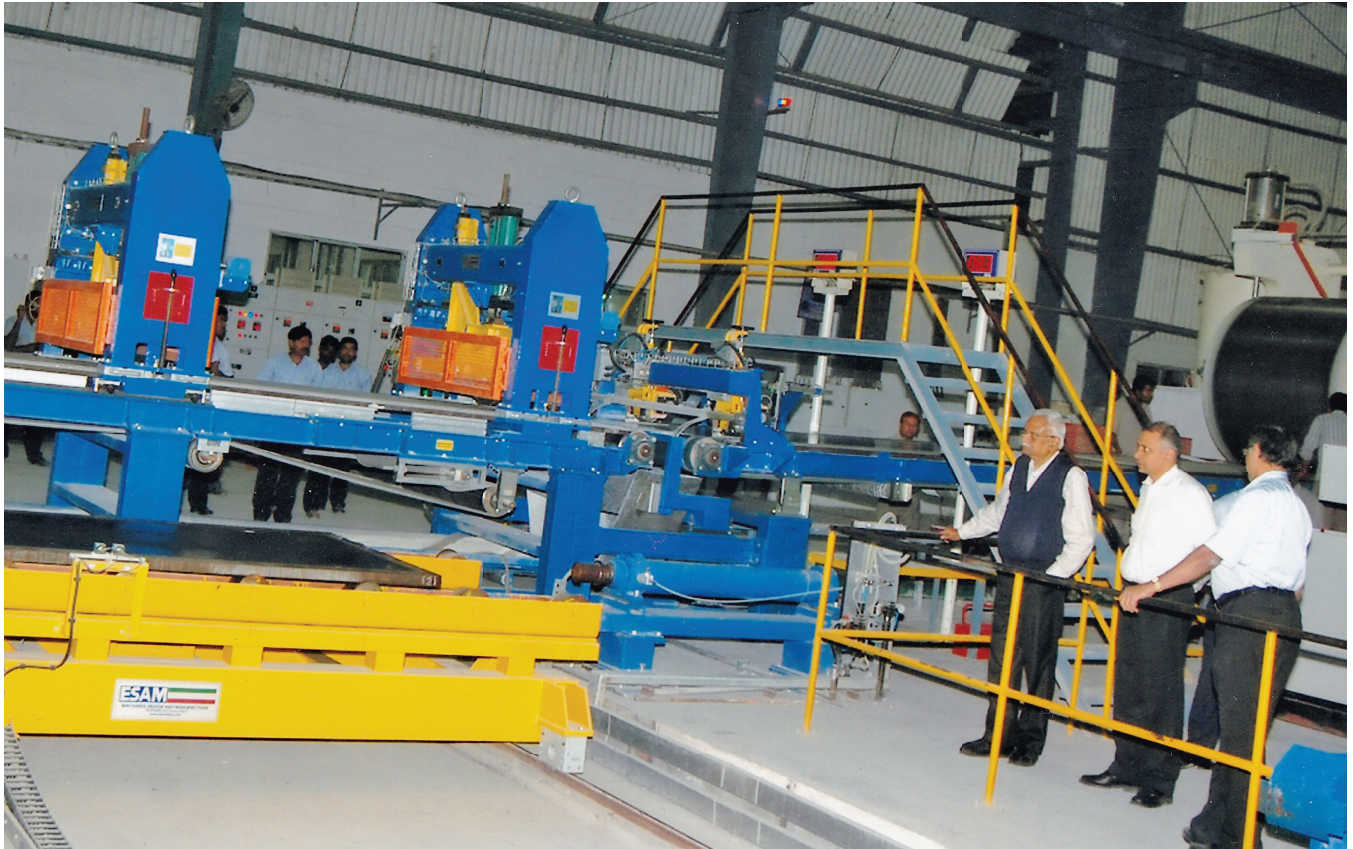


Ramco Industries Limited

ANNUAL REPORT 2015 - 2016



Chairman's visit to Kotputli Plant, Rajasthan

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RAMCO HILUX

CALCIUM SILICATE Dry Walls & Ceilings



FIRE RESISTANCE

The only 4-hour fire-rated system in India!

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Board of Directors

Shri P.R. Ramasubrahmaneya Rajha, B.Sc.
Chairman

Shri P.R. Venketrama Raja, B.Tech., MBA
Vice Chairman & Managing Director

Shri S.S. Ramachandra Raja, B.Sc.

Shri K.T. Ramachandran, B.E.

Shri N.K. Shrikantan Raja, B.Com.

Shri R.S. Agarwal, B.Sc., B.E.

Shri V. Santhanaraman, B.Com., CAIIB

Smt. Justice Chitra Venkataraman (Retd.), B.A., B.L.

Chief Executive Officer

Shri Prem G Shanker

Chief Financial Officer

Shri K. Sankaranarayanan

Secretary

Shri S. Balamurugasundaram

Registered Office

47, P.S.K. Nagar
RAJAPALAYAM - 626 108, Tamil Nadu

Corporate Office

“Auras Corporate Centre”, VI Floor
98-A, Dr. Radhakrishnan Road
Mylapore, CHENNAI - 600 004
Tamil Nadu
CIN No. L26943TN1965PLC005297

Website : www.ramcoindltd.com
www.ramcohilux.com

FACTORIES

I. Building Products Division

Arakkonam, Tamil Nadu

Bihya, Bihar

Gangaikondan, Tamil Nadu

Karur, Karnataka

Kharagpur, West Bengal

Kotputli, Rajasthan

Maksi, Madhya Pradesh

Sinugra, Gujarat

Silvassa, Union Territory of Dadra & Nagar Haveli

Vijayawada, Andhra Pradesh

II. Textile Division (Cotton Yarn)

Sri Ramco Spinners, Rajapalayam, Tamil Nadu

Subsidiary Companies

Sudharsanam Investments Limited, India

Sri Ramco Lanka (Private) Limited, Sri Lanka

Sri Ramco Roofings Lanka (Private) Limited, Sri Lanka

Bankers

Canara Bank

HDFC Bank Limited

Axis Bank Limited

IDBI Bank Limited

Kotak Mahindra Bank Limited

State Bank of India

Tamilnad Mercantile Bank Limited

Yes Bank Limited

HSBC Bank

ICICI Bank Limited

Auditors

M/s. M.S. Jagannathan & N. Krishnaswami
Chartered Accountants

Unit - 5, Ground Floor, Abirami Apartments,
No.14, V.O.C. Road, Cantonment,
TIRUCHIRAPALLI - 620 001, Tamil Nadu

M/s. CNGSN & Associates LLP

Chartered Accountants

20, Raja Street, T. Nagar

CHENNAI - 600 017, Tamil Nadu

Cost Auditors

M/s. Geeyes & Co

Cost Accountants

A-3, III Floor, 56, Seventh Avenue

Ashok Nagar, Chennai - 600 083.

Secretarial Auditors

M/s. S. Krishnamurthy & Co

Company Secretaries “Shreshtham”

Old No. 17, New No 16, Pattammal Street

Mandaveli, Chennai - 600 028.

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₹ in lakhs

FINANCIAL HIGHLIGHTS	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Earnings							
Sales & Other Income	54,297	57,788	70,676	81,054	69,204	76,095	75,419
Operating Profit	11,876	11,927	12,886	12,606	6,212	6,555	7,325
Cash Generation	9,754	9,858	10,624	9,787	2,846	3,866	4,761
Net Profit / Loss [PAT]	5,359	5,321	6,135	5,449	(600)	2,093	3,369
Assets Employed							
Net Fixed Assets	24,335	25,577	27,491	35,174	37,573	37,381	39,040
Investments	20,262	20,262	20,262	20,316	20,319	21,316	21,470
Other Net Assets net off other Liabilities	15,711	17,776	21,737	38,465	30,780	32,717	28,847
TOTAL	60,308	63,615	69,490	93,955	88,672	91,414	89,357
Financed By:							
A. Shareholders' Funds							
Share Capital	100	100	100	100	100	100	100
Bonus Shares	767	767	767	767	767	767	767
Reserves and Surplus	32,037	36,505	41,531	45,873	45,139	46,808	49,726
Deferred Tax	2,638	2,408	2,289	2,019	1,140	958	242
Total Shareholders, Funds(A)	35,542	39,780	44,687	48,759	47,146	48,633	50,835
B. Borrowed Funds							
Short Term and Long Term	24,766	23,835	24,803	45,196	41,526	42,778	38,522
Total Borrowings (B)	24,766	23,835	24,803	45,196	41,526	42,778	38,522
TOTAL (A) + (B)	60,308	63,615	69,490	93,955	88,672	91,411	89,357
Book value per share (₹)	36.95	42.10	47.90	52.91	52.06	53.99	57.35
Earnings Per Share (₹)	6.18	6.14	7.08	6.28	(0.69)	2.41	3.89
Dividend Per Share (₹)	0.85	0.90	1.10	1.10	0.25	0.30	0.50
Dividend Payout (₹ in Lacs)	737	780	953	953	217	260	433
Dividend Payout Ratio %	14	15	16	17	(36)	12	13
Operating Profit Ratio %	21.87	20.64	18.23	15.55	8.98	8.61	9.71
Gross Fixed Assets Per Share (₹)	51.04	52.86	60.79	62.24	80.93	83.23	96.58
Debt - Equity Ratio	0.75	0.64	0.59	0.97	0.90	0.90	0.76
Market Price of Share (₹)							
a. As on 31st March*(Close)	57.40	45.95	44.75	52.70	37.60	69.65	91.50
b. high**	73.30	83.35	46.00	52.90	61.40	72.00	93.95
c. low**	48.60	41.60	44.10	50.10	29.00	69.10	90.95
P/E Ratio as at 31st March #	9.29	7.49	6.32	8.39	(54.49)	28.90	23.52
Market Capitalisation @ (₹ in lakhs)	49,744	39,822	38,782	45,671	32,585	60,360	79,297

*NSE Quotations

**High & Low prices during the year ended 31st March at NSE.

@ Based on the market price as on 31st March at NSE.

From 2009-10, Figures relating to Shares are after Stock-Split(F.V. of each Share: ₹1/- w.e.f 16-09-2009) and 1:1 Bonus Issue. Figures have been regrouped for comparison purposes

NOTICE TO THE MEMBERS

Notice is hereby given that the 51st Annual General Meeting of the Company will be held at 11.00 A.M on Thursday, the 4th August, 2016 at P.A.C.R. Centenary Community Hall, Sudarsan Gardens, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 108, Tamilnadu to transact the following business:

ORDINARY BUSINESS:

1. To consider and pass the following Resolution, as an ORDINARY RESOLUTION:

“RESOLVED that the Board’s Report and the Company’s Standalone and Consolidated Statements of Profit and Loss for the year ended 31st March 2016, Balance Sheets as at that date and Cash Flow Statements for the year ended on that date and the Auditors’ Reports thereon be and are hereby considered and adopted.”

2. To consider and pass the following Resolution as an ORDINARY RESOLUTION:

“RESOLVED that Shri. P.R. Ramasubrahmaneya Rajha (DIN: 00331357), who retires by rotation, be and is hereby elected as Director of the Company.”

3. To consider and pass the following Resolution as an ORDINARY RESOLUTION:

“RESOLVED that in terms of section 139 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, the appointment of M/s. M.S.Jagannathan & N.Krishnaswami, Chartered Accountants holding Firm Registration No. 0012085 and M/s.CNGSN & Associates LLP, Chartered Accountants holding Firm Registration No.0049155 as Auditors of the Company for the third consecutive year viz. from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, out of their term of three consecutive years as approved at the Annual General Meeting held on 28-07-2014, be and is hereby ratified.”

SPECIAL BUSINESS:

4. To consider and pass the following Resolution as SPECIAL RESOLUTION:

“RESOLVED that pursuant to the provisions of Sections 196, 197 and 203 and any other applicable provisions and the Rules thereunder, read with Schedule V of the Companies Act, 2013, the approval of the Company be and is hereby accorded to the appointment of Shri. P R Venketrama Raja (DIN: 00331406) as Vice Chairman & Managing Director of the Company for a period of 3 years with effect from 01-04-2017, to manage the entire business and affairs of the Company subject to the superintendence, control and directions of the Board, at a remuneration equivalent to 5% of the net profits of the Company by way of monthly salary, allowances, other perquisites / benefits and commission.

RESOLVED FURTHER that in accordance with the provisions of Sections 196, 197 and 203 and any other applicable provisions and the Rules thereunder, read with Schedule V of the Companies Act, 2013 the total remuneration payable by the Company and M/s Ramco Systems Limited (RSL) of which also Shri. P R Venketrama Raja is the Vice Chairman and Managing Director shall not exceed 5% of the net profits of the Company or the net profits of RSL whichever is higher.

RESOLVED FURTHER that the Nomination and Remuneration Committee be and is hereby authorised to fix the components, quantum and periodicity of the remuneration payable to the Managing Director, subject however the annual remuneration does not exceed 5% of the net profits of the Company or RSL whichever is higher in any financial year.

RESOLVED FURTHER that where in any financial year during the currency of his tenure, the Company has no profits or inadequate profits, the Vice Chairman & Managing Director shall be paid the remuneration as approved by the Nomination and Remuneration Committee which shall be the double of the limit as provided under (A) of Section II, Part II of Schedule V of the Companies Act, 2013 after deducting payment made by RSL.

RESOLVED FURTHER that the remuneration aforesaid shall be exclusive of any fee paid for attending Meetings of the Board or Committee thereof or for any other purpose, whatsoever as may be decided by the Board as provided in Section 197(5) of the Companies Act, 2013.”

5. To consider and pass the following Resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT the approval of the Members be and is hereby accorded as per applicable provisions of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the related party transactions to be entered with M/s Raja Charity Trust (RCT) arising out of re-appointment of RCT as the Sole Selling Agent of the Company for a period of 5 years from 3rd May, 2017 on the following terms and conditions:

- a. The re-appointment will be for a period of 5 years from 03.05.2017.
- b. M/s. Raja Charity Trust will be the Sole Selling Agent for the products of the Company in India viz. all kinds of Roofing sheets, Accessories, Flat / Corrugated Sheets/ Boards and Pressure Pipes and Pipe fittings of every description made of, wholly or partly, with Asbestos Fibre or with the use of natural, synthetic, organic, inorganic fibre and Cement, Calcium Silicate or such other material/s and also made of Steel / Plastics / Polymers etc., and also Plastic Storage Tanks/ Containers of any kind and any similar or related products (hereinafter referred to as "Products").
- c. M/s. Raja Charity Trust will promote and canvass orders for the Products of the Company at the prices and delivery terms stipulated by the Company from time to time; they will also take all necessary steps on behalf of the Company to effectively deal with all contracts of sale of the Company's products; they will also assist the Company in collection of payments and render such other services incidental thereto.
- d. They will be entitled to a commission of 1.00% exclusive of taxes or duties thereon, on the ex-factory value of the products sold within India to Government and Public, exclusive of Excise duty, Sales tax, Octroi or other statutory levies.

RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorized to enter into Sole Selling Agency Agreement/ Arrangements and accept such modifications/amendments in the Sole Selling Agency Agreement/arrangements as may be required and to take all necessary steps to implement the same".

Place : Chennai
Date : 20-05-2016

By Order of the Board,
For RAMCO INDUSTRIES LIMITED,
P.R.RAMASUBRAHMANEYA RAJHA
CHAIRMAN

NOTES :

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto.
2. **A member entitled to attend at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and that the Proxy need not be a Member.**
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
4. The Cut-off date will be 28th July, 2016 for determining the eligibility to vote by remote e-voting or in the General Meeting.
5. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unclaimed/ unpaid dividends lying with the Company for a period of over 7 years, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unclaimed / unpaid dividends lying with the Company on the website of the Company / Share Transfer Agent (www.ramcoindltd.com), as also on the website of the Ministry of Corporate Affairs. The dividends remaining unpaid for a period of over 7 years will be transferred to the Investor Education & Protection Fund of the Central Government. Hence, the members who have not claimed their dividend relating to the earlier years may write to the Company for claiming the amount before it is so transferred to the Fund. The details of due dates for transfer of such unclaimed dividend to the said Fund are:

FINANCIAL YEAR ENDED	DATE OF DECLARATION OF DIVIDEND	LAST DATE FOR CLAIMING UNPAID DIVIDEND	DUE DATE FOR TRANSFER TO IEP FUND
31/03/2009 Final Dividend	05/08/2009	04/08/2016	02/09/2016
31/03/2010 Interim Dividend Final Dividend	27/10/2009 02/08/2010	26/10/2016 01/08/2017	24/11/2016 31/08/2017
31/03/2011 Interim Dividend Final Dividend	25/10/2010 10/08/2011	24/10/2017 09/08/2018	23/11/2017 07/09/2018
31/03/2012 Interim Dividend Final Dividend	21/03/2012 02/08/2012	20/03/2019 01/08/2019	18/04/2019 30/08/2019
31/03/2013 Interim Dividend Final Dividend	13/02/2013 29/07/2013	12/02/2020 28/07/2020	12/03/2020 26/08/2020
31/03/2014 Dividend	28/07/2014	27-07-2021	25/08/2021
31/03/2015 Dividend	23/09/2015	22/09/2022	20/10/2022
31/03/2016 Interim Dividend	11/03/2016	10/03/2023	08/04/2023

6. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for 2015-16 are being sent to all the members whose E-Mail IDs are registered with the Company / Depository Participant(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to members for whom the E-Mail IDs are not available and who have requested for physical copies. The Notice and the Annual Report are also available on the Company's Website - www.ramcoindltd.com for their download.
7. Under Rule 18 of Companies (Management and Administration) Rules, 2014, Members, those who have not got their E-Mail IDs recorded are requested to register their E-Mail address and changes therein with the Company in respect of physical shares and with Depository Participants with respect to dematerialised shares. Members are also requested to provide their Unique Identification Number and PAN (CIN in the case of Corporate Members) to the Registrar and Share Transfer Agent / Depository Participants.
8. A Route Map with prominent Landmark for easy location of the venue of the meeting is given with this Notice as per the requirement of Clause No: 1.2.4 of the Secretarial Standard-2 on "General Meetings".
9. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing members remote e-voting facility to exercise their right to vote at the 51st Annual General Meeting (AGM) and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
 - II. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
 - III. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Instructions for e-voting are as under:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Select the “RAMCO INDUSTRIES LIMITED” from the drop down menu and click on “SUBMIT”
- (iv) Enter your User ID - For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) Password : If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below.

- a. Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the Folio No./ Client ID in the PAN field.

In case the Folio No. is less than 8 digits, enter the applicable number of 0's before the Folio no. after the first two characters of the name in CAPITAL letters. Eg. If your name is Vasudevan with Folio No.1 then enter VA00000001 in the PAN field.

- b. Please enter any one of the following details in order to login:

Date of Birth : Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details : Please Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

If both of the above details are not recorded with the depository or Company, please enter the User ID (mentioned in (iv) above) in the Dividend Bank details field.

- (vi) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Set Password’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password may also be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the relevant EVSN for Ramco Industries Limited.
- (ix) On the voting page, you will see “Resolution Description” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xi) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page. It need not be sent to the Company.
- (xiv) If you have forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xv) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates. A scanned copy of the Registration Form bearing the stamp

and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xvi. The facility for remote e-voting shall remain open from 9.00 A.M on Monday, the 1st August, 2016 to 5.00 P.M on Wednesday, the 3rd August, 2016. During this period, the members of the company, holding shares either in physical form or in dematerialised form, as on the cut-off-date viz Thursday, the 28th July 2016, may opt for remote e-voting. Voting shall not be allowed beyond 5 P.M on 3rd August, 2016.

xvii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

IV. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 28-07-2016.

V. Shri.K.Srinivasan, Chartered Accountant (Membership No:21510), Partner, M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VI. The Chairman shall, at the general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutiniser, by use of ballot or polling paper or by using an electronic voting system for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.

VII. The scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and the Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

Place : Chennai
Date : 20-05-2016

By Order of the Board,
For RAMCO INDUSTRIES LIMITED,
P.R.RAMASUBRAHMANEYA RAJHA
CHAIRMAN

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

Shri P R Venketrama Raja, Vice Chairman and Managing Director, 57 years, holds a Bachelor's Degree in Chemical Engineering and a Masters in Business Administration from the University of Michigan, USA.

During his tenure as Vice Chairman and Managing Director, the Company has expanded its business achieved substantial growth in volume of business, operations and profitability.

Recognizing his valuable contributions and to accelerate the growth of the Company, Shri.P.R.Venketrama Raja (DIN 00331406) was re-appointed as the Vice Chairman and Managing Director of the Company by Board of Directors at their meeting held on 20-05-2016, subject to the approval of the Members at the 51st Annual General Meeting, for a further period of 3 years from 1st April, 2017 to 31st March, 2020 in accordance with the provisions of Section 152 read with Schedule V and other applicable provisions of the Companies Act, 2013.

Terms of Remuneration:

- * 5% of the net profits of the Company or Ramco Systems Limited (RSL) calculated as per Section 198 of the Companies Act, 2013 whichever is higher.
- * In any financial year, where the Company has no profits or inadequacy of profits, the Vice Chairman & Managing Director shall be paid as remuneration, the double of the limit as provided under (A) of Section II Part II of Schedule V of the Companies Act, 2013.

The aforesaid remuneration shall be exclusive of any fee paid for attending Meetings of Board or Committee thereof or for any other purpose, whatsoever as may be decided by the Board as provided in section 197(5) of the Companies Act, 2013.

The proposed re-appointment and the payment of remuneration has been approved by the Nomination and Remuneration Committee at its meeting held on 19-05-2016.

The reappointment and the remuneration proposed fulfil the conditions stipulated in Schedule V of the Companies Act, 2013 and hence approval of Government of India is not required.

A copy of the terms and conditions of reappointment of the Vice Chairman & Managing Director is available for inspection without any fee by the members at the Registered Office of the Company between business hours on any working day up to and including the date of the Annual General Meeting.

Shri. P R Venketrama Raja is the Director in the following Companies:

1.	The Ramco Cements Limited	Director
2.	Rajapalayam Mills Limited	Director
3.	Ramco Systems Limited	Vice Chairman and Managing Director
4.	The Ramaraju Surgical Cotton Mills Limited	Director
5.	Sri Vishnu Shankar Mill Limited	Director
6.	Sandhya Spinning Mill Limited	Director
7.	Rajapalayam Textile Limited	Director
8.	LYNKS Logistics Limited	Director
9.	Sri Sandhya Farms (India) Private Limited	Director
10.	Sri Saradha Deepa Farms Private Limited	Director
11.	Ramamandiram Agricultural Estate Private Limited	Director
12.	Nalina Agricultural Farms Private Limited	Director
13.	Nirmala Shankar Farms & Estates Private Limited	Director
14.	Sri Nithyalakshmi Farms Private Limited	Director
15.	Ram Sandhya Farms Private Limited	Director
16.	RCDC Securities and Investments Private Limited	Director
17.	Sri Ramco Lanka (Private) Limited, Sri Lanka	Director
18.	Sri Ramco Roofings Lanka (Private) Limited, Sri Lanka	Director
19.	Ramco System Corporation USA	Director
20.	Ramco Systems Ltd., Switzerland	Director
21.	Ramco Systems Sdn. Bhd., Malaysia	Director
22.	Ramco Systems Pte. Ltd., Singapore	Chairman
23.	RSL Enterprises Solutions (Pty.) Ltd., South Africa	Director
24.	Ramco Systems Canada Inc., Canada	Director
25.	Ramco Systems Fz-LLC, Dubai	Director
26.	Ramco Systems Australia Pty. Limited, Australia	Director

Details of Committee memberships of Shri. P.R.Venketrama Raja, Vice Chairman and Managing Director :

Name of the Company	Name of the Committee	Position Held (Chairman / Member)
Ramco Industries Limited	Stakeholders Relationship Committee	Member
Ramco Industries Limited	Share Transfer Committee	Member
Ramco Industries Limited	Corporate Social Responsibility Committee	Member
Ramco Industries Limited	Risk Management Committee	Chairman
The Ramco Cements Limited	Audit Committee	Member
The Ramco Cements Limited	Project Management Committee	Member
The Ramco Cements Limited	Stakeholders Relationship Committee	Chairman
The Ramco Cements Limited	Share/Debtenture Committee	Member
The Ramco Cements Limited	Nomination and Remuneration Committee	Member
The Ramco Cements Limited	Corporate Social Responsibility Committee	Member
Rajapalayam Mills Limited	Stakeholders Relationship Committee	Member
Rajapalayam Mills Limited	Corporate Social Responsibility Committee	Member
Ramco Systems Limited	Stakeholders Relationship Committee	Member
Ramco Systems Limited	Allotment Committee	Member
Ramco Systems Limited	Fund Raising Committee	Member
Ramco Systems Limited	Rights Issue 2013 Committee	Member
Ramco Systems Limited	Corporate Social Responsibility Committee	Member
The Ramaraju Surgical Cotton Mills Limited	Stakeholders Relationship Committee	Member

None of the Directors and Key Managerial Personnel except Shri.P.R.Venketrama Raja as appointee and Shri.P.R.Ramasubrahmaneya Rajha as a relative may be deemed to be concerned or interested in the Resolution.

I. General Information:

1	Nature of Industry		Building Products and Textiles	
2	Date of Commencement of Business		27.01.1965	
3	Financial performance based on given indicators			
	Year	Turnover - ₹ in crores	Net Profit - ₹ in crores	Dividend per share - in ₹
	2014-15	760.95	20.93	0.30
	2013-14	692.04	(6.00)	0.25
	2012-13	804.57	54.49	1.10
4	Foreign investments or collaborations, if any		Investments made in 2 Subsidiaries in Srilanka viz. Sri Ramco Lanka (Pvt.) Ltd., and Sri Ramco Roofings Lanka (Pvt.) Ltd.,	

II. Information about the appointee:

1	Background Details	<p>Shri.P.R Venketrama Raja is a Promoter and Vice Chairman & Managing Director and has been on the Board of the Company since 1993.</p> <p>Age : 57 years</p> <p>Qualification : Bachelor's Degree in Chemical Engineering and Masters in Business Administration</p> <p>No. of Shares held in the Company : 55,00,000</p>
2	Past Remuneration	He has been paid a remuneration the double of the limit, as provided under (A) of Section II, Part II of Schedule V of the Companies Act, 2013 due to inadequate profits after deducting payment made by Ramco Systems Limited (RSL).



3	Recognition or awards	Has won several recognitions and awards
4	Job profile and his suitability	Overall in-charge for Management of the affairs of the Company.
5	Remuneration proposed	5% of the net profits of the Company or RSL whichever is higher and in case of inadequacy of profits, the Vice Chairman & Managing Director shall be paid as remuneration, the double of the limit as provided under (A) of Section II, Part II of Schedule V of the Companies Act, 2013 after deducting payment made by RSL.
6	Comparative Remuneration profile	Remuneration is comparable with respect to industry, size of the Company, profile of the position and person.
7	Relationship with managerial personnel/ Pecuniary relationship directly or indirectly with the Company.	He is related to Shri.P.R.Ramasubrahmaneya Rajha, Chairman of the Company. He has no pecuniary relationship other than the remuneration, he is entitled to receive. His transactions with the Company are disclosed under "Related Party Transactions" in Notes to Balance Sheet.

III. Other Information:

1	Reasons of loss or inadequate profits	<ul style="list-style-type: none"> • Increase in the landed cost of Chrysotile fibre due to depreciation of Rupee versus USD • Shift to galvanized steel sheets by end users • Failure of Monsoon/drought across the states • Calcium Silicate Board yet to pick up
2	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> • Cost control measures • Pan India Market penetration • Aggressive marketing of Calcium Silicate Board.
3	Expected increase in productivity and profits in measurable terms	<ul style="list-style-type: none"> • Increasing the range of Boards meeting Customer requirements.

IV. Disclosures:

As required, the information are provided under Corporate Governance Section.

The Notice together with this Statement may be regarded as a disclosure under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Item No.5

The members at their Extra Ordinary General Meeting held on 19.03.2012 had approved the re-appointment of Raja Charity Trust (RCT) as the sole selling Agent for 5 years from 3.05.2012 to 2.05.2017. The Central Government accorded its approval for the sole selling agency up to 31.03.2014 and stated that their approval would not be required from 01.04.2014 in view of the Companies Act, 2013 coming into effect. However, in terms of revised Clause 49 VII of the erstwhile Listing Agreement the sales arising out of the orders procured by Raja Charity Trust is classified as Material transaction with the related party as it exceeds 10% of annual consolidated turnover. The members at their 50th Annual General Meeting held on 23.09.2015 had approved the material transactions with Raja Charity Trust from 01.04.2014 to 2.05.2017 by resolution.

The volume of orders procured by Raja Charity Trust for the Company's Building products has been continuously increasing year after year, leading into increase in Turnover and Profits of the Company. The approval of shareholders of the Company is being sought by resolution for related party transactions to be entered with Raja Charity Trust arising out of their re-appointment as the sole selling Agent for 5 years from 3.05.2017 to 2.05.2022 at a commission of 1% of the sale of Company's products by them. Since the sale of products through RCT may be more than 10% of the Consolidated Turnover of the Company, amounts to "Material transaction" with the related party and requires approval of shareholders by Resolution.

The contract with RCT is available for inspection at the Registered Office between 2 p.m. and 4 p.m. on all working days up to the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel or their relatives except Shri.P.R.Ramasubrahmaneya Rajha, Shri.P.R. Venketrama Raja as the trustees of RCT and their relatives are concerned or interested financially or otherwise in this item of business.

Place : Chennai
Date : 20-05-2016

By Order of the Board,
For RAMCO INDUSTRIES LIMITED,
P.R.RAMASUBRAHMANEYA RAJHA
CHAIRMAN

Additional Information on Director seeking re-election at the Annual General Meeting

1. Shri P.R. RAMASUBRAHMANEYA RAJHA

Shri P.R. Ramasubrahmaneya Rajha, aged 80 years is a leading Industrialist, heading the RAMCO Group of Companies as the Chairman. The RAMCO Group with interests in the business of the Cotton Yarn, Cement, Fibre Cement Sheets and other Building Products, Software and Bio-Technology has a turnover of ₹ 6300 Crores. Under the leadership of Shri P.R. Ramasubrahmaneya Rajha the RAMCO Group has increased its volume of Business manifold and is one of the most respected Industrial/Corporate Groups in the Country achieving international recognition for its quality products and services.

