
MDDA Ramky IS Bus Terminal Limited	100	India
Ramky MIDC Agro Processing Park Limited	100	India
Ramky Herbal and Medicinal Park (Chhattisgarh) Limited	100	India
Ramky Food Park (Chhattisgarh) Limited	100	India
Naya Raipur Gems and Jewellery SEZ Limited	100	India
Ramky Enclave Limited	89.01	India
Ramky Elsamex Hyderabad Ring Road Limited	74	India
Ramky Pharma City (India) Limited	51	India
Gwalior Bypass Project Limited	51	India
Ramky Towers Limited	51	India
Ramky Engineering and Consulting Services (FZC)	100	United Arab Emirates

To the extent possible, the restated consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as our Company's standalone restated financial statements.

Revenue Recognition

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

In case of project related development activities, revenue is recognized by reference to the stage of completion of the development activity at the reporting date as at the balance sheet date as laid down in Guidance note on Recognition of Revenue by Real Estate Developers read with Accounting Standard - 7 "Accounting for Construction Contracts". The stage of completion is determined at the proportion cost incurred to date to the total estimated cost of the project.

Accounting for service concession arrangements (Build, Operate and Transfer Contracts)

We build infrastructure facilities (such as roads) under public-to-private service concession arrangements that we operate and maintain for the respective periods specified in the service concession agreements. We recognise and measure revenue from these contracts in accordance with Accounting Standard (AS) 7 'Construction Contracts' and Accounting Standard (AS) 9 'Revenue Recognition' for the construction/upgrading, operation and maintenance services that we perform under the contract or arrangement as prescribed in the Exposure Draft Guidance note on Accounting for Service Concession Arrangements.

We recognise a financial asset to the extent that we have an unconditional, contractual right to receive cash or another financial asset from the grantor for construction, operation and maintenance services. Such financial assets are classified as "Receivables under Service Concession Arrangements". Interest income arising on account of Receivables under Service Concession Arrangements is recognized in the profit and loss account using the effective interest rate method.

Investments

Current investments are carried at cost or fair value, whichever is lower. Long term investments are valued at cost less provisions that are made due to diminution in value if such diminution is other than temporary in nature.

Inventories

Inventories are valued at the lower of cost and fair value. Contract work-in progress is valued at cost. Real estate related inventory such as land, plots, houses and flats are valued at development cost, including incidental expenditure incurred to make a property marketable.

Accounting for Deferred Taxes

Deferred tax is calculated at the enacted or substantially enacted income tax rate as at the balance sheet date and is recognized on timing differences between taxable income and accounting income that originated in one period. Deferred tax assets are recognised only to the extent that there is reasonable certainty that the assets can be realised in the future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Borrowing costs directly attributable to acquisition or construction of those fixed assets that take a substantial period of time to ready for their intended use are capitalised.

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

Depreciation

Depreciation on fixed assets is provided for using the straight line method at rates prescribed under Schedule XIV to the Companies Act, except for office equipment, which is depreciated annually at 6.33% during the useful life of the asset.

For assets that cost less than Rs. 5,000 each, the Company has provided for depreciation at 100% in the year of acquisition. During the year of acquisition or disposal of a particular asset, depreciation on such asset is accounted for on a pro rata basis from or up to the date it is purchased or disposed of, as the case may be.

Impairment of Fixed Assets

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the fixed assets. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount.

Foreign Currency Transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions or at an average monthly rate that approximates the actual rate at the date of transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the profit and loss account.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at year-end rates. The resultant exchange differences are recognised in the profit and loss account. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

The consolidated foreign subsidiary has been identified as non integral operations in accordance with the requirements of AS –11(Revised 2003) "The Effect of Changes in Foreign Exchange Rates" which is effective for the accounting periods commencing on or after 1 April 2004. In accordance with AS – 11 (Revised 2003) "The Effect of Changes in Foreign Exchange Rates", the financial statements of such non-integral foreign operations are translated into Indian rupees as follows:

- All assets and liabilities, both monetary and non-monetary, are translated using the closing rate;
- Revenue items are translated at the respective monthly average rates;
- The resulting net exchange difference is credited or debited to a foreign currency translation reserve; and
- Contingent liabilities are translated at the closing rate.

Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset until such time that it is ready for its intended use. A qualifying asset is an asset that requires a substantial amount of preparation time (i.e., more than 12 months) before it is ready for its intended use. All other borrowing costs are charged to the Profit and Loss Account.

Employee Benefits

Contributions to our provident fund are charged to our Company's Profit and Loss Account.

Provisions for gratuities to employees and long-term compensated absences, which are defined benefits schemes, are determined on an actuarial basis at the balance sheet date and are charged to profit and loss account. All actuarial gains and losses arising during the year are recognised in our Company's Profit and Loss Account.

Leases

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

CHANGE IN ACCOUNTING POLICY

On March 31 2010, we voluntarily revised our accounting policy by adopting the Exposure Draft of the Guidance Note on Accounting for Service Concession Arrangements ("Guidance Note on Accounting for Service Concession Arrangements"). Our management believes that in the absence of an existing mandatory accounting standard in India with respect to accounting for service concession agreements, applying an accounting policy that is similar to the accounting treatment prescribed by the Guidance Note on Accounting for Service Concession Arrangements is useful for economic decision making processes and reflects the economic substance of our such contracts.

Through Fiscal 2009, we accounted for service concession arrangements as capital work-in-progress and capitalized the assets constructed under such arrangements at cost as part of our fixed assets. Commencing Fiscal 2010, we do not capitalize the assets constructed under such arrangements as capital-work-in-progress; rather the assets are recorded as financials assets at fair value based on the accounting treatment prescribed by the Guidance Note on Accounting for Service Concession Arrangements.

Further, our profit and loss accounts for the years ended March 31, 2009, 31 March 31, 2008 and March 31, 2007 have been appropriately adjusted to reflect this change in accounting policy with a corresponding restatement of the respective assets (Receivables under Service Concession Arrangements) at fair value.

SUMMARY OF RESULTS OF OPERATIONS

The table below sets forth, for the periods indicated, our restated profit and loss account, both in absolute terms and with each line item represented as a percentage of total income:

	Fiscal 2007 (Consolidated)		Fiscal 2008 (Consolidated)		Fiscal 2009 (Consolidated)		Fiscal 2010 (Consolidated)	
	Rs. Millions	% of Total Income	Rs. Millions	% of Total Income	Rs. Millions	% of Total Income	Rs. Millions	% of Total Income
INCOME								
Income from Operations	7,384.02	99.36%	11,163.68	98.94%	15,560.32	97.22%	21,631.01	96.08%
Operation and maintenance revenue	0.67	0.01%	6.30	0.06%	86.24	0.54%	196.24	0.87%
Other Income	46.70	0.63%	113.76	1.00%	359.17	2.24%	685.65	3.05%
TOTAL INCOME	**7,431.39**	**100.00%**	**11,283.74**	**100.00%**	**16,005.73**	**100.00%**	**22,512.90**	**100.00%**
Expenditure								
Contract materials and supplies consumed	1,747.49	23.51%	2,362.46	20.94%	3,747.69	23.41%	4,138.57	18.38%
Sub-contractor costs	2,777.82	37.38%	4,291.63	38.03%	6,004.84	37.52%	9,708.41	43.12%
Other contract costs	1,760.26	23.69%	2,860.73	25.35%	3,311.77	20.69%	4,471.58	19.86%
Personnel costs	191.93	2.58%	284.60	2.52%	519.37	3.24%	631.72	2.81%
Administrative and selling	155.17	2.09%	249.71	2.21%	316.07	1.97%	459.57	2.04%

	Fiscal 2007		Fiscal 2008		Fiscal 2009		Fiscal 2010	
	(Consolidated)		(Consolidated)		(Consolidated)		(Consolidated)	
	Rs. Millions	% of Total Income	Rs. Millions	% of Total Income	Rs. Millions	% of Total Income	Rs. Millions	% of Total Income
expenses								
Finance charges	195.59	2.63%	305.96	2.71%	701.50	4.38%	1,084.51	4.82%
Depreciation	43.90	0.59%	61.05	0.54%	103.39	0.65%	116.57	0.52%
Share of loss in associate companies	-	-	-	-	-	-	0.20	-
TOTAL EXPENDITURE	**6,872.16**	**92.47%**	**10,416.14**	**92.31%**	**14,704.63**	**91.87%**	**20,611.13**	**91.55%**
PROFIT BEFORE TAX	**559.23**	**7.53%**	**867.60**	**7.69%**	**1,301.10**	**8.13%**	**1,901.77**	**8.45%**
Provision for taxation:								
- Current Year	220.63	2.97%	209.06	1.85%	210.90	1.32%	294.86	1.31%
- Deferred Tax	(61.39)	-0.83%	27.96	0.25%	163.68	1.02%	149.04	0.66%
- Fringe Benefit Tax	3.54	0.05%	4.26	0.04%	3.90	0.02%	-	-
- MAT Credit Entitlement	-	0.00%	-	0.00%	(55.82)	(0.35%)	(36.97)	(0.16%)
- Wealth Tax	0.09	0.00%	0.13	0.00%	0.16	0.00%	0.16	-
Profit after tax but before minority interest	**396.37**	**5.33%**	**626.19**	**5.55%**	**978.28**	**6.11%**	**1,494.68**	**6.64%**
Minority Interest	8.98	0.12%	104.02	0.92%	145.06	0.91%	206.21	0.92%
NET PROFIT, AS RESTATED	**387.38**	**5.21%**	**522.17**	**4.63%**	**833.22**	**5.21%**	**1,288.47**	**5.72%**

Income

Our contract revenue consists of revenue from (i) our construction business from external clients, which includes Promoter Group companies, and (ii) our developer business. For the purposes of consolidation, revenue from contracts with the Subsidiaries is eliminated in calculating the construction business revenue.

Our construction business primarily earns revenue from EPC, LSTK, and item rate contracts. We bill clients on a periodic basis for our progress on their construction projects following their certification to the extent of the progress made. We operate in six sectors: Water and Waste Water; Building Construction; Irrigation; Industrial; Transport Infrastructure; and Power Transmission and Distribution. The following table sets forth our construction revenue from external clients by sector for the periods shown:

(Rs. in million)

Sector	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010
Water and Waste Water	2,385	2,779	5,323	6,542
Building Construction	2,458	3,468	3,097	5,317
Irrigation	558	1,389	1,736	1,646
Industrial	362	568	122	371
Transportation	444	841	990	3,322
Power Transmission and Distribution	201	-	328	797
Total	**6,408**	**9,045**	**11,596**	**17,995**

Our developer business revenue up to and including Fiscal 2010 comprised the operating income from Ramky Pharma City (India) Limited, MDDA Ramky IS Bus Terminal Limited, Ramky Towers Limited, Ramky Enclave Limited, Gwalior Bypass Project Limited, Ramky Engineering & Consultancy Service (FZC) and Ramky Elsamex Hyderabad Ring Road Limited.

Ramky Pharma City (India) Limited, in which the Company has a 51% equity interest, is currently developing the Jawaharalal Nehru Pharma City Industrial Park at Parawada, Visakhapatanam. This is an integrated industrial park aimed at bulk drug manufacturers, pharmaceutical companies and fine chemical manufacturers. When complete, the industrial park will be 2,143 acres, of which 611 acres has been notified as a sector specific SEZ industrial park. The project is being developed on a BOO basis. Ramky Pharma City (India) Limited earns revenue from the sale of plots of land and operation and maintenance revenue consists of sale of water, user charges for treatment of effluent and reimbursement of fixed expenses. Customers buying plots of land are required to make an initial down payment at the time of entering into the contract and pay the remaining purchase price in instalments over the development period between the date of contact and the date on which the property is transferred to the customer.

MDDA Ramky IS Bus Terminal Limited operates a bus terminal and earns revenue from bus terminal fees, shop rental fees, vehicle parking fees, fees from advertisements on hoardings and wall space, accommodation charges from the dormitory located at the bus terminal and operation and maintenance fees.

Ramky Towers Limited, in which the Company has a 51% equity interest, is developing an integrated residential and commercial project. Ramky Towers Limited earns revenue from sale of flats.

Ramky Enclave Limited, in which the Company has an 89.01% equity interest, is developing an integrated residential and commercial project. Ramky Enclave Limited earns revenue from sale of flats.

Gwalior Bypass Project Limited, in which the Company has a 51% equity interest, is developing a 42 km four-lane Gwalior bypass road connecting the NH-3 & NH-75 highways in Madhya Pradesh on a build, operate and transfer basis.

Ramky Engineering & Consultancy Service (FZC), in which the Company has a 100% equity interest, is currently engaged in the business of offering consultancy services in the field of engineering.

Ramky Elsamex Hyderabad Ring Road Limited, in which the Company has a 74% equity interest, developed a 12.63 km eight-lane access controlled expressway under the Phase–II A Program as an extension of Phase–I of the Outer Ring Road to Hyderabad.

Set forth below is our income from the Subsidiaries that form our developer business for the periods shown:

(Rs. in million)

Sector	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010
Ramky Pharma City (India) Limited	945	1,052	595	674
MDDA Ramky IS Bus Terminal Limited	5	13	17	20
Ramky Towers Limited	-	-	205	577
Gwalior Bypass Project Limited	27	743	944	1,061
Ramky Engineering and Consulting Services (FZC)	-	-	-	1
Ramky Elsamex Hyderabad Ring Road Limited	-	316	2,289	1,423
Ramky Enclave Limited	-	-	-	76
Total	**977**	**2,124**	**4,050**	**3,832**

Our other income mainly includes interest earned from bank deposits and advances paid, income from leasing construction equipment to third parties, sales of scrap and miscellaneous income.

Expenditure

Our total expenditure comprises (i) contract materials and supplies consumed, (ii) sub-contractor costs, (iii) other contract costs, (iv) personnel costs, (v) administrative and selling expenses, (vi) finance charges and (vii) depreciation.

Contract Materials and Supplies Consumed

Contract materials and supplies consumed are the cost of materials consumed in our construction projects such as (i) steel, (ii) cement, (iii) mechanical and other equipment, (iv) aggregates (sand, bricks and sized metals), (v) electrical materials (vi) piping materials, (vii) bitumen, (viii) high density poly ethylene liner and (ix) other materials, net of adjustments of opening and closing stock of raw materials.

Sub-contractor Costs

Sub-contractor costs consist of the amount paid to sub-contractors for the execution of projects on a back to back contract basis and on a piece-rate contract basis.

Other Contract Costs

Other contract costs include (i) labour and wages for site workers, (ii) site expenses incurred for execution of construction projects such as temporary housing for employees, temporary offices and costs of site investigations and surveys (iii) hire charges for construction equipment, (iv) power and fuel, (v) transport costs of construction materials, (vi) costs of consumables such as nails, welding electrodes and lubricants, (vii) repairs and maintenance costs for plant and equipment, and (viii) indirect taxes such as sales tax and service tax.

Personnel Costs

Personnel costs consist of (i) salaries, wages and other benefits (bonuses, group insurance and gratuity and the Company’s contribution to provident funds) to employees and directors and (ii) staff welfare costs.

Administrative and Selling Expenses

Administrative and selling expenses include (i) insurance premium, (ii) tender forms and registration for tenders, (iii) travelling expenses, (iv) rent, (v) electricity charges, (vi) printing and stationary costs, (vii) legal and professional costs, and (viii) security costs.

Finance Charges

Finance charges comprise (i) interest and finance charges, such as interest charged on term loans, short term loans and hypothecation loans and (ii) bank charges, such as bank guarantee commission charges, bank service charges, letter-of-credit charges and loan processing charges.

Depreciation

Depreciation includes depreciation on building, plant and machinery, vehicles, furniture and fixtures, computers and office equipment and other fixed assets.

RESULTS OF OPERATIONS

Due to the nature of the construction business and developer business projects undertaken by us, the completion schedules of our projects, the way we recognize revenue, the nature of expenditure involved in a particular project, the specific terms of a particular project contract (including payment terms) and other factors that affect our income and expenditures on specific projects, our results of operations may vary significantly from period to period

Year Ended March 31, 2010 Compared with Year Ended March 31, 2009

Our total income increased to Rs. 22,512.90 million in Fiscal 2010 from Rs. 16,005.73 million in Fiscal 2009, an increase of Rs. 6,507.17 million, or 40.66%. This was primarily due to increased construction activity by our construction business.

Contract Revenue

Our contract revenue increased to Rs. 21,827.25 million in Fiscal 2010 from Rs. 15,646.56 million in Fiscal 2009, an increase of Rs. 6,180.69 million or 39.50%.

Our income from our construction business from external clients increased to Rs. 17,995.11 million in Fiscal 2010 from Rs. 11,595.75 million in Fiscal 2009, an increase of Rs. 6,399.36 million or 55.19%. Our construction business revenue for each sector is set forth below:

- revenue from the Water and Waste Water sector increased by 22.90% from Rs. 5,323.18 million in Fiscal 2009 to Rs. 6,452.00 million in Fiscal 2010;
- revenue from the Building Construction sector increased by 71.70% from Rs. 3,096.85 million in Fiscal 2009 to Rs. 5,317.17 million in Fiscal 2010;
- revenue from the Irrigation sector decreased by 5.15% from Rs. 1,735.63 million in Fiscal 2009 to Rs. 1,646.16 million in Fiscal 2010;
- revenue from the Industrial sector increased by 203.20% from Rs. 122.36 million in Fiscal 2009 to Rs. 371.00 million in Fiscal 2010;
- revenue from the Transportation sector increased by 235.52% from Rs. 989.99 million in Fiscal 2009 to Rs. 3,321.64 million in Fiscal 2010; and
- revenue from the Power Transmission and Distribution sector increased by 143.22% from Rs. 327.74 million in Fiscal 2009 to Rs. 797.14 million in Fiscal 2010.

The above increases were due to work done on projects that were in progress in the prior fiscal year, the completion of some of the projects that were in progress in the prior fiscal year and work done on new projects.

Income from Developer Business

Our income from the developer business was Rs. 3,635.90 million in fiscal year 2010 compared to Rs. 3,964.58 million in Fiscal 2009. This income was comprised of:

- Income from Ramky Pharma City (India) Limited decreased by 6.22% from Rs. 509.04 million in Fiscal 2009 to Rs. 477.41 million in Fiscal 2010. This decrease was primarily due to a decrease in costs incurred during the year, which, as the reference for the stage of completion for revenue recognition purposes, resulted in less revenue being recognized in Fiscal 2010 than in Fiscal 2009. Costs incurred decreased as a consequence of a slowing in the progress of the development of Jawaharlal Nehru Pharma City;
- Income from MDDA Ramky IS Bus Terminal Limited increased by 19.31% from Rs. 16.93 million in Fiscal 2009 to Rs. 20.20 million in Fiscal 2010, mainly due to increases in bus adda fees (a fee paid by a bus to enter a terminal), parking fees, advertising expenses and shop rentals;
- Income from Ramky Towers Limited increased by 180.78% from Rs. 205.39 million in Fiscal 2009 to Rs. 576.70 million in Fiscal 2010. This increase was primarily due to an increase in the sale of flats;
- Income from Gwalior Bypass Project Limited increased by 12.38% from Rs. 943.76 million in Fiscal 2009 to Rs. 1,060.63 million in Fiscal 2010;
- Income from Ramky Elsamex Hyderabad Ring Road Limited decreased by 37.81% from Rs. 2,289.45 million in Fiscal 2009 to Rs. 1,423.86 million in Fiscal 2010. This decrease was primarily due to us having recognized revenue for the outer ring road to Hyderabad City project for only a portion of Fiscal 2010 as this project was completed in November 2009;
- Income from Ramky Engineering & Consultancy Services (FZC), a consultancy company that commenced operations in Fiscal 2010, was Rs. 0.94 million in Fiscal 2010; and
- Income from Ramky Enclave Limited, a development project that commenced operations in Fiscal 2010, was Rs. 76.16 million in Fiscal 2010.

Income from Operating and Maintenance Operations

Income from operating and maintenance operations, which was contributed by Ramky Pharmacity (India) Limited, increased 127.55% from Rs. 86.24 million in Fiscal 2009 to Rs. 196.24 million in Fiscal 2010. This increase was primarily due to an increase in income from our sale of water operations, our treatment of effluent operations and in the amount of reimbursements received for fixed expenses from plot holders.

Other Income

Other income increased to Rs. 685.65 million in Fiscal 2010 from Rs. 359.17 million in Fiscal 2009, an increase of Rs. 326.48 million, or 90.90%. The increase in other income was primarily attributable to a Rs. 346.26 million increase in interest income.

Expenditure

Our total expenditure increased to Rs. 20,611.13 million in Fiscal 2010 from Rs. 14,704.63 million in Fiscal 2009, an increase of Rs. 5,906.50 million, or 40.17%. As a percentage of total income, total expenditure decreased from 91.87% in Fiscal 2009 to 91.55% in Fiscal 2010. The increase in total expenditure was principally due to an increase in sub-contractor costs and other contract costs resulting from an increase in construction activities and an increase in finance charges arising from an increase in our borrowings.

Contract Materials and Supplies Consumed

Our contract materials and supplies consumed increased to Rs. 4,138.57 million in Fiscal 2010 from Rs. 3,747.69 million in Fiscal 2009, an increase of Rs. 390.88 million or 10.43%. The increase in materials consumed was primarily due to increased expenditure on materials and supplies consumed resulting from increased construction activity and an increase in prices of various material and supplies.

The actual cost of contract materials and supplies consumed increased in volume and also as a percentage in Fiscal 2010. As a percentage of total income the cost of materials decreased from 23.41% of total income in Fiscal 2009 to 18.38% of total income in Fiscal 2010. The major reason for this decrease was that we worked on projects that were less material intensive and more labour intensive in Fiscal 2010 compared with Fiscal 2009.

Sub-contractor Costs

Our sub-contractor costs increased to Rs. 9,708.41 million in Fiscal 2010 from Rs. 6,004.84 million in Fiscal 2009, an increase of Rs. 3,703.57 million or 61.68%. The increase in sub-contractor costs was primarily due to an increase in the value of contracts awarded to us. Sub-contractor costs as a percentage of total income increased to 43.12% in Fiscal 2010 from 37.52% in Fiscal 2009. The major reason for this was that certain projects undertaken in Fiscal 2010 were more labour intensive than projects undertaken in 2009.

Other Contract Costs

Our other contract costs increased to Rs. 4,471.58 million in Fiscal 2010 from Rs. 3,311.77 million in Fiscal 2009, an increase of Rs. 1,159.81 million or 35.02%. Our expenditure on major contract costs was as follows:

- expenditure on labour and wages for site workers decreased by 18.83% from Rs. 1,242.17 million in Fiscal 2009 to Rs. 1,008.25 million in Fiscal 2010;
- site expenses incurred for execution of projects decreased by 3.29% from Rs. 12.47 million in Fiscal 2009 to Rs. 12.06 million in Fiscal 2010;
- hire charges for construction equipment decreased by 2.80% from Rs. 124.21 million in Fiscal 2009 to Rs. 120.73 million in Fiscal 2010;
- expenditure on power and fuel decreased by 13.09% from Rs. 114.96 million in Fiscal 2009 to Rs. 99.91 million in Fiscal 2010;
- expenditure on consumables increased by 65.68% from Rs. 33.68 million in Fiscal 2009 to Rs. 55.80 million in Fiscal 2010;
- expenditure on transport of construction materials increased by 21.11% from Rs. 36.90 million in Fiscal 2009 to Rs. 44.69 million in Fiscal 2010;
- repairs and maintenance costs for plant and equipment increased by 41.74% from Rs. 32.46 million in Fiscal 2009 to Rs. 46.01 million in Fiscal 2010;
- development expenses increased by 16.79% from Rs. 1,263.32 million in Fiscal 2009 to Rs. 1,475.49 million in Fiscal 2010; and
- O&M expenses increased by 251.36% from Rs. 38.65 million in Fiscal 2009 to Rs. 135.80 million in Fiscal 2010.

As a percentage of our total income, other contract costs decreased from 20.69% of our total income in Fiscal 2009 to 19.86% of our total income in Fiscal 2010. The major reason for this percentage decrease was that certain projects undertaken during Fiscal 2009 were more material intensive in comparison to projects undertaken in Fiscal 2010. As a result, we expended less on site expenses, hire charges and power and fuel in Fiscal 2010.

Personnel Costs

Personnel costs increased by 21.63% from Rs. 519.37 million in Fiscal 2009 to Rs. 631.72 million in Fiscal 2010. The increase in personnel cost was primarily attributable to increases in wages, which averaged approximately Rs. 10,470 in Fiscal 2010 and an increase of 275 in the number of our employees from 1,528 as at March 31, 2009 to 1,803 as at March 31, 2010.

Administrative and Selling Charges

Administrative and selling charges increased by 45.40% from Rs. 316.07 million in Fiscal 2009 to Rs. 459.57 million in Fiscal 2010. The increase in administrative and selling charges was primarily attributable to an increase in our construction activities. The major components of our administrative and other expenses are set forth below:

- insurance premiums increased by 54.03% from Rs. 20.10 million in Fiscal 2009 to Rs. 30.96 million in Fiscal 2010;
- expenditure on tender forms and registration for tenders increased by 74.25% from Rs. 10.68 million in Fiscal 2009 to Rs. 18.61 million in Fiscal 2010;
- travelling expenses increased by 13.37% from Rs. 25.95 million in Fiscal 2009 to Rs. 29.42 million in Fiscal 2010;
- expenditure on rent increased by 40.62% from Rs. 27.84 million in Fiscal 2009 to Rs. 39.15 million in Fiscal 2010;
- communication expenses increased by 3.62% from Rs. 15.46 million in Fiscal 2009 to Rs. 16.02 million in Fiscal 2010;
- legal & professional charges increased by 32.52% from Rs. 65.69 million in Fiscal 2009 to Rs. 87.05 million in Fiscal 2010;
- electricity charges increased by 7.52% from Rs. 14.90 million in Fiscal 2009 to Rs. 16.02 million in Fiscal 2010; and
- security charges increased by 19.12% from Rs. 20.92 million in Fiscal 2009 to Rs. 24.92 million in Fiscal 2010.

Finance Charges

Our finance charges increased by 54.60% from Rs. 701.50 million in Fiscal 2009 to Rs. 1,084.51 million in Fiscal 2010. This increase was primarily due to an increase in the development, construction and procurement of projects. Interest and finance charges increased by 59.88% from Rs. 621.93 million in Fiscal 2009 to Rs. 994.37 million in Fiscal 2010. Bank charges increased by 13.31% from Rs. 79.56 million in Fiscal 2009 to Rs. 90.15 million in Fiscal 2010.

Depreciation

Depreciation increased by 12.75% from Rs. 103.39 million in Fiscal 2009 to Rs. 116.57 million in Fiscal 2010. This increase was due to an increase in capital expenditure on plant and machinery, equipment and vehicles, furniture and fixtures, office equipment, and computers and software.

Profit before Taxation

Principally for the reasons discussed above, our profit before taxation increased to Rs. 1,901.77 million in Fiscal 2010 from Rs. 1,301.10 million in Fiscal 2009, an increase of Rs. 600.67 million, or 46.17%. Our profit before taxation as a percentage of total income was 8.45% in Fiscal 2010, compared with 8.13% in Fiscal 2009.

Provision for Taxation

Our provision for taxation increased to Rs. 407.09 million in Fiscal 2010 from Rs. 322.82 million in Fiscal 2009, an increase of Rs. 84.27 million or 26.10% after considering the MAT credit of Rs. 36.97 million. The increase in our provision for taxation was principally due to the increase in our total income in Fiscal 2010 compared to Fiscal 2009; however, our effective tax rate decreased to 21.41% in Fiscal 2010 from 24.82% in Fiscal 2009 primarily as a result of a concession claimed under Section 80 of the Income Tax Act. In Fiscal 2009 we had a Rs. 145.54 million deferred tax liability. The allowance of certain expenditure under Section 43 B of the Income Tax Act resulted in an increase in the deferred tax liability to Rs. 294.58 million in Fiscal 2010.

Our effective tax rate in Fiscal 2010 was 21.41% compared with the statutory rate of 33.99%. Our effective tax rate in Fiscal 2009 was 24.81% compared with the statutory rate of 33.99%. Our effective rate of tax for both periods was lower than the statutory rate of tax due to the availing of the tax benefits provided under Section 80IA of the Income Tax Act, which provides for the exemption of profits on infrastructure projects from tax.

Net Profit, as Restated

Principally for the reasons discussed above, our net profit, as restated increased to Rs. 1,288.47 million in Fiscal 2010 from Rs. 833.22 million in Fiscal 2009, an increase of Rs. 455.25 million, or 54.64%. Our profit after taxation as a percentage of total income was 5.72% in Fiscal 2010 compared with 5.21% in Fiscal 2009.

Year Ended March 31, 2009 Compared with Year Ended March 31, 2008

Our total income increased to Rs. 16,005.73 million in Fiscal 2009 from Rs. 11,283.74 million in Fiscal 2008, an increase of Rs. 4,721.99 million, or 41.85%. This was primarily due to increased construction activity by our construction business.

Contract Revenue

Our contract revenue increased to Rs. 15,646.56 million in Fiscal 2009 from Rs. 11,169.98 million in Fiscal 2008, an increase of Rs. 4,476.58 million or 40.08%.

Our income from our construction business from external clients increased to Rs. 11,595.75 million in Fiscal 2009 from Rs. 9,045.46 million in Fiscal 2008, an increase of Rs. 2,550.29 million or 28.19%. Our construction business revenue from external clients for each sector is set forth below:

- revenue from the Water and Waste Water sector increased by 91.56% from Rs. 2,778.80 million in Fiscal 2008 to Rs. 5,323.18 million in Fiscal 2009;
- revenue from the Building Construction sector decreased by 10.71% from Rs. 3,468.34 million in Fiscal 2008 to Rs. 3,096.85 million in Fiscal 2009;
- revenue from the Irrigation sector increased by 24.99% from Rs. 1,388.60 million in Fiscal 2008 to Rs. 1,735.63 million in Fiscal 2009;
- revenue from the Industrial sector decreased by 78.47% from Rs. 568.45 million in Fiscal 2008 to Rs. 122.36 million in Fiscal 2009;
- revenue from the Transportation sector increased by 17.68% from Rs. 841.27 million in Fiscal 2008 to Rs. 989.99 million in Fiscal 2009; and
- revenue from the Power Transmission and Distribution sector increased from Rs. 0.00 in Fiscal 2008 to Rs. 327.74 million in Fiscal 2009.

The above increases were due to work done on projects that were in progress in the prior fiscal year, the completion of some of the projects that were in progress in the prior fiscal year and work done on new projects.

Income from Developer Business

Our income from the developer business was Rs. 3,964.57million in fiscal year 2009 compared Rs. 2,118.22 million in Fiscal 2008. This income was comprised of:

- Income from Ramky Pharma City (India) Limited, which decreased by 51.33% from Rs. 1,045.99 million in Fiscal 2008 to Rs. 509.04 million in Fiscal 2009. This decrease was primarily due to a decline in the sale of land;
- Income from MDDA Ramky IS Bus Terminal Limited, which increased by 28.94% from Rs. 13.13 million in Fiscal 2008 to Rs. 16.93 million in Fiscal 2009; mainly due to increases in bus adda fees (a fee paid by a bus to enter a terminal), parking fees and shop rentals;
- Income from Gwalior Bypass Project Limited increased by 27.09% from Rs. 742.62 million in Fiscal 2008 to Rs. 943.76 million in Fiscal 2009;
- Income from Ramky Elsamex Hyderabad Ring Road Limited increased by 623.41 from Rs. 316.48 million to Rs. 2,289.42 million in Fiscal 2009; and
- Income from Ramky Towers Limited, a development project that commenced in Fiscal 2009, which was Rs. 205.39 million in Fiscal 2009.

Income from Operating and Maintenance Operations

Income from operating and maintenance operations, which was contributed by Ramky Pharmacity (India) Limited, increased 1,268.89 from Rs. 6.30 million in Fiscal 2008 to Rs. 86.24 million in Fiscal 2009. This increase was primarily due to the commencement of our treatment of effluent operations and an increase in income from our sale of water operations and in the amount of reimbursements received for fixed expenses from plot holders. Prior to Fiscal 2009, we were not engaged in treatment of effluent operations.

Other Income

Other income increased to Rs. 359.17 million in Fiscal 2009 from Rs. 113.76 million in Fiscal 2008, an increase of Rs. 245.41 million, or 215.73%. The increase in other income was primarily attributable to a Rs. 216.21 million increase in interest income.

Expenditure

Our total expenditure increased to Rs. 14,704.63 million in Fiscal 2009 from Rs. 10,416.14 million in Fiscal 2008, an increase of Rs. 4,288.49 million, or 41.17%. As a percentage of total income, total expenditure decreased from 92.31% in Fiscal 2008 to 91.87% in Fiscal 2009. The increase in total expenditure was principally due to an increase in personnel costs resulting from an increase in construction activities and an increase in finance charges arising from an increase in the interest rates for our borrowings.

Contract Materials and Supplies Consumed

Our contract materials and supplies consumed increased to Rs. 3,747.69 million in Fiscal 2009 from Rs. 2,362.46 million in Fiscal 2008, an increase of Rs. 1,385.23 million or 58.64%. The increase in materials consumed was primarily due to increased expenditure on materials and supplies consumed resulting from increased construction activity and an increase in prices of various material and supplies.

The actual cost of contract materials and supplies consumed increased in volume and also as a percentage in Fiscal 2009. As a percentage of total income the cost of materials increased from 20.94% of total income in Fiscal 2008 to 23.41% of total income in Fiscal 2009. The major reason for this increase was that we worked on projects that were more material intensive and less labour intensive in Fiscal 2009 compared with Fiscal 2008. An increase in the price of materials also contributed to the increase of cost of materials as a percentage of total income.

Sub-contractor Costs

Our sub-contractor costs increased to Rs. 6,004.84 million in Fiscal 2009 from Rs. 4,291.63 million in Fiscal 2008, an increase of Rs. 1,713.21 million or 39.92%. The increase in sub-contractor costs was primarily due to an increase in the value of contracts awarded to us. Although the actual sub-contractor costs increased in the Fiscal 2009, as a percentage of total income sub-contractor costs remained steady at 37.52% in Fiscal 2009 and 38.03% in Fiscal 2008. The major reason for this was due to improved margins to us on new sub-contracts awarded by us during the year.

Other Contract Costs

Our other contract costs increased to Rs. 3,311.77 million in Fiscal 2009 from Rs. 2,860.73 million in Fiscal 2008, an increase of Rs. 451.04 million or 15.77%. Our expenditure on major contract costs was as follows:

- expenditure on labour and wages for site workers increased by 8.05% from Rs. 1,149.61 million in Fiscal 2008 to Rs. 1,242.17 million in Fiscal 2009;
- site expenses incurred for execution of projects decreased by 67.44% from Rs. 38.30 million in Fiscal 2008 to Rs. 12.47 million in Fiscal 2009;
- hire charges for construction equipment increased by 40.40% from Rs. 88.47 million in Fiscal 2008 to Rs. 124.21 million in Fiscal 2009;
- expenditure on power and fuel increased by 95.94% from Rs. 58.67 million in Fiscal 2008 to Rs. 114.96 million in Fiscal 2009;
- expenditure on consumables increased by 21.28% from Rs. 27.77 million in Fiscal 2008 to Rs. 33.68 million in Fiscal 2009;
- expenditure on transport of construction materials decreased by 31.07% from Rs. 53.53 million in Fiscal 2008 to Rs. 36.90 million in Fiscal 2009;
- repairs and maintenance costs for plant and equipment increased by 36.67% from Rs. 23.75 million in Fiscal 2008 to Rs. 32.46 million in Fiscal 2009;
- development expenses increased by 17.87% from Rs. 1,071.76 million in Fiscal 2008 to Rs. 1,263.32 million in Fiscal 2009; and
- O&M expenses increased by 940.42% from Rs. 3.71 million in Fiscal 2008 to 38.65 million in Fiscal 2009.

As a percentage of our total income, other contract costs decreased from 25.35% of our total income in Fiscal 2008 to 20.69% of our total income in Fiscal 2009. The major reason for this percentage decrease was that certain projects undertaken during Fiscal 2008 were more material intensive in comparison to projects undertaken in Fiscal 2009. As a result, we expended less on site expenses and transport of construction materials in Fiscal 2009. We also expended less on site expenses and development expenses during Fiscal 2009.

Personnel Costs

Personnel costs increased by 82.49% from Rs. 284.60 million in Fiscal 2008 to Rs. 519.37 million in Fiscal 2009. The increase in personnel cost was primarily attributable to increases in wages, which averaged approximately Rs. 150,673 in Fiscal 2009 and an increase of 24 in the number of our employees from 1,504 as at March 31, 2008 to 1,528 as at March 31, 2009.

Administrative and Selling Charges

Administrative and selling charges increased by 26.57% from Rs. 249.71 million in Fiscal 2008 to Rs. 316.07 million in Fiscal 2009. The increase in administrative and selling charges was primarily attributable to an increase in our construction activities. The major components of our administrative and other expenses are set forth below:

- insurance premiums increased by 37.77% from Rs. 14.59 million in Fiscal 2008 to Rs. 20.10 million in Fiscal 2009;
- expenditure on tender forms and registration for tenders increased by 6.80% from Rs. 10.00 million in Fiscal 2008 to Rs. 10.68 million in Fiscal 2009;

- travelling expenses increased by 11.76% from Rs. 23.22 million in Fiscal 2008 to Rs. 25.95 million in Fiscal 2009;
- expenditure on rent increased by 44.62% from Rs. 19.25 million in Fiscal 2008 to Rs. 27.84 million in Fiscal 2009;
- communication expenses increased by 24.48% from Rs. 12.42 million in Fiscal 2008 to Rs. 15.46 million in Fiscal 2009;
- legal & professional charges increased by 36.91% from Rs. 47.98 million in Fiscal 2008 to 65.69 million in Fiscal 2009;
- electricity charges increased by 52.82% from Rs. 9.75 million in Fiscal 2008 to Rs. 14.90 million in Fiscal 2009; and
- security charges increased by 41.93% from Rs. 14.74 million in Fiscal 2008 to Rs. 20.92 million in Fiscal 2009;

Finance Charges

Our finance charges increased by 129.28% from Rs. 305.96 million in Fiscal 2008 to Rs. 701.50 million in Fiscal 2009. This increase was primarily to due an increase in the development, construction and procurement of projects. Interest and finance charges increased by 141.78% from Rs. 257.23 million in Fiscal 2008 to Rs. 621.93 million in Fiscal 2009. Bank charges increased by 63.27% from Rs. 48.73 million in Fiscal 2008 to Rs. 79.56 million in Fiscal 2009.

Depreciation

Depreciation increased by 69.35% from Rs. 61.05 million in Fiscal 2008 to Rs. 103.39 million in Fiscal 2009. This increase was due to an increase in capital expenditure on plant and machinery, equipment and vehicles, furniture and fixtures, office equipment, and computers and software.

Profit before Taxation

Principally for the reasons discussed above, our profit before taxation increased to Rs. 1,301.10 million in Fiscal 2009 from Rs. 867.60 million in 2008, an increase of Rs. 433.50 million, or 49.97%. Our profit before taxation as a percentage of total income was 8.13% in Fiscal 2009, compared with 7.69% in Fiscal 2008.

Provision for Taxation

Our provision for taxation increased to Rs. 322.82 million in Fiscal 2009 from Rs. 241.41 million for Fiscal 2008, an increase of Rs. 81.41 million or 33.72% after considering the MAT credit of Rs. 55.82 million. This decrease was principally due to the concession claimed under Section 80 of the Income Tax Act. In Fiscal 2008 we had a Rs. 18.14 million deferred tax asset. The allowance of certain expenditure under Section 43 B of the Income Tax Act resulted in a decrease in the deferred tax liability to Rs. 145.54 million in Fiscal 2009.

Our effective tax rate in Fiscal 2009 was 24.81% compared with the statutory rate of 33.99%. Our effective tax rate in Fiscal 2008 was 27.82% compared with the statutory rate of 33.99%. Our effective rate of tax for both periods was lower than the statutory rate of tax due to the availing of the tax benefits provided under Section 80IA of the Income Tax Act, which provides for the exemption of profits on infrastructure projects from tax.

Net Profit, as Restated

Principally for the reasons discussed above, our net profit, as restated increased to Rs. 833.22 million in Fiscal 2009 from Rs. 522.17 million in Fiscal 2008, an increase of Rs. 311.05 million, or 59.57%. Our profit after taxation as a percentage of total income was 5.21% in Fiscal 2009 compared with 4.63% in

Fiscal 2008.

Year Ended March 31, 2008 Compared with Year Ended March 31, 2007

Our total income increased to Rs. 11,283.74 million in Fiscal 2008 from Rs. 7,431.39 million in Fiscal 2007, an increase of Rs. 3,852.35 million, or 51.84%. This was primarily due to increased construction activity by our construction business and the start of operations of our developer business.

Contract Revenue

Our contract revenue increased to Rs. 11,163.68 million in Fiscal 2008 from Rs. 7,384.02 million in Fiscal 2007, an increase of Rs. 3,779.66 million or 51.19%.

Our income from our construction business from external clients increased to Rs. 9,045.46 million in Fiscal 2008 from Rs. 6,408.11 million in Fiscal 2007, an increase of Rs. 2,637.35 million or 41.16%. Our construction business revenue from external clients for each sector is set forth below:

- revenue from the Water and Waste Water sector increased by 16.52% from Rs. 2,384.89 million in Fiscal 2007 to Rs. 2,778.80 million in Fiscal 2008;
- revenue from the Building Construction sector increased by 41.12% from Rs. 2,457.69 million in Fiscal 2007 to Rs. 3,468.34 million in Fiscal 2008;
- revenue from the Irrigation sector increased by 149.05% from Rs. 557.56 million in Fiscal 2007 to Rs. 1,388.60 million in Fiscal 2008;
- revenue from the Industrial sector increased by 57.19% from Rs. 361.62 million in Fiscal 2007 to Rs. 568.45 million in Fiscal 2008;
- revenue from the Transportation sector increased by 89.48% from Rs. 443.99 million in Fiscal 2007 to Rs. 841.27 million in Fiscal 2008; and
- revenue from the Power Transmission and Distribution sector was nil in Fiscal 2008, Rs. 201.40 million in Fiscal 2007.

