

SUDHARSANAM INVESTMENTS LIMITED

BOARD'S REPORT

Your Directors have pleasure in presenting their 21st Annual Report and the Audited Accounts of the Company for the year ended 31st March 2019. The workings for the year ended 31.03.2019 after meeting all expenses, resulted in a Net Profit of Rs.48.91 lakhs (Previous Year: Net Profit of Rs.48.10 lakhs).

SHARE CAPITAL

The paid-up capital of the Company is Rs.4,25,00,000/- consisting of 42,50,000 shares of Rs.10/- each.

DIVIDEND

Your Board of Directors has not declared any dividend for the year 2018-19.

SUBSIDIARY STATUS

Your Company continues to be the Subsidiary of M/s. Ramco Industries Limited, Rajapalayam, by virtue of its majority shareholding.

CONSOLIDATED FINANCIAL STATEMENT

As per provisions of Section 129(3) of the Companies Act, 2013 and Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's financial statement for the year ended 31st March, 2019 has been consolidated with the M/s. Ramco Industries Limited, the Holding Company.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Shri S.S. Ramachandra Raja (DIN: 00331491) retires by rotation and is eligible for re-election.

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

MEETINGS

The Board of Directors met on 24.5.2018, 2.8.2018, 31.10.2018 and 29.1.2019 during this financial year.

PUBLIC DEPOSITS

No deposits from the Public have been accepted during the year ended 31st March, 2019.

SUDHARSANAM INVESTMENTS LIMITED

AUDITORS

The Companies Amendment Act, 2017, had removed the necessity for ratification of the appointment of Statutory Auditors, by Members at every Annual General Meeting during their tenure of appointment. Accordingly, the practice of seeking yearly ratification for the appointment of Statutory Auditors at the Annual General Meeting is dispensed with.

M/s.Ramakrishna Raja And Co., Chartered Accountants, (FRN:005333S), who have been appointed as the Statutory Auditors of the company at the 19th Annual General Meeting would be the Auditors of the Company, till the conclusion of the 24th Annual General Meeting of the Company to be held in the year 2022.

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, 2019 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.

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

Particulars required under Sec. 134(3)(m) of the Companies Act, 2013, read with Rule 8 of Companies (Accounts) Rules, 2014, is not applicable to this Company as no manufacturing activity is carried on and there was no foreign exchange outflow during the period under review.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

As the Company is unlisted, the particulars required under Section 197(12) of the Companies Act, 2013, is not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 at the end of the financial year and of the profit and loss of the Company for that period;

SUDHARSANAM INVESTMENTS LIMITED

- (c) 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;
- (d) They had prepared the annual accounts on a going concern basis;
- (e) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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 SUDHARSANAM INVESTMENTS LIMITED



N.K. SHRIKANTAN RAJA
DIRECTOR

Chennai
23.05.2019

Form No. MGT-9**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2019**

[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	:	U65993TN1998PLC040821
ii	Registration Date	:	16.07.1998
iii	Name of the Company	:	SUDHARSANAM INVESTMENTS LIMITED
iv	Category/Sub-Category of the Company	:	Deemed Public Limited Company
v	Address of the Registered Office and contact details	:	47,P.S.K.NAGAR RAJAPALAYAM – 626 108
vi	Whether listed Company	:	No
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The Company's main business is to act as an Investment Company in India or Outside India or to buy, underwrite, invest in, acquire, hold and deal in Shares, Stocks, Debentures, Bonds, etc.

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.	Ramco Industries Limited (RIL)	L26943TN1965PLOLC005297	Holding	100.00	2(87)(ii)

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									
b) Central Govt)									
C) State Govt(S)									
d) Bodies Corporate	0	42,50,000	42,50,000	100.00	0	42,50,000	42,50,000	100.00	0.00
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)	0	42,50,000	42,50,000	100.00	0	42,50,000	42,50,000	100.00	0.00
(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)	0	42,50,000	42,50,000	100.00	0	42,50,000	42,50,000	100.00	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
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	0	0	0	0.00	0	0	0	0.00	0.00
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
Sub-total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify)									
Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
Hindu Undivided Families	0	0	0	0.00	0	0	0	0.00	0.00

Non Resident Indians	0	0	0	0.00	0	0	0	0.00	0.00
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholding (B) = (B)(1) + (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
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)	0	42,50,000	42,50,000	100.00	0	42,50,000	42,50,000	100.00	0.00

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 Industries Limited	42,50,000	100	0	42,50,000	100	0	0.00
Total	42,50,000	100	0	42,50,000	100	0	0.00

