

**Independent Auditor's Report
To the Members of Sudharsanam Investments Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Sudharsanam Investments Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017, its Profit and its Cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) We have enclosed our separate report in "Annexure B" With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company does not have any pending litigations which would impacts its financial positions.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The company does not have any cash transactions during the year 2016-17.

For M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
Firm Registration Number: 001208S



K. Srinivasan

Partner

Membership Number: 021510

Chennai
30 May 2017



Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended 31 March 2017:

- 1) Fixed Assets
 - 1.1 The Company does not have any fixed assets. Accordingly, the provisions of clause 3 (i) of the Order are not applicable to the Company.
- 2) Inventory
 - 1.2 The Company does not have any inventory. Accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.
- 3) The Company has not granted loan to a party listed in the Register maintained under section 189 of the Act and accordingly, the provisions of clause 3 (iii) of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) The company is not required to maintain the accounts and records which have been specified by the Central Government under Section 148(1) of the Act.
- 7) Undisputed and Disputed taxes and duties
 - 7.1 The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31 March 2017 for a

period of more than six months from the date they became payable.

- 7.2 As the company is not having any overdue under dispute relating to Income tax, value added tax and Service tax, accordingly the provisions of clause 3 (vii) (b) of the Order are not applicable to the Company.
- 8) The Company did not have any loans or borrowings from any Financial Institutions or Banks. The Company has neither taken loans from the Government nor has issued any debentures during the year.
 - 9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The Company has not raised any term loans during the year.
 - 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
 - 11) The Company has not paid / provided any managerial remuneration during the year.
 - 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
 - 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
 - 14) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
 - 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

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

FOR M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
Firm Registration Number: 001208S



K. Srinivasan

Partner

Membership Number: 021510

Chennai
30 May 2017



"Annexure B" to the Independent Auditor's Report of even date on the financial statements of Sudharsanam Investments Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") referred to in 2 (f) of the Audit report

We have audited the internal financial controls over financial reporting of Sudharsanam Investments Limited ("The Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
Firm Registration Number: 001208S



K. Srinivasan
Partner
Membership Number: 021510

Chennai
30 May 2017



SUDHARSANAM INVESTMENTS LIMITED, RAJAPALAYAM
STATEMENT OF PROFIT & LOSS FOR PERIOD ENDED 31st MAR 2017

	Note	As at 31.03.2017	For the year ended 31.03.2016
<u>INCOME</u>			
Other Income	14	<u>18,098</u>	<u>1,34,21,700</u>
<u>EXPENDITURE</u>			
Finance Costs	15	42,19,373	-
Other Expenses	16	16,482	39,742
		<u>42,35,855</u>	<u>39,742</u>
Profit for the year		<u>(42,17,757)</u>	<u>1,33,81,958</u>

Significant Accounting Policies, Judgements and Estimates
See accompanying notes to the financial statements

1-6
7-22

(0.99)

3.15

Earning per Equity share- Basic & Diluted face value of Rs 10 each

Sri. S. S. R. 

As per Report Annexed
For M/s.M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
FRN:001208S

Sri. N. K. S. 

Sri. P. G. S. 


K SRINIVASAN
Partner

Membership No.021510

Date:30.05.2017



Directors

SUDHARSANAM INVESTMENTS LIMITED, RAJAPALAIYAM
BALANCE SHEET AS AT MARCH 2017

	Note	As at 31.03.2017 Rs.	As at 31.03.2016 Rs.
Assets			
Non current assets			
Non current Investment	7	12,86,25,155	12,86,25,155
Current Assets			
Cash and Cash Equivalents	8	1,88,908	1,05,844
Other current assets	9	27,231 2,16,139	1,03,155 2,08,999
Total		12,88,41,294	12,88,34,154
Equity and Liabilities			
Shareholders' Funds			
Share capital	10	4,25,00,000	4,25,00,000
Reserves & Surplus	11	3,52,33,542 7,77,33,542	3,94,51,299 8,19,51,299
Non current liabilities			
Long term Borrowings	12	5,11,04,317	4,68,79,420
Current Liabilities			
Other current Liabilities	13	3,435	3,435
Total		12,88,41,294	12,88,34,154
Significant Accounting Policies, Judgements and Estimates 1-6 See accompanying notes to the financial statements 7-22 As per Report Annexed For M/s.M.S.Jagannathan & N.Krishnaswami Chartered Accountants FRN:001208S <i>K Srinivasan</i> K SRINIVASAN Partner Membership No.021510 Date : 30.05.2017 Place : Chennai			
		<i>Sri S.S.R. [Signature]</i> <i>Sri NKS [Signature]</i> <i>Sri PAS (X) [Signature]</i>	<i>[Signature]</i>
		Directors	



SUDHARSANAM INVESTMENTS LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2017**

