

# BOARDS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 27<sup>th</sup> Annual Report on the business and operations of your company for the financial year ended March 31, 2021. The consolidated performance of the company and its subsidiaries has been referred to wherever required.

## FINANCIAL RESULTS

The standalone and consolidated financial performance of the Company for the financial year ended March 31, 2021 is summarized below:

(Rs. in Millions)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operation	9,121.96	12,535.76	10,562.96	13,870.84
Other Income	969.72	886.87	1848.37	1,686.34
<b>Total Income</b>	<b>10,091.68</b>	<b>13,422.63</b>	<b>12,409.33</b>	<b>15,557.18</b>
Less: Finance costs	751.55	894.97	3,248.20	3,409.44
Less: Depreciation and Amortisation Expenses	184.87	261.22	320.22	454.42
Less: Other expenses (including operational)	8,544.4	12,155.23	9,536.99	14,324.44
<b>Total Expenses</b>	<b>9,480.82</b>	<b>13,311.42</b>	<b>13,105.41</b>	<b>18,188.30</b>
<b>Profit before tax</b>	<b>610.86</b>	<b>111.21</b>	<b>(696.08)</b>	<b>(2,631.12)</b>
Current Tax	58.06	0	242.11	37.48
Deferred Tax Charge/(Credit)	71.18	83.85	(1072.53)	(8.31)
MAT Credit entitlement	(57.88)	0	(60.73)	0
Taxes of Previous years	0	0	0.36	0
<b>Profit After Tax</b>	<b>539.50</b>	<b>27.36</b>	<b>194.71</b>	<b>(2,660.29)</b>
Other Comprehensive Income	(1.28)	5.46	(5.23)	5.23
<b>Total Comprehensive Income</b>	<b>538.22</b>	<b>32.82</b>	<b>189.48</b>	<b>(2,655.06)</b>
Basic Earnings per Share (₹)	7.80	0.41	2.83	(29.43)
Diluted Earnings per Share (₹)	7.80	0.41	2.83	(29.43)
Paid up share capital (face value of ₹ 10 each)	691.98	691.98	691.98	691.98
Reserves and Surplus	4,968.26	4,430.04	2,705.97	2,514.14

## REVIEW OF PERFORMANCE AND STATE OF THE COMPANY'S AFFAIRS STANDALONE:

The company is engaged in the business of Integrated construction, infrastructure development and management company in India. Since commencement of business in 1994, the company has delivered a range of construction and infrastructure projects in various sectors such as water, waste-water, transportation, irrigation, industrial construction, parks (including SEZs), power transmission, power distribution, residential, commercial and retail property. There has been no change in the nature of business of the Company during the financial year ended 31.03.2021.

During the year under review, members will notice that the standalone revenues from operations have decreased to Rs. 9,121.96 Millions from Rs. 12,535.76 Millions of the previous year 2019-20 and other income has increase to Rs. 969.72 Millions from Rs. 886.87 Millions of the previous

year 2019-20 and there was an reduction in the finance cost, depreciation and other expenses as result of which the profit after tax has increased to Rs. 539.50 million for the financial year under review as against profit of Rs. 27.36 Millions in the previous year 2019-20.

During the year under review, members will notice that the consolidated revenues have also decreased to Rs. 10562.96 Millions from Rs. 13,870.84 Millions in the previous year 2019-20.

## CONSOLIDATED:

The consolidated accounts of your Company broadly represent the EPC business plus the investments that have gone into the 14 subsidiaries and 1 Associate of the Company, and the consolidated business represents the consolidation of the EPC business and the integrated infrastructure developer businesses.

In accordance with Regulation 34(2) of the SEBI (LODR) 2015 and in compliance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards your Directors have pleasure in attaching the Consolidated Financial Statements as part of the Annual Report.

A statement containing brief financial details of the subsidiaries for the financial year ended March 31, 2021 is annexed as AOC- 1 in **Annexure – I** to Board Report.

The annual accounts of these subsidiaries and the related detailed information will be made available to any member of the Company/its subsidiaries seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiaries at the registered office of the Company. The annual accounts of the subsidiaries will also be available for inspection, as above, at registered office of the respective subsidiary companies.