The above increases were due to work done on projects that were in progress in the prior fiscal year, the completion of some of the projects that were in progress in the prior fiscal year and work done on new projects.

Our income from the developer business was Rs. 2,118.22 million in fiscal year 2008 compared Rs. 975.90 million in Fiscal 2007. This income was comprised of:

- Income from Ramky Pharma City (India) Limited, which increased by 10.78% from Rs. 944.18 million in Fiscal 2007 to Rs. 1,045.99 million in Fiscal 2008;
- Income from MDDA Ramky IS Bus Terminal Limited, which increased by 177.00% from Rs. 4.74 million in Fiscal 2007 to Rs. 13.13 million in Fiscal 2008;
- Income from Gwalior Bypass Project Limited, which increased by 2,752.48% from Rs. 26.98 million in Fiscal 2007 to Rs. 742.62 million in Fiscal 2008; and
- Income from Ramky Elsamex Hyderabad Ring Road Limited, a development project that commenced operations in Fiscal 2008, was Rs. 316.48 million in Fiscal 2008.
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Income from Operating & Maintenance Operations

Income from operating and maintenance operations, which was contributed by Rakmy Pharmacity (India) Limited, increased 826.47% from Rs. 0.68 million in Fiscal 2007 to Rs.6.30 Million in Fiscal 2008. This increase was primarily due to increase in income from our sale of water operations and in the amount of reimbursements received for fixed expenses from plot holders.

Other Income

Other income increased to Rs. 113.76 million in Fiscal 2008 from Rs. 46.70 million in Fiscal 2007, an increase of Rs. 67.07 million, or 143.60%. The increase in other income was primarily attributable to a Rs. 49.22 million increase in interest income.

Expenditure

Our total expenditure increased to Rs. 10,416.14 million in Fiscal 2008 from Rs. 6,872.16 million in Fiscal 2007, an increase of Rs. 3,543.98 million, or 51.57%. As a percentage of total income, total expenditure decreased from 92.47% in Fiscal 2007 to 92.31% in Fiscal 2008. The decrease in total expenditure was principally due to a decrease in construction activities.

Contract Materials and Supplies Consumed

Our contract materials and supplies consumed increased to Rs. 2,362.46 million in Fiscal 2008 from Rs. 1,747.49 million in Fiscal 2007, an increase of Rs. 614.97 million or 35.19%. The increase in contract materials and supplies consumed was primarily due to increased construction activity, which resulted in increased expenditure on materials and supplies consumed resulting from increased construction activity and an increase in prices of various material and supplies, in particular steel, cement, bitumen.

Although the actual cost of contract materials and supplies consumed increased in Fiscal 2008, as a percentage of total income the cost of contract materials and supplies declined from 23.51% of total income in Fiscal 2007 to 20.94% of total income in Fiscal 2008. The major reason for this decline was that we worked on projects that were more labour intensive and less material intensive in Fiscal 2008 as compared with Fiscal 2007.

Sub-contractor Costs

Our sub-contractor costs increased to Rs. 4,291.63 million in Fiscal 2008 from Rs. 2,777.82 million in Fiscal 2007, an increase of Rs. 1,513.81 million or 54.50%. The increase in sub-contractor costs was primarily due to an increase in the value of contracts awarded to us. Both as percentage of total income and also on absolute terms sub-contractor costs increased to 38.03% in Fiscal 2008 from 37.38% in Fiscal 2007. The major reason for this increase was due to new sub-contracts awarded by us during the year.

Other Contract Costs

Our other contract costs increased to Rs. 2,860.73 million in Fiscal 2008 from Rs. 1,760.26 million in Fiscal 2007, increase of Rs. 1,100.47 million or 62.52%. The increase in other contract costs was primarily due to increased construction activity. Our expenditure on major contract costs was as follows:

- expenditure on labour and wages for site workers increased by 60.38% from Rs. 716.81 million in Fiscal 2007 to Rs. 1,149.61 million in Fiscal 2008;
- site expenses incurred for execution of projects decreased by 82.81% from Rs. 222.88 million

in Fiscal 2007 to Rs. 38.30 million in Fiscal 2008;

- expenditure on power and fuel decreased by 22.50% from Rs. 75.70 million in Fiscal 2007 to Rs. 58.67 million in Fiscal 2008;
- expenditure on consumables increased by 77.73% from Rs. 15.63 million in Fiscal 2007 to Rs. 27.77 million in Fiscal 2008;
- expenditure on transport of construction materials increased by 6.95% from Rs. 50.05 million in Fiscal 2007 to Rs. 53.53 million in Fiscal 2008;
- repairs and maintenance costs for plant and equipment increased by 49.77% from Rs. 15.86 million in Fiscal 2007 to Rs. 23.75 million in Fiscal 2008;
- development expenses increased by 397.75% from Rs. 215.32 million in Fiscal 2007 to Rs. 1,071.76 million in Fiscal 2008; and
- there was no expenditure on O&M in Fiscal 2007. In Fiscal 2008 O&M expenses were Rs. 3.71 million.

As a percentage of our total income, other contract costs increased from 23.69% of our total income in Fiscal 2007 to 25.35% of our total income in Fiscal 2008. The major reason for this percentage increase was that certain projects undertaken during Fiscal 2008 were less material intensive compared with projects undertaken in Fiscal 2007. As a result, we expended less on power and fuel and consumables during Fiscal 2008 than in Fiscal 2007. We also expended less on site expenses during Fiscal 2008 than in Fiscal 2007.

Personnel Costs

Personnel costs increased by 48.28% from Rs. 191.93 million in Fiscal 2007 to Rs. 284.60 million in Fiscal 2008. The increase in personnel cost was primarily attributable to increases in wages, which averaged approximately Rs. 26,300 in Fiscal 2008 and an increase of 326 in the number of our employees from 1,178 as at March 31, 2007 to 1,504 as at March 31, 2008.

Administrative and Selling Expenses

Administrative and selling expenses increased by 60.93% from Rs. 155.17 million in Fiscal 2007 to Rs. 249.71 million in Fiscal 2008. The increase in administrative and selling expenses was primarily attributable to an increase in our construction activities and an increase in legal and professional charges, security charges and rent. The major components of our administrative and selling expenses are set forth below:

- insurance premiums decreased by 23.61% from Rs. 19.10 million in Fiscal 2007 to Rs. 14.59 million in Fiscal 2008;
- expenditure on tender forms and registration for tenders decreased by 41.97% from Rs. 17.23 million in Fiscal 2007 to Rs. 10.00 million in Fiscal 2008;
- travelling expenses increased by 32.95% from Rs. 17.47 million in Fiscal 2007 to Rs. 23.22 million in Fiscal 2008;
- expenditure on rent increased by 48.91% from Rs. 12.93 million in Fiscal 2007 to Rs. 19.25 million in Fiscal 2008;
- communication expenses increased by 18.71% from Rs. 10.46 million in Fiscal 2007 to Rs. 12.42 million in Fiscal 2008;
- legal and professional charges increased by 97.00% from Rs. 24.35 million in Fiscal 2007 to Rs. 47.98 million in Fiscal 2008;
- electricity charges decreased by 11.93% from Rs. 11.07 million in Fiscal 2007 to Rs. 9.75 million in Fiscal 2008; and
- security charges increased by 140.23% from Rs. 6.14 million in Fiscal 2007 to Rs. 14.74 million in Fiscal 2008.

Finance Charges

Our finance charges increased by 56.43% from Rs. 195.59 million in Fiscal 2007 to Rs. 305.96 million in Fiscal 2008. This increase was primarily due to an increase in the development, construction and procurement of projects. Interest and finance charges increased by 99.86% from Rs. 128.71 million in Fiscal 2007 to Rs. 257.23 million in Fiscal 2008. Bank charges decreased by 27.15% from Rs. 66.88 million in Fiscal 2007 to Rs. 48.73 million in Fiscal 2008.

Depreciation

Depreciation increased by 39.06% from Rs. 43.90 million in Fiscal 2007 to Rs. 61.05 million in Fiscal 2008. This increase was due to an increase in capital expenditure on plant and machinery, equipment and vehicles, furniture and fixtures, office equipment, and computers and software.

Profit before Taxation

Principally for the reasons discussed above, our profit before taxation increased to Rs. 867.60 million in Fiscal 2008 from Rs. 559.23 million in 2007, an increase of Rs. 308.37 million, or 55.14%. Our profit before taxation as a percentage of total income was 7.69% in Fiscal 2008, compared with 7.53% in Fiscal 2007.

Provision for Taxation

Our provision for taxation increased to Rs. 241.41 million in Fiscal 2008 from Rs. 162.87 million for Fiscal 2007, an increase of Rs. 78.54 million or 48.22%. This increase was principally due to the increase in our profit before taxation, which was partially offset by a Rs. 46.10 million deferred tax asset. In Fiscal 2008, timing differences between accounting income and taxable income result in an increase in our tax liability while our deferred tax asset increased to Rs. 18.14 million.

Our effective tax rate in Fiscal 2008 was 27.82% compared with the statutory rate of 33.99%. Our effective tax rate in Fiscal 2007 was 29.12% compared with the statutory rate of 33.66%. Our effective rate of tax for both periods was lower than the statutory rate of tax due to the availing of the tax benefits provided under Section 80IA of the Income Tax Act, which provides for the exemption of profits on infrastructure projects from tax.

Net Profit, as Restated

Principally for the reasons discussed above, our net profit, as restated increased to Rs. 522.17 million in Fiscal 2008 from Rs. 387.38 million in Fiscal 2007, an increase of Rs. 134.79 million, or 34.79%. Our profit after taxation as a percentage of total income was 4.63% in Fiscal 2008 compared with 5.21% in Fiscal 2007.

Liquidity and Capital Resources

Historically, our principal liquidity and capital resources requirements have been to finance our working capital needs and our capital expenditures. Most of our recent construction contracts provide for an advance payment of 10% of the contract amount and provide that we are to be paid a certain amount of the contract on completion of stages of the project, which reduces our working capital needs. However, our business still requires a significant amount of working capital to finance the purchase of raw materials and goods and the performance of construction business projects before payment is received from our clients.

For developer projects, in the case of sold plots of land, we typically receive an initial down payment followed by periodic instalment payments. Operation and maintenance fees are paid monthly in arrears.

To fund our capital needs, we have generally relied on short-term loans, working capital financing, hire purchase/hypothecation loans and cash flows from operating activities. In addition, we have also entered into long-term loans with one to five year terms. Out of the net proceeds of the Issue, we intend to use Rs. 1,500 million for working capital requirements. We intend to use the remainder of the net proceeds of the Issue for investment in capital equipment, the payment of loans and general corporate purposes. In the future, as we expand our construction business, and the businesses of our subsidiaries and associate expand, our capital needs will increase and we may need to raise additional capital through further debt finance and additional issues of Equity Shares to fund our operations and/or make investments in our subsidiaries.

Cash Flows

The table below sets forth our cash flows for the periods indicated.

(Rs. in millions)

	Fiscal 2008 (Consolidated)	**Fiscal 2009 (Consolidated)**	**Fiscal 2010 (Consolidated)**
Net cash from / (used in) operating activities	(2,013.78)	(1,911.20)	(1,110.18)
Net cash from / (used in) investing activities	(218.25)	(1,246.32)	(160.64)
Net cash from / (used in) financing activities	1,809.95	3,272.12	2,133.66
Net increase / (decrease) in cash and cash equivalents	(422.08)	114.60	862.84

Cash Flows from / (Used in) Operating Activities

Our net cash used in operating activities in Fiscal 2010 was Rs. 1,110.18 million, although our operating profit before working capital changes for that period was Rs. 2,967.93 million. The difference was mainly attributable to increases in loans and advances, retention money, inventories and trade receivables and others and partially offset by an increase in trade payable.

Our net cash used in operating activities in Fiscal 2009 was Rs. 1,911.20 million, although our operating profit before working capital changes for that year was Rs. 1,985.97 million. The difference was mainly attributable to an increase in trade payables and others, which was partially offset by increases in trade receivables, loans and advances, retention money and inventories.

Our net cash used in operating activities in Fiscal 2008 was Rs. 2,013.78 million, although our operating profit before working capital changes for that year was Rs. 1,173.35 million. The difference was attributable to increases in trade receivables, loans and advances, retention money and inventories, which were partially offset by an increase in trade payables and others.

Cash Flows from / (Used in) Investing Activities

Our net cash used in investing activities in Fiscal 2010 was Rs. 160.64 million. Our net cash used in investing activities during this period reflects the purchase of Rs. 200.17 million of various fixed assets (including capital work in progress) comprising buildings, plant and machinery, vehicles, computers and other assets, an Rs. 0.10 million payment for net assets acquired from Ramky Integrated Township Limited, an investment in Addanki Narketpally Expressway Limited and an investment in Delhi MSW Solutions Limited, which were partially offset by Rs. 38.14 million in interest received and Rs. 1.49 million in proceeds from the sale of fixed assets.

Our net cash used in investing activities in Fiscal 2009 was Rs. 1,246.32 million. Our net cash used in investing activities during this period reflects the purchase of Rs. 1,281.26 million of various fixed assets (including capital work in progress) comprising buildings, plant and machinery, vehicles, computers and other assets and a Rs. 0.18 million payment for net assets acquired from Ramky Integrated Township Limited, which were partially offset by Rs. 0.59 million from the sale of fixed assets and Rs. 34.53 million in interest received.

Our net cash used in investing activities in Fiscal 2008 was Rs. 218.25 million. Our net cash used in investing activities during this period reflects expenditure of Rs. 253.85 million on capital assets, which were partially offset by proceeds from the sale of fixed assets of Rs. 1.28 million and Rs. 34.32 million in interest received.

Cash Flows from / (Used in) Financing Activities

Our net cash from financing activities in Fiscal 2010 was Rs. 2,133.66 million. This cash flow reflects a net increase of Rs. 3,053.21 million in proceeds from borrowings and payments from minority interest of Rs. 79.98 million. Our net cash from financing activities in Fiscal 2010 was partially offset by Rs. 999.53 million paid in interest.

Our net cash from financing activities in Fiscal 2009 was Rs. 3,272.12 million. This cash flow reflects a net increase of Rs. 3,841.12 million in proceeds from long-term borrowings and payments from minority interest of Rs. 57.00 million. Our net cash from financing activities in Fiscal 2009 was partially offset by Rs. 626.00 million paid in interest.

Our net cash from financing activities in Fiscal 2008 was Rs. 1,809.95 million. This cash flow reflects an increase of Rs. 1,596.82 million in proceeds from long-term borrowings and proceeds from minority interests of Rs. 466.88 million. Our net cash from financing activities in Fiscal 2008 was partially offset by Rs. 253.64 million paid in interest and a dividend payment, including tax, of Rs. 0.11 million.

Balance Sheet Items

Tangible Fixed Assets

Our total tangible fixed assets after depreciation were Rs. 1,546.08 million as at March 31, 2010. Our fixed assets consist of plant and machinery, computers and software, buildings, office equipment, furniture and fixtures, motor vehicles and intangible assets. Our fixed assets are increasing gradually as we procure additional construction-related assets. We have also imported some machinery for the execution of large contracts.

Investments

Our total investments were Rs. 876.07 million as at March 31, 2010, which was comprised Rs. 0.41 million of 11,600 equity shares in Canara Bank quoted at cost and an unquoted Rs. 876.02 million investment in Ramky Integrated Township Limited and Narketpalli Addanki Expressway Limited, both associated companies and Rs. 0.05 million in Delhi MSW Solutions Limited.

Current Assets, Loans and Advances

Our current assets, loans and advances and retention money as at March 31, 2010 were Rs. 17,688.49 million. Our current assets loans and advances comprise inventories, receivables from sundry debtors, cash and bank balances, and loans, advances, retention money and other current assets.

Inventories

Our inventories as at March 31, 2010 were Rs. 5,527.34 million, which consisted principally of work in progress and materials and components used in our construction projects.

Sundry Debtors

Our receivables from sundry debtors as at March 31, 2010 were Rs. 5,020.42 million. This consists of receivables from parties other than related parties of Rs. 3,845.48 million owed for less than six months and Rs. 1,083.71 million in receivables owed for more than six months and Rs. 72.90 million and Rs. 18.33 million in receivables from related parties owed for more than six months and less than six months, respectively.

Cash and Bank Balances

Our cash and bank balances as at March 31, 2010 were Rs. 1,677.70 million.

Loans, Advances, Retention Money and Other Current Assets

Our loans, advances, retention money and other current assets were Rs. 5,463.03 million as at March 31, 2010. Loans, advances, retention money and other current assets comprised Rs. 1,821.62 million of retention money, Rs. 127.02 million of earnest money deposits, Rs. 29.40 million of interest accrued but not due/received, Rs. 73.83 million of prepaid expenses, Rs. 378.39 million of advance tax and tax deducted at source, Rs. 79.58 million of loans and advances to group companies, Rs. 100.00 million of share application money in a Promoter Group company, Rs. 92.79 million of MAT credit entitlements and Rs. 2,760.40 million of loans, advances and deposits to third parties. Retention money is an amount typically equal to 5-7% of the amount due under a running account bill that is retained by the client at the time that the rest of the amount due under the running account bill is paid, such retained amount being paid by the client to us after completion of the project. An earnest money deposit is an amount paid to a potential client at the time that tender documents are submitted as a bid for a project and which is returned after a contract has been awarded to one of the bidders. Pre-paid expenses include unexpired commission paid to bankers upon issuance of a bank guarantee that does not expire until after the end of the fiscal year in which the guarantee is provided.

Liabilities and Provisions

Our total liabilities and provisions as at March 31, 2010 were Rs. 20,758.25 million. Our liabilities and provisions comprise secured loans, unsecured loans, and current liabilities and provisions in the amounts set forth below.

Secured Loans

Our secured loans as at March 31, 2010 were Rs. 10,110.22 million. Secured loans comprised Rs. 4,739.53 million in term loans from banks, Rs. 3,840.45 million in working capital loans from banks and Rs. 149.97 million in equipment and vehicle loans from banks. Secured loans from others comprised Rs. 1,207.52 million in term loans and Rs. 172.72 million in equipment and vehicle loans. As at March 31, 2010, we had Rs. 0.04 million in interest accrued and due.

Unsecured Loans

Our unsecured loans as at March 31, 2010 were Rs. 9.10 million.

Current Liabilities and Provisions

Our current liabilities and provisions as at March 31, 2010 were Rs. 10,638.93 million. Our current liabilities include sundry creditors, advances from customers and other liabilities. Liabilities to sundry creditors as at March 31, 2010 were Rs. 3,792.25 million, which consisted principally of amounts owed to suppliers of materials, components and services for the execution of our construction business projects. Advances from customers, deposits and retention money as at March 31, 2010 were Rs. 5,016.88 million. For our construction business projects, we typically require customers to pay us a certain amount in advance of commencement of work against a bank guarantee, which is credited against progress payments. Other liabilities as at March 31, 2010 were Rs. 507.51 million. Other liabilities include outstanding expenses, sales tax, service tax and TDS payable and other statutory dues payable. As at March 31, 2010, provisions towards income tax, fringe benefit tax, preference dividends, gratuity and compensated absences were Rs. 23.92 million.

Total Indebtedness

The following table sets forth our repayment obligations under the terms of our secured indebtedness as at March 31, 2010. All such indebtedness are revolving credit facilities, which are payable within one year.

(Rs. in millions)

	Payments due during the year ending March 31,			
Indebtedness	**2011**	**2012**	**2013**	**After 2013**
Secured (bank)	4,935.65	466.45	336.88	3,431.02
Other secured	251.36	127.27	51.12	510.47
Unsecured	9.10	-	-	-
Total	**5,196.11**	**593.72**	**388.00**	**3,941.49**

Many of the Company's financing agreements also include various conditions and covenants that require it to obtain lender consents prior to carrying out certain activities and entering into certain transactions. We cannot assure you that we will be able to obtain these consents and any failure to obtain these consents could have significant adverse consequences for our business. Specifically, we must seek, and may be unable to obtain, prior written permission of one or more lenders to effect any scheme of amalgamation, merger or acquisition; effect any adverse changes in the Company's capital structure; implement a new scheme of expansion or diversification; enter into any borrowing or non-borrowing arrangement either secured or unsecured with any other bank, financial institution, company or firm; effect any drastic changes in our Promoters, directors or management; approach the capital markets for mobilising additional resources either in the form of debt or equity; make any alterations in the Company's controlling ownership or any documents relating to its constitution; invest in the shares or debentures of any other company or extend finance to associate companies; undertake any restructuring within the Company; repay of all monies brought into the Company by its Promoters, directors, principal shareholders and their relatives or friends by way of deposits/loans/advances; declare dividends; implement a new scheme of expansion or diversification; lend or advance or place deposits with any other concern; apply short term working capital funds for long term uses; undertake guarantee obligations on behalf of any other borrower or third party; undertake any new project; create any charge, lien or encumbrance over its undertakings in favour of any financial institution, bank, company or firm; sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the bank; enter into contractual obligations of a long term nature or affecting the Company financially to a significant extent; change the practice with regard to the remuneration of Directors; pay commission to the Directors in consideration for the personal guarantees furnished by them; transfer a controlling interest; make investments in fixed assets or associates and group companies except to the extent projected to the bank; and undertake any trading activity other than sale of products arising out of our own manufacturing.

Contingent Liabilities

As at March 31, 2010, we had an aggregate amount of Rs. 10,049.35 million of contingent liabilities outstanding.

The following table sets forth the details of our contingent liabilities:

(Rs. in million)

Particulars	As at March 31, 2010
Bank guarantee issued by bankers in favour of various authorities	8,444.74
Letters of credit outstanding	954.61
Disputed dues with respect to:	
- Sales tax / Value added tax matters	189.40
- Income tax matters (refer note 1)	134.43
- Service tax matters	258.48
- Other matters	67.69
Total	**10,049.35**
Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)	525.45

The Company claimed a deduction under section 80-IA (4) in its returns of income relating to assessment years 2003-04 to 2009-10. However, the IT Department contested the deduction on the grounds that our Company was not "developing" the infrastructure facility as contemplated by section 80-IA and disallowed the deduction for assessment years 2003-04 to 2007-08. Our Company appealed the assessment orders in the CIT (Appeals), but the appeals with respect to assessment years 2003-04 to 2006-07 were dismissed by the CIT (Appeals). The Company has filed an appeal with the Income Tax Appellate Tribunale for these years, which is currently pending.

Market Risks

Foreign Currency Risk

To the extent that our income and expenditure are not denominated in the same currency, exchange rate fluctuations could cause some of our costs to increase more than our revenues on a given contract. Our future capital expenditures, including equipment and machinery, may be denominated in currencies other than Indian rupees. Therefore, declines in the value of the rupee against such other currencies could increase the rupee cost of making such purchases.

Equity Price Risk

Equity price risk arises when we are exposed to changes in the fair value of any traded equity instruments that we may hold due to changes in the equity markets. Our exposure to changes in equity prices is not material to our financial condition or results of operations.

Interest Rate Risk

As at March 31, 2010, we had floating rate debt that exposed us to market risk as a result of changes in interest rates. Rs. 9,787.80 million, or 96.72% of our total debt, consists of variable rate debt obligations. We undertake debt obligations to support general corporate purposes, including capital expenditure and working capital needs. Upward fluctuations in interest rates increase the cost of debt and interest cost of outstanding variable rate borrowings. We do not currently use any derivative instruments to modify the nature of our debt so as to manage our interest rate risk.

Unusual or infrequent events or transactions

Except as disclosed in the Red Herring Prospectus, to our knowledge there have been no unusual or infrequent events or transactions that have taken place since our incorporation,

Significant economic changes that materially affected or are likely to affect income from continuing operations

Except as disclosed in the Red Herring Prospectus, to our knowledge there have been no significant economic changes that materially affected or are likely to affect income from continuing operations.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Our business has been impacted and we expect will continue to be impacted by the trends identified in this section, and the uncertainties described in "Risk Factors" on page x. To our knowledge, except as we have described in this Red Herring Prospectus, there are no other known factors, which we expect to have a material adverse impact on our revenues or income from continuing operations.

Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Except as described in this section and in "Risk Factors" and "Our Business" on pages x and 75, respectively, to the best of our knowledge, there is no future relationship between expenditure and income that will have a material adverse impact on the operations and finances of our Company.

Significant regulatory changes that materially affected or are likely to affect income from continuing operations

Except as described in "Regulations and Policies in India" on page 105, there have been no significant regulatory changes that have materially affected or are likely to affect our income from continuing operations.

The extent to which our business is seasonal

We record contract revenues for those stages of a project that we complete, after we receive certification from the client that such stage has been successfully completed. Since revenues are not recognized until we make progress on a contract and receive such certification from our clients, revenues recorded in the first half of our financial year between April and September are traditionally substantially lower compared with revenues recorded during the second half of our financial year. Further, our construction business generally invoices a substantial portion of its projects in the last quarter of the fiscal year, which results in higher levels of sundry debtors as at March 31, of each fiscal year than at other times during the year

Significant Developments after March 31, 2010

Since March 31, 2010, the following significant event has occurred. We anticipate that this event will have an impact on our financial condition and results of operations in future fiscal years.
Formation of new Associate Company

NAM Expressway Limited was incorporated on June 15, 2010. Our Company has acquired a 50% interest in NAM Expressway Limited for purpose of designing, constructing, operating and maintaining four lanes of the Narketpalli-Addanki-Medaramitla Road (SH-2) in Andhra Pradesh.

Jorabat Shillong Expressway Limited was incorporated on June 18, 2010. Our Company has acquired a 50% interest in Jorabat Shillong Limited for the purpose of developing four lanes of the Jorabat Shillong (Barapani) section of NH-40 from Km. 0.000 to Km 61.800 in the state of Assam and Meghalaya on a "design, build, finance, operate and transfer" basis under the Special Accelerated Road Development Programme for North East Regions on a BOT (Annuity) Basis.

Except as stated in this Red Herring Prospectus, to our knowledge no circumstances have arisen since March 31, 2010, which is the date of the most recent financial statements included in this Red Herring Prospectus, which materially and adversely affect or are likely to affect our profitability, our financial condition or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of our Company's significant outstanding secured borrowings of Rs. 4,200.00 million and Rs. 18,600.00 million under fund based and non-fund based working capital facilities as of June 30, 2010 (including hire purchase/hypothecation loans) together with a brief description of certain significant terms of such financing arrangements.

The details of our Company's secured term loans and secured working capital loans, on an unconsolidated basis, are as follows:

A. Term Loans

Name of the Lender	Loan Documentation	Amount outstanding as of June 30, 2010 (in Rs. millions)	Interest Rate and Repayment Schedule	Security
Andhra Bank[1]	Sanction letter dated December 12, 2008 and composite agreement dated December 29, 2008 Total amount sanctioned: Rs. 840 million Rs. 500 million for IIIT Nuziveedu Project Rs. 120 million for Kamothe STP Project	124.99 80.36	12.25% p.a. Rs. 500 million repayable in 18 monthly instalments of Rs. 27.80 million commencing from July 2009 Rs. 120 million repayable in 6 monthly instalments of Rs. 20 million commencing May 2010 as per cash flow statement	• For Rs. 500 million - exclusive charge on current assets, present and future relating to the construction of buildings for Rajiv Gandhi University of Knowledge Technologies IIT at Nuziveedu, Krishna District. • For Rs. 120 million exclusive charge on current assets, present and future relating to the project for development of 85 MLD capacity high tech sewerage treatment plant. • Personal guarantee of Mr. Alla Ayodhya Rami Reddy and Mr. Y.R. Nagaraja
IndusInd Bank[2]	Sanction letter dated February 22, 2010 and agreement of hypothecation dated March 8, 2010 Total amount sanctioned: Rs. 500 million Rs 150 million for Belapur project Rs 350 million for Thane project	150.00 350.00	7.00% p.a. Rs 150 million repayable on September 12, 2011 Rs 350 million repayable on March 12, 2011	• For Rs. 150 million - exclusive charge on current assets, present and future relating to project situated at Belapur • For Rs. 350 million - exclusive charge on current assets, present and future relating to project situated at Thane

1. Under the loan documentation, our Company cannot without the prior permission of the bank in writing, effect any change in the capital structure, formulate any scheme of amalgamation, implement any scheme of amalgamation, make investments/ advances or deposit amounts with any other concern, enter into borrowing arrangements with any bank/ financial institution

or company, undertaking guarantee obligations on behalf of any other company, declare dividends for any year except out of profits relating to that year and/or change the composition of our Board.

2. Under the loan documentation, our Company shall not, without the prior written permission of the bank, sell or dispose of the any of the hypothecated goods; allow the shareholding of the Promoter Group to go below 51%; induct any persons as a director on the Board of Directors, if such person is the director or promoter of any other company which has been identified as a wilful defaulter as per the guidelines issued by RBI. The Company shall ensure that the cash flows from the projects are routed through the bank; confirm that all required governmental and regulatory approvals for the projects are in place and it shall submit to the bank progress reports and minutes of meeting reviewing the progress of the project on a quarterly basis.

B. Working Capital Loans

<table>
<tr><th>Name of the Lender</th><th>Loan Documentation</th><th>Amount outstanding as of June 30, 2010 (in Rs. millions)</th><th>Interest Rate and Repayment Schedule</th><th>Security</th></tr>
<tr><td rowspan="2">Axis Bank[1]</td><td>Sanction letter dated October 21, 2008 and December 18, 2009 and supplemental deed of hypothecation dated December 31, 2009

Total amount sanctioned: Rs. 2,500 million (including letter of credit facility of Rs. 300 million)

Cash credit: Rs. 400 million</td><td>112.77</td><td>11.00% p.a. (payable at monthly intervals)

Repayable on demand</td><td rowspan="2">Primary security:
• For the cash credit: First charge on current assets of our Company ranking pari passu with other working capital lenders (excluding those already specifically given to other banks for specific project funding)
• For the bank guarantee: Counter guarantee of our Company
• For letter of credit: Goods/ materials procured/ imported under the letter of credit

Collateral security:
• Second charge on the fixed assets of our Company (other than those specifically charged under hire purchase scheme) ranking pari passu with other working capital lenders
• Personal guarantee of Mr. Alla Ayodhya Rami Reddy
• Equitable mortgage of properties belonging to Ramky Estates and Farms Limited
• Corporate guarantee of Ramky Estates and Farms Limited</td></tr>
<tr><td>Bank Guarantee: Rs. 1,800 million

Letter of credit: Rs. 300 million</td><td>983.51*</td><td>Commission: 0.75% p.a. (for bid bond/ tender/ security deposit/ EMD guarantees)

0.90% p.a. (for all other guarantees)</td></tr>
</table>

Name of the Lender	Loan Documentation	Amount outstanding as of June 30, 2010 (in Rs. millions)	Interest Rate and Repayment Schedule	Security
State Bank of India(2)	Sanction letters dated May 19, 2007, October 13, 2008 and January 25, 2010, deed of hypothecation dated May 22, 2007 and supplemental deed of hypothecation dated February 24, 2010 Total Amount Sanctioned: Rs. 10,500 million (including Letter of credit facility of Rs. 2,000 million) Cash credit: Rs. 2,500 million	2,373.06	11.25% p.a. Repayable on demand/ renewable for every 12 months	Primary security: • For cash credit and BG: First charge on all chargeable current assets of our Company on *pari passu* basis with all other working capital lenders • For term loan: Charge on plant and machinery purchased out of bank finance (and registration of charge in case of vehicles) • For term loan: Post dated cheques for principal amount • For letters of credit: charge on the goods covered under the letter of credit Collateral security: • For cash credit, LC and BG: *Pari passu* charge on unencumbered fixed assets of our Company along with other working capital lenders • For cash credit, LC and BG: Equitable mortgage of land belonging to Ramky Estates and Farms Private Limited, Mr. M. Venugopala Reddy and Ms. A. Dakshyani Guarantees: • Personal guarantee of Mr. Alla Ayodhya Rami Reddy, Mr. Yancharla Ratnakar Nagaraja, Ms. A. Dakshyani and Mr. M. Venugopala Reddy • Corporate guarantee of Ramky Estates and Farms Limited • Cash deposit of Rs. 6.00 million
	Bank guarantee: Rs. 6,000 million Letter of credit: Rs. 2,000 million	5,764.86*	Commission: 0.70% p.a. For term loan: 30 equal monthly instalments of Rs. 1.94 million commencing November 2009	
ING Vysya Bank(3)	Sanction letters dated August 29, 2008, August 30, 2008, September 12, 2008 and January 15, 2010 general hypothecation agreement dated February 6, 2010 Total amount sanctioned: Rs. 1,450 million Cash credit/ working capital demand loan: Rs. 200 million	199.17	11.75% p.a. Repayable on demand	Primary security: • First *pari passu* charge on all current assets of our Company (other than those charged to specific project loans) along with other working capital lenders Collateral security: • First *pari passu* charge on fixed assets of our Company(other than those

Name of the Lender	Loan Documentation	Amount outstanding as of June 30, 2010 (in Rs. millions)	Interest Rate and Repayment Schedule	Security
	Lending cross limits/ bank guarantee/ letter of credit: Rs. 1,250 million	1,011.68*	Commission: 0.60% p.a.	charged to specific project loans) along with other working capital lenders • Personal guarantee of Mr. Alla Ayodhya Rami Reddy and Mr. Y.R. Nagaraja
ICICI Bank Limited	Sanction letter dated March 31, 2008, October 9, 2009 and September 30, 2009 and deed of hypothecation dated May 2, 2008 Total amount sanctioned: Rs. 2,250 million (including as sub-limits of the 2,250 million bank guarantee facility: Rs. 500 million as letter of credit, Rs. 1,000 million towards financial guarantee and Rs. 500 million as line of credit for a short term loan)	1,981.34* (only bank guarantee facility availed)	Commission: 0.60% p.a. (for performance guarantee) 1.00% p.a. (for financial guarantee) For short term loan: As stipulated at the time of disbursement Repayment either as bullet payment on maturity or in instalments as agreed upon	• First charge of the entire stock of raw materials, semi-finished and finished goods, consumable stores and spares and other movables both present and future of our Company ranking *pari passu* with other participating banks • Equitable mortgage of properties belonging to Ramky Estates and Farms Limited • Corporate guarantee of Ramky Estates and Farms Limited • Personal guarantee of Mr. Alla Ayodhya Rami Reddy and Mr. Y.R. Nagaraja
Development Credit Bank Limited[(4)]	Sanction letter dated August 13, 2008, December 19, 2009, loan agreement dated January 30, 2010 and deed of hypothecation dated January 30, 2010 Total amount sanctioned: Rs. 550 million Cash credit: Rs. 150 million (including a working capital demand loan of Rs. 80 million as a sub-limit)	146.56	11.00% p.a. Repayable on demand	Primary security: • First *pari passu* charge on all current assets of our Company (other than those specifically charged to other banks for specific projects) • Counter guarantee of our company (for bank guarantee) Collateral security: • Second *pari passu* charge (along with other banks) on fixed assets of our Company • Personal guarantee of Mr. Alla Ayodhya Rami Reddy and Mr. Y.R. Nagaraja
	Bank guarantee: Rs. 400 million (including a letter of credit facility of Rs. 200 million as a sub-limit)	352.13	Commission: 0.50% p.a.	
Yes Bank Limited[(5)]	Addendum dated July 23, 2007 to facility letter dated May 23, 2007 and hypothecation deed dated July 31, 2007 Total amount sanctioned: Rs. 400 million	74.96	7.50% p.a. Repayable on December 31, 2010	Primary security: • First *pari passu* charge (along with other working capital lenders) on all current assets of our Company Collateral security: • Second *pari passu* charge (along with other working

Name of the Lender	Loan Documentation	Amount outstanding as of June 30, 2010 (in Rs. millions)	Interest Rate and Repayment Schedule	Security
	Bank guarantee (performance): Rs. 400 million (including a financial bank guarantee of Rs. 100 million, sight letter of credit facility of Rs. 200 million, usuance letter of credit facility of Rs. 200 million and working capital demand loan of Rs. 200 million as a sub-limits)	323.07*	Commission: 0.60% p.a.	capital lenders) on fixed assets of our Company • Personal guarantee of Mr. Alla Ayodhya Rami Reddy and Mr. Y.R. Nagaraja
State Bank of Hyderabad[6]	Sanction letter dated September 4, 2008 and December 22, 2009 and supplemental deed of hypothecation dated January 25, 2010 Total amount sanctioned: Rs. 2,500 million Cash credit/ WCDL: Rs. 600 million	564.13	12.25% p.a. Repayable on demand	Primary security: • First *pari passu* charge (along with other working capital lenders)on all current assets of our Company • Counter guarantee of our Company (for bank guarantee) Collateral security: • First *pari passu* charge (along with other working capital lenders) on unencumbered fixed assets of our Company • Equitable mortgage of 10.325 acres of land situated at s.no. 61, Pedda Golconda (Raikunta)(V), Shamshabad (Mandal), R.R. district belonging to our Company, post conversion of land usage from "agricultural" to "commercial". However, pending conversion of the land usage, Company has provided a term deposit of Rs. 50 million to the State Bank of Hyderabad. • Personal guarantee of Mr. Alla Ayodhya Rami Reddy and Mr. Y.R. Nagaraja • Fixed deposits aggregating Rs. 504 million
	Bank guarantee: Rs. 1,900 million (including a sub limit of Rs. 500 million as letter of credit)	1,648.89*	Commission: 0.75% p.a.	
Standard Chartered Bank[7]	Sanction letter dated September 18, 2008 and supplemental deed of hypothecation dated July 9, 2007 Total amount sanctioned: Rs. 500 million Overdraft facility: Rs. 100 million (including a short term loan of Rs. 100 million as a sub-limit)	99.84	10.00% Repayable on demand	Primary security: • First charge on *pari passu* basis on all current assets of our Company Collateral security: • Hypothecation charge on a *pari basis* on unencumbered movable fixed assets • Personal guarantee of Mr. Alla Ayodhya Rami Reddy
	Guarantee: Rs. 400 million	227.38*	Commission: 0.75% p.a.	

Name of the Lender	Loan Documentation	Amount outstanding as of June 30, 2010 (in Rs. millions)	Interest Rate and Repayment Schedule	Security
IDBI Bank Limited	Sanction letter dated August 30, 2008, June 28, 2007, December 8, 2009 and January 19, 2010 and supplemental deed of hypothecation dated November 28, 2008 Total amount sanctioned: Rs. 2,150 million Cash credit: Rs. 250 million (including a short term loan of Rs. 250 million as a sub-limit)	250.23	8.00% p.a. Repayable on demand	Primary security: • First charge on *pari passu* basis with other working capital lenders on all chargeable current assets of our Company • Personal guarantee of Mr. Alla Ayodhya Rami Reddy and Mr. Y.R. Nagaraja
	Bank guarantee: Rs. 1,900 million	1,207.27*	Commission: 0.60%	

* *Amounts availed under non-fund based facilities.*

1. Our Company cannot during the term of the facilities, without the prior permission of the bank in writing:
    a. Conclude any fresh borrowing arrangement, secured or unsecured with any other bank or financial institution, borrower or otherwise;
    b. Create any further charge over the fixed assets;
    c. Undertake any expansion or fresh project or acquire fixed assets as long as normal capital expenditure can be incurred;
    d. Invest by way of share capital in or lend or advance to or place deposits with any other concern (this does not apply to normal trade credit or security deposit in the routine course of business or advances to employees);
    e. Formulate any scheme of amalgamation with any other borrower or reconstruction, acquire any borrower;
    f. Undertake guarantee obligations on behalf of any other borrower or third party;
    g. Declare dividend in any year except out of profits relating to that year after making due and necessary provisions;
    h. Repay any loans, deposits and other liabilities except as disclosed in the funds flow statement submitted to the bank; or
    i. Make any change in the management set-up of our Company.

2. Under the sanction letter, our Company has agreed to not, without the prior written permission of the bank, effect any change in our Company's capital structure; formulate any scheme of amalgamation or reconstruction; undertake any new project, implement any scheme of expansion or acquire fixed assets except those mentioned in the funds flow statement; invest by way of share capital or lend or advance funds to or place deposits with any other concern (this excludes normal trade or security deposits in the normal course of business or advances to employees which is permitted); enter into any borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise or accept deposits apart from arrangements mentioned in the funds flow statement; declare dividends; undertake any guarantee obligation on behalf of any other company; create any charge, lien or encumbrance over its undertakings in favour of any financial institution, bank, company or firm; sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the bank; enter into contractual obligations of a long term nature or affecting our Company financially to a significant extent; change the practice with regard to the remuneration of Directors (including scale of sitting fees); undertake any trading activity other than the sale of products arising our of its own manufacturing operations; effect any drastic changes in its management; permit any transfer of controlling interest and/or repay monies brought in by the Promoters/Directors/principal shareholders and their friends and relatives by way of deposits/ loans/ advances. The bank reserves the right to appoint a nominee on our Company's Board,

to appoint a nominee to attend any meeting of the shareholders and to convert the debt into equity at a time felt appropriate by the Bank, at a mutually accepted formula.