Shri P.R. Ramasubrahmaneya Rajha has been on the Board of Ramco Industries Limited since inception. He is a member of the Stakeholders Relationship Committee and the Share Transfer Committee of the Board of Directors of the Company.

He is a Director on the Board of the following Companies :

No	Name of the Company	Nature of Interest
1	The Ramco Cements Limited	Chairman
2	Rajapalayam Mills Limited	Chairman
3	Ramco Industries Limited	Chairman
4	Ramco Systems Limited	Chairman
5	The Ramaraju Surgical Cotton Mills Limited	Chairman
6	Sri Vishnu Shankar Mills Limited	Chairman
7	Sandhya Spinning Mill Limited	Chairman
8	Thanjavur Spinning Mill Limited	Chairman
9	Rajapalayam Textile Limited	Director
10	Ram Sandhya Farms Private Limited	Director
11	Sri Sandhya Farms (India) Private Limited	Director
12	Ramamandiram Agricultural Estate Private Limited	Director
13	Sri Saradha Deepa Farms Private Limited	Director
14	Nalina Agricultural Farms Private Limited	Director
15	Nirmala Shankar Farms & Estates Private Limited	Director
16	Sri Nithyalakshmi Farms Private Limited	Director
17	Ramco Management Private Limited	Director
18	Rajapalayam Chamber of Commerce and Industry	Director
19	RCDC Securities and Investments Private Limited	Director

Shri.P.R.Ramasubrahmaneya Rajha is a Member in the following Committees of the Board.

No	Name of the Company	Name of the Committee	Position
1	The Ramco Cements Limited	Project Management Committee	Chairman
2	The Ramco Cements Limited	Stakeholders Relationship Committee	Member
3	The Ramco Cements Limited	Share/Debenture Committee	Chairman
4	The Ramco Cements Limited	Corporate Social Responsibility Committee	Chairman
5	Ramco Industries Limited	Stakeholders Relationship Committee	Chairman
6	Ramco Industries Limited	Share Transfer Committee	Chairman
7	Ramco Industries Limited	Corporate Social Responsibility Committee	Chairman
8	Ramco Systems Limited	Stakeholders Relationship Committee	Chairman
9	Rajapalayam Mills Limited	Stakeholders Relationship Committee	Chairman
10	Rajapalayam Mills Limited	Share Transfer Committee	Chairman

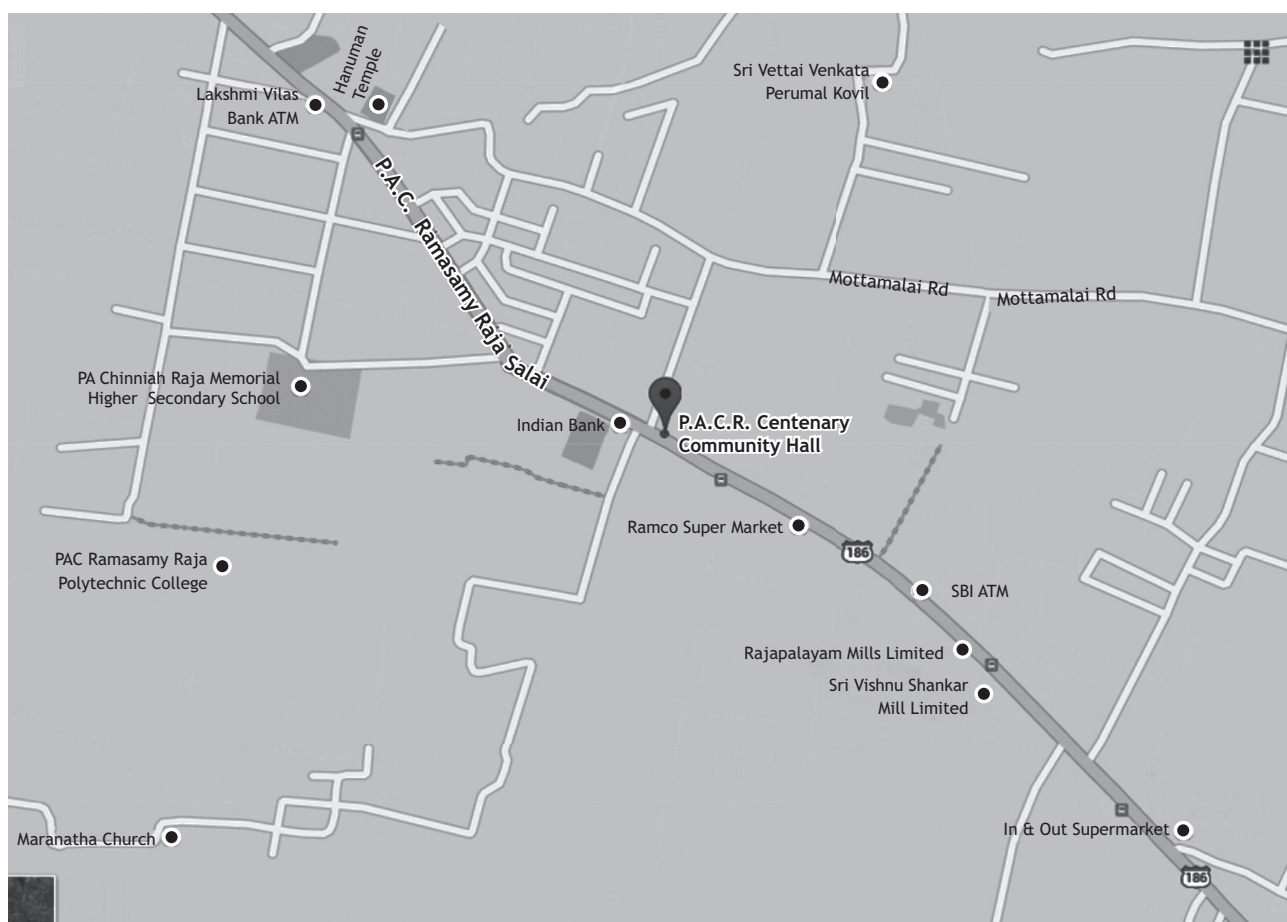
11	Rajapalayam Mills Limited	Corporate Social Responsibility Committee	Chairman
12	Sri Vishnu Shankar Mill Limited	Corporate Social Responsibility Committee	Chairman
13	Sandhya Spinning Mill Ltd	Share Transfer Committee	Chairman
14	Sandhya Spinning Mill Ltd	Corporate Social Responsibility Committee	Chairman
15	The Ramaraju Surgical Cotton Mills Limited	Share Transfer Committee	Chairman
16	The Ramaraju Surgical Cotton Mills Limited	Stakeholders Relationship Committee	Chairman
17	The Ramaraju Surgical Cotton Mills Limited	Corporate Social Responsibility Committee	Chairman

He holds 28,82,621 shares of ₹ 1/- each in the Company.

None of the Directors and Key Managerial Personnel except Shri.P.R.Ramasubrahmaneya Rajha as appointee and Shri.P.R.Venketrama Raja as a relative may be deemed to be concerned or interested in the Resolution.

Map Showing location of venue of 51st Annual General Meeting

Venue Address : P.A.C.R. Centenary Community Hall, Sudarsan Gardens, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 108, TN



Land Mark: Near Indian Bank

Distance from Rajapalayam Bus Stand : 3.5 KM

Distance from Rajapalayam Railway Station : 3.9 KM

BOARD'S REPORT

Your Directors have pleasure in presenting their 51st Annual Report and the Audited Accounts of the Company for the year ended 31st March 2016.

FINANCIAL RESULTS

	For the Year ended 31.03.2016 ₹ in lakhs Standalone	For the Year ended 31.03.2015 ₹ in lakhs Standalone
Total Revenue	75,419	76,095
Operating Profit : Profit before Interest, Depreciation and Tax (PBIDT)	7,326	6,556
Less : Interest	3,797	3,703
Profit before Depreciation and Tax (PBDT)	3,529	2,853
Less : Depreciation	1,961	1,889
Add : Exceptional items	1,233	1,013
Net Profit/ Loss before Tax (PBT)	2,801	1,977
Less: Provision for Taxation - Current	139	296
- Deferred	(707)	(116)
MAT Credit Entitlement	-	(296)
Net Profit / Loss after Tax (PAT)	3,369	2,093
Add : Balance Profit from last year	3,162	1,682
	6,531	3,775
Less : Depreciation adjustment on transition to Schedule II of the Companies Act, 2013 on Fixed Assets (Net of Deferred Tax)	18	126
Surplus for Appropriation	6,513	3,649
Appropriations :		
1. Transfer to General Reserve	500	300
2. Dividend	-	260
3. Interim Dividend	433	-
4. Tax on Dividend	-	53
Balance carried over to Balance Sheet	5,580	3,036
TOTAL	6,513	3,649

SHARE CAPITAL

The paid-up capital of the Company is ₹ 8,66,63,060/- consisting of 8,66,63,060 shares of ₹ 1/- each.

DIVIDEND

Your Directors at the Board Meeting held on 11-03-2016 have approved payment of Interim Dividend of ₹ 0.50/- per share on the Equity Capital of the Company. Your Directors recommend this to be the final dividend for the year. For the previous year, the Company had paid a dividend of ₹ 0.30/- per share. The total dividend for the year amounts to ₹ 433.32 lakhs as against ₹ 260 lakhs for the previous year.

TAXATION

An amount of ₹ 1.39 crore towards Current Tax and ₹ 7.07 crore towards reversal of Deferred Tax has been provided for the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

REVIEW OF OPERATIONS AND CURRENT TRENDS

A. BUILDING PRODUCTS DIVISION:

PRODUCT	PRODUCTION Qty. in M.T.		SALES Qty. in M.T.		TURNOVER ₹ in lakhs	
	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15
Fibre Cement Sheets	4,87,868	5,43,218	4,90,246	5,20,226	48,692	53,267
Calcium Silicate Boards	32,186	21,245	27,699	16,525	5,142	3,532

(a) Fibre Cement (FC) Sheets :

During the year under review, the Sales quantity of FC Sheets de-grown by around 6% compared to previous year. Revival in demand pattern was increased by 7% in Eastern part of the country whereas the demand pattern in the rest of India remained sluggish. Decrease in volume could be attributed to poor monsoon in the year resulting in lower demand in retail sales. Moreover, net realisation decreased due to high transport costs for movements of materials from Plants located in South India to high demand areas in the North and East of the Country.

Union Government's initiatives on Rural development and Prime Minister's Swachh Bharat Abhiyan scheme will be boost for fibre cement products and trend may continue. Promotional efforts are vigorously taken to explore new potential areas with more customized products.

(b) Calcium Silicate Boards (CSBs):

Efforts are taken to increase Production and Sales during the year under review. New variants with superior features were well received in the Market. Persistent steps are being taken to improve the market of CSB in domestic and abroad. While there has been increase in production compared to last year, Sales also have been increased compared to last year.

(c) Cement Clinker Grinding (CCG) Plant at Kharagpur, West Bengal :

The Plant had produced 1,16,077 M.T. of Cement during the year under review as against 1,37,867 M.T. of Cement during the previous year.

Similarly, Sale of Cement also decreased from 1,37,398 M.T. during the last year to 1,17,137 M.T. during 2015-16.

(d) Fibre Cement Pressure Pipes:

Operations of Pressure Pipes continued to be under pressure owing to the sluggish market. The Union Government's infrastructure initiatives are expected to increase the sale of this product.

B. WIND MILLS:

During the Financial Year 2015-16, the Wind energy was low compared to last year, from the existing 15 Wind Mills.

Position regarding Wind Mills was as follows:-

Total Capacity Installed	: 16.73 MW
Total Units generated	: 214 lakh Units (P.Y: 244 lakh Units)
Income earned (by generation/sale of power)	: ₹ 1,198 lakhs (P.Y: ₹ 1,330 lakhs)

C. COTTON YARN DIVISION - SRI RAMCO SPINNERS:

Production and Sales:

During the year 2015-16, the Unit had produced 30.54 lakh Kgs. of Cotton Yarn as compared to 30.28 lakh Kgs. produced during the previous year. The Unit had registered its sale of Yarn at 34.31 lakh Kgs. (including traded yarn) during the year under review as against 30.81 lakh Kgs. during 2014-15.

During the year under review, the performance of the Cotton yarn division was good when compared to previous year. The reduction in yarn selling price was partially offset by the reduction in cotton price.

With the moderation in cotton prices & stability in yarn prices, your Directors are hopeful in achieving satisfactory results during the year 2016-17.

D. OVERSEAS OPERATIONS OF SUBSIDIARIES - SRI RAMCO LANKA (PRIVATE) LIMITED AND SRI RAMCO ROOFINGS LANKA (PRIVATE) LIMITED, SRI LANKA :

The production of FC plant of Sri Ramco Roofings Lanka (Private) Limited (SRRLPL), which commenced commercial production in 2012, was 59,732 M.T. and Sales was 61,371 M.T. during the year under review, compared to 49,729 M.T. and 48,776 M.T. of last year.

In the backdrop of adverse conditions there is a considerable increase in Production by 19% and Sales by 26% against previous year.

At a Consolidated level of both the Companies, the Net Sales were SLR 37,384 lakhs (INR 16,615 lakhs) as against SLR 30,872 lakhs (INR 14,408 lakhs) during the corresponding previous year.

In accordance with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the Financial Statements of the subsidiaries is attached in Form AOC-1 as Annexure -1 to the Board's Report.

The Company proposes to transfer an amount of ₹ 500 lakhs to the General Reserves. An amount of ₹ 5,580 lakhs is proposed to be retained in the statement of Profit and Loss.

CONSOLIDATED FINANCIAL STATEMENTS:

As per provisions of Section 129(3) of the Companies Act, 2013 and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR)], Companies are required to prepare Consolidated Financial Statements of its Subsidiaries and Associates to be laid before the Annual General Meeting of the Company. Accordingly, the Consolidated financial Statements incorporating the accounts of Subsidiary Companies viz. (a) M/s. Sudharsanam Investments Limited, (b) Sri Ramco Lanka (Private) Limited, Sri Lanka and (c) Sri Ramco Roofings Lanka (Private) Limited, Sri Lanka and Associate Company viz. The Ramco Cements Limited along with Auditors' Report thereon, forms part of this Annual Report.

The Annual Report containing the Audited Statement of Accounts for the Subsidiary Companies and Associate Company are available at the Company's website at the following link at <http://www.ramcoindltd.com/financial-performance.aspx>

The consolidated net profit of the Company amounted to ₹ 57.84 crore for the year ended 31st March, 2016 as compared to ₹ 36.22 crore of the previous year.

DIRECTORS:

Shri. P.R Venketrama Raja, was re-appointed as Vice Chairman and Managing Director (VCMD) of the Company for a period of 3 years starting from 01-04-2014 to 31-03-2017 at the Annual General Meeting held on 28-07-2014. Based on the recommendation of the Nomination and Remuneration Committee made at its meeting held on 19-05-2016, the Board of Directors at their meeting held on 20-05-2016 have re-appointed him as Vice Chairman and Managing Director of the Company for a further period of 3 years starting from 01-04-2017. Approval of the members has been sought for his re-appointment and remuneration payable in the Notice convening 51st Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Shri P R Ramasubrahmaneya Rajha (DIN: 00331357), Director, retires by rotation and is eligible for re-election.

The Independent Directors hold office for a fixed term of 5 years and not liable to retire by rotation. No Independent Director has retired during the year.

Pursuant to Rule 8 (5) (iii) of Companies (Accounts) Rules, 2014 it is reported that, other than the above, there have been no changes in the Directors or Key Managerial Personnel during the year.

The Company has received necessary declarations from all the Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

All the three members of the Audit Committee are Independent Directors. Pursuant to Section 177(8) of the Companies Act, 2013 it is reported that there has not been an occasion, where the Board had not accepted any recommendation of the Audit Committee.

In accordance with Section 178(3) of the Companies Act, 2013 and based upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors has approved a policy relating to appointment and remuneration of Directors, Key Managerial Personnel and Other Employees. The objective of the Nomination and Remuneration Policy is to ensure that the level and composition of remuneration is reasonable, the relationship of remuneration to performance is clear and appropriate to the long term goals of the Company.

As required under Regulation 25(7) of SEBI (LODR) Regulations, the Company has programmes for Familiarisation for Independent Directors about the nature of the Industry, Business model, roles, rights and responsibilities of Independent Directors and other relevant information. As required under Regulation 46(2) of SEBI (LODR) Regulations the details of the Familiarisation Programme for Independent Directors are available at the Company's website, at the following link at <http://www.ramcoindltd.com/Familiarisation.aspx>.

The details of the familiarization programme are explained in the Corporate Governance Report also.

BOARD EVALUATION

Pursuant to Section 134(3)(p) of the Companies Act, 2013, and Regulation 17(10) of SEBI (LODR) Regulations, Independent Directors have evaluated the quality, quantity and timeliness of the flow of information between the Management and the Board, Performance of the Board as a whole and its Members and other required matters. Pursuant to Schedule II, Part D of SEBI (LODR) Regulations, the Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board Meeting, which shall be taken into account at the time of reappointment of Independent Director.

MEETINGS

The Board of Directors met five times during this financial year, the details of meetings of the Board and its various Committees are given in the Corporate Governance Report.

PUBLIC DEPOSITS

The Company had no fixed deposits. The Company has decided not to accept fresh deposits from 01.04.2014 and to avail the option provided under Section 74 of the Companies Act, 2013 and repaid all the existing deposits together with the accrued interest thereon by complying with the formalities required in this regard during the last year.

ORDERS PASSED BY THE REGULATORS

Pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014, it is reported that no significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROLS

In accordance with Section 134(5)(e) of the Companies Act, 2013, the Company has Internal Financial Controls Policy by means of Policies and Procedures commensurate with the size & nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186(4) of the Companies Act, 2013 are provided under Note No. 17(14), 17(17) and 17(18) respectively of Notes forming part of Standalone Financial Statements.

AUDITS

STATUTORY AUDIT

At the 49th Annual General Meeting held on 28.07.2014 M/s. M.S. Jagannathan & N. Krishnaswami, Chartered Accountants and M/s. CNGSN & Associates LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company for three consecutive years being their remaining eligible period in terms of Rule 6 of Companies (Audit and Auditors) Rules, 2014. The matter relating to their appointment for the third year of their term is being placed before the Members for ratification at the ensuing Annual General Meeting in accordance with requirements of Section 139(1) of the Companies Act, 2013.

The Auditors have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for re-appointment.

The report of the Statutory Auditors for the year ended 31st March, 2016 does not contain any qualification, reservation or adverse remark.

COST AUDIT

The Board of Directors had approved the appointment of M/s. Geeyes & Co., Cost Accountants as the Cost Auditors of the Company to audit the Company's Cost Records relating to manufacture of Fibre Cement Products (FCP) & Calcium Silicate Boards (CSB), Cement Clinker Grinding for three years, viz. 2014-15, 2015-16 and 2016-17 and Cotton Yarn for two years viz. 2015-16 and 2016-17.

The appointment and the remuneration of the cost auditor is required to be ratified by the members in accordance with the provisions of Section 148(3) of the Act and Rule 14 of Companies (Audit and Auditors) Rules, 2014. Accordingly, the matter relating to remuneration had been ratified by the Members at the 50th Annual General Meeting held on 23.09.2015.

The Cost Audit Report for the financial year 2014-15 due to be filed with Ministry of Corporate Affairs by 27-09-2015, had been filed on 25-09-2015. The Cost Audit Report for the financial year 2015-16 is due to be filed within 180 days from the closure of the financial year and will be filed within the stipulated period.

SECRETARIAL AUDIT

M/s S. Krishnamurthy & Co., Company Secretaries, has been appointed to conduct the Secretarial Audit of the Company. Pursuant to the provisions of Section 204 (1) of the Companies Act, 2013 the Secretarial Audit Report submitted by the Secretarial Auditors for the year ended 31st March, 2016 is attached as Annexure - 2. The report does not contain any qualification, reservation or adverse remark.

EXTRACT OF ANNUAL RETURN

In accordance with Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of Companies (Management and Administration) Rules 2014, an extract of the Annual Return in Form MGT -9 is attached herewith as Annexure - 3.

CORPORATE GOVERNANCE

The Company has complied with the requirements regarding Corporate Governance as stipulated in SEBI (LODR) Regulations. As required under Schedule V (C) of SEBI (LODR) Regulations, a report on Corporate Governance being followed by the Company is attached as Annexure -4. As required under Schedule V (E) of SEBI (LODR) Regulations, a Certificate from the Statutory Auditors of the Company confirming the compliance is attached as Annexure -5.

CORPORATE SOCIAL RESPONSIBILITY POLICY

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee and adopted a CSR Policy which is based on the philosophy that “As the Organisation grows, the Society and Community around it also grows.”

The Company has undertaken various projects in the areas of education, health, rural development, water and sanitation, promotion and development of traditional arts, protection of national heritage, livelihood enhancement projects etc., largely in accordance with Schedule VII of the Companies Act, 2013.

The CSR obligation pursuant to Section 135(5) of the Companies Act, 2013, for the year 2015-16 is ₹ 46.68 lakhs. As against this, the Company has spent ₹ 38.03 lakhs on CSR leaving a shortfall of ₹ 8.65 lakhs. Because of want of identification of projects, the shortfall had occurred. However, the Company had spent a sum of ₹ 48.73 lakhs on other social causes which do not qualify under the classifications listed out in Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as Annexure - 6.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In accordance with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, the Company has established Vigil mechanism as per the Whistle Blower Policy of the Company. The details of the Whistle Blower Policy is hosted on the Company's website.

RISK MANAGEMENT POLICY

Pursuant to the requirements of Section 134 (3) (n) of the Companies Act, 2013 and Regulation 17(9) of SEBI (LODR) Regulations, the Company has designed and implemented the Risk Management Policy. The policy envisages identification of risk and procedures for assessment and minimisation of risk thereof.

RELATED PARTY TRANSACTIONS

Prior approval / ombibus approval is obtained from the Audit Committee for all transactions with related parties entered into by the Company and the transactions are also periodically placed before the Audit Committee for its approval. The particulars of contracts entered into by the Company during the year as per Form AOC 2 is enclosed as Annexure - 7.

The members at their Extra Ordinary General Meeting held on 19.03.2012 had approved the re-appointment of Raja Charity Trust (RCT) as the sole selling Agent for 5 years from 3.05.2012 to 2.05.2017. The Central Government accorded its approval for the sole selling agency up to 31.03.2014 and stated that their approval would not be required from 01.04.2014 in view of the Companies Act, 2013 coming into effect. However, in terms of revised Clause 49 VII of the erstwhile Listing Agreement the sales arising out of the orders procured by Raja Charity Trust is classified as Material transaction with the Related party as it exceeds 10% of annual consolidated turnover. The members at their 50th Annual General Meeting held on 23.09.2015 had approved the material transactions with Raja Charity Trust from 01.04.2014 to 2.05.2017 by resolution.

Now the approval of shareholders of the Company is being sought by resolution for the related party transactions to be entered with Raja Charity Trust arising out of their re-appointment as the sole selling Agent for 5 years from 3.05.2017 to 2.05.2022 at a commission of 1% of the sale of Company's products by them. Since the sale of products through RCT may be more than 10% of the Consolidated Turnover of the Company, amounts to “Material transaction” with the related party and requires the approval of shareholders of the Company by Resolution.

Except the above said transaction, no transaction with the related party is material in nature, in accordance with Company's “Related Party Transaction Policy” and Regulation 23 of SEBI (LODR) Regulations, 2015. In accordance with AS-18, the details of transactions with the related parties are set out in the Disclosures forming part of Financial Statements.

As required under Regulation 46(2)(g) of SEBI (LODR) Regulations, the Company's Related Party Transaction Policy is disclosed in the Company's Website and its weblink is -“<http://www.ramcoindltd.com/Shareholders/ Policies>”.

As required under 46(2)(h) of SEBI (LODR) Regulations, the Company's Material Subsidiary Policy is disclosed in the Company's website and its weblink is -“<http://www.ramcoindltd.com/Shareholders/ Policies>”.

INDIAN ACCOUNTING STANDARDS (IND AS) - IFRS CONVERGED STANDARDS

The Ministry of Corporate Affairs vide its notification dated 16th February 2015 has notified the Companies (Indian Accounting Standard) Rules, 2015. In pursuance of this notification, the Company, its subsidiary and associate company has adopted IND AS with effect from 01-04-2016. For Company's financial results for periods commencing on or after 01-04-2016, the corresponding previous periods' figures will also be recast in accordance with IND AS.

FUTURE OUTLOOK

Indian rural economy is under stress due to poor monsoon and draught in many states resulting to slowdown of industry. The thrust given in the Union Budget 2016-17 for agriculture growth and expected good monsoon in the coming year we foresee revival of rural demand for our products.

The investments in infrastructure by Government of India are expected to give a boost to the construction activities. The moderate inflation will encourage investments in housing sector. The Government's commitment to reforms and its initiatives relating to "Make in India" and ease of doing business are expected to make the GDP grow in excess of 8%. All these will positively impact the demand for Building Products in future. As all our plants are fully equipped and modernized with supporting logistics facilities, our Company will be able to take full advantage of the economic momentum in the coming years.

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

Pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014 the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is attached as Annexure - 8.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The disclosures in terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1), (2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to remuneration are provided in Annexure - 9.

INDUSTRIAL RELATIONS & PERSONNEL

Industrial relations continue to be cordial and harmonious at all the Units. Employees at all levels are extending their fullest co-operation for the various cost reduction measures of the Company.

SHARES

The Company's shares are listed in BSE Limited and National Stock Exchange of India Limited and the Annual Listing Fees have been paid for the F.Y. 2016-17 respectively.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Directors confirm that

- They had followed the applicable accounting standards along with proper explanation relating to material departures, if any, in the preparation of the annual accounts for the year ended 31st March, 2016;
- They had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2016 and of the profit of Company for the year ended on that date;
- They had 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;
- They had prepared the annual accounts on a going concern basis;
- They had laid down internal financial controls to be followed by the Company and that such financial controls are adequate and were operating effectively;
- They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RESEARCH AND DEVELOPMENT EFFORTS

During the year, the company continued with research and development efforts in respect of economical mix and non-conventional fibres in production technology for manufacture of fibre cement sheets, calcium silicate boards, fibre cement boards and non-asbestos roofing sheets.

ACKNOWLEDGEMENT

The Directors are grateful to the various Departments and agencies of the Central and State Governments for their help and co-operation. They are thankful to the Financial Institutions and Banks for their continued help, assistance and guidance. The Directors wish to place on record their appreciation of employees at all levels for their commitment and their contribution.

On behalf of the Board of Directors
For RAMCO INDUSTRIES LIMITED

P.R.RAMASUBRAHMANEYA RAJHA
CHAIRMAN

Place : CHENNAI
Date : 20th May, 2016

Annexure - 1
FORM AOC - 1

[Pursuant to Section 129(3) of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014]
Statement containing Salient features of the financial statement of subsidiaries / associate companies

PART A - SUBSIDIARY COMPANIES

₹ In lakhs
Foreign Currency - in lakhs

Particulars		1	2
Name of the Subsidiary Company	Currency	Sri Ramco Lanka (Private) Limited	Sudharsanam Investments Limited
Company incorporated in		Sri Lanka	India
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries			
Share capital	INR	1,365.32	425.00
	SLR	2,300.02	
Reserves & surplus	INR	7,994.11	394.51
	SLR	18,625.24	
Total assets	INR	12,085.80	1,288.34
	SLR	26,927.82	
Total Liabilities	INR	2,726.37	468.83
	SLR	6,002.58	
Investments	INR	4,551.72	1,286.25
Turnover / Total Income	INR	9,903.36	134.22
	SLR	20,666.45	
Profit before taxation	INR	2,329.58	133.82
	SLR	4,881.39	
Provision for Taxation	INR	555.62	-
	SLR	1,159.48	
Profit after taxation	INR	1,773.96	133.82
	SLR	3,721.91	
Proposed Dividend	INR	-	
	SLR		
Percentage of Shareholding		99.99%	100%
As on 31.03.2016 : 1 SLR = ₹ 0.4792			

PART B - ASSOCIATE COMPANY

Particulars	2015-16	2014-15
Name of the Associate Company	The Ramco Cements Limited	Ramco Systems Limited *
Latest audited Balance Sheet date	31.03.2016	31-03-2015
Number of Shares held as on 31.03.2016	4,93,12,420	54,67,376
Amount of Investment in Associate as on 31.03.2016 - (₹ in lakhs)	5,815.15	13,216.19
Extent of Shareholding % as on 31.03.2016	20.72	22.41
Description of how there is significant influence	By virtue of Shareholding	By virtue of Share Holding
Reason why the associate is not consolidated	Not Applicable	Not applicable
Networth attributable to shareholding (₹ in lakhs)	3,04,946	26,685.10
Profit/Loss for the year (Consolidated) (₹ in lakhs)		
(a) Considered in Consolidation - ₹ in lakhs	12,269.59	283.98
(b) Not Considered in Consolidation	-	-

* In April 2015, Ramco Systems Limited (RSL) had increased its share capital through Qualified Institutional Placement. Due to that, the share of Ramco Industries Limited (RIL) in the Equity of RSL has decreased from 22.41% to 18.51%. Hence, RSL has ceased to be an Associate Company with effect from 29-04-2015 in accordance with Section 2(76) of Companies Act, 2013. The particulars for the previous year, viz. 2014-15, when RSL was an Associate Company are provided above.

- Names of associates or joint ventures which are yet to commence operations - NIL
- Names of associates or joint ventures which have been liquidated or sold during the year - NIL

As per our Report Annexed

For M/s.M.S. JAGANNATHAN &
N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085
K.SRINIVASAN
Partner
Membership No.: 021510
Place: Chennai
Date : 20th May, 2016

For M/s.CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 0049155
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No.: 011205

For and on behalf of the Board
P.R. RAMASUBRAHMANEYA RAJHA
Chairman
PREM.G.SHANKER
Chief Executive Officer
K.SANKARANARAYANAN
Chief Financial Officer
S. BALAMURUGASUNDARAM
Company Secretary & Sr.G.M.(Legal)

Form No. MR-3

Secretarial Audit Report for the financial year ended 31st March 2016
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To the Members of

The Ramco Industries Limited, [CIN:L26943TN1965PLC005297]
47, P S K Nagar, Rajapalayam, Virudhunagar District-626108

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by RAMCO INDUSTRIES LIMITED (hereinafter called “the Company”) during the financial year from 1st April 2015 to 31st March 2016 (“the year”/ “audit period”/ “period under review”). We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company’s corporate conducts/statutory compliances and expressing our opinion thereon.