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

During the period under review no companies have become or ceased to be its Subsidiaries, joint ventures or associate companies;

## The key aspects of your Standalone Company's performance during the financial year 2020-21 are as follows:

### Financial Highlights

- For FY 2020-21, Revenue from Operations has decreased by 27% Y-o-Y to 9121.96 Million vs 12535.76 million.
- For FY 2020-21 Total expenses have reduced by 28% Y-o-Y to 9480.82 Million from 13311.42 Million.
- For FY 2020-21, PAT also increased by 1871% Y-o-Y to 539.50 Million vs 27.36 Million.

## DIVIDEND AND TRANSFER TO RESERVES

Your Board of Directors has not recommended any dividend for the financial year 2020-21. No amount is transferred to General Reserve during the financial year 2020-21.

## SHARE CAPITAL

During the period under review there is no change in the Authorized Share Capital of the Company.

As on March 31, 2021, the Authorised Share Capital of the Company is ₹ 70,00,00,000/- (Rupees Seventy Crores Only) divided into 7,00,00,000 (Seven Crores Only) Equity Shares of ₹ 10/- (Rupees Ten Only) each. The issued, subscribed and paid-up share capital is ₹ 69,19,77,910/- (Rupees Sixty Nine Crores Nineteen Lakhs Seventy Seven Thousand Nine Hundred and Ten Only) divided into 6,91,97,791/- (Six Crores Ninety One Lakhs Ninety Seven Thousands Seven Hundred and Ninety One) of ₹ 10/- (Rupees Ten Only) each.

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

## DIRECTORS & KEY MANAGERIAL PERSONNEL COMPOSITION OF BOARD

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

## KEY MANAGERIAL PERSONNEL

Following are the Key Managerial Personnel in the Company.

S.No	Name of Key Managerial Personnel	Designation
1	Mr. Rathnakara Nagaraja Yancharla	Managing Director
2	Mr. Ravi Prasad Polimetla	Whole-time Director
3	Mr. Sanjay Kumar Sultania	Chief Financial Officer (resigned w.e.f. 23.07.2021)
4	Mr. Arjun Upadhyay	Company Secretary (resigned w.e.f. 14.06.2021)
5	Mr. Kesava Datta Nanduri	Company Secretary (appointed w.e.f. 14.06.2021)

## CHANGE IN DIRECTOR / KEY MANAGERIAL PERSONNEL DURING THE YEAR

- The members of the Company at the Annual General Meeting held on 23.09.2020 has re-appointed Ms. Rama Devi Allam as woman Independent Director for a term of 5 year w.e.f 30.09.2020
- The members of the Company at the Annual General Meeting held on 23.09.2020 regularised the appointment of Mr. Ravi Prasad Polimetla (DIN: 07872103) as Whole-time Director of the company for a period of three (3) years w.e.f. 08.02.2020.
- The Board of Directors at their meeting held on 19.08.2020 has accepted the resignation of Mr. Akash Bhagadia as Company Secretary, Compliance Officer and Key Managerial Personnel of the company w.e.f. 19.08.2020.
- The Board of Directors at their meeting held on 19.08.2020 has appointed Mr. Arjun Upadhyay, as Company Secretary, Compliance Officer and Key Managerial Personnel of the company w.e.f. 20.8.2020.
- The Board of Directors at their meeting held on 14.06.2021 has accepted the resignation of Mr. Arjun Upadhyay, as Company Secretary, Compliance Officer and Key Managerial Personnel of the company w.e.f. 14.06.2021.
- The Board of Directors at their meeting held on 14.06.2021 has appointed Mr. Kesava Datta Nanduri as Company Secretary, Compliance Officer and Key Managerial Personnel of the company w.e.f. 14.06.2021.

## PROPOSED APPOINTMENTS / RE-APPOINTMENTS IN THE 27<sup>TH</sup> ANNUAL GENERAL MEETING

- Approval of the shareholders is being sought for the appointment of Dr. Anantapurguggilla Ravindranath Reddy (DIN: 01729114) Non-Executive Director of the Company, who retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for re-appointment in accordance with the provisions of the Companies Act and pursuant to Articles of Association of the Company.
- Approval of the shareholders is being sought for the re-appointment of Mr. Rathnakara Nagaraja Yancharla, as a Managing Director of the company for a further period of 5 years commencing from 01.04.2022.

Board of Directors has proposed for appointment of aforesaid Director in the ensuing Annual General Meeting of the Company.