3. Our Company shall not during the term of the facilities, without the prior permission of the bank in writing:
   a. Change its constitution, management or shareholding pattern;
   b. Formulate any scheme of amalgamation or reconstruction;
   c. Undertake any expansion/ diversification;
   d. Raise additional loans from other banks or financial institution;
   e. Apply short term working capital funds for acquiring fixed assets and other long term uses;
   f. Pay consideration to the directors in consideration for the personal guarantees furnished;
   g. Declare dividend in any year except out of profits relating to that year after making due and necessary provisions;
   h. Permit any transfer of controlling interest or make any drastic change in the management set-up;
   i. Create any further charge over the fixed assets;
   j. Undertake any expansion or fresh project or acquire fixed assets as long as normal capital expenditure can be incurred;
   k. Invest by way of share capital in or lend or advance to or place deposits with any other concern (this does not apply to normal trade credit or security deposit in the routine course of business or advances to employees);
   l. Undertake guarantee obligations on behalf of any other borrower or third party;
   m. Repay any loans, deposits and other liabilities except as disclosed in the funds flow statement submitted to the bank; or
   n. Make any change in the management set-up of our Company.

4. Under the sanction letter, our Company shall not, without the prior approval of the bank, effect any major change in the shareholding pattern, management control, or make investments in fixed assets, in associates or group companies except as projected to the bank. Our Company shall further not, without the prior consent of the bank in writing; effect any change in the capital structure; formulate any scheme of amalgamation or reconstitution, implement any major scheme of expansion (except normal capital expenditure and capital expenditure projected in data furnished to the bank), invest by way of share capital in or lend or advance to or place deposits with any other concern (this does not apply to normal trade credit or security deposit in the routine course of business or advances to employees), enter into borrowing arrangements (including securitisation of receivables or escrow facilities) either secured or unsecured with any bank, financial institution, company or otherwise, undertake guarantee obligations on behalf of any other company, allow the Directors to alienate, transfer or dispose or dilute their shareholding, declare dividends in any year out of profits relating to that year if any financial commitments to the bank have not been duly met, withdraw funds from the business out of profits relating to that year if any financial commitments to the bank have not been duly met, repay monies brought in by the Promoters/Directors/principal shareholders and their friends and relatives by way of deposits/ loans/ share application money etc., pay interest on any unsecured loan brought in as quasi equity and/or enter into long term contractual obligations directly affecting the financial position of our Company.

5. Under the sanction letter, our Company shall not, without the prior written permission of the bank, effect any restructuring within our Company; undertake or permit any reorganization, amalgamation, reconstruction, takeover or any other schemes of compromise or arrangements or amend any provision of our constitutional documents in a manner adversely affecting the rights of the bank.

6. Under the sanction letter, our Company shall not, without the prior permission of the bank in writing, effect any change in the capital structure; formulate any scheme of amalgamation or reconstruction; undertake any new project; implement any scheme of expansion or acquire fixed assets (except as indicated in the funds flow statement); invest by way of share capital in or lend or advance funds to or place deposits with any other concern (this does not apply to

normal trade credit or security deposit in the routine course of business or advances to employees); enter into borrowing arrangements, secured or unsecured with any other bank, financial institution, company or otherwise; undertake any guarantee obligation on behalf of any other company; declare dividends (provided there have been no defaults in repayment obligations); create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons; sell, assign or mortgage or otherwise dispose of any of the fixed assets charged to the bank; enter into contractual obligations of a long term nature or affecting the company financially to a significant extent; change the practice with regard to remuneration of the directors by means of ordinary remuneration or commission or scale of sitting fees; undertake any trading activity other than the sale of products arising out of its own manufacturing operations; permit any transfer of the controlling interest or make any drastic change in the management set-up. The bank further has a right to appoint a nominee director on the board of our Company and to appoint a nominee to attend any meeting of the shareholders.

7. Our Company has agreed, covenanted and undertaken that it shall not, without the prior written notice to the bank, enter into any scheme of amalgamation, merger, compromise or reconstruction or sell, lease, transfer (or grant any option for the same) all or a substantial portion of its fixed and other assets, permit any change in the ownership or control or constitution of our Company, or make any change in the shareholding or management or majority of the Directors, not make any change to the general nature of business and not make material amendments in the Memorandum and Articles of Association and further not use all or any part of the facility for investments into capital market oriented mutual fund schemes, including equity and real estate mutual funds.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below (i) there are no outstanding litigations, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, show cause notices or legal notices pending against our Company, our Subsidiaries, Directors, Promoter and Group Companies and entities or against any other company whose outcome could have a materially adverse effect on the business, operations or financial position of our Company, and (ii) there are no defaults including non-payment or overdue of statutory dues, over-dues to banks or financial institutions, defaults against banks or financial institutions or rollover or rescheduling of loans or any other liability, defaults in dues payable to holders of any debenture, bonds and fixed deposits or arrears on cumulative preference shares issued by our Company, Promoter and Group Companies and entities, defaults in creation of full security as per the terms of issue/other liabilities, proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of our Company or our Subsidiary except as stated below, and (iii) no disciplinary action has been taken by SEBI or any stock exchange against our Company, Subsidiaries, Promoter, Group Companies and entities or Directors.

Further, (i) neither our Company nor our Promoter, Subsidiaries, members of our Promoter Group, Group Companies and entities, and Directors, have been declared as wilful defaulters by the RBI or any other governmental authority and, (ii) except as disclosed in this section, there are no violations of securities laws committed by them or penalties imposed on them thereunder in the past or pending against them, and adverse findings regarding compliance with securities laws.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus.

I. Contingent Liabilities of our Company as of March 31, 2010:

Our contingent liabilities not provided for as of **March 31, 2010** (as disclosed in our restated financial statements) include:

(Rs. in million)

Particulars	Fiscal 2010	Fiscal 2009	Fiscal 2008
(i) Commitments / contingent liabilities:			
Guarantees issued by banks	8,437.15	8,280.51	5,475.50
Guarantees issued by the Company on behalf of subsidiaries, joint ventures and group companies	4251.60	3,841.60	3,744.10
Letters of credit outstanding	954.60	561.54	708.04
(ii) Claims against the Company not acknowledged as debts in respect of:			
Sales tax / VAT matters, under dispute	189.39	107.03	85.59
Income tax matters, pending decisions on appeals made by the Company with Income Tax Appellate Tribunal relating to income tax deductions disallowed	134.42	90.00	39.22
Service tax matters, under dispute	258.11	136.24	-
Disputed claims	67.69	58.51	52.69
(iii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2.24	1.47	68.96
Total	**14,295.20**	**13,076.90**	**10,174.10**

If any of these contingent liabilities materialize, the value of our capital works in progress and profitability could be adversely affected.

II. Outstanding Litigation/ Proceedings involving our Company and Material Developments

A. Litigation Involving our Company

Criminal Cases

Nil

Indirect Tax Cases

1. The Deputy Commissioner (CT), Punjagutta issued a revision show cause notice (no. RR/138/05-06) dated February 15, 2006 following which revision proceedings commenced and an order dated July 3, 2006 was issued whereby the assessment for the year 2001 to 2002 under the Andhra Pradesh General Sales Tax Act, 1957, as per the previous assessment proceedings dated March 22, 2005, was revised and based on the revised, turnover balance tax of Rs. 1.18 million was due from our Company. Against this order our Company filed an appeal (T.A. no. 772 of 2006) dated September 3, 2006 before the Sales Tax Appellate Tribunal, Andhra Pradesh. Our Company also filed an application for grant of stay on the collection of the balance disputed tax before the Additional Commissioner (CT) Legal, Andhra Pradesh which by its order dated October 28, 2006 refused to grant such stay. Against this order our Company filed a writ petition (W.P. no. 504 of 2007) before the High Court of Andhra Pradesh. The High Court by its order dated January 5, 2007 disposed of the writ petition directing the Commercial Tax Officer and the other respondents not to take coercive steps for recovery of tax provided our Company depositing an amount of Rs. 0.35 million. Upon our Company having complied with the order of the High Court the stay on collection of the balance disputed tax i.e. Rs. 0.83 million is in operation and the appeal before the Sales Tax Appellate Tribunal is also currently pending.

2. Our Company received a notice (no. P.No. 3296/08-09 / DCCT (Audit 54) DYO-5/08-09) from the Deputy Commissioner of Commercial Taxes dated February 16, 2009 under section 12A of the Karnataka Sales Tax Act, 1957 in relation to the reopening and reassessment for the year 2004-05 wherein the total tax proposed was Rs. 7.06 million. Our Company also received a notice under section 38(1) Karnataka Valued Added Tax Act, 2003 (no. T. No. 3502/08-09 DCCT (Audit 54) DYO-5/07-08 for the year 2005-06 and a notice under section 47 (DCCT (Audit 54) DVO-5/07-08) dated March 16, 2009 in relation to excess tax to be forfeited. Our Company filed a consolidated reply dated April 13, 2009 to the notices of the Deputy Commissioner of Commercial Taxes dated March 16, 2009 (excluding the notice under Section 47 in relation to which our Company awaited clarification sought from the Commissioner of Commercial Taxes by its letter dated February 25, 2009).

   For the year 2004-05, our Company received final assessment order dated November 10, 2009 from the Department of Commercial Taxes wherein the total tax payable was assessed at Rs. 6.90 million with instructions to pay a further Rs. 0.28 million, though subsequently, an amount of Rs. 0.19 million was refunded to our Company.

   For the year 2005-06, our Company received final assessment order dated February 25, 2010 from the Deputy Commissioner of Commercial Taxes wherein the total tax payable was assessed at Rs. 0.03 million.

   In relation to the notice under Section 47, our Company received an assessment order dated October 30, 2009 from the Deputy Commissioner of Commercial Taxes for forfeiture of tax along with a notice of demand for Rs. 8.76 million, inclusive of interest. Our Company appealed against the order and the Joint Commissioner of Commercial Taxes by its order dated January 20, 2010 allowed the stay petition filed by our Company along with the appeal on the condition that our Company furnish a bank guarantee for 50% of the remaining disputed amount within two weeks. The appeal filed before the Joint Commissioner of Commercial Taxes against the forfeiture of tax order of Deputy Commissioner of Commercial Taxes has been dismissed vide order dated May 17, 2010. Consequently, our Company has paid 50% of disputed amount i.e. Rs.4.38 million on May 29, 2010. Our Company is in the process of filing an appeal before tribunal.

3. Our Company received assessment orders dated March 13, 2009 and March 26, 2009 from the Commercial Tax Officer wherein the tax demanded was Rs. 14.84 million. Our Company filed an appeal before the Appellate Deputy Commissioner (CT) against these orders disputing an amount of Rs. 7.75 million as tax on turnover and Rs. 11.60 million, i.e. an aggregate amount of Rs. 19.35 million as tax under the Andhra Pradesh Value Added Tax Act, 2005 for the assessment year 2006-07 along with an application for stay. Our application for stay was rejected by an order dated November 30, 2009 following which our Company filed a writ petition before the High Court of Andhra Pradesh. The High Court by its order dated December 18, 2009 granted stay on collection of tax on the condition that 75% of the amount assessed being deposited, which was duly complied with by our Company. The matter is currently pending before the Appellate Deputy Commissioner (CT).

4. Our Company received assessment orders dated March 12, 2009 and March 26, 2009 from the Commercial Tax Officer wherein the tax demand was Rs. 5.55 million. Our Company has filed an appeal before the Appellate Deputy Commissioner (CT) Appeals against these orders disputing an amount of Rs. 3.72 million as tax on turnover and Rs. 1.98 million as tax under the Andhra Pradesh Value Added Tax Act, 2005 for the assessment year 2005-06, along with an application for stay. Our application for stay was dismissed by an order dated November 30, 2009 following which our Company filed a writ petition before the High Court of Andhra Pradesh. The High Court by its order dated December 18, 2009 granted a stay on collection of tax on the condition that 75% of the amount assessed being deposited, which was duly complied with by our Company. The matter is currently pending before the Appellate Deputy Commissioner (CT).

5. Our Company received show cause notice no. DGCEI F. no. V/48/2006-07/BZU/3562/07 dated November 1, 2007 from the Directorate General of Central Excise Intelligence ("DGCEI") for not paying appropriate service tax on services rendered in relation to construction of commercial, industrial and residential complexes, maintenance and repair, engineering consultancy services, site formation, excavation and demolition services as well as erection and commissioning. In response to the show cause notice our Company submitted a deposition dated June 6, 2007 and submitted a written reply dated February 7, 2008. Our Company is disputing payment of an amount of Rs. 98.22 million as service tax and payment of penalties connected therewith. Our Company is currently awaiting an order in this matter. DGCEI has issued corrigendum dated April 19, 2010 to the original show cause notice, restricting the demand to only the State of Karnataka wherein the disputed amount was Rs 15.64 million.

6. Our Company received show cause notice no, DGCEI F.No.V/48/2006-07/BZU dated April 16, 2010 from the DGCEI for not paying appropriate service tax of Rs. 74.34 million on services rendered in relation to construction of commercial, industrial and residential complexes, maintenance and repair, engineering consultancy services site formation, excavation and demolition services as well as erection and commissioning in respect of all the states other than Karnataka and advised our Company to show cause to HYD II Commissionerate. Our Company is in the process of replying to the fresh show cause notice**.**

7. The Commissioner of Customs, Central Excise and Service Tax issued show cause notice no. HQ.POR.No. 19/2008-S.T. dated October 24, 2008 to Ramky-WPIL JV. Ramky-WPIL JV is an association of persons set up pursuant to a joint venture among our Company and Wellington Pumps India Limited ("**WPIL**"). The show cause was in relation to a demand of Rs. 4.02 million towards service tax, education cess and secondary and higher secondary education cess for the period June 2007 to May 2008, along with interest and penalties. The Joint Commissioner of Service Tax by its order dated March 9, 2009 confirmed the demand of Rs. 4.02 million along with penalties (including Rs. 4.02 million under section 78 of the Finance Act, 1994) and interest. The appeal filed by Ramky-WPIL JV against this order before the Commissioner of Customs, Central Excise and Service Tax (Appeals-II) was dismissed by an order dated July 29, 2009. Ramky-WPIL JV appealed this order before the

Customs, Excise and Service Tax Appellate Tribunal, Bangalore. The appearance has been made however the order is currently awaited.

8. The Commissioner of Customs, Central Excise and Service Tax issued show cause notice no. HQ.POR.no. 100/2009-ST dated August 19, 2009 to Ramky-WPIL JV. The show cause notice was in relation to a demand of Rs. 1.81 million towards service tax, education cess and secondary and higher secondary education cess for the period June 2008 to March 2009, along with interest and penalties under Sections 76 and 77 of the Finance Act, 1994. The Additional Commissioner of Service Tax by its order dated October 30, 2009 confirmed the demand of Rs. 1.81 million along with interest and the penalties. The appeal filed by Ramky-WPIL JV against this order was dismissed by the Commissioner of Customs, Central Excise and Service Tax (Appeals-II) by its order dated March 15, 2010. Our Company has filed an appeal before the CESTAT on June 16, 2010.

9. The Commissioner of Customs, Central Excise and Service Tax, Hyderabad by its order (no. 14/2009-ST) dated February 17, 2009 confirmed the demand of Rs. 27.91 million as service tax and education cess on taxable services along with interest and penalties (Rs. 28 million under section 78 of the Finance Act, 1994) as per the show cause notice issued to Ramky-VSM JV. Ramky-VSM JV is an association of persons and a joint venture among our Company and Mr. V. Satyamurthy. Against this order Ramky-VSM JV filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal, Bangalore along with an application for stay, which allowed the granted waiver from pre-deposit and granted stay by an order dated December 29, 2009. The matter is currently pending.

10. The Commissioner of Customs, Central Excise and Service Tax, Hyderabad issued a show cause notice (no.HQ.POR no. 102/2009-ST) dated August 25, 2009 to Ramky-VSM JV. The show cause was in relation to a demand of Rs. 25.80 million towards service tax, education cess and secondary and higher secondary education cess for the period June 2008 to March 2009, as well as applicable interest and penalties under Sections 76 and 77 of the Finance Act. Our Company filed a reply to the show cause notice. The Commissioner of Service Tax, Hyderabad-II Commissionerate has dismissed the appeal on March 29, 2010. Our Company is in the process of filing an appeal before CESTAT.

11. Our Company received an assessment order, a notice of interest and penalty dated July 10, 2009 from the Commercial Tax Officer, Hyderabad, in relation to assessment year 2007-08 whereby an additional amount of Rs. 4.50 million was held to be due along with interest of Rs. 0.76 million and a penalty of Rs. 1.13 million. Against this order our Company filed an appeal before the Appellate Deputy Commissioner (CT), Hyderabad along with an application for stay dated August 13, 2009 disputing the payments under the Andhra Pradesh Value Added Tax Act, 2005. The Appellate Deputy Commissioner (CT) by its order dated November 30, 2009 rejected our application for stay following which our Company filed a writ petition before the High Court of Andhra Pradesh on December 4, 2009. The High Court by its order dated December 18, 2009 granted a stay on collection of tax on the condition that 75% of the amount assessed being deposited, which was duly complied with by our Company. The matter is currently pending before the Appellate Deputy Commissioner (CT).

12. Our Company filed an appeal before the Sales Tax Appellate Tribunal, Hyderabad against the revision assessment order of the Deputy Commissioner, Commercial Taxes, Hyderabad dated August 7, 2008 whereby Rs. 9.07 million was held to be due (over and above Rs. 6.47 million as per the previous assessment by the Commercial Tax Officer) for the assessment year 2002-03.

13. Our Company received an assessment order along with a demand (no. 22 of 2007-08) dated January 7, 2008 from the Excise and Taxation Department, Punjab for the assessment year 2006-07 for a total tax demand of Rs. 1.02 million (inclusive of penalties). Against this order our Company filed an appeal dated January 26, 2008 before the Deputy Excise and Taxation Commissioner (Appeals), Patiala which by its order dated October 17, 2008 set aside the order dated January 7, 2008 and remanded the matter back to the Designated Officer of the Excise and Taxation Department, Punjab for fresh consideration. Accordingly, the revised assessment order is currently awaited.

14. Our Company received two notifications/demands for penalty along with a demand for penal interest from the Commercial Tax Officer, Andhra Pradesh all dated January 20, 2010 in relation to which our Company is disputing payments of Rs. 1.39 million, Rs. 3.71 million as penalty and Rs. 6.68 million as penal interest for under-declared tax in the years 2005-06 and 2006-07 under the Andhra Pradesh Value Added Tax Act, 2005 as per its appeal filed before the Appellate Deputy Commissioner, Panjagutta. Our Company also filed a petition for stay along with the appeal, which petition was rejected by the Appellate Deputy Commissioner, Panjagutta by its order dated March 3, 2010. Following which our Company filed a writ petition (no. 5827 of 2010) before the High Court of Andhra Pradesh, which by its order dated March 15, 2010 allowed the same and set aside the impugned order with a grant of interim stay on collection of disputed penalties and interest pending disposal of the appeal. The matter is currently pending before the Appellate Deputy Commissioner, Panjagutta.

15. Our Company received a notification/demand for penalty along with a demand for penal interest from the Commercial Tax Officer, Andhra Pradesh dated January 20, 2010 as per which our Company is liable to pay Rs. 1.13 million as penalty and Rs. 0.76 million as penal interest for under-declared tax in the year 2007-08 under the Andhra Pradesh Value Added Tax Act, 2005. Our Company's appeal is currently pending before the Appellate Deputy Commissioner, Panjagutta.

16. Our Company received a show cause cum demand notice (C. No. V(15)311/Adjn./ST/D-III/KOI/09-10) from the Commissioner of Service Tax, Kolkata dated October 15, 2009 for a demand of Rs. 71.30 million as service tax and education cess along with applicable penalties under Sections 78 and 77 of the Finance Act, 1994 and penal interest in accordance with Section 75 of the Finance Act, 1994 in relation to the failure to obtain registration under works contract service for services provided during the period April 1, 2007 to September 30, 2008 and for wrongfully availing abatement during the said period. Our Company's appeal was dismissed by the Commissioner of Service Tax by an order dated March 2, 2010 and our Company has filed an appeal before CESTAT on June 1, 2010.

17. Our Company received a show cause notice (no. 78 of 2009-ST) from the Commissioner of Customs and Central Excise, Hyderabad dated July 14, 2009 for a demand of Rs. 3.39 million as service tax along with interest and penalties under Sections 76 and 78 of the Finance Act, 1994 in relation to services performed during the period April 2007 to March 2008. Our Company has filed its reply and the matter is currently pending.

18. Our Company had filed a claim dated November 23, 2009 for refund of service tax amounting to Rs. 44.83 million for the periods March 2008 to April 2008 and May 2008 to January 2009 which was rejected by an order of the Assistant Commissioner of Service Tax, Jaipur dated October 7, 2009. Against this order our Company has filed an appeal dated November 30, 2009 which is currently pending.

19. Our Company had filed three claims, dated May 4, 2009 and March 9, 2009 for refund of service tax amounting to an aggregate of Rs. 16.61 million for the years 2007-08 and 2008-09 of which the Deputy Commissioner of Service Tax, Ahmedabad by orders dated February 26, 2010 and April 30, 2010 rejected the claim towards an aggregate amount of Rs. 6.21 million. Our Company has filed three appeals before the Commissioner of Central Excise (Appeal) all dated May 24, 2010.

20. Following a search operation on September 22, 2009 at our premises situated at 6-3-1089, Gulmohar Avenue, Ramky House, Rajbhavan Road, Somajiguda, Hyderabad 500 082 conducted by the Assistant Commissioner of Service Tax, Anti Evasion, Hyderabad II Commissionerate, our Company paid an amount of Rs. 8.00 million under protest towards service tax. Our Company has not received a show cause notice in relation to the same.

21. Our Company received a demand for penal interest amounting to Rs. 19.06 million dated November 3, 2009 from the Commercial Tax Officer in relation to works executed during the assessment years 2005-06, 2006-07 and 2007-08 in relation to the pharma city project. Our Company filed an appeal against the demand along with a petition for stay before the

Appellate Deputy Commissioner (CT), Hyderabad, which rejected the petition for stay by an order dated December 8, 2009. Our Company filed a writ petition (no. 177 of 2010) before the High Court of Andhra Pradesh, which by its order dated January 12, 2010 granted a stay on collection of Rs. 19.06 million as penal interest. Accordingly, the appeal against the demand is currently pending before the Appellate Deputy Commissioner (CT), Hyderabad.

22. Following a service tax audit for the period August 2007 to August 2008, the final audit report of the Commissioner of Central Excise and Customs, Visakhapatnam dated December 5, 2008 noted short payment service tax under construction services amounting to Rs. 37.48 million for the period 2004 to 2006, non-payment of service tax amounting to Rs. 1.99 million under GTA services for the period 2005 to 2008 and irregular availment of Cenvat credit on input services of Rs. 0.88 million. However, no demand has been received following the audit.

23. Our Company received an assessment order under Section 46 of the West Bengal Value Added Tax Act, 2003 dated September 29, 2008 from the Sales Tax Officer, Ballygunj wherein the total tax due was assessed at Rs. 8.26 million (inclusive of penalty for late filing of returns). Our Company has filed an appeal against the assessment order before the Additional Commissioner dated February 20, 2009 which is currently pending.

24. Our Company received an assessment order under Section 46 of the West Bengal Value Added Tax Act, 2003 dated June 30, 2009 from the Sales Tax Officer, Ballygunj wherein the total tax due was assessed at Rs. 25.08 million (inclusive of penalty for late filing of returns). Our Company has filed an appeal against the assessment order before the Additional Commissioner dated November 25, 2009 which is currently pending.

25. Our Company has received a show cause notice dated April 19, 2010 from the Commissioner of Central Excise & Customs Visakhapatnam –II, Commissionerate proposing to levy service tax of Rs.234.50 million together with penalty and interest on account of services rendered to RPCIL for the Jawaharlal Nehru pharma city project from the year 2005-2006. Our Company is in the process of replying to show cause notice.

26. Our Company has received a demand notice dated June 17, 2010 from CTO, Somajiguda, Hyderabad levying a penalty of Rs. 5.54 million and interest of Rs. 2.24 million (by way of a further demand notice dated June 16, 2010) against the demand as per assessment order for the year 2008-09. Our Company is in the process of filing appeal before ADC.

27. Our Company has received an assessment order dated February 24, 2010 from the Commercial Tax Officer, Somajiguda under the APVAT Act and CST Act for payment of Rs. 22.2 million as tax due for the year 2008-2009. The Company has already made a payment of the undisputed amount of Rs. 12.70 million on March 28, 2010. Our Company has filed an appeal before ADC, Punjagutta against the assessment order disputing as amount of Rs. 9.37 million. The matter is currently pending.

Income Tax Cases

1. Our Company received a notice of demand and assessment order (ITNS 65) dated March 31, 2006 for the assessment year 2003-04 whereby the Deputy Commissioner of Income Tax disallowed a deduction of Rs. 34.34 million under section 80IA of the IT Act and accordingly the amount under consideration in this matter is Rs. 12.62 million. Against this order and notice of demand our Company filed an appeal before the Income Tax Appellate Tribunal dated April 9, 2009. The matter is currently pending and the next date of hearing will be intimated in due course.

2. Our Company received a notice of demand and assessment order (ITNS 65) dated December 20, 2006 for the assessment year 2004-05 whereby the Deputy Commissioner of Income Tax disallowed a deduction of Rs. 29.37 million under section 80IA of the IT Act and accordingly the amount under consideration in this matter is Rs. 10.54 million. Against this order and notice of demand our Company filed an appeal before the Income Tax Appellate Tribunal

dated April 9, 2009. The matter is currently pending and the next date of hearing will be intimated in due course.

3. Our Company received an assessment order (ITNS 65) dated November 22, 2007 for the assessment year 2005-06 whereby the Assistant Commissioner of Income Tax disallowed a deduction of Rs. 43.90 million under section 80IA and 80IB of the IT Act and also received a notice of demand for a sum of Rs. 18.92 million. Against this order and notice of demand our Company filed an appeal before the Income Tax Appellate Tribunal dated April 9, 2009. The matter is currently pending and the next date of hearing will be intimated in due course.

4. Our Company received an assessment order (ITNS 65) dated October 30, 2008 (as modified by the order of the Deputy Commissioner of Income Tax dated December 08, 2008) for the assessment year 2006-07 whereby the Additional Commissioner of Income Tax disallowed a deduction of Rs. 150.85 million under section 80IA (4) of the IT Act and also received a notice of demand for a sum of Rs. 57.37 million. Against this order and notice of demand our Company filed an appeal before the Income Tax Appellate Tribunal dated April 09, 2009. The matter is currently pending and the next date of hearing will be intimated in due course.

5. Our Company received a notice of demand and assessment order (ITNS 65) dated October 26, 2009 for the assessment year 2007-08 whereby the Additional Commissioner of Income Tax disallowed a deduction of Rs. 131.99 million under section 80IA(4) of the IT Act and also received a notice of demand for a sum of Rs. 58.54 million. Against this order and notice of demand our Company filed an appeal before the Commissioner of Income Tax (Appeals) dated November 5, 2009. The matter is currently pending and the next date of hearing will be intimated in due course.

Civil Suits/ Arbitration Matters

1. South Eastern Coalfields Limited filed an application under Section 34 of the Arbitration and Conciliation Act, 1996 (M.J.C. no. 14 of 2007) dated January 30, 2007 before the District Judge, Bilaspur for setting aside arbitral award dated December 16, 2006 whereby our Company was awarded a sum of Rs. 4.74 million for additional work done by the applicant in relation to the design, drawing, supply, engineering, construction, erection and commissioning of a sewerage and sewerage treatment plant for the Gevra-Dipka Project township and colonies including development of the sewerage and sewerage treatment at Urja Nagar Colony. The matter is currently pending and has been reserved for orders. The next date will be intimated in due course.

2. South Eastern Coalfields Limited filed an application under Section 34 of the Arbitration and Conciliation Act, 1996 (no. M.J.C. no. 101 of 2002) before the District Judge, Bilaspur for setting aside arbitral award dated May 3, 2002 whereby our Company was awarded payment for additional work done, payment of interest for delayed payment for additional work executed and interest on the withheld amount of Rs. 1.50 million in relation to Agreement no. SECL/BSP/CE(C)/WB/Agmt/17 for design, drawing, supply, engineering, construction, erection and commissioning of sewerage and sewerage treatment plant for the Bisrampur Project colonies/townships on a turnkey basis. The court by its order dated February 28, 2006 allowed the application and set aside the said award directing that the matter be heard afresh by the arbitrator. Against this order of the court, our Company has filed an appeal (no. 02 of 2006) before the High Court of Bilaspur, Chhattisgarh dated June 12, 2006. The appeal is currently pending and the next date will be intimated in due course.

3. K.K. Enterprises filed a suit (O.S. no. 26420 of 2008) against our Company before the City Civil Judge, Bangalore for recovery of a sum of Rs. 0.47 million along with interest as amounts due for work done for our Company as per work order dated November 1, 2004. K.K. Enterprises has also filed an application for attachment of property (including movable property) situated at No. 2950, Mahakavi Kuvempu Road, 2nd Stage, Rajajinagar, Bangalore. The matter is currently pending and the next date of hearing will be intimated in due course.

4. Road & Roof Construction ("**RRC**") filed an arbitration petition (ARBP no. 22 of 2009) dated May 12, 2009 before the High Court of Orissa, Cuttack for appointment of an arbitrator in the matter between RRC and our Company. Our Company had been appointed as a sub-contractor by RRC as per an agreement dated May 25, 2000 in relation to which disputes arose as to the payments to be made for the work. RRC has alleged in the arbitration petition that it proceeded to invoke the arbitration clause and contacted the person named as arbitrator. Upon not receiving any response from the designated arbitrator, RRC has moved the present petition for appointment of an arbitrator. The matter is currently pending and the next date of hearing will be intimated in due course.

5. Daya Concrete Products filed a suit (C.S. O.S. no. 1553 of 2009) dated July 28, 2009 against our Company before the High Court of Delhi, New Delhi for recover of Rs. 12.04 million along with interest in relation to a purchase order for certain materials dated September 7, 2008. Daya Concrete Products has also filed an application for stay restraining our Company from placing orders in favour of any other party and for directions to consume the materials manufactured and release payment for material utilized. The matter is currently pending and the next date of hearing is scheduled to be on January 12, 2011.

6. M.R. Concrete Piles Private Limited ("**M.R. Concrete**") has filed a money suit (no. 183 of 2009) in December 2009 before the Civil Judge (Senior Division), Sealdah against our Company for recovery of an amount of Rs. 1.27 million. The disputed amount arises from a work order issued by our Company to M.R. Concrete for works at Daspara, Thakurpukur, Kolkata. M.R. Concrete has alleged that our Company failed to pay outstanding dues against bills raised.

7. Mr. S. Lakshman filed an application (I.D. no. 39 of 2007) dated June 22, 2007 under Section 2A (2) of the Industrial Disputes Act, 1947 against our Company before the Additional Industrial Tribunal cum Additional Labour Court, Hyderabad for setting aside the removal order dated June 1, 2005 seeking reinstatement in our Company with continuity of service and full back wages.

   Mr. S. Lakshman had previously also filed I.D. no. 127 of 1999 before the Additional Industrial Tribunal-cum- Additional Labour Court, which was disposed off on November 3, 2003 with issue of directions to our Company to reinstate Mr. Lakshman with 50% back wages. Against this order our Company had filed a writ petition (W.P. no. 646 of 2004) dated January 2, 2004 before the High Court of Andhra Pradesh. In compliance with the orders of the High Court dated January 9, 2004 and July 23, 2007 our Company deposited 50% of back-wages which Mr. S. Lakshman was allowed to withdraw. Subsequently, our Company also issued an order for reinstatement of his services however the writ petition is still pending.

   In the application Mr. S. Lakshman has also alleged that his services were terminated during the pendency of proceedings before the High Court of Andhra Pradesh in W.P. no. 646 of 2004. The court by its award dated April 29, 2009 directed our Company to reinstate Mr. S. Lakshman with 50% back wage, which order was published on August 25, 2009 and was to come into operation on September 25, 2009. Against this order our Company has filed a petition (W.P. no. 23050 of 2009) before the High Court of Andhra Pradesh, Hyderabad seeking issuance of a writ in the nature of *certiorari*.

8. A Writ Petition (Public Interest Litigation No.7 / 2010) has been filed by Mr. Ajiz Ahmed Ghulam Rasul (the Deputy Mayor) and other Corporators of Akola Municipal Corporation, Akola, before the Hon'ble High Court of Bombay, Nagpur Bench, challenging the award of the contract (Underground Sewerage Works) in favour of our Company and also have prayed before the Hon'ble Court not to disburse the mobilization advance fund. This matter will be listed in due course of time for hearing.

9. A Writ Petition (Public Interest Litigation No. 8251 / 2010) has filed by Mr. Chetan Sharma before the Hon'ble High Court of Punjab & Haryana at Chandigarh against the State of Haryana, Haryana State Industrial & Infrastructure Development Corporation Ltd. (HSIIDC), and our Company, challenging the acts of omission and commission of HSIIDC in relation to the provisions of request for qualification, while considering the application / bid of our

Company for development of infrastructure at industrial model township at Faridabad. The petitioner has prayed before the Hon'ble Court to quash the tender process and to direct enquiry into the acts of HSIIDC. The matter is currently pending and the next date of hearing is scheduled on October 14, 2010.

Cases filed by our Company

1. Our Company has filed a writ petition (no. 8693 of 2008) dated April 18, 2008 before the High Court of Andhra Pradesh against the Union of India and challenging the validity of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the rules made thereunder and have also prayed for issue of directions to the respondents i.e. the Union of India, the Government of Andhra Pradesh and others not to give effect to the provisions of the said Acts and not to take punitive action pursuant to the same pending disposal of the writ. The High Court by its order dated May 2, 2008 granted a stay on prosecution on our Company until disposal of the writ petition. The matter is currently pending and has been posted for final hearing. The next date of hearing will be intimated in due course.

2. Our Company filed a civil suit (O.S. no. 5497 of 2007) against the National Textile Corporation and others for a refund of the earnest money deposited pursuant to a bid for a tender. The tender was invited for purchase of certain land that our Company later found to not to be as per the description in the tender documents. Our Company is claiming a sum of Rs. 2.38 million along with interest.

3. Our Company has filed a writ petition (no. 25908 of 2008) before the High Court of Andhra Pradesh against the Government of Andhra Pradesh, the Irrigation & Command Area Development Department and another challenging the forfeiture of the EMD amount of Rs. 5.00 million and for issue of a writ of *mandamus* or other appropriate writ or direction. Our Company submitted the EMD amount as part of the bid process for Package no. 4 in relation to the formation of flood banks on the Vamsadhara River left margin in Srikakulam district. Subsequently disputes arose as to the whether the bid was accepted after expiry of the validity period and whether our Company had failed to enter into an agreement pursuant to the tender following which the EMD was forfeited and hence the present writ petition. The High Court by its interim order dated November 27, 2008 directed the Government of Andhra Pradesh to consider our Company's representation dated October 22, 2008 for refund of the forfeited Rs. 5.00 million. Subsequent to which, the Government of Andhra Pradesh by its order (G.O. Rt. no. 766) dated October 6, 2009 permitted the Chief Engineer, Flood Banks, Dowlaiswaram to refund the forfeited EMD to our Company. However, as our Company has not yet received any amounts the writ petition is currently pending.

4. Our Company has filed a statement of claim dated November 4, 2009 before the Arbitration Tribunal at Hyderabad. Our Company was awarded a contract for construction of forest headquarters in Aranya Bhavan. Hyderabad by the Andhra Pradesh Industrial Infrastructure Corporation Limited as per contract agreement dated February 23, 2005. During the course of performance of the contract disputes arose as to payments and the delay in completion of the project by about 18 months allegedly on account of failure to approve drawings etc. by the Andhra Pradesh Industrial Infrastructure Corporation Limited. Accordingly, our Company invoked the arbitration clause of the contract agreement following which the arbitration tribunal was constituted. Our Company is seeking Rs. 165.58 million with interest as payment for extra/supplementary works, excess deduction of tax, refund of retention money and performance bank guarantee and for idle labour, plant and machinery etc.

   The Andhra Pradesh Industrial Infrastructure Corporation Limited has filed a counter claim dated February 6, 2010 and the matter is posted for November 13, 2010 for presentation of evidence by the respondents.

5. Our Company filed a complaint (no. C.C. 681 / 2009) dated September 19, 2009 under Section 138 of the Negotiable Instruments Act, 1881 before the Additional Chief Metropolitan

Magistrate Court, Secunderabad against Mr. Bhagwanbhai Gojiabhai Tandel, Daman for recovery of an amount of Rs. 200,000 against a bounced cheque.

6. Our Company has filed a claim before the arbitration tribunal at Chennai in relation to payment of certain outstanding amount. Our Company was awarded the work to "Construct and Maintain service Ducts on IT Corridor and to improve and maintain ECR Link Road" by the IT Expressway Limited . Our Company has sought for payment of a sum of Rs. 103,539,844 being the amount withheld by the IT Expressway Limited in respect of the invoices submitted by our Company and certain other charges. The matter will coming up for hearing on November 29, 2010.

B. Proceedings Initiated/ Pending against our Company for Economic Offences

There are no proceedings initiated against our Company for any economic offences.

C. Details of Past Penalties Imposed on our Company

Our Company had filed an application dated December 23, 2009 with the RBI, seeking the compounding of contraventions of FEMA on account of foreign investment in the Company by SAPE, which brought SAPE's investment in the Company to 8.43% of the present total paid up share capital of the Company. RBI by its order dated June 1, 2010 has compounded the contravention on payment of Rs. 300,000 by our Company to RBI.

D. Potential Litigation/ Notices Received

1. Our Company has received two notices dated August 27, 2008 and October 21, 2008 from the Registrar of Companies Andhra Pradesh, Ministry of Corporate Affairs, Government of India to provide information and/or explanations as to certain non-compliances of the Companies Act and to file a reply within seven days of the notice. Our Company duly filed its reply on October 27, 2008 providing the requisite information and clarifying the status of compliance with the Companies Act. No further communication has been received from the Registrar of Companies in this regard.

E. Material Developments since the Last Balance Sheet Date

Except as disclosed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 156, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of our total assets or ability to pay our material liabilities within the next 12 months.

F. Outstanding Dues to Small Scale Undertakings or Any Other Creditors

As per notes to accounts of the stand alone financials our Company as at March 31, 2010, the Company has not been in possession of information regarding dues to small scale industries and hence the information in relation to the same has not been incorporated. The management is of the opinion that there are no such dues.

G. Cases Against other Companies whose Outcome could have an Effect on our Company.

Nil

III. Outstanding Litigation/ Proceedings involving the Subsidiaries

A. Litigation Involving our Subsidiaries

*MDDA-Ramky IS Bus Terminal Limited (“**MDDA**”)*

1. M2K Entertainment Private Limited (“**MEPL**”) filed a suit (O.S. no. 207 of 2008) dated April 3, 2008 against MDDA before the Civil Judge, Senior Division, Dehradun. MEPL is asking for a permanent injunction against MDDA restraining them from entering into a new contract with third parties in violation of the Memorandum of Understanding (“**MoU**”) that had been entered into between MEPL and MDDA for the running of the Multiplex Cinema Theatre, Dehradun. According to the MoU, possession of the theatre was to be transferred to MEPL and a definitive Agreement regarding the same was supposed to be executed. However, no such Agreement was in fact executed and because the amount agreed upon in the MoU was no longer viable for MDDA, the latter initiated proceedings for awarding the contract to third parties. The matter is currently pending and the next date of hearing is scheduled on October 27, 2010.

2. Mr. Dheeraj filed a suit (O.S. no. 352 of 2009) dated May 15, 2009 against MDDA before the Civil Judge (Junior Division), Dehradun. Mr. Dheeraj has sought a permanent injunction against MDDA restraining it from firstly terminating the agreement whereby MDDA had allotted a shop to him and secondly from evicting him from the said premises in dispute. He also sought interim relief restraining MDDA from evicting him from the premises which the court granted by its order dated May 28, 2009 until disposal of the matter. The parties have filed the consent terms with the court and await for the final order.

3. Mr. V.P. Mahawar filed a suit (O.S. no. 474 of 2005) on August 2, 2005 against MDDA before the Additional Civil Judge (Junior Division), Dehradun. Mr. Mahavar had been allotted a shop under the name M/s Empire Travels and has now sought a permanent injunction against MDDA restraining it from evicting him from the said premises. The matter has been pending since 2005 for disposal of objections filed by MDDA. The matter is currently pending.

4. Bose Advertising filed a suit (O.S. no. 326 of 2009) dated April 28, 2009 against MDDA before the Civil Judge (Junior Division), Dehradun. Bose Advertising had been allotted parking and dormitory premises by MDDA following which disputes arose in relation to payment of rent and other conditions. Following which Bose Advertising filed the present suit seeking permanent injunction restraining MDDA from evicting it from the said premises. The court by its order dated April 28, 2009 granted an ad-interim injunction against MDDA restraining it from evicting Bose Advertising until disposal of the suit. The matter is currently pending and the next date of hearing is scheduled to be on September 15, 2010.

5. Ad Craft (formerly Bose Advertising Co.) filed a petition (no. 2 of 2009) under Section 9 of the Arbitration and Conciliation Act, 1996 on May 12, 2009 before the District Judge, Dehradun seeking interim relief of injunction against eviction pending appointment of an arbitrator as provided for as per the memorandum of understanding dated November 1, 2007 entered into amongst Bose Advertising Co. and MDDA whereby Bose Advertising Co. been had granted certain advertisement rights. The court by its order dated May 15, 2009 allowed the application by Ad Craft for injunction and passed on order restraining MDDA from interfering with Ad Craft’s advertising business provided Ad Craft deposit a sum of Rs. 0.20 million. The matter is currently pending and the next date of hearing is scheduled to be on September 21, 2010.