We are issuing this report based on our verification of the books, papers, minute books and other records maintained by the Company, forms and returns filed, compliance related action taken by the Company during the year as well as after 31st March 2016 but before the issue of this report and the information/ explanations/ representations provided by the Company, its officers, agents and authorised representatives during our conduct of the Secretarial Audit.

1. We hereby report that:

- 1.1. In our opinion, during the audit period covering the financial year ended on 31st March 2016, the Company has complied with the statutory provisions listed hereunder and also has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with our letter of even date annexed to this report as Annexure - A.
- 1.2. We have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions of:
 - (i) The Companies Act, 2013 (the Act), Companies Act, 1956 and the rules made thereunder.
 - (ii) Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.
 - (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
 - (iv) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May 2015);
 - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (applicable from 15th May 2015);
 - (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (applicable from 1st December 2015); and
 - (f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client.
 - (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings.
- 1.3. We have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards (SS-1) on “Meetings of the Board of Directors” and Secretarial Standards (SS-2) on “General Meetings” issued by The Institute of Company Secretaries of India (applicable from 1st July 2015); and
 - (ii) The listing agreements entered into by the Company with the National Stock Exchange of India Limited and BSE Limited.
- 1.4. During the period under review, and also considering the compliance related action taken by the Company after 31st March 2016 but before the issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us, complied with the applicable provisions/ clauses of the Acts, Rules, Regulations, Agreements and Standards mentioned under paragraphs 1.2 and 1.3 above.

1.5. We are informed that, during/ in respect of the year:

- (i) The Company was not required to comply with the following laws/ guidelines/ regulations and consequently was not required to maintain any books, papers, minute books or other records or file any forms/ returns under:
 - (a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
 - (b) Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (c) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (d) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - (e) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- (ii) There was no law specifically applicable to the Company considering the nature of its business. Hence the requirement to report on compliance with specific laws in paragraph 1.2 above did not arise.

2. We further report that:

- 2.1 The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. The change in composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act.
- 2.2 Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent atleast seven days before the Board meetings with the exception of the following items, which were either circulated separately or at the meetings:
 - (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited accounts/ results, unaudited financial results and connected papers; and
 - (ii) Additional subjects/ information and supplementary notes.

Upto 30th June 2015 there was no statutory requirement to send the agenda and notes atleast seven days before the meeting. In respect of meetings held after 1st July 2015, consent of the Board for circulating them separately or at the meeting was duly obtained as required under the Secretarial Standards.
- 2.3 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.

3. We further report that:

- 3.1 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- 3.2 During the audit period, the members have passed special resolutions according consent/ approval for the following:
 - (i) Under section 180(1)(a) of the Act empowering the Board of Directors to create security for its borrowings; and
 - (ii) Under section 42, 71 and other applicable provisions of the Act for issue of secured non-convertible debentures (NCD) of ₹ 250 crores. The NCDs are yet to be issued as on 31st March 2016.

For S Krishnamurthy & Co.
Company Secretaries

K. Sriram
Partner
Membership No: F6312
Certificate of Practice No: 2215

Date: 20th May 2016
Place: Chennai

Annexure - A to Secretarial Audit Report of even date

To the Members of

The Ramco Industries Limited, [CIN:L26943TN1965PLC005297]

47, P S K Nagar, Rajapalayam, Virudhunagar District - 626 108

Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31st March 2016 is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after 31st March 2016 but before the issue of this report.
4. We have considered compliance related actions taken by the Company based on independent legal/ professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
8. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S Krishnamurthy & Co.
Company Secretaries

K. Sriram
Partner
Membership No: F6312
Certificate of Practice No: 2215

Date : 20th May 2016
Place: Chennai

Form No. MGT-9
**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i	CIN	L26943TN1965PLC005297
ii	Registration Date	27.01.1965
iii	Name of the Company	RAMCO INDUSTRIES LIMITED
iv	Category/Sub-Category of the Company	Public Limited Company
v	Address of the Registered Office and contact details	47,P.S.K.NAGAR RAJAPALAYAM - 626 108
vi	Whether listed Company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Limited, Subramanian Building, No: 1, Club House Road, CHENNAI - 600 002 Tel. : 044-2846 0390

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company :

No	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Fibre Cement Sheets	3270	72
2	Cotton Yarn	13111	16

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable section
1.	Sudharsanam Investments Limited	U 65993TN1998PLC040821	Subsidiary	100.00	2(87)(ii)
2.	Sri Ramco Lanka (Private) Limited, Srilanka	P V 4683	Subsidiary	99.99	2(87)(ii)
3.	Sri Ramco Roofings Lanka (Private) Limited, Srilanka	P V 75389	Subsidiary	1.27	2(87)(ii)
4.	The Ramco Cements Limited	L26941TN1957PLC003566	Associate	20.72	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	23433161	0	23433161	27.04	23433161	0	23433161	27.04	-
b) Central Govt)	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	23296660	0	23296660	26.88	23296660	0	23296660	26.88	0.0000
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0	0.00
Sub-total (A)(1)	46729821	0	46729821	53.92	46729821	0	46729821	53.92	0.0000
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0	0.00
e) Any other	0	0	0	0.00	0	0	0	0	0.00
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0.00
Total shareholding of Promoter (A) = A(1) + A(2)	46729821	0	46729821	53.92	46729821	0	46729821	53.92	0.0000
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	108924	9000	117924	0.1360	3430501	2000	3432501	3.9607	3.8246
b) Banks / FI	1832416	4000	1836416	2.1190	1560450	4000	1564450	1.8052	-0.3138
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	15000	2000	17000	0.0196	4531	0	4531	0.0052	-0.0143
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio Investor (Corporate) Category II	0	0	0	0.000	7106	0	7106	0.0081	0.0081
Sub-total (B)(1)	1956340	15000	1971340	2.2747	5002588	6000	5008588	5.7793	3.5046
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	2785593	17000	2802593	3.2338	2032181	99660	2131841	2.4599	-0.7739
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0

i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	14026996	1430740	15457736	17.8365	12655297	1350927	14006224	16.1617	-1.6748
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	11780404	5283900	17064304	19.6904	12567582	3661776	16229358	18.7269	-0.9634
c) Others (specify)									
Clearing Member	90272	0	90272	0.1041	29516	0	29516	0.0340	-0.0701
Directors and their Relatives	0	0	0	0.0000	3000	0	3000	0.0034	0.0034
Hindu Undivided Families	1537092	0	1537092	1.7736	1515240	0	1515240	1.7484	-0.0252
Non Resident Indians	1009402	0	1009402	1.1647	1008972	0	1008972	1.1642	-0.0004
Trusts	500	0	500	0.0005	500	0	500	0.0005	0.0000
Sub-total (B)(2)	31230259	6731640	37961899	43.8040	29812288	5112363	34924651	40.2993	-3.5046
Total Public Shareholding (B) = (B)(1) + (B)(2)	33186599	6746640	39933239	46.0787	34814876	5118363	39933239	46.0787	0.0000
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	79916420	6746640	86663060	100.0000	81544697	5118363	86663060	100.0000	0.0000

ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
Ramco Management Pvt. Ltd.	1805800	2.08	0	1805800	2.08	0	0.00
The Ramaraju Surgical Cotton Mills Ltd.	135880	0.16	0	135880	0.16	0	0.00
Rajapalayam Mills Limited	7920680	9.14	0	7920680	9.14	0	0.00
Ramco Agencies Pvt. Ltd.	22200	0.03	0	22200	0.03	0	0.00
Ramco Pvt. Ltd.	39600	0.05	0	39600	0.05	0	0.00
Shri P.R. Ramasubrahmaneya Rajha	2882621	3.33	0	2882621	3.33	0	0.00
Smt. Ramachandra Raja Chittammal	1053880	1.22	0	1053880	1.22	0	0.00
Smt. P.V. Srisandhya	42400	0.05	0	42400	0.05	0	0.00
Shri P.V. Abinav Ramasubramaniam Raja	40000	0.05	0	40000	0.05	0	0.00
Smt. Saradha Deepa	5500000	6.35	0	5500000	6.35	0	0.00
Shri P.R. Venketrama Raja	5500000	6.35	0.81	5500000	6.35	2.89	0.00
Smt. P.V. Nirmala	60000	0.07	0	60000	0.07	0	0.00
Shri N.R.K.Ramkumar Raja	174640	0.20	0	174640	0.20	0	0.00
Smt. Nalina Ramalakshmi	5580000	6.44	0	5580000	6.44	0	0.00
Shri S.R. Srirama Raja	243000	0.28	0	243000	0.28	0	0.00
Smt. R Sudarsanam	2356620	2.72	0	2356620	2.72	0	0.00
The Ramco Cements Ltd.	13372500	15.43	0	13372500	15.43	0	0.00
Total	46729821	53.92	0.81	46729821	53.92	2.89	0.00

iii) Change in Promoters' Shareholding : NIL

Sl No	Shareholding	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year (01.04.2015)	46729821	53.92	--	--
	Increase in Shareholding by Purchase	--	--	--	--
	At the end of the year (31.03.2016)	46729821	53.92	46729821	53.92

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs)

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares at the beginning (01-04-2015)/ end of the year (31-03-2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Govindlal M Parikh/Chinmay G Parikh	2904627	3.35	01.04.2015				
				10.04.2015	25517	Purchase	2930144	3.38
				17.04.2015	9834	Purchase	2939978	3.39
				1.05.2015	43907	Purchase	2983885	3.44
				8.05.2015	39271	Purchase	3023156	3.49
				15.05.2015	34453	Purchase	3057609	3.53
				22.05.2015	11676	Purchase	3069285	3.54
				29.05.2015	61624	Purchase	3130909	3.61
				04.09.2015	10000	Purchase	3140909	3.62
		3145909	3.63	04.03.2016	5000	Purchase	3145909	3.63
2	General Insurance Corporation of India	1516660	1.75	01.04.2015			1516660	1.75
3	Sandhya G Parikh/ Govindlal M Parikh	779302	0.90	01.04.2015			779302	0.90
4	Govindlal M Parikh	696000	0.80	01.04.2015			696000	0.80
5	Chinmay G Parikh/ Govindlal M Parikh	618814	0.71	01.04.2015				
		418814	0.48	21.08.2015	200000	Sale	418814	0.48
6	Krishnasamy Kamaya Naicker S	556500	0.64	01.04.2015			556500	0.64
7	Krishnamurthy V	493200	0.57	01.04.2015			493200	0.57
8	Shailesh Manoharlal Shah/ Kalpana Shailesh Shah	479000	0.55	01.04.2015				
				22.05.2015	20500	Purchase	499500	0.58
				29.05.2015	17934	Purchase	517434	0.60
				05.06.2015	17169	Purchase	534603	0.62
				12.06.2015	3000	Purchase	537603	0.62
				24.07.2015	12850	Purchase	550453	0.64
		573453	0.66	20.11.2015	23000	Purchase	573453	0.66
9	Ravikumar Ramkishore Sanwalka	465539	0.54	01.04.2015			465539	0.54

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares at the beginning (01-04-2015)/ end of the year (31-03-2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
10	Sundaram Mutual Fund A/c Sundaram Smile Fund	0	0.00	01.04.2015				
				21.8.2015	887169	Purchase	887169	1.02
				28.8.2015	239783	Purchase	1126952	1.30
				30.9.2015	100000	Purchase	1226952	1.42
				9.10.2015	63430	Purchase	1290382	1.49
				16.10.2015	98286	Purchase	1388668	1.60
		1479933	1.71	23.10.2015	91265	Purchase	1479933	1.71

Note:

The top 10 shareholders are based on the shareholding as on 01-04-2015 and the information relating to increase / decrease in their shareholding is provided based on the weekly Beneficiary Position received from Depositories.

v) Shareholding of Directors and Key Managerial Personnel

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares at the beginning (01-04-2015) / end of the year (31-03-2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
DIRECTORS :								
1	Shri P.R. Ramasubrahmaneya Rajha	2882621	3.33	N.A.	N.A.	N.A.		
		2882621	3.33	N.A.	N.A.	N.A.	2882621	3.33
2	Shri P.R. Venketrama Raja	5500000	6.35	N.A.	N.A.	N.A.		
		5500000	6.35	N.A.	N.A.	N.A.	5500000	6.35
3	Shri S.S. Ramachandra Raja	407680	0.47	N.A.	N.A.	N.A.		
		407680	0.47	N.A.	N.A.	N.A.	407680	0.47
4	Shri N.K. Shrikantan Raja	120140	0.14	N.A.	N.A.	N.A.		
		120140	0.14	N.A.	N.A.	N.A.	120140	0.14
5	Shri K.T. Ramachandran	220000	0.25	N.A.	N.A.	N.A.		
		447171	0.52	20.11.2015	227171	Transmission	447171	0.52
6	Shri R.S. Agarwal	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
		NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
7	Shri V. Santhanaraman	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
8	Smt. Justice Chitra Venkataraman (Retd.)	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
Key Managerial Personnel								
1	Shri Prem G Shanker	10893	0.01	N.A.	N.A.	N.A.		
		10893	0.01	N.A.	N.A.	N.A.	10893	0.01
2	Shri K. Sankaranarayanan	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL
3	Shri S. Balamurugasundaram	NIL	NIL	N.A.	N.A.	N.A.	NIL	NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

In Rupees lakhs

	Secured Loan excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year				
(i) Principal Amount	29,388.01	10,993.64	-	40,381.65
(ii) Interest Due but not paid	76.63	80.72	-	157.35
(iii) Interest accrued but not due	-	-	-	-
Total of (i+ii+iii)	29,464.64	11,074.36	-	40,539.00
Change in Indebtedness during the Financial year				
Addition	15,024.50	6,500.00	-	21,524.50
Reduction	15,681.84	10,416.05	-	26,097.89
Net change	-657.33	-3,916.05	-	-4,573.39
Indebtedness at the end of the Financial year				
(i) Principal Amount	28,807.30	7,158.30	-	35,965.61
(ii) Interest Due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total of (i+ii+iii)	28,807.30	7,158.30	-	35,965.61

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(in ₹)

Sl.No.	Particulars of remuneration	Name of VCMD	Name of WTD	Name of Manager	Total Amount
		Shri P.R.Venketrama Raja	-	-	-
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,12,50,000	-	-	1,12,50,000
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Others - Retirement benefits	7,77,600	-	-	7,77,600
	Total (A)	1,20,27,600	-	-	1,20,27,600
	Ceiling as per the Act	See Note below			

Note: Shri P R Venketrama Raja is also the Vice Chairman & Managing Director of Ramco Systems Ltd (RSL) and his total remuneration shall not exceed 5% of net profit of the Company or RSL whichever is higher. In case of no profit or inadequate profit he shall be paid the maximum remuneration as permissible under Section II Part II of Schedule V of Companies Act, 2013 after deducting payment made by RSL.

B. Remuneration to other Directors :

In ₹

Sl. No.	Particulars of Remuneration	Name of the Directors							Total Amount
		Shri P.R. Rama-subrahmaneya Rajha	Shri S.S.Rama-chandra Raja	Shri N.K. Shri kantan Raja	Shri K.T. Ramachandran	Shri R.S. Agarwal	Shri V. Santhanaraman	Smt. Justice Chitra Venkataraman (Retd.)	
1	Independent Directors								
	Fee for attending Board/ Committee Meetings	-	-	-	300000	375000	150000	275000	1100000
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	-	-	-	300000	375000	150000	275000	1100000
2	Other Non Executive Directors								
	Fee for attending Board/ Committee Meetings	150000	125000	175000	-	-	-	-	450000
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	150000	125000	175000	-	-	-	-	450000
	Total (B) = (1+2)	150000	125000	175000	300000	375000	150000	275000	1550000
	Overall Ceiling as per the Act	Only Sitting fees is being paid to Directors which is not included in the ceiling as per Section 197(2) of the Act.							
	Total Managerial Remuneration (A+B)								1,35,77,600

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in lakhs)

Sl. No.	Particulars of remuneration	Key Managerial Personnel		
		Shri Prem G Shanker, Chief Executive Officer	Shri K. Sankaranarayanan, Chief Financial Officer	Shri S. Balamurugasundaram, Company Secretary & Sr. General Manager (Legal)
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,21,49,483	49,11,488	17,08,641
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - As % of profit - Others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	1,21,49,483	49,11,488	17,08,641

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

 There were no penalties / punishments / compounding of offences for the year ended 31st March 2016.

On behalf of the Board of Directors

For RAMCO INDUSTRIES LIMITED

 P.R. RAMASUBRAHMANEYA RAJHA
Chairman

 Place : Chennai
Date : 20.05.2016

ANNEXURE - 4 TO BOARD'S REPORT

REPORT ON CORPORATE GOVERNANCE

Pursuant to Schedule V C of SEBI (LODR) Regulations, 2015

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company firmly believes that Good Corporate Governance inspires and strengthens investors' confidence, enhances the value of all the Stakeholders of the Company viz., Shareholders, Creditors, Customers and Employees and also aware that Corporate Governance is integral to the existence of the Company.

With this belief, the Company, since inception, assiduously follows its self-determined goals on Corporate Governance and strives to achieve these objectives through set of systems procedures, Policies, Practices and high standards in dealings and following business ethics in all its activities. The Company is conscious of the fact that observance of good Corporate Governance principles would go a long way in maintaining the relationship with various Stakeholders in a transparent and honest manner.

The Company believes in continuous up-gradation of technology to improve the quality of its production and productivity to achieve newer and better products for total customer satisfaction. The Company lays great emphasis on team building and motivation. The Company has strong faith in innate and infinite potential of human resources. It believes in the creative abilities of the people who work for the Company and believes in investing in their development and growth as foundation for strong and qualitative growth of the Organization.

If there is no customer, there is no business. Customers' continued satisfaction and sensitivity to their needs are the Company's source of strength and security.

The Company also believes that as the Organization grows, the society and the community around it should also grow.

2. BOARD OF DIRECTORS

The Board of Directors of the Company is headed by the Chairman, Shri P.R. Ramasubrahmaneya Rajha. Shri P.R. Venketrama Raja is the Vice-Chairman and Managing Director. The Board consists of eminent persons with considerable professional expertise in various fields such as Administration, Banking, Law, Finance, Engineering etc. The Board has 8 Directors out of which 6 Directors are Non-Executive, including 4 Independent Directors. Independent Directors constitute 50% of the total strength of the Board of Directors as required under the Code of Corporate Governance. There is no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company. The Board reviews and approves strategy and oversees the actions and performance of the Management periodically for enhancing the stakeholders' value.

During the year under review, five Board Meetings were held, one each on 29.05.2015, 05.08.2015, 06.11.2015, 09.02.2016 and 11.03.2016.

Details of attendance of each Director at the Board Meetings held during the year are as follows:

Sl. No	Name of the Director	Directorship*	No. of Board Meetings attended	Attendance at last AGM
1.	Shri P.R.Ramasubrahmaneya Rajha (Chairman - Non-Executive)	P & NE	5	No
2.	Shri P.R. Venketrama Raja (Vice-Chairman & Managing Director)	P & E	5	Yes
3.	Shri S.S. Ramachandra Raja	NE	5	No
4.	Shri N.K. Shrikantan Raja	NE	5	Yes
5.	Shri K.T. Ramachandran	NE & ID	4	No
6.	Shri R.S. Agarwal	NE & ID	5	Yes
7.	Shri V.Santhanaraman	NE & ID	4	No
8.	Smt. Justice Chitra Venkataraman	NE & ID	5	Yes

* P- Promoter; E- Executive ; NE - Non-Executive; ID - Independent Director

Other Directorships

The Number of other Boards or Board Committees in which the Director is a Member or Chairperson as on 31-03-2016 is given below:

No	Name of the Director	Other Directorships *	Committee Positions **	
			Chairperson	Member
1.	Shri.P.R.Ramasubrahmaneya Rajha	8	3	1
2.	Shri.P.R.Venketrama Raja	8	1	4
3.	Shri S.S. Ramachandra Raja	3	-	-
4.	Shri N.K. Shrikantan Raja	6	3	2
5.	Shri.R.S.Agarwal	8	2	3
6.	Shri.K.T.Ramachandran	1	-	-
7.	Shri V.Santhanaraman	7	-	4
8.	Smt Justice Chitra Venkataraman (Retd.)	2	1	-

* Public Limited Companies, other than Ramco Industries Limited.

** Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies, other than Ramco Industries Limited.

Disclosure of relationships between directors inter-se

Shri.P.R.Ramasubrahmaneya Rajha, Chairman is the father of Shri.P.R.Venketrama Raja, Vice Chairman and Managing Director.

Details of familiarisation programme for Independent Directors

The details of the Familiarisation Programme for Independent Directors are available at the Company's website, at the following link at <http://www.ramcoindltd.com/Familiarisation.aspx>

The Board of Directors periodically reviews Compliance Reports pertaining to all Laws applicable to the Company. No non-compliance was reported during the year under review.

The Board is also satisfied itself that plans are in place for orderly succession for appointment of Board of Directors and Senior Management.

A Code of Conduct has been laid out for all Members of the Board and Senior Management suitably incorporating the duties of Independent Directors as laid down in the Companies Act, 2013.

The minimum information to be placed before the Board of Directors at their meeting, as specified in Part A of Schedule II of SEBI (LODR) Regulations, 2015 have been adequately complied with.

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee include:

- To review the reports of Internal Audit Department;
- To review the Auditors' Report on the financial statements;
- To review and approve the Related Party Transactions;
- To review the Annual Cost Audit Report of the Cost Auditor;
- To review the Annual Secretarial Audit Report of the Secretarial Auditor;
- To review the strength and weakness of the internal controls and to provide recommendations relating thereto;
- To generally assist the Board to discharge their functions more effectively.
- To review the financial statements and any investments made by the Subsidiary Company.

In addition, the Audit Committee would discharge the roles and responsibilities as prescribed by SEBI (LODR) Regulations, 2015 and Companies Act, 2013.

Composition :

The Audit Committee consists of the following Directors:

Sl. No.	Name of the Director	No. of Meetings attended
1.	Shri R.S. Agarwal, Chairman of the Committee	6
2.	Shri K.T. Ramachandran	5
3.	Smt. Justice Chitra Venkataraman (Retd.)	5

No. of Meetings held during the year : Six

Date of Meetings : 02.04.2015, 28.05.2015, 05.08.2015, 05.11.2015, 08.02.2016 & 11.03.2016

The Statutory Auditors, Chief Executive Officer, Chief Financial Officer and Head of Internal Audit Department are invitees to the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee.

The representatives of the Cost Auditor and Secretarial Auditor are invited to attend the meeting of the Audit Committee when their reports are tabled for discussion.

All the three members of the Audit Committee are Independent Directors as against the requirement of 2/3rd as stipulated in Regulation 18 (1) (b) of SEBI (LODR) Regulations, 2015.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee discharges the functions as envisaged for it by the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and functions as mandated by the Board of Directors from time to time. The Nomination and Remuneration Policy is to ensure that the level and composition of remuneration is reasonable, the relationship of remuneration to performance is clear and appropriate to the long term goals of the company.

The complete details about the terms of reference for Nomination and Remuneration Committee and Nomination and Remuneration Policy are available at Company's website.

Composition:

The Nomination and Remuneration Committee consists of the following Directors:

Sl. No.	Name of the Director	No. of Meetings attended
1.	Shri R.S. Agarwal, Chairman of the Committee	2
2.	Shri K.T. Ramachandran	1
3.	Shri N.K. Shrikantan Raja	2

No. of Meetings held during the year : Two

Date of the Meetings : 28.05.2015 and 05.08.2015

The Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which will be based on attendance, expertise and contribution brought in by the Independent Director at the Board and Committee Meetings, which shall be taken into account at the time of reappointment of Independent Director.

5. REMUNERATION OF DIRECTORS

The Non-Executive Directors are paid Sitting Fee of ₹ 25,000/- per meeting for attending the Board and Committees thereof, except for Share Transfer Committee Meeting from 22.05.2014 for which no sitting fee is payable.

Name of the Director	(₹ In lakhs)			No. of Shares held
	Sitting Fee	Remuneration	Commission	
Shri.P.R.Ramasubrahmaneya Rajha	1.50	Nil	Nil	28,82,621
Shri.P.R.Venketrama Raja	Nil	112.50*	Nil	55,00,000
Shri.S.S.Ramachandra Raja	1.25	Nil	Nil	4,07,680
Shri.N.K Shrikantan Raja	1.75	Nil	Nil	1,20,140
Shri.K.T.Ramachandran	3.00	Nil	Nil	4,47,171
Shri.R.S.Agarwal	3.75	Nil	Nil	Nil
Shri.V.Santhanaraman	1.50	Nil	Nil	Nil
Smt. Justice Chitra Venkataraman (Retd.)	2.75	Nil	Nil	Nil

There is no pecuniary relationship or transactions of Non-Executive Directors vis-a-vis the Company.

*After deducting the remuneration paid by Ramco Systems Limited

The appointment and remuneration to Managing Director is governed by the resolution passed by the shareholders at the Annual General Meeting held on 28-07-2014 and the remuneration is equivalent to 5% of the Net Profits of the Company and in case of inadequacy of profits, as per (A) of Section II, Part II of Schedule V of the Companies Act, 2013.

The complete details of remuneration paid to Directors are given in Form MGT-9, forming part of annexure to Board's Report

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

MEMBERS

No	Name of the Director	No. of meetings attended during the year
1	Shri.P.R.Ramasubrahmaneya Rajha	1
2	Shri.P.R.Venketrama Raja	1

Name of Non-Executive Director heading the Committee	Shri P.R. Ramasubrahmaneya Rajha
Name and Designation of Compliance Officer	Shri S. Balamurugasundaram Secretary and Senior GM (Legal)
No. of complaints received during the year	1
Number not solved to the Satisfaction of shareholders	0
Number of pending complaints	Nil

No. of Meetings held during the year : One

Date of the Meeting : 05.01.2016

7. GENERAL MEETINGS

i. Location and time, where last three AGMs held :

Year ended	Date	Time	Venue
31.03.2013	29.07.2013	11.45 A.M.	P.A.C.R.Centenary Community Hall P.A.C.Ramasamy Raja Salai Rajapalayam 626 108 (Tamil Nadu)
31.03.2014	28.07.2014	11.00 A.M.	- do -
31.03.2015	23.09.2015	10.00 A.M	-do-

ii. Details of Special Resolutions passed in the previous three Annual General Meetings

Date of the AGM	Subject Matter of the Special Resolution
23.09.2015	To authorize the Company to create charges on assets of the Company
	To authorize the Company to issue Debentures
28-07-2014	To amend the Articles of Association, for enabling appointment of Managing Director as Chairperson of the Company as well.
	Re-appointment of Shri.P.R.Venketrama Raja as Vice Chairman and Managing Director for a period of three years effective from 01-04-2014.
	To authorise the Company to borrow which may not exceed ₹ 125 crore over and above the aggregate of the paidup capital and free reserves of the Company.
	To authorize the Board of Directors to contribute bonafide charitable funds etc., not exceeding ₹ 6 crore or 5% of its three years average net profit whichever is greater.
	To maintain the Register of Members and other Statutory Registers at the Company's Corporate Office at Chennai
29.07.2013	No Special Resolution was passed.

iii. No resolution on matters requiring postal ballot as per Section 110 of the Companies Act, 2013, were passed during the year.

8. MEANS OF COMMUNICATION

The Un-audited Quarterly and Half yearly Financial Results and Audited Annual Results were published in English in Financial Express (All editions) and in Tamil in Makkal Kural (All editions in TN). The results were also displayed on the Company's website www.ramcoindltd.com. All the financial results are provided to the Stock Exchanges. Official News Releases whenever issued, will be displayed in Company's website.