## NUMBER OF MEETINGS OF THE BOARD

During the year under review 4 (Four) Board Meetings were held on 15.06.2020, 19.08.2020, 09.11.2020, 12.02.2021. On account of Covid-19

pandemic and consequent lock down and relaxation provided by the Ministry of Corporate Affairs vide General Circular No. 11 /2020 dated 24th March, 2020 the Gap between the Board meeting held on 08.02.2020 and 15.06.2020 was within 180 days. Further, the maximum gap between two consecutive Board meetings held after 15.06.2020 was within the period of 120 days as prescribed under the provisions of the Companies Act, 2013.

## DECLARATIONS BY INDEPENDENT DIRECTORS

The Company has received declarations from the Independent Directors under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015 confirming their independence vis-à-vis the Company.

## BOARD EVALUATION AND ASSESSMENT

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

- More effective board process
- Better collaboration and communication
- Greater clarity with regard to members roles and responsibilities
- Improved the relations with Chairman, Managing Directors and Board Members

The evaluation process covers the following aspects

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

## FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

On appointment of the Independent Directors, they will be asked to get familiarized about the Company's operations and businesses. An Interaction with the key executives of the Company is also facilitated to make them more familiar with the operations carried by the company. Detailed presentations on the business of the company are also made to the Directors. Direct meetings with the Chairman and the Managing Director are further facilitated for the new appointee to familiarize him/her about the Company/its businesses and the group practices as the case may be and link is available at the website <http://ramkyinfrastructure.com>

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and effective.

## CONSTITUTION AND COMPOSITION OF AUDIT COMMITTEE

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

## CORPORATE GOVERNANCE

In pursuance of Regulation 17 to 27 read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate Report on Corporate Governance along with a certificate from Mr. N.V.S.S. Suryanarayana Rao, Practising Company Secretary, regarding its compliance is attached as **Annexure - VII** which forms part of this Report. Your Company will continue to adhere in letter and spirit to good corporate governance policies.

## MANAGEMENT DISCUSSION & ANALYSIS

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns etc. is furnished separately as **Annexure - VI** which is forming part of this report.

## AUDITORS AND AUDITORS' REPORT

### Statutory Auditors:

Members at their Annual General Meeting held on 25.09.2018 has appointed M/s. M.V. Narayana Reddy & Co., Chartered Accountants, Hyderabad as Statutory Auditors of the Company to hold office for a period of 5 Years starting from 2018-19 till 2022-23. They have confirmed their eligibility for the financial year 2021-22 under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

### Internal Auditors:

M/s. JKMR & Co, Chartered Accountants, Hyderabad, was re-appointed as Internal Auditors of the Company for the FY 2020-21 by the Board at their meeting held on 15.06.2020. Further the Board at the meeting held on 14.06.2021 has further re-appointed M/s. JKMR & Co, Chartered Accountants, Hyderabad as Internal Auditor for the FY 2021-22.

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

### Secretarial Auditors:

Mr. N.V.S.S. Suryanarayana Rao, Practising Company Secretary, Hyderabad was re-appointed as Secretarial Auditors of the Company for the FY 2020-21 by the Board at their meeting held on 14.06.2021.

### Cost Auditors:

M/s S R & Associates, Cost Accountants have been re-appointed as Cost Auditors of the Company to conduct cost audit as per the provisions of the Companies Act, 2013 and rules made thereunder by the Board at their meeting

held on 15.06.2020. Furthermore the Remuneration of the Cost auditor was ratified by the members at their Annual General Meeting held on 23.09.2020.

It is hereby confirmed that the company is maintaining the cost accounts and records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

## REPORTING OF FRAUD

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

## BUSINESS RESPONSIBILITY REPORT (BRR)

Securities Exchange Board of India (SEBI) expands the ambit of Business Responsibility Reporting (BRR) by notification No. SEBI/LAD-NRO/GN/2019/45 dated 26.12.2019 (Securities and Exchange Board of India – Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019 has mandated the inclusion of BRR as part of the Annual Report for the top 1000 listed entities based on their market capitalization on BSE Ltd and National Stock Exchange of India Ltd as on 31<sup>st</sup> March for that Financial Year. In view of the requirements specified, the Company falls in the list of top 1000 listed companies based on the market capitalization. Hence, has provided Business Responsibility Report in **Annexure - V** which forms part of the Annual Report.

## CORPORATE SOCIAL RESPONSIBILITY

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

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

## SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Since your Company is in the business of providing Infrastructure Facilities as provided under section 186 read with Schedule VI, the provisions of Section 186 are not applicable to your entity.