6. Mr. Ramdayal Yadav filed a petition (no. 63 of 2009) under Section 9 of the Arbitration and Conciliation Act, 1996 on July 2, 2009 before the District Judge, Dehradun seeking interim relief of injunction against eviction pending appointment of an arbitrator as provided for as per the memorandum of understanding dated May 12, 2004 entered into amongst Mr. Ramdayal and MDDA in relation to allotment of a shop. The dispute relates to payment of rent in respect of the shop. The matter is currently pending.

Ramky Engineering & Consulting Services FZC

Nil

Gwalior Bypass Project Limited

Nil

Ramky Elsamex Hyderabad Ring Road Limited

Nil

Ramky Towers Limited

Nil

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

1. Mr. A. Tata Rao and others filed a writ petition (W.P. no. 12633 of 2008) dated May 26, 2008 against Government of Andhra Pradesh, Ramky Pharma City and others before the High Court of Andhra Pradesh challenging the transfer of lands by Andhra Pradesh Industrial Infrastructure Limited ("**APIIC**") in favour of Ramky Pharma City. The lands were originally owned by Mr. A. Tata Rao and others and had been acquired by Government of Andhra Pradesh ("**GoAP**") for the purpose of using the same for Visakhapatnam Steel Plant which later surrendered the land back to GoAP. GoAP transferred the lands to APIIC that in turn alienated the same to Ramky Pharma City. The alienation to Ramky Pharma City is being challenged by Mr. A. Tata Rao and others on the ground that APIIC's representation seeking allotment of said lands to them is still pending before the GoAP. The High Court of Andhra Pradesh has stayed all further proceedings for dispossessing Mr. A. Tata Rao and others from the lands. Ramky Pharma City filed an application for vacating the stay petition during October, 2008. The matter is currently pending and the next date of hearing will be intimated in due course.

2. KRS Pharmaceuticals Limited ("**KRSPL**") filed a writ petition (W.P. no. 24605 of 2009) dated November 13, 2009 against Andhra Pradesh Industrial Infrastructure Limited ("**APIIC**") and Ramky Pharma City challenging the validity of the notice for resumption of land by APIIC. APIIC had allotted Acres 7.50 Cents of land in Jawaharlal Nehru Pharma City, Parwada, Vishakhapatnam to KRSPL for the purpose of establishing a bulk drug manufacturing unit vide Agreements of Sale and Development dated November 30, 2007. KRSPL failed to comply with the Agreement of Sale following which APIIC issued the impugned notice for resumption of land. On November 16, 2009, the High Court of Andhra Pradesh granted interim stay on resumption of land by APIIC. The matter is currently pending and the next date of hearing will be intimated in due course.

3. Ramky Pharma City filed a writ petition (W.P. no. 13835 of 2009) dated July 10, 2009 against the Chief Controlling Revenue Authority ("**CCRA**") and others before the High Court of Andhra Pradesh, Hyderabad. Ramky Pharma City is challenging the order of CCRA, Hyderabad dated May 20, 2009 dismissing the appeal filed by Ramky Pharma City against the demand of the District Collector and Registrar, Anakapalli that Ramky Pharma City pay stamp duty and registration fee totalling Rs. 2.89 million on purchase of Acres 29.615 cents of land situated in Duvada from Andhra Pradesh Industrial Infrastructure Limited on the ground that the document in dispute is only an agreement for sale and there is no requirement to pay stamp duty or registration fee on the same. On July 13, 2009, the High Court of Andhra Pradesh granted interim stay on collection of the disputed stamp duty and registration fee. The matter is currently pending and the next date of hearing will be intimated in due course of time.

4. SMS Pharmaceuticals Limited has filed a Writ Petition No. 9381 / 2010 before the Hon'ble High Court of Andhra Pradesh against Andhra Pradesh Industrial Infrastructure Corporation (APIIC) and 2 others challenging the cancellation of allotment of land, Plot No. 46 and re-allotment of the same land in favour of M/s Tridox and Ramky Pharma City. SMS Pharmaceuticals Ltd had failed to pay the entire land cost and development charges to the APIIC and Ramky Pharma City within a stipulated period as agreed by SMS. APIIC cancelled the allotment to an extent of acres19.07 cents. The matter will be listed for hearing in due course of time.

5. Ramky Pharma City has received a show cause notice from Assistant Registrar of Companies, Hyderabad bearing reference no. RAP/AROC(SR)/Co No 42855/Sec. 77/2010/1119 in June 2010. The show cause notice alleges that Ramky Pharma City has extended financial assistance to its shareholders for purchase of its own equity shares, which is in violation of Section 77(2) of the Companies Act. The Assistant Registrar of Companies has asked the company to explain why any penal action should not be initiated for violation of the said provision of the Companies Act. Ramky Pharma City in its reply to the notice vide letter dated August 16, 2010 has stated that while filling the Form 22B, it has erroneously put the name of Ramky Pharma City instead of our Company, under the impression that Form 22B requires the company name. Ramky Pharma City has also asked for grant of opportunity to rectify the inadvertent mistake.

Ramky Food Park (Chhattisgarh) Limited

Nil

Ramky Herbal and Medicinal Park (Chhattisgarh) Limited

Nil

Naya Raipur Gems and Jewellery SEZ Limited

Nil

Ramky Enclave Limited

Nil

Ramky-MIDC Agro Processing Park Limited

Nil

B. Proceedings Initiated against the Subsidiaries for Economic Offences

There are no proceedings initiated against the Subsidiaries for any economic offences.

C. Details of Past Penalties Imposed on the Subsidiaries

There are no past penalties imposed on the Subsidiaries.

IV. Outstanding Litigation/Proceedings involving the Directors of our Company

A. Litigation Involving our Directors

Except as disclosed below, there is no outstanding litigation involving the Directors, there are no violations of statutory regulations or suits or criminal prosecutions or civil proceedings involving the Directors, there are no material defaults, non-payment of statutory dues, over dues to banks/financial institutions or defaults against banks/financial institutions by the Directors (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of part 1 of Schedule XIII of the Companies Act) and no disciplinary action has been taken by the SEBI or the stock exchanges against the Directors.

Mr. Alla Ayodhya Rami Reddy

Nil

Mr. Yancharla Ratnakar Nagaraja

Nil

Mr. Rajiv Maliwal

Nil

Dr. Archana Niranjan Hingorani

Nil

Mr. Kamlesh Shivji Vikamsey

Nil

Mr. V. Murahari Reddy

Nil

Dr. P.G. Sastry

Nil

Mr. P.V. Narasimham

Nil

B. Proceedings Initiated against the Directors for Economic Offences

There are no proceedings initiated against any of the Directors for any economic offences.

C. Details of Past Penalties Imposed on the Directors

There are no past penalties imposed on any of the Directors.

V. Outstanding Litigation/Proceedings involving the Promoters of our Company

A. Litigation Involving our Promoters

There is no outstanding litigation involving our Promoters, there are no violations of statutory regulations or suits or criminal prosecutions or civil proceedings involving our Promoters, there are no material defaults, non-payment of statutory dues, over dues to banks/financial institutions or defaults against banks/financial institutions by our Promoters (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of part 1 of Schedule XIII of the Companies Act) and no disciplinary action has been taken by the SEBI or the stock exchanges against our Promoters.

B. Proceedings initiated against the Promoters for economic offences

There are no proceedings initiated our Promoters for any economic offences.

C. Details of past penalties imposed on the Promoters

There are no past penalties which were imposed on our Promoters.

D. Litigation/Defaults in respect of Companies/Firms/Ventures with which the Promoters were Associated in the Past

There is no outstanding litigation/defaults in respect of companies/firms/ventures with which our Promoters were associated with in the past.

VI. Outstanding Litigation/Proceedings involving our Group Companies

A. Litigation involving our Group Companies:

Ramky Enviro Engineers Limited

1. Mahanagarpalika Karmachari Sangh Kolhapur ("**MKSK**") filed a suit (Regular Case no. 63 of 2007) dated January 24, 2008 against Mahanagarpalika, Ramky Enviro Engineers Limited ("**REEL**") and others before the Senior Civil Judge, Kolhapur seeking permanent injunction against REEL. MKSK had awarded the work of 'Door to Door Collection and Transportation of Municipal Solid Waste in Kolhapur City' to REEL but is now seeking permanent injunction against REEL alleging that the work had been awarded in violation of the norms and principles of natural justice. The suit was decreed on June 28, 2010. An application for stay of execution and operation of the judgment was filed on August 25, 2010 by REEL before the District Judge, Kolhapur. The application is currently pending.

2. Mr. M.V. Chauhan filed a writ petition (W.P. no. 2888 of 2008) dated February 18, 2008 against the Commissioner, City Corporation of Belguam, REEL and others before the High Court of Karnataka, Bangalore challenging the award of the Municipal Solid Waste project at Belguam to REEL seeking quashing of the orders of Deputy Commissioner dated February 2, 2006 granting 67 Acres and 12 cents of land in Tumari village to City Corporation, Belguam. MV Chauhan has alleged that the land was granted to the City Corporation Belgaum in violation of the provisions of both the Environment Protection Act, 1986 and the Municipal Solid Waste Rules, 2000 and that REEL is operating a fleet which is not built in accordance with provisions of law. The matter is pending before the High Court of Karnataka and will be listed in due course for admission.

3. Madhya Pradesh Pollution Control Board ("**MPPCB**") filed a criminal complaint (C.C. no. 3249 of 2008) dated October 22, 2008 against the Madhya Pradesh Waste Management Project ("**MPWMP**") and others before the Chief Judicial Magistrate at Dhar, Madhya Pradesh under Sections 25, 26 and 44 of the Water Pollution Control Act, 1974 wherein the issue is whether the actions of MPWMP are punishable under Section 41(2) and 44. The matter is currently pending.

4. MPPCB filed a criminal complaint (C.C. no. 3250 of 2008) dated October 22, 2008 against the MPWMP and others before the Chief Judicial Magistrate at Dhar, Madhya Pradesh under Section 5 of Hazardous Waste (Management and Handling) Rules, 1989 and Section 15 of Environmental Protection Act, 1986 wherein the issue is whether the act of MPWMP is punishable under Section 41(2) and 44 of the Act. The matter is currently pending.

5. The Registered Union of Employees of Kolhapur Municipal Corporation filed a civil suit (Regular Civil Suit No.63 of 2008) before the 8th Joint Civil Judge, Junior Division at Kolhapur to declare Clause Nos. 4.5 and 4.16 of the Agreement dated November 20, 2007 between M/s Ramky Enviro Engineers Limited and Kolhapur Municipal Corporation to be null and void. The Hon'ble Court by its Judgment and Decree dated June 28, 2010 accepted the prayer and declared the above clauses as null and void. Against the said judgment and decree M/s Ramky Enviro Engineers Ltd filed an appeal before the District Court at Kolhapur on August 25, 2010. The appeal is currently pending and after scrutiny, the appeal number will be allotted.

Smilax Laboratories Limited

Nil

Mumbai Waste Management Limited

1. Sarva Shramik Sangh filed a suit (I.T. no. 18 of 2005) dated June 26, 2006 against Mumbai Waste Management Limited ("**MWML**") and others before the Industrial Tribunal, Thane

claiming that members of the Sarva Shramik Sangh are employees of MWML and had been illegally retrenched by MWML. The matter is currently pending.

2. Sarva Shramik Sangh filed a suit (I.T. no. 47 of 2005) dated June 26, 2006 against MWML and others before the Industrial Tribunal, Thane asking the Tribunal to direct MWML to reinstate the members of the Sarva Shramik Sangh with the continuity of service and back wages with effect from June 10, 2004. The matter is currently pending.

Ramky Estates and Farms Limited

1. Ms. Shalini Bhupal filed a suit (O.S. no. 3290 of 2007) dated December 24, 2009 against Ramky Estates and Farms Limited ("**REFL**") before the Junior Civil Judge, City Civil Court, Hyderabad. Shalini Bhupal is asking for a permanent injunction restraining REFL from continuing further with its unauthorized construction on his property located at 6-3-1086/4 situated at Rajbhavan Road, Somjiguda, Hyderabad and for the removal of existent unauthorized construction. The matter is currently pending.

2. Mr. Basavaraju filed a suit (O.S. no. 491 of 2008) in July 2008 against REFL and others before the Civil Judge, Junior Division, Devanahalli asking for a permanent injunction restraining REFL from further alienation of land measuring 0.06 acres situated in Avadhi Village, Devanahalli, Karnataka that REFL had bought from three brothers of Basavaraju. Basvaraju has filed a suit for partition claiming that the land is part of the Hindu Joint Family property in which he is entitled to claim a share and accordingly, the sale of the land to REFL is illegal. The matter is currently pending.

Ramky Energy and Environment Limited

The Kottayam Municipality filed a petition (W.P.(C) no. 20147 of 2010) before the Hon'ble High Court of Kerala, against Paulson Peter and others for a direction to provide police protection to transfer the MSW to project site. Ramky Energy and Environment Limited (REAEL) has been made as a respondent to this case. Counter affidavit has been filed on behalf of REAEL is filed. The matter will be listed in due course of time.

Ramky Reclamation and Recycling Limited

Nil

Ramky Global Solutions Private Limited

Nil

West Bengal Waste Management Limited

Nil

Tamil Nadu Waste Management Limited

Nil

Visakha Solvents Limited

Nil

SembRamky Environmental Management Private Limited

Nil

Ramky International (Singapore) Pte Limited

Nil

Ramky Finance and Investment Private Limited

Nil

Ramky Cimelia E-waste Management Limited

Nil

Guwahati Waste Management Company Private Limited

Ms. K. Bardalai filed a (PIL No.81 of 2009) before the Hon'ble High Court of Assam against Guwahati Municipal Corporation and REEL, for a direction to the Respondents to implement MSW Rules in the City of Guwahati. Counter affidavit has been filed on behalf of REEL. This matter will be listed in due course of time.

RVAC Private Limited

Nil

Al Ahlia Environmental Services Co. (LLC)

Nil

Hyderabad Integrated MSW Limited

Nil

Delhi MSW Solutions Limited

Nil

Ramky Cleantech Services Pte. Limited

Nil

Ramky Integrated Township Limited

Nil

Ramky Wavoo Developers Private Limited

Nil

Ramky Villas Limited

Nil

Narketpalli Addanki Expressway Limited

Nil

Jorabat Shillong Expressway Limited

Nil

NAM Expressway Ltd

Nil

RVAC Facilities (India) Management Limited

Nil

Tridax Laboratories Limited

Nil

R.K. Constructions

Nil

N.R. Environmental Engineers Inc.

Nil

R.K. Consultancy Services

Nil

A.D.R. Constructions

Nil

Cases filed by our Group Companies

*Ramky Enviro Engineers Limited ("**REEL**")*

1. REEL filed a writ petition (W.P. no. 1766 of 2009) against the Municipal Corporation of Greater Mumbai ("**MCGM**") and others before the High Court of Bombay, Mumbai seeking cancellation of the award of the tender to Antony Waste Handling Cell Private Limited ("**AWHCPL**"). MCGM had floated a tender for 'Design, Construction, Operation and Maintenance of Integrated Waste Management Facility on DBOOT Basis' at Kanjur. REEL had also submitted its bid but the tender was awarded to AWHPCL. REEL is challenging the same on grounds of violation of provisions of Municipal Solid Waste Rules, 2000. The matter is currently pending and will be posted for hearing in due course of time.

2. REEL filed a petition (W.P.(C) No.3585 of 2010) against State of Rajasthan and Ajmer Municipal Corporation challenging the order of termination issued by Municipal Corporation of Ajmer. The order terminated the agreement entered between REEL and Ajmer Municipal Corporation to carry out complete municipal solid waste management for Ajmer city. REEL is continuing the works. This matter will be listed in due course of time.

3. REEL filed a petition (W.P.No.15075 of 2010) before the Hon'ble High Court of Calcutta against the State of West Bengal and certain others including the Kolkata Metropolitan Development Authority challenging the disqualification of the bid made by its joint venture at that the stage of technical evaluation. The Kolkata Metro Development Authority had issued a notice on March 24, 2010 inviting tender for civil works and maintenance of the regional waste management centre at Dirghangi, Hooghly. The High Court has directed that the further process of the tender will be subjected to the result of the writ petition. This matter will be listed in due course of time.

*Mumbai Waste Management Limited ("**MWML**")*

MWML filed a suit (Summary Suit No. 05 of 2009) before the Civil Judge Senior Division at Panvel, Maharashtra against Mr. Mark Skldana and the plant in-charge of Marksans Pharma Limited for non payment of past dues of Rs. 672,270 for removal of effluent treatment plant sludge from the pharmaceutical products plant of Marksans Pharma Limited. The total amount claimed by MWML is Rs. 833,570 inclusive of interest. The matter is currently pending.

*Smilax Laboratories Limited (“**SLL**”)*

1. SLL filed a criminal complaint (C.C. no. 210 of 2008) dated June 16, 2006 against the Coral Drugs Limited, Hyderabad (“**CDL**”) and others before the Chief Metropolitan Magistrate, Nampally, Hyderabad under section 138 of the Negotiable Instruments Act, 1881. CDL had purchased materials from SLL and had issued a cheque bearing no. 856185 dated December 30, 2005 for an amount of Rs. 480,911 drawn on ICICI, SR Nagar Branch, Hyderabad in favour of SLL. The cheque was dishonoured due to insufficiency of funds. SLL thereafter issued a legal notice dated May 17, 2006 asking CDL to arrange funds for its payment. But, CDL failed to pay SLL within 15 days of receipt of the legal notice. SLL then filed the present complaint under section 138 of the Negotiable Instruments Act, 1881 for the dishonour of the cheque against CDL. The matter is currently pending.

2. SLL filed a criminal complaint (C.C. no. 211 of 2008) dated June 16, 2006 against the Coral Drugs Limited, Hyderabad (“**CDL**”) and others before the Chief Metropolitan Magistrate, Nampally, Hyderabad under section 138 of the Negotiable Instruments Act, 1881. CDL had purchased materials from SLL and had issued a cheque bearing no. 869253 dated January 22, 2006 for an amount of Rs. 240,445 drawn on ICICI, SR Nagar Branch, Hyderabad in favour of SLL. The cheque was dishonoured due to insufficiency of funds. SLL thereafter issued a legal notice dated May 17, 2006 asking CDL to arrange funds for its payment. But, CDL failed to pay SLL within 15 days of receipt of legal notice. SLL then filed the present complaint under section 138 of the Negotiable Instruments Act, 1881 for the dishonour of the cheque against CDL. The matter is currently pending.

3. SLL filed a criminal complaint (C.C. no. 212 of 2008) dated June 16, 2006 against the Coral Drugs Limited, Hyderabad (“**CDL**”) and others before the Chief Metropolitan Magistrate, Nampally, Hyderabad under Section 138 of the Negotiable Instruments Act, 1881. CDL had purchased materials from SLL and had issued a cheque bearing no. 856189 dated January 31, 2006 for an amount of Rs. 127,445 drawn on ICICI, SR Nagar Branch, Hyderabad in favour of SLL. The cheque was dishonoured due to insufficiency of funds. SLL thereafter issued a legal notice dated May 17, 2006 asking CDL to arrange funds for its payment. But, CDL failed to pay SLL within 15 days of receipt of legal notice. SLL then filed the present complaint under section 138 of the Negotiable Instruments Act, 1881 for the dishonour of the cheque against CDL. The matter is currently pending.

4. SLL filed a suit (O.S. no. 374 of 2007) dated June 10, 2007 against the SS Organics, Hyderabad and others before the Chief Judge, City Civil Court, Hyderabad for the recovery of Rs. 1,045,000 with interest for payment of material already supplied by SLL to SS Organics. The suit has been decreed and a copy of the judgement is awaited.

5. SLL filed a writ petition (W.P. no. 9867 of 2007) dated April 28, 2007 against the Recovery Officer, Employees State Insurance, Hyderabad (“**ESI**”) and others before the High Court of Andhra Pradesh, Hyderabad seeking a declaration that both the attachment order dated March 16, 2007 and the demand notice dated March 16, 2007 issued by the ESI is illegal, arbitrary and without jurisdiction. SLL had purchased the land situated in Kardanoor Village, Sangareddy Taluq, Medak District in open auction conducted by Debt Recovery Tribunal. Subsequently, the part of the land was acquired by the Government for the purpose of outer ring road. ESI later issued a demand notice dated March 16, 2007 directing SLL to pay a sum of Rs. 1,775,781 because the previous owner of the land. Hicel Pharma Limited had failed to pay the arrears of employer’s contribution. ESI also issued an attachment order dated March 16, 2007 restraining the land acquisition officer from making payment of compensation to SLL. The matter is currently pending and will be listed for hearing in due course.

6. SLL filed a criminal complaint (C.C. no. 1204 of 2007) in June 2007 against the Vignova Pharma Private Limited, Hyderabad (“**VPPL**”) and others before the Chief Metropolitan Magistrate, Nampally, Hyderabad under sections 406, 415, 420 of the Indian Penal Code, 1860. VPPL had purchased materials from SLL and had issued three cheques for an amount of Rs. 912,749 in favour of SLL. The cheque was dishonoured due to insufficiency of funds. SLL thereafter issued a legal notice asking VPPL to arrange funds for its payment in

pursuance of which VPPL paid part of the amount and issued another cheque bearing no. 166578 for an amount of Rs. 267,749 in favour of SLL. This cheque was also dishonoured and SLL issued another notice dated January 26, 2007 demanding payment from VPPL as even after receipt of legal notice did not make a payment for the requisite amount. Thereafter, SLL filed the present complaint. The matter is currently pending and will be listed for hearing on March 25, 2010. The criminal compliant was dismissed on March 31, 2010 and the company has preferred a criminal appeal in Hon'ble High Court of Andhra Pradesh.

7. SLL filed a complaint (no. C.C. 657 of 2009) dated January 5, 2010 under Section 138 of the Negotiable Instruments Act, 1881 before the Metropolitan Magistrate Court, Hyderabad against Alliance Pharma for recovery of an amount of Rs. 359,293 against a bounced cheque. The matter is currently pending.

8. SLL filed a suit (O.S. no.196 of 2010) dated April 22, 2010, against the Lancer Life Sciences Limited, Ranga Reddy District and another, before the III Additional Chief Judge, City Civil Court, Hyderabad for the recovery of Rs. 4,844,162 with interest for payment of material already supplied by SLL to Lancer Life Sciences Limited. The Hon'ble court has directed Lancer to furnish bank guarantee equivalent to the suit amount. The matter is currently pending.

B. Proceedings Initiated against the Group Companies for Economic Offences

There are no proceedings initiated against the Group Companies for economic offences.

C. Past Penalties paid by the Group Companies

There are no past penalties paid by the Group Companies.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from GoI and various governmental agencies required for our present business and the Issue and except as disclosed in thisRed Herring Prospectus no further material approvals are required for carrying on our present business operations. Unless otherwise stated, these approvals are valid as of the date of this Red Herring Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing activities.

Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue:

1. The Board of Directors has, pursuant to resolution passed at its meeting held on March 16, 2010, authorised the Issue and related matters subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act, and such other authorities as may be necessary.

2. The shareholders of our Company have, pursuant to a resolution dated March 26, 2010, under Section 81(1A) of the Companies Act, authorised the Issue and related matters.

3. Our Promoter, Mr. Alla Ayodhya Rami Reddy has given his consent for the transfer of [●] Equity Shares aggregating Rs. 1,500 million by his letter dated March 25, 2010, Tara India Holdings by its board resolution dated March 22, 2010, has authorised the transfer of [●] Equity Shares aggregating Rs. 259 million and IL&FS Investment Managers Limited, Investment Manager of Tara India Fund III Trust has by its letter dated March 25, 2010 has authorised the transfer of [●] Equity Shares aggregating Rs. 41 million.

4. Our Company has obtained in-principle listing approvals dated April 23, 2010 and May 11, 2010 from the BSE and the NSE, respectively.

5. Our Company has received the approval of RBI by their letter dated June 22, 2010 for transferring Equity Shares forming part of the Offer for Sale.

Our Company has also obtained necessary contractual approvals required for the Issue.

Approvals for the Business

We require various approvals to carry on our business in India. We have received the following approvals in relation to our business:

Project Related Approvals

S. No.	No./Description of Permit/Licence	Issuing Authority	Date	Term
Ramky Pharma City (India) Limited				
1.	Approval for authorised operations to be carried out in the sector specific SEZ for pharmaceuticals at Visakhapatnam, Andhra Pradesh under the Special Economic Zones Act, 2005 and the Special Economic Zones Rules, 2006	Ministry of Commerce and Industry, Department of Commerce (SEZ Section)	August 29, 2006	-
3.	Consent under Section 25/26 of the Water (Prevention and Control of Pollution) Act, 1981, Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and under the	Andhra Pradesh Pollution Control Board	August 1, 2008	Valid until cancelled, subject to payment of renewal fees

S. No.	No./Description of Permit/Licence	Issuing Authority	Date	Term
	Hazardous Wastes (Management and Handling) Rules, 1989			
4.	Environmental clearance for setting up a Pharma city under Environment Impact Assessment notification dated January 27, 1994	Ministry of Environment and Forests, I.A. Division	March 10, 2005	-
5.	License (no. 44887) to work a factory under the Factories Act, 1948 and rules thereunder (employing a maximum number of 20 workers)	Inspector of Factories, Visakhapatnam	February 10, 2009	Valid until cancelled
6.	Approval for setting up an industrial park on land measuring 2120 acres under the Industrial Park Scheme, 2002	Ministry of Commerce & Industry, Department of Industrial Policy & Promotion	June 30, 2005	-
7.	RC no. 1922/05/L3 notifying approval of layout plans in consideration of the A.P. Urban Areas (Development) Act, 1975 vide L.P. no. 73/2007	Visakhapatnam Urban Development Authority	November 29, 2007	-
MDDA Ramky IS Bus Terminal Limited				
1.	Registration no. D-18133 under the Uttaranchal Shops and Establishments Act, 1962	Shops and Establishments Authority, Uttaranchal	June 29, 2005	March 31, 2014
Ramky Towers Limited				
1.	Sanction for construction of a multi storeyed building with six residential blocks and commercial building as per the Andhra Pradesh Urban Areas (Development) Act, 1975 and the Hyderabad Municipal Corporation Act, 1956	Zonal Commissioner, Greater Hyderabad Municipal Corporation, West Zone	June 9, 2008	June 8, 2011
2.	Rc. No. 2131 to 2136/E4/2006, no objection certificate for the proposed multi-storey building	Fire and Emergency Services Department, Andhra Pradesh	May 31, 2005	Valid until cancelled
Ramky Enclave Limited				
1.	Letter (Roc. No. C2/1469/2006/2022) dated December 23, 2006 from vice chairman Kakatiya Urban Development Authority ('KUDA'), Warrangal to the principal secretary to government, Municipal Administration & Urban Development Department AP Secretariat, notifying the approval of change of land use for 129,753.29 sq. meters pursuant to authority resolution no 178 dated December 11, 2006			
2.	Layout permission (D.P. No.12/2008 in File No.C2/1582/2007;26-05-08) from KUDA Warangal Municipal Corporation (WMC) dated May 26, 2008			

Tax Approvals

S. No.	No./Description of Permit/Licence	Issuing Authority	Date	Term
1.	TIN 03471114567 under Punjab Value Added Tax Act, 2005	Excise and Taxation Officer, Patiala, Punjab	April 1, 2005	Valid until cancelled
2.	Registration No. 64524015 under the CST	Assessing Authority, Patiala, Punjab	July 7, 2003	Valid until cancelled
3.	TIN 24073701862 under the Gujarat Value Added Tax Act, 2003	Assistant Commissioner of Sales Tax, Ahmadabad, Gujarat	December 12, 2004	Valid until cancelled
4.	Registration No. 24573701862 under the	Assistant Commissioner	December 12,	Valid until cancelled

S. No.	No./Description of Permit/Licence	Issuing Authority	Date	Term
	CST	of Sales Tax, Ahmadabad, Gujarat	2004	
5.	Registration No. JU – 2222 (C) under the CST	Deputy Commissioner of Commercial Taxes, Jamshedpur, Jharkhand	November 9, 2005	Valid until cancelled
6.	Registration No. JU – 2635 (R) under the Jharkhand Finance Act, 2001	Deputy Commissioner of Commercial Taxes, Jamshedpur, Jharkhand	November 24, 2005	Valid until cancelled
7.	Registration No. 32051615534 under the Kerala Value Added Tax Act, 2005	Department of Commercial Taxes, Government of Kerala	June 12, 2006	Valid until cancelled, subject to renewal every year
8.	Registration No. 0516C000041 under the CST	Commercial Tax Officer, Kottayam	June 12, 2006	Valid until cancelled
9.	Registration No. 07510324123 under the Delhi Value Added Tax Act, 2004	Department of Value Added Tax, Government of NCT of Delhi	February 22, 2007	Valid until cancelled
10.	TIN 28320169384 under the Andhra Pradesh Value Added Tax Act, 2005	Commercial Tax Officer, VAT Registering Authority, Andhra Pradesh	April 1, 2005	Valid until cancelled
11.	TIN 27120277205V under the Maharashtra Value Added Tax Act, 2002	Registration Officer, Sales Tax Department, Maharashtra	April 1, 2006	Valid until cancelled
12.	TIN 27120277205C under the CST	Registration Officer, Sales Tax Department, Maharashtra	April 1, 2006	Valid until cancelled
13.	TIN 22324602068 under the Chhattisgarh Value Added Tax Act, 2004	Commercial Tax Officer, Karoba, Chhattisgarh	March 11, 2004	Valid until cancelled
14.	TIN 21871704101 under the Orissa Value Added Tax Act, 2004	Sales Tax Officer, Orissa	March 18, 2005	Valid until cancelled
15.	TIN 29760110271 under the Karnataka Value Added Tax Act, 2003	Assistant Commissioner of Commercial Taxes, Bangalore	April 1, 2005	Valid until cancelled
16.	Registration No. SAI-C-3153 under the CST	Sales Tax Officer, Orissa	February 11, 2000	Valid until cancelled
17.	TIN 23714007033 issued under the Madhya Pradesh Value Added Tax Act, 2002	Commercial Tax Officer, Bhopal, Madhya Pradesh	March 5, 2001	Valid until cancelled
18.	CST No. 23714007033 issued under the CST	Commercial Tax Officer, Madhya Pradesh	March 5, 2001	Valid until cancelled
19.	Registration No. R-329 under the Uttar Pradesh Trade Tax Act, 1948	Trade Tax Officer, Uttar Pradesh	August 1, 2000	Valid until cancelled
20.	CST No. RG-5017473 under the CST	Trade Tax Officer, Uttar Pradesh	August 1, 2000	Valid until cancelled
21.	TIN 33771662442 under the Tamil Nadu Value Added Tax Act, 2006	Commercial Tax Officer, Varadharajapuram, Tamil Nadu	January 1, 2007	Valid until cancelled
22.	CST No. 762752 under the CST.	Commercial Tax Officer, Varadharajapuram	September 12, 2000	Valid until cancelled
23.	TIN 8502205621 under the Rajasthan Value Added Tax Act, 2003	Deputy Commercial Tax Officer, Rajasthan	July 10, 2002	Valid until cancelled
24.	Registration No. 8502205621 (Central) under the CST	Deputy Commercial Tax Officer, Jaipur, Rajasthan	August 7, 2002	Valid until cancelled
25.	Registration No. DD0263642 under the Uttar Pradesh Trade Tax Act, 1948	Trade Tax Officer, Uttaranchal	August 11, 2003	Valid until cancelled
26.	Registration No. DD5160865 under the CST	Trade Tax Officer, Uttaranchal	March 23, 2004	Valid until cancelled

S. No.	No./Description of Permit/Licence	Issuing Authority	Date	Term
27.	Registration No. 19394431134 under the West Bengal Value Added Tax Act, 2005	Assistant Commissioner Commercial Taxes, Ballygunge, West Bengal	January 15, 2005	Valid until cancelled
28.	Registration No. 19394431231 (Central) under the CST	Assistant Commissioner, Commercial Taxes, Calcutta	February 10, 2005	Valid until cancelled
29.	STC No. AAACR9627BST006 under the Finance Act, 1994	Office of the Deputy Commissioner of Service Tax, Ahmadabad, Gujarat	June 18, 2007	Valid until cancelled
30.	STC No. AAACR9627BST003 under the Finance Act, 1994	Office of the Assistant Commissioner of Service Tax, Gurgaon, Haryana	August 31, 2005	Valid until cancelled
31.	Registration No. D-III/ST/R-II/CCS/76/2005 under the Finance Act, 1994	Office of the Assistant Commissioner, Service Tax Division, Gurgaon, Haryana	August 31, 2005	Valid until cancelled
32.	STC No. AAACR9627BST002 under the Finance Act, 1994	Office of the Commissioner of Service Tax, Bangalore	August 10, 2005	Valid until cancelled
33.	Registration No. (SUR)(CON)(CCS)(CER)/ AAACR9627BST002 under the Finance Act, 1994	Office of the Commissioner of Service Tax, Bangalore	August 10, 2005	Valid until cancelled
34.	STC No. AAACR9627BST012 under the Finance Act, 1994	Office of the Deputy Commissioner, Customs, Central Excise and Service Tax Division, Jharkhand	May 30, 2007	Valid until cancelled
35.	Registration No. AAACR9627BST012 under the Finance Act, 1994	Office of the Deputy Commissioner, Customs, Central Excise and Service Tax Division, Jharkhand	May 30, 2007	Valid until cancelled
36.	STC No. AAIPY7302DST001 under the Finance Act, 1994	Office of the Superintendent, Central Excise Range, Service Tax, Bhopal, Madhya Pradesh	June 7, 2007	Valid until cancelled
37.	STC No. AAACR9627BST013 under the Finance Act, 1994	Office of the Assistant Commissioner of Service Tax, Mumbai, Maharashtra	June 8, 2007	Valid until cancelled
38.	STC No. AAAGR9627BST011 under the Finance Act, 1994	Office of the Assistant Commissionerate of Central Excise, Customs and Service Tax, Bhubaneswar, Orissa	April 25, 2007	Valid until cancelled
39.	Registration No. AAAGR9627BST011 under the Finance Act, 1994	Office of the Assistant Commissionerate of Central Excise, Customs and Service Tax, Bhubaneswar, Orissa	April 25, 2007	Valid until cancelled
40.	STC No. AAACR9627BST009 under the Finance Act, 1994	Office of the Assistant Commissioner, Central Excise Division, Patiala, Punjab	June 22, 2007	Valid until cancelled
41.	Registration No. AAACR9627BST009 under the Finance Act, 1994	Office of the Assistant Commissioner, Central Excise Division, Patiala, Punjab	June 22, 2007	Valid until cancelled

S. No.	No./Description of Permit/Licence	Issuing Authority	Date	Term
	STC No. AAACR9627BST007 under the Finance Act, 1994	Office of the Assistant Commissioner of Service Tax, Jaipur, Rajasthan	June 28, 2007	Valid until cancelled
42.	Registration No. AAACR9627BST007 under the Finance Act, 1994	Office of the Assistant Commissioner of Service Tax, Jaipur, Rajasthan	June 28, 2007	Valid until cancelled
43.	STC No. AAACR9627BST008 under the Finance Act, 1994	Office of the Assistant Commissioner, Central Excise Division, Lucknow, Uttar Pradesh	June 22, 2007	Valid until cancelled
44.	Registration No. AAACR9627BST008 under the Finance Act, 1994	Office of the Assistant Commissioner, Central Excise Division, Lucknow, Uttar Pradesh	June 22, 2007	Valid until cancelled
45.	STC No. AAACR9627BST005 under the Finance Act, 1994	Office of the Assistant Commissioner, Central Excise Division, Kolkatta, West Bengal	January 6, 2006	Valid until cancelled
46.	Registration No. AAACR9627BST005 under the Finance Act, 1994	Office of the Assistant Commissioner, Central Excise Division, Kolkatta, West Bengal	January 6, 2006	Valid until cancelled
47.	STC No. AAACR9627BST001 under the Finance Act, 1994	Office of the Commissioner of Central Excise and Customs, Service Tax Cell, Hyderabad, Andhra Pradesh	July 13, 2007	Valid until cancelled
48.	Registration No. AAACR9627BST001 under the Finance Act, 1994	Office of the Commissioner of Central Excise and Customs, Service Tax Cell, Hyderabad, Andhra Pradesh	July 13, 2007	Valid until cancelled
49.	Registration No. 1103-2004-C under the CST	Commercial Tax Officer, Chhattisgarh	July 16, 2001	Valid until cancelled
50.	Registration No. AAACR9627BSD022Application by Ramky Infrastructure Limited for registration under the under the Finance Act, 1994, in the state of Chhattisgarh.	Office of the Commissioner of Central Excise and Customs, Service Tax Cell, Chhattisgarh.	March 3, 2010	Valid until cancelled
51.	STC No.AAACR9627BST015 under the Finance Act, 1994	Office of the Commissioner of Central Excise and Customs, Service Tax Cell, Kottayam. Kerala	September 20, 2007	Valid until cancelled
52.	STC No.AAACR9627BST004 under the Finance Act, 1994	Office of the Commissioner of Central Excise and Customs, Service Tax Cell, Chennai, Tamil Nadu	August 17, 2007	Valid until cancelled
53.	STC No.AAACR9627BST014 under the Finance Act, 1994	Office of the Commissioner of Central Excise and Customs, Service Tax Cell, Vishakapatnam, Andhra Pradesh	September 8, 2007	Valid until cancelled
54.	STC No.AAACR9627BST010 under the Finance Act, 1994	Office of the Commissioner of Central Excise and Customs,	April 9, 2007	Valid until cancelled

S. No.	No./Description of Permit/Licence	Issuing Authority	Date	Term
		Service Tax Cell, Dehradun, Uttrakhand		
55.	STC No. AACR9627BST020 under the Finance, 1994	Office of the Deputy/ Assistant Commissioner of Service Tax, New Delhi	November 19, 2008	Valid until cancelled
56.	STC No. AACR9627BST016 under the Finance Act, 1994	Office of the Superintendent Central Excise, Bhopal, Madhya Pradesh	December 12, 2007	Valid until cancelled
57.	STC No. AACR9627BST017 under the Finance Act, 1994	Office of the Assistant Commissioner Customs and Central Excise, Jabalpur, Madhya Pradesh	June 22, 2009	Valid until cancelled
58.	STC No. AACR9627BST018 under the Finance Act, 1994	Customs and Central Excise Division, Sagar,	August 18, 2009	Valid until cancelled
59.	STC No. AACR9627BST019 under the Finance Act, 1994	Office of the Assistant Commissioner, Central Excise and Service Tax Division, Chindwara, Madhya Pradesh	July 17, 2009	Valid until cancelled
60.	Registration No. 400071/WIM-821. Registered as a civil contractor under the Maharashtra Sales Tax on the Transfer of Property in Goods involved in the Execution of Works Contracts Act, 1985	Sales Tax Officer, Mumbai	August 31, 2004	Valid until cancelled
61.	Registration No. 400071/S/3605 under the Bombay Sales Tax Act, 1959	Sales Tax Officer, Sales Tax Department, Maharashtra	April 22, 2002	Valid until cancelled
62.	TIN: 34540013649 Under Poducherry Value Added Tax Act 2007	Office of the Deputy Commercial Tax Officer (RC),Commercial Taxes Department, Puducherry	April 12, 2010	Valid until cancelled
63.	TIN 16041285070 under the Tripura Value Added Tax Act, 2004	Office of the Superintendent of Taxes, Tripura	February 9, 2009	Valid until cancelled
64.	Registration No. L6041285272 (Central) under the CST	Superintendent of Taxes, Tripura	March 2, 2009	Valid until cancelled
65.	TIN 09515101306 under the Uttar Pradesh Value Added Tax Act, 2007	Department of Commercial Taxes, Government of Uttar Pradesh	September 16, 2008	Valid until cancelled
66.	GRN No: GRN18090127311 under Assam Value Added Tax Act, 2003	Office of the Superintendent of Taxes, Naharkatia, Assam	April 1, 2010	Valid until cancelled
67.	TIN : 10145427016 Under Bihar Value Added tax Act 2005	Office of the Deputy Commissioner of Commercial Taxes. Patna West Circle, Bihar	April 1, 2010	Valid until cancelled
68.	TIN : 10145096185 (Central) under the Central Sales Tax Act 2005	Deputy Commissioner of Commercial Taxes.Patna	April 1, 2010	Valid until cancelled
69.	TIN : 10144813213 under the Entry of Goods into Local Areas Act	Deputy Commissioner of Commercial Taxes.Patna	April 1, 2010	Valid until cancelled
70.	STC NO: AAACR9627BSD023 under the Finance Act, 1994.	Commissionorate, Patna, Gaya Division, Bihar	May 7, 2010	Valid until cancelled