9. GENERAL SHAREHOLDER INFORMATION

a	Annual General Meeting	On 04-08-2016, Thursday at 11.00 A.M at P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam 626 108 (Tamil Nadu)
b	Financial Year	1st April 2015 to 31st March 2016
c	Dividend Payment date	28-03-2016 (Interim Dividend - already paid)
d	Name and Address of Stock Exchanges where the Company's Securities are Listed	BSE Limited, P J Towers, Dalal Street, Mumbai - 400001 National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra, Mumbai - 400 051 The Annual Listing fees for the year 2016-17 has been paid to the Stock Exchanges
e	Stock Code	
	BSE Limited	532369
	National Stock Exchange of India Limited	RAMCOIND EQ
f	Market Price Data	Enclosed as Annexure - A
g	Performance in Comparison to broad based indices	
h	Whether the securities are suspended from trading	No
i	Register and Transfer Agents	M/s. Cameo Corporate Services Limited Subramanian Building No: 1, Club House Road CHENNAI 600 002. (Telephone No. : 044-2846 0390; Fax No.: 044-28460129)
j	Share Transfer System	For shares held in electronic mode, transfers are effected under the depository system of NSDL and CDSL. For shares held in physical mode certificates are to be submitted to the Company along with the required security transfer forms. The Company effects the transfers within 15 days, if the documents are sent to the transferees. In the case of defective documents, the same are returned with the reasons to the transferees within 15 days.
k	Distribution of Shareholding	Enclosed in Annexure - B
l	Dematerialisation of Shares & liquidity	As on 31st March, 2016, 94.09% of the Company's Shares have been dematerialized. Regarding liquidity of our Company's shares, the details are available in Annexure - A
m	Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, date and likely impact on equity	Nil
n	Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	With respect to Buyers' Credit in foreign currencies, forward contracts are booked taking into account, the cost of hedging and the foreign currency receivables. The currency rate movements are monitored closely for taking covers with respect to unhedged portions, if any

o. PLANT LOCATIONS :

(a) Building Products Division : (i) Fibre Cement Sheet Units :	1. Arakkonam, Tamil Nadu 2. Karur, Karnataka 3. Maksi, Madhya Pradesh 4. Silvassa, U.T of Dadra & Nagar Haveli 5. Kharagpur, West Bengal 6. Ibrahimpatnam, Vijayawada, A.P. 7. Sinugra Village, Anjar Taluk, Gujarat 8. Gangaikondan, Tirunelveli Dist., Tamil Nadu 9. Bihiya, Bhojpur District, Bihar
(ii) Fibre Cement Pressure Pipes unit:	Maksi, Madhya Pradesh
(iii) Calcium Silicate Board unit :	Arakkonam, Tamil Nadu /Kotputli, Rajasthan
(iv) Cement Clinker Grinding unit :	Kharagpur, West Bengal
(b) Textile Division : Cotton Yarn Spinning unit	Rajapalayam, Tamil Nadu
(c) Wind farm Division :	1. Tirunelveli and Coimbatore Districts, Tamil Nadu 2. Chitradurga and Hassan Districts, Karnataka 3. Kutch District, Gujarat

p. Address of Corporate Office for Correspondence for Shareholder enquires

S. BALAMURUGASUNDARAM
Company Secretary (Compliance Officer) & Senior General Manager- Legal
Ramco Industries Limited
“Auras Corporate Centre”, VI Floor
98-A, Dr.Radhakrishnan Road
Mylapore, Chennai - 600 004
Phone: 044-2847 8585; Fax: 044-28478597; e-mail : bms@ril.co.in

10. OTHER DISCLOSURES

- There was no materially significantly related party transactions made by the Company that may have potential conflict with the interests of the Company at large.
 - There are no instances of non-compliance by the Company and no penalties or strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to Capital Markets, during the last three years.
 - The Company has a Whistle Blower Policy, available at the Company’s website and it is affirmed that no personnel has been denied access to the Audit Committee.
 - The Company has complied with the Mandatory requirements. The status of adoption of the Non-Mandatory requirements is given below:
 - The Company’s financial statements are unqualified for the year 2015-16.
 - The Material Subsidiary Policy is disclosed in the Company’s website and its weblink is -
<http://www.ramcoindltd.com/pdf/policies/MATERIALSUBSIDIARY>
 - The Related Party Transaction Policy is disclosed in the Company’s website and its weblink is -
<http://www.ramcoindltd.com/pdf/policies/RELATEDPARTYTRANSACTIONPOLICY.pdf>
 - The details relating to commodity price risks and commodity hedging activities are not applicable.
- The Company has complied with the requirements of Corporate Governance Report of sub-paras (2) to (10) of Schedule V of SEBI (LODR) Regulations.
 - The extent to which the discretionary requirements specified in Part E of Schedule II have been adopted is given against Clause 10(d) above.
 - The Company has no material subsidiary.
 - The Minutes of the Meeting of the Board of Directors of the unlisted subsidiaries are being placed before the Board of Directors of the Company.
 - The Management of the unlisted subsidiaries periodically brings to the notice of the Board, a statement on significant transactions and arrangements entered into by them.

16. Senior Management Personnel discloses to the Board of Directors all material, financial and commercial transactions where they have personal interest that may have a potential conflict with the Company's interest, if any.
17. The Company submits quarterly compliance report on Corporate Governance to the Stock Exchanges, in the prescribed format within 15 days from the close of the quarter duly signed by the Compliance Officer.
18. As required under Regulation 46(2) of SEBI (LODR) Regulations, the following information have been duly disseminated in the Company's website.
 - * Terms and conditions of appointment of Independent Directors
 - * Composition of various committees of Board of Directors
 - * Code of Conduct of Board of Directors and Senior Management Personnel
 - * Details of establishment of Vigil Mechanism/Whistle Blower Policy
 - * Policy on dealing with Related Party Transactions
 - * Policy for determining 'Material' Subsidiaries
 - * Details of Familiarization Programmes imparted to Independent Directors
19. The various disclosures made in the Board's Report, may be considered as disclosures made under this report.
20. The Company has also the following Committees of Board of Directors

a. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

No	Name of the Director
1	Shri.P.R.Ramasubrahmaneya Rajha Chairman of the Committee
2	Shri.P.R.Venketrama Raja
3	Shri.R.S.Agarwal

No. of Meetings held during the year : NIL

b. SHARE TRANSFER COMMITTEE
MEMBERS

No	Name of the Director	No. of meetings attended
1	Shri.P.R.Ramasubrahmaneya Rajha Chairman of the Committee	5
2	Shri.P.R.Venketrama Raja	5
3	Shri K T Ramachandran	5

Date of the meetings : 03-08-2015, 06-11-2015, 20-11-2015,
08-02-2016 & 14-03-2016.

c. RISK MANAGEMENT COMMITTEE
MEMBERS

No	Name of the Director
1	Shri.P.R.Venketrama Raja Chairman of the Committee
2	Shri Prem G Shanker, CEO

No. of Meetings held during the year : NIL

21 CREDIT RATING

ICRA, the Company's credit rating agency, have rated our borrowing programmes as follows:

Security	Rating
Fund Based Facilities	
* Cash Credit	A1
* Short Term Loan / Buyers' Credit and Other Facilities	
Long Term Loans from Bank	A1

22 DISCLOSURES WITH RESPECT TO UNCLAIMED SUSPENSE ACCOUNT

[Pursuant to Schedule V(F) of SEBI (LODR) Regulations]

There were 85,800 shares of ₹ 1/- each belonging to 39 members at the beginning of the year lying at “Ramco Industries Limited unclaimed suspense Account” in dematerialized form. During the year, Two shareholders had approached the Company for transfer of 1,140 shares from the suspense account. After completion of the said transfer formalities, 84,660 shares belonging to 37 members are lying with the unclaimed suspense account as on 31-03-2016. The voting rights of these shares shall remain frozen till the rightful owner of such shares claims the shares.

23. Declaration signed by the Chief Executive Officer of the Company as per Schedule V(D) of LODR, on compliance with the Code of Conduct is annexed.
24. Compliance Certificate as per Regulation 17(8) read with Part B of Schedule II of LODR, provided by Chief Executive Officer and Chief Financial Officer is annexed.

Chennai
20-05-2016

On behalf of the Board of Directors
For THE RAMCO INDUSTRIES LIMITED,
P.R.RAMASUBRAHMANEYA RAJHA
Chairman

DECLARATION

As provided under Schedule V (D) of the SEBI (LODR) Regulations, the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31st March 2016.

Place : Chennai
Date : May 12, 2016

For Ramco Industries Limited
Prem G Shanker
Chief Executive Officer

To
The Board of Directors
Ramco Industries Limited
Rajapalayam.

Certification under Regulation 17(8) of SEBI (LODR) Regulations

We hereby certify that -

- a. We have reviewed the financial statements and the cash flow statement of Ramco Industries Limited for the year ended 31.3.2016 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we confirm that there are no deficiencies in the design or operation of such internal controls.
- d. We have indicated to the Auditors and Audit Committee that-
 - i. there are no Significant changes in the internal control over the financial reporting during the year;
 - ii. the Company has adopted Indian Accounting Standards (IND AS) - IFRS Converged Standards with effect from 01-04-2016;
 - iii. there are no instances of Significant fraud of which we have become aware.

K.Sankaranarayanan
Chief Financial Officer

Prem G Shanker
Chief Executive Officer

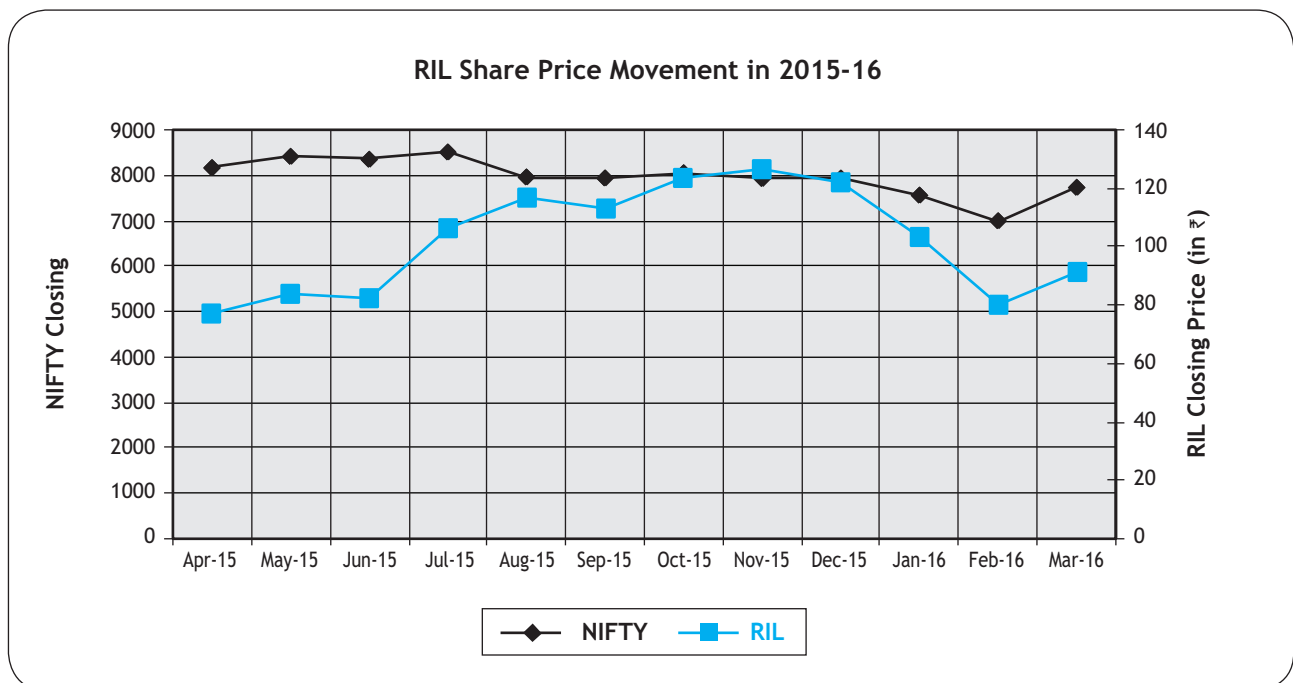
Place : Chennai
Date : 20.05.2016

Annexure - A

STATISTICAL DATA - Share Price - High & Low - Traded Volume (During April, 2015 to March, 2016 in NSE and BSE)

Month	NSE			BSE		
	High Price	Low Price	Qty.Traded	High Price	Low Price	Qty.Traded
April, 2015	89.45	69.00	42,81,318	89.40	69.20	19,59,923
May, 2015	85.45	72.20	15,15,177	85.20	72.75	5,26,554
June, 2015	88.55	74.00	17,76,781	88.40	74.25	6,63,071
July, 2015	109.90	80.75	41,80,783	109.60	81.10	18,48,320
August, 2015	146.20	100.50	1,39,05,883	146.00	101.10	50,69,456
September, 2015	119.40	98.25	30,59,932	119.40	98.50	14,06,886
October, 2015	136.55	112.30	33,79,467	136.30	112.80	9,40,564
November, 2015	131.05	106.10	13,66,051	131.10	107.10	5,58,264
December, 2015	130.70	114.05	17,75,529	132.00	114.20	4,39,401
January, 2016	137.40	95.50	22,29,556	137.20	96.10	7,11,173
February, 2016	111.20	79.20	11,67,035	110.90	78.70	3,63,914
March, 2016	94.35	80.85	12,33,648	94.25	81.00	3,99,198

Share Price Movement - RIL vis-à-vis NSE's NIFTY



Annexure - B
Pattern of Shareholding as on 31.03.2016

Description	No. of Share-holders	%	No. of Shares (₹ 1/- each)	% to Capital
A. PROMOTERS HOLDING				
Promoter & Promoter Group	17	0.14	4,67,29,821	53.92
B. NON-PROMOTERS HOLDING				
1. Mutual Funds & UTI	16	0.13	34,32,501	3.96
2. F.Is / Banks	4	0.02	47,790	0.05
3. Central/State Govt/s; VCF; Ins. Companies	1	0.01	15,16,660	1.75
4. Foreign Institutional Investors	2	0.01	11,637	0.02
5. Bodies Corporate	348	2.79	21,31,841	2.46
6. Individual Shareholders holding nominal Share Capital :				
i. Up to ₹ 2.00 Lac	11,450	91.84	1,70,17,119	19.64
ii. In excess of ₹ 1.00 Lac	27	0.22	1,32,18,463	15.25
7. Others-HUF/NRI/Clearing Members etc.	603	4.84	25,57,228	2.95
Grand Total	12,468	100.00	8,66,63,060	100.00

Distribution of Shareholding as on 31.03.2016

Range (No. of Shares of ₹ 1 each)	No. of Share holders	%	No. of Shares (₹ 1/- each)	%
Upto - 500	9184	73.66	1371482	1.58
501 to 1000	1283	10.29	1119371	1.29
1001 to 2000	727	5.83	1215744	1.40
2001 to 3000	261	2.09	687780	0.79
3001 to 4000	197	1.58	740606	0.86
4001 to 5000	131	1.06	621465	0.72
5001 to 10000	282	2.26	2140495	2.47
10001 & above	403	3.23	78766117	90.89
Total	12,468	100.00	8,66,63,060	100.00

Category of Shareholding as on 31.03.2016

Category	No. of Share Holders	%	No. of Shares held	%
Dematerialised Form :				
NSDL	7311	58.64	6,09,45,180	70.32
CDSL	4916	39.43	2,05,99,517	23.77
Physical Form	241	1.93	51,18,363	5.91
Total	12,468	100.00	8,66,63,060	100.00

Annexure - 5
AUDITORS' CERTIFICATE

(under Schedule V(E) of SEBI (LODR) Regulations, 2015)

This is to certify that we, the Auditors of M/s.RAMCO INDUSTRIES LIMITED, Rajapalayam, have reviewed the compliance by the Company of the conditions of Corporate Governance as stipulated in Schedule II of SEBI (LODR) Regulations, 2015 and report that all the conditions contained therein have been complied with by the Company.

For M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 0049155
LLP Registration No. S200036

K. SRINIVASAN
Partner
Membership No.: 021510
Place : Chennai
Date : 20.05.2016

C.N. GANGADARAN
Partner
Membership No.: 011205

Annexure - 6
ANNUAL REPORT ON CSR ACTIVITIES

- 1 A brief outline of the Company's CSR Policy
The objective of the CSR Policy is
 - a. To ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.
 - b. To directly or indirectly take up programmes that benefit the communities in & around its work locations and results, over a period of time, in enhancing the quality of life & economic well being of the local populace.
 - c. To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity.
 Weblink to the CSR Policy: <http://www.ramcoindltd.com/shareholders/policies>
- 2 The Composition of the CSR Committee:
 1. Shri.P.R.Ramasubrahmaneya Rajha, Chairman of the Committee
 2. Shri.P.R.Venketrama Raja, Member
 3. Shri.R.S.Agarwal, Member
- 3 Average net profit of the Company for last three financial years - ₹ 23.34 crore
- 4 Prescribed CSR Expenditure - ₹ 46.68 lakhs (2% of the amount as in item 3 above)
- 5 Details of CSR spent during the financial year
 - a. Total amount spent for the financial year - ₹ 38.04 lakhs
 - b. Amount unspent, if any - 8.64 Lacs
 - c. Manner in which the amount spent during the financial year is detailed below:

(₹ in lakhs)

1	2	3	4	5	6	7	8
S. No	CSR project or activity identified & Sector in which the project is covered	Sector in which the project is covered	Projects or Programs	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
			Substantial amount has been spent in most of the districts in the States where our plants are situated	Actuals	Direct Expenditure		Spent Directly
1	Eradication of Hunger, poverty, malnutrition making available safe drinking water, promotion of healthcare, including preventive healthcare	Health Care	-- do --	20.17	-- do --		20.17
2	Promoting education, including Special Education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Education	-- do --	0.83	-- do --		0.83

1	2	3	4	5	6	7	8
S. No	CSR project or activity identified & Sector in which the project is covered	Sector in which the project is covered	Projects or Programs	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
			Substantial amount has been spent in most of the districts in the States where our plants are situated	Actuals	Direct Expenditure		Spent Directly
3	Promoting Gender equality, empowering women, setting up homes and hostels for women and orphans etc	Women Empowerment	-- do --	0.40	-- do --		0.40
4	Ensuring Sustainability, ecological balance, protection of flora and fauna, animal welfare etc.,	Conservation of Environment	-- do --		-- do --		0.00
5	Protection of national Heritage, Art and Culture, promotion and development of traditional arts, restoration of building and sites of historical importances	Protection of Heritage	-- do --	0.67	-- do --		0.67
6	Measures for the benefit of Armed forces	Benefit of Armed Forces	-- do --		-- do --		0.00
7	Training to promote rural sports, national recognised sports, paraolympic sports etc.,	Promotion of Sports	-- do --	0.01	-- do --		0.01
8	Contribution to Chief Minister / Prime Minister Relief Fund	Rural Development	-- do --		-- do --		0.00
9	Rural Development Projects		-- do --	15.96	-- do --		15.96
	Total						38.04

The CSR Committee Confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Sd/-
P.R.RAMASUBRAHMANEYA RAJHA
CHAIRMAN

Sd/-
PREM G SHANKER
CHIEF EXECUTIVE OFFICER

Annexure - 7

Form AOC-2

[Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

- Details of contracts or arrangements or transactions not at arm's length basis - NIL
- Details of material contracts or arrangement or transactions at arm's length basis -

M/s. Raja Charity Trust who has been appointed as Sole Selling Agent by the Company has received commission of ₹ 373.14 lakhs for the sales made through them of ₹ 49,751.85 lakhs during the year 2015-16 (as approved by Shareholders in the EGM held on 19.03.2012).

Place : Chennai
Date : 20.05.2016

On behalf of the Board of Directors
For RAMCO INDUSTRIES LIMITED
P.R.RAMASUBRAHMANEYA RAJHA
Chairman

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

In terms of Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014, the following information is furnished for the year ended 31.03.2016.

A. CONSERVATION OF ENERGY (pertaining to Building Products Division)	
(a) the Steps taken or impact on conservation of energy	Apart from increase in productivity, the Company is providing energy saving LED lamps, variable frequency drives to reduce energy consumption.
(b) the steps taken by the Company for utilising alternate sources of energy	Use of wind mill energy and use of LPG in place of electric heaters for heating chambers.
(c) The capital investment on energy conservation equipments	NIL
B. TECHNOLOGY ABSORPTION	
(i) Efforts made in Technology Absorption	Part substitution of imported fibre and cement and development of new type of boards for exports.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	Improvement in quality, reduction in RM Cost, development of air cured boards and non-asbestos roofing sheets. Development of printed and laminated calcium silicate boards.
(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)	NIL
(a) The details of technology imported	NIL
(b) The year of Import	NIL
(c) Whether the technology been fully absorbed	NIL
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NIL
(iv) The expenditure incurred on Research and Development	NIL

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

In terms of Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014, the following information is furnished for the year ended 31.03.2016.

A. CONSERVATION OF ENERGY (pertaining to Cotton Yarn Division)

(a) the Steps taken or impact on conservation of energy	<p>All Humidification Plants Inverters frequency optimized without affecting the working performance quality</p> <p>In B unit - LR/6s Spinning 3 Machines existing Pneumatic Disc Variator replaced by Inverter. So Air leakage loss eliminated.</p> <p>By frequency optimization energy saved and productivity improved.</p> <p>In A unit G5/1 Ring frame, existing compact system Centralised Duct System. So, performance improved and energy also saved.</p> <p>In B&C Unit Overhead Cleaner wastage Collection Motor was running continuously. Cyclic Timer provided to run the motor immediately.</p> <p>In C unit comber 1 to 4 VXL fan motor was running continuously. Converted to run only during doffing piecing time.</p> <p>Internal Energy Audit and conservation measure is being adopted periodically.</p> <p>We have proposal to replace existing conventional Tube Lights by LED Tube Lights in our A Unit & Street Light.</p>
(b) the steps taken by the Company for utilising alternate sources of energy	Already the Company had invested on windmills to generate green energy for their captive consumption.
(c) The capital investment on energy conservation equipments	Nil

B. TECHNOLOGY ABSORPTION

(i) Efforts made in Technology Absorption	<ol style="list-style-type: none"> 1. In "A" Unit LR G5/1 Ring frames - We have modified to running of Compact yarn from Normal yarn to improve the quality of yarn and improve the working performance in this Ring frame machine. 2. In "A" Unit LR G5/1 Ring frame - We have modified to Suesen make Centralized duct suction system for Elite mango tube from Existing Group spindles suction system to reduce the maintenance spares consumption & power saving and also to maintain the uniform suction level in all spindles and to improve the quality of yarn. 3. In "A" Unit -- we have installed Savio polar L Auto coner from Murata 7VSS Autoconer. To improve the productivity and improve the quality of yarn. 4. In our Unit -- we have installed Uster Quantum 3 clearer with Poly Propylene clearing option attachment in Savio Autoconer. To improve the quality of yarn and eliminate PP detection rates in yarn and to avoid the customer complaints. 5. In our unit - ALL dept, we have provided by Data logger RH measuring system. To easy to measure and control the RH variation in department.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	There is saving in energy cost due to the above measures taken. Improved product being offered for Indian and International Yarn Market with less man power.
(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)	Nil
(a) The details of technology imported	Nil
(b) The year of Import	Nil

(c) Whether the technology been fully absorbed	Not Applicable
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not Applicable
(iv) The expenditure incurred on Research and Development	Not Applicable
C. FOREIGN EXCHANGE EARNINGS AND OUTGO (pertaining to Cotton Yarn Division)	
(a) Foreign exchange earned in terms of actual inflows during the year	₹ 2,196.52 lakhs
(b) Foreign exchange out go during the year in the term of actual outflows	₹ 1,680.54 lakhs

Annexure - 9

I. Disclosures relating to remuneration under Section 197(12) of the Companies Act, 2013, read with Rule 5(1), (2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i.& ii. The ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year 2015-16.

Name of the Director / KMP and Designation	Remuneration of the Director / KMP for financial year 2015-16 ₹ in lakhs	% increase in remuneration in the financial year 2015-16	Ratio of Remuneration of each Director / to median remuneration of employees	Comparison of remuneration of the KMP against the performance of the Company
Shri P.R. Ramasubrahmaneya Rajha	1.50	18.00	0.65:1	
Shri P.R. Venketrama Raja	120.28	0.00	52:1	The Profit Before Tax increased by 42% and Profit After Tax by 61% in 2015-16
Shri S.S. Ramachandra Raja	1.25	67.00	0.54:1	
Shri K.T. Ramachandran	3.00	45.00	1.30:1	
Shri N.K. Shrikantan Raja	1.75	17.00	0.76:1	
Shri R.S. Agarwal	3.75	47.00	1.62:1	
Shri V. Santhanaraman	1.50	200.00	0.65:1	
Smt. Justice Chitra Venkataraman (Retd.)	2.75	N.A.	N.A.	
Shri Prem G Shanker (Chief Executive Officer)	121.49	10.00	52.59:1	The Profit Before Tax increased by 42% and Profit After Tax by 61% in 2015-16
Shri K. Sankaranarayanan (Chief Financial Officer)	49.11	10.00	21.25:1	
Shri S. Balamurugasundaram (Company Secretary)	17.09	12.00	7.40:1	

iii. The median remuneration of the employees during the financial year was ₹ 2,31,278/- and the percentage increase in the median remuneration was 20%.

iv. There were 1,227 permanent employees on the rolls of the Company, as on 31st March 2016.

v. Explanation on the relationship between average increase in remuneration and the company's performance:
There was no relationship between the average increase in remuneration and the Company's performance, as except Bonus and Incentives the rest of the components of the remuneration are not directly linked to the performance of the Company.

vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:
The total remuneration of Key Managerial Personnel increased by 8.09% (i.e.) from ₹ 1.73 Crores in 2014-15 to ₹ 1.87 Crores in 2015-16, whereas the Profit before tax increased by 42% and Profit after tax increased by 61% in financial year 2015-16.

- vii. a. Variations in the market capitalisation of the Company: The market capitalisation of ₹ 603.60 Crores as on 31st March, 2015 had increased to ₹ 792.97 Crores as on 31st March 2016, showing an increase of 31%.
- b. Price earning ratio: The price earning ratio of the Company was 23.52 as at 31st March 2016 and was 28.78 as at 31st March, 2015.
- c. Percentage increase or decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year: The Company has not come out with public issue. However, a Shareholder investing ₹ 10/- in the share capital of the Company at the time of incorporation, would have received ₹ 1782.99 as dividend. The said investment of ₹ 10/- would have risen to a value of ₹ 12,352.50 as on 31-03-2016.
- viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2015-16 was 8.31% and the increase in the managerial remuneration of KMP for the same financial year was 8.47%.
- ix. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company - Provided under i & ii above.
- x. VCMD's remuneration is 5% of the profits of the Company, calculated in accordance with Section 198 of the Companies Act, 2013 and in case of inadequate profits, remuneration is based on Section II Part II of Schedule V of the Companies Act, 2013.
- xi. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Not applicable.
- xii. It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

II. Disclosures relating to remuneration under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and (3) of Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) Employed throughout the financial year 2015-16 and was in receipt of remuneration, in the aggregate, not less than ₹ 60 lakhs

Sl. No.	Name	Designation	Remuneration (₹ in lakhs)	Qualification and Experience	Date of commencement of employment	Age (Yrs.)	Last employment
1.	Shri P.R. Venketrama Raja	VCMD	120.28	B.Tech., MBA	28.06.1993 (as VCMD)	54	N.A.
2.	Shri Prem G Shanker	CEO	121.49	B.Tech., MS (30)	9.10.2008	52	Texmo Industries, Coimbatore

- (ii) Employed for a part of the financial year 2015-16 and was in receipt of remuneration, at a rate which, in the aggregate, not less than ₹ 5 lakhs per month

Sl. No.	Name	Designation	Remuneration (₹ in lakhs)	Qualification and Experience	Date of commencement of employment	Age (Yrs.)	Last employment
1.	Shri Narendra Kumar	Head - Operations	8.39	B.Tech (Mech.) (25)	13.2.2016	52	Balakrishna Industries Mumbai

NOTES :

- All appointments are contractual.
- None of the employees mentioned above is related to any director of the Company except Shri P.R.Venketrama Raja, Vice Chairman & Managing Director who is related to Shri P.R. Ramasubrahmaneya Rajha, Chairman.
- No employee was in receipt of remuneration in excess of that drawn by Vice Chairman & Managing Director.
- VCMD's remuneration includes contribution to PF and after deduction of salary paid by M/s. Ramco Systems Limited, as approved by Shareholders on 28.7.2014.
- Remuneration to others include salary, variable performance pay, allowances, contribution to Provident Fund and Superannuation Fund, taxable value of perks and leave encashment but excludes gratuity.

On behalf of the Board of Directors
For RAMCO INDUSTRIES LIMITED

Place : Chennai
Date : 20.05.2016

P.R.RAMASUBRAHMANEYA RAJHA
CHAIRMAN

INDEPENDENT AUDITORS' REPORT

To The Members of Ramco Industries Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Ramco Industries Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, 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 Standalone 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 standalone 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 Rule 7 of the Companies (Accounts) Rules, 2014. 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 standalone 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 thereunder.

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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 2016, 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 standalone 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 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2016 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 details of the pending litigations and its impact on the financial statements have been disclosed in the Note No. 25.1.II to 25.1.VI of the ‘Disclosures forming part of Standalone Financial Statements’ for the year ended 31 March 2016.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M/s M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm’s Registration No.: 0012085

K.SRINIVASAN
Partner
Membership No.: 021510

Place : Chennai
Date : 20th May, 2016

For M/s. CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm’s Registration No.: 0049155
LLP Registration No. S200036

C.N.GANGADARAN
Partner
Membership No.: 011205

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 2016:

- 1) Fixed Assets
 - 1.1 The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - 1.2 The fixed assets were physically verified during the year by the Management in accordance with the regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed during such verification.
 - 1.3 According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- 2) Inventory
 - 2.1 Management has conducted the physical verification of inventory at reasonable intervals.
 - 2.2 The discrepancies noticed on verification between the physical stocks and the book records were properly dealt with in the books of account and were not material.
- 3) The Company has granted loan to a party listed in the Register maintained under section 189 of the Act. The maximum outstanding at any time during the year ₹ 602.45 lakhs (PY ₹ 631.31 lakhs) and the amount outstanding as on 31 March 2016 is ₹ 461.79 lakhs (PY ₹ 602.45 lakhs).

- 3.1 In our opinion, the terms and conditions on which the loan has been granted to the party listed in the register maintained under Section 189 of the Act are not prejudicial to the interest of the Company.
- 3.2 The payment of the principal and the interest wherever applicable are regular.
- 3.3 There are no overdue amounts in respect of the loan granted to a party listed in the register maintained under section 189 of the Act.
- 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 maintaining 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 2016 for a period of more than six months from the date they became payable.
- 7.2 The Disputed statutory dues aggregating to ₹ 5171.61 lakhs (PY ₹ 3843.38 lakhs) that have not been deposited on account of matters pending before appropriate authorities are as under.

(₹ In lakhs)

Sl No.	Name of the Statute	Forum where dispute is pending	As on 31-03-16	As on 31-03-15
1	Income Tax Act	Deputy Commissioner	15.25	15.25
		Commissioner Appeal	1684.59	2712.83
		High Court	2563.56	399.06
2	Sales Tax Act			
	CST Act	Appellate Authority	3.33	0.69
		Assistant/Deputy/Joint Commissioner Appeal	10.42	110.66
		Tribunal Court	18.45	18.45
		High Court	311.61	
	Entry Tax Act	Assistant/Deputy/Joint Commissioner Appeal	9.95	9.41
	Sales Tax Act	Appellate Authority	72.45	72.45
	VAT Act	Appellate Authority	1.01	1.71
		Assistant/Deputy/Joint Commissioner Appeal	24.38	24.38
		Tribunal Court	50.32	50.32
3	Central Excise Act and Cenvat Credit Rules	Appellate Authority	57.33	65.28
4	Electricity Act	High Court	348.95	362.89
Total			5171.61	3843.38

- 8) The Company has not defaulted in repayment of dues to 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 raised term loans during the year and these have been applied for the purposes for which they were raised.

