





FORM A
Format of covering letter of the annual audit report to be filed with the Stock Exchange
(Pursuant to clause 31(a) of Listing Agreement)

| Sr. No. | Particulars | Details |
|---------|---|---|
| 1. | Name of the Company | KAMA Holdings Limited |
| 2. | Standalone Annual Financial Statements for the year ended | March 31, 2015 |
| 3. | Type of Audit Observation | No Qualification or matter of emphasis has been included in the Audit Report. |
| 4. | Frequency of Observation | Not applicable in view of comments in (3) above. |
| 5. | <p>To be signed by:</p> <ul style="list-style-type: none"> • Whole Time Director , Chief Financial Officer & Company Secretary • Audit Committee Chairman • Auditor of the Company | <div style="text-align: center;">  (Rajat Lakhanpal) </div> <hr/> <div style="text-align: center;">  (Amitav Virmani) </div> <p>Refer our Audit Report dated May 30, 2015 on the Standalone Financial Statements of the Company for the year ended March 31st, 2015.</p> <p>For THAKUR, VAIDYANATH AIYAR & CO. Chartered Accountants (Firm Registration No. 000038N)</p> <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;">  V. Rajaraman (Partner) (Membership No. 2705) </div> <div style="text-align: center;">  </div> </div> <p>New Delhi, May 30, 2015</p> |

FORM A

**Format of covering letter of the annual audit report to be filed with the Stock Exchange
(Pursuant to clause 31(a) of Listing Agreement)**

| Sr. No. | Particulars | Details |
|---------|---|---|
| 1. | Name of the Company | KAMA Holdings Limited |
| 2. | Consolidated annual financial statements for the year ended | March 31, 2015 |
| 3. | Type of Audit Observation | <p><u>Emphasis of matter paragraph</u></p> <p>SRF Limited (subsidiary of KAMA Holdings Ltd.) had received demand notices from the Commercial Tax Department, Government of Madhya Pradesh ("State Government") for payment of Central Sales Tax (CST), Value Added Tax (VAT) and Entry Tax aggregating to Rs. 11138 lakhs (including interest and penalty) for the period from 2007 to 2013 in respect of sales from its manufacturing facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA). The matter is sub-judice and is pending before the Hon'ble High Court of Madhya Pradesh. On the basis of legal opinion obtained by SRF Limited, the Management of SRF Limited is confident of getting relief in this matter and, accordingly, has not made any provision for the said disputed demands.</p> <p><u>Our Opinion is not qualified in respect of above matters.</u></p> |
| | | <p><u>Note No. 2.2</u></p> <p>(a) SRF Limited had received demand notices from the Commercial Tax Department, Government of Madhya Pradesh ("State Government") for payment of Central Sales Tax (CST), Value Added Tax (VAT) and Entry Tax aggregating to Rs. 11138 lakhs (including interest and penalty) for the period from 2007 to 2013 in respect of