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SI 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
1.	At the beginning of the year (01.04.2018)	42,50,000	100	--	--
2.	Increase in Shareholding by Purchase	--	--	--	--
3.	At the end of the year (31.03.2019)			42,50,000	100

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

SI No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No. of Shares at the beginning (01-04-2018)/ end of the year (31-03-2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Ramco Industries Limited	42,50,000	100	01.04.2018	-	-		
		0	0	31.03.2019	-	-	42,50,000	100

v) Shareholding of Directors and Key Managerial Personnel

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No. of Shares at the beginning (01-04-2018) / end of the year (31-03-2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
DIRECTORS :								
1.	N.K. Shrikantan Raja*	1	-	N.A.	N.A.	N.A.		
		1	-	N.A.	N.A.	N.A.	1	-
2.	S.S. Ramachandra Raja*	1	-	N.A.	N.A.	N.A.		
		1	-	N.A.	N.A.	N.A.	1	-
3.	Prem G Shanker *	0	-	N.A.	N.A.	N.A.	0	-
		1	-	24.5.2018	1	Nomin ee of RIL	1	-
Key Managerial Personnel				NIL				

* holding as a nominee of M/s. Ramco Industries Limited

V. INDEBTEDNESS

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. **Remuneration to other Directors :** NIL

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

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of Cos. Act, 2013	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any [give details]
A. COMPANY					
Penalty		NIL			
Punishment					
Compounding					
B. DIRECTORS					
Penalty		NIL			
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty		NIL			
Punishment					
Compounding					

Independent Auditor's Report

To the Members of Sudharsanam Investments Limited

Report on the standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s Sudharsanam Investments Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 March 31, 2019, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)ⁱⁱ 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. 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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.

- a. 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 book.
- b. 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
- c. 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.

- d. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For RAMAKRISHNA RAJA AND CO
Chartered Accountants
Firm Regn.No:005333S

M. Vijayan

(M.VIJAYAN)
Partner
M. No. 026972

Place: Chennai
Date: 23/05/2019

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 2019:

- 1) Fixed Assets
 - 1.1 The Company does not have any fixed assets. Accordingly, the provisions of clause 3 (i) of the Order are not applicable to the Company.
- 2) Inventory
 - 1.2 The Company does not have any inventory. Accordingly, the provisions of clause 3 (ii) of the Order are not applicable to the Company.
- 3) The Company has not granted loan to any party listed in the Register maintained under section 189 of the Act and accordingly, the provisions of clause 3 (iii) of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) The company is not required to maintain the accounts and records which have been specified by the Central Government under Section 148(1) of the Act.
- 7) Undisputed and Disputed taxes and duties
 - 7.1 The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
 - 7.2 As the company is not having any overdue under dispute relating to Income tax, value added tax and Service tax, accordingly the provisions of clause 3 (vii) (b) of the Order are not applicable to the Company.
- 8) The Company did not have any loans or borrowings from any Financial Institutions or Banks. The Company has neither taken loans from the Government nor has issued any debentures during the year.

- 9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The Company has not raised any term loans during the year.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) The Company has not paid / provided any managerial remuneration during the year.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Ramakrishna Raja and Co
Chartered Accountants
Firm Registration No: 005333S

M. Vijayan

M.VIJAYAN

Partner

Membership No.026972

Date: 23.05.2019

Place: Chennai.

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

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

We have audited the internal financial controls over financial reporting of Sudharsanam Investments Limited ("The Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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 Ramakrishna Raja and Co
Chartered Accountants
Firm Registration No: 005333S

M Vijayan
M.VIJAYAN
Partner
Membership No.026972

Date: 23.05.2019
Place: Chennai.

SUDHARSANAM INVESTMENTS LIMITED, RAJAPALAIYAM (CIN:U65993TN1998PLC040821)

BALANCE SHEET AS AT MARCH 2019

	Note	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<u>Assets</u>			
Non current assets			
Non current Investment	6	12,86,25,155	12,86,25,155
Current Assets			
Cash and Cash Equivaler	7	80,895	1,34,983
Other current assets	8	- 80,895	- 1,34,983
Total		12,87,06,050	12,87,60,138
<u>Equity and Liabilities</u>			
Shareholders' Funds			
Share capital	9	4,25,00,000	4,25,00,000
Reserves & Surplus	10	4,49,35,139 8,74,35,139	4,00,43,953 8,25,43,953
Non current liabilities			
Long term Borrowings	11	4,11,57,069	4,61,92,750
Current Liabilities			
Other current Liabilities	12	1,13,842	23,435
Total		12,87,06,050	12,87,60,138

Significant Accounting
Policies, Judgements
and Estimates 1-5
See accompanying
notes to the financial
statements 7-19
As per Report Annexed
For Ramakrishna Raja and Co
Chartered Accountants
Firm Registration No: 005333S

M. Vijayan

M. VIJAYAN

Partner

Membership No.026972


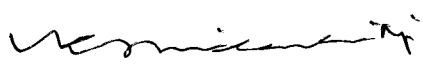
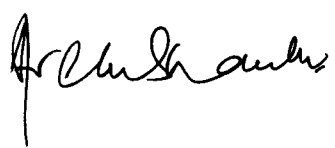
Date: 23-05-2019

Place: Chennai.