- 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) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (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 him. 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 M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085

K.SRINIVASAN
Partner
Membership No.: 021510

Place : Chennai
Date : 20th May, 2016

For M/s. CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 0049155
LLP Registration No. S200036

C.N.GANGADARAN
Partner
Membership No.: 011205

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Ramco Industries Limited (“The Company”) as of 31 March 2016 in conjunction with our audit of the standalone 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 2016, 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 M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085

K.SRINIVASAN
Partner
Membership No.: 021510
Place : Chennai
Date : 20th May, 2016

For M/s. CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 0049155
LLP Registration No. S200036

C.N.GANGADARAN
Partner
Membership No.: 011205



BALANCE SHEET AS AT 31ST MARCH 2016

	Note No.	As at 31.03.2016		As at 31.03.2015	
		₹ in lakhs		₹ in lakhs	
I EQUITY AND LIABILITIES					
SHARE HOLDERS' FUND					
Share Capital	1	866.63		866.63	
Reserves and Surplus	2	49,725.74	50,592.37	46,808.04	47,674.67
NON-CURRENT LIABILITIES					
Long - Term Borrowings	3	13,604.02		10,907.45	
Deferred Tax Liability (Net)	4	241.60		958.30	
Other Long Term Liabilities	5	2,556.25		2,396.15	
Long Term Provisions	6	416.31	16,818.18	341.02	14,602.92
CURRENT LIABILITIES					
Short Term Borrowings	7	17,451.47		20,715.24	
Trade Payables		3,840.27		3,694.98	
Other Current Liabilities	8	10,251.68		13,605.28	
Short Term Provisions	9	51.61	31,595.03	350.47	38,365.97
TOTAL			99,005.58		100,643.56
II ASSETS					
NON-CURRENT ASSETS					
FIXED ASSETS					
Tangible Assets	10	37,471.91		36,989.39	
Intangible Assets	11	156.49		50.87	
Capital Work- in-Progress	10	1,411.12		340.40	
Non-Current Investments	12	21,469.57		21,315.67	
Long Term Loans and Advances	13	1,550.37		1,956.65	
Other Non - Current Assets		304.59	62,364.05	311.62	60,964.60
CURRENT ASSETS					
Inventories	14	24,206.55		25,984.43	
Trade Receivables	15	6,882.88		6,934.37	
Cash and Cash Equivalents	16	971.09		728.90	
Short Term Loans and Advances	17	3,118.92		3,838.89	
Other Current Assets		1,462.09	36,641.53	2,192.37	39,678.96
TOTAL			99,005.58		100,643.56
Significant Accounting Policies					
Contingent Liabilities and commitments	25(1)				
Notes on Financial Statements	25				

The accompanying notes form an integral part of the financial statements

As per our Report Annexed

For M/s.M.S. JAGANNATHAN &
N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085
K.SRINIVASAN
Partner
Membership No.: 021510
Place: Chennai
Date : 20th May, 2016

For M/s.CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 0049155
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No.: 011205

For and on behalf of the Board

P.R. RAMASUBRAHMANEYA RAJHA
Chairman

PREM.G.SHANKER
Chief Executive Officer

K.SANKARANARAYANAN
Chief Financial Officer

S. BALAMURUGASUNDARAM
Company Secretary & Sr.G.M.(Legal)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

INCOME	Note No.	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
Revenue from operations	18	70,234.52	73,496.73
Other Income	19	5,184.37	2,598.30
Total Revenue		<u>75,418.89</u>	<u>76,095.03</u>
EXPENDITURE			
Cost of materials consumed	20	42,627.20	47,343.51
Cost of Resale materials		324.42	112.58
Change in inventories of Finished Goods and Work in Progress	21	462.43	(1,307.89)
Employee benefit expenses	22	6,271.78	5,369.58
Finance costs	23	3,796.86	3,702.71
Depreciation and amortisation expenses	10	1,960.80	1,889.24
Other expenses	24	18,407.84	18,021.89
Total Expenses		<u>73,851.33</u>	<u>75,131.62</u>
Profit / (Loss) before exceptional and extraordinary items and tax		1,567.56	963.41
Exceptional Items { Refer Note: 25 (point no: 3) }		1,232.92	1,013.26
Profit / (Loss) before Tax		<u>2,800.48</u>	<u>1,976.67</u>
Tax expense			
Current Tax		138.63	295.77
Deferred Tax		(707.17)	(116.42)
MAT Credit		0.00	(295.77)
Profit / (Loss) for the year		<u>3,369.02</u>	<u>2,093.09</u>
Earnings per equity share - Basic & Diluted (in ₹)		3.89	2.42
Face Value of Equity share		₹ 1	₹ 1
Significant Accounting Policies			
Notes on Financial Statements	25		

The accompanying notes form an integral part of the financial statements
As per our Report Annexed

For M/s.M.S. JAGANNATHAN &
N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085
K.SRINIVASAN
Partner
Membership No.: 021510
Place: Chennai
Date : 20th May, 2016

For M/s.CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 004915S
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No.: 011205

For and on behalf of the Board

P.R. RAMASUBRAHMANEYA RAJHA
Chairman

PREM.G.SHANKER
Chief Executive Officer

K.SANKARANARAYANAN
Chief Financial Officer

S. BALAMURUGASUNDARAM
Company Secretary & Sr.G.M.(Legal)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2016

	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
A Cash flow from operating activities		
Net profit after tax as per Profit and Loss Account	3,369.02	2,093.09
Adjusted for		
Deferred tax	(707.17)	(116.42)
Loss on sale of assets	73.48	14.12
Depreciation	1,960.80	1,889.24
Impairment of Assets	30.19	
Dividend Income	(3,122.21)	(779.92)
Profit on sale of assets	(220.18)	(0.76)
Profit on sale of shares	(1,049.35)	(1,349.91)
Interest income	(59.36)	(46.41)
Interest paid	3,817.81	3,702.71
Royalty receipts	(1,793.67)	(1,431.14)
	(1,069.66)	1,881.51
Operating profit before working capital changes	2,299.36	3,974.60
Adjusted for		
Trade and other receivables	51.49	(410.56)
Inventories	1,777.88	(3,889.73)
Trade payables	145.29	1,728.40
Other Current Assets	1,388.60	121.49
Other current Liabilities	(3,264.25)	4,703.19
	99.01	2,252.79
Cash (used in) / generated from operations	2,398.37	6,227.39
Taxes paid	68.68	(65.00)
Net cash (used in) / generated from operating activities	2,467.05	6,162.39
B Cash flow from Investing activities		
Purchase of fixed assets	(2,999.16)	(2,411.41)
Sale of fixed assets	319.10	275.15
Adjustment in Fixed Assets	220.10	
Proceeds from Sale of shares	1,224.00	1,353.40
Interest income	59.36	46.41
Dividend income	3,122.21	779.92
Changes in Capital WIP	(1,070.72)	234.73
Advance for long term purpose	406.28	(606.08)
Investment subsidy	0.00	15.00
Purchase of investment	(328.55)	(1,000.00)
Royalty receipts	1,793.67	1,431.14
Net cash (used in) / from investing activities	2,746.29	118.26

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2016 Contd...

	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
C Cash flow from financing activities		
Proceeds from long term borrowing	2,696.57	(6,512.86)
Proceeds from other Long term liabilities	160.10	290.84
Proceeds from short term borrowings	(3,263.77)	3,353.93
Dividend paid	(746.24)	(253.48)
Finance cost	(3,817.81)	(3,702.71)
Net cash from / (used in) Financing activities	(4,971.15)	(6,824.28)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	242.19	(543.63)
Cash and cash equivalents as at the beginning of the year	728.90	1,272.53
Cash and Cash equivalents as at end of the year	971.09	728.90

For M/s.M.S. JAGANNATHAN &
N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085
K.SRINIVASAN
Partner
Membership No.: 021510
Place: Chennai
Date : 20th May, 2016

For M/s.CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 004915S
LLP Registration No. S200036
C.N.GANGADARAN
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Membership No.: 011205

For and on behalf of the Board
P.R. RAMASUBRAHMANEYA RAJHA
Chairman
PREM.G.SHANKER
Chief Executive Officer
K.SANKARANARAYANAN
Chief Financial Officer
S. BALAMURUGASUNDARAM
Company Secretary & Sr.G.M.(Legal)

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31st March, 2016		As at 31st March, 2015	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
1. SHARE CAPITAL				
Authorised Share Capital:				
Equity Shares of ₹ 1/- each	20,00,00,000	2,000.00	20,00,00,000	2,000.00
Issued, Subscribed and Paid up:				
Equity Shares of ₹ 1/- each	8,66,63,060	866.63	8,66,63,060	866.63

1.1 The reconciliation of the number of shares outstanding is set out below

Particulars	As at 31st March, 2016	As at 31st March, 2015
Equity Shares at the beginning of the year	8,66,63,060	8,66,63,060
Fresh Issue of Equity Shares	-	-
Bonus Issue allotted during the year	-	-
Equity shares bought back during the year	-	-
Equity Shares at the end of the year	8,66,63,060	8,66,63,060

1.2 The details of Shareholders holding more than 5% shares :

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% held	No. of Shares	% held
The Ramco Cements Ltd	1,33,72,500	15.43	1,33,72,500	15.43
Rajapalayam Mills Limited	79,20,680	9.14	79,20,680	9.14
Shri.P.R.Venketrama Raja	55,00,000	6.35	55,00,000	6.35
Smt.Saradha Deepa	55,00,000	6.35	55,00,000	6.35
Smt.Nalina Ramalakshmi	55,80,000	6.44	55,80,000	6.44
	3,78,73,180	43.70	3,78,73,180	43.70

1.3 Of the above, 4,33,31,530 equity shares were allotted in the year 2009-10 as fully paid Bonus Shares by capitalisation of General Reserves.

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		As at 31st March, 2016 ₹ in lakhs	As at 31st March, 2015 ₹ in lakhs
2. RESERVES AND SURPLUS			
2.1 Capital Reserve			
As per last Balance Sheet		1,545.02	1,530.02
Add : Received during the year		- 1,545.02	15.00 1,545.02
2.2 Securities Premium Reserve			
As per last Balance Sheet		209.53	209.53
		209.53	209.53
2.3 General Reserve			
As per last Balance Sheet		41,891.46	41,717.55
Less: Depreciation on transition to Schedule II of the Companies Act 2013 on fixed assets net of deferred tax		18.00	126.09
Add: Transferred from Profit and Loss Account		500.00 42,373.46	300.00 41,891.46
2.4 Profit and Loss Account			
Balance as per last Balance Sheet		3,162.03	1,681.86
Add: Profit for the year		3,369.02	2,093.09
Balance available for appropriations		6,531.05	3,774.95
Less: Appropriations			
Interim Dividend		433.32	-
Proposed Dividend on Equity Shares		-	259.99
Tax on Dividend		-	52.93
Transferred to General Reserve		500.00	300.00
		5,597.73	3,162.03
TOTAL		49,725.74	46,808.04



NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 ₹ in lakhs	As at 31.03.2015 ₹ in lakhs
3 LONG-TERM BORROWINGS		
Secured:		
Term Loan from Banks {Refer: Note 25 (point no:9 a)}	13,604.02	10,907.45
	<u>13,604.02</u>	<u>10,907.45</u>
4 DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liabilities		
Related to Fixed Assets	3,985.67	1,290.41
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961.	(3,744.07)	(332.11)
	<u>241.60</u>	<u>958.30</u>
5 OTHER LONG TERM LIABILITIES		
Security Deposit from Customers	2,556.25	2,396.15
	<u>2,556.25</u>	<u>2,396.15</u>
6 LONG TERM PROVISIONS		
Provision for Leave encashment	416.31	341.02
	<u>416.31</u>	<u>341.02</u>
7 SHORT TERM BORROWINGS		
Secured:		
Loan from banks {Refer : Note 25 (point no: 9 b)}	10,293.17	20,715.24
Unsecured:		
Loan from banks	7,158.30	-
	<u>17,451.47</u>	<u>20,715.24</u>
8 OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debt - Secured {(Refer Note: 25 (point no: 10 a)}	4,910.12	6,770.92
Current Maturities of Long Term Debt - Unsecured	-	1,988.04
Unpaid dividends	21.46	22.28
Statutory Duties and Taxes recovery repayable	1,018.64	896.97
Advance received from Customers	1,150.42	803.11
Other Liabilities	3,151.04	3,123.96
	<u>10,251.68</u>	<u>13,605.28</u>
9 SHORT TERM PROVISIONS		
Provision for Leave encashment	51.61	37.55
Provision for Proposed Dividend	-	312.92
	<u>51.61</u>	<u>350.47</u>

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Figures in ₹ lakhs)

10. FIXED ASSETS - TANGIBLE ASSETS

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK		
	As At 01-APR-2015	Additions	Withdrawals/ Adjustments	Deductions on impairment	As At 31-MAR-2016	For the year 2015-16	Withdrawals/ Adjustments	Deductions on impairment	As At 31-MAR-2016	As At 31-MAR-2016	As At 31-MAR-2015
LAND - FREEHOLD	1,721.24		42.24		1,679.00	-			-	1,679.00	1,721.24
LAND - LEASE HOLD	1,419.80	65.20	64.62		1,420.38	16.05			68.99	1,351.39	1,366.86
BUILDINGS	16,431.71	125.76	58.07		16,499.40	462.95	6.94		4,764.05	11,735.35	12,123.67
RAILWAY SIDINGS	20.68				20.68	19.65			19.65	1.03	1.03
PLANT & MACHINERY	44,507.96	2,324.91	728.62	53.59	46,050.66	942.26	542.88	45.23	27,021.17	19,029.49	17,840.94
ELECTRICAL MACHINERY	6,390.71	316.52	179.01	168.73	6,359.49	461.59	141.59	146.90	3,111.05	3,248.44	3,452.76
FURNITURE	394.61	3.83	61.87		336.57	26.90	42.52		129.30	207.27	249.69
OFFICE EQUIPMENTS	219.56	5.98	17.27		208.27	15.64	16.46		167.59	40.68	51.15
VEHICLES	454.59	50.21	44.54		460.26	34.51	26.05		281.00	179.26	182.05
	71,560.86	2,892.41	1,196.24	222.32	73,034.71	1,959.90	776.44	192.13	35,562.80	37,471.91	36,989.39
CAPITAL WORK-IN-PROGRESS	340.40	4,069.88	2,999.16		1,411.12					1,411.12	340.40

11. FIXED ASSETS - INTANGIBLE ASSETS

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK		
	As At 01-APR-2015	Additions	Withdrawals/ Adjustments	Deductions on impairment	As At 31-MAR-2016	For the year 2015-16	Withdrawals/ Adjustments	Deductions on impairment	As At 31-MAR-2016	As At 31-MAR-2016	As At 31-MAR-2015
COMPUTER SOFTWARE	598.37	106.75	4.95		700.17	0.90	4.72		543.68	156.49	50.87
	598.37	106.75	4.95	-	700.17	0.90	4.72	-	543.68	156.49	50.87
GRAND TOTAL	72,159.23	2,999.16	1,201.19	222.32	73,734.88	1,960.80	781.16	192.13	36,106.48	37,628.40	37,040.26
Previous Year	70,169.56	2,411.41	421.74		72,159.23	1,889.24	133.23		35,118.97	37,040.26	36,997.62



NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 ₹ in lakhs	As at 31.03.2015 ₹ in lakhs
12 NON-CURRENT INVESTMENTS		
<u>INVESTMENTS - Quoted</u>		
I Investments in Equity Instruments - Associates		
Shares in The Ramco Cements Ltd:		
4,93,12,420 Equity shares of ₹ 1/- each fully paid-up	5,815.85	5,815.85
Shares in Rajapalayam Mills Ltd:		
4,87,360 Equity Shares of ₹ 10/- each fully paid-up	236.44	411.09
360000 shares sold during this period		
Shares in Ramco Systems Ltd:		
54,67,376 Equity shares of ₹ 10/- each fully paid up	13,216.19	13,216.19
TOTAL	19,268.48	19,443.13
II Investments in Equity Instruments - Others		
Shares in Indian Bank		
1,391 Equity shares of ₹ 10/- each fully paid-up	1.27	1.27
Shares in HDFC Ltd:		
1,79,200 Equity Shares of ₹ 2/- each fully paid-up	4.78	4.78
Shares in HDFC Bank Ltd:		
5,500 Equity Shares of ₹ 2/- each fully paid-up	0.11	0.11
Shares in DHFL Vysya Housing Finance Ltd.		
30,000 Equity Shares of ₹ 10/-each fully paid-up	3.00	3.00
	9.16	9.16
<u>INVESTMENTS - Unquoted</u>		
III Investments in Equity Instruments - Other Companies		
50,000 Equity shares of ₹ 10/- each fully paid-up in Ontime Transport Company Ltd	5.00	5.00
3,25,000 Equity shares of ₹ 1/- each fully paid up in Ramco Windfarms Ltd	3.25	3.25
3,09,00,000 Equity shares of ₹ 1/- each fully paid up in Madurai Trans carrier Ltd	309.00	-
19,00,000 Equity shares of ₹ 1/- each fully paid up in Lynks Logistics Limited	19.00	-
	336.25	8.25
IV Investments in Equity Instruments - Subsidiaries		
42,50,000 Equity Shares of ₹ 10/- each fully paid-up in Sudharsanam Investments Limited	425.00	425.00
2,30,00,000 Equity Shares of SLR 10/- each fully paid-up in Sri Ramco Lanka (Private) Ltd, Srilanka	1,365.32	1,365.32
12,90,000 Equity Shares of SLR 10/- each fully paid-up in Sri Ramco roofing Lanka (Private) Ltd, Srilanka	54.27	54.27
TOTAL	1,844.59	1,844.59
V Investment in Government or Trust Securities		
National Savings Certificates	0.52	0.52
VI Investments in Mutual Funds		
1,00,000 units of ₹ 10/- each in HDFC Balanced Fund	10.00	10.00
VII Investment Others		
Shares in Ramco Industries Employees Co-operative Stores Ltd, Arakkonam	0.02	0.02
Shares in ARS energy pvt ltd	0.55	
TOTAL	0.57	0.02
GRAND TOTAL	21,469.57	21,315.67
Aggregate amount of quoted investments :		
At cost	19,277.64	19,452.29
At Market value	239,637.57	190,634.69
Aggregate amount of unquoted investments at cost	2,191.93	1,863.38

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 ₹ in lakhs	As at 31.03.2015 ₹ in lakhs
13 LONG-TERM LOANS AND ADVANCES		
Secured and considered good		
Advances towards Capital goods	326.97	751.48
Security deposit	712.77	580.88
Unsecured and Considered good		
- related parties	468.79	602.45
- others	41.84	21.84
	<u>1,550.37</u>	<u>1,956.65</u>
14 INVENTORIES		
Raw Materials	9,980.53	10,134.11
Raw Materials in Transit	-	1,091.07
Work in process	2,067.83	2,231.40
Finished goods	11,429.27	11,950.70
Finished goods in Transit	3.96	-
Stores and spares	700.74	577.15
Asset held for Sale	24.22	-
	<u>24,206.55</u>	<u>25,984.43</u>
15 TRADE RECEIVABLES		
Trade receivables outstanding for more than 6M, unsecured considered doubtful	359.25	311.77
Trade receivables outstanding for more than 6M, provision	(359.25)	(311.77)
Trade receivables outstanding for more than 6M, unsecured, considered good	-	-
Trade receivables, unsecured considered good	6,365.66	6,559.59
Trade receivables unsecured considered good- Related Parties	517.22	374.78
	<u>6,882.88</u>	<u>6,934.37</u>
16 CASH AND CASH EQUIVALENTS		
Cash on Hand	8.71	15.43
Balance With Bank Current account	931.31	680.57
Margin Money	9.40	10.42
Balance with Bank - Unpaid Dividend Warrant Account	21.67	22.48
	<u>971.09</u>	<u>728.90</u>
17 SHORT TERM LOANS AND ADVANCES		
Unsecured and Considered good:		
Advance Income Tax and Tax Deducted at source	847.74	758.55
Tax Credit - Indirect Taxes	1,017.64	1,015.41
Advance - Supplies	965.92	1,697.36
Advance - Expenses	67.53	99.82
Prepaid Expenses	220.09	267.75
	<u>3,118.92</u>	<u>3,838.89</u>



NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
18 REVENUE FROM OPERATIONS		
Sale Revenue	77,163.52	80,628.99
Less: Excise Duty	(7,762.25)	(7,921.34)
Net Revenue	69,401.27	72,707.65
Industrial promotion assistance	615.60	559.79
Income from Wind power generation {Net of inter-divisional transfer of ₹ 584.04 lakhs (Previous year ₹ 1100.95)}	217.65	229.29
	<u>70,234.52</u>	<u>73,496.73</u>
19 OTHER INCOME		
Interest Income	59.36	46.41
Dividend Income	2,283.56	565.59
Dividend Income from Subsidiaries	838.65	214.33
Other Miscellaneous Income	209.13	340.83
Royalty Received	1,793.67	1,431.14
	<u>5,184.37</u>	<u>2,598.30</u>
20 COST OF MATERIALS CONSUMED		
Chrysotile Fibre	19,129.58	22,753.21
Cement	9,262.65	10,834.92
Clinker	2,862.16	3,245.68
Cotton	7,091.72	6,451.62
Other Additives	4,281.09	4,058.08
	<u>42,627.20</u>	<u>47,343.51</u>
21 (INCREASE) / DECREASE IN STOCK		
Closing Stock of Finished Goods	11,429.27	11,950.70
Closing Stock of Process Stock	2,067.83	2,231.40
	<u>13,497.10</u>	<u>14,182.10</u>
Opening Stock of Finished Goods	11,950.70	10,572.30
Opening Stock of Process Stock	2,231.40	2,040.83
	<u>14,182.10</u>	<u>12,613.13</u>
(Increase) / Decrease	685.00	(1,568.97)
ED on stock variance	(222.57)	261.08
(Increase) / Decrease	<u>462.43</u>	<u>(1,307.89)</u>
22 EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	5,264.17	4,721.96
Contribution to and provision for		
- Provident Fund	370.93	352.85
- Gratuity Fund	248.51	-61.68
- Superannuation Fund	25.16	27.77
Staff welfare	363.01	328.68
	<u>6,271.78</u>	<u>5,369.58</u>

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
23 FINANCE COSTS		
Interest on Bank borrowings	3,339.23	2,993.71
Others	272.93	268.77
Exchange rate variation	184.70	440.23
	<u>3,796.86</u>	<u>3,702.71</u>
24 OTHER EXPENSES		
Stores Consumed	1,410.65	1,416.82
Power & Fuel (net off power from Wind Mills)	4,687.72	4,358.72
Repairs & Maintenance - Building	102.49	82.34
Repairs & Maintenance - General	222.74	206.36
Repairs & Maintenance - Plant & Machinery	1,810.47	1,770.65
Repairs & Maintenance - Vehicle / Aircraft	417.65	440.94
Insurance	84.16	95.35
Travelling expenses	643.24	489.55
Rates & Taxes	749.30	993.34
Exchange fluctuation in foreign currency-other than AS 11	20.95	-
Rent	172.97	130.33
Managerial Remuneration	112.50	112.50
Printing & Stationery	37.50	51.58
Communication Expenses	82.97	82.07
Corporate Social Responsibility	91.62	96.39
Legal & Consultancy Expenses	303.32	375.33
Profit / (Loss) on Sale of Assets	73.48	14.12
Impairment on Assets	5.97	-
Directors Sitting fees	17.71	11.29
Audit Fees & Expenses	16.34	16.73
Agency Commission	373.14	398.40
Advertisement Expenses	349.68	262.46
Discounts	1,300.78	1,514.51
Bad and Doubtful Debts	47.48	273.79
Transportation and Handling Expenses	4,489.29	4,058.97
Miscellaneous Expenses	783.72	769.35
	<u>18,407.84</u>	<u>18,021.89</u>

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Significant Accounting Policies

1. Basis of preparation and presentation of financial statements

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principles {"GAAP"} in compliance with the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2014, prescribed by the Central Government (as amended). However, certain claims are accounted for as and when admitted by the appropriate authorities.

2. Use of Estimates

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as at the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

3. Revenue recognition

i. Revenue from sale of goods is recognized when all significant risks and rewards of ownership is transferred to the buyer under the terms of the contract and we retain no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exist regarding the amount of consideration that will be derived from sale of the goods.

Sales exclude excise duty and sales tax.

ii. Industrial Promotion Assistance (IPA) is recognized when the Company's right to receive the same is established with reasonable certainty.

iii. Other income is accounted on accrual basis as and when the right to receive arises.

iv. Dividend income is accounted in the period in which the right to receive the same is established.

v. Interest income on deposits is recognized at the agreed rate on time proportion basis.

vi. Income from Wind mills:

a. Under wheeling and banking arrangement:

Units generated from windmills are adjusted against the consumption of power at our factories. The monetary value of the power generated at wind farms that are consumed at factories are not recognised as revenue because it is inter-divisional transfer.

The value of unadjusted units as on the Balance Sheet date has been included under Other Current Assets.

b. Under Power purchase agreement:

Units generated from windmills are sold to State Electricity Board at agreed rates and the income is included in Income from Wind power generation.

4. Tangible Fixed assets

Fixed assets are stated at original cost less accumulated depreciation, accumulated amortisation and cumulative impairment.

Pre-operative expenses including administrative and other general overhead expenses which are specifically attributable to the project, incurred up to the date of commencement of commercial operation are capitalized as a part of the cost of the fixed asset.

Gains or losses arising from disposal of fixed assets, measured as the difference between the net disposal proceeds and the carrying amount of such assets, are recognised in the statement of profit and loss.

5. Depreciation

i. Own Assets

Depreciation has been provided based on Straight-line basis as per the useful life prescribed in Schedule II of the Companies Act, 2013

Depreciation on additions/ deductions is calculated pro-rata from / to the month of additions/ deductions.

ii. Leasehold Land

Land acquired under long-term lease is classified under "Tangible assets" and is amortised over the primary lease period

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

6. Intangible Assets and Amortisation

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are amortized over their estimated useful life on Straight-line method as follows:

- Computer Software - Over a period of 5 years

Amortisation on impaired assets is adjusted in the future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Internally generated software, if any, is not capitalized and the expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

7. Impairment of assets

As at each Balance Sheet date, the carrying amount of asset is tested for impairment so as to determine:

- i. the provision for impairment loss, if any; and
- ii. the reversal of impairment loss recognized in previous periods, if any,

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- a) in the case of an individual asset, at the higher of the net selling price and the value in use; and
- b) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.)

8. Investments

- i. All Investments being non-current and non-trade are valued at cost.
- ii. The carrying amount of long term investments is determined on an individual investment basis.
- iii. As at the balance sheet date, provision for diminution is made to recognize the decline other than temporary, in the value of investments.
- iv. The Company discontinues the use of the equity method from the date when its investment ceases to be an Associate and accounted in accordance with Accounting Standard (AS) 13, Accounting for investments. Accordingly, in CFS the carrying amount of the Investment on that date of cessation of Associate is considered as cost.

9. Inventories

- i. Raw-materials, stores, spares and packing materials etc. are valued at cost, computed on a moving weighted average basis including the cost incurred in bringing the inventories to their present location and condition or net realizable value whichever is lower.
- ii. Work-in-progress is valued at weighted average cost, including the cost of conversion with systematic allocation of production and administration overheads.
- iii. Finished goods are valued at cost or net realizable value whichever is lower. Cost includes cost of conversion and other costs incurred in bringing the inventory to their present location and condition including excise duty.

10. Foreign currency transactions and forward contracts

- i. The reporting currency of the Company is Indian Rupee.
- ii. Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate.
- iii. The exchange differences on settlement/ restatement are included in pre-operative expenses up to the date of commercial operation and recognised as income or expense thereafter in the period in which they arise.
- iv. Forward contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions, are treated as foreign currency transactions and accounted accordingly as per Accounting

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Standard (AS) 11 “The Effects of Changes in Foreign Exchange Rates”. Exchange differences arising on such contracts are recognized in the period in which they arise. Gains and losses arising on account of roll over/cancellation of forward contracts are recognized as income/expenses of the period in which such roll over/cancellation takes place. The premium paid/received on a foreign currency forward contract is accounted as expenses/income over the period of the contract.

11. Employee Benefits

a. Short-term employee benefits :

Short-term employee benefits viz., Salaries, Wages, are recognized as an expense at the undiscounted amount in the profit and loss account for the year in which the related service is rendered.

b. Post Employment Benefits :

i. Defined Contribution plans:

Contributions to Provident fund and Superannuation fund are recognized as an expense in the profit and loss account for the year in which the employees have rendered services. The Company contributes to Provident fund administered by the Government on a monthly basis at 12% of employee's basic salary. The Company also contributes for superannuation a sum equivalent to 15% of the employee's eligible annual basic salary subject to a maximum of ₹ 1 Lac per annum and is remitted to “Ramco Industries Limited Superannuation Scheme” administered by trustees and managed by Life Insurance Corporation of India. The balance amount, if any, is paid as salary at the option of the company. There are no other obligation other than the above defined contribution plan.

ii. Defined Benefit Plan :

Gratuity:

The Company has its own approved Gratuity Fund. It is in the form of lump sum payments to vested employees on resignation, retirement and death while in employment or on termination of employment of an amount equivalent to 15 Day's basic salary payable for each completed year of service. Vesting occurs upon completion of 5 years of continuous service. The Company makes annual contributions to “Ramco Industries Limited Employees Gratuity Fund” administered by Trustees and managed by Life Insurance Corporation of India, based on the Actuarial Valuation by an independent external actuary as at the Balance sheet date using the “projected unit credit method”.

Leave Encashment :

The Company has a policy of providing encashment of unavailed leave for its employees. The obligation for the leave encashment is recognised based on an independent external actuarial valuation at the Balance Sheet date. The expense is recognized at the present value of the amount payable determined based on actuarial valuation using “projected unit credit method”.

c. Long-term employee benefits :

The obligation for long term employee benefits such as long term compensated absences is recognized in the similar manner as in the case of defined benefit plans as mentioned in (b) (ii) above.

d. Employee Separation Costs :

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is charged to Profit and Loss Statement in the year of exercise of option by the employee.

12. Lease

Lease rentals are expensed off with reference to the lease terms.

13. Borrowing costs

Specific borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalized as part of the cost of those assets as per AS 16. All other borrowing costs are charged to revenue.