	31.03.2017 in rupees	31.03.2016 in rupees
A Cash flow from operating activities		
Net profit after tax as per Profit and Loss Account	(42,17,757)	1,33,81,958
Adjusted for Dividend Income	-	(1,34,21,700)
Interest income	(18,098)	-
	(18,098)	(1,34,21,700)
Operating profit before working capital changes	(42,35,855)	(39,742)
Adjusted for Other Current Assets	75,924	-
Other current Liabilities	-	(6,678)
	75,924	(6,678)
Cash (used in) / generated from operations	(41,59,931)	(46,420)
Taxes paid	-	-
Net cash (used in) / generated from operating activities	(41,59,931)	(46,420)
B Cash flow from Investing activities		
Interest income	18,098	-
Dividend income	-	1,34,21,700
Net cash (used in) / from investing activities	18,098	1,34,21,700
C Cash flow from financing activities		
Proceeds from long term borrowing	42,24,897	(1,33,65,493)
Net cash from / (used in) Financing activities	42,24,897	(1,33,65,493)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	83,065	9,787
Cash and cash equivalents as at the beginning of the year	1,05,844	96,057
Cash and Cash equivalents as at end of the year	1,88,908	1,05,844

As per Report Annexed
For M/s.M.S.Jagannathan & N.Krishnaswami
Chartered Accountants
FRN:001208S

K SRINIVASAN
Partner

Membership No.021510
Date:30.05.2017



Sri SSR 
Sri NKS 
Sri PAS 
Directors

SUDHARSANAM INVESTMENTS LIMITED

NOTES FORMING PART OF THE SEPARATE FINANCIAL STATEMENTS

1. Corporate Information

Sudharsanam Investments Limited, wholly owned subsidiary of Ramco Industries Limited domiciled and headquartered in India and incorporated under the provisions of Companies Act 1956. The Registered office of the Company is located at P.S.K Nagar, Rajapalayam - 626 108, Tamilnadu.

The Company is engaged in investment activities.

The financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in their meeting dated 30-05-2017.

2. Basis of Preparation of Separate Financial Statements

- 2.1 The financial statements for the period up to 31-03-2016 were prepared in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Pursuant to the mandatory requirement for adoption of Ind AS as notified by MCA, the Company has prepared its financial statements for the year ended 31-03-2017 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time. The comparative figures in the financial statements with respect to the previous year have been restated in accordance with Ind AS requirements.
- 2.2 The significant accounting policies used in preparing the financial statements are set out in Note No.5
- 2.3 The Company has considered its operating cycle to be 12 months for the purpose of Current or Non-current classification of assets and liabilities.
- 2.4 An asset is classified as current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle or held primarily for the purpose of trading or expected to be realised within 12 months after the reporting period or cash or cash equivalents unless restricted from being exchanged or used to settle a liability 12 months after the reporting period. All other assets are classified as non-current.
- 2.5 A liability is classified as current when it is expected to be settled in normal operating cycle or held primarily for the purpose of trading or due for settlement within 12 months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.
- 2.6 The financial statements are presented in Indian Rupees rounded to the nearest rupee with no decimals.

3. First time adoption of Ind AS

The financial statements for the year ended 31-03-2017 are the first financial statements prepared in accordance with Ind AS. The Reconciliation and description of

the effect of transition from previous GAAP to Ind AS on Equity, Statement of Profit and Loss and Cash flow are provided in Note 21. The Balance sheet as on the date of transition has been prepared in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards (Ind AS). All applicable Ind AS were applied consistently and retrospectively in preparation of the first Ind AS Financial Statements with certain mandatory exceptions and voluntary exemptions for the specific cases as provided under Ind AS 101.

Estimates

The estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP unless there is objective evidence that those estimates were in error. Accordingly, the Company has not made any changes to estimates made in accordance with previous GAAP.

The voluntary exemptions to the retrospective application under Ind AS 101 that are applicable to the Company are as below:

Voluntary Exemption under Ind AS 101	Option exercised
Investments in Associates	
An entity is required to account for its investments in subsidiaries, joint ventures and associates either (a) at cost; or (b) in accordance with Ind AS 109. Such cost shall be cost as per Ind AS 27 or deemed cost. The deemed cost of such an investment shall be its fair value on the date of transition to Ind AS or Previous GAAP carrying amount at that date.	The Company has opted to measure its investment in associates as per the previous GAAP carrying amount as at the date of transition to Ind AS.

4 Basis of Measurement

The financial statements have been prepared on accrual basis under historical cost convention.

5. Significant Accounting Policies

5.1 Cash Flow Statement

- 5.1.1 Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.
- 5.1.2 Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash.
- 5.1.3 Borrowings from wholly owned parent company is generally considered to be financing activities.