Labour Approvals

S. No.	No./Description of Permit/Licence	Issuing Authority	Date	Expiry
1.	Registration No. DCL-1/HYD/02/2004 under the Andhra Pradesh Shops and Establishments Act, 1988	Deputy Commissioner of Labour, Hyderabad- I	March 20, 2009	December 31, 2010
2.	Registration No. Kol/Benia/P-II/41685 under the West Bengal Shops and Establishments Act, 1963	Registering Authority, Government of West Bengal	December 8, 2008	Valid for a period of three years
3.	Registration No. PII/VST/13/0000015 under the Shops and Establishments Act, 1953	Deputy Municipal Commissioner, Ahmadabad Municipal Corporation	October 18, 2007	December 31, 2010
4.	Registration No. 9/S.No.0254/2001 under the Karnataka Shops and Commercial Establishments Act, 1961	Inspector under Karnataka Shops and Commercial Establishments Act, 1998.	January 11, 2005	December 31, 2010
5.	Registration No. PJT/SMG12/2/1142/2005-2006 under the Andhra Pradesh State Tax on Professions, Trades, Callings and Employments Act, 1987	Profession Tax Officer, Somajiguda Circle, Hyderabad	April 1, 1997	Valid until cancelled
6.	License No. ALC-2/CLA/C-147/07-08 under the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner Labour, Karnataka	August 10, 2007	August 9, 2011
7.	License No. 056/L-057/2006 under the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner Labour, West Bengal	April 17, 2006	December 31, 2010
8.	License No. BST/CON/L-541/07/ALC under the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner Labour, West Bengal	May 30, 2007	December 31, 2010
9.	License No. BST/CON/L-540/07/ALC under the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner Labour, West Bengal	May 30, 2007	December 31, 2010
10.	License No. L-062/2007/LCC under the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner Labour, West Bengal	June 11, 2007	December 31, 2010
11.	License No. 1103/07 under the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner Labour, Orissa	June 4, 2007	June 3, 2011
12.	License No. BST/CON/L-575/07/ALC under the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner Labour, West Bengal	August 3, 2007	December 31, 2010
13.	License No. L4159/07 under the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner Labour, West Bengal	June 5, 2007	December 31, 2010
14.	Registration No. 760074856/ Commercial II Ward MW under the Bombay Shops and Establishments Act, 1948	Inspector under the Bombay Shops and Establishments Act, 1948	November 17, 2008	December 31, 2010
15.	License No.ALC/ADI/46(232)/2008 under the Contract Labour (Regulation & Abolition) Act, 1970	Assistant Commissioner Labour, Gujarat (Central)	December 3, 2008	December 2, 2010

S. No.	No./Description of Permit/Licence	Issuing Authority	Date	Expiry
16.	License No. ACL/GDA/CLL/ 02/2008 under the Contract Labour (Regulation & Abolition) Act, 1970	Assistant Commissioner Labour, Gujarat	December 7, 2007	December 6, 2010
17.	License No.05/8/2/2008 under the Contract Labour (Regulation & Abolition) Act, 1970	Assistant Commissioner Labour, Rajasthan	February 2, 2008	December 31, 2010
18.	License No. CL.ACT/ALC/L29/ 2008 under the Contract Labour (Regulation & Abolition) Act,1970	Assistant Commissioner Labour, Rajasthan	April 19, 2008	December 31, 2010
19.	License No. 208/2008 under the Contract Labour (Regulation & Abolition) Act, 1970	Assistant Commissioner Labour, Rajasthan	March 26, 2008	December 31, 2010
20.	License No. 53/2009 under the Contract Labour (Regulation & Abolition) Act, 1970	Assistant Commissioner Labour, Rajasthan	October 26, 2009	December 31, 2010
21.	License No. JP/L/48/2009 under the Contract Labour (Regulation & Abolition) Act, 1970	Regional Labour Commissioner, Rajasthan	June 4, 2009	June 3, 2011
22.	License No. ACLK/L/1155 under the Contract Labour (Regulation & Abolition) Act, 1970	Assistant Commissioner of Labour, Maharashtra	February 15, 2007	December 31, 2010
23.	License No. 095 under the Contract Labour (Regulation & Abolition) Act, 1970	Office of Licensing Officer, Maharashtra	November 26, 2008	December 31, 2010
24.	License No.5/2010 under the Contract Labour (Regulation & Abolition) Act, 1970	Assistant Commissioner Labour, Gujarat	July 1, 2010	June 27, 2011
25.	License No.ADISH/JND/2010/1 under the Building & Other Construction Workers (Regulation of Employement & Conditions of Service) Act, 1996	Assistant Director, Industrial Safety and Health, Junagadh	June 25, 2010	November 18, 2011
26.	License No.48(R-21)/2010-B-2 under the Building & Other Construction Workers (Regulation of Employement & Conditions of Service) Act, 1996	Assistant Commissioner Labour, Kanpur	March 26, 2010	January 25, 2012

Miscellaneous Approvals

S. No.	No./Description of Permit/Licence	Issuing Authority	Date	Term
1.	Registration as Class I contractor for taking up works to a monetary value of Rs. 7.5 million and above	Public Works Department, Chennai	March 18, 2004	Valid until cancelled
2.	Registration No. NDCBDIA937CIVIL2000 Registered as a Class-1 civil contractor	Karnataka Public Works Department	May 28, 2004	Valid until March 31, 2015
3.	Registration No. 1331. Registered as special class contractor qualified to tender works costing above Rs. 10 million	Singreni Collieries Company Limited	September 18, 2003	Valid until April 20, 2013
4.	Application by MDDA-Ramky IS Bus Terminal for approval to use diesel generator set	Office of the Assistant Electricity Inspector, Uttaranchal	August 10, 2010	Valid until cancelled
5.	Registration No.	Bangalore Development	June 30, 2004	Valid until March

	BDA/EM/TA3/Reg/308/civil Registered as Class – I contractor for the purpose of civil works	Authority		31, 2015
6.	Registration No. BST/BOCW/113/ALC/07 under the Building and Other Construction Worker's (Regulation of Employment and Conditions of Service) Act, 1996	Government of West Bengal, Registering Officer	June 5, 2007	Valid until cancelled
7.	Registration No. COT/SP/617/2009 Registered as special class contractor for the purpose of civil works	Public Health and Municipal Engineering	May 21, 2009	Valid up to May 20, 2014
8.	Registration No. COT/SP/914/2009 Registered as Class I public health contractor for the purpose of public health works	Public Health and Municipal Engineering	May 21, 2009	Valid up to May 20, 2014
9.	Registration No. 1323/Class A /Registration/ 2121-0261/09/554 registered as Class A for the purpose of turnkey projects - water supply	Uttar Pradesh, Jal Nigam	June 3, 2009	Valid until June 2, 2012
10.	Registration No. GERRP/ADB/PAG-II/ BLDG / 102 (Pre-qualification) –Buildings as a Class B contractor for the purpose of construction of buildings of a monetary value ranging from Rs. 30 million to Rs. 130 million	Gujarat Urban Development Company Limited	December 4, 2001	Valid until cancelled
11.	Registration No. GERRP/ADB/PAG-II/WS/59 (Pre-qualification) – Water Supply & Sewerage Registered as a Class B contractor for the purpose of Distribution Water Supply/Sewerage, Pumping System, ESR & GLR, WTP/STP up to Rs.130 million	Gujarat Urban Development Company Limited	December 4, 2001	Valid until cancelled
12.	Registered for the purpose of water treatment plants up to a value of Rs. 30 million, sewage treatment plants up to a value of Rs. 75 million, pumping stations up to a value of Rs. 30 million, water retaining structures up to a value of Rs. 30 million, raw water reservoir up to a value of Rs. 100 million, water transmission mains up to a value of Rs. 30 million, sewer systems up to a value of Rs. 250 million, streets and roads up to a value of Rs. 30 million and generic civil works up to a value of Rs. 100 million.	Office of Project Director, Rajasthan Urban Infrastructure Development Project	June 12, 2006	-
13.	Registered as a Special Class contractor for the	Karnataka Urban Infrastructure	July 31, 2002	-

	purpose of Urban Transport, Storm Water Drains, Water Supply Intake Works, Water Treatment Plants, related transmission mains and Sewage Treatment Plants, Water Supply Distribution and Sewerage System	Development & Finance Corporation (KUIDFC), Karnataka Urban Development &Coastal Environmental Management Project		
14.	Registration No. MJP/SHEQ/C-I-117/561 Registered as a Class – I contractor for the purpose of general civil engineering works	Maharashtra Jeevan Pradhikaran, Mumbai	October 14, 2008	Valid until October 13, 2011
15.	Registration No. 14/2007-08 as Class I contractor for taking up works to a monetary value of Rs. 7.5 million and above	Tamil Nadu Water Supply and Drainage Board	December 31, 2007	Valid until June 27, 2011
16.	Registration No. IIITDM/B&W/2008/A-01, Registered as a qualified Class A contractor for the purpose of civil works	Indian Institute of Information Technology, Design & Manufacture, Jabalpur	December 6, 2008	Valid until December 5, 2011
17.	Registration No. KPCL/RGN/I/Ro/49/2009 Registered as a qualified Class – I contractor for the purpose of civil works	Karnataka Power Corporation Limited, Bangalore	June 27, 2009	Valid until July 26, 2014
18.	Registration No. 1324Class A /Registration/ 2121-0261/09/555 registered as Class A for the purpose of turnkey projects – sewerage works	Uttar Pradesh, Jal Nigam	June 3, 2009	Valid until June 2, 2012
19.	Registration/ reference No. 125/CGM(HQ) 045/ 08 registered as Class A contractor in construction and design services entitled for construction works amount Rs. 1,000 million to Rs. 10,000 million only	Uttar Pradesh, Jal Nigam	March 11, 2010	Valid until March 10, 2013
20.	Registration as an AA Class contractor under Government Resolution No. RGN/6098/1B/7728 dated December 29, 1998	Executive Engineer, Ahmedabad (Road and Building) Division	February 8, 2010*	Valid until December 31, 2012
21.	Registration as a contractor in A5 Class	Public Works Department, Chhattisgarh	December 31, 2009	Valid until December 30, 2014
22.	Registration as a contractor in A5 Class	Water Resource Department, Chhattisgarh	January 1, 2010	Valid until December 31, 2014
23.	Registration as a contractor in A5 Class	Public Health Division, Chattisgarh	October 26, 2007	Valid until October 25, 2012
24.	Registration as a contractor in A5 Class	Public Works Department, Madhya Pradesh	October 17, 2006	Valid until October 16, 2011

25.	Registration as contractor in A5 Class	Water Resource Department, Madhya Pradesh	March 10, 2008	Valid until March 9, 2013
26.	Class-I Contractor (Category-IA) (Enlistment)	Cauvery Neeravai Nigama Limited, Mysore	April 29, 2010	Valid until March 31, 2015
27.	Registration as Contractor Class-I (First Class)	Government of Bihar, Building Construction Department, Bihar	April 30, 2010	Valid till April 29, 2015

* *Date of renewal.*

Intellectual Property Related Approvals

There are no intellectual property related approvals that the Company has applied for. The Ramky logo is registered with the Registrar of Trademarks, Chennai in the name of Ramky Finance and Investment Private Limited vide certificate dated August 5, 2010. The Company has obtained a no-objection certificate dated October 31, 2007 from Ramky Finance and Investment Private Limited for the use of the Ramky logo.

Approvals Applied for but not yet Received

S. No.	No./Description of Permit/Licence	Issuing Authority	Date of Application
1.	Application by Naya Raipur Gems and Jewellery SEZ Limited (at the time known as Ramky Gems and Jewellery Park (Chhattisgarh) Limited) in IPS-1 for setting up an industrial park (gems and jewellery units) on an area of 70 acres under the automatic route of the Industrial Parks Scheme, 2002.	Entrepreneurial Assistance Unit, Secretariat for Industrial Assistance, Department of Industrial Policy & Promotion.	November 23, 2007
2.	Application by Ramky Food Park (Chhattisgarh) Limited in IPS-1 for setting up an industrial park (food processing units) on an area of 300 acres under the automatic route of the Industrial Parks Scheme, 2002.	Entrepreneurial Assistance Unit, Secretariat for Industrial Assistance, Department of Industrial Policy & Promotion.	November 23, 2007
3.	Application by Ramky Herbal and Medicinal Park (Chhattisgarh) Limited in IPS-1 for setting up an industrial park (herbal and medicinal products manufacturing units) on an area of 250 acres under the automatic route of the Industrial Parks Scheme, 2002.	Entrepreneurial Assistance Unit, Secretariat for Industrial Assistance, Department of Industrial Policy & Promotion.	November 23, 2007
4.	Application by MDDA-Ramky IS Bus Terminal for approval of fire fighting works for ISBT, Dehradun	Chief Fire Safety Officer, Dehradun.	January 31, 2007
5.	Application by the project coordinator (vice chairman and housing commissioner) on behalf of Ramky Towers Limited for approval of building plans for the Gachibowli project	Hyderabad Urban Development Authority	April 9, 2007
6.	Application for renewal of license No. ZONE-1/576/2007 under the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner of Labour, Gujarat	November 13, 2007
7.	Application for renewal of license no. 2/410/06 the Contract Labour (Regulation and Abolition) Act, 1970	Assistant Commissioner of Labour, Gujarat	November 13, 2007
8.	Application for renewal of license no.	Assistant Commissioner of	November 23, 2009

S. No.	No./Description of Permit/Licence	Issuing Authority	Date of Application
	ACL/Raigad/CLA/ LC/2/4/2008 under the Contract Labour (Regulation & Abolition) Act, 1970	Labour, Raigad	
9.	Application for renewal of license no. DC/THN/CLA/40/50/ 2009 under the Contract Labour (Regulation & Abolition) Act, 1970	Registering and Licensing Officer, Mumbai	January 9, 2010
10.	Application for renewal of license no. DC/THN/CLA/42/50/ 2009 under the Contract Labour (Regulation & Abolition) Act, 1970	Registering and Licensing Officer, Mumbai	January 9, 2010
11.	License No.ALC-II/46 (116) / 2009 under the Contract Labour (Regulation & Abolition) Act, 1970	Assistant Commissioner Labour, Delhi	June 23, 2010
12.	Registration as Category-I contractor	Karnataka Neeravari Nigam Limited	April 14, 2010
13.	License No.10/2006 under the contract Labour (Regulation & Abolition) Act, 1970	Assistant Commissioner Labour, Gujarat	August 25, 2010

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Issue

Our Board has, pursuant to its resolution dated March 16, 2010, authorised this Issue, subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act. The shareholders of our Company have authorised this Issue by their special resolution passed pursuant to Section 81(1A) of the Companies Act, at its EGM held on March 26, 2010 and authorised the Board to take decisions in relation to this Issue.

Our Promoter, Mr. Alla Ayodhya Rami Reddy has given his consent for the transfer of [●] Equity Shares aggregating Rs. 1,500 million by his letter dated March 25, 2010, Tara India Holdings by its board resolution dated March 22, 2010, has authorised the transfer of [●] Equity Shares aggregating Rs. 259 million and IL&FS Investment Managers Limited, Investment Manager of Tara India Fund III Trust has by its letter dated March 25, 2010 has authorised the transfer of [●] Equity Shares aggregating Rs. 41 million.

We have received the approval of RBI by their letter dated June 22, 2010 for transferring of Equity Shares forming part of the Offer for Sale.

We have received in-principle approvals from the NSE and the BSE for listing of our Equity Shares pursuant to letters dated April 23, 2010 and May 11, 2010, respectively. NSE is the Designated Stock Exchange.

We have obtained all necessary governmental, regulatory consents and approvals and have received all necessary contractual consents required for this Issue. For further details, see “Government and other Approvals” on page 215.

Prohibition by SEBI, RBI or governmental authorities

None of our Company, Subsidiaries, our Promoters, Selling Shareholders, Promoter Group, Group Companies or ventures with which our Promoters were associated in the past, have been declared as wilful defaulters by the RBI or any other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

Our Company, our Directors, our Promoters, Promoter Group, the persons in control of our Company and the companies with which our Directors, Promoters or persons in control are associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI.

SEBI has not initiated any action against the entities associated with the securities market and with which our Directors are associated.

Eligibility for this Issue

Our Company has and shall continue to, be in compliance with the following conditions specified under Regulation 4(2) of the SEBI Regulations:

(a) Our Company, our Directors, our Promoters, the members of our Promoter Group, the persons in control of our Company and the companies with which our Directors, Promoters or persons in control are associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;

(b) Our Company has applied to the NSE and the BSE for obtaining their in-principle listing approval for listing of the Equity Shares under this Issue through its applications dated April 9, 2010 and April 12, 2010, respectively and has received the in-principle approvals from the

NSE and the BSE pursuant to their letters dated May 11, 2010 and April 23, 2010, respectively. For the purposes of this Issue, the NSE shall be the Designated Stock Exchange;

(c) Our Company has entered into agreements dated December 3, 2007 and December 18, 2007, respectively, with with NSDL and CDSL, respectively for dematerialisation of the Equity Shares;

(d) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing the Draft Red Herring Prospectus; and

(e) All the requirement of funds for our Objects is to be met entirely from the amount raised from the Issue and no amount is required to be raised through other means of finance.

Our Company is an unlisted company, complying with the conditions specified in Regulation 26(1) of the SEBI Regulations.

We are eligible for the Issue as per Regulation 26(1) of the SEBI Regulations.

Regulation 26(1) of the SEBI Regulations states as follows:

"An issuer may make an initial public offer if:

(a) it has net tangible assets of at least Rs. 30 million in each of the preceding three full years (of 12 months each), of which not more than 50% is held in monetary assets:

***Provided that** if more than 50% of the net tangible assets are held in monetary assets, the issuer has made firm commitments to utilise such excess monetary assets in its business or project;*

(b) it has a track record of distributable profits in terms of Section 205 of the Companies Act, 1956, for at least three out of immediately preceding five years;

***Provided that** extraordinary items shall not be considered for calculating distributable profits;*

(c) it has a net worth of at least Rs. 10 million in each of the preceding three full years (of 12 months each);

(d) the aggregate of the proposed issue and all previous issues made in the same financial year in terms of issue size does not exceed five times its pre-issue net worth as per the audited balance sheet of the preceding financial year;

(e) if it has changed its name within the last one year, at least fifty per cent. of the revenue for the preceding one full year has been earned by it from the activity indicated by the new name".

Our Company is eligible for the Issue as per Regulation 26(1) of the SEBI Regulations as explained below:

(i) Our Company has net tangible assets of at least Rs. 30 million in each of the preceding three full years (of 12 months each), of which not more than 50% is held in monetary assets. Provided that if more than 50% of the net tangible assets are held in monetary assets, the Issuer has made firm commitments to utilise such excess monetary assets in its business or project;

(ii) Our Company has a pre-Issue net worth of not less than ten million in each of the three preceding full years;

(iii) The aggregate of the proposed issue does not exceed five times our Company's pre-Issue net worth as per the audited balance sheet of the last Financial Year. This is an initial public issue of our Company and there has been no previous public issue made by our Company;

(iv) Our Company has a track record of distributable profits as per section 205 of the Companies Act for at least three out of the immediately preceding five years.

(v) Our Company has not changed its name during the last one year.

(vi) The distributable profits as per section 205 of the Companies Act and net worth for the last five years as per the restated unconsolidated financial statements are as set out below:

In Rs. Million, except percentage value

Particulars	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Distributable profits (1)	184.78	386.09	510.24	679.74	1,042.28
Net Worth (2)	413.85	2,019.58	2,540.58	3,220.33	4,262.61
Net tangible assets (3)	2,899.15	6,133.80	9,968.50	13,700.91	18,064.72
Monetary assets (4)	316.35	630.24	494.52	618.83	1,384.05
Monetary assets as a percentage of net tangible assets	10.91	9.95%	4.96%	4.52%	7.66%

(1) 'Distributable profits' have been defined in terms of Section 205 of the Companies Act. Further, such Distributable Profits do not take into consideration extra- ordinary items.

(2) 'Net Worth' has been defined as the aggregate of equity share capital and reserves excluding miscellaneous expenditures, if any.

(3) 'Net tangible assets' means the sum of all net assets of our Company excluding intangible assets as defined in Accounting Standard 26 issued by the Institute of Chartered Accountants of India.

(4) Monetary assets comprise of cash and bank balances public deposit accounts with the Government.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of Allottees shall be not less than 1,000.

As required under first proviso to Rule 19(2)(b) (read with erstwhile Rule 19(2)(b)) of the SCRR, (a) a minimum of 2,000,000 Equity Shares shall be offered to the public, and (b) the Issue size shall be a minimum of Rs. 1,000 million. Further, in terms of first proviso to Rule 19(2)(b) (read with erstwhile Rule 19(2)(b)) of the SCRR read with Regulation 41(1) of the SEBI Regulations, this being an Issue for less than 25% of the post-Issue equity share capital, is being made through the Book Building Process wherein at least 60% of the Issue shall be Allotted to QIBs. If at least 60% of the Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith.

Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Price, out of which at least one-third will be available for allocation to Mutual Funds only. For further details, see "Issue Procedure" on page 249. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. In the event demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.

Further, not less than 10% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories at the discretion of our Company, in consultation with the Book Running Lead Managers.

For further details, see "Issue Structure" on page 245.

Disclaimer Clause of SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, ENAM SECURITIES PRIVATE LIMITED AND DEUTSCHE EQUITIES (INDIA) PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS, ENAM SECURITIES PRIVATE LIMITED AND DEUTSCHE EQUITIES (INDIA) PRIVATE LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 29, 2010 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKER(S) TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **"WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS ("DRHP") PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER;**

WE CONFIRM THAT:

(A) THE DRAFT RED HERRING PROSPECTUS FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

(B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SEBI, THE GOVERNMENT OF INDIA AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI, AND THAT TILL DATE SUCH REGISTRATION IS VALID.

4. WHEN UNDERWRITTEN, WE WILL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE

5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF ITS SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP.

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRHP.

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS WILL BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THIS ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 73(3) OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE

FURTHER CONFIRM THAT THE AGREEMENT TO BE ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

(A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER; AND

(B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY."**

THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY AND/OR THE SELLING SHAREHOLDERS FROM ANY LIABILITIES UNDER SECTION 63 AND SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS RHP.

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 60B of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 56, 60 and 60B of the Companies Act.

Disclaimer from our Company, the Selling Shareholders, the Directors and the Book Running Lead Managers

Our Company, the Selling Shareholders, the Directors and the Book Running Lead Managers accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.ramkyinfrastructure.com, or the website of any Subsidiaries, our Promoters, Promoter Group, Group Company or of any affiliate or associate of our Company or Subsidiaries, would be doing so at his or her own risk.

Caution

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Issue Agreement entered into among the Book Running Lead Managers, the Selling Shareholders our Company on March 26, 2010 and the Underwriting Agreement to be entered into between our Company, the Selling Shareholders and the Underwriters.

All information shall be made available by our Company and the Book Running Lead Managers to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Neither our Company, the Selling Shareholders, nor any member of the Syndicate are liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company and the Selling Shareholders and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Each of the Book Running Lead Managers and their respective affiliates may engage in transactions with, and perform services for, our Company and its Group Companies or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company and its Group Companies or affiliates, for which they have received, and may in the future receive, compensation.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India, including Indian national residents in India who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 4A of the Companies Act, state industrial development corporations, insurance companies registered with the IRDA, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million, VCFs and permitted Non-Residents including FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding under the QIB Portion), FVCIs, multilateral and bilateral financial institutions and Eligible NRIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to hold the Equity Shares.

This Red Herring Prospectus will not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Hyderabad, Andhra Pradesh, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act). The Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Disclaimer Clause of the BSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to the BSE. BSE has given vide its letter dated April 23, 2010, permission to the Company to use BSE's name in the Red Herring Prospectus as one of the stock exchanges on which this Company's securities are proposed to be listed. BSE has scrutinized the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. The BSE does not in any manner:

(i) warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; or

(ii) warrant that the Company's securities will be listed or will continue to be listed on the BSE; or

(iii) take any responsibility for the financial or other soundness of the Company, Promoters, the management or any scheme or project of the Company;

and it should not for any reason be deemed or construed that the Draft Red Herring Prospectus has been cleared or approved by the BSE. Every person who desires to apply for or otherwise acquires any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of the NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to the NSE. NSE has given vide its letter dated May 11, 2010, permission to the Issuer to use the NSE's name in the Red Herring Prospectus as one of the stock exchanges on which this Company's securities are proposed to be listed. The NSE has scrutinized the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. It is to be distinctly understood that the aforesaid permission given by the NSE should not in any way be deemed or construed that the Draft Red Herring Prospectus has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; nor does it warrant that this Company's securities will be listed or will continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of the Company, Promoters, the management or any scheme or project of the Company.

Every person who desires to apply for or otherwise acquire any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause of CRISIL

CRISIL limited has used due care and caution in preparing "Roads and Highways, CRISIL Research", "Infrastructure: Construction, CRISIL Research" and "Power CRISIL Research" dated August 2009, September 2009, and August 2009, respectively. Information has been obtained by CRISIL from sources which it considers reliable. However, CRISIL does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. No part of this report may be published/ reproduced in any form without CRISIL's prior written approval. CRISIL is not liable for investment decisions which may be based on the views expressed in this report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Rating Division, which may, in its regular operations, obtain information of a confidential nature that is not available to CRISIL Research.

Filing

A copy of this Red Herring Prospectus will be filed with the SEBI at the Securities and Exchange Board of India, SEBI Bhavan, G Block, third Floor, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, Maharashtra.

A copy of this Red Herring Prospectus, along with the other documents required to be filed under Section 60B of the Companies Act, will be delivered for registration with the RoC at the office of the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act will be delivered for registration with the RoC situated at the address mentioned below:

The Registrar of Companies, Hyderabad, Andhra Pradesh.
2nd Floor, CPWD Building,
Kendriya Sadan,
Sultan Bazar, Koti,
Hyderabad 500 195, India.

Listing

Applications have been made to the Stock Exchanges for permission to deal in, and for an official quotation of the Equity Shares. The NSE will be the Designated Stock Exchange with which the 'Basis of Allocation' will be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within eight days after our Company becomes liable to repay it, i.e. from the date of refusal or within 15 days from the Bid/Issue Closing Date or 14 days from Bid/Issue Closing Date for ASBA Bidders, whichever is earlier, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be jointly and severally liable to repay the money, with interest at the rate of 15% p.a. on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within seven Working Days of finalization of the 'Basis of Allocation'.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

"*Any person who:*

(a) *makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or*

(b) *otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name*

shall be punishable with imprisonment for a term which may extend to five years."

Consents

Consents in writing of (a) the Directors, Selling Shareholders, our Company Secretary and Compliance Officer, the Book Running Lead Managers, the Auditor, the lenders of our Company, the domestic legal counsel to our Company, domestic legal counsel to the Underwriters, international legal counsel to the Underwriters, the Bankers to our Company, the Registrar to the Issue have been obtained; and consents in writing of (b) the IPO Grading Agency, the Syndicate Members, the Escrow Collection Banks, the Bankers to the Issue, to act in their respective capacities, will be obtained and would be filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 60 and 60B of the Companies Act and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI Regulations, Visweswara Rao & Associates and BSR & Co., Chartered Accountants have agreed to provide their written consent to the inclusion of their report on financial statements and report relating to the possible general and special tax benefits, as applicable, accruing to our Company and its shareholders, included in this Red Herring Prospectus in the form and context in which they appear in this Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus for registration with the RoC.

As the offered Equity Shares have not been and will not be registered under the Securities Act, Visweswara Rao & Associates and BSR & Co., Chartered Accountants, Chartered Accountants have not issued and our Company has not filed their consent under the Securities Act.
CRISIL Limited, the agency engaged by our Company for the purpose of obtaining IPO grading in respect of this Issue, will give its written consent to the inclusion of their report in the form and context in which it will appear in the Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus to the RoC.

Expert Opinion

Except for the reports of the Auditors of our Company on the restated financial statements, included in this Red Herring Prospectus and except for the report provided by the IPO Grading Agency (a copy of which report will be annexed to the Red Herring Prospectus), furnishing the rationale for its grading which will be provided to the Designated Stock Exchange pursuant to the SEBI Regulations, we have not obtained any other expert opinions.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately Rs. [●] million. The expenses of this Issue include, among others, underwriting and management fees, selling commissions, SCSBs' commissions/fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees.

The Issue expenses, except the listing fee, which will be borne by our Company, shall be shared between our Company and the Selling Shareholders in the proportion to the number of Equity Shares sold to the public as part of the Issue.

The estimated Issue expenses are as under:

Activity	Amount (Rs. million)	% of the Issue Expenses	% of total Issue Size
Lead management fees*	[●]	[●]	[●]
Underwriting commission, brokerage and selling commission*	[●]	[●]	[●]
Registrar's fees*	[●]	[●]	[●]
Advertisement and marketing expenses*	[●]	[●]	[●]
Printing and distribution expenses*	[●]	[●]	[●]
IPO Grading expenses*	[●]	[●]	[●]
Advisors*	[●]	[●]	[●]
Bankers to the Issue*	[●]	[●]	[●]
Others (SEBI filing fees, bidding software expenses, depository charges, listing fees, etc.) *	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**

**Will be incorporated at the time of filing of the Prospectus.*

Fees, Brokerage and Selling Commission Payable to the Book Running Lead Managers and the Syndicate Members

The total fees payable to the Book Running Lead Managers and the Syndicate Members (including underwriting commission and selling commission) will be as stated in the engagement letter dated March 23, 2010, among our Company, the Selling Shareholders and the Book Running Lead Managers, a copy of which will be made available for inspection at our Registered Office from 10.00 am to 4.00 pm on Working Days from the date of the Draft Red Herring Prospectus until the Bid/Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable by our Company to the Registrar to the Issue for processing of application, data entry, printing of CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated March 26, 2010, signed with our Company, the Selling Shareholders and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post/under certificate of posting.

IPO Grading

This Issue has been graded by CRISIL Limited and has been assigned the "IPO Grade 3" indicating average fundamentals, through its letter dated August 16, 2010, which is valid for a period of 60 days. The IPO grading is assigned on a five point scale from 1 to 5 wherein an "IPO Grade 5" indicates strong fundamentals and an "IPO Grade 1" indicates poor fundamentals. A copy of the report provided by CRISIL Limited, furnishing the rationale for its grading will be annexed to the Red Herring Prospectus and will be made available for inspection at our Registered and Corporate Office from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Summary of rationale for grading by the IPO Grading Agency

To arrive at the overall grade, amongst various other parameters, CRISIL has considered the Company's business prospects, its financial performance, management capabilities and corporate governance practices.

The assigned grade reflects huge infrastructure spending in the country, which is expected to continue in the medium term and accordingly, provide huge growth opportunities for construction players. The grading further reflects Company's strong business position in the waste-water segment of the construction business and its good order-book position, which stood at about 4.1 times its 2008-09 revenues. The Company's strong order book of Rs. 58 billion (as on September 2009) is diversified across segments and geographical regions.

The grading is moderated by the fact that the Company is an average player and faces intense competition in the construction business other than the water and waste-water segment. In the build-operate-transfer (BOT) road business, the company is relatively a new entrant, having completed only one project; therefore, its execution capability remains a key monitorable.

Considering the fast pace of growth in future and geographical diversification of Company's order book, management needs to further enhance and stream line its processes and information systems to support the growth. Mr. Ayodhya Rami Reddy, the key promoter of Ramky Infra has a major stake in other group companies, which are in similar lines of business. Although there is a demarcation of business lines of Ramky Infa and other group companies, few overlaps in the business operations from past still exist.

For the six months ended September 30, 2009, the Company posted revenues of Rs. 7,118 million, PAT of Rs. 278 million and RoE of 10.8 per cent.

Disclaimer of IPO Grading Agency

A CRISIL IPO Grading is a one-time assessment and reflects CRISIL's current opinion on the fundamentals of the graded equity issue in relation to other listed equity securities in India. A CRISIL IPO Grading is neither an audit of the Issuer by CRISIL nor is it a credit rating. Every CRISIL IPO Grading is based on the information provided by the Issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the grading is based. A CRISIL IPO Grading is not a recommendation to buy/sell or hold the graded instrument; it does not comment on the issue price, future market price or suitability for a particular investor.

CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers/users/transmitters/distributors of CRISIL IPO Gradings. For information on any IPO grading assigned by CRISIL, please contact 'Client Servicing' at +91-22-33423561, or via email: clientservicing@crisil.com.

For more information on CRISIL IPO gradings, please visit http://www.crisil.com/ipo-gradings

Previous Issues of Equity Shares otherwise than for Cash

Other than as disclosed in "Capital Structure – Notes to Capital Structure – Note 1(c)– Equity Shares issued for consideration other than cash" on page 28, our Company has not issued any shares for consideration other than cash.

Public Issues in the Last Three Years

Neither our Company nor our Subsidiaries, our associate companies or any Group Company have made any public issue in the last three years.

Performance vis-à-vis Objects – Last One Issue of Group Companies, Subsidiaries or Associate Companies

None of our Group Companies, Subsidiaries or associate companies have made public/rights or composite issues during the period of 10 years preceding the date of filing the Draft Red Herring Prospectus with SEBI.

Underwriting Commission, Brokerage and Selling Commission on Previous Issues

There has been no public issue of the Equity Shares in the past. Thus, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

Outstanding Debentures or Bond Issues or Preference Shares

Our Company has no outstanding debentures or bonds or redeemable preference shares or other instruments as of the date of the Draft Red Herring Prospectus.

Stock Market Data of the Equity Shares

This being an initial public issue of our Company, the Equity Shares are not listed on any stock exchange.

Other Disclosures

Our Directors, Promoters, the respective directors of our Promoters, Promoter Group have not purchased or sold any securities of our Company, during a period of six months preceding the date of filing the Draft Red Herring Prospectus with SEBI.

SEBI has not initiated any action against any entity associated with the securities market, with which our Directors are associated.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least three year from the last date of dispatch of the letters of Allotment, or refund orders, demat credit or, where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar with a copy to the relevant SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or collection centre of SCSB where the physical ASBA Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. V. Phani Bhushan as the Company Secretary and Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue-related problems. He can be contacted at the following address:

Mr. V. Phani Bhushan
6-3-1089/G/10 & 11, 1st Floor,
Gulmohar Avenue, Raj Bhavan Road,
Somajiguda,
Hyderabad 500 082, India.
Telephone: +91 40 2331 0091
Facsimile: +91 40 2330 2353
E-mail: investors@ramky.com

Disposal of investor grievances by listed Group Companies

None of our Group Companies are listed.

Change in Auditors

There have been no changes in our Company's auditors in the last three years, except as described below:

S.No.	Name of Auditor	Date of change	Reason for change
1.	BSR & Co.	September 30, 2008	Appointed as joint statutory auditors.

Capitalisation of Reserves or Profits

Apart from the bonus issues as mentioned in the section "Capital Structure" our Company has not capitalised its reserves or profits at any time during the last five years. For details of the bonus issues, see the section "Capital Structure" beginning on page 28.

Tax Implications

For details, see "Statement of Tax Benefits" on page 51.

Revaluation of Assets

Our Company has not revalued its assets in the last five years.

Purchase of property

There is no property which we have purchased or acquired or propose to purchase or acquire which is to be paid for wholly, or in part, from the Net Proceeds or the purchase or acquisition of which would not have been completed on the date of the Red Herring Prospectus, other than property in respect of which:

(a) the contracts for the purchase or acquisition were entered into in the ordinary course of the business, and the contracts were not entered into in contemplation of this Issue nor is this Issue contemplated in consequence of the contracts; or
(b) the amount of the purchase money is not material.; or
(c) disclosure has been made in this Red Herring Prospectus in the sections titled "Our Business" on page 75.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum and Articles, the terms of the Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the ASBA Form, the Revision Form, the CAN, the listing agreements with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment advices and other documents or certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of this Issue and to the extent applicable.

Authority for this Issue

See "Other Regulatory and Statutory Disclosures" on page 227.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend. The Allottees will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. Further, since this Issue comprises an Offer for Sale portion, the dividend for the entire year shall be payable to the Allottees.

See "Main Provisions of the Articles of Association" on page 290 for a description of significant provisions of our Articles.

Issue Related Expenses

The Issue expenses, except the listing fee, which will be borne by our Company, shall be shared between our Company and the Selling Shareholders in the proportion to the number of Equity Shares sold to the public as part of the Issue. For further details in this regard, see "Other Regulatory and Statutory Disclosures – Issue Related Expenses" on page 227.

Mode of Payment of Dividend

Our Company shall pay dividends to shareholders of our Company as per the provisions of the Companies Act.

Face Value and Issue Price

The face value of the Equity Shares is Rs. 10 each. The Floor Price of Equity Shares is Rs. [●] per Equity Share and the Cap Price is Rs. [●] per Equity Share. The Anchor Investor Issue Price is Rs. [●] per Equity Share.

The Price Band and the minimum bid lot as decided by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers, including the relevant financial ratios computed for both the Cap Price and the Floor Price and shall be published at least two Working Days prior to the Bid/Issue Opening Date in English and Hindi national newspapers, (i.e., all editions of Financial Express and all editions of Jansatta) and one Telugu regional newspaper (i.e., all editions of Vaartha), each with wide circulation.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with Regulations issued by SEBI

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- The right to receive dividends, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- Subject to applicable law including any RBI rules and regulations, the right to freely transfer their Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreements executed with the Stock Exchanges, and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see "Main Provisions of the Articles of Association" on page 290.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per the applicable law and the SEBI Regulations, the trading of our Equity Shares shall only be in dematerialised form. Since trading of our Equity Shares will be in dematerialised form, the tradable lot is one Equity Share. Allocation of Equity Shares in this Issue and Allotment will be only in electronic form in multiples of one Equity Shares, subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold the same as joint tenants with benefits of survivorship, subject to provisions contained in the Articles.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts in Hyderabad, Andhra Pradesh, India.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or with the Registrar to the Issue and transfer agents of our Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of Section 109A of the Companies Act, shall, upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If the investors require to change their nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, including devolvement to the Underwriters within 60 days from the Bid/Issue Closing Date, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, we shall pay interest prescribed under Section 73 of the Companies Act.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale. The Offer for Sale component will be considered only to the extent that the Fresh Issue and Offer for Sale together constitute at least 10% of the fully diluted post-Issue paid up share capital of our Company.

Any expense incurred by our Company on behalf of the Selling Shareholders with regard to refunds, interest for delays, etc. for the Equity Shares being offered through the Offer for Sale, will be reimbursed by the Selling Shareholders to our Company.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, our Company and the Selling Shareholders shall ensure that the number of Allottees shall not be less than 1,000. If at least 60% of the Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act). The Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Application by Eligible NRIs, FIIs and Sub-Accounts

It is to be distinctly understood that there is no reservation for NRIs and FIIs, Sub-Accounts or FVCIs and other Non-Residents.

As per existing regulations, OCBs cannot participate in this Issue.

Arrangement for disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction on transfer of shares

Except for lock-in of the pre-Issue Equity Shares and Promoters' Contribution as detailed "Capital Structure" on page 28, there are no restrictions on transfer of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles. For significant provisions of our Articles, see "Main Provisions of the Articles of Association" on page 290.

Withdrawal of this Issue

Our Company in consultation with Book Running Lead Managers reserve the right not to proceed with this Issue within a period of two days after the Bid/Issue Closing Date. In the event of withdrawal of this Issue, the reasons therefor shall be disclosed in a public notice which shall be published within two days of the Bid/Issue Closing Date in the same newspapers where the pre Issue advertisement had appreared and the Stock Exchanges shall be informed promptly. The Book Running Lead Managers, through the Registrar to the Issue shall notify the SCSBs to unblock the Bank Accounts of the ASBA Bidders withn one day from the date of receipt of such notification. Further, in the event of withdrawal of the Issue and subsequently, plans of an IPO by our Company, a draft red herring prospectus will be submitted again for observations of the SEBI.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus after it is filed with the RoC.

In terms of the SEBI Regulations, QIBs bidding in the Net QIB Portion shall not be allowed to withdraw their Bids after the Bid/Issue Closing Date.

Application in Issue

Equity Shares being offered through the Red Herring Prospectus can be applied for in the dematerialised form only.

ISSUE STRUCTURE

This is a public issue of [●] Equity Shares for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating up to Rs. 5,300 million. This Issue shall constitute [●]% of the fully diluted post-Issue capital of our Company.

	QIB#	Non-Institutional Bidders (Including ASBA Bidders)	Retail Individual Bidders (Including ASBA Bidders)
Number of Equity Shares*	At least [●] Equity Shares.	Not less than [●] Equity Shares available for allocation or the Issue less allocation to QIBs and Retail Individual Bidders.	Not less than [●] Equity Shares or the Issue less allocation to QIBs and Non-Institutional Bidders.
Percentage of Issue size available for Allotment/ allocation	At least 60% of the Issue shall be Alloted to QIBs. However, 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available to QIBs in the Net QIB Portion.	Not less than 10% of the Issue or the Issue less allocation to QIB and Retail Individual Bidders shall be available for allocation.	Not less than 30% of the Issue or the Issue less allocation to QIBs and Non-Institutional Bidders shall be available for allocation.
'Basis of Allocation' if respective category is oversubscribed	In the Anchor Investor Portion, up to [●] Equity Shares shall be available for allocation to Anchor Investors on a discretionary basis out of which one third shall be available for allocation to Mutual Funds only. In the Net QIB Portion, proportionate, as follows: (a) [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds; and (b) [●] Equity Shares shall be allocated on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate.	Proportionate.
Minimum Bid	Such number of Equity	Such number of Equity Shares such	[●] Equity Shares

	QIB#	Non-Institutional Bidders (Including ASBA Bidders)	Retail Individual Bidders (Including ASBA Bidders)
	Shares such that the Bid Amount exceeds Rs. 100,000.	that the Bid Amount exceeds Rs. 100,000.	
Maximum Bid	Such number of Equity Shares not exceeding the size of the Issue, subject to applicable investment limits.	Such number of Equity Shares not exceeding the size of the Issue subject to applicable investment limits.	Such number of Equity Shares whereby the Bid Amount does not exceed Rs. 100,000.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Bid/Allotment Lot	[●] Equity Shares and in multiples of one Equity Shares, thereafter.	[●] Equity Shares and in multiples of one Equity Shares thereafter.	[●] Equity Shares and in multiples of one Equity Shares thereafter.
Trading Lot	One Equity Share.	One Equity Share.	One Equity Share.
Who can Apply **	Public financial institutions as specified in section 4A of the Companies Act, FIIs and their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals), scheduled commercial banks, Mutual Funds, multilateral and bilateral development financial institutions, VCFs, FVCIs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, NIF, provident funds with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million in accordance with applicable law and insurance funds set up and managed by army, navy or air force of the Union of India, in accordance with applicable law eligible for Bidding in this Issue.	Eligible NRIs, Resident Indian individuals, HUF (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, trusts and eligible/permitted Sub-Accounts which are foreign corporates or foreign individuals bidding under the Non-Institutional Portion.	Resident Indian individuals (including HUFs in the name of the Karta) and Eligible NRIs applying for Equity Shares such that the Bid Amount does not exceed Rs. 100,000 in value.
Terms of Payment	Bid Amount shall be payable at the time of submission of the Bid cum Application Form to the member of the Syndicate Members	Bid Amount shall be payable at the time of submission of Bid cum Application Form to the member of the Syndicate Members. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid	Bid Amount shall be payable at the time of submission of Bid cum Application Form to the member of the Syndicate Members.