14. Research and Development Expenditure

Expenditure on Research & Development of revenue nature incurred by the Company is charged to statement of Profit and Loss account under the respective revenue heads, while those of capital nature are treated as fixed assets, under respective asset heads.

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

15. Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments/ appeals.

Minimum Alternate Tax (MAT) credit is recognized as an asset to the extent there is convincing evidence that the company will pay normal income tax during the specified period. When the MAT credit becomes eligible to be recognized as an Asset viz., "MAT credit entitlement", the same is created by way of credit to the Statement of Profit and loss and shown as "MAT credit Recognition".

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets relating to unabsorbed depreciation/business losses are recognized and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Other deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

16. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is possible that there will be an outflow of resources. Un-provided contingent liabilities are disclosed in the accounts by way of notes. Contingent assets are not recognized.

17. Segment Accounting

- i. The Company identifies business segment as the primary segment as per AS-17. Under the primary segment, there are three reportable segments viz., Building products, Textile and Power generation from Windmills. These were identified considering the nature of the products, the differing risks and returns. The valuation of inter segment transfers are based on prevailing market prices.
- ii. Costs are allocated to the respective segment based upon the actual incidence of respective cost. Unallocated items include general corporate income and expenses which are not allocated to any business segment.
- iii. The Company prepares its segment information in conformity with accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

18. Subsidies and Government Grants

Revenue related grants are recognised on accrual basis wherever there is reasonable certainty and are disclosed under "Revenue from operations".

Receivables of such grants are shown under "Other current asset".

Capital related grants is accounted as "Capital Reserve" under Reserves and Surplus upon fulfillment of conditions attached thereto and is not adjusted against Fixed Assets.

Interest Subsidy under Technology Upgradation Fund Scheme (TUF) is credited to the Interest on borrowings under the head "Finance costs".

19. Earnings Per Share

Earnings per share (EPS) is calculated by taking into account, the net profit after tax, divided by the weighted average number of Equity Shares outstanding as on the Balance Sheet date.

20. Operating cycle for current/non-current classification

Operating cycle for the business activities of the Company is taken as twelve months for classification of its assets and liabilities into current/non-current.

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

25. NOTES ON ACCOUNTS:

	As at 31.03.2016 ₹ in lakhs	As at 31.03.2015 ₹ in lakhs
1. I. Contingent Liabilities and commitments		
a. Contingent Liabilities		
i. Claims against the Company / disputed liabilities not acknowledged as debts (Refer to notes II to VI below)	6,334.12	4,845.42
ii. Guarantees given to Banks to avail loan facilities by Group Companies :		
a. Ramco System Ltd	0.00	3,550.00
b. Sri Harini Textiles Ltd	4,629.00	3,629.00
c. Thanjavur Spinning Mills Ltd	3,500.00	0.00
b. Commitments		
i. Guarantees given by Bankers on behalf of Company	456.08	374.09
ii. Capital Contracts:		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for:	626.22	914.06
b. Unexpired Letters of Credit for purchase of Capital goods and raw materials	0.00	58.42
II. Income Tax Assessment has been completed upto the accounting year ended 31st March, 2012 i.e. Assessment Year 2012-13 and demand raised by the Income Tax department amounting to ₹ 740.98 lakhs. With this, the total demand received upto the Assessment year 2012-13 is ₹ 5,453.52 lakhs (previous year ₹ 3,971.06 lakhs). The total demand has been disputed by the company and the company has preferred appeals before appellate authorities in respect of various disallowances in assessments and the appeals are pending. In the opinion of the Management, there may not be any tax liability with regard to the said disallowances. Based on the nature of claim disputed, no provision has been considered necessary.		
III. Sales Tax and Central Excise demands amounting to ₹ 514.78 lakhs (Previous year ₹ 494.60 lakhs) have been disputed by the Company and necessary appeals have been filed. Based on the nature of claim disputed, no provision has been considered necessary.		
IV In respect of the electricity matters relating to our Textile Division, the Company has filed appeals / writ petition for ₹ 291.87 lakhs (previous year ₹ 305.81 lakhs) against various subject matter of the appeal and the same is pending with Tamilnadu Electricity Regulatory Commission (TNERC) / Honourable High Court / Honourable Supreme Court for resolution. The Company is confident of resolving the matter in its favour and hence no provision is made in the books of accounts.		
V The Company had received two letters from Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) in the year 2000 and 2003 respectively claiming an amount totalling to ₹ 27.41 lakhs towards alleged violation of the terms and conditions of supply of electricity. The Company has deposited a sum of ₹ 16.87 lakhs on various dates under protest and filed writ petition before the Honourable High Court of Madras in the year 2003 and the same has been admitted. During the year, there was no development in the matter. The management is confident of resolving the matter in its favour and hence no provision is made in the books of account.		
VI The Company had received a letter dated 04.11.2009 from Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) withholding an amount of ₹ 46.54 lakhs pending resolution of Power Tariff Concession applicability to fibre cement sheet plant at Arakonam. This amount was withheld against our dues towards power sold to Tamil Nadu Electricity Board covered under the power purchase agreement. The Company preferred an appeal against TANGEDCO in the year 2009 and the matter is pending with the Honourable High Court of Madras. During the year, there was no development in the matter. The management is confident of collecting the withheld amount and no provision is made in the books of account.		
VII Under Tamil Nadu Electricity Regulatory Commission (Renewable Energy Purchase Obligations) Regulations 2010, consumers owning grid connected captive power generating plants and open access consumers with a sanctioned demand of more than 2 MVA are obligated to consume a minimum of 0.5% of their energy requirements from solar sources. The non-complainants are required to purchase Renewable Energy Certificates (REC) from markets @ 1 REC per 1,000 units of shortage or deposit an equivalent amount in a separate designated fund. Even though the Company is consuming wind energy generated from its		

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

own wind farms, it has been excluded for reckoning the obligatory consumption, since the Company has wheeling and banking arrangement with TNEB. Aggrieved, the Company including other affected producers have approached the Honourable Madras High Court and obtained an interim stay against the implementation of the said regulation.

VIII The Company had put up a plant in Silvassa in The Union Territory of Daman, Diu, Dadra and Nagar Haveli in the year 1998 and availed VAT and CST exemption for the period of 15 years ending on March 2013 based on a certificate of exemption given by appropriate authority in exercise of powers conferred on it by relevant provision of the CST Act, 1956. This power of granting exemption was withdrawn with retrospective effect by an amendment in Finance Act 2002 and the sales tax department has followed it up by issuing a circular for compulsory production of concessional sales tax forms for availing CST exemption. The differential sales tax liability for the year 1998 to the year 2002 works out to ₹ 37 Crores. However, the Company was not in receipt of any demand from the appropriate authority. Aggrieved by the department circular and as an additional precaution, the Company had filed an appeal with Bombay High Court and the Bombay High Court has quashed the circular issued by the Commercial tax department, Silvassa, The Union Territory of Daman, Diu, Dadra and Nagar Haveli thereby allowing continuance of CST exemption even after amendment of relevant provision of CST Act, 1956 by the Finance Act, 2002. But the department of Commercial Tax, Silvassa has preferred an appeal against the Bombay High Court order before the Honourable Supreme Court and the adjudication and the court hearing is in process pending final disposal by the Honourable Supreme Court.

Based on the decision of Bombay High Court and interpretations of other relevant provisions, the Company has been legally advised that there will not be any demand likely to be raised or if the demand is raised it is likely to be deleted or substantially reduced and accordingly no provision is considered necessary.

IX The Company received a notice from the Department of Revenue Intelligence (DRI) for an amount of ₹ 32.4 lakhs excluding interest and penalty pertaining to the year 2009-10 for short payment of customs duty to the extent of utilization of DEPB Scrips purchased in the open market by the Company and which were originally obtained by the ultimate export firms fraudulently as alleged by the DRI. The Company had denied the allegations made in the notice in so far as they relate to the Company's role is concerned and also the obligation to pay the duty demanded in the notice vide its letter dated August 4, 2014. There has been no development further to our letter dated August 4, 2014. The Management is confident of resolving the matter in favour of the Company and hence no provision is considered necessary.

X The Company received a notice from Gangaikondan Sub-Registrar office demanding a short payment of stamp duty of ₹ 2.57 lakhs in connection with registration of Company's land at Gangaikondan, Tirunelveli district, Tamil Nadu and have appropriately recorded the deficiency of the stamp duty payment in the encumbrance certificate of the Land records maintained by Sub-Registrar office. The Company has represented the matter with the Sub-Registrar citing payment of stamp duty correctly as per the guide line rate prevailing then. Based on the representation, they reduced the Stamp Duty to the tune of ₹ 1.21 lakhs. The Company filed the appeal against the order of Deputy Commissioner and the Company is confident of resolving the matter in its favour and hence no provision is considered necessary.

	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
2. Auditor's remuneration (including service tax) and expenses :		
a. Statutory Auditors :		
i. for Statutory audit	7.00	7.00
ii. for Taxation matters	1.00	1.00
iii. for certification work	1.39	1.50
iv. for reimbursement of expenses	4.45	3.40
b. Cost auditor :		
i. for Cost audit	2.50	2.50
	16.34	15.40

3. The Exceptional items in the Statement of Profit and Loss Account is net off the following:-
- Profit on Sale of Investment in Shares - ₹ 1,049.35 lakhs (Previous Year ₹ 1,349.91 lakhs)
 - Expenditure on Voluntary Retirement Scheme - NIL lakhs (Previous Year ₹ 336.64 lakhs)
 - Profit on Sale of Assets (Land and Building) ₹ 183.57 lakhs (Previous year NIL)

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

4. The Company has entered into an agreement with the group company M/s. The Ramco Cements Limited to share the cost of development of the facilities and accordingly debited ₹ 0.38 crores during the year (previous year ₹ 1.94 crores) and shown as a deduction from the gross block of its fixed assets.
5. The Government of West Bengal enacted "The West Bengal Tax on Entry of goods into Local Areas Act, 2012" and writ petitions were filed by others challenging the validity of the said Act. The Calcutta High Court held that the said Act was unconstitutional. Aggrieved, the Government has preferred an appeal before the Division Bench and obtained an interim direction to continue the Assessment proceedings only. Though the company has not received any demand, it has filed a petition to join in the case.
6. Trade receivables include due from Overseas Subsidiary Company viz., Sri Ramco Lanka (Private) Limited, Sri Lanka to the extent of ₹ 244.83 lakhs (previous year ₹ 194.61 lakhs) and Sri Ramco Roofing Lanka (Private) Limited (wholly owned subsidiary of Sri Ramco Lanka (Private) Limited) to the extent of ₹ 272.40 lakhs (previous year ₹ 175.45 lakhs). Maximum amount outstanding during the year from Sri Ramco Lanka (Private) Ltd is ₹ 579.86 lakhs (previous year ₹ 175.45 lakhs) and Sri Ramco Roofing Lanka (Private) Limited is ₹ 568.75 lakhs (previous year ₹ 564.11 lakhs)
7. Pursuant to the mandatory requirement of notification of schedule II to the Companies Act 2013 with effect from 01.04.2015 for computation of depreciation based on useful life of significant components of Plant, Property and Equipment's, the company determined the useful life and value of such components and computed depreciation amounting to ₹ 1960.79 lakhs for the year. Accordingly the carrying values of significant components of plant, property and equipment's which have completed their useful life as on 01.04.2015, have been charged off against the Retained Earnings amounting to ₹ 18 lakhs after netting off deferred tax of ₹ 9.53 lakhs as per the transitional provisions of the said notification.

Due to this change in accounting policy, the depreciation for the year ended 31.03.2016 is higher by ₹ 84.69 lakhs when compared to the calculation of depreciation prior to the componentization of assets.

8. The Company's Shares are listed in National Stock Exchange of India Ltd and BSE Ltd and the listing fees in respect National Stock Exchange of India Ltd and BSE Ltd for the Financial year 2016-2017 have been paid.
9. a. The breakup of Secured long term borrowings are as under:
 ₹ 4,287.99 lakhs (Previous year ₹ 6973.82 lakhs) is secured by pari-passu first charge on the fixed assets and pari-passu second charge on the current assets of the company.
 ₹ 9,316.03 lakhs (Previous year ₹ 3,933.63 lakhs) is secured by pari-passu first charge on movable fixed assets of the company.
- b. The breakup of Secured short term borrowings from banks are as under:
 ₹ 5,862.64 lakhs (previous year ₹ 11,709.64 lakhs) secured by pari-passu first charge on stocks of raw materials, work-in-progress, stores, spares and finished goods and book debts and second charge on fixed assets.
 ₹ 4,430.53 lakhs (previous year ₹ 9,005.60 lakhs) secured by pari-passu first charge on stocks of raw materials, work-in-progress, stores, spares and finished goods and book debts.

The Maturity profile of the Long-term Borrowings as on 31.03.2016 is as follows:

Term Loan from Banks (Secured)

(₹ In lakhs)

Non-Current												Current	
	2017-18		2018-19		2019-20		2020-21		2021-22		Total	2016-17	
Rate of Interest	instalments	₹ lakhs	instalments	₹ lakhs	instalments	₹ lakhs	instalments	₹ lakhs	instalments	₹ lakhs	₹ lakhs	instalments	₹ lakhs
9.85%	8	2,064.00	8	2,064.00	8	2,064.00	4	516.00			6,708.00	4	1,548.00
9.90%	0	1,058.18	0	705.24	0	352.29	0	176.15			2,291.86	8	882.03
10.35%	4	1,562.50	4	1,354.17	1	312.49					3,229.16	4	1,041.67
10.00%	4	500.00	4	500.00	3	375.00					1,375.00	4	500.00
10.75%											-	2	416.67
11.75%											-	4	521.75
TOTAL	16	5,184.68	16	4,623.41	12	3,103.78	4	692.15	-	-	13,604.02	26	4,910.12

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

The premium of forward exchange contracts not intended for trading or speculative purpose is amortised and charged as expense over the period of the contract. During the year under review, a sum of ₹ 7.25 lakhs (Previous year ₹ 17.88 lakhs) has been amortised for adjustment in the subsequent period and a sum of ₹ 185.38 lakhs (Previous year ₹ 440.23 lakhs) has been charged off and debited to the Statement of Profit and Loss under “exchange rate variation” and disclosed under “finance costs”.

The Company has not utilized Short Term Loans for Long Term purposes

10. As per Accounting Standard 15 (revised 2005) “Employee Benefits”, the disclosures of employee benefits as defined in Accounting Standard are given below:

	₹ In lakhs	₹ In lakhs
“PRESENT VALUE OF OBLIGATION [GRATUITY WITHOUT ANY MONETARY LIMIT]”	956	756
I. PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]	31 03 2016	31 03 2015
Discount Rate	7.80%	7.95%
Salary escalation rate	6.00%	6.00%
Attrition rate	7.95%	3.00%
Expected rate of return on Plan Assets	8.00%	8.00%
All amounts are in Rupees		
II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) - RECONCILIATION OF OPENING AND CLOSING BALANCES:	₹ In lakhs	₹ In lakhs
PVO as at the beginning of the period	756	887
Interest Cost	56	87
Current service cost	78	68
Past service cost - (non vested benefits)	-	-
Past service cost - (vested benefits)	-	-
Benefits paid	(114)	(139)
Actuarial loss/(gain) on obligation (balancing figure)	181	(146)
PVO as at the end of the period	956	756
III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES:	₹ In lakhs	₹ In lakhs
Fair value of plan assets as at the beginning of the period	788	856
Expected return on plan assets	61	76
Contributions	57	1
Benefits paid	(114)	(139)
Actuarial gain/(loss) on plan assets [balancing figure]	5	(6)
Fair value of plan assets as at the end of the period	796	788
IV. ACTUAL RETURN ON PLAN ASSETS	₹ In lakhs	₹ In lakhs
Expected return on plan assets	61	76
Actuarial gain (loss) on plan assets	5	(6)
Actual return on plan assets	66	70

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

V. ACTUARIAL GAIN / LOSS RECOGNIZED	₹ In lakhs	₹ In lakhs
Actuarial gain / (loss) for the period - Obligation	(181)	146
Actuarial gain / (loss) for the period- Plan Assets	5	(6)
Total (gain) / loss for the period	176	(141)
Actuarial (gain) / loss recognized in the period	176	(141)
Unrecognized actuarial (gain) / loss at the end of the year	0	0
VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES	₹ In lakhs	₹ In lakhs
Present value of the obligation	956	756
Fair value of plan assets	796	788
Difference	161	(31)
Unrecognised transitional liability	-	-
Unrecognised past service cost - non vested benefits	-	-
Liability recognized in the balance sheet	161	(31)
VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:	₹ In lakhs	₹ In lakhs
Current service cost	78	68
Interest Cost	56	87
Expected return on plan assets	(61)	(76)
Net actuarial (gain)/loss recognised in the year	176	(141)
Transitional Liability recognised in the year	-	-
Past service cost - non-vested benefits	-	-
Past service cost - vested benefits	-	-
Expenses recognized in the statement of profit and loss	249	(62)
VIII. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET	₹ In lakhs	₹ In lakhs
Opening net liability	(31)	31
Expense as above	249	(62)
Contribution paid	(57)	(1)
Closing net liability	161	(31)
IX. AMOUNT FOR THE CURRENT PERIOD		
Present Value of obligation	956	756
Plan Assets	796	788
Surplus (Deficit)	(161)	31
Experience adjustments on plan liabilities -(loss)/gain	(128)	(208)
Experience adjustments on plan assets -(loss)/gain	5	(6)

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

11. Details of Leave Encashment plan (un-funded) are as follows:

I. PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]	31 03 2016	31 03 2015
Discount Rate	7.80%	7.95%
Salary escalation rate	6.00%	6.00%
Attrition rate	7.95%	3.00%
Expected rate of return on Plan Assets	0.00%	0.00%

All amounts are in Rupees

II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) - RECONCILIATION OF OPENING AND CLOSING BALANCES:

	₹ In lakhs	₹ In lakhs
PVO as at the beginning of the period	379	292
Interest Cost	27	34
Current service cost	74	86
Past service cost - (non vested benefits)	0	0
Past service cost - (vested benefits)	0	0
Benefits paid	(83)	(46)
Actuarial loss/(gain) on obligation (balancing figure)	71	12
PVO as at the end of the period	468	379

III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES:

	₹ In lakhs	₹ In lakhs
Fair value of plan assets as at the beginning of the period	0	0
Expected return on plan assets	0	0
Contributions	83	46
Benefits paid	(83)	(46)
Actuarial gain/(loss) on plan assets [balancing figure]	0	0
Fair value of plan assets as at the end of the period	0	0

IV. ACTUAL RETURN ON PLAN ASSETS

	₹ In lakhs	₹ In lakhs
Expected return on plan assets	0	0
Actuarial gain (loss) on plan assets	0	0
Actual return on plan assets	0	0

V. ACTUARIAL GAIN / LOSS RECOGNIZED

	₹ In lakhs	₹ In lakhs
Actuarial gain / (loss) for the period - Obligation	(71)	(12)
Actuarial gain / (loss) for the period- Plan Assets	0	0
Total (gain) / loss for the period	(71)	(12)
Actuarial (gain) / loss recognized in the period	(71)	(12)
Unrecognized actuarial (gain) / loss at the end of the year	0	0

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES	₹ In lakhs	₹ In lakhs
Present value of the obligation	468	379
Fair value of plan assets	0	0
Difference	468	379
Unrecognised transitional liability	0	0
Unrecognised past service cost - non vested benefits	0	0
Liability recognized in the balance sheet	468	379
VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:	₹ In lakhs	₹ In lakhs
Current service cost	74	86
Interest Cost	27	34
Expected return on plan assets	0	0
Net actuarial (gain)/loss recognised in the year	71	12
Transitional Liability recognised in the year	0	0
Past service cost - non-vested benefits	0	0
Past service cost - vested benefits	0	0
Expenses recognized in the statement of profit and loss	172	133
VIII. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET	₹ In lakhs	₹ In lakhs
Opening net liability	378.58	291.95
Expense as above	172.17	132.58
Contribution paid	(82.84)	(45.95)
Closing net liability	467.92	378.58
IX. AMOUNT FOR THE CURRENT PERIOD	₹ In lakhs	₹ In lakhs
Present Value of obligation	467.92	378.58
Plan Assets	-	-
Surplus (Deficit)	(467.92)	(378.58)
Experience adjustments on plan liabilities -(loss)/gain	(48.68)	(21.56)
Experience adjustments on plan assets -(loss)/gain	-	-

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

12. The company is eligible for incentives under the “Bihar Industrial Incentive Policy 2006” in respect of its Fibre Cement Plant at Bihiya in the State of Bihar. During the year under review,

- A sum of ₹ 605.27 lakhs (previous year ₹ 559.79 lakhs) accrued as Industrial Promotion Assistance is credited to Profit and Loss account.
- No amount was received as Incentive grant for investment in Plant and Machinery, Land and Diesel Generating Set (Previous year ₹ 15 lakhs on investment in Land) received as Capital Subsidy Investment.

The Company is eligible for incentives under the “Rajasthan Investment Promotion Scheme 2010” in respect of its Calcium Silicate Board Plant at Kotputli in the State of Rajasthan, during the year under review

A sum of ₹ 10.33 lakhs (previous year NIL) that has accrued as Industrial Promotion Assistance has been credited to Profit and Loss Account

13. A total of 222.31 lakhs units (PY 255.64 lakhs units) has been generated (net of wheeling and banking) at wind farms -
- a) 58.19 lakhs units (Previous year 70.32 lakhs units) were sold to concerned State Electricity Board for ₹ 219.30 lakhs (Previous year ₹ 229.29 lakhs), shown under “Income from Wind Power generation”.
 - b) 145.94 lakhs units (Previous year 177.38 lakhs units) were consumed at our plants. The monetary value of such units for ₹ 979.61 lakhs (Previous year ₹ 1,100.95 lakhs) is not recognised as it is inter-divisional transfer.
 - c) 18.18 lakhs units (Previous year 7.94 lakhs units) remain unadjusted and eligible for adjustment in the subsequent periods and its monetary value of ₹ 52.73 lakhs (PY: ₹ 31.06 lakhs) has been included in “Other Current Assets”.

14. Earnings Per Share:

Basic and diluted Earnings per share (EPS) computed in accordance with Accounting Standard (AS 20)

Particulars	For the year ended	
	31.03.2016 ₹ In lakhs	31.03.2015 ₹ In lakhs
Net Profit after Tax (A)	3369.02	2093.09
No. of Shares (B)	866,63,060	866,63,060
Basic and Diluted earnings per share of ₹ 1 each (A/B)	3.89	2.42

15. The Company has taxable income for the year computed under section 115BBD of the Income Tax Act, 1961. Accordingly, provision for income tax has been made for the year.
16. The Company is required to spend gross CSR expenditure of ₹ 46.68 lakhs for the year 2015-16 in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. As against this, the company has spent ₹ 38.03 lakhs in the following categories :

Categories	(Fig. in ₹ lakhs)	
	2015-16	2014-15
Rural Development Projects	15.95	58.04
Promotion of Education	0.83	19.45
Eradication of Hunger	20.17	8.22
Protection of National Heritage Art and Culture	0.67	0.55
Promotion of Nationally recognized Sports, Rural Sports & Paraolympics Sports	0.01	7.54
Contribution for setting up of Homes and Hostels for Women and Orphans	0.40	0.20
Total	38.03	94.00

The previous year figures were re-grouped / re-stated based on comparable criteria.

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

17. Additional information as required by Schedule III of the Companies Act, 2013. ₹ In lakhs

(a) CIF Value of Imports	Year ended 31.03.16	Year ended 31.03.15
Raw Material	20,874.36	21,982.97
Spares	49.93	20.56
Capital Goods	359.38	323.41
(b) Expenditure in Foreign Currency on account of Travelling & other matters	185.19	150.27
(c) Number of Non-resident Shareholders	175	181
(d) Value of Consumption of Imported and indigenous raw material and spares		

	Year ended 31.03.16		Year ended 31.03.15	
	₹ in lakhs	%	₹ in lakhs	%
Raw Material				
Imported	21,588.25	51%	23,987.08	51%
Indigenous	21,038.94	49%	23,356.43	49%
	<u>42,627.19</u>		<u>47,343.51</u>	
Spares				
Imported	34.16	2%	41.08	2%
Indigenous	1,376.49	98%	1,375.74	98%
	<u>1,410.65</u>		<u>1,416.82</u>	

(e) Earnings in Foreign Currency		
Export of Goods	2,906.40	1,356.08
Royalty Income	1,262.66	1,431.14
Dividend from Srilankan Subsidiary	838.65	214.33

i. Related Party Disclosure

As per Accounting Standard (AS 18) issued by the Institute of Chartered Accountants of India, the Company's related parties are given below:

a. Subsidiary Companies:

1. Sudharsanam Investments Ltd - India
2. Sri Ramco Lanka (Private) Ltd., Srilanka
3. Sri Ramco Roofings Lanka (Private) Ltd., Srilanka (Wholly owned subsidiary of Sri Ramco Lanka (Private) Limited)

b. Key Management Personnel and relatives:

P.R. Ramasubrahmaneya Rajha, Chairman
P.R. Venketrama Raja, Vice Chairman and Managing Director
Prem G Shanker, Chief Executive Officer
K. Sankaranarayanan, Chief Financial Officer
S. Balamurugasundaram, Company Secretary

c. Enterprises over which the above persons exercise significant influence and with which the Company has transactions during the year.

Rajapalayam Mills Limited
The Ramco Cements Limited
Ramco Systems Limited
The Ramaraju Surgical Cotton Mills Limited
Sri Vishnu Shankar Mill Limited

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Sandhya Spinning Mill Limited
 Thanjavur Spinning Mill Limited
 Ramco Wind Farms Limited
 Sri Harini Textiles Limited
 Sri Harini Media Pvt Limited
 Rajapalayam Textile Limited
 Lynks Logistics Limited

Public Trust

- Raja Charity Trust
- P.A.C.R. Sethurammal Charity Trust

Related Party Transactions during the year 2015-16 and amount due to or due from related parties

Sl. No	Related Party	Transaction During		Amount due to	Amount Due from
		2015-16	2014-15	2015-16	2015-16
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
1	The Ramco Cements Limited			NIL (2.79)	NIL (0.58)
	Sales	25.79	292.18		
	Purchase of Goods	453.03	2,928.04		
	Purchase of Electrical Energy	71.72	219.47		
	Share of Common cost in fixed asset transferred	38.00	194.00		
	Dividend Paid	106.98	33.43		
	Dividend Received	2,219.06	493.12		
	Assets Held Jointly				
	Aircraft : Jointly Free Hold	-	-		
	Aircraft - Jointly Lease Hold	16.67%	16.67%		
2	Rajapalayam Mills Limited			-	-
	Sales	329.45	272.55		
	Sale of Asset	23.75	-		
	Purchase of Goods	332.88	94.71		
	Dividend Paid	63.37	19.80		
	Dividend Received	35.80	21.18		
	Job Work Done to	0.17	24.20		
	Job Work Done by	2.49	4.20		
3	Rajapalayam Textile Limited	-	-		
	Sales	590.34	376.43		
	Purchase	164.82	313.88		
	Job Work Done to	0.23	1.08		
4	The Ramaraju Surgical Cotton Mills Limited	-			(0.15)
	Sales	175.50	351.41		
	Purchase of Goods	386.54	2.40		
	Job Work Done to	-	0.55		
	Dividend Paid	1.09	0.34		
5	Sri Vishnu Shankar Mill Limited			-	-
	Sales	424.36	217.01		
	Purchase of Goods	237.07	211.07		
	Purchase of Asset	-	-		
	Job Work Done to	0.92	34.47		
	Job Work Done by	0.29	71.29		

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Sl. No	Related Party	Transaction During		Amount due to	Amount Due from
		2015-16	2014-15	2015-16	2015-16
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
6	Sandhya Spinning Mill Limited	-	-	-	-
	Sales	-	260.61		
	Sale of Asset	-	-		
	Job Work Done to	-	-		
	Purchase of Goods	463.52	0.14		
7	Thanjavur Spinning Mill Limited			-	-
	Sales	-	356.56		
	Purchase of Goods	498.18	298.41		
	Job Work Done to	-	5.98		
8	Sri Harini Textiles Limited				
	Sales	-	6.04		
9	Ramco Systems Limited	-	-		
	Sales	-	-		
	Software related services	52.07	66.66		
	Subscription to Share Capital Rights issue	-	-		
10	Ramco Wind Farms Limited	-	-		
	Purchase of Electrical Energy	97.09	124.08		
11	Sri Harini Media Pvt Limited	-	-		
	Advertisement Expenses Paid	4.90	4.20		
12	Sri Ramco Lanka Private Limited				244.83 (194.61)
	Sales	66.16	41.68		
	Service Income - Royalty	862.67	704.45		
	Dividend Received	833.38	214.33		
13	Sri Ramco Roofings Lanka Private Limited				272.40 (175.45)
	Sales	326.11	59.72		
	Service Income - Royalty	931.00	726.70		
	Dividend Received	5.27	-		
14	Sudharsanam Investments Limited	-			468.79 (602.45)
	Loan Repaid	134.00	28.88		
15	Sri. P.R. Ramasubhramaneya Rajha	-	-		
	Sitting Fees	1.50	1.28		
	Dividend Paid	23.06	7.21		
16	Sri. P.R. Venketrama Raja				-
	Managerial Remuneration	112.50	112.50	4.50	
	Dividend Paid	44.00	13.75		
	Sale of Shares	1,219.97	-		
17	Lynks Logistics Limited				
	Investments in Share Capital	19.00	-		
18	Corporate Guarantees - Issued				
	Ramco Systems Limited	-	3,550.00	-	-
	Sri Harini Textiles Limited	4,629.00	3,629.00	-	-
	Thanjavur Spinning Mill Limited	3,500.00	-		

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Sl. No	Related Party	Transaction During		Amount due to	Amount Due from
		2015-16	2014-15	2015-16	2015-16
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
19	Transaction with Public Trusts				
A	Raja Charity Trust	-	-	(20.01)	3.56 (5.44)
	Sales	-	30.28		
	Agency Commission paid to	373.14	398.40		
	Cost of Services Received	130.88	124.33		
B	PACR Sethurammal Charity Trust				
	Sales	-	-		
	Purchase of Goods	9.43	10.97		

Note: Figures within bracket represents previous year

18. The lease rentals recognised on non-cancellable operating lease of aircraft on Joint venture basis in the statement of profit and loss account grouped in Note No.24 under the head Vehicle / Aircraft Maintenance are as detailed below:

Particulars	2015-16 (₹ in lakhs)	2014-15 (₹ in lakhs)
Lease Payments	117.88	138.36
Contingent rent (Usage Charges)	222.84	201.02

19. There are no dues to Micro and Small Enterprises as at 31.03.2016 (Previous Year : ₹ 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.