Directors

SUDHARSANAM INVESTMENTS LIMITED, RAJAPALAYAM (CIN:U65993TN1998PLC040821)

STATEMENT OF PROFIT & LOSS FOR PERIOD ENDED 31st MARCH 2019

	Note	As at 31.03.2019	As at 31.03.2018
<u>INCOME</u>			
Other Income	13	<u>89,47,800</u>	<u>89,47,800</u>
<u>EXPENDITURE</u>			
Finance Costs	14	38,23,823	40,78,113
Other Expenses	15	2,32,791	59,276
		40,56,614	41,37,389
Profit for the year		48,91,186	48,10,411
Significant Accounting Policies, Judgements and Estimates			
	1-5		
See accompanying notes to the financial statements			
	7-19		
Earning per Equity share- Basic & Diluted face value of Rs 10 each		1.15	1.13
As per Report Annexed			
For Ramakrishna Raja and Co			
Chartered Accountants			
Firm Registration No: 005333S			
<div> <div>  </div> <div> M. VIJAYAN Partner Membership No.026972 Date: 23-05-2019 Place: Chennai. </div> </div> <div>   Directors </div>			

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

31.03.2019
in rupees

31.03.2018
in rupees

A Cash flow from operating activities

Net profit after tax as per Profit and Loss

Account

48,91,186

48,10,411

Adjusted for

Dividend Income

(89,47,800)

(89,47,800)

Interest income

-

-

(89,47,800)

(89,47,800)

Operating profit before working capital changes

(40,56,614)

(41,37,389)

Adjusted for

Other Current Assets

-

27,231

Other current Liabilities

90,407

20,000

90,407

47,231

Cash (used in) / generated from operations

(39,66,207)

(40,90,158)

Taxes paid

-

-

Net cash (used in) / generated from operating activities

(39,66,207)

(40,90,158)

B Cash flow from Investing activities

Interest income

-

-

Dividend income

89,47,800

89,47,800

Net cash (used in) / from investing activities

89,47,800

89,47,800

C Cash flow from financing activities

Proceeds from long term borrowing

(50,35,681)

(49,11,567)

Net cash from / (used in) Financing activities

(50,35,681)

(49,11,567)

Net increase / (decrease) in cash and cash equivalents (A+B+C)

(54,088)

(53,925)

Cash and cash equivalents as at the beginning of the year

1,34,983

1,88,908

Cash and Cash equivalents as at end of the year

80,895

1,34,983

As per Report Annexed

For Ramakrishna Raja and Co

Chartered Accountants

Firm Registration No: 005333S

M. Vijayan

M. VIJAYAN

Partner

Membership No.026972

Date: 23-05-2019

Place: Chennai.

Venikumar

Sudharsanam

Directors

SUDHARSANAM INVESTMENTS LIMITED

NOTES FORMING PART OF THE SEPARATE FINANCIAL STATEMENTS

1. Corporate Information

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

The Company is engaged in investment activities.

The financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in their meeting dated 23-05-2019.

2. Basis of Preparation of Separate Financial Statements

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

3 Basis of Measurement

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

4. Significant Accounting Policies

4.1 Cash Flow Statement

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

4.2 Dividend distribution to Equity shareholders

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

4.3 Income Taxes

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

- 4.3.7 Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in "Other Comprehensive Income" or directly in "Equity" as the case may be.

