

CHATURVEDI & PARTNERS

Chartered Accountants

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INDEPENDENT AUDITORS' LIMITED REVIEW REPORT

To

**The Board of Directors
RAMKY INFRASTRUCTURE LIMITED**

1. We have reviewed the accompanying statement of standalone unaudited financial results ("the Statement") of **RAMKY INFRASTRUCTURE LIMITED** ("the Company") for the quarter and nine months ended December 31, 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We refer to following notes to accompanying statement:
 - a) Note 2(a) with regard to recognition of deferred tax assets on unabsorbed depreciation, business losses and other timing differences, amounting to ₹48,222.97 lacs, incurred by the Company. Based on unexecuted orders on hand, the Management is confident that sufficient future taxable income will be available against which such deferred tax assets will be realized. However, in our opinion, in absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which the deferred tax assets can be realized, such recognition is not consistent with the principles enunciated under Accounting Standard 22, "Accounting for Taxes on Income" (AS 22). Had the aforesaid deferred tax assets not been recognised, loss after tax for the period ended would have been higher by ₹48,222.97 lacs.
 - b) Note 2(b) with regard to impact of floods on one of the Company's project in Srinagar, Jammu and Kashmir, the Concessionaire of the Project, a subsidiary Company, has made an assessment of the damage to the project materials and assets located at the site amounting to ₹14,151.34 lacs and has lodged insurance claims of ₹14,151.34 lacs with the insurers. The management of the Company, considering the insurance claim in this regard, is confident that no consequential material adjustment for loss of project materials and assets will be required. In view of pending final assessment, we are unable to comment on the extent of adjustment on account of such loss.
 - c) Note 2(c) in respect of write back of the 'liabilities no longer required' outstanding for a long period aggregating to ₹7,878.32 lakhs and reasons stated therein. Pending confirmation of settlement with respective parties, we are unable to comment on the same.
4. Based on our review conducted as above, except for the effects/possible effects of the matters described in Para 3(a) to para 3(c) above, nothing has come to our attention that causes us to believe that, the accompanying statement prepared in accordance with applicable accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (listing obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



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5. Attention is invited to Note 3 of the accompanying statement in respect of existence of material uncertainties over the realisability of certain construction work in progress, trade receivables and loans and advances aggregating to ₹58,162.23 lakhs, 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 and the basis of which steps to recover these amounts are currently in process, is confident of recovering the aforesaid dues.

For **CHATURVEDI & PARTNERS**
Chartered Accountants
Firm Registration No. 307068E

Ravindra Nath Chaturvedi

RAVINDRA NATH CHATURVEDI
Partner
Membership No. 092087

Hyderabad
February 13, 2016