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

20. SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

As required under Accounting Standard (AS17), the Segmentwise Revenue, Results and Capital employed are furnished below:-

₹ in lakhs

Particulars	Building Products		Textiles		Windmill		Others		Consolidated	
	Year Ended 31.3.2016	Year Ended 31.3.2015	Year Ended 31.3.2016	Year Ended 31.3.2015	Year Ended 31.3.2016	Year Ended 31.3.2015	Year Ended 31.3.2016	Year Ended 31.3.2015	Year Ended 31.3.2016	Year Ended 31.3.2015
1. Revenue/Income from operations										
External Customers	58,275.16	61,985.77	11,984.39	11,653.91	1,198.08	1,330.24	4,940.87	2,226.06	76,398.50	77,195.98
Inter-segment	-	-	-	-	(979.61)	(1,100.95)	-	-	(979.61)	(1,100.95)
Total Revenue	58,275.16	61,985.77	11,984.39	11,653.91	218.47	229.29	4,940.87	2,226.06	75,418.89	76,095.03
2. Results:										
Segment results										
Unallocated Corporate Expenses										
Operating Profit/ (Loss)	(728.78)	1,533.95	928.71	626.65	737.19	780.70	2,538.01	1,958.15	3,475.13	4,899.45
Interest expenses									3,796.86	3,702.71
Interest Income/ Dividend income									3,122.21	779.92
Income Tax - Current (MAT)									138.63	295.77
- Deferred									(707.17)	(116.42)
- MAT credit entitlement									0.00	-295.77
Profit from Ordinary activities									3,369.02	2,093.08
Extraordinary Profit/Loss										
Net Profit									3,369.02	2,093.08
3. Other Information										
Segment Assets	56,941.87	56,845.83	10,477.45	10,248.48	1,962.31	2,067.67	28,776.21	30,723.04	98,157.84	99,885.02
Unallocated corporate assets										
Total Assets	56,941.87	56,845.83	10,477.45	10,248.48	1,962.31	2,067.67	28,776.21	30,723.04	98,157.84	99,885.02
Segment Liabilities	57,259.31	55,622.96	10,038.81	10,147.40	1,297.22	1,362.21	(20,182.13)	(14,163.66)	48,413.21	52,968.91
Unallocated corporate liabilities										
Total Liabilities	57,259.31	55,622.96	10,038.81	10,147.40	1,297.22	1,362.21	(20,182.13)	(14,163.66)	48,413.21	52,968.91
Capital Expenditure	2,106.34	1,679.16	451.94	165.93	-	-	440.88	566.32	2,999.16	2,411.41
Depreciation	1,441.02	1,430.30	397.47	338.67	116.96	114.89	5.35	5.38	1,960.80	1,889.24
Non - cash expenses other than depreciation	-	-	-	-	-	-	-	-	-	-

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

21. Previous year's figures have been regrouped/restated wherever necessary so as to make them comparable with that of the current year.
22. Figures have been rounded off in lakhs with two decimal.

For M/s.M.S. JAGANNATHAN &
N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 001208S
K.SRINIVASAN
Partner
Membership No.: 021510
Place: Chennai
Date : 20th May, 2016

For M/s.CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 004915S
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No.: 011205

For and on behalf of the Board
P.R. RAMASUBRAHMANEYA RAJHA
Chairman
PREM.G.SHANKER
Chief Executive Officer
K.SANKARANARAYANAN
Chief Financial Officer
S. BALAMURUGASUNDARAM
Company Secretary & Sr.G.M.(Legal)

INDEPENDENT AUDITORS' REPORT

To The Members of Ramco Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of Ramco Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiaries together referred to as "the Group") and the share of profit of its Associate. These financial statements comprise the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for preparation of these consolidated financial statements in terms of requirement of the Companies Act, 2013, ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its Associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 thereunder.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports refer to in sub-paragraph(a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associate as at 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

The statements reflect the Group's share of total assets of ₹ 1288.34 lakhs as at 31 March 2016, total revenues of ₹ 134.22 lakhs and net cash flows amounting to ₹ 0.10 lakhs for the year ended on that date, as considered in the Statement, was audited by one of us.

The statements reflect the Group's share of total assets of ₹ 16573.13 lakhs as at 31 March 2016, total revenue of ₹ 20723.76 lakhs for the year ended 31 March 2016 and net cash flows amounting to ₹ 1739.50 lakhs for the year ended on that date, as considered in the

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

Statement, was not audited by us. These financial statements and other financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the Statement, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

1. 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 of the aforesaid consolidated financial statements.
2. In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
3. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
4. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of the subsidiary company and associate company, none of the directors of the Group and its associate company is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
6. We have enclosed our separate report in "Annexure A" with respect to the adequacy of the internal financial controls over financial reporting of the entities in the Group and associate company and the operating effectiveness of such controls. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of entities in the Group and the associate company.
7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Holding Company.
 - ii. The Group and associate company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associate company.

For M/s M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085

K.SRINIVASAN
Partner
Membership No.: 021510

Place : Chennai
Date : 20th May, 2016

For M/s. CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 0049155
LLP Registration No. S200036

C.N.GANGADARAN
Partner
Membership No.: 011205

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Ramco Industries Limited, its subsidiary and its associate (“the Group”), which are companies incorporated in India, as of 31 March 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the respective companies 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Group’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”) issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 Group’s internal financial controls system over financial reporting.

Other Matters

The subsidiary which is incorporated in India have been audited by one of us and the report of the subsidiary company auditor have been considered by us.

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 Group are being made only in accordance with authorisations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group’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.

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

Opinion

In our opinion, the Group in which companies incorporated in India 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 2016, based on the internal control over financial reporting criteria established by the Group 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 M.S. JAGANNATHAN & N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 001208S

K.SRINIVASAN
Partner
Membership No.: 021510

Place : Chennai
Date : 20th May, 2016

For M/s. CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 004915S
LLP Registration No. S200036

C.N.GANGADARAN
Partner
Membership No.: 011205

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

BALANCE SHEET AS AT 31ST MARCH 2016

	Note No.	As at 31.03.2016 ₹ in lakhs	As at 31.03.2015 ₹ in lakhs
I EQUITY AND LIABILITIES			
SHARE HOLDERS' FUND			
a) Share Capital	1	866.63	866.63
b) Reserves and Surplus	2	77,445.12	60,243.92
		78,311.75	61,110.55
2 NON CURRENT LIABILITIES			
a) Long - Term Borrowings	3	13,604.02	11,295.46
b) Deferred Tax Liabilities (Net)	4	457.76	1,193.05
c) Other Long Term Liabilities	5	2,556.25	2,396.15
d) Long Term Provisions	6	493.77	341.02
		17,111.80	15,225.68
3 CURRENT LIABILITIES			
a) Short Term Borrowings	7	17,451.47	20,715.24
b) Trade Payables		7,214.73	4,123.38
c) Other Current Liabilities	8	11,548.46	14,549.33
d) Short Term Provisions	9	51.61	721.16
		36,266.27	40,109.11
TOTAL		131,689.82	116,445.34
II ASSETS			
1 NON CURRENT ASSETS			
a) Fixed Assets			
i) Tangible Assets	10	40,639.04	40,615.60
ii) Intangible Assets	11	156.49	50.87
iii) Capital Work in Progress	10	2,234.61	959.62
b) Non Current Investments	12	38,564.61	26,141.12
c) Long Term Loans and Advances	13	1,116.53	1,378.75
d) Other Non Current Assets		304.59	311.62
		83,015.87	69,457.58
2 CURRENT ASSETS			
a) Inventories	14	29,359.24	29,023.34
b) Trade Receivables	15	7,217.52	7,134.61
c) Cash and Cash Equivalents	16	6,450.77	3,673.93
d) Short Term Loans and Advances	17	4,165.01	3,924.41
e) Other Current Assets		1,481.41	3,231.47
		48,673.95	46,987.76
TOTAL		131,689.82	116,445.34
Significant Accounting Policies	3		
Contingent Liabilities and commitments	4(1)		
Notes on Financial Statements	4		

The accompanying notes form an integral part of the financial statements

As per our Report Annexed

For M/s.M.S. JAGANNATHAN &
N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085
K.SRINIVASAN
Partner
Membership No.: 021510
Place: Chennai
Date : 20th May, 2016

For M/s.CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 0049155
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No.: 011205

For and on behalf of the Board

P.R. RAMASUBRAHMANEYA RAJHA
Chairman

PREM.G.SHANKER
Chief Executive Officer

K.SANKARANARAYANAN
Chief Financial Officer

S. BALAMURUGASUNDARAM
Company Secretary & Sr.G.M.(Legal)

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

INCOME	Note No.	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
Revenue from operations	18	90,211.67	89,454.75
Other Income	19	3,040.61	1,106.29
Total Revenue		<u>93,252.28</u>	<u>90,561.04</u>
EXPENDITURE			
Cost of materials consumed	20	51,804.76	55,440.07
Cost of Resale materials		324.42	34.45
Change in inventories of Finished Goods and Work in Progress	21	862.48	(1,213.85)
Employee benefit expenses	22	7,053.08	6,107.97
Finance costs	23	3,853.41	3,815.21
Depreciation and amortisation expenses	10	2,493.82	2,450.67
Other expenses	24	22,245.25	21,063.52
Total Expenses		<u>88,637.22</u>	<u>87,698.04</u>
Profit before exceptional and extraordinary items and tax		4,615.06	2,863.00
Exceptional items - (Refer Note 4 (3))		1,232.92	1,013.26
Profit before tax		<u>5,847.98</u>	<u>3,876.26</u>
Tax expense			
Current Tax		782.59	634.42
Deferred Tax		(718.41)	(84.38)
Mat Credit		-	(295.77)
Profit / (Loss) for the period from continuing operations		<u>5,783.80</u>	<u>3,621.99</u>
Share of Profit/(Loss) of Associate		12,269.59	5,383.79
Profit / (Loss) for the period		<u>18,053.39</u>	<u>9,005.78</u>
Earnings per equity share - Basic & Diluted (in ₹)		20.83	10.39
Face Value of Equity share		₹ 1	₹ 1
Significant Accounting Policies	3		
Notes on Financial Statements	4		

The accompanying notes form an integral part of the financial statements

As per our Report Annexed

For M/s.M.S. JAGANNATHAN &
N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085
K.SRINIVASAN
Partner
Membership No.: 021510
Place: Chennai
Date : 20th May, 2016

For M/s.CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 004915S
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No.: 011205

For and on behalf of the Board

P.R. RAMASUBRAHMANEYA RAJHA
Chairman

PREM.G.SHANKER
Chief Executive Officer

K.SANKARANARAYANAN
Chief Financial Officer

S. BALAMURUGASUNDARAM
Company Secretary & Sr.G.M.(Legal)

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2016

	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit, after tax as per Profit and Loss Account	5,783.80	3,621.99
Adjusted for		
Provision for taxation		
Current tax	782.59	338.65
Deferred tax	(735.29)	(84.38)
Loss on sale of assets	73.48	14.12
Depreciation	2,493.82	2,450.67
Impairment of Assets	(30.19)	
Dividend Income	(1,579.12)	(595.41)
Profit on sale of assets	(220.18)	(0.76)
Profit on Sale of Shares	(1,049.35)	(1,349.91)
Interest income	(407.75)	(156.05)
Effects on Exchange rate	(400.87)	232.15
Interest paid	3,853.41	3,815.21
	<u>2,780.55</u>	<u>4,664.29</u>
Operating profit before working capital changes	8,564.34	8,286.28
Adjusted for		
Trade and other receivables	(82.91)	(904.73)
Inventories	(335.90)	(4,545.89)
Trade payables	3,091.35	911.78
Other Current Assets	1,824.56	(179.07)
Other current Liabilities	(3,204.75)	5,488.95
	<u>1,292.34</u>	<u>771.04</u>
Cash (used in) / generated from operations	9,856.69	9,057.33
Taxes paid	(1,090.64)	(133.62)
Net cash (used in) / generated from operating activities	8,766.05	8,923.70
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(3,073.08)	(2,493.69)
Sale of fixed assets	388.91	275.14
Adjustment in Fixed Assets	220.18	
Proceeds from Sale of Shares	1,224.00	1,353.40
Interest income	407.75	156.05
Dividend income	1,579.12	595.41
Changes in CWIP	(1,274.99)	229.45
Advances for long term purpose	262.22	(659.51)
Investment subsidy	-	15.00
Purchase of Investment	(328.55)	(1,000.00)
Net cash (used in) / from Investing activities	<u>(594.44)</u>	<u>(1,528.74)</u>

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2016 Contd...

	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowing	2,308.56	(7,007.34)
Proceeds from other Long term Liabilities	160.10	290.84
Proceeds from short term borrowings	(3,263.78)	3,348.11
Dividend paid	(746.24)	(513.47)
Finance cost	(3,853.41)	(3,815.21)
Net cash from / (used in) Financing activities	(5,394.77)	(7,697.07)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	2,776.84	(302.11)
Cash and cash equivalents as at the beginning of the year	3,673.93	3,976.04
Cash and Cash equivalents as at end of the year	<u>6,450.77</u>	<u>3,673.93</u>

For M/s.M.S. JAGANNATHAN &
N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085
K.SRINIVASAN
Partner
Membership No.: 021510
Place: Chennai
Date : 20th May, 2016

For M/s.CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 0049155
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No.: 011205

For and on behalf of the Board
P.R. RAMASUBRAHMANEYA RAJHA
Chairman
PREM.G.SHANKER
Chief Executive Officer
K.SANKARANARAYANAN
Chief Financial Officer
S. BALAMURUGASUNDARAM
Company Secretary & Sr.G.M.(Legal)

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31st March, 2016		As at 31st March, 2015	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
1. SHARE CAPITAL				
Authorised				
Equity Shares of ₹ 1/- each	20,00,00,000	2,000.00	20,00,00,000	2,000.00
Issued, Subscribed and Paid Up				
Equity Shares of ₹ 1/- each	8,66,63,464	866.63	8,66,63,464	866.63

1.1 The reconciliation of the number of shares outstanding is set out below

Particulars	As at 31st March, 2016	As at 31st March, 2015
Equity Shares at the beginning of the year	8,66,63,464	8,66,63,464
Equity Shares at the end of the year	8,66,63,464	8,66,63,464

1.2 The details of shareholders holding more than 5% shares

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% held	No. of Shares	% held
The Ramco Cements Limited	1,33,72,500	15.43	1,33,72,500	15.43
Rajapalayam Mills Limited	79,20,680	9.14	79,20,680	9.14
Shri P R Venketrama Raja	55,00,000	6.35	55,00,000	6.35
Smt. Nalina Ramalakshmi	55,80,000	6.44	55,80,000	6.44
Smt. Saradha Deepa	55,00,000	6.35	55,00,000	6.35
	3,78,73,180	43.71	3,78,73,180	43.71

1.3 Of the above, 4,33,31,530 equity shares were allotted in the year 2009-10 as fully paid bonus shares by capitalisation of General Reserve

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		As at 31st March, 2016 ₹ in lakhs	As at 31st March, 2015 ₹ in lakhs	
2.	RESERVES AND SURPLUS			
2.1	Capital Reserve			
	As per last Balance Sheet	1,545.02	1,530.02	
	Less: Transferred to Profit & Loss Account	<u>-</u> 1,545.02	<u>15.00</u>	1,545.02
2.2	Securities Premium Reserve			
	As per last Balance Sheet	209.43	209.43	
	During the Current Year	<u>-</u> 209.43	<u>-</u>	209.43
2.3	General Reserve			
	As per last Balance Sheet	41,823.37	41,297.48	
	Less: Depreciation on Transition to Schedule II of the Companies Act 2013, on Fixed Assets Net of Deferred Tax	18.00	126.09	
	Add: Transferred from Profit & Loss Account	500.00	300.00	
	Add: Translation Profit	<u>(400.87)</u> 41,904.50	<u>351.98</u>	41,823.37
2.4	Profit & Loss Account			
	As per last Balance Sheet	16,666.10	8,273.24	
	Add: Profit for the year	18,053.39	9,005.78	
		<u>34,719.49</u>	<u>17,279.02</u>	
	Less: Appropriations			
	Interim Dividend	433.32	-	
	Tax on Interim Dividend	-	-	
	Proposed Dividend on Equity Shares	-	259.99	
	Tax on Dividend	-	52.93	
	Transferred to General Reserve	<u>500.00</u> 33,786.17	<u>300.00</u>	16,666.10
	Total	<u>77,445.12</u>	<u>60,243.92</u>	

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 ₹ in lakhs	As at 31.03.2015 ₹ in lakhs
3 LONG-TERM BORROWINGS		
Secured:		
Term Loan from Banks {Refer: Note 4 (point no:8 a)}	13,604.02	11,295.46
	<u>13,604.02</u>	<u>11,295.46</u>
4 NET DEFERRED TAX LIABILITY		
Deferred Tax Liabilities		
Related to Fixed Assets	4,201.83	1,525.16
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961.	(3,744.07)	(332.11)
	<u>457.76</u>	<u>1,193.05</u>
5 OTHER LONG TERM LIABILITIES		
Security Deposit from Customers	2,556.25	2,396.15
	<u>2,556.25</u>	<u>2,396.15</u>
6 LONG TERM PROVISIONS		
Provision for gratuity	77.46	-
Provision for Leave encashment	416.31	341.02
	<u>493.77</u>	<u>341.02</u>
7 SHORT TERM BORROWINGS		
Secured:		
Loan from banks {Refer : Note 4 (point no: 8 b)}	10,293.17	20,715.24
Unsecured:		
Loan from banks	7,158.30	-
	<u>17,451.47</u>	<u>20,715.24</u>
8 OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debt - Secured - {Refer: Note No 4(point no : 8b)}	5,290.66	7,307.02
Current Maturities of Long Term Debt - Unsecured	-	1,988.04
Unpaid dividends	21.46	22.28
Statutory Duties and Taxes recovery repayable	1,248.67	980.58
Advance received from Customers	1,238.38	803.11
Other Liabilities	3,749.29	3,448.30
	<u>11,548.46</u>	<u>14,549.33</u>
9 SHORT TERM PROVISIONS		
Provision for Leave encashment	51.61	37.55
Provision for Proposed Dividend	-	312.92
Provision for Taxation	-	370.69
	<u>51.61</u>	<u>721.16</u>

NOTES ACCOMPANYING FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Figures in ₹ lakhs)

10. FIXED ASSETS - TANGIBLE ASSETS

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION						NET BLOCK		
	As At 01-APR-2015	Additions	Withdrawals/ Adjustments	Deductions on impairment	As At 31-MAR-2016	As At 01-APR-2015	Adjustments to General Reserve	For the year 2015-16	Withdrawals/ Adjustments	Deductions on impairment	As At 31-MAR-2016	As At 31-MAR-2016	As At 31-MAR-2015
LAND - FREEHOLD	1,721.24	-	42.24	-	1,679.00	-	-	-	-	-	-	1,679.00	1,721.24
LAND - LEASE HOLD	1,426.25	65.20	64.62	-	1,426.83	55.24	-	16.20	-	-	71.44	1,355.39	1,371.01
Buildings	18,076.52	125.76	58.07	-	18,144.21	4,733.92	-	538.62	6.94	-	5,265.60	12,878.61	13,342.60
Railway sidings	20.68	-	-	-	20.68	19.65	-	-	-	-	19.65	1.03	1.03
Plant & Machinery	48,993.95	2,342.62	728.60	53.59	50,554.38	29,104.03	-	1,273.95	542.88	45.23	29,789.87	20,764.51	19,889.92
Electrical Machinery	6,921.35	325.15	179.01	168.73	6,898.76	3,209.63	-	540.29	141.59	146.90	3,461.43	3,437.33	3,711.72
Furniture	446.80	16.61	61.87	-	401.54	174.87	-	31.48	42.52	-	163.83	237.71	271.93
Office Equipments	279.32	9.64	17.27	-	271.69	203.29	-	41.00	16.46	-	227.83	43.86	76.03
Vehicles	676.84	81.35	48.68	-	709.51	446.72	-	51.38	30.19	-	467.91	241.60	230.12
Aircraft in Joint Venture #	-	-	-	-	-	-	-	-	-	-	-	-	-
	78,562.95	2,966.33	1,200.36	222.32	80,106.60	37,947.35	-	2,492.92	780.58	192.13	39,467.56	40,639.04	40,615.60
CAPITAL WORK-IN-PROGRESS	959.62	4,241.33	2,966.34	-	2,234.61	-	-	-	-	-	-	2,234.61	959.62

11. FIXED ASSETS - INTANGIBLE ASSETS

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION						NET BLOCK		
	As At 01-APR-2015	Additions	Withdrawals/ Adjustments	Deductions on impairment	As At 31-MAR-2016	As At 01-APR-2015	Adjustments to General Reserve	For the year 2015-16	Withdrawals/ Adjustments	Deductions on impairment	As At 31-MAR-2016	As At 31-MAR-2016	As At 31-MAR-2015
COMPUTER SOFTWARE	598.37	106.75	4.95		700.17	547.50	-	0.90	4.72		543.68	156.49	50.87
	598.37	106.75	4.95		700.17	547.50	-	0.90	4.72		543.68	156.49	50.87
GRAND TOTAL	79,161.32	3,073.08	1,205.31	222.32	80,806.77	38,494.85	-	2,493.82	785.30	192.13	40,011.24	40,795.53	40,666.47
Previous Year	60,652.81	16,816.98	380.41		77,089.38	31,503.37		4,862.99	379.97		35,986.39	41,102.99	29,149.44

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 ₹ in lakhs	As at 31.03.2015 ₹ in lakhs
12 NON-CURRENT INVESTMENTS		
INVESTMENTS - Quoted		
I Investments in Equity Instruments - Associates		
Shares in The Ramco Cements Ltd:		
5,22,95,020 Equity shares of ₹ 1/- each fully paid-up	24,471.50	12,201.91
Shares in Rajapalayam Mills Ltd:		
4,87,360 Equity Shares of ₹ 10/- each fully paid-up (360000 shares sold during 2015-16)	236.44	411.09
Shares in Ramco Systems Ltd:		
54,67,376 Equity shares of ₹ 10/- each fully paid up	13,500.17	13,500.17
TOTAL	38,208.11	26,113.17
II Investments in Equity Instruments - Others		
Shares in Indian Bank		
1,391 Equity shares of ₹ 10/- each fully paid-up	1.27	1.27
Shares in HDFC Ltd:		
1,79,200 Equity Shares of ₹ 2/- each fully paid-up (1,31,000 shares sold during the period)	4.78	4.78
Shares in HDFC Bank Ltd:		
5,500 Equity Shares of ₹ 2/- each fully paid-up	0.11	0.11
Shares in DHFL Vysya Housing Finance Ltd.		
30,000 Equity Shares of ₹ 10/-each fully paid-up	3.00	3.00
	9.16	9.16
INVESTMENTS - Unquoted		
III Investments in Equity Instruments - Other Companies		
50,000 Equity shares of ₹ 10/- each fully paid-up in Ontime Transport Company Ltd	5.00	5.00
3,25,000 Equity shares of ₹ 1/- each fully paid up in Ramco Windfarms Ltd	3.25	3.25
3,09,00,000 Equity Shares of ₹ 10 each fully paid up in Madurai Trans Carrier Ltd.	309.00	
19,00,000 Equity Shares of ₹ 1/- each fully paid up in Lynks Logistics Limited	19.00	
	336.25	8.25
IV Investment in Government or Trust Securities		
National Savings Certificates	0.52	0.52
V Investments in Mutual Funds		
1,00,000 units of ₹ 10/- each in HDFC Balanced Fund	10.00	10.00
VI Investment Others		
Shares in Ramco Industries Employees Co-operative Stores Ltd, Arakkonam	0.02	0.02
Shares in Southern Asbestos Cement Employees Co-operative Stores Ltd, Karur	-	-
2 nos. Shares of ₹ 100/- each of Simandhar Shopping Centre Owners Association	-	-
Shares in ARS Energy Pvt Ltd	0.55	
TOTAL	0.57	0.02
GRAND TOTAL	38,564.61	26,141.12
Aggregate amount of quoted investments :		
At cost	38,217.27	26,122.33
At Market value	239,637.57	200,696.77
Aggregate amount of unquoted investments at cost	347.34	18.79

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 ₹ in lakhs	As at 31.03.2015 ₹ in lakhs
13 LONG-TERM LOANS AND ADVANCES		
Secured and considered good		
Advances towards Capital goods	326.97	751.48
Security deposit	746.03	602.29
Unsecured and Considered good	-	
- others	43.53	24.98
	<u>1,116.53</u>	<u>1,378.75</u>
14 INVENTORIES		
Raw Materials	13,910.75	11,552.89
Raw Materials in Transit	-	1,091.07
Work in process	2,067.83	2,231.40
Finished goods	12,464.81	13,386.29
Finished goods in Transit	3.96	-
Stores and spares	887.67	761.69
Assets held for Sale	24.22	-
	<u>29,359.24</u>	<u>29,023.34</u>
15 TRADE RECEIVABLES		
Trade receivables outstanding for more than 6M, unsecured considered doubtful	654.96	311.77
Trade receivables outstanding for more than 6M, provision	(654.96)	(311.77)
Trade receivables, unsecured considered good	7,217.52	7,129.89
Trade receivables unsecured considered good- Related Parties	-	4.72
	<u>7,217.52</u>	<u>7,134.61</u>
16 CASH AND CASH EQUIVALENTS		
Cash on Hand	11.28	21.88
Balance With Bank Current account	6,408.42	3,619.00
Margin Money	9.40	10.42
Balance with Bank - Unpaid Dividend Warrant Account	21.67	22.63
	<u>6,450.77</u>	<u>3,673.93</u>
17 SHORT TERM LOANS AND ADVANCES		
Unsecured and Considered good:		
Advance Income Tax and Tax Deducted at source	847.74	758.55
Tax Credit - Indirect Taxes	1,241.99	1,111.43
Advance - Supplies	1,753.36	1,682.74
Advance - Expenses	87.77	103.94
Prepaid Expenses	234.15	267.75
	<u>4,165.01</u>	<u>3,924.41</u>

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
18 REVENUE FROM OPERATIONS		
Sale Revenue	97,140.67	96,587.01
Less: Excise Duty	(7,762.25)	(7,921.34)
Net Revenue	89,378.42	88,665.67
Industrial promotion assistance	615.60	559.79
Income from Wind power generation {(Net of inter-divisional transfer of ₹ 584.04 (Previous Year 1100.95))}	217.65	229.29
	<u>90,211.67</u>	<u>89,454.75</u>
19 OTHER INCOME		
Interest Income	407.75	156.05
Dividend Income	2,417.77	595.41
Other Miscellaneous Income	215.08	354.83
	<u>3,040.61</u>	<u>1,106.29</u>
20 COST OF MATERIALS CONSUMED		
Chrysotile Fibre	23,676.23	26,917.55
Cement	13,745.89	14,731.23
Clinker	2,862.16	3,245.68
Cotton	7,091.72	6,451.62
Other Additives	4,428.76	4,093.99
	<u>51,804.76</u>	<u>55,440.07</u>
21 (INCREASE) / DECREASE IN STOCK		
Closing Stock of Finished Goods	12,464.81	13,386.29
Closing Stock of Process Stock	2,067.83	2,231.40
	<u>14,532.64</u>	<u>15,617.69</u>
Opening Stock of Finished Goods	13,386.29	12,101.94
Opening Stock of Process Stock	2,231.40	2,040.83
	<u>15,617.69</u>	<u>14,142.77</u>
(Increase) / Decrease	1,085.05	(1,474.93)
ED on stock variance	(222.57)	261.08
(Increase) / Decrease	<u>862.48</u>	<u>(1,213.85)</u>
22 EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	5,921.01	5,347.47
Contribution to and provision for		
- Provident Fund	439.08	415.24
- Gratuity Fund	258.74	(50.08)
- Superannuation Fund	25.16	27.77
Staff welfare	409.09	367.57
	<u>7,053.08</u>	<u>6,107.97</u>

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
23 FINANCE COSTS		
Interest on Bank borrowings	3,392.76	3,104.54
Others	275.18	270.44
Exchange rate variation	185.47	440.23
	<u>3,853.41</u>	<u>3,815.21</u>
24 OTHER EXPENSES		
Stores Consumed	1,692.36	1,722.18
Power & Fuel (net off power from Wind Mills)	5,096.96	4,747.01
Repairs & Maintenance - Building	117.51	109.01
Repairs & Maintenance - General	222.74	206.36
Repairs & Maintenance - Plant & Machinery	2,057.65	1,978.15
Repairs & Maintenance - Vehicle / Aircraft	425.22	452.07
Insurance	96.00	107.43
Travelling expenses	695.40	536.70
Rates & Taxes	749.65	993.46
Exchange fluctuation in foreign currency-other than AS 11	20.95	-
Rent	198.46	150.35
Managerial Remuneration	112.50	112.50
Printing & Stationery	44.23	57.71
Communication Expenses	99.36	100.23
Corporate Social Responsibility	93.58	98.42
Legal & Consultancy Expenses	330.83	387.98
Profit / (Loss) on Sale of Assets	73.48	14.12
Impairment Loss on Assets	5.97	-
Directors Sitting fees	17.71	11.29
Audit Fees & Expenses	24.22	24.11
Agency Commission	373.14	398.40
Advertisement Expenses	383.25	415.17
Discounts	3,764.80	3,163.42
Bad and Doubtful Debts	99.84	299.58
Transportation and Handling Expenses	4,536.65	4,101.69
Miscellaneous Expenses	912.79	876.18
	<u>22,245.25</u>	<u>21,063.52</u>

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Significant Accounting Policies

1. Basis of Preparation and Presentation of Consolidated Financial Statements (CFS)

- 1.1 The CFS have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, and in compliance to the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013, as applicable. Pursuant to General Circular No.39/2014 dated 14-10-2014 issued by the Ministry of Corporate Affairs that the disclosures made already under the standalone financial statements are not merely repeated and thus the disclosures that are relevant arising out of consolidation have only been presented.
- 1.2 The Company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.
- 1.3 The Accounting policies that are adopted in preparation of Consolidated Financial Statements are consistently followed in the previous year except for change in the accounting policy for depreciation, as adopted consistently by the Company.