4.4 Revenue Recognition

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

4.4.2 Other Income

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

4.5 Earnings per Share

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

4.6 Financial Instruments

Financial Assets

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

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

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

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

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

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

Financial Liabilities

4.6.4 Financial liabilities comprise of Borrowings from parent company.

4.6.5 The Company measures its financial liabilities as below:

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

4.7 Fair value measurement

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

Investments in Equity / Mutual Funds

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

5. Significant Estimates and Judgements

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

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

Current Taxes

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

Deferred Tax Asset (Including MAT Credit Entitlement)

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

Contingent Liabilities

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

Fair value measurement of financial instruments

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

Interests in other entities

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

Notes accompanying financial statements As at 31.03.2019

Particulars	As at 31.03.2019		As at 31st March,2018	
6.NON CURRENT INVESTMENTS				
INVESTMENTS - Quoted				
Investments in Equity Instruments				
Shares in The Ramco Cements Limited				
29,82,600 nos. Equity shares of Rs.1/- each				
fully paid-up				
	12,86,25,155		12,86,25,155	
	12,86,25,155		12,86,25,155	
Aggregate amount of quoted investments:				
At cost	12,86,25,155		12,86,25,155	
At Market value	2,19,48,95,340		2,15,86,56,750	
7.CASH AND CASH EQUIVALENTS				
Balance with bank-in current account	80,895		1,34,983	
	80,895		1,34,983	
8.OTHER CURRENT ASSETS				
Advance recoverable	-		-	
Tax Deducted at source			-	
	-		-	
9. SHARE CAPITAL				
Authorised Share Capital:	Numbers	Amount	Numbers	Amount
Equity shares of Rs.10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued, Subscribed and paid up:				
Equity shares of Rs.10/-each fully paid up	42,50,000	4,25,00,000	42,50,000	4,25,00,000
9.1 The reconciliation of the number of shares outstanding is set out below				
Equity shares at the beginning of the year	42,50,000		42,50,000	
Add: Number of shares allotted during the year				
Less: Number of shares bought back				
Equity shares at the end of the year	42,50,000	-	42,50,000	-
9.2 The details of shareholders holding shares				
Name of the Shareholder	As at 31.03.2019		As at 31st March,2018	
	No.of Shares	% held	No.of Shares	% held
The Ramco Industries Limited	42,50,000	100	42,50,000	100
	42,50,000	100	42,50,000	100
10.RESERVES AND SURPLUS				
Profit & Loss account	-			
As per last balance sheet	4,00,43,953		3,52,33,542	
Add: Profit & loss for the year	48,91,186		48,10,411	
	4,49,35,139		4,00,43,953	
11.LONG TERM BORROWINGS				
Unsecured:				
Loans and advances from related parties -				
Ramco Industries Ltd	4,11,57,069		4,61,92,750	
	4,11,57,069		4,61,92,750	
12.OTHER CURRENT LIABILITIES				
Audit fees Payable	23,600		23,435	
TDS Payable	90,242		-	
	1,13,842		23,435	
13.OTHER INCOME				
Dividend Income	89,47,800		89,47,800	
Interest Received	-		-	
	89,47,800		89,47,800	
14.FINANCE COSTS				
Interest on Loans	38,23,823		40,78,113	
	38,23,823		40,78,113	
15.OTHER EXPNESES				
Fees, Rates & Taxes	2,30,903		57,551	
Bank Charges	1,888		1,725	
	2,32,791		59,276	

16. **Earnings per Share**

Particulars	31-3-2019	31-3-2018
Net profit after tax (A)	48,91,186	48,10,411
Weighted average number of Equity shares including un- allotted Bonus shares (B) [In Lakhs]	425.00	425.00
Nominal value per equity share (in Rs)	10	10
Basic & Diluted Earnings per share (A)/(B) in Rs.	1.15	1.13

17. Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March 2019:

(a) **Parent Company**

Name of the Company	Country of Incorporation	% of Shareholding as at	
		31-3-2019	31-3-2018
Ramco Industries Limited	India	100	100

(b) **Associate of Parent Company**

Name of the Company	Country of Incorporation	% of Shareholding as at	
		31-3-2019	31-3-2018
The Ramco Cements Limited	India	1.27	1.27

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

Transactions during the year

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-3-2019	31-3-2018
a	Dividend received		
	<i>Associate of parent company</i>		
	The Ramco Cement Limited	89,47,800	89,47,800
b	Interest Received / (Paid)		
	<i>Parent company</i>		
	Ramco Industries Limited	(38,23,823)	(40,78,113)
c	Maximum amount of loans and advances outstanding during the year		
	<i>From Parent company</i>		
	Ramco Industries Limited	4,11,57,069	4,61,92,750

19. There are no dues to Micro and Small Enterprises as at 31.03.2019 (Previous Year: Rs. Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties having been identified on the basis of information available with the company

As per our Report Annexed

For Ramakrishna Raja and Co
Chartered Accountants
Firm Registration No: 005333S

For and on behalf of Board

M. Vijayan
M. VIJAYAN
Partner
Membership No.026972

[Signature]

Date: 23.05.2019
Place: Chennai.

[Signature]