However, the details of the loans and guarantees given and investments made is forming part of the Related Party Transactions of the Financial Statements.

## SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, the company is required to obtain Secretarial Audit Report from Practising Company Secretary. Mr. N.V.S.S. Suryanarayana Rao, Practising Company Secretary was appointed to issue Secretarial Audit Report for the financial year 2020-21.

Secretarial Audit Report issued by Mr. N.V.S.S. Suryanarayana Rao, Practising Company Secretary in Form MR-3 for the financial year 2020-21 forms part to this report as **Annexure - VIII**.

## MANAGEMENT RESPONSES TO OBSERVATIONS IN SECRETARIAL AUDIT REPORT:

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

# VALUE RESEARCH PREMIUM

S.No.	Observations	Management replies/response
1.	Company has delayed in filing Form MGT-14 vide SRN: T09142506 dated 18 <sup>th</sup> March, 2021. However the same has been filed with additional fee and same has been taken on record by Registrar of Companies, Telangana.	Due to the Current Covid 19 pandemic and the Lockdown followed thereafter, there was delay in Compliance. The company will ensure the timely compliance in future.
2.	There was a delay in submitting disclosures of related party transactions as per Regulation 23(9) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 for half year ended on 30.09.2020 to the stock exchanges. However, due to Covid-19 pandemic, NSE has waived the fine imposed on the company vide their letter dated 20.05.2021.	On account of COVID-19 pandemic and consequent lockdown the majority of the staff of the company was working from home. Hence there was a delay in submitting disclosures of related party transactions. The company has also made an application for Waiver with NSE and the same was accepted by NSE vide letter dated 20.05.2021.
3.	As per the Regulation 34 (2) (f), Company has not included the business responsibility report in the Annual Report of 2019-2020. However, the same was submitted with the Stock Exchanges separately.	Business Responsibility Report was inadvertently missed in the Annual report of 2019-2020. However the Company has filed the Business Responsibility Report on the portal of the stock exchanges (NSE and BSE) for the communication to the shareholders of the Company and has also placed on the website of the Company.

As required under the provisions of SEBI (LODR) Regulations, 2015 a certificate confirming that none of the Directors on the Board have been debarred or disqualified by the Board/Ministry of Corporate Affairs or any such statutory authority obtained from M/s N.V.S.S. Suryanarayana Rao, Practicing Company Secretary, is a part of the Corporate Governance Report in **Annexure - VIIC**

## MANAGEMENT RESPONSES TO OBSERVATIONS IN AUDITOR'S REPORT

With reference to observations made in Auditor's Report, the notes of account is self-explanatory and therefore do not call for any further comments. The results for the year ended March 31, 2021 have been subjected to an audit by the Statutory Auditors of the Company without qualification.

S.No.	Emphasis Matters in Standalone financials	Management Response
1.	<p><b>Ramky Infrastructure Limited:</b></p> <p>Attention is invited to Note 47 to the standalone financial statements in respect of existence of material uncertainties over the 3 of certain contract assets and trade receivables aggregating to Rs. 839.35 Millions as at 31st March 2021 (Rs. 881.73 Millions as on 31<sup>st</sup> March 2020) which are subject matters of arbitration proceedings / negotiations with the customers and contractors due to foreclosure of contracts and other disputes. The management of the Company, keeping in view the status of negotiations and the outcome of arbitration proceedings on the basis of which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues. In view of pending billing of project WIP / slow progress / termination of these projects, and lack of other alternate audit evidence to corroborate management's assessment of recoverability of these balances, we are unable to comment on the extent to which these balances are recoverable.</p>	The Management is in continuous discussion with the concerned authorities since the amount shown as contract assets are contractually tenable. Based on the legal opinion obtained, the management is confident that the amount will be realized in due course.