2. Principles of Consolidation

The Consolidated financial statements have been prepared on the following basis :

- 2.1 The Consolidated financial statement comprises the financial statements of Ramco Industries Limited, its Subsidiary company and Associate Company. The list of Companies which are included in consolidation and the Parent Company's holding and voting rights therein are as under:

Name of the Company	% of Holding		% of Voting rights	
	2015-16	2014-15	2015-16	2014-15
<u>Subsidiary:</u>				
Sri Ramco Lanka (Private Limited) - Incorporated in Srilanka	99.99%	99.99%	99.99%	99.99%
Sudharsanam Investments Limited - Incorporated in India	100%	100%	100%	100%
<u>Associate:</u>				
The Ramco Cements Limited	20.72%	20.72%	20.72%	20.72%

The financial statements of the respective companies are drawn up to the same reporting date as that of the parent company (i.e.) 31.03.2016.

- 2.2 The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- 2.3 In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the moving average rate during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Exchange Fluctuation Reserve.
- 2.4 Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".
- 2.5 The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- 2.6 The Consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions or other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements.

3. OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out in the notes to accounts under "Significant Accounting Policies" of the financial statements of Ramco Industries Limited.

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

4. NOTES ON ACCOUNTS:

	As at 31.03.2016 ₹ in lakhs	As at 31.03.2015 ₹ in lakhs
1. I. Contingent Liabilities and commitments		
a. Contingent Liabilities		
i. Claims against the Company / disputed liabilities not acknowledged as debts (Refer to notes II to VI below)	6,334.12	4,845.42
ii. Guarantees given to Banks to avail loan facilities by Group Companies		
a. Ramco Systems Ltd	0.00	3,550.00
b. Sri Harini Textiles Ltd	4,629.00	3,629.00
c. Thanjavur Spinning Mills Ltd	3,500.00	0.00
b. Commitments		
i. Guarantees given by bankers on behalf of Company	456.08	374.09
ii. Capital Contracts		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for:	626.22	914.06
b. Unexpired Letters of Credit for purchase of Capital goods and raw materials	0.00	58.42
II. Income Tax Assessment has been completed upto the accounting year ended 31st March 2012 i.e. Assessment Year 2012-13 and demand raised by the Income Tax department amounting to ₹ 740.98 lakhs. With this, the total demand received upto the Assessment year 2012-13 is ₹ 5,453.52 lakhs (previous year ₹ 3,971.06 lakhs). The total demand has been disputed by the company and the company has preferred appeals before appellate authorities in respect of various disallowances in assessments and the appeals are pending. In the opinion of the Management, there may not be any tax liability with regard to the said disallowances. Based on the nature of claim disputed, no provision has been considered necessary.		
III. Sales Tax and central Excise demands amounting to ₹ 514.78 lakhs (Previous year ₹ 494.60 lakhs) have been disputed by the Company and necessary appeals have been filed. Based on the nature of claim disputed, no provision has been considered necessary.		
IV. In respect of the electricity matters relating to our Textile Division, the Company has filed appeals / writ petition for ₹ 291.87 lakhs (previous year ₹ 305.81 lakhs) against various subject matter of the appeal and the same is pending with Tamilnadu Electricity Regulatory Commission (TNERC) / Honourable High Court / Honourable Supreme Court for resolution. The Company is confident of resolving the matter in its favour and hence no provision is made in the books of accounts.		
V. The Company had received two letters from Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) in the year 2000 and 2003 respectively claiming an amount totaling to ₹ 27.41 lakhs towards alleged violation of the terms and conditions of supply of electricity. The Company has deposited a sum of ₹ 16.87 lakhs on various dates under protest and filed writ petition before the Honourable High Court of Madras in the year 2003 and the same has been admitted. During the year, there was no development in the matter. The management is confident of resolving the matter in its favour and hence no provision is made in the books of account.		
VI. The Company had received a letter dated 04.11.2009 from Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) withholding an amount of ₹ 46.54 lakhs pending resolution of Power Tariff Concession applicability to fibre cement sheet plant at Arakonam. This amount was withheld against our dues towards power sold to Tamil Nadu Electricity Board covered under the power purchase agreement. The Company preferred an appeal against TANGEDCO and the matter is pending with the Honourable High Court of Madras. During the year, there was no development in the matter. The management is confident of collecting the withheld amount and no provision is made in the books of account		
VII. Under Tamil Nadu Electricity Regulatory Commission (Renewable Energy Purchase Obligations) Regulations 2010, Consumers owning grid connected captive power generating plants and open access consumers with a sanctioned demand of more than 2 MVA are obligated to consume a minimum of 0.5% of their energy requirements from solar sources. The non-complainants are required to purchase Renewable Energy Certificates (REC) from markets @ 1 REC per 1,000 units of shortage or deposit an equivalent amount in a separate designated fund. Even though the Company is consuming wind energy generated from its own wind farms, it has been excluded for reckoning the obligatory consumption, since the Company has wheeling and banking arrangement with TNEB. Aggrieved, the Company including other affected producers have approached the Honourable Chennai High Court and obtained an interim stay against the implementation of the said regulation.		

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

VIII. The Company had put up a plant in Silvassa in The Union Territory of Daman, Diu, Dadra and Nagar Haveli in the year 1998 and availed VAT and CST exemption for the period of 15 years ending on March 2013 based on a certificate of exemption given by appropriate authority in exercise of powers conferred on it by relevant provision of the CST Act, 1956. This power of granting exemption was withdrawn with retrospective effect by an amendment in Finance Act 2002 and the sales tax department has followed it up by issuing a circular for compulsory production of concessional sales tax forms for availing CST exemption. The differential sales tax liability for the year 1998 to the year 2002 works out to ₹ 37 Crores. However, the Company was not in receipt of any demand from the appropriate authority. Aggrieved by the department circular and as an additional precaution, the Company had filed an appeal with Bombay High Court and the Bombay High Court has quashed the circular issued by the Commercial tax department, Silvassa, The Union Territory of Daman, Diu, Dadra and Nagar Haveli thereby allowing continuance of CST exemption even after amendment of relevant provision of CST Act, 1956 by the Finance Act, 2002. But the department of Commercial Tax, Silvassa has preferred an appeal against the Bombay High Court order before the Honourable Supreme Court and the adjudication and the court hearing is in process pending final disposal by the Honourable Supreme Court.

Based on the decision of Bombay High Court and interpretations of other relevant provisions, the Company has been legally advised that there will not be any demand likely to be raised or if the demand is raised it is likely to be deleted or substantially reduced and accordingly no provision is considered necessary.

IX. The Company received a notice from the Department of Revenue Intelligence (DRI) for an amount of ₹ 32.40 lakhs excluding interest and penalty pertaining to the year 2009-10 for short payment of customs duty to the extent of utilization of DEPB Scrips purchased in the open market by the Company and which were originally obtained by the ultimate export firms fraudulently as alleged by the DRI. The Company had denied the allegations made in the notice in so far as they relate to the Company's role is concerned and also the obligation to pay the duty demanded in the notice vide its letter dated August 4, 2014. There has been no development further to our letter dated August 4, 2014. The Management is confident of resolving the matter in favour of the Company and hence no provision is considered necessary.

X. The Company received a notice from Gangaikondan Sub-Registrar office demanding a short payment of stamp duty of ₹ 2.57 lakhs in connection with registration of Company's land at Gangaikondan, Tirunelveli district, Tamil Nadu and have appropriately recorded the deficiency of the stamp duty payment in the encumbrance certificate of the Land records maintained by Sub-Registrar office. The Company has represented the matter with the Sub-Registrar citing payment of stamp duty correctly as per the guide line rate prevailing then. Based on the representation, they reduced the Stamp Duty to the tune of ₹ 1.21 lakhs. The Company filed the appeal against the order of Deputy Commissioner and the Company is confident of resolving the matter in its favour and hence no provision is considered necessary.

	2015-16 ₹ in lakhs	2014-15 ₹ in lakhs
2. Auditor's remuneration (excluding service tax) and expenses		
a. Statutory Auditor		
i. for Statutory auditor	13.05	13.91
ii. for Taxation matters	2.66	2.59
iii. for Certification work	1.39	1.50
iv. for Reimbursement of Expenses	4.62	3.40
b. Cost Auditor		
i. for Cost audit	2.50	2.50
	<u>24.22</u>	<u>24.11</u>
3. The Exceptional items in the Statement of Profit and Loss Account is net off the following:-		
- Profit on Sale of Investment in Shares - ₹ 1,049.35 lakhs (Previous Year ₹ 1,349.91)		
- Expenditure on Voluntary Retirement Scheme - ₹ NIL lakhs (Previous Year ₹ 336.64)		
- Profit on Sale of Assets (land and building) ₹ 183.57 lakhs (Previous year NIL)		
4. The Company has entered into an arrangement with the group company M/s. The Ramco Cements Limited to share the cost of development of the facilities and accordingly debited ₹ 0.38 crores during the year (previous year ₹ 1.94 crores) and shown as a deduction from the gross block of its fixed assets.		

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

5. The Government of West Bengal enacted "The West Bengal Tax on Entry of goods into Local Areas Act, 2012" and writ petitions were filed by others challenging the validity of the said Act. The Calcutta High Court held that the said Act was unconstitutional. Aggrieved, the Government has preferred an appeal before the Division Bench and obtained an interim direction to continue the Assessment proceedings only. Though the company has not received any demand, it has filed a petition to join in the case.
6. Pursuant to the mandatory requirement of notification of schedule ii to the Companies Act 2013 with effect from 01.04.2015 for computation of depreciation based on useful life of significant components of Plant, Property and Equipment's, the company determined the useful life and value of such components and computed depreciation amounting to ₹ 1960.79 lakhs for the year. Accordingly the carrying values of significant components of plant, property and equipment's which have completed their useful life as on 01.04.2015, have been charged off against the Retained Earnings amounting to ₹ 18 lakhs after netting off deferred tax of ₹ 9.53 lakhs as per the transitional provisions of the said notification.

Due to this change in accounting policy, the depreciation for the year ended 31.03.2016 is higher by ₹ 84.69 lakhs when compared to the calculation of depreciation prior to the componentization of assets.

7. The Company's Shares are listed in National Stock Exchange of India Ltd and BSE Ltd and the listing fees in respect National Stock Exchange of India Ltd and BSE Ltd for the Financial year 2016-2017 have been paid.
8. a. The breakup of Secured long term borrowings are as under:
 ₹ 4,287.99 lakhs (Previous year ₹ 7,361.83) is secured by pari-passu first charge on the fixed assets and pari-passu second charge on the current assets of the company.
 ₹ 9,316.03 lakhs (Previous year ₹ 3,933.62) is secured by pari-passu first charge on movable fixed assets of the company.

- b. The breakup of Secured short term borrowings from banks are as under:
 ₹ 5,862.64 lakhs (previous year ₹ 11,709.64 lakhs) secured by pari-passu first charge on stocks of raw materials, work-in-progress, stores, spares and finished goods and book debts and second charge on fixed assets.

₹ 4,430.53 lakhs (previous year ₹ 9,005.60 lakhs) secured by pari-passu first charge on stocks of raw materials, work-in-progress, stores, spares and finished goods and book debts

The Maturity profile of the Long Term Borrowings as on 31.03.2016 is as follows:

Term Loan from Banks (Secured)

(₹ In lakhs)

Non-Current												Current	
	2017-18		2018-19		2019-20		2020-21		2021-22		Total	2016-17	
Rate of Interest	instalments	₹ lakhs	instalments	₹ lakhs	instalments	₹ lakhs	instalments	₹ lakhs	instalments	₹ lakhs	₹ lakhs	instalments	₹ lakhs
9.85%	8	2,064.00	8	2,064.00	8	2,064.00	4	516.00			6,708.00	4	1,548.00
9.90%		1,058.18		705.24		352.29		176.15			2,291.86	8	882.03
10.35%	4	1,562.50	4	1,354.17	1	312.49					3,229.16	4	1,041.67
10.00%	4	500.00	4	500.00	3	375.00					1,375.00	4	500.00
10.75%											-	2	416.67
11.75%											-	4	521.75
8.90%											-	3	380.54
TOTAL	16	5,184.68	16	4,623.41	12	3,103.78	4	692.15	-	-	13,604.02	29	5,290.66

The premium of forward exchange contracts not intended for trading or speculative purpose is amortised and charged as expense over the period of the contract. During the year under review, a sum of ₹ 7.25 lakhs (Previous year ₹ 17.88 lakhs) has been amortised for adjustment in the subsequent period and a sum of ₹ 184.44 lakhs (Previous year ₹ 440.23 lakhs) has been charged off and debited to the Statement of Profit and Loss under "exchange rate variation" and disclosed under "finance costs".

The Company has not utilized Short Term Loans for Long Term purposes

9. The company is eligible for incentives under the "Bihar Industrial Incentive Policy 2006" in respect of its Fibre Cement Plant at Bihiya in the State of Bihar. During the year under review,

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

- A sum of ₹ 605.27 lakhs (previous year ₹ 559.79 lakhs) accrued as Industrial Promotion Incentive and credited to Profit and Loss account.
- No amount was received as Incentive grant for investment in Plant and Machinery, Land and Diesel Generating Set. (Previous year ₹ 15 lakhs on Investment in Land) received as Capital Subsidy Investment

The Company is eligible for incentives under the “Rajasthan Investment Promotion Scheme 2010” in respect of its Calcium Silicate Board Plant at Kotputli in the State of Rajasthan, during the year under review.

A sum of ₹ 10.33 lakhs (previous year NIL) that has accrued as Industrial Promotion Assistance has been credited to Profit and Loss Account.

10. A total of 222.31 lakhs units (Previous Year 255.64 lakhs units) have been generated (net of wheeling and banking) at wind farms -
 - a) 58.19 lakhs units (Previous Year 70.32 lakhs units) were sold to concerned State Electricity Board for ₹ 219.30 lakhs (PY ₹ 229.29 lakhs), shown under “Income from Wind Power Generation”.
 - b) 145.94 lakhs units (Previous Year 177.38 lakhs units) were consumed at our plants. The monetary value of such units for ₹ 979.61 lakhs (Previous Year ₹ 1,100.95 lakhs), is not recognised as it is inter-divisional transfer.
 - c) 18.18 lakhs units (Previous Year 7.94 lakhs units) remain unadjusted and eligible for adjustment in the subsequent periods and its monetary value of ₹ 52.73 lakhs (previous year ₹ 31.06 lakhs) has been included in “Other Current Assets”.

11. Earnings Per Share:

Basic and diluted Earnings per share (EPS) computed in accordance with Accounting Standard (AS 20)

Particulars	For the year ended	
	31.03.2016 (₹ in lakhs)	31.03.2015 (₹ in lakhs)
Net Profit after Tax (A)	5,783.78	3,621.99
No. of Shares (B)	866,63,060	866,63,060
Basic and Diluted earnings per share of ₹ 1 each (A/B)	6.67	4.18

12. The Company has taxable income for the year computed under section 115BBD of the Income Tax Act, 1961. Accordingly, provision for income tax has been made for the year.
13. Related Party Disclosure
 - a. As per Accounting Standard (AS 18) issued by the Institute of Chartered Accountants of India, the Company’s related parties are given below:
 - b. Key Management Personnel and relatives:
 - P.R. Ramasubrahmaneya Rajha, Chairman
 - P.R. Venketrama Raja, Vice Chairman and Managing Director
 - Prem G Shanker, Chief Executive Officer
 - K. Sankaranarayanan, Chief Financial Officer
 - S. Balamurugasundaram, Company Secretary
 - c. Enterprises over which the above persons exercise significant influence and with which the Company has transactions during the year.
 - Rajapalayam Mills Limited
 - The Ramco Cements Limited
 - Ramco Systems Limited
 - The Ramaraju Surgical Cotton Mills Limited
 - Sri Vishnu Shankar Mill Limited
 - Sandhya Spinning Mill Limited

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Thanjavur Spinning Mill Limited
 Sri Harini Textiles Limited
 Ramco Wind Farms Limited
 Sri Harini Media Pvt Limited
 Rajapalayam Textile Limited
 Lynks Logistics Limited
 Public Trust
 - Raja Charity Trust
 - P.A.C.R. Sethurammal Charity Trust

Related Party Transactions during the year 2015-16 and amount due to or due from related parties

Sl. No	Related Party	Transaction During		Amount due to	Amount Due from
		2015-16	2014-15	2015-16	2015-16
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
1	The Ramco Cements Limited			NIL (2.79)	NIL (0.58)
	Sales	25.79	292.18		
	Purchase of Goods	453.03	2,928.04		
	Purchase of Electrical Energy	71.72	219.47		
	Share of Common cost in fixed asset transferred	38.00	194.00		
	Dividend Paid	106.98	33.43		
	Dividend Received	2,219.06	493.12		
	Assets Held Jointly				
	Aircraft : Jointly Free Hold	-	-		
	Aircraft - Jointly Lease Hold	16.67%	16.67%		
2	Rajapalayam Mills Limited			-	-
	Sales	329.45	272.55		
	Sale of Asset	23.75	-		
	Purchase of Goods	332.88	94.71		
	Dividend Paid	63.37	19.80		
	Dividend Received	35.80	21.18		
	Job Work Done to	0.17	24.20		
	Job Work Done by	2.49	4.20		
3	Rajapalayam Textile Limited	-	-		
	Sales	590.34	376.43		
	Purchase	164.82	313.88		
	Job Work Done to	0.23	1.08		
4	The Ramaraju Surgical Cotton Mills Limited	-			(0.15)
	Sales	175.50	351.41		
	Purchase of Goods	386.54	2.40		
	Job Work Done to	-	0.55		
	Dividend Paid	1.09	0.34		
5	Sri Vishnu Shankar Mill Limited			-	-
	Sales	424.36	217.01		
	Purchase of Goods	237.07	211.07		
	Purchase of Asset	-	-		
	Job Work Done to	0.92	34.47		
	Job Work Done by	0.29	71.29		

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Sl. No	Related Party	Transaction During		Amount due to	Amount Due from
		2015-16	2014-15	2015-16	2015-16
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
6	Sandhya Spinning Mill Limited	-	-	-	-
	Sales	-	260.61		
	Purchase of Goods	463.52	0.14		
	Sale of Asset	-	-		
	Job Work Done to	-	-		
7	Thanjavur Spinning Mill Limited			-	-
	Sales	-	356.56		
	Purchase of Goods	498.18	298.41		
	Job Work Done to	-	5.98		
8	Sri Harini Textiles Limited				
	Sales	-	6.04		
9	Ramco Systems Limited	-	-		
	Sales	-	-		
	Software related services	52.07	66.66		
	Subscription to Share Capital Rights issue	-	-		
10	Ramco Wind Farms Limited	-	-		
	Purchase of Electrical Energy	97.09	124.08		
11	Sri Harini Media Pvt Limited	-	-		
	Advertisement Expenses Paid	4.90	4.20		
12	Sri. P.R. Ramasubhramaneya Rajha	-	-		
	Sitting Fees	1.50	1.28		
	Dividend Paid	23.06	7.21		
13	Sri. P.R. Venketrama Raja				-
	Managerial Remuneration	112.50	112.50	4.50	
	Dividend Paid	44.00	13.75		
	Sale of Shares	1,219.97	-		
14	Corporate Guarantees - Issued				
	Ramco Systems Limited	-	3,550.00	-	-
	Sri Harini Textiles Limited	4,629.00	3,629.00	-	-
	Thanjavur Spinning Mill Limited	3,500.00	-		
15	Lynks Logistics Limed				
	Investments in Share Capital	19.00	-		
16	Transaction with Public Trusts				
A	Raja Charity Trust	-	-	(20.01)	3.56 (5.44)
	Sales	-	30.28		
	Agency Commission paid to	373.14	398.40		
	Cost of Services Received	130.88	124.33		
B	PACR Sethurammal Charity Trust				
	Sales	-	-		
	Purchase of Goods	9.43	10.97		

Note: Figures within bracket represents previous year

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

14. The investments in the Associate Companies upon consolidation have been accounted using equity method as per AS - 23. The carrying value of investments in the Associate Company comprises of the following:

Amount ₹ in lakhs

Associate Company	The Ramco Cements Limited
Shareholding Percentage - 31.03.2015	20.72%
Shareholding Percentage - 31.03.2016	20.72%
Value of Investments equivalent to Net Assets Value	63,678.15
Good Will / (Capital Reserve)	(70,454.10)
Share of Profit of Associate	12,724.77
Depreciation on transition to Schedule II of the Companies Act 2013 on Fixed Assets	(1,153.28)
Carrying Value of Investments as on 31.03.2016	7,102.10

Ramco Systems Limited has ceased to be an Associate company with effect from 29.04.2015 in accordance with Section 2(76) of Companies Act 2013, by virtue of reduction in shareholding from 22.21% to 18.34% consequent to increase in its share capital through Qualified institutional placement. The company discontinues the use of Equity method and accounted for Investment in accordance with Accounting Standard (AS) 13, Accounting for Investments. Accordingly, the carrying amount of Investment on that date of cessation is considered as cost of investments in the CFS.

15. The lease rentals recognised on non-cancellable operating lease of aircraft on Joint venture basis in the statement of profit and loss account grouped in Note No.24 under the head Vehicle / Aircraft Maintenance are as detailed below:

Particulars	2015-16 (₹ in lakhs)	2014-15 (₹ in lakhs)
Lease Payments	117.88	138.36
Contingent rent (Usage Charges)	222.84	201.02

16. During the year, accounts of the Srilanka is complied under SLFRS (Srilanka Financial Reporting System).

For the consolidation purpose, the accounts are reclassified under IAS (Indian Accounting Standards)

17. There are no dues to Micro and Small Enterprises as at 31.03.2016 (Previous Year : ₹ 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.

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

18. SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

As required under Accounting Standard (AS17), the Segmentwise Revenue, Results and Capital employed are furnished below:-

₹ in lakhs

Particulars	Building Products		Textiles		Windmill		Others		Consolidated	
	Year Ended 31.3.2016	Year Ended 31.3.2015	Year Ended 31.3.2016	Year Ended 31.3.2015	Year Ended 31.3.2016	Year Ended 31.3.2015	Year Ended 31.3.2016	Year Ended 31.3.2015	Year Ended 31.3.2016	Year Ended 31.3.2015
1. Revenue/Income from operations										
External Customers	75,974.33	76,421.96	11,984.39	11,653.91	1,198.08	1,330.24	5,075.09	2,255.89	94,231.89	91,662.00
Inter-segment	-	-	-	-	(979.61)	(1,100.95)			(979.61)	(1,100.95)
Total Revenue	75,974.33	76,421.96	11,984.39	11,653.91	218.47	229.29	5,075.09	2,255.89	93,252.28	90,561.05
2. Results:										
Segment results										
Unallocated Corporate Expenses										
Operating Profit/ (Loss)	3,102.57	3,730.73	928.71	626.65	737.19	780.70	2,671.83	1,987.79	7,440.30	7,125.88
Interest expenses									3,853.41	3,815.21
Interest Income/ Dividend income									2,283.56	565.59
Income Tax - Current (MAT)									782.59	634.42
- Deferred									(695.93)	(84.38)
- MAT credit entitlement									0.00	(295.77)
Profit from Ordinary activities									5,783.79	3,621.99
Extraordinary Profit/Loss										
Net Profit									5,783.79	3,621.99
3. Other Information										
Segment Assets	70,445.62	65,906.97	10,477.45	10,248.48	1,962.31	2,067.67	30,064.55	32,011.28	112,949.93	110,234.40
Unallocated corporate assets										
Total Assets	70,445.62	65,906.97	10,477.45	10,248.48	1,962.31	2,067.67	30,064.55	32,011.28	112,949.93	110,234.40
Segment Liabilities	62,224.13	57,988.85	10,038.81	10,147.40	1,297.22	1,362.21	(20,182.10)	(14,163.66)	53,378.06	55,334.80
Unallocated corporate liabilities										
Total Liabilities	62,224.13	57,988.85	10,038.81	10,147.40	1,297.22	1,362.21	(20,182.10)	(14,163.66)	53,378.06	55,334.80
Capital Expenditure	2,180.27	1,761.44	451.94	165.93	-	-	440.88	566.32	3,073.09	2,493.69
Depreciation	1,974.05	1,991.73	397.47	338.67	116.96	114.89	5.35	5.38	2,493.83	2,450.67
Non - cash expenses other than depreciation	-	-	-	-	-	-	-	-	-	-

CONSOLIDATED FINANCIAL STATEMENTS OF RAMCO INDUSTRIES LIMITED AND ITS SUBSIDIARIES

NOTES ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

19. Previous year's figures have been regrouped / restated wherever necessary so as to make them comparable with that of the current year.
20. Figures have been rounded off in lakhs with two decimal.

For M/s.M.S. JAGANNATHAN &
N. KRISHNASWAMI
Chartered Accountants
Firm's Registration No.: 0012085
K.SRINIVASAN
Partner
Membership No.: 021510
Place: Chennai
Date : 20th May, 2016

For M/s.CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 0049155
LLP Registration No. S200036
C.N.GANGADARAN
Partner
Membership No.: 011205

For and on behalf of the Board
P.R. RAMASUBRAHMANEYA RAJHA
Chairman
PREM.G.SHANKER
Chief Executive Officer
K.SANKARANARAYANAN
Chief Financial Officer
S. BALAMURUGASUNDARAM
Company Secretary & Sr.G.M.(Legal)

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

RAMCO INDUSTRIES LIMITED

(CIN:L26943TN1965PLC005297)

Regd. Office: 47, P.S.K. Nagar, Rajapalayam - 626 108, Tamil Nadu.

Name of the Member(s) :

Registered address :

E-mail ID :

Folio No/DP ID - Client ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name : Address :

E-mail Id : Signature :, or failing him

2. Name : Address :

E-mail Id : Signature :, or failing him

3. Name : Address :

E-mail Id : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 51st Annual general meeting of the company, to be held on the Thursday, the 4th August 2016 at 11.00 AM at P.A.C.R.Centenary Community Hall, Sudarsan Gardens, P.A.C.Ramasamy Raja Salai, Rajapalayam - 626 108, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions
Ordinary Business	
1	Adoption of Financial Statements for the year ended 31 st March 2016
2	Reappointment of Shri.P.R.Ramasubrahmaneya Rajha, as Director
3	Reappointment of M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants, and M/s.CNGSN & Associates LLP, Chartered Accountants, as Auditors
Special Business	
4	Reappointment of Shri.P.R.Venketrama Raja as the Vice Chairman & Managing Director
5	Reappointment of Sole Selling Agent

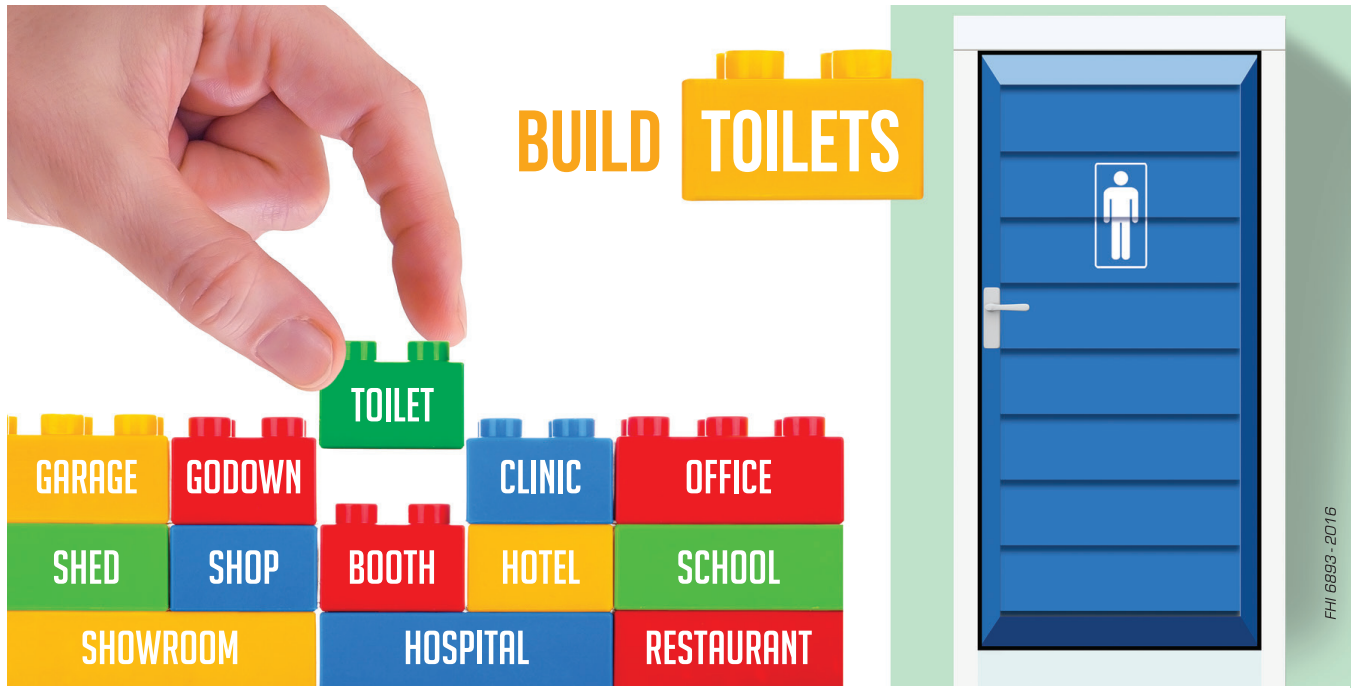
Signed this day of 2016

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



USTER QUANTUM – 3 installed in Automatic Conewinding machine for online control of yarn quality, at our Textile Division, Sri Ramco Spinners, Rajapalayam