	QIB#	Non-Institutional Bidders (Including ASBA Bidders)	Retail Individual Bidders (Including ASBA Bidders)
	Balance of the Bid Amount shall be payable upto the applicable Pay-in Date specified in the CAN.	Amount as specified in the ASBA Form	In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount as specified in the ASBA Form
Margin Amount***	Full Bid Amount on bidding.	Full Bid Amount on bidding.	Full Bid Amount on bidding.

* *Subject to valid Bids being received at or above the Issue Price. In terms of first proviso to Rule 19(2)(b) (read with erstwhile Rule 19(2)(b)) of the SCRR, read with Regulation 41(1) of the SEBI Regulations,this is an Issue for less than 25% of the post-Issue equity share capital, therefore, the Issue is being made through a Book Building Process wherein at least 60% of the Issue shall be Alloted to QIBs. If at least 60% of the Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith.*

Our Company may, in consultation with the Book Running Lead Managers, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Price, out of which at least one-third will be available for allocation to Mutual Funds only. For further details, see "Issue Procedure" on page 249. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for Allotment on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.

Further, not less than 10% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange. For further details in this regard, see "Issue Procedure" on page 249.

\# *Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Price, out of which at least one-third will be available for allocation to Mutual Funds only. Allocation to Anchor Investors shall be on a discretionary basis subject to minimum number of two Anchor Investors. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least Rs. 100 million. Further, Anchor Investors shall pay the entire Bid Amount at the time of submission of the Bid. Provided further that any difference between the Anchor Investor Allocation Price and and Anchor Investor Issue Price, shall be payable by Anchor Investor Pay-in Date. For further details, see "Issue Procedure" on page 249.*

** *In case the Bid cum Application Form or ASBA Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form or ASBA Form, as the case may be.*

*** *Any difference between the Anchor Investor Allocation Price and and Anchor Investor Issue Price, shall be payable by Anchor Investor Pay-in Date.*

Bid/Issue Program*

BID/ISSUE OPENS ON	**September 21, 2010**
BID/ISSUE CLOSES ON	**September 23, 2010**

* *Our Company and the Selling Shareholders may, in consultation with the Book Runnning Lead Managers, allocate up to 30% of the QIB Portion, i.e. [●] Equity Shares, to Anchor Investors on a discretionary basis, in accordance with the SEBI Regulations. Anchor Investors shall bid on the Anchor Investor Bidding Date. For further details, see "Issue Procedure" on page 249.*

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time) during the Bidding Period as mentioned above at the Bidding Centres mentioned on the Bid cum Application Form or, in case of Bids submitted through ASBA Form, the Designated Branches of the SCSBs **except that on the Bid/Issue Closing Date, Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time)** and uploaded until (i) 4.00 p.m. in case of Bids by QIBs bidding in the Net QIB Portion and Non-Institutional Bidders where the Bid Amount is in excess of Rs. 100,000 and (ii) until 5.00 p.m. in case of Bids by Retail Individual Bidders, where the Bid Amount is up to Rs. 100,000, which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Managers to the Stock Exchanges within half an hour of such closure. Due to limitation of the time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings in India, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation under this Issue. Bids will only be accepted on Working Days.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid form, for a particular Bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical or electronic ASBA Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSB for rectified data.

On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings for acceptance of Bid cum Application Forms and ASBA Form as stated herein and reported by the Book Running Lead Managers to the Stock Exchange within half an hour of such closure.

Our Company and the Selling Shareholders, in consultation with Book Running Lead Managers, reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI Regulations provided that the Cap Price should not be more than 120% of the Floor Price. Subject to compliance with the above mentioned condition, the Floor Price can move up or down to the extent of 20% of the Floor Price advertised at least two Working Days before the Bid/Issue Opening Date.

In case of revision in the Price Band, the Bidding Period will be extended for three additional Working Days after revision of Price Band subject to the Bidding Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the SCSBs and the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members.

ISSUE PROCEDURE

This section applies to all Bidders. Please note that all Bidders (other than Anchor Investor) can participate in the Issue through the ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to Bidders other than the ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that Anchor Investor are not allowed to participate in the Issue through ASBA.

Book Building Procedure

This Issue is being made for less than 25% of the post-Issue capital pursuant to first proviso to Rule 19(2)(b) (read with erstwhile Rule 19(2)(b)(ii)) of the SCRR read with Regulation 41(1) of the SEBI ICDR Regulations. The Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations. Further, this Issue is being made through the Book Building Process wherein atleast 60% of the Issue shall be available for allocation to QIBs on a proportionate basis out of which 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 10% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Our Company may allocate up to 30% of the QIB Portion to the Anchor Investors on a discretionary basis. One third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price.

Under subscription if any in any category, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and Selling Shareholders, in consultation with the BRLM and the Designated Stock Exchange.

Bidders are required to submit their Bids through the Syndicate or their affiliates. Further, QIB Bids can be procured only through the BRLMs or their affiliates. In the case of QIB Bidders, our Company and Selling Shareholders, in consultation with the BRLMs, may reject Bids at the time of acceptance of the Bid cum Application Form provided that the reasons for such rejection shall be disclosed to such Bidder in writing. Provided that, our Company in consultation with the BRLMs, reserves the right to reject any Bid procured from Anchor Investors without assigning any reason thereof. In the cases of Non-Institutional Bidders and Retail Individual Bidders, our Company will have a right to reject the Bids only on technical grounds. Allocation to Anchor Investors will be discretionary and not on a proportionate basis.

Investors should note that Allotment to all successful Bidders will only be in dematerialised form. Bidders will not have the option of receiving Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis excluding Anchor Investors	White
Non-Residents, Eligible NRIs, FVCIs, FIIs on a repatriation basis, excluding Anchor Investors	Blue
Anchor Investors	White

ASBA Bidders shall submit an ASBA Form either in physical or electronic form to the SCSB authorising blocking funds that are available in the bank account specified in the ASBA Form used by ASBA Bidders. Upon dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Form shall be considered as the Application Form. Upon completing and submitting the ASBA Form for

ASBA Bidders to the SCSB, the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

Who can Bid?

1. Persons eligible to invest under all applicable laws, rules, regulations and guidelines;
2. Indian nationals resident in India who are not minors in single or joint names (not more than three);
3. Hindu Undivided Families in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form or the ASBA Form, as the case may be, as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals;
4. Eligible NRIs on a repatriation basis or a non-repatriation basis subject to compliance with applicable laws. NRIs, other than Eligible NRIs, are not permitted to participate in this Issue;
5. Sub accounts of FII's registered with SEBI, which are foreign corporates or foreign individuals, only under the Non-Institutional Bidders category and FIIs registered with SEBI and sub accounts of FII's which are not foreign corporates or foreign indivuduals under the QIB portion;
6. State industrial development corporations;
7. Insurance companies registered with the Insurance Regulatory and Development Authority, India;
8. Provident Funds with a minimum corpus of Rs. 250.00 million and who are authorised under their constitution to invest in equity shares;
9. Pension funds with a minimum corpus of Rs. 250.00 million and who are authorised under their constitution to invest in equity shares;
10. Companies, corporate bodies and societies registered under applicable laws in India and authorised to invest in equity shares;
11. VCFs;
12. FVCIs;
13. Mutual Funds;
14. Indian financial institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to the RBI regulations and the SEBI ICDR Regulations and regulations, as applicable);
15. Multilateral and bilateral development financial institutions;
16. Trusts registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts and who are authorised under their constitution to hold and invest in equity shares;
17. Scientific and/or industrial research organisations in India authorised to invest in equity shares;
18. Insurance funds set up and managed by army, navy or air force of the Union of India; and
19. The National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India.

As per existing regulations, OCBs cannot Bid in the Issue. For further details, please see section titled 'Terms of the Issue' on page 241.

Participation by Associates/Affiliates of the BRLMs and Syndicate Members

Associates/affiliates of the BRLMs and Syndicate Members or any person related to the BRLMs or the Syndicate Member may Bid and subscribe to Equity Shares in the Issue in the QIB Portion or in the Non-Institutional Portion as may be applicable to such investors. Such bidding and subscription may be on their own account or on behalf of their clients. Allotment to all investors including associates/affiliates of the BRLMs and Syndicate Members respectively shall be on a proportionate basis.

The BRLMs and Syndicate Members or any person related to the BRLMs or the Syndicate Member shall not be allowed to subscribe to the Anchor Investor Portion in any manner except towards fulfilling their underwriting obligations..

However, the BRLMs and Syndicate Members shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligation as stated in the Prospectus.

Bids by Mutual Funds

Under the SEBI ICDR Regulations, at least one-third of the Anchor Investor Portion will be available for allocation to Mutual Funds only on a discretionary basis. An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds on a proportionate basis to the extent of the Mutual Funds Portion. The remaining demand by Mutual Funds shall, as part of the aggregate demand by QIB Bidders, be made available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Funds Portion.

Asset management companies or custodians of mutual funds shall specifically state the names of the concerned scheme for which Bids are being made.

In the case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made.

In accordance with current regulations, the following restrictions are applicable for investments by Mutual Funds:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry-specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up capital carrying voting rights.

Bids by Eligible NRIs

Bid cum Application Form (Blue colour form) or the ASBA Form, as the case may be, have been made available for Eligible NRIs at the Registered Office and with members of the Syndicate and the Registrar to the Issue.

Eligible NRI Bidders should note that only such Bids as are accompanied by payment in free foreign exchange shall be considered for Allotment under the Eligible NRI category. The Eligible NRIs who intend to make payment through the NRO Account shall use the Bid cum Application Form or the ASBA Form, as the case may be, meant for Resident Indians (White colour form).

Bids by FIIs

In accordance with the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII cannot exceed 10% of our post-Issue issued capital (i.e. 10% of [●] Equity Shares). In respect of an FII investing in our Equity Shares on behalf of its Sub-Accounts, the investment on behalf of each Sub-Account shall not exceed 10% of our total issued equity share capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual permitted to make investments. As of now, the aggregate FII holding in us cannot exceed 24% of our total issued capital. With the approval of the board and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of our Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of Regulation 15A(1) of the SEBI (Foreign Institutional Investor) Regulations, 1995, as amended, an FII or its Sub-Account may issue, deal or hold, off shore derivative instruments such as "Participatory Notes", equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed on any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "know your client" requirements. An FII or sub-account shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

Associates and affiliates of the Underwriters, including the BRLMs that are FIIs or its sub-account may issue offshore derivative instruments against Equity Shares allocated to them in the Issue.

Bids by SEBI-registered Venture Capital Funds and Foreign Venture Capital Investors

Under the extant law, the SEBI (Venture Capital Funds) Regulations, 1996, as amended and the SEBI (Foreign Venture Capital Investors) Regulations, 2000, as amended prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. For example, the holding by any individual VCF should not exceed 25% of the corpus of the VCF in one venture capital undertaking. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

Pursuant to the SEBI ICDR Regulations, the shareholding of SEBI-registered VCF and FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the draft prospectus with SEBI.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company, its Directors and officers, the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company, its Directors and officers, the BRLMs are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

Maximum and minimum Bid Size

(a) **For Retail Individual Bidders:** The Bid must be for a minimum of [●] Equity Shares and in multiples thereof, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs. 100,000.00. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 100,000.00. Where the Bid Amount is over Rs. 100,000.00 due to revision of the Bid or revision of the Price Band or on exercise of the option to Bid at Cut-off Price, the Bid would be considered for allocation under the Non-Institutional Portion. The Cut-off Price option is given only to Retail Individual Bidders where the Bid Amount does not exceed Rs. 100,000.00 indicating their agreement to the Bid and to purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(b) **For Non-Institutional Bidders and QIB Bidders:** The Bid must be for a minimum of such number of Equity Shares in multiple of [●] Equity Shares such that the Bid Amount exceeds Rs. 100,000.00. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB should not exceed the investment limits prescribed for them under applicable laws. **Under the SEBI ICDR Regulations, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date.**

(c) **For Bidders in the Anchor Investor Portion:** The Bid by an Anchor Investor must be for a minimum of such number of Equity Shares such that the Bid Amount is atleast Rs. 100.00 million, however, a Bid cannot be submitted for more than 30% of the QIB Portion. For the purposes of this clause, Bids by individual schemes of Mutual Fund will be clubbed together to calculate the miminum application of Rs. 100.00 million.

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000.00 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to Rs. 100,000.00 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Non-Institutional Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIB Bidders are not allowed to Bid at the Cut-off Price.

Bidders are advised to make independent queries to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

Refund amounts following a permitted withdrawal or rejection of a Bid shall be paid in the manner described under paragraph "Issue Procedure-Payment of Refund" on page 249.

Information for the Bidder:

1. Our Company and the Selling Shareholders will file the Red Herring Prospectus with the RoC at least three days before the Bid/Issue Opening Date.

2. Our Company and the Selling Shareholders, the BRLMs will declare the Bid/Issue Opening Date, Bid/Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and one Telugu newspaper, each with wide circulation in the format prescribed under the SEBI ICDR Regulations. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value.

3. The members of the Syndicate will circulate copies of the Bid cum Application Form to potential Bidders respectively, and at the request of potential investors, copies of the Red Herring Prospectus will be provided. Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/or the Bid cum Application Form can obtain the same from the Registered Office or from any of the members of the Syndicate.

4. Eligible investors who are interested in subscribing for the Equity Shares should approach any of the BRLMs or Syndicate Members or their authorised agent(s), as applicable to register their Bids. ASBA Bidders should approach the SCSBs to register their Bids.

5. The Bids should only be submitted on the prescribed Bid cum Application Form. Bid cum Application Forms should bear the stamp of the member of the Syndicate. Bid cum Application Forms which do not bear the stamp of a member of the Syndicate will be rejected.

6. The Price Band will be decided by our Company and the Selling Shareholders in consultation with the BRLMs at least two Working Days prior to the opening of the Issue and shall be published in all editions of Financial Express and Jansatta and the Telugu edition of Vaartha. The Bidders can Bid at any price within the Price Band, in multiples of [●] Equity Shares. In accordance with the SEBI ICDR Regulations, our Company and the Selling Shareholders, in consultation with the BRLMs, and without prior intimation or approval from the Bidders, reserves the right to revise the Price Band during the Bidding/Issue Period. The cap on the Price Band will not be more than 120% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band.

7. In case the Price Band is revised, the Bidding/Issue Period shall be extended, by an additional three Working Days, subject to the total Bidding/Issue Period not exceeding 10 Business Days. The revised Price Band and Bidding/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, and by publishing in two national newspapers (one each in English and Hindi) and one Telugu newspaper, with wide circulation in the place where our Registered Office is situated and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

8. Our Company in consultation with the BRLMs, shall finalise the Anchor Investor Allocation Price within the Price Band, without the prior approval of the Anchor Investors.

9. Our Company and Selling Shareholders in consultation with the BRLMs, shall finalise the Issue Price within the Price Band, without the prior approval of, or intimation to, the Bidders.

Bidders may note that in case the Depository Participant identification number, client identification number of the demat account of the Bidder, and PAN mentioned in the Bid cum Application Form or the ASBA Form, as the case may be and entered into the electronic bidding system of the stock exchanges by the Syndicate Members do not match with the Depository Participant identification number, client identification number of the demat account of the Bidder, and PAN available in the Depository database, the application Bid cum Application Form or the ASBA Form, as the case may be is liable to be rejected.

Method and Process of Bidding

1. Our Company along with the BRLMs shall declare the Bid/Issue Opening Date, the Bid/Issue Closing Date in the Red Herring Prospectus to be filed with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and one Telugu newspaper, each with wide circulation in the place where our Registered Office is situated. This advertisement, subject to the provisions of Section 66 of the Companies Act, shall contain the disclosure requirements as specified under Schedule XIII of the SEBI ICDR Regulations. The BRLMs and Syndicate Members shall accept Bids from the Bidders during the Bidding/Issue period in accordance with the terms of the Syndicate Agreement.

2. The Bidding/Issue Period shall be for a minimum of three Business Days and shall not exceed 10 Business Days. In case the Price Band is revised, the revised Price Band and Bidding/Issue Period shall be published in two national newspapers (one each in English and Hindi) and one Telugu newspaper, each with wide circulation and also by indicating the change on the website of the BRLMs and at the terminals of the members of the Syndicate. The Bidding/Issue Period shall be extended by an additional three Business Days, subject to the total Bidding/Issue Period not exceeding 10 Business Days.

3. Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid price, will become automatically invalid.

4. The Bidder cannot Bid on another Bid cum Application Form after Bid(s) on one Bid cum Application Form has been submitted to any member of the Syndicate. Similary, the Bidder cannot Bid on another ASBA Form after Bid(s) on one ASBA Form has been submitted to any SCSB. Submission of an additional Bid cum Application Form to either the same or to another member of the Syndicate or ASBA Form to any SCSB will be treated as multiple bidding and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point in time before the Allotment. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed section titled "Issue Procedure -Build up of the Book and Revision of Bids" on page 249. Provided that Bids submitted by a QIB in the Anchor Investor Portion and in the Net QIB Portion will not be considered as Multiple Bids.

5. Anchor Investors should approach the BRLMs on the Anchor Investor Bidding Date to submit their Bid. Anchor Investors bidding through ASBA may also submit bids to the relevant SCSB. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

6. Except in relation to Bids received from the Anchor Investors, the members of the Syndicate will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

7. During the Bidding/Issue Period, Bidders may approach the members of the Syndicate to submit

their Bids. Every member of the Syndicate shall accept Bids from all clients/investors who place orders through them and shall have the right to vet the Bids, subject to the terms of the Syndicate Agreement and the Red Herring Prospectus.

8. Along with the Bid cum Application Form (other than ASBA Bidders), as applicable, all Bidders will make payment in the manner described under the section titled "Issue Procedure - Terms of Payment and Payment into the Escrow Accounts" on page 249.

Escrow Mechanism

Escrow Accounts shall be opened with one or more Escrow Collection Banks for collection of application money. The Bidders shall draw the cheque or demand draft in respect of his or her Bid and/or revision of the Bid in favour of the payee detailed under the section titled "Issue Procedure -Payment into Escrow Accounts" on page 249. Cheques or demand drafts received for the full Bid Amount from Bidders in a particular category would be deposited in the Escrow Accounts. The Escrow Collection Banks will act in terms of the Red Herring Prospectus, the Prospectus and the Escrow Agreement. The monies in the Escrow Accounts shall be maintained by the Escrow Collection Banks for and on behalf of the Bidders. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the monies from the Escrow Accounts to the Public Issue Account and the Refund Account as per the terms of the Escrow Agreement, the Red Herring Prospectus and the Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established facilitate collections from the Bidders and shall be governed by the terms of the Red Herring Prospectus and the Escrow Agreement.

Terms of Payment and Payment into the Escrow Accounts

Each Bidder (other than ASBA Bidders), shall pay the entire Bid Amount with the submission of the Bid cum Application Form, draw a cheque or demand draft in favour of the Escrow Accounts of the Escrow Collection Bank(s) (see the section titled "Issue Procedure - Payment Instructions" on page 249) and submit such cheque or demand draft to the member of the Syndicate to whom the Bid is being submitted. The Bidder may also provide the entire Bid Amount by way of an electronic transfer of funds through the RTGS mechanism. Bid cum Application Forms accompanied by cash/stockinvest/money order shall not be accepted.

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Banks, which will hold the monies for the benefit of the Bidders until the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds from the Escrow Accounts, as per the terms of the Escrow Agreement, the Red Herring Prospectus and the Prospectus into the Public Issue Account. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account on the Designated Date.

In the event of Issue Price being higher than the Anchor Investor Allocation Price, the Anchor Investors shall be required to pay such additional amount to the extent of shortfall between the price at which allocation is made to them and the Issue Price. If the Issue Price is lower than the price at which allocation is made to Anchor Investors, the amount in excess of the Issue Price paid by Anchor Investors shall not be refunded to them.

Where the Bidder has been allocated a lesser number of Equity Shares than he or she had Bid for, the excess amount paid on Bidding, if any, after adjustment for Allotment, will be refunded to such Bidder within ten Working Days from the Bid/Issue Closing Date, failing which our Company shall pay interest according to the provisions of the Companies Act for any delay beyond the periods as mentioned above.

Electronic Registration of Bids by Bidders other than ASBA Bidders

1. The members of the Syndicate will register the Bids using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city where a stock exchange is located in India and where Bids are being accepted.

2. The NSE and the BSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorised agents during the Bidding/Issue Period. The members of the Syndicate can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for book building on a regular basis. On the Bid/Issue Closing Date, the members of the Syndicate and SCSBs shall upload the Bids until such time as may be permitted by the Stock Exchanges.

3. The aggregate demand and price for Bids registered on electronic facilities of the NSE and the BSE will be uploaded on a regular basis, consolidated and displayed on-line at all bidding centres as well as on the NSE's website at www.nseindia.com and on the BSE's website at www.bseindia.com. A graphical representation of consolidated demand and price will be made available at the bidding centres during the Bidding/Issue Period.

4. On the Bid/Issue Closing Date, the members of the Syndicate shall upload the Bids till such time as may be permitted by the Stock Exchanges. This information will be available with the BRLMs on a regular basis. Bidders are cautioned that a high inflow of bids typically experienced on the last day of the Bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such bids that could not uploaded will not be considered for allocation. Bids will only be accepted on Working Days.

   The Syndicate shall be responsible for any error in the Bid details uploaded by them. In case of apparent data entry error by either Syndicate member or collecting bank in entering the application number in their respective schedules other things remaining unchanged, the application may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to stock exchange(s). In the event of mistake in capturing the application number by either the Syndicate or collecting bank leading to rejection of application, the Registrar may identify based on the Bid cum Application Form or ASBA Form, as the case may be, the entity responsible for the error. Valid records in electronic file will be those for which money is received. In order that the data so captured is accurate, the Syndicate members may be permitted an additional day, post Bid/Issue Closing Date, to amend some of the data fields entered by them in the electronic bidding system.

5. At the time of registering each Bid in accordance with the SEBI circular dated April 22, 2010, the members of the Syndicate shall enter the following details of the investor in the on-line system:

   - Name of the Bidder(s). Bidders should ensure that the name given in the Bid cum Application Form is exactly the same as the name in which the Depositary Account is held. In case the Bid cum Application Form is submitted in joint names, Bidders should ensure that the Depository Account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form;

   - Investor category—Individual, Corporate, QIBs, Eligible NRI, FVCI, FII or Mutual Fund, etc.;

   - Numbers of Equity Shares Bid for all the options;

   - Bid price for all the options;

   - Bid cum Application Form number;

   - PAN number;

   - Cheque amount and cheque number; and

   - Depository Participant identification number and client identification number of the demat account of the Bidder.

6. A system-generated TRS will be given to the Bidder as proof of the registration of each of the bidding options. It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate or SCSBs as applicable. The registration of the Bid by the member of the Syndicate or SCSB does not guarantee that the Equity Shares shall be allocated either by the members of the Syndicate, SCSBs or our Company.

7. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

8. In the case of QIB Bidders, members of the Syndicate also have the right to accept the Bid or reject the Bid. However, such rejection should be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids would not be rejected except on the technical grounds listed in this Red Herring Prospectus.

9. The permission given by the NSE and the BSE to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company or the BRLMs are cleared or approved by the NSE and the BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the Promoters, the management or any scheme or project of our Company.

10. It is also to be distinctly understood that the approval given by the NSE and the BSE should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by the NSE or the BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the NSE and the BSE.

Build up of the Book and Revision of Bids

1. Bids registered by various Bidders through the members of the Syndicate shall be electronically transmitted to the NSE or BSE mainframe on a regular basis.

2. The book gets built up at various price levels. This information will be available from the BRLMs on a regular basis.

3. During the Bidding/Issue Period, any Bidder who has registered his or her Bid at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.

4. Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. The Bidder must complete the details of all the options in the Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and he is changing only one of the options in the Revision Form, he must still complete all the details of the other two options that are not being changed in the Revision Form. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate.

5. The Bidder can make this revision any number of times during the Bidding/Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom the original Bid was placed.

6. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only on such Revision Form or copies thereof.

7. Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of this Red Herring Prospectus. In the

case of QIB Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft or electronic transfer of funds through RTGS for the incremental amount, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

8. When a Bidder revises a Bid, the Bidder shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. It is the responsibility of the Bidder to request and obtain the revised TRS, which will act as proof of revision of the original Bid.

9. Only Bids that are uploaded on the online IPO system of the NSE and the BSE shall be considered for allocation/Allotment.

Revision of Bids in case of Revision of Price Band

1. The Bidder can Bid at any price within the Price Band in multiples of Re. 1 (Rupee One). The Bidder has to Bid for the desired number of Equity Shares at a specific price.

   Retail Individual Bidders applying for a maximum Bid in any of the bidding options not exceeding up to Rs. 100,000.00 may Bid at the Cut-off Price. However, bidding at the Cut-off Price is not permitted for QIB Bidders or Non-Institutional Bidders.

2. Retail Individual Bidders who Bid at the Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at the Cut-off Price shall deposit the Bid Amount based on the Cap Price in the Escrow Accounts. In the event that the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at Cut-Off Price, such Bidder shall receive the refund of the excess amounts from the Escrow Accounts in the manner described under the section titled “Issue Procedure -Payment of Refund” on page 249.

3. In case of an upward revision in the Price Band announced as above, Retail Individual Bidders, who had Bid at the Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the higher cap of the revised Price Band (such that the total amount i.e., the original Bid Amount plus additional payment does not exceed Rs. 100,000.00 if the Bidder wants to continue to Bid at the Cut-off Price), with the members of the Syndicate to whom the original Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 100,000.00, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the Red Herring Prospectus. In case of Retail Individual Bidders who do not revise the Bid or make additional payment, where the Issue Price is higher than the cap of the Price Band before revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that no additional payment would be required from such Bidder and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

4. In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have Bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Accounts. In case of downward revision in the Price Band, the number of Equity Shares Bid for shall be adjusted upwards to the higher Bid lot for the purpose of Allotment.

5. In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size and the Bid lot shall remain [●] Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of Rs. [●] to Rs. [●].

Price Discovery and Allocation

1. After the Bid/Issue Closing Date, the BRLMs shall analyse the demand generated at various price levels and book built, and discuss the pricing strategy with our Company.

2. Our Company and the Selling Shareholders, in consultation with the BRLMs, shall finalise the Issue Price.

3. Allocation to Anchor Investors shall be at the discretion of our Company in consultation with the BRLMs subject to compliance with the SEBI ICDR Regulations. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion.

4. Under-subscription, if any, in any of the categories, would be allowed to be met with spill-over from any other category or combination of categories at the sole discretion of our Company and Selling Shareholders, in consultation with the BRLMs. However, if the aggregate demand by Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the QIB Portion and be allotted proportionately to the QIB Bidders.

5. Allotment to Eligible NRIs, FIIs, Sub-Accounts, or Mutual Funds or FVCIs will be subject to applicable laws, rules, regulations, guidelines and approvals.

6. Our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right not to proceed with the Issue in accordance with SEBI ICDR Regulations.

7. In terms of the SEBI ICDR Regulations, QIBs bidders in the Net QIB Portion shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date. Anchor Investors shall not allowed to withdraw the Anchor Investor Bid after the Anchor Investor Bidding Date.

8. Our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid procured from QIB Bidders, by any or all members of the Syndicate. Rejection of Bids made by QIBs, if any, will be made at the time of submission of Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing.

9. If the Issue Price is higher than the Anchor Investor Allocation Price, the additional amount shall be paid by the Anchor Investors. However, if the Issue Price is lower than the Anchor Investor Allocation Price, the difference shall not be payable to the Anchor Investors.

10. The Allotment details shall be put on the website of the Registrar to the Issue.

11. An oversubscription to the extent of 10% of this Issue can be retained for the purposed of rounding off and making Allotments in minimum lots, while finalising Basis of Allotment.

Signing of Underwriting Agreement and RoC Filing

(a) Our Company, the BRLMs and the Syndicate Members shall enter into the Underwriting Agreement upon finalisation of the Issue Price and allocation(s)/ Allotment to the Bidders.

(b) After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus will have details of the Issue Price, Issue Size, underwriting arrangements and will be complete in all material respects.

Filing of the Red Herring Prospectus and the Prospectus with the RoC

We will file a copy of the Red Herring Prospectus and the Prospectus with the RoC in terms of Sections 56, 60 and 60B of the Companies Act.

Announcement of pre-Issue Advertisement

Subject to section 66 of the Companies Act, our Company shall, after receiving final observations, if any, on this Red Herring Prospectus from the SEBI, publish an advertisement, in the form prescribed by the SEBI ICDR Regulations, in two circulated national newspapers (one each in English and Hindi) and Telugu newspaper, each with wide publication.

Advertisement regarding Issue Price and Prospectus

A statutory advertisement will be issued by our Company after the filing of the Prospectus with the RoC.

This advertisement, among other things shall indicate the Issue Price and Anchor Investor Issue Price, if any, along with a table showing the number of Equity Shares and the amount payable by an investor. Any material updates between the date of the Red Herring Prospectus and the Prospectus shall be included in such statutory advertisement.

Issuance of CAN

(a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the BRLMs or the Registrar to the Issue shall send to the Syndicate a list of their Bidders who have been or are to be Allotted Equity Shares, pursuant to the approval of Basis of Allotment. The investor should note that our Company shall issue instructions for demat credit of Equity Shares to all successful investors in this Issue on or after the date of Allotment. For Anchor Investors, see "Notice to Anchor Investors: Allotment Reconciliation and Intimation"

(b) The BRLMs, the members of the Syndicate or the Registrar to the Issue, as the case may be, will send a CAN to Bidders who have been or are to be Allotted Equity Shares, pursuant to the approval of the Basis of Allotment.

(c) The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder for all the Equity Shares allotted to such Bidder.

Notice to Anchor Investors: Allotment Reconciliation and Intimation

After the Anchor Investor Bidding Date, a physical book will be prepared by the Registrar on the basis of Bid cum Application Forms received in the Anchor Investor Portion. Based on the physical book and at the discretion of the Company, the BRLMs, select Anchor Investors shall be sent an AI CAN, within two Working Days of the Anchor Investor Bidding Date, indicating the number of Equity Shares that are allocated to them. The AI CAN shall constitute the valid, binding and irrevocable contract for the Anchor Investor to pay the entire Anchor Investor Issue Price for all the Equity Shares allocated to such Anchor Investor. This AI CAN and the final allocation will be subject to (a) physical application being valid in all respects along with stipulated documents being received by the Registrar to the Issue and (b) Allotment by the Board of Directors. In the event the Issue Price is fixed higher that the Anchor Investor Allocation Price, a written intimation shall be sent to Anchor Investors to pay such additional amounts being the excess of the Issue Price over the Anchor Investor Allocation Price, for the shares allocated to the Anchor Investors on or before such date as specified in the intimation which shall in no event be later than two days after the Bid/Issue Closing Date.

Designated Date and Allotment

(a) Our Company will ensure that the Allotment is done within 9 Working Days of the Bid/Issue Closing Date. After the funds are transferred from the Escrow Accounts to the Public Issue Account and the Refund Account on the Designated Date, our Company will ensure the credit to the depository account(s) of successful Bidder(s) within 2 days of the Allotment.

(b) As per section 68B of the Companies Act, Allotment of the Equity Shares will be only in dematerialised form to the allottees.

(c) Successful Bidders will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated to them pursuant to this Issue.

GENERAL INSTRUCTIONS

DOs:

(a) Check if you are eligible to apply having regard to applicable laws, rules, regulations, guidelines and approvals and the terms of the Red Herring Prospectus;

(b) Ensure that you Bid within the Price Band;

(c) Read all the instructions carefully and complete the Bid cum Application Form or the ASBA Form, as the case may be;

(d) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be Allotted in dematerialised form only;

(e) Ensure that you have collected a TRS for all your Bid options;

(f) Submit Revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;

(g) Each of the Bidders, should mention their PAN allotted under the IT Act;

(h) Ensure that the Depository Participant identification number, client identification number of your demat account and PAN mentioned in the Bid cum Application Form or the ASBA Form, as the case may be and entered into the electronic bidding system of the stock exchanges by the Syndicate Members match with the Depository Participant identification number, client identification number of the demat account of the Bidder, and PAN available in the Depository database;

(i) Except for Bids (i) on behalf of the Central or State Government and the officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Bidders should mention their PAN allotted under the I.T. Act. Applications in which the PAN is not mentioned will be rejected;

(j) Ensure that the name(s) given in the Bid cum Application Form or the ASBA Form, as the case may be, is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. Where the Bid cum Application Form or the ASBA Form, as the case may be, is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form or the ASBA Form, as the case may be; and

(k) Ensure that the Demographic Details (as defined in the section titled "Issue Procedure – Bidder's Depository Account and Bank Account Details" on page 249) are updated, true and correct in all respects.

DON'Ts:

(a) Do not Bid for lower than the minimum Bid size;

(b) Do not submit Bid without payment of the entire Bid Amount;

(c) Do not Bid or revise Bid to a price that is less than the Floor Price or higher than the Cap Price;

(d) Do not Bid on another Bid cum Application Form or the ASBA Form, as the case may be, after you have submitted a Bid to the members of the Syndicate;

(e) Do not pay the Bid amount in cash, postal order, or by stockinvest;

(f) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate;

(g) Do not Bid at the Cut-off Price (for QIB Bidders and Non-Institutional Bidders);

(h) Do not Bid such that such that the number of Equity Shares Bid for exceeds the Issue Size and/or the investment limit or the maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;

(i) Do not Bid at Bid Amount exceeding Rs. 100,000.00 for in case of a Bid by a Retail Individual Bidder; and

(j) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bidders can obtain Bid cum Application Forms and/or Revision Forms from the members of the Syndicate.

Bids and Revisions of Bids for all Bidders

Bids and revisions of Bids must be:

1. Made only on the prescribed Bid cum Application Form or Revision Form, as applicable (White, or Blue).

2. Made in a single name or in joint names (not more than three, and in the same order as their Depository Participant details).

3. Completed in full, in BLOCK LETTERS in English and in accordance with the instructions contained herein, on the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected.

4. Bids from the Retail Individual Bidders must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a maximum Bid Amount of Rs. 100,000.00.

5. For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000.00 and in multiples of [●] Equity Shares thereafter. Bids cannot be made for more than the Issue Size. Bidders are advised to ensure that a single Bid from them does not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws and regulations.

6. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bids by Anchor Investors

The Company may consider participation by Anchor Investors in the QIB Portion for up to [●] Equity Shares in accordance with the applicable SEBI ICDR Regulations. Only QIBs as defined in Regulation 2(1)(zd) of the SEBI ICDR Regulations and not otherwise excluded pursuant to item 10(k) of Part A of Schedule XI of the SEBI ICDR Regulations are eligible to invest. The QIB Portion shall be reduced in proportion to the allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. In accordance with the SEBI ICDR Regulations, the key terms for participation in the Anchor Investor Portion are as follows:

1. Bid cum Application Form have been made available for Bids under the Anchor Investor Portion at our Registered Office, with the members of the Syndicate.

2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds Rs. 100.00 million and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than 30% of the QIB Portion.

3. One-third of the Anchor Investor Portion shall be reserved for allocation to domestic mutual funds.

4. The Bidding for Anchor Investors shall open one Working Day before the Bid/Issue Opening Date and shall be completed on the same day.

5. The Company in consultation with the BRLMs, shall finalise Allocation to the Anchor Investors on a discretionary basis, subject to compliance with requirements regarding minimum number of Allottees.

6. Allocation to Anchor Investors shall be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, shall be made available in public domain by the BRLMs before the Bid/Issue Opening Date.

7. Anchor Investors are required to pay the entire Bid Amount at the time of submission of the Bid cum Application Form. In case the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price shall be paid by the Anchor Investors by the Pay-in-Date. In the event the Issue Price is lower than the Anchor Investor Allocation Price, the Allotment to Anchor Investors shall be at the higher price i.e. the Anchor Investor Allocation Price and this shall constitute the Anchor Investor Issue Price.

8. The Equity Shares allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment in the Issue.

9. None of BRLMs nor any person related to the BRLMs or Promoters, Promoter Group shall participate in the Anchor Investor Portion.

10. Bids made by Anchor Investors under both the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

11. The payment instruments for payment into the Escrow Account should be drawn in favour of:

    (i) In case of resident Anchor Investors: "Escrow Account– Ramky Infrastructure Limited Public Issue – Anchor Investor – R "
    (ii) In case of non-resident Anchor Investors: "Escrow Account– Ramky Infrastructure Limited Public Issue – Anchor Investor – NR "

The minimum number of Allottees in the Anchor Investor Portion shall not be less than:

(a) two, where the allocation under Anchor Investor Portion is up to Rs. 2,500.00 million; and
(b) five, where the allocation under Anchor Investor Portion is more than Rs. 2,500.00 million.

Additional details, if any, regarding participation in the Issue under the Anchor Investor Portion shall be disclosed in the advertisement for the Price Band which shall be taken out by the Company in a national English and Hindi newspaper and a Telugu news daily at least two Working Days prior to the Bid/Issue Opening Date.

The Red Herring Prospectus, in so far as it relates to terms of the Issue should be read in conjunction with the aforestated paragraphs, to the extent applicable.

Bidder's Depository Account and Bank Account Details

Bidders should note that on the basis of Depository Participant identification number and beneficiary account number registered in the electronic book file, the Registrar to the Issue will obtain from the Depository, demographic details of the Bidders such as their address, PAN, occupation and bank account details (hereinafter referred to as "Demographic Details") for printing on refund orders or giving credit through ECS, RTGS or Direct Credit. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in credit of refunds to Bidders at the Bidders' sole risk and neither the BRLMs nor our Company, its Directors and

officers, nor the Selling Shareholders nor the Registrars to Issue shall have any responsibility or undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details on the Bid cum Application Form.

IT IS MANDATORY FOR ALL THE BIDDERS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN ON THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IF THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND SUCH JOINT NAMES ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR ON THE BID CUM APPLICATION FORM.

Bidders may note that in case the Depository Participant identification number, client identification number of the demat account of the Bidder, and PAN mentioned in the Bid cum Application Form or the ASBA Form, as the case may be and entered into the electronic bidding system of the stock exchanges by the Syndicate Members do not match with the Depository Participant identification number, client identification number of the demat account of the Bidder, and PAN available in the Depository database, the application Bid cum Application Form or the ASBA Form, as the case may be is liable to be rejected.

These Demographic Details will be used for all correspondence with the Bidders including mailing of the refund orders/ECS credit for refunds/direct credit of refund/CANs/AI CAN/allocation advice/NEFT or RTGS for refunds and printing of Company particulars on the refund order. The Demographic Details given by Bidders in the Bid cum Application Form will not be used for any other purposes by the Registrar to the Issue.

By signing the Bid cum Application Form, the Bidder will be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund orders/allocation advice/CAN/AI CAN would be mailed to the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure re-dispatch of refund orders. Please note that any such delay shall be at the Bidder's sole risk and neither our Company, its Directors and officers, nor the Selling Shareholders, nor Escrow Collection Banks, nor the BRLMs, nor the Registrar to the Issue shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or pay any interest for such delay. **In case of refunds through electronic modes as detailed in this Red Herring Prospectus, Bidders may note that refunds may get delayed if bank particulars or the MICR code obtained from the Depository Participant are incorrect or incomplete.**

Bids by Non-Residents, including Eligible NRIs, FIIs and FVCIs on repatriation basis

Bids and revision to the Bids must be made:

1. **On the Bid cum Application Form or the Revision Form, as applicable (in respective colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.**

2. **In a single name or joint names (not more than three and in the same order as their Depository Participant details).**

3. **Eligible NRIs for a Bid Amount of up to Rs. 100,000.00 would be considered under the Retail Portion for the purposes of allocation and for a Bid Amount of more than Rs. 100,000.00 would be considered under Non-Institutional Portion for the purposes of allocation. Other Non-Resident Bidders must Bid for a minimum of such number of Equity Shares in multiples of [●] that the Bid Amount exceeds Rs. 100,000.00. For**

further details, see the section titled "Issue Procedure - Maximum and Minimum Bid Size" on page 249.

4. **In the names of individuals, or in the names of FIIs, FVCIs, etc but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding Eligible NRIs) or their nominees.**

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE Accounts, details of which are received from the Depositories as part of the demographic details of the First Bidder/ sole Bidder. Our Company, its Directors and officers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

It is to be distinctly understood that there is no reservation for Non-Residents, including Eligible NRIs, FIIs and FVCIs and all Non-Residents will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the GoI, OCBs cannot participate in this Issue.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum and articles of association and/or bye laws must be lodged along with the Bid cum Application Form as applicable. Failing this, our Company and the Selling Shareholders reserve the right to reject such Bids in whole or in part without assigning reasons thereof. Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company/the BRLMs may deem fit without assigning reasons thereof.

In case of the Bids made pursuant to a power of attorney by FIIs, FVCIs, VCFs and Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject such Bid in whole or in part without assigning reasons thereof.

Bids made by Insurance Companies

In case of the Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to reject such Bids in whole or in part without assigning reasons thereof.