S.No.	Emphasis of Matters in Consolidated Financials	Company's comments/remarks
1.	<p><b>Ramky Infrastructure Limited:</b> Attention is invited to Material uncertainties exist over the realisability of certain contract assets and trade receivables aggregating to Rs. 839.35 Millions as at 31st March 2021 (Rs.881.73 Millions as on 31st March 2020) which are subject matters of arbitration proceedings / negotiations with the customers and contractors due to foreclosure of contracts and other disputes. The management of the Company, keeping in view the status of negotiations and the outcome of arbitration proceedings based on which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues. In view of pending billing of project WIP / slow progress / termination of these projects, and lack of other alternate audit evidence to corroborate management's assessment of recoverability of these balances, we are unable to comment on the extent to which these balances are recoverable.</p>	The Management is in continuous discussion with the concerned authorities since the amount shown as contract assets are contractually tenable. Based on the legal opinion obtained, the management is confident that the amount will be realized in due course.
2.	<p><b>Srinagar Banihal Expressway Limited</b></p> <p>The company could not meet its borrowing obligation with the lenders during the financial year 2018-19, as a result of which the loan accounts with various banks had become Non-Performing Asset (NPA). Further, two lenders has approached Debt Recovery Tribunal (DRT) and initiated for recovery proceedings.</p>	<p>The subsidiary has been sanctioned term loan of Rs 14,400 million to construct the Highway i.e. four laning of section on the Srinagar Banihal National Highway 1A.</p> <p>However, due to the delays beyond the control of the Company, the project had both time and cost overrun. Since the project has achieved PCOD, it was decided to utilize the annuities on balance completion of the project instead of meeting the principal and interest obligations. Hence it has become an NPA Account.</p>
3.	<p><b>Srinagar Banihal Expressway Limited:</b></p> <p>Claims of Rs.4,900 millions made by the subcontractors on the principal contractor and the subsidiary company, where the assessment of claims is in process and is at various stages by the subsidiary company. Pending the ultimate outcome of these matters, which is presently unascertainable, no adjustments have been made in the accompanying financial statements.</p>	Certain sub-contractors of the Principal contractor have lodged claims on the Company for settlement of their contractual dues. These claims are majorly towards change in scope, escalation, idle machinery, interest etc. The Company could not finalise the claims because the documents lying at site could not be verified because of the COVID situation. Decision to account for the claims will be taken once the assessment of the same is over.

# VALUE RESEARCH PREMIUM

4.	<b>Srinagar Banihal Expressway Limited:</b> Deductions by NHAI of Rs.1,030 millions from the annuities to the subsidiary company and where the subsidiary company has initiated for recoveries from NHAI. Pending the ultimate outcome of these matters, which is presently unascertainable, no adjustments have been made in the accompanying financial statements.	During the financial year, NHAI has made various deductions from the annuities payable to the Company towards sub-standard steel, deviation of high embankment and Non completion of Punch List. Based on the internal/external assessment, the Company is confident that the amount is fully recoverable and accordingly the correspondence has been made to the authority to reimburse the amount.
5.	<b>Hospet Chitradurga Tollways Limited:</b> Termination of the project by the subsidiary company and National Highways Authority of India (NHAI) "the Concessioneing Authority" with mutual consent. Since the subsidiary company is a project specific company, termination of project affects the Going Concern nature of the subsidiary company. The consequential financial impact was provided in the financial statement during the previous year and was emphasized in the previous year audit report also.	The Company was incorporated to undertake Road project under PPP mode. However, the project could not materialize. The investment made in the project having been impaired in the accounts, the Company is in the process of approaching ROC/MCA for strike off the name from records.
6	<b>Ramky Pharma City (India) Limited:</b> Uncertainty in connection with the charge sheet filed by Central Bureau of Investigation (CBI) and attachment order of the Enforcement Directorate in respect of certain assets of the said subsidiary company. The management believes that it has complied with the provisions of the concession agreement. Accordingly, any consequential financial impact of the said regulatory action will be known only when the matter is resolved.	During the year, the Appellate Tribunal has reversed the order of the ED Court and passed directions to release parcels of land in the Pharma City subject to certain conditions. The Company has filed an appeal before Hon'ble High Court of Telangana as prescribe in the order. The Management is confident that due process of law has been followed and it has complied with the provisions in the Concession Agreement.
7.	<b>Sehore Kosmi Expressway Limited</b> Preparation of the financial statements is on liquidation basis, assuming the subsidiary company is no longer a going concern. The said subsidiary has recorded receivable from Madhya Pradesh Road Development Corporation Limited (MPRDC) of Rs. 582 millions i.e., to the extent of intangible and financial asset as on termination date of the project, although the said subsidiary has claimed an amount of Rs. 968.60 millions from MPRDC. The realization of this amount is subject to decision / negotiation between the subsidiary company and MPRDC. Further, the subsidiary company may also refer the matter for Arbitration. Pending the ultimate outcome of these matters, which is presently unascertainable, no adjustments have been made in the financial statements.	Based on legal opinions and commercial expertise the company is confident that the claimed amount can be recovered from MPRDC.
8.	<b>Naya Raipur Gems and Jewellery Limited</b> Company incurred an accumulated loss of Rs.19.90 Millions as on March 31, 2021 and as of that date, the subsidiary company has initiated its process to shut down the operations. As stated above, these conditions and events altogether, indicate that a material uncertainty exist that may cast significant doubt on the subsidiary company's ability to continue as a going concern.	Since the purpose for which the Company was incorporated has not been realized it has been decided to close down the company.