5.2 Dividend distribution to Equity shareholders

Final dividend distribution to shareholders is recognised in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend together with applicable taxes is recognised directly in Equity.

5.3 Income Taxes

- 5.3.1 Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates, the provisions of the Income tax Act, 1961 and other applicable tax laws.
- 5.3.2 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Company during the specified period. The Company reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period.
- 5.3.3 Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.
- 5.3.4 Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.
- 5.3.5 Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- 5.3.6 Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.
- 5.3.7 Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in "Other Comprehensive Income" or directly in "Equity" as the case may be.

5.4 Revenue Recognition

- 5.4.1 Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

5.4.2 Other Income

Dividend income is recognised when the Company's right to receive dividend is established.

5.5 Earnings per Share

- 5.5.1 Net profit after tax is divided by the weighted average number of equity shares including un-allotted bonus shares outstanding during the year.
- 5.5.2 Where an item of income or expense which is otherwise required to be recognised in the Statement of Profit and Loss is debited or credited to Equity, the amount in respect thereof is suitably adjusted in Net profit for the purpose of computing Earnings per share.
- 5.5.3 The Company do not have any potential equity shares.

5.6 Financial Instruments

Financial Assets

- 5.6.1 Financial assets comprise of investments in equity and mutual funds, trade receivables, cash and cash equivalents and other financial assets.
- 5.6.2 Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:
- a) Amortised cost; or
 - b) Fair value through other comprehensive income (FVTOCI); or
 - c) Fair value through profit or loss (FVTPL)

Amortised cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.

- 5.6.3 The Company has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets. Accordingly, financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Business Model
Amortised cost	The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

Investment in equity of subsidiary and associates are carried at cost (i.e) previous GAAP carrying amount as the date of transition to Ind AS. The Company has exercised an irrevocable option at time of initial recognition to measure the changes in fair value of other equity investments at FVTOCI. Accordingly, the Company classifies its financial assets for measurement as below:

Classification	Name of Financial Assets
Amortised cost	Trade receivables, Loans and advances to subsidiary company, employees and related parties, deposits, IPA receivable, interest receivable, unbilled revenue and other advances recoverable in cash or kind.
FVTOCI	Equity investments in companies other than Subsidiary & Associate as an option exercised at the time of initial recognition.
FVTPL	Investments in mutual funds, forward exchange contracts.

Financial Liabilities

5.6.4 Financial liabilities comprise of Borrowings from parent company.

5.6.5 The Company measures its financial liabilities as below:

Measurement basis	Name of Financial liabilities
Amortised cost	Borrowings, Debentures, Trade payables, Interest accrued, Unclaimed / Disputed dividends, Security deposits, and other financial liabilities not for trading,
FVTPL	Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

5.7 Fair value measurement

5.7.1 The basis for fair value determination for measurement and / or disclosure purposes is detailed below:

Investments in Equity / Mutual Funds

The fair value is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

6. Significant Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

Current Taxes

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Asset (Including MAT Credit Entitlement)

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Interests in other entities

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is significant influence over certain companies belong to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights.

SUDHARSANAM INVESTMENTS LIMITED, RAJAPALAIYAM

Notes accompanying financial statements As at 31.03.2017

Particulars	As at 31.03.2017		As at 31st March,2016	
7.NON CURRENT INVESTMENTS				
INVESTMENTS - Quoted				
Investments in Equity Instruments				
Shares in The Ramco Cements Limited				
29,82,600 nos. Equity shares of Rs.1/- each				
fully paid-up				
		12,86,25,155		12,86,25,155
		12,86,25,155		12,86,25,155
Aggregate amount of quoted investments:				
At cost		12,86,25,155		12,86,25,155
At Market value		2,00,62,45,890		1,19,25,92,610
8.CASH AND CASH EQUIVALENTS				
Balance with bank-in current account		1,88,908		1,05,844
		1,88,908		1,05,844
9.OTHER CURRENT ASSETS				
Advance recoverable		-		-
Tax Deducted at source		27,231		1,03,155
		27,231		1,03,155
10. SHARE CAPITAL				
Authorised Share Capital:	Numbers	Amount	Numbers	Amount
Equity shares of Rs.10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued, Subscribed and paid up:				
Equity shares of Rs.10/-each fully paid up	42,50,000	4,25,00,000	42,50,000	4,25,00,000
10.1 The reconciliation of the number of shares outstanding is set out below				
Equity shares at the beginning of the year	42,50,000		42,50,000	
Add: Number of shares allotted during the year				
Less: Number of shares bought back				
Equity shares at the end of the year	42,50,000	-	42,50,000	-
10.2 The details of shareholders holding shares				
Name of the Shareholder	As at 31.03.2017		As at 31st March,2016	
	No.of Shares	% held	No.of Shares	% held
The Ramco Industries Limited	42,50,000	100	42,50,000	100
	42,50,000	100	42,50,000	100
11.RESERVES AND SURPLUS				
Profit & Loss account		-		-
As per last balance sheet		3,94,51,299		2,60,69,341
Add: Profit & loss for the year		(42,17,757)		1,33,81,958
		3,52,33,542		3,94,51,299