Bids made by Provident Funds

In case of the Bids made by provident funds, subject to applicable law, with minimum corpus of Rs. 250.00 million and pension funds with minimum corpus of Rs. 250.00 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

PAYMENT INSTRUCTIONS

Escrow Accounts shall be opened with the Escrow Collection Banks for the collection of the Bid Amount payable upon submission of the Bid cum Application Form and for amounts payable pursuant to allocation in the Issue. Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/or on allocation as per the following terms:

Payment into Escrow Accounts

1. The Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the entire Bid Amount in favour of the Escrow Account(s) and submit the same to the member of the Syndicate. Bid cum Application Forms accompanied by cash, stockinvest, money order or postal order shall not be accepted.

3. The Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the entire Bid Amount in favour of the Escrow Accounts and submit the same to the members of the Syndicate. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:
   (a) In the case of Resident QIB Bidders: "Escrow Account – Ramky Infrastructure Limited Public Issue – QIB–R ".

   (b) In the case of Non-Resident QIB Bidders: "Escrow Account – Ramky Infrastructure Limited Public Issue – QIB–R ".

   (c) In the case of Resident Retail and Non-Institutional Bidders: "Escrow Account– Ramky Infrastructure Limited Public Issue – R .

   (d) In the case of Non-Resident Retail and Non-Institutional Bidders: "Escrow Account– Ramky Infrastructure Limited Public Issue –NR ".

   (e) In the case of Resident Anchor Investors: "Escrow Account– Ramky Infrastructure Limited Public Issue – Anchor Investor – R" for deposit of monies collected from resident Anchor Investors "

   (f) In case of Non-Resident Anchor Investors: "Escrow Account– Ramky Infrastructure Limited Public Issue – Anchor Investor – NR "

4. In the event of Issue Price being higher than the Anchor Investor Allocation Price, the Anchor Investors shall be required to pay such additional amount to the extent of shortfall between the Anchor Investor Allocation Price and the Issue Price. If the Issue Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Issue Price paid by Anchor Investors shall not be refunded to them.

5. In the case of Bids by Eligible NRIs applying on a repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of NRO Account of the Non-Resident Bidder bidding on a repatriation basis. Payment by draft should be accompanied by a bank certificate confirming that the draft has been issued by debiting a NRE Account or a FCNR Account.

5. In the case of Bids by Eligible NRIs applying on a non-repatriation basis, the payments can be made out of an NRO Account of a Non-Resident Bidder bidding on a non-repatriation basis.

6. In case of Bids by FIIs and FVCIs the payment should be made out of funds held in a special rupee account along with documentary evidence in support of the remittance. Payment by draft should be accompanied by a bank certificate confirming that the draft has been issued by debiting a special rupee account.

7. Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on Bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Refund Account.

8. The monies deposited in the Escrow Accounts will be held for the benefit of the Bidders until the Designated Date.

9. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Accounts as per the terms of the Escrow Agreement, the Red Herring Prospectus and the Prospectus into the Public Issue Account.

10. No later than ten Working Days from the Bid/Issue Closing Date, the Issuer shall complete steps to refund all amounts payable to unsuccessful Bidders and the excess amount paid on Bidding, if any, after adjusting for allocation to the Bidders.

11. **Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/stockinvest/money orders/postal orders will not be accepted.**

12. Bidders are advised to mention the number of application form on the reverse of the cheque/demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.

13. In case clear funds are not available in the Escrow Accounts as per final certificates from the Escrow Collection Banks, such Bids are liable to be rejected.

Payment Instructions for Anchor Investors

1. Anchor Investors are required to pay the entire Bid Amount at the time of submission of the Bid cum Application Form by drawing a cheque or demand draft for the entire Bid Amount in favour of the Escrow Account of the Escrow Collection Bank(s) and submit the same to the member of the Syndicate to whom the Bid cum Application Form is being submitted. Bid cum Application Forms accompanied by cash shall not be accepted.

2. In case the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price shall be paid by the Anchor Investors by the Pay-in-Date. In the event the Issue Price is lower than the Anchor Investor Allocation, the Allotment to Anchor Investors shall be at the higher price i.e. the Anchor Investor Allocation Price, and this shall constitute the Anchor Investor Issue Price.

3. Our Company in consultation with the BRLMs in their absolute discretion, shall decide the list of Anchor Investors to whom the AI CAN shall be sent, pursuant to which the details of the Equity Shares allocated to them and the details of the amounts payable, if any for allotment of such Equity Shares in their respective names shall be notified to such Anchor Investors.

Payment by Stockinvest

Under the terms of the RBI Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the option to use the stockinvest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn. Accordingly, payment through Stockinvest will not be accepted in this Issue.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid.

Separate receipts shall not be issued for the money payable on the submission of Bid cum Application Forms or Revision Forms. However, the collection centre of the members of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

OTHER INSTRUCTIONS

Joint Bids in case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all refund payments will be made in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same.

PAN of the first / sole bidder (as registered with the depositories) shall be the sole criterion to identify multiple bids.

In case of a mutual fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one scheme of the mutual fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

Permanent Account Number

Except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, the Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. Act. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. The exemption to residents of Sikkim is subject to the Depository Participants verifying the veracity of the claim of the investors that they are residents of Sikkim by collecting sufficient documentary evidence in support of their address.

Any Bid cum Application Form without the PAN is liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Bid is liable to be rejected on this ground.

Right to reject Bids by our Company

In case of QIB Bidders, our Company and the Selling Shareholders, in consultation with the BRLMs, may reject Bids provided that the reason for rejecting the Bid shall be provided to such Bidders in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company and the Selling Shareholders will have a right to reject Bids based on technical grounds only. Consequent refunds shall be made as described in this Red Herring Prospectus and will be sent to the Bidder's address at the Bidder's risk.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected on, *inter alia*, the following technical grounds:

1. Amount paid is less than the amount payable for the highest value of Equity Shares Bid for;

2. Bid submitted without payment of the entire Bid Amount;

3. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;

4. Bids by persons not competent to contract under the Indian Contract Act, 1872 including minors and insane persons;

5. PAN not stated, or GIR number furnished instead of PAN;

6. Bids for lower number of Equity Shares than specified for that category of investors;

7. Bids at a price less than the lower end of the Price Band;

8. Bids at a price more than the higher end of the Price Band;

9. Bids at Cut-off Price by Non-Institutional Bidders and QIB Bidders;

10. Bids for a number of Equity Shares, which are not in multiples of [●];

11. Category not ticked;

12. Multiple Bids;

13. In the case of a Bid under power of attorney or by limited companies, corporates, trusts etc., relevant documents are not submitted;

14. Bids accompanied by money order/postal order/cash;

15. Signature of sole and/or joint Bidders missing;

16. Bid cum Application Form does not have the stamp of the BRLMs or the Syndicate Members;

17. Bid cum Application Form does not have the Bidder's depository account details;

18. In case the Depository Participant identification number, client identification number of the demat account of the Bidder, and PAN mentioned in the Bid cum Application Form or the ASBA Form, as the case may be and entered into the electronic bidding system of the stock exchanges by the Syndicate Members do not match with the Depository Participant identification number, client identification number of the demat account of the Bidder, and PAN available in the Depository database;

19. Bid is not registered within the time prescribed and as per the instructions in the Bid cum Application Form;

20. In case no corresponding record is available with the Depositories that matches two parameters, namely, the Depository Participant's identity (DP ID) and the beneficiary account number;

21. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;

22. Bids by QIBs (except ASBA Bidders) not submitted through members of the Syndicate and/or their Affiliates;

23. Bids by OCBs;

24. Bids by U.S. residents excluding "Qualified Institutional Buyers" as defined in Rule 144A under the Securities Act or other than in reliance on Regulation S under the Securities Act;

25. Bids by persons who are not eligible to acquire Equity Shares under any applicable law, rule, regulation, guideline or approval, inside India or outside India;

26. Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;

27. Bids by any person outside India if not in compliance with applicable foreign and Indian Law;

28. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

29. Bids not uploaded in the Book;

30. Bids or revision thereof by QIB Bidders and Non – Institutional Bidders where the Bid amount is in excess of Rs. 100,000.00, uploaded after 4.00 p.m or any such time as prescribed by Stock Exchange on the Bid/Issue Closing Date;

31. Bids which do not comply with securities laws at their specific jurisdictions.

Equity Shares in Dematerialised form with NSDL or CDSL

As per the provisions of section 68B of the Companies Act, the Equity Shares in this Issue shall be allotted only in a dematerialised form (i.e., not in the form of physical certificates but fungible statements issued in electronic mode).

In this context, two tripartite agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

(a) an agreement dated December 3, 2007 among NSDL, our Company and the Registrar to the Issue; and

(b) an agreement dated December 18, 2007 among CDSL, our Company and the Registrar to the Issue.

Bidders will be allotted Equity Shares only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

1. A Bidder applying for Equity Shares must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the Bid.

2. The Bidder must necessarily fill in the details (including the beneficiary account number and Depository Participant's identification number) appearing on the Bid cum Application Form and Revision Form.

3. Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

4. Names in the Bid cum Application Form, Bid Revision Form should be identical to those appearing in the account details with the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details with the Depository.

5. If incomplete or incorrect details are given under the heading "Bidders Depository Account Details' in the Bid cum Application Form or Bid Revision Form, it is liable to be rejected.

6. The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form or vis-à-vis those recorded with his or her Depository Participant.

7. Equity Shares in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

8. The trading of the Equity Shares would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or first Bidder, Bid cum Application Form number or ASBA number, details of the beneficiary account, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or SCSB where the Bid was submitted and cheque or draft number and issuing bank thereof.

PAYMENT OF REFUND

Bidders should note that on the basis of the, Depository Participant identification number and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the Bidder's bank account details including a nine digit MICR code. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in credit of refunds to Bidders, as the case may be, at the Bidder's sole risk and neither our Company, its Directors and officers, the Selling Shareholders, the Syndicate Members, the Escrow Collection Banks, the BRLMs nor the Registrar to the Issue shall have any responsibility and undertake any liability for the same.

Mode of making refunds

The payment of refund, if any, would be done through various modes in the following order of preference:

1. **NECS –** Payment of refunds would be mandatorily done through NECS for applicants having an account at any of the 68 ECS centers notified by the SEBI through its notification (Ref. No. SEBI/CFD/DILDIP/29/2008/01/02) dated February 1, 2008. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of the 68 centers referred to above, except where the applicant, being eligible, opts to receive refund through electronic transfer of funds. Refunds through NECS may also be done at other locations based on operational efficiency and in terms of demographic details obtained by Registrar to the Issue from the Depository Participants.

2. **Direct Credit** – Applicants having bank accounts with the Refund Banker(s), as mentioned in the Bid cum Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.

3. **RTGS –** Applicants having a bank account at any of the abovementioned 68 centres and whose refund amount exceeds Rs. 1 million, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the Indian Financial System Code (IFSC) code in the Bid cum Application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

4. **NEFT –** Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the IFSC, which can be linked to a MICR, if any, available to that particular bank branch. IFSC will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR code of the Bidder's bank. Wherever the applicants have registered the nine digit MICR code of the branch of the bank where they are having their account and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC of that particular bank branch and the payment of refund will be made to the applicants through this method.

5. For all the other applicants, including applicants who have not updated their bank particulars with the nine-digit MICR code, the refund orders will be dispatched "Under Certificate of Posting" for refunds orders of value up to Rs. 1,500 and through "Speed Post/ Registered Post" for refund orders of Rs. 1,500 and above. Refunds will be made by cheques, pay orders or demand drafts drawn on the Refund Banker(s) and payable at par at places where Bids are

received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Interest on refund of excess Bid Amount

Our Company shall pay interest at the rate of 15% p.a. on the excess Bid Amount received if refund orders are not dispatched within 10 Working Days or if instructions to SCSBs are not issued for unblocking ASBA Accounts within eight Working Days of the Bid/Issue Closing Date for any delay beyond such ten Working Day time period.

DISPOSAL OF APPLICATIONS AND APPLICATIONS MONEY AND INTEREST IN CASE OF DELAY

Our Company shall ensure dispatch of Allotment advice, transfer advice or refund orders and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within ten Working Days of the Bid/Issue Closing Date. Our Company shall dispatch refunds above Rs. 1,500.00, if any, by registered post or speed post at the sole or first Bidder's sole risk, except for refunds through the ECS facility or RTGS or Direct Credit.

Our Company shall use its best efforts to ensure that all steps for completion of the necessary formalities for Allotment and trading at the Stock Exchanges where the Equity Shares are proposed to be listed are taken within five Business Days of the finalisation of the Basis of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI ICDR Regulations, our Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form, including the credit of Allotted Equity Shares to the beneficiary accounts of the Depository Participants, within nine days of the Bid/Offer Closing Date;

- With respect to Bidders other than ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within ten Working Days of the Bid/Offer Closing Date would be ensured. With respect to the ASBA Bidders' instructions for unblocking of the ASBA Bidder's bank account shall be within eight Working Days from the Bid/Offer Closing Date; and

- Our Company shall pay interest at 15% p.a. for any delay beyond the ten Working Day time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within nine Working Days from the day the Company becomes liable to repay (i.e. 10 days after the Bid/Offer Closing Date or the date of refusal by the Stock Exchange(s), whichever is earlier). If such money is not repaid within eight days from the day the Company becomes liable to repay, the Company, the Selling Shareholders and every Director of the Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under sub section (2) and (2A) of section 73 of the Companies Act.

Our Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar to the Issue.

Save and except for refunds effected through the electronic mode, i.e., ECS, NEFT, direct credit or RTGS, refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by us, as a Refund Banker which shall be payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

"Any person who:

(a) ***makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or***

(b) ***otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name,***

shall be punishable with imprisonment for a term which may extend to five years".

ALLOTMENT

Basis of Allotment

A. For Retail Individual Bidders

- Bids received from Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all successful Retail Individual Bidders will be made at the Issue Price.

- The Issue Size less Allotment to Non-Institutional Bidders and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the valid Bids in this portion are less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Retail Individual Bidders to the extent of their valid Bids.

- If the valid Bids in this portion are greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis of not less than [●] Equity Shares and in multiples of one Equity Share thereafter. For the method of proportionate Basis of Allotment, refer below.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.

- The Issue Size less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the valid Bids in this portion are less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their valid Bids.

- If the valid Bids in this portion are greater than [●] Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis of not less than [●] Equity Shares and in multiples of one Equity Share thereafter. For the method of proportionate Basis of Allotment, refer below.

C. For QIB Bidders in the Net QIB Portion

- Bids received from QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allocation to QIB Bidders will be made at the Issue Price.

- The QIB Portion shall be available for allocation to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

- Allotment shall be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the Net QIB Portion shall be determined as follows:

(i) If Bids from Mutual Funds exceed 5% of the Net QIB Portion, allocation to Mutual Funds shall be made on a proportionate basis in multiples of one Equity Share up to 5% of the Net QIB Portion.

(ii) If the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.

(iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available to QIB Bidders as set out in (b) below.

(b) In the second instance allocation to all QIBs bidding in the Net QIB Portion shall be determined as follows:

(i) In the event of an oversubscription in the Net QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be Allotted Equity Shares on a proportionate basis of not less than [●] Equity Shares and in multiples of one Equity Share thereafter for up to 95% of the Net QIB Portion.

(ii) Mutual Funds who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis of not less than [●] Equity Shares and in multiples of one Equity Share thereafter along with other QIB Bidders.

(iii) Under-subscription below 5% of the Mutual Fund Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

The BRLMs, the Registrar to the Issue and the Designated Stock Exchange shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the SEBI ICDR Regulations. The drawing of lots (where required) to finalise the Basis of Allotment shall be done in the presence of a public representative on the Governing Board of the Designated Stock Exchange.

In the event of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be issued prior to the same of Equity Shares in the Offer of Sale.

Procedure and Time of Schedule for Allotment and demat Credit of Equity Shares

The Issue will be conducted through a "Book Building Process" pursuant to which the members of the Syndicate will accept Bids for the Equity Shares during the Bidding/Issue Period. The Bidding/Issue Period will commence on September 21, 2010 and expire on September 23, 2010. Following the expiration of the Bidding/Issue Period, our Company and the Selling Shareholders, in consultation with the BRLMs, will determine the Issue Price. Our Company and Selling Shareholders in consultation with the BRLMs will determine the Basis of Allotment based on the Bids received and subject to confirmation by the Designated Stock Exchange. The SEBI ICDR Regulations require our Company to complete the Allotment to successful bidders within 9 working days of the expiration of the Bidding/Issue Period. The Equity Shares will then be credited to the investors' demat accounts maintained with the relevant Depository Participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence within 12 working days of expiration of the Bid/Issue Closing Period.

Method of proportionate Basis of Allotment

In the event the Issue is oversubscribed, the Allotment shall be as per the Basis of Allotment approved by the Designated Stock Exchange. The executive director or managing director of the Designated Stock Exchange along with the BRLMs and the Registrar to the Issue shall be responsible for ensuring that the

Basis Of Allotment is finalised in a fair and proper manner. Allotment to Bidders shall be made in marketable lots on a proportionate basis as explained below:

(a) Bidders will be categorised according to the number of Equity Shares applied for by them.

(b) The total number of Equity Shares to be Allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the oversubscription ratio.

(c) The number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is the total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the oversubscription ratio.

(d) If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the market lot), the decimal will be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5, it will be rounded off to the lower whole number. Allotment to all Bidders in such categories shall be arrived at after such rounding off.

(e) In all Bids where the proportionate Allotment is less than [●] Equity Shares per Bidder, the Allotment shall be made as follows:

- Each successful Bidder shall be Allotted a minimum of [●] Equity Shares; and
- The successful Bidders out of the total Bidders for a portion shall be determined by the drawing of lots in a manner such that the total number of Equity Shares Allotted in that category is as far as possible equal to the number of Equity Shares calculated in accordance with (c) above; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that portion, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance of Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for the minimum number of Equity Shares.

Illustration of Allotment to QIBs and Mutual Funds ("MF") in the Net QIB Portion

A. Issue Details

S. No.	Particulars	Issue details
1.	Issue size	200 million equity shares
2.	Allocation to QIB (60%)	120 million equity shares
3.	Anchor Investor Portion	36 million equity shares
4.	Portion available to QIBs other than Anchor Investors, i.e., the Net QIB Portion [(2) minus (3)]	84 million equity shares
	Of which:	
	a. Allocation to MFs (5%)	4.20 million equity shares
	b. Balance for all QIBs (including MFs)	79.8 million equity shares
5.	No. of QIB applicants	10
6.	No. of shares applied for	500 million equity shares

B. Details of QIB Bids in the Net QIB Portion

Sr. No.	Type of QIB bidders#	No. of shares bid for (in million)
1	A1	50
2	A2	20
3	A3	130
4	A4	50

Sr. No.	Type of QIB bidders[#]	No. of shares bid for (in million)
5	A5	50
6	MF1	40
7	MF2	40
8	MF3	80
9	MF4	20
10	MF5	20
	Total	**500**

 # A1-A5: (QIB bidders other than MFs), MF1-MF5 (QIB bidders which are MFs)

C. Details of Allotment to QIB Bidders/ Applicants

(Number of equity shares in million)

Type of QIB bidders	Shares bid for	Allocation of 4.20 million Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 79.80 million Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	**(II)**	**(III)**	**(IV)**	**(V)**
A1	50	0	7.98	0
A2	20	0	4.00	0
A3	130	0	20.74	0
A4	50	0	7.98	0
A5	50	0	7.98	0
MF1	40	0.84	6.38	7.22
MF2	40	0.84	6.38	7.22
MF3	80	1.68	12.76	14.44
MF4	20	0.42	3.19	3.61
MF5	20	0.42	3.19	3.61
	500	**4.20**	**79.80**	**36.10**

Notes:

1. The illustration presumes compliance with the requirements specified in this Draft Red Herring Prospectus in the section titled "Issue Structure" on page 245.
2. Out of 84 million equity shares allocated to QIBs, 4.2 million (i.e. 5%) will be allocated on proportionate basis among 5 Mutual Fund applicants who applied for 200 shares in QIB category.
3. The balance 79.80 million equity shares (i.e. 84 - 4.2 (available for MFs)) will be allocated on proportionate basis among 10 QIB applicants who applied for 500 equity shares (including 5 MF applicants who applied for 200 equity shares).
4. The figures in the fourth column titled "Allocation of balance 79.80 million Equity Shares to QIBs proportionately" in the above illustration are arrived as under:
   - For QIBs other than MFs (A1 to A5)= No. of shares bid for (i.e. in column II) X 79.80 / 495.80.
   - For MFs (MF1 to MF5)= [(No. of shares bid for (i.e. in column II of the table above) less equity shares allotted (i.e., column III of the table above)] X 79.80 / 495.80.
   - The numerator and denominator for arriving at allocation of 84 million shares to the 10 QIBs are reduced by 4.2 million equity shares, which have already been allotted to MFs in the manner specified in column III of the table above.

Undertakings by the Selling Shareholders:

Each Selling Shareholder undertakes the following in respect of itself:

- that the Equity Shares being sold pursuant to the Offer for Sale, have been held by them for a period of at least one year from the date of this Red Herring Prospectus and that the Equity Shares being sold pursuant to the Offer for Sale are free and clear of any liens and encumbrances, and shall be transferred to the successful Bidders within the specified time;

- that the Selling Shareholders shall not have recourse to the proceeds of the Offer for Sale until the approval for the trading of the Equity Shares from the Stock Exchanges has been received;

- that complaints received in respect of this Issue shall be dealt with expeditiously and satisfactorily;
- that it shall be ensured that dispatch of share certificates/refund orders and demat credit is completed and the allotment and listing documents shall be submitted to the Stock Exchanges within two Business Days of the date of Allotment;
- that the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Selling Shareholders;
- that the refund orders or Allotment advice to the Non-Resident Bidders shall be dispatched within the specified time;
- that adequate arrangements shall be made to collect all ASBA Forms and all ASBA shall be considered similar to other applications while finalising the Basis of Allotment; and
- that they shall pay interest of 15% per annum (for any delays beyond ten Working Days) if allotment has not been made within 9 Working Days and refund orders have not been dispatched within 10 Working Days.

Undertakings by our Company

Our Company undertakes as follows:

- that complaints received in respect of this Issue shall be dealt with expeditiously and satisfactorily. Our Company has authorised our Company Secretary as the Compliance Officer to redress all complaints, if any, of the investors participating in this Issue;
- that it shall be ensured that dispatch of share certificates/refund orders and demat credit is completed and the allotment and listing documents shall be submitted to the Stock Exchanges within two Business Days of the date of Allotment;
- that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed within five Working Days of finalisation of the Basis of Allotment;
- that our Company shall apply in advance for the listing of Equity Shares;
- that the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within ten Working Days of the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- that the promoter's contribution in full, wherever required, shall be brought in advance before the Issue opens for the public subscription;
- that the refund orders or Allotment advice to the Non-Resident Bidders shall be dispatched within the specified time;
- no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus and the Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.;
- that adequate arrangements shall be made to collect all ASBA Forms and all ASBA shall be considered similar to other applications while finalising the Basis of Allotment; and

- that we shall pay interest of 15% per annum (for any delays beyond ten Working Days) if allotment has not been made within 9 Working Days and refund orders have not been dispatched within 10 Working Days.

The Board of Directors certifies that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in section 73(3) of the Companies Act;

- details of all monies utilised out of the Fresh Issue shall be disclosed under an appropriate heading in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

- details of all unutilised monies out of the Fresh Issue, if any, shall be disclosed under the appropriate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested; and

- our Company shall not have recourse to the proceeds of the Fresh Issue until the final listing and trading approvals from the Stock Exchanges have been obtained.

ISSUE PROCEDURE FOR ASBA BIDDERS

SEBI has recently introduced a new mode of payment in public issues i.e., application supported by blocked amount wherein the application money remains in the ASBA Account until allotment in the public issue. Mode of payment through ASBA became effective on September 1, 2008. Further on April 06, 2010, SEBI further amended the procedure through ASBA applicable to all issues which shall open after May 01, 2010. Since this is a new mode of payment, set forth below is the procedure for bidding under the ASBA procedure, for the benefit of the Bidders.

This section is only to facilitate better understanding of aspects of the procedure for bidding which is specific to ASBA Bidders. ASBA Bidders should nonetheless read this document in entirety

Our Company, its Directors and officers, the Selling Shareholders, the BRLMs are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Form is correctly filled up, as described in this section.

The list of banks who have been notified by SEBI to act as SCSBs for the ASBA are provided at http://www.sebi.gov.in/pmd/scsb.pdf. For details on designated branches of SCSB collecting the ASBA Form, please refer the above mentioned SEBI link.

ASBA Process

A Bidder can submit his bid through as ASBA Form either in physical or electronic mode to the SCSB with whom the bank account of the ASBA Bidder or bank account utilised by the ASBA Bidder is maintained. The SCSB shall block an amount equal to the Bid Amount in the ASBA Account specified in the ASBA Form, physical or electronic, on the basis of an authorisation to this effect given by the account holder at the time of submitting the ASBA Bid. The ASBA Bid data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchanges. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the allocated Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid, as the case may be. Once the Basis of Allotment is finalised, the Registrar to the Issue shall send an appropriate request to the Controlling Branch for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful ASBA Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Please note that Anchor Investor are not allowed to participate in the Issue through ASBA.

Who can Bid?

Bidder (other than Anchor Investor) can submit its application through ASBA process to Bid for the Equity Shares of the Company.

ASBA Form

An ASBA Bidder shall use the ASBA Form obtained from the Designated Branches for the purpose of making an ASBA Bid in terms of the Red Herring Prospectus. ASBA Bidders are required to submit their bids under the Issue, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the ASBA Form at the Designated Branch. In case of application in electronic form, the ASBA Bidder shall submit the ASBA Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Bids. For further information on how to complete ASBA Forms, see the section titled "Issue Procedure- Instructions for Completing the ASBA Form" on page 249.

- After determination of the Issue Price, the number of Equity Shares Bid for by the ASBA Bidders will be considered for allocation along with the other Bidders who have Bid for the Equity Shares at or above the Issue Price or at the Cut-off Price.

- In the ASBA Form, the ASBA Bidder shall, *inter alia,* give the following confirmations/declarations:

  (i) That he/she is an ASBA Bidder as per the SEBI ICDR Regulations;

  (ii) That he/she has authorised the SCSBs to do all acts as are necessary to make an application in the Issue, upload his/her Bid, block or unblock the funds in the ASBA Account and transfer the funds from the ASBA Account to the Public Issue Account after finalisation of the Basis of Allotment entitling the ASBA Bidder to receive Equity Shares in the Issue etc.; and

  (iii) That he/she has authorised the Registrar to the Issue to issue instructions to the SCSBs to unblock the funds in the ASBA Account upon finalisation of the Basis of Allotment and to transfer the requisite money to the Public Issue Account.

- An ASBA Bidder cannot bid under the Issue, either in physical or electronic mode, on another ASBA Form or Bid cum Application Form after bidding on one ASBA Form either in physical or electronic mode. Submission of a second ASBA Form to either the same or another Designated Branch or a Bid cum Application to the Syndicate will be treated as multiple Bid and will be liable to be rejected either before entering the Bid into the electronic Bidding System, or at any point of time prior to the Allotment of Equity Shares in the Issue.

- Upon completing and submitting the ASBA Form to the Designated Branch, the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

Maximum and Minimum Bid Size for ASBA Bidders

The ASBA Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The ASBA Bid in case of Retail Individual Investors cannot exceed Rs. 100,000.00.

Information for the ASBA Bidders:

1. Our Company will file the Red Herring Prospectus with the RoC at least three days before the Bid/Issue Opening Date.

2. Our Company, the BRLMs will declare the Bid/Issue Opening Date and Bid/Issue Closing Date at the time of filing the Red Herring Prospectus with the RoC and also publish the same two national newspapers (one each in English and Hindi) and one Telugu newspaper with wide circulation. The Price Band and the Minimum Bid Size will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs and advertised by our Company at least two Working Days prior to the Bid/Issue Opening Date.

3. ASBA Bidders who would like to obtain the Red Herring Prospectus and/or the ASBA Form can obtain the same from the Designated Branches. ASBA Bidders can also obtain a copy of the Red Herring Prospectus and/or the ASBA Form in electronic form on the websites of the SCSBs.

4. The ASBA Bids should be submitted to the SCSBs on the prescribed ASBA Form if applied in physical mode. SCSBs may provide the electronic mode of bidding either through an internet enabled bidding and banking facility or such other secured, electronically enabled mechanism for bidding and blocking funds in the ASBA Account. For further information on how to complete ASBA Forms, see the section titled "Issue Procedure -Instructions for Completing the ASBA Form" on page 249.

5. In accordance with the SEBI ICDR Regulations, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bidding/Issue Period. In case of revision, the cap on the Price Band will not be more than 120% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band.

6. Our Company and the Selling Shareholders, in consultation with the BRLMs, shall finalise the Issue Price within the Price Band, without the prior approval of, or intimation to, the ASBA Bidders.

7. Our Company and the Selling Shareholders, the BRLMs shall declare the Bid/Issue Opening Date, the Bid/Issue Closing Date in the Red Herring Prospectus to be filed with the RoC and also publish the same in two circulated national newspapers (one each in English and Hindi) and one Telugu newspaper, each with wide circulation in the place where our Registered Office is situated. The Price Band and the Minimum Bid Size will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs and advertised by our Company at least two Working Days prior to the Bid/Issue Opening Date. This advertisement, subject to the provisions of section 66 of the Companies Act, shall contain the disclosure requirements as specified under Schedule XIII of the SEBI ICDR Regulations. The SCSBs shall accept ASBA Bids from the ASBA Bidders during the Bidding/Issue Period.

8. The Bidding/Issue Period shall be for a minimum of three Business Days and shall not exceed 10 Business Days. In case the Price Band is revised, the revised Price Band and Bidding/Issue Period will be published in two national newspapers (one each in English and Hindi) and one Telugu newspaper, each with wide circulation and also by indicating the change on the website of the BRLMs, and at the terminals of the members of the Syndicate. The Bidding/Issue Period shall be extended by an additional three Business Days, subject to the total Bidding/Issue Period not exceeding 10 Business Days.

Mode of Payment

Upon submission of an ASBA Form with the SCSB, whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch to block the Bid Amount in the ASBA Account.

ASBA Form should not be accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account.

SCSBs shall block the Bid Amount in the ASBA Account. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment or withdrawal/failure of the Issue or withdrawal/failure of the ASBA Bid, as the case may be. In the event the ASBA Account does not have a sufficient credit balance for the Bid Amount, the ASBA Bid shall be rejected by the SCSB and no funds shall be blocked in the that ASBA Account.

On the Designated Date, the SCSBs shall unblock and transfer the Bid Amount from the ASBA Account for successful Bids into the Public Issue Account and the balance amount, if any, shall be unblocked.

Electronic Registration of Bids

Upon receipt of the ASBA Form, the Designated Branch shall register and upload the Bid. **The BRLMs, our Company, the Selling Shareholders and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Bids accepted by SCSBs, Bids uploaded by SCSBs, Bids accepted but not uploaded by SCSBs or Bids accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Bids uploaded by SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.**

At the time of registering each Bid, the Designated Branches shall enter the information pertaining to the investor into the online system, including the following details:

- Application number;
- Permanent account number;
- Number of Equity Shares Bid for all the options;
- Bid price for various options;
- Depository participant identification No.; and
- Client identification number of the Bidder's beneficiary account.

In case of electronic ASBA Form, the ASBA Bidder shall himself fill in all the above mentioned details, except the application number which shall be system generated. The SCSBs shall thereafter upload all the abovementioned details in the electronic bidding system provided by the Stock Exchanges.

A system generated TRS will be given to the ASBA Bidder upon request as proof of the registration of the Bid. **It is the ASBA Bidder's responsibility to obtain the TRS from the Designated Branches.** The registration of the Bid by the Designated Branch does not guarantee that the Equity Shares Bid for shall be Allocated to the ASBA Bidders. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

The Stock Exchanges offer a screen-based facility for registering Bids for the Issue which will be available on the terminals of Designated Branches during the Bidding/Issue Period. The Designated Branches can also set up facilities for offline electronic registration of Bids subject to the condition that they will subsequently upload the offline data file into the online facilities for book building on a regular basis. On the Bid/Issue Closing Date, the Designated Branches shall upload the Bids till such time as may be permitted by the Stock Exchanges.

Build up of the book and revision of Bids

1. Bids registered through the Designated Branches of the SCSBs shall be electronically transmitted to the BSE or the NSE mainframe on a regular basis.

2. The book gets built up at various price levels. This information will be available with the BRLMs, the Stock Exchanges and the Designated Branches of the SCSBs on a regular basis.

3. During the Bidding/Issue Period, any ASBA Bidder who has registered his/ her or its interest in the Equity Shares at a particular price level is free to revise his/ her or its Bid within the Price Band using the printed ASBA Revision Form, which is a part of the ASBA Form. Revisions can be made in both the desired number of Equity Shares and the Bid Amount (including the price per Equity Share) by using the ASBA Revision Form. Apart from mentioning the revised options in the revision form, the ASBA Bidder must also mention the details of all the options in his/ her or its ASBA Form or earlier ASBA Revision Form. For

example, if an ASBA Bidder has Bid for three options in the ASBA Form and he is changing only one of the options in the ASBA Revision Form, he is required to fill in the details of the remaining two options that are not being revised, in the ASBA Revision Form. The SCSB will not accept incomplete or inaccurate Revision Forms.

4. The ASBA Bidder can make this revision any number of times during the Bidding/Issue Period. However, for any revision(s) in the Bid, the ASBA Bidders will have to use the services of the same Designated Branch of the SCSB with whom he/she or it holds the bank account. ASBA Bidders are advised to retain copies of the ASBA Revision Form and the revised Bid must be made only in such ASBA Revision Form or copies thereof.

5. Any revision of the Bid shall be accompanied by an instruction to block the incremental amount on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be unblocked by the SCSB.

6. When an ASBA Bidder revises his/her or its Bid, he/she or it shall surrender the earlier TRS and get a revised TRS from the SCSBs. **It is the responsibility of the ASBA Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**

7. The SCSBs shall provide aggregate information about the numbers of ASBA Forms uploaded, total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Form and other information pertaining to the ASBA Bidders. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs. In the event of any error or discrepancy, the Registrar to the Issue shall inform the SCSB of the same. The SCSB shall be responsible to provide the rectified data within the time stipulated by the Registrar to the Issue. Further the decision of the Registrar to the Issue in consultation with the BRLMs, our Company and the Selling Shareholders and the Designated Stock Exchange, in this regard shall be final and binding.

8. Only Bids that are uploaded on the online IPO system of the BSE and NSE shall be considered for allocation/ Allotment.

Unblocking of ASBA Account

Once the Basis of Allotment is finalised, the Registrar to the Issue shall send an appropriate request to the Controlling Branches for unblocking the ASBA Accounts and for the transfer of requisite amount to the Public Issue Account. On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch regarding finalisation of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or withdrawal or rejection of the ASBA Bid, as the case may be.

Price Discovery and Allocation

1. After the Bid/Issue Closing Date, the Registrar to the Issue shall aggregate the demand generated under the ASBA along with the demand generated by other Bidders to determine the demand generated.

2. Our Company and the Selling Shareholders, in consultation with the BRLMs, shall finalise the Issue Price.

3. Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Issue at any time after the Bid/Issue Opening Date but before the Allotment, without assigning any reason thereof.

Interest in Case of Delay in Dispatch of Allotment Letters/ Refund Orders or Instructions to SCSBs

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI ICDR Regulations, our Company undertakes that:

- Allotment shall be made only in dematerialised form within nine Working Days from the Bid/Issue Closing Date;
- Dispatch of refund orders, except for Bidders who can receive refunds through Direct Credit, NEFT, RTGS or ECS, shall be done within ten Working Days from the Bid/Issue Closing Date;
- Instructions to the SCSBs to unblock funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful Bids shall be made within eight Working Days of the Bid/Issue Closing Date;
- SCSBs shall unblock funds in the relevant ASBA Account for withdrawn/rejected/unsuccessful Bids within nine working days of the Bid/Issue Closing Date;
- They shall pay interest at 15% p.a. if the allotment letters/ refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner through Direct Credit, NEFT, RTGS or ECS, the refund instructions have not been given to the clearing system in the disclosed manner within ten Working Days from the Bid/Issue Closing Date or if instructions to SCSBs to unblock funds in the ASBA Accounts are not given within ten Working Days of the Bid/Issue Closing Date.

The SCSBs will unblock funds in the ASBA Accounts to the extent of the refund to be made based on instructions received from the Registrar to the Issue.

Our Company shall not have recourse to the Issue proceeds until the approvals for trading of the Equity Shares has been received from the Stock Exchanges.

Filing of the Red Herring Prospectus and the Prospectus with the RoC

We will file a copy of the Red Herring Prospectus and the Prospectus with the RoC in terms of sections 56, 60 and 60B of the Companies Act.

Announcement of pre-Issue Advertisement

Subject to section 66 of the Companies Act, our Company shall, after receiving final observations, if any, on the Draft Red Herring Prospectus from the SEBI, publish an advertisement, in the form prescribed by the SEBI ICDR Regulations, in two national newspapers (one each in English and Hindi) and one Telugu newspaper, each with wide circulation.

Advertisement regarding Issue Price and Prospectus

A statutory advertisement will be issued by our Company after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price along with a table showing the number of Equity Shares and the amount payable by an investor. Any material updates between the date of the Red Herring Prospectus and the Prospectus shall be included in such statutory advertisement.

Issuance of CAN

(a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send the Controlling Branches, a list of the ASBA Bidders who have been allocated Equity Shares in the Issue, along with:

    - The number of Equity Shares to be allotted against each successful ASBA;
    - The amount to be transferred from the ASBA Account to the Public Issue Account, for each successful ASBA;
    - The date by which the funds referred to in sub-para (ii) above, shall be transferred to the Public Issue Account; and
    - The details of rejected ASBAs, if any, along with reasons for rejection and details of withdrawn/ unsuccessful ASBAs, if any, to enable SCSBs to unblock the respective ASBA Accounts.

Investors should note that our Company shall ensure that the instructions by our Company for demat credit of the Equity Shares to all investors in this Issue shall be given on the same date; and

(b) The ASBA Bidders shall directly receive the CANs from the Registrar. The dispatch of a CAN to an ASBA Bidder shall be deemed a valid, binding and irrevocable contract with the ASBA Bidder.

Allotment of Equity Shares

- Our Company will ensure that the Allotment of Equity Shares is done within nine Working Days of the Bid/Issue Closing Date. After the funds are transferred from the ASBA Accounts to the Public Issue Account on the Designated Date, to the extent applicable, our Company would ensure the credit of the Allotted Equity Shares to the depository accounts of all successful ASBA Bidders' within two Business Days from the date of Allotment.
- As per the SEBI ICDR Regulations, Equity Shares will be issued, transferred and allotted only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares so Allotted, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

GENERAL INSTRUCTIONS

DO's:

1. Check if you are eligible to Bid under ASBA.
2. Ensure that you use the ASBA Form specified for the purposes of ASBA.
3. Read all the instructions carefully and complete the ASBA Form.
4. Ensure that the details of your Depository Participant and beneficiary account are correct and that your beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.
5. Ensure that your ASBA Form is submitted at a Designated Branch, with a branch of which the ASBA Bidder or a person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account and not to the Bankers to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to our Company or the Selling Shareholders or the Registrar to the Issue or the BRLMs.
6. Ensure that the ASBA Form is signed by the account holder in case the applicant is not the account holder.
7. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form.
8. Ensure that you have funds equal to the number of Equity Shares Bid for at the Cap Price available in your ASBA Account before submitting the ASBA Form to the respective Designated Branch.
9. Ensure that you have correctly checked the authorisation box in the ASBA Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Form in your ASBA Account maintained with a branch of the concerned SCSB.
10. Ensure that you receive an acknowledgement from the Designated Branch for the submission of your ASBA Form.
11. Ensure that you have mentioned your PAN.

12. Ensure that the name(s) given in the ASBA Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the ASBA Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the ASBA Form.

13. Ensure that the Demographic Details are updated, true and correct, in all respects.

DON'Ts:

1. Do not bid for lower than the minimum Bid size.

2. Do not Bid on another ASBA Form or on a Bid cum Application Form after you have submitted a Bid to a Designated Branch.

3. Payment of Bid Amounts in any mode other than blocked amounts in the ASBA Accounts, shall not be accepted under the ASBA.

4. Do not send your physical ASBA Form by post; instead submit the same to a Designated Branch.

5. Do not submit the GIR number instead of the PAN Number.

INSTRUCTIONS FOR COMPLETING THE ASBA FORM

1. Bids through ASBA must be made only in the prescribed ASBA Form (if submitted in physical mode) or electronic mode.

2. The ASBA Bid may be made in single name or in joint names (not more than three, and in the same order as their Depository Participant details).

3. Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein and in the ASBA Form.

4. The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter.

5. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

6. ASBA Bidders should correctly mention the ASBA Account number in the ASBA Form and ensure that funds equal to the Bid Amount are available in the ASBA Account before submitting the ASBA Form to the respective Designated Branch.

7. If the ASBA Account holder is different from the ASBA Bidder, the ASBA Form should be signed by the account holder as provided in the ASBA Form.

8. ASBA Bidders should correctly mention their DP ID and Client ID in the ASBA Form. For the purpose of evaluating the validity of Bids, the Demographic Details of ASBA Bidders shall be derived from the DP ID and Client ID mentioned in the ASBA Form.

ASBA Bidder's Depository Account and Bank Details

ALL ASBA BIDDERS SHALL RECEIVE THE EQUITY SHARES ALLOTTED TO THEM IN DEMATERIALISED FORM. ALL ASBA BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE ASBA FORM. ASBA BIDDERS MUST ENSURE THAT THE NAME GIVEN IN THE ASBA FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE ASBA FORM IS SUBMITTED

IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE ASBA FORM.