## WHISTLE BLOWER POLICY/VIGIL MECHANISM

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

## RISK MANAGEMENT FRAMEWORK

The Board is of the opinion that all events which have satisfied by risk threshold have been identified and dealt with appropriately by the entity during the year under review.

The entity during F.Y. 2020-21 was not required to constitute Risk Management Committee as required under regulation 21(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

However pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2021 top 1000 listed companies based on market capitalization is mandatorily required to constitute the Risk Management Committee and adopt the Risk Management Policy of the Company. In order to comply with aforesaid requirement the Board of Directors at their meeting held on 14.06.2021 has constituted the Risk Management Committee with following members and the Risk Management Committee Meeting held on 14.06.2021 has approved the Risk Management Policy and the same was adopted by the Board.

S.No.	Name of the Member	Designation
1.	Dr. Ravindranath Reddy Anantapuruggilla	Chairman (Non-Executive Director)
2.	Dr. Ravi Kumar Reddy Somavarapu	Member (Independent Director)
3.	Mr. Murahari Reddy Velpula	Member (Independent Director)
4.	Mr. Ravi Prasad Polimetla	Member & Chief Risk Officer
5.	Chief Financial Officer – Ex officio	Member

## POLICY ON SEXUAL HARASSMENT

The Company is committed to provide a safe and conducive work environment to its employees. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, no cases of sexual harassment were reported.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions that were entered during the financial year were in the ordinary course of business of the company and were on an arm's length basis.

During the period under review the Company has no materially significant related party transactions entered by the company during the year with the promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the company.

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

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

## MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Except the affect of Covid Pandemic and consequent lockdown resulting in a severe slowdown of economy, there are no material changes and commitments after the closure of the financial year, which will affect the financial position of the Company.

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

We hereby inform that the Income Tax search was conducted in the Ramky Group of Companies on 06.07.2021 and the Company Officials have co-operated and based upon the Press release by the Ministry of Finance hosted on the Website of Press Information Bureau (PIB), we perceive that there is no material impact on Ramky Infrastructure Limited.

## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

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

## PUBLIC DEPOSITS

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

## MATERIAL SUBSIDIARY POLICY

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

## REMUNERATION POLICY

The Board has on the recommendation of Nomination and Remuneration Committee approved a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The policy of the Company on Directors appointment and remuneration, including the criteria for determining the qualifications, positive attributes, independence

of a director and other matter as required under sub section (3) of Section 178 of the Companies Act, 2013 is available on the website of our Company at <http://ramkyinfrastructure.com>

## PARTICULARS OF EMPLOYEES

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

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

## ANNUAL RETURN

In accordance with Section 92 & 134 of the Act, the web link of the Annual return of the entity for Financial Year ended 31.03.2021 is hosted on <https://ramkyinfrastructure.com/images/financials/annualreports/AnnualReturn2020-21.pdf>

## PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

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

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

## FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of Section 134 of the Companies Act, 2013, the information relating to foreign exchange earnings and outgo is provided hereunder.

S.No	Income/Outgo	Foreign Currency	INR
1	Professional fees paid	36,750 Arab Emirates Dirham	7,91,398/-

## INTERNAL FINANCIAL CONTROL SYSTEMS

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

## INDUSTRIAL RELATIONS

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

## LISTING WITH STOCK EXCHANGES

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

The Company confirms that it has paid the Annual Listing Fees for the year 2020-21 to National Stock Exchange of India Limited (NSE) and BSE Limited where the Company's Shares are listed.

# VALUE RESEARCH PREMIUM

## HUMAN RESOURCES

Your Company treats its “human resources” as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

## ACKNOWLEDGEMENTS

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

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

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

Sd/-  
**P. RAVI PRASAD**  
Whole-time Director  
DIN: 07872103

Place: Hyderabad  
Date : 23.07.2021