12.LONG TERM BORROWINGS**Unsecured:**

Loans and advances from related parties -

Ramco Industries Ltd

5,11,04,317

4,68,79,420

5,11,04,317

4,68,79,420

13.OTHER CURRENT LIABILITIES

Audit fees Payable

3,435

3,435

MISCELLANEOUS DEPOSIT

-

3,435

3,435

14.OTHER INCOME

Dividend Income

1,34,21,700

Interest Received

18,098

18,098

1,34,21,700

15.FINANCE COSTS

Interest on Loans

42,19,373

-

42,19,373

-

The company Calculated interest on borrowings from parent company, since the parent company is required to prepare its financials under Ind AS.

16.OTHER EXPNESES

Fees, Rates & Taxes

14,419

37,942

Bank Charges

2,063

1,800

16,482

39,742

17. **Earnings per Share**

Particulars	31-3-2017	31-3-2016
Net profit after tax (A)	(42,17,757)	1,34,21,700
Weighted average number of Equity shares including un-allotted Bonus shares (B) [In Lakhs]	425.00	425.00
Nominal value per equity share (in Rs)	10	10
Basic & Diluted Earnings per share (A)/(B) in Rs.	(0.99)	3.15

18. Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March 2017:

(a) **Parent Company**

Name of the Company	Country of Incorporation	% of Shareholding as at		
		31-3-2017	31-3-2016	1-4-2015
Ramco Industries Limited	India	100	100	100

(b) **Associate of Parent Company**

Name of the Company	Country of Incorporation	% of Shareholding as at		
		31-3-2017	31-3-2016	1-4-2015
The Ramco Cements Limited	India	1.25	1.25	1.25

19. Disclosure in respect of Related Party Transactions (excluding Reimbursements) during the year and outstanding balances including commitments as at the reporting date:

a. **Transactions during the year**

S.No	Nature of Transaction, Name of the Related Party and Relationship	31-3-2017	31-3-2016
12	Dividend received		
	<i>Associate of parent company</i>		
	The Ramco Cement Limited	-	1,34,21,700
17	Interest Received / (Paid)		
	<i>Parent company</i>		
	Ramco Industries Limited	(42,19,373)	-
21	Maximum amount of loans and advances outstanding during the year		
	<i>From Parent company</i>		
	Ramco Industries Limited	5,11,04,317	4,68,79,420

20. Details of Specified Bank Notes ('SBN') held and transacted during the period 8-11-2016 to 30-12-2016

The company does not have any cash transactions during the year.

21. Disclosures as required by Ind AS 101 First time adoption of Indian Accounting Standards

Reconciliation of Statement of Profit and Loss for the year ended 31-3-2016

Particulars	Previous GAAP	Transition adjustments	Ind AS
INCOME			
Other Income	1,34,21,700	-	1,34,21,700
Total Revenue	1,34,21,700	-	1,34,21,700
EXPENDITURE			
Finance costs	-	-	-
Other expenses	39,742	-	39,742
Total Expenses	39,742	-	39,742
Profit / (Loss) for the year	1,33,81,958	-	1,33,81,958

Explanatory Notes on preparation and presentation of financial statements upon transition to Ind AS

In preparing these financial statements, the Company's Opening Balance Sheet was prepared as at 1-4-2015, which is the Company's date of transition to Ind AS. The following note explains the nature of adjustments made by the Company read with Note No. 3 in restating its previous GAAP Financial Statements including its Balance Sheet as at 1-4-2015 and the financial statements as at and for the year ended 31-3-2016.

A. Investments

Under previous GAAP, long term equity instruments were measured at cost less provision for permanent diminution. In respect of investments in Associates, the Company is decided to measure at cost.

B. Transaction cost on Borrowings

The company Calculated interest on borrowings from parent company, since the parent company is required to prepare its financials under Ind AS.

22. There are no dues to Micro and Small Enterprises as at 31.03.2017 (Previous Year : Rs. Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties having been identified on the basis of information available with the company

As per our Report Annexed

For Messrs. M.S. Jagannathan &
N. Krishnaswami
Chartered Accountants
FRN: 001208S


K. SRINIVASAN

Partner

Membership Number: 021510

Place: Chennai
Date: 30-05-2017



For and on behalf of Board

Dr. S.S.R. 

Dr. N.K.S. 

Dr. P.G.S. 