ASBA Bidders should note that on the basis of Depository Participant's identification number and beneficiary account number, the Registrar to the Issue will obtain from the Depository, Demographic Details of the ASBA Bidders including address. Hence, ASBA Bidders should carefully fill in their Depository Account details in the ASBA Form.

As these Demographic Details would be used for all correspondence with the ASBA Bidders they are advised to update their Demographic Details as provided to their Depository Participants.

By signing the ASBA Form, the ASBA Bidder is deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

CAN/allocation advice would be mailed at the address of the ASBA Bidder as per the Demographic Details received from the Depositories. ASBA Bidders may note that delivery of CAN/allocation advice may be delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Note that any such delay shall be at the sole risk of the ASBA Bidders and neither of the Designated Branches, the members of the Syndicate, our Company, the Selling Shareholders or the Registrar to the Issue shall be liable to compensate the ASBA Bidder for any losses caused to the ASBA Bidder due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, namely, names of the ASBA Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number, then such Bids are liable to be rejected.

ASBA Bidders are required to ensure that the beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.

ASBA Bids under Power of Attorney

In case of an ASBA Bid pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the ASBA Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to reject such Bids. Our Company and the Selling Shareholders, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the ASBA Form, subject to such terms and conditions that we, in consultation with the BRLMs may deem fit.

OTHER INSTRUCTIONS

Withdrawal of ASBA Bids

ASBA Bidders are entitled to revise their Bids. They can withdraw their Bids during the Bidding/Issue Period by submitting a request for the same to the SCSBs who shall do the requisite, including deletion of details of the withdrawn ASBA Form from the electronic bidding system of the Stock Exchanges and unblocking of the funds in the ASBA Account.

In case the ASBA Bidder, other than a QIB biddng through an ASBA Form, wishes to withdraw the Bid after the Bid/Issue Closing Date, the same can be done by submitting a withdrawal request by the ASBA Bidder to the Registrar to the Issue. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file and give instruction to the SCSB for unblocking the ASBA Account after finalisation of the Basis of Allotment.

Joint ASBA Bids

ASBA Bids may be made in single or joint names (not more than three). In case of joint ASBA Bids, all communication will be addressed to the first Bidder and will be dispatched to his address.

Multiple ASBA Bids

An ASBA Bidder should submit only one Bid. Two or more Bids either through ASBA process or regular bid-cum-application form will be deemed to be multiple Bids if the sole or first Bidder is the same. However, not more than five Bid cum Application Form can be made from an ASBA Account.

Permanent Account Number

The ASBA Bidder or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. Act. **Applications without this information will be considered incomplete and are liable to be rejected by the SCSBs**. It is to be specifically noted that ASBA Bidders should not submit the GIR number instead of the PAN, as the Bid is liable to be rejected on this ground.

RIGHT TO REJECT ASBA BIDS

The Designated Branches shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the ASBA Account, the respective Designated Branch ascertains that sufficient funds are not available in the ASBA Account.

Further, in case any DP ID, Client ID or PAN mentioned in the ASBA Form does not match with one available in the depository's database, such ASBA Bid shall be rejected by the Registrar to the Issue.

Grounds for Technical Rejections under the ASBA Process

ASBA Bidders are advised to note that Bids under the ASBA Process are liable to be rejected on, *inter alia*, the following technical grounds:

1. Application on plain paper or on split form;

2. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;

3. Bids by persons not competent to contract under the Indian Contract Act, 1872 including minors and insane persons;

4. Amount mentioned in the ASBA Form does not tally with the amount payable for the value of Equity Shares Bid for;

5. PAN not stated, or GIR number furnished instead of PAN;

6. Bids for number of Equity Shares, which are not in multiples of [●];

7. Authorisation for blocking funds in the ASBA Account not ticked or provided;

8. Multiple Bids as desribed in this Red Herring Prospectus;

9. In case of Bid under power of attorney, relevant documents are not submitted;

10. Signature of sole and/or joint Bidders missing in case of ASBA Forms submitted in physical mode;

11. ASBA Form does not have the Bidder's depository account details;

12. ASBA Form is not delivered, either in physical or electronic form, by the Bidder within the time prescribed and as per the instructions provided in the ASBA Form and the Red Herring Prospectus;

13. Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA Form at the time of blocking such Bid Amount in the ASBA Account;

14. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number; and

COMMUNICATIONS

All future communication in connection with ASBA Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First ASBA Bidder, ASBA Form number, details of Depository Participant, number of Equity Shares applied for, date of ASBA Form, name and address of the Designated Branch where the ASBA Bid was submitted and bank account number of the ASBA Account, with a copy to the relevant SCSB. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or willful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held.

ASBA Bidders can contact the Compliance Officer, the Designated Branch where the ASBA Form was submitted, or the Registrar to the Issue in case of any pre or post-Issue related problems such as non-receipt of credit of Allotted Equity Shares in the respective beneficiary accounts, unblocking of excess Bid Amount, etc.

Disposal of Investor Grievances

All grievances relating to the ASBA may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked on application, bank account number of the ASBA Account number and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY IN INSTRUCTIONS TO SCSBs BY THE REGISTRAR TO THE ISSUE

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI ICDR Regulations, we undertake that:

- Allotment and transfer shall be made only in dematerialised form within nine Working Days from the Bid/Issue Closing Date;
- Instructions for unblocking of the ASBA Bidder's Bank Account shall be made; and
- Our Company shall pay interest at 15% p.a. for any delay beyond the ten Working Day period mentioned above, if Allotment is not made and/or demat credits are not made to investors within the time period prescribed above or if instructions to SCSBs to unblock ASBA Accounts are not issued within nine Working Days of the Bid/Issue Closing Date.

Undertaking by our Company

With respect to the ASBA Bidders, our Company undertakes that adequate arrangements shall be made to collect all ASBA Forms and ASBA Bidders shall be considered similar to other Bidders while finalising the Basis of Allotment.

Filing of shareholding pattern

In accordance with the press release dated August 5, 2010 issue by SEBI, our Company shall be filing the shareholding pattern as per clause 35 of the listing agreement, one day prior to the date of listing of the Equity Shares. The shareholding pattern shall be uploaded on the website of stock exchanges before commencement of trading of the Equity Shares. Further, the disclosure of shares held by custodians, against which depository receipts have been issued, shall also be classified into two categories, namely, (a) promoter and promoter group; and (b) non-promoter group.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule II of the Companies Act and the SEBI Regulations, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that the each provision herein below is numbered as per the corresponding article number in the Articles of Association. Certain defined terms used in the Articles of Association are set forth below. All other defined terms used in this section have the meaning given to them in the Articles of Association.

Shares

Further Issue of Shares

Article 3 (g)
Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the unissued capital or out of the increased share capital then -

1. Such (further) shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at the date;
2. The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
3. Unless the Articles otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to above shall contain a statement of this right; and
4. After the expiry of the time specified in the notice aforesaid, on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of directors may dispose of them in such manner as they think most beneficial to the Company.

   Notwithstanding anything stated above, the further shares aforesaid may be offered to any persons in (whether or not those persons includes the persons referred to in clause (a) above) in any manner whatsoever:

   (a) If a special resolution to that effect is passed by the Company in the general meeting, or

   (b) Where no such special resolution is passed, if the votes cast (whether on show of hands, or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of directors in this behalf, that the proposal is not beneficial to the Company.

   Nothing in sub-clause (4) of (g) hereof shall be deemed:

   a) To extend the time within which the offer should be accepted ; or
   b) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

   Nothing in this Article 3(g) shall apply-

(a) To the increase of the subscribed capital of the Company caused by the exercise of an option attached to debentures issued or loans raised by the Company-

(i) To convert such debentures or loans into shares in the Company, or
(ii) To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise):

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

i) Either has been approved by the Central Government before the issue of debentures or raising of the loans, or is in conformity with the rules, if any, made by that Government in this behalf; and
ii) In the case of debentures or loans other than debentures issued to, or loans obtained from, the Government or any Institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in general meeting before the issue of debentures or raising of the loans.

Shares at the Disposal of the Directors

Article 4

Subject to the provisions of Sec.81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportions and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or rights to call for any shares either at par of premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any properties sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

Share Certificates

Article 12

1) The certificate of title to shares shall be issued under the seal of the Company and shall be issued, sealed and signed in conformity with the provisions of the Companies (Issue of Shares Certificates) Rules, 1960 or any statutory modification or re-enactment thereof for the time being in force. Any two or more joint allottees or owners of a share shall, for the purpose of this Article, be treated as a single member and the Certificate of any shares may be delivered to the first named person of such joint allottee or owners on behalf of all of them. The Company shall comply with provisions of Section 113 of the Act.

2) The Company shall, within three (3) months after the allotment of any of its shares, debenture stock and within one month after application for the registration of transfer of any such shares, debenture stock deliver in accordance with the procedure laid down in Section 53 of the Companies Act, 1956, the certificates of all the shares and debentures, and the certificates of all debentures of the debenture stocks allotted or transferred unless the conditions of issue of the shares, debentures of debenture stock otherwise, provide or the Company is prohibited by any provision of law or order of any court, tribunal or authority.

3) The Company shall issue "Share/Debenture Certificates in marketable lots and where share/ debenture certificates are issued for either more or less than marketable lots, sub-division/ consolidation into marketable lots shall be done free of charge".

4) (a) The Board of Directors may renew a Share Certificate or issue a duplicate of a share Certificate, if such share certificate

i) is proved to have been lost or destroyed to the satisfaction of the Company and on execution of such indemnity as the company deem aadequate; or

ii) having been defaced or mutilated or torn is surrendered to the Company; or

iii) is old decrepit or worn out or where the pages on the reverse for recording transfers are fully utilised.

b) Provided that notwithstanding what is stated in sub-clause(a) above, the Directors shall comply with such Rules or Regulations or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or Rules applicable in this behalf.

c) The Company shall not charge any fee for sub-division or consolidation of share and debenture certificates or for sub-division of letter of allotment or for splitting consolidation or renewal of pucca transfer receipts into denominations corresponding to the market units of trading or for issue of new certificates in replacement of those which are old or torn out or where the cages of the reverse for recording transfers have been fully utilised, provided however that the Company may not entertain an application for sub- division/consolidation of share or debenture certificate(s) as the case may be into denominations less than respective market units of trading, except where such sub-division/consolidation is necessitated to make the existing holding of the said competent transfer or transferee into market lot or to comply with order of a court of law or authority or in cases wherein the opinion of the Board, it is necessary so to do to mitigate hardship.

d) The Company shall not charge any fees exceeding those which may be agreed upon with the Stock Exchange on which the shares are listed for issue of new certificates in replacement of these which are torn, defaced, lost or destroyed or sub-division or consolidation of shares and debentures certificates or for sub-division of letter of allotment for splitting, consolidation or renewal of pucca transfer receipts into denomination other than those fixed for the market units of trading.

e) The provisions of sub-clause (4) above shall mutatis mutandis apply to the debentures of the Company.

Transfer and Transmission of Shares

Article 16

(a) (i) ‘The instrument of transfer i.e. Form 7B shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modifications thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

(ii) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of members.

(b) Subject to the provisions of Section 111 of the Companies Act, 1956 and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affecte4d by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company on any account whatsoever except when the company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.

(c) The Board of Directors may after giving not less than seven days previous notice by advertisement in some newspaper circulation in the district in which Registered Office of our Company is situated, close Register of Members or the Register of debenture holders for any periods not exceeding in the aggregate forty five days or such maximum period as may be permissible in Law or prescribed by the Stock exchange where the securities issued by the Company are listed, in each year but not exceeding thirty days at any one time

(d) The Company shall not charge any fees:

i) for registration of transfers, sub-division and consolidation of shares and debentures, certificates and for letters of allotment.

ii) for sub-division of renouncible letters or right;

iii) for issue of new certificates in replacement to those which are old, descript or worn out or where the cages on the reverse for recording transfers have been fully utilized; and

iv) for registration of any Power of Attorney, Probate, letter of administration of death certificate or similar other documents.

(e) the transfer shall be effected within one month.

(f) provided that the registration of a transfer shall not be refused on the grounds of the transferor being either alone or jointly with any other person(s) indebted to the company on any account whatsoever.

Calls on Shares

Article 13

(a) (i) The Board may, from time to time may call upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall subject to receiving atleast fourteen day's notice specifying the time or times and place of payment pay to the company at the time or times and place so specified the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

(iv) the option or right to call of shares shall not be given to any person except with the sanction of the Issuer in General Meetings.

(b) A call shall be deemed to have been made at the time when the resolution of the Board authorising the Call was passed and may be required to be paid by installments.

(c) The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

(d) (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall bear interest thereon from the day appointed for payment thereof, to the time of actual payment at 18% per annum or at such lower rate, if any as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

(e) (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium shall, for the purpose of these Regulations be deemed to be a call duly made payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these Regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. Provided that any amount be paid in advance of calls on any shares, such amount may carry interest not less than 15% p.a. but shall not in respect thereof confer a right to dividend or to participate in profits. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

(f) The provisions of Article (e) shall mutatis mutandis apply to the debentures of the Company.

Company's Lien on Shares/Debentures

Article 14 (a)

The Company shall have a first and paramount lien upon all the Shares (other than fully paid up shares) registered in the name of the each member (Whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing the condition that Article II thereof will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien on any such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.

Article 14 (f)

The provisions of these articles shall mutatis mutandis apply to the calls on debentures of the Company.

Terms of Issue of Debentures

Article 19

The Company shall have power to issue debentures but in exercising this power the provisions of Section 56(3), 64, 67, 70 to 74, 108 to 113, 117 to 123, 128, 129, 133, 134, 152, 154, 170(2) and (b), 187 and 292 or any statutory modifications thereof shall be complied with.

Debentures, debenture stock, bonds or other securities conferring the right to allotment or conversion into share or the option right to call for allotment of shares shall not be issued except with the sanction of the Company in General Meeting.

Any Debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denominations and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

Unpaid or Unclaimed Dividend

Article 84

The Board shall transfer the unpaid dividends within 7 days of the expiry of 30 days of the date of declaration of the dividend to a special account with a schedule Bank to be called as: "Unpaid Dividend

Account of the Company". If the unpaid dividend is not so transferred, the Company shall pay interest at the rate of 12% per annum. Any money transferred, to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the "Investor Education and Protection Fund" established by the Central Government. No person can make any claim from the Investor Education and Protection Fund. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

Dropping off certain Articles on listing

Article 143

The provisions of Articles numbering from 97 to 142 and Schedule I (Characteristics of Investor Securities), Schedule II (Fundamental Rights), Schedule III (Deed of Adherence), and Schedule IV (Conversion Guidelines) shall lapse automatically from the date of listing of equity shares offered in the initial public offering of the Company.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this RHP), which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which have been attached to the copy of this RHP, delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office/corporate office of our Company from 10.00 am to 4.00 pm on Working Days, from the date of this RHP until the Bid/Issue Closing Date.

Material Contracts to the Issue

1. Letters of appointment, dated March 25, 2010, to the Book Running Lead Managers from our Company for appointment as book running lead managers.
2. Issue agreement between our Company, the Selling Shareholders and the Book Running Lead Managers, dated March 26, 2010.
3. Memorandum of Understanding between our Company, the Selling Shareholders and Registrar to the Issue, dated March 26, 2010.
4. Escrow Agreement, dated [•] between our Company, the Book Running Lead Managers, the Selling Shareholders, the Escrow Banks and the Registrar to the Issue.
5. Syndicate Agreement, dated [•] between our Company, the Selling Shareholders, the Book Running Lead Managers and the Syndicate Members.
6. Underwriting Agreement, dated [•] between our Company, the Selling Shareholders, the Book Running Lead Managers and Syndicate Members.
7. Agreement, dated December 3, 2007 between NSDL, our Company and the Registrar to the Issue.
8. Agreement, dated December 18, 2007 between CDSL, our Company and the Registrar to the Issue.
9. Share subscription agreement dated November 24, 2006 and amendment agreement dated July 14, 2010 between SAPE, Tara India Fund III Trust, Tara India Holdings A Limited and Ramky Infrastructure Limited, Mr. Alla Ayodhya Rami Reddy, Mr. Yancharla Ratnakar Nagaraja, Mr. Alla Dakshyani, Mr. Y.N. Madhu Rani, Mr. Alla Dasaratha Rami Reddy, Ms. A. Veeraraghavamma, Ramky Finance and Investment Private Limited, Master A. Sharan (minor) represented by Mr. Alla Ayodhya Rami Reddy and Master A. Ishaan (minor) represented by Alla Ayodhya Rami Reddy.
10. Share purchase agreement dated December 7, 2007 between Mr. Alla Ayodhya Rami Reddy with IFC amended on January 5, 2008 and July 12, 2010.

Material Documents

1. Our Memorandum and Articles, as amended from time to time.
2. Our certificate of incorporation dated June 17, 2003, and June 24, 2003.
3. Shareholders' resolution, dated March 26, 2010 authorizing the Issue.
4. Shareholder's resolution dated February 12, 2009 fixing remuneration of Mr. Alla Ayodhya Rami Reddy, our Chairman.
5. Shareholder's resolution, dated September 30, 2008 fixing remuneration of Mr. Yancharla Ratnakar Nagaraja, our Managing Director.
6. Shareholders agreement dated November 24, 2006 and amendment agreement dated July 14, 2010 between Mr. Alla Ayodhya Rami Reddy, Mr. Yancharla Ratnakar Nagaraja, Ms. A. Dakshayani, Ms. Y.N. Madhu Rani, Mr. Alla Dasratha Rami Reddy, Mr. A. Veeraghavamma,

Ramky Finance & Investment Private Limited and Mr. Alla Ayodhya Rami Reddy on behalf of Master A. Sharan and Master A. Ishaan, SAPE (at the time as Sabre Abraaj Infrastructure Company Private Limited) and Tara India Fund III (the "**Shareholders Agreement**").

7. Deed of adherence dated June 17, 2008 between Tara India Holdings, Tara India Fund III Trust, SAPE, our Company, Mr. Alla Ayodhya Rami Reddy, Mr. Yancharla Ratnakar Nagaraja, Ms. A. Dakshayani, Ms. Y.N. Madhu Rani, Mr. Alla Dasratha Rami Reddy, Mr. A. Veeraghavamma, Ramky Finance & Investment Private Limited and Mr. Alla Ayodhya Rami Reddy on behalf of Master A. Sharan and Master A. Ishaan.

8. Letter of Mr. Alla Ayodhya Rami Reddy dated March 25, 2010, for consent to transfer [●] Equity Shares aggregating Rs. 1,500 million in the Offer for Sale.

9. Resolution passed by the board of Tara India Holdings A Limited dated March 22, 2010 authorising the transfer of [●] Equity Shares aggregating Rs. 259 million.

10. Report on statement of tax benefits dated September 3, 2010.

11. Consent letter dated March 25, 2010, from IL&FS Investment Managers Limited, investment manager of Tara India Fund III Trust authorising the transfer of [●] Equity Shares aggregating Rs. 41 million.

12. Summary Statements of Assets and Liabilities and Summary Statement of Profits and Losses, as Restated and Cash Flows, as Restated, under Indian GAAP as at and for the years ended March 31, 2010, 2009, 2008, 2007 and 2006, audited by BSR & Co., Chartered Accountants and Vishweswara Rao & Associates and their audit report on the same, dated September 3, 2010.

13. Certificate dated September 2, 2010 from Visweswara Rao & Associates, Chartered Accountants in relation to deployment of funds by our Company towards the purposes sanctioned in accordance with the loan agreement as mentioned in the section "Objects of the Issue".

14. Certificate dated September 2, 2010 from Visweswara Rao & Associates, Chartered Accountants in relation to outstanding amounts towards loan facilities as mentioned in the section "Objects of the Issue".

15. Copies of annual reports of our Company for the years ended March 31, 2009, 2008, 2007, 2006 and 2005.

16. Consent of the Auditors for inclusion of their reports, in the form and context in which they appear in the DRHP, the RHP and Prospectus dated March 27, 2010.

17. Consent letter dated March 22, 2010 from CRISIL Limited.

18. Non-compete undertaking dated December 10, 2007 executed by Ramky Estates and Farms Limited in favour of our Company.

19. Consents of the Directors, the Selling Shareholders, the Company Secretary and Compliance Officer, the Book Running Lead Managers, the Auditor, the lenders of our Company, the domestic legal counsel to our Company, domestic legal counsel to the Underwriters, international legal counsel to the Underwriters, the Bankers to our Company, the Registrar to the Issue, to act in their respective capacities.

20. Applications dated April 12, 2010 and April 9, 2010 filed with the BSE and the NSE, respectively, for obtaining their in-principle listing approval.

21. Due diligence certificate, dated March 29, 2010 to SEBI from the Book Running Lead Managers.

Any of the contracts or documents mentioned in the Red Herring Prospectus may be amended or modified at any time, if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

In accordance with Section 61 of the Companies Act, in the event any of the material contracts mentioned in this section are required to be modified or amended, post the filing of the Prospectus with the RoC, reference shall be made to the shareholders of our Company for the same.

DECLARATION

We, the Directors certify that all relevant provisions of the Companies Act, and the guidelines issued by the GoI or by SEBI, as applicable, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or the rules made or guidelines issued thereunder, as the case may be, and that all approvals and permissions required to carry on the business of our Company have been obtained, are currently valid and have been complied with. We further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- Mr. Alla Ayodhya Rami Reddy *Executive Chairman*	Sd/- Mr. Yancharla Ratnakar Nagaraja *Managing Director*
Sd/- Mr. Rajiv Maliwal	Sd/- Ms. Archana Niranjan Hingorani
Sd/- Mr. Kamlesh Shivji Vikamsey	Sd/- Mr. V. Murahari Reddy
Sd/- Mr. P.G. Sastry	Sd/- Mr. P.V. Narasimham
Sd/- Mr. V. Harish Kumar	

SIGNED BY THE CHIEF FINANCIAL OFFICER

Sd/-
Mr. G. Sanjiv Iyer

SIGNED BY THE SELLING SHAREHOLDERS

	We state that all statements in respect of Tara India Holdings A Limited are true and correct	We state that all statements in respect of IL&FS Trust Company Limited A/C. - Tara India Fund III Trust are true and correct
Sd/- Mr. Alla Ayodhya Rami Reddy	Sd/- Authorised Signatory (For Tara India Holdings A Limited)	Sd/- Authorised Signatory (For IL&FS Trust Company Limited A/C. -Tara India Fund III Trust)

Date: September 14, 2010

Place: Hyderabad, Andhra Pradesh

Annexure

IPO Grading Report

Ramky Infrastructure Limited

CRISIL IPO Grade 3/5 (Average)

August 16, 2010

Grading summary

CRISIL has assigned a CRISIL IPO grade of **'3/5'** (pronounced "three on five") to the proposed IPO of Ramky Infrastructure Ltd (Ramky Infra). This grade indicates that the fundamentals of the IPO are average relative to other listed equity securities in India. However, this grade is not an opinion on whether the issue price is appropriate in relation to the issue fundamentals. The offer price for the issue may be higher or lower than the level justified by its fundamentals. The grade is not a recommendation to buy, sell or hold the graded instrument, its future market price or suitability for a particular investor. To arrive at the overall grade, amongst various other parameters, CRISIL has considered the company's business prospects, its financial performance, management capabilities and corporate governance practices.

The assigned grade reflects huge infrastructure spending in the country, which is expected to continue in the medium term and accordingly, provide huge growth opportunities for construction players. The grading further reflects Ramky Infra's strong business position in the waste-water segment of the construction business and its good order-book position, which stood at about 4.1 times its 2008-09 revenues. The company's strong order book of Rs 58 billion (as on Sept 2009) is diversified across segments and geographical regions.

The grading is moderated by the fact that Ramky Infra is an average player and faces intense competition in the construction business other than the water & waste-water segment. In the build-operate-transfer (BOT) road business, the company is relatively a new entrant, having completed only one project; therefore, its execution capability remains a key monitorable.

Considering the fast pace of growth in future and geographical diversification of company's order book, management needs to further enhance and stream line its processes and information systems to support the growth. Mr. Ayodhya Rami Reddy, the key promoter of Ramky Infra has a major stake in other group companies, which are in similar lines of business. Although there is a demarcation of business lines of Ramky Infa and other group companies, few overlaps in the business operations from past still exist.

For the six months ended September 30, 2009, the company posted revenues of Rs 7,118 mn, PAT of Rs 278 mn and RoE of 10.8 per cent.

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About the company

Ramky Infrastructure Ltd (Ramky Infra) was incorporated in April 1994 by Mr Alla Ayodhya Rami Reddy and Mr. Yancharla Ratnakar Nagaraja. Primarily a construction contractor, the company is into construction of water and waste-water projects, buildings, irrigation and road projects. Ramky Infra's revenues have registered a CAGR of 30 per cent over the last 3 years (2006-07 to 2008-09), with operating margins at 9.9-10.7 per cent.

In 2006-07, the company ventured into development activity, where it executes projects on public-private partnership and BOT basis. In the development business, Ramky Infra is involved in development of residential and commercial real estate, BOT roads, and industrial parks and, to a small extent, operation and maintenance of bus terminal.

Issue details

Shares offered to public	Not available at the time of grading
As per cent of post-issue equity	Not available at the time of grading
Object of the issue	Investment in capital equipments, working capital requirements, repayment of loan and general corporate purposes
Amount proposed to be raised	Rs 5,300 mn#
Price band	Not available at the time of grading
Lead manager	Enam Securities Pvt Ltd, Deutsche Bank

Includes offer for sale amounting to Rs 1,800 mn

Detailed Grading Rationale
A. Business prospects

- ***Huge infrastructure spending to drive Ramky Infra's business growth***

  The robust investment scenario is expected to continue over the medium term. Given Ramky Infra's focus on water and waste water, roads, building construction and irrigation, it will benefit from the spending on infrastructure and industrial sectors. The large investments being made in urban infrastructure as part of the Jawaharlal Nehru Urban Renewal Mission (JNURM) programme gives the company the opportunity to enhance its revenues further in this segment.

- ***Niche player in water & waste-water segment***

  The company enjoys a strong market position in the construction of water & waste-water plants. Over the years, Ramky Infra has developed strong engineering and design capabilities in setting up water & waste water, effluent and sewage treatment facilities.

- ***Good execution track record***

  Ramky Infra has a good track record, which is evident from the fact that out of the many projects executed by it till date, none of the company's clients have invoked any guarantees or letters of credit. Between 2002 and 2009, the company completed 261 projects across various segments (water & waste water -104, building construction -82, irrigation- 15, transportation -28, and industrial- 32).

- ***Strong order book to result in healthy turnover growth***

  The order book of the company as on September 30, 2009, was over Rs 58 billion, which is spread among various segments such as water and waste water, irrigation, building construction, roads, industrial and power (T&D) segments. These projects are expected to be executed over the next 3-4 years, and will result in a healthy growth in turnover. Also, the company has managed to reduce its concentration in south and diversify geographically, indicating its management's capability to bag projects across India.

- ***Average player , faces intense competition in construction business other than water & waste-water segment***

  Due to huge opportunities in the construction business, competition is very intense. Also, in segments such as roads, irrigation, and building construction, the company has no differentiated offerings like it has in the water & waste-water segment. The company faces competition from localised players as well as large pan-India players like Larsen & Toubro (L&T), Nagarjuna Construction Company (NCC), IVRCL, Gayatri Projects, Madhucon Projects, Hindustan Construction Company Ltd (HCC) and Gammon India, among others.

- ***New entrant in the BOT road business and PPP projects***

  Ramky infra has increased its focus on the roads BOT business and real estate PPP projects over the last 3-4 years. The company is relatively a new entrant as compared to its peers. Therefore, in order to bag big-ticket BOT road projects (to qualify net worth and technical criteria), the company has indicated that it would partner with other construction companies. Ramky Infra has recently completed a BOT road project, and another road project is nearing completion. Apart from these two projects, it has also bagged four BOT road projects, out of which two are in the north-east. The company's ability to execute in challenging areas of the north-east remains a key montoriable. In the last 3 years, Ramky Infra has executed 5 PPP projects, which include 3 real estate projects, one bus terminal and one road project.

Ramky Infra is also a late entrant in the BOT business compared to its peers such as L&T, HCC, Ashoka Buildcon, Madhucon Projects, NCC, Gammon India, IVRCL, KNR Constructions etc., which have been in the BOT business and PPP projects for more than 8-10 years.

B. Financial performance

In the last three years (2006-07 to 2008-09), Ramky Infra's revenues posted a CAGR of 33 per cent. Its net profit rose from Rs 376 mn in 2006-07 to Rs 523 mn in 2008-09. In FY09, Ramky Infra reported an operating margin of 10.2 per cent on a revenue Rs 12,413 mn; the construction business accounted for almost 93 per cent of the revenues and the development business for the rest.

For the six months ended September 30, 2009, the company posted revenues of Rs 7,118 mn and net profit of Rs 278 mn. Operating margins are expected to be stable on account of increased contribution from the low-margin roads segment, which would get offset by contribution from the high-margin development business.

While business growth in the construction segment will be robust, RoE will be constrained, due higher equity base and increase in capital requirements in BOT projects.

Financial performance snapshot (consolidated)

Particulars		FY07 Actual	FY08 Actual	FY09 Actual	6 months ended 30th September 2009 Actual
Operating Income	Rs mn	7,036	10,140	12,413	7,118
Operating margin	%	10.7	9.9	10.2	9.9
Net profit	Rs mn	376	502.5	523	278
RONW	%	35.2	18.5	12.6	10.8
Basic EPS	Rs	53.8	10.2	10.6	5.6
Net worth	Rs mn	2,135	3,317	4,938	5,312
No. of eq. shares	mn	7	49.4	49.4	49.4
Book value	Rs mn	305.0	67.1	100.0	108
Dividend per share	Rs	0	0	0	0
Debt/Equity	Times	0.8	1.0	1.4	1.7

**Note: Numbers have been reclassified as per CRISIL standards*

Source: DRHP

C. Management capabilities and corporate governance

Ramky Infra's management team is headed by Mr Alla Ayodhya Rami Reddy, the chairman. He has over 23 years of experience in the field of environmental services, bio-medical and hazardous waste management. He has worked for Gannon Dunkerly & Co and Reliance Industries Ltd in the past. With growth in revenues and diversification into different verticals, Mr Rami Reddy provides strategy and direction to the company. The Ramky group has nearly 20 group companies (some of which are in similar businesses), where the promoter holds major stakes (refer to the diagram on Ramky group below).

Mr Yancharla Ratnakar Nagaraja has been the managing director (MD) since 1996 and a director since the company's incorporation in 1994. He is responsible for the construction business with active involvement in the tendering process. Management personnel involved in execution also have adequate qualification and experience.

The management has taken steps to diversify its order book across different segments in various regions. Also, the management was able to reduce its exposure in the state of Andhra Pradesh in a timely manner, given the recent adverse political developments in the state.

- *Improvement in Information systems*

  The company has improved its process systems and upgraded its information system to monitor progress of projects under execution, order inflow and project status. However, considering the fast pace of growth in future and geographical diversification of its order book, management needs to further enhance and streamline its processes and information systems to support the growth.

- *Demarcation of business lines though overlap exists*

  There is a demarcation of business lines between Ramky Infra and its group companies. The waste-management business is divided between Ramky Infra and Ramky Enviro Engineers Ltd, while the real estate development business is divided between Ramky Infra and Ramky Estate and Farms Pvt Ltd. In both these group companies, Mr. Ayodhya Rami Reddy, the key promoter of Ramky Infra has a major stake.

  In the real estate development business, Ramky Infra undertakes all public-private participation (PPP) projects, while group company Ramky Estate and Farms Pvt Ltd looks after the private sector business. However, in some PPP real estate projects Ramky Estate & Farms Pvt is the joint development partner along with Ramky Infra. Consequently, there exists a conflict of interest.

  Ramky Infra's board comprises 9 directors, including two executive directors and five independent directors. Mr Alla Ayodya Rami Reddy, one of the promoters, serves as executive chairman on the board. The board also has two nominee directors - one from SAPE and another from IL&FS. All the independent directors have continued since joining in 2007. Based on our interactions, we believe the involvement of all independent directors at the board level is at reasonable levels.

Other factors

The IT authorities have disallowed credit under section 80IA of the IT Act relating to infrastructure development projects against which the company has gone for an appeal. No provision for the same has been made in the books of account.

Annexure I

D. Business profile

Ramky Infra, promoted by Mr Alla Ayodhya Rami Reddy, was incorporated in April 1994 and began operations as a small contractor in the water and waste-water segment. The company has grown rapidly in the last 3 years on the back of large investments in India. Ramky Infra's revenues have registered a CAGR of 30 per cent over the last 3 years (2006-07 to 2008-09). In 2008-09, construction revenues accounted for almost 93 per cent of the revenues, with 7 per cent being reported from the development business. The company derives a large share of its construction revenues from government agencies.

In 2006-07, Ramky Infra ventured into development business, where it undertakes projects on public-private partnership (PPP) and BOT basis. In this segment, the company will be involved in developing industrial parks, real estate and roads.

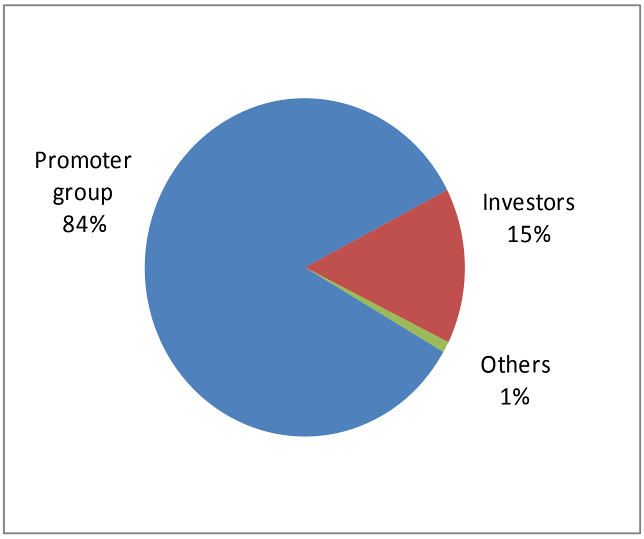
Management and board profile

Ramky Infra's management is headed by Mr Alla Ayodhya Rami Reddy, the chairman. He has over 23 years of experience in the field of environmental services, bio-medical and hazardous waste management. He is supported by Mr Yancharla Ratnakar Nagaraja, who has been the MD since 1996 and a director since the company's incorporation in 1994.

Ramky Infra's board comprises 9 directors, including two executive directors and five independent directors. Mr Alla Ayodya Rami Reddy, one of the promoters, serves as executive chairman on the board. The board also has two nominee directors - one from SAPE and another from IL&FS. Four of these independent directors have been appointed in October 2007. All the independent directors have continued since joining in 2007. Based on our interactions, we believe the involvement of all independent directors at the board level is at reasonable levels.

Shareholding pattern

Pre-IPO



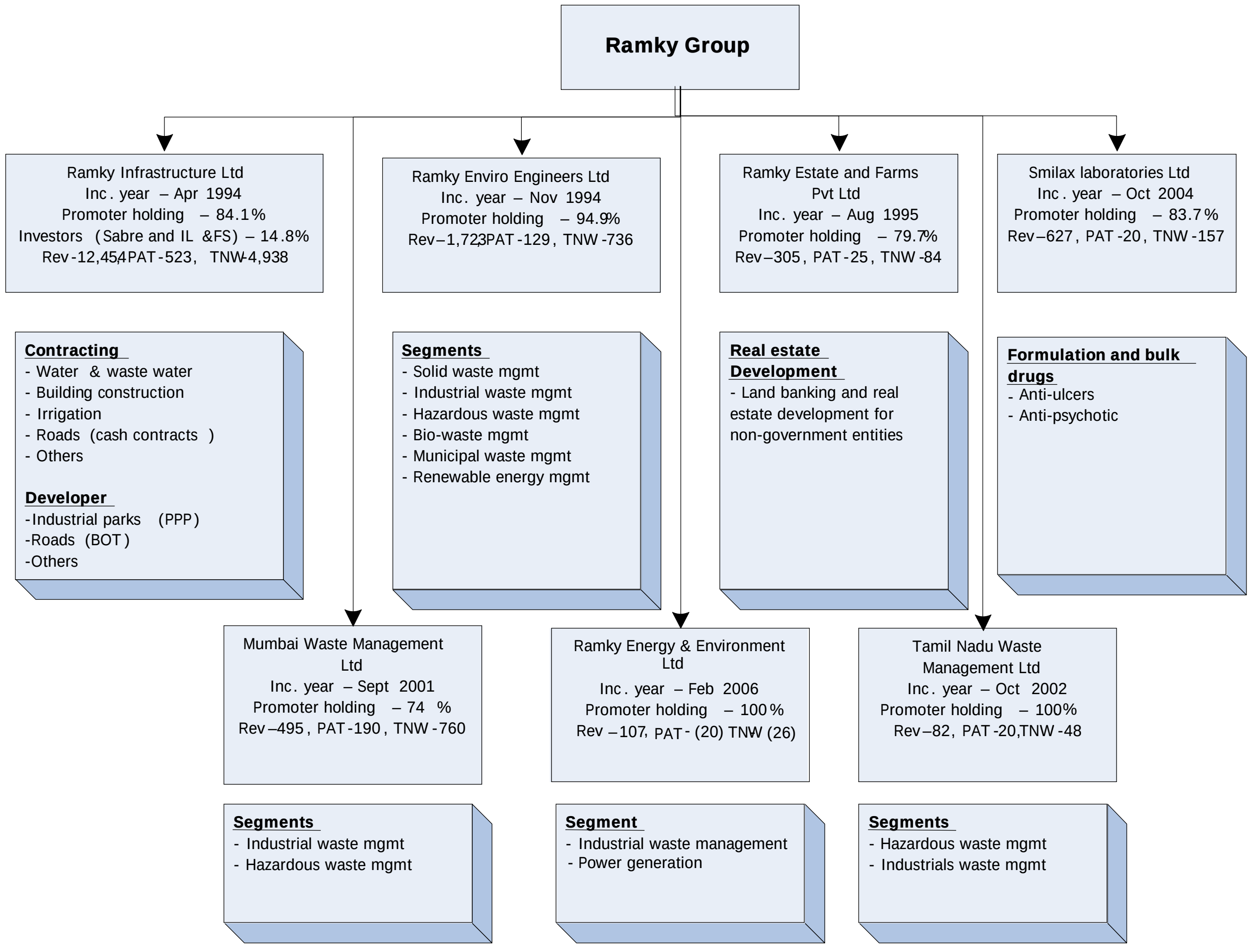
Source: DRHP

Number of shares to be offered through IPO is not available

Annexure II: Profile of the directors

Name of directors	Designation	Age	Qualification	Date of joining	Key position held/experience
Mr Alla Ayodhya Rami Reddy	Executive chairman	46	Masters degree in civil engineering - Osmania University	April 13, 1994	M/s R K Constructions Desgn: Partner (July 1988-Sept 1992) Gannon Dunkerly & Co., Reliance Industries Ltd. Desgn: Engineer (1984-1988)
Mr Yancharla Ratnakar Nagaraja	Managing director	47	Bachelor's degree in civil engineering - Karnataka University	April 13, 1994	Navega Engineers Pvt Ltd Desgn: Design and Structural Engineer (Aug 1988-Sept 1992), M/S Madanlal Steel Ltd, Desgn:Site Engineer (Sept 1985-Aug 1988)
Mr Rajiv Maliwal	Non-executive director (nominee of SAPE)	49	Bachelor's degree in mechanical engg (honours) - Birla Institute of Technology and Science, Pilani. Masters degree in business administration from IIM, Bangalore	Director w.e.f December, 2006.	Sabre capital Desgn: Managing Director (Since 2002) Standard Chartered Bank Desgn: Global Head Private Equity & E-Commerce (Prior to 2002)
Dr Archana Niranjan Hingorani	Non-Executive director (nominee of Tara India)	44	Masters in business administration and Ph.D in finance from University of Pittsburgh	Director w.e.f December, 2006.	IL&FS Investment Managers Ltd Desgn: Executive Director (since 1994; in various capacities)
Mr Kamlesh Shivaji Vikamsey	Independent director	49	Chartered accountant	Director w.e.f March, 2007.	KHIMJI KUNVERJI & CO., Chartered Accountants Desgn: Partner (since 1982) Also served on various expert commitees set up by Finance Ministry, Reserve Bank and SEBI. Also served on steering committee of United Nations. President - ICAI and part-time member of IRDA
Dr V Murahari Reddy	Independent director	66	Bachelor's degree in civil engg - S V University, Tirupati.	Director w.e.f October, 2007.	Practicing consultant in highways and buildings (Since July 2002- till date) Andhra Pradesh Road Development Corporation. Desgn:Managing Director (2001-2002)
Dr P G Sastry	Independent director	72	Masters in civil engg - IIT Karagpur. Doctorate in engg from Technical University, Dresden, Germany.	Director w.e.f October, 2007.	Environmental Appraisal Committee, Min. of Environment and Forest, GoI. Chairman (Jan 2005-Mar 2007), Member & later Vice-Chairman (Jan 1996-Jan 2005)
Mr P V Narasimham	Independent director	68	Masters degree in economics - Andhra University	Director w.e.f October, 2007.	Chairman and Managing Director, IFCI (July 1998-Sept 2001). Associated with RBI and IDBI in various capacities.
Mr V Harish Kumar	Independent director	43	Bachelor's degree in commerce - Bombay University.	Director w.e.f October, 2007.	Harish Kumar & Associates Corporate and Legal Consultants - Practising corporate lawyer. (since 1998)

Source: DRHP



Rev-Revenue; PAT-Net profit, TNW-Tangible net worth, Note: All financial numbers pertain to 2008-09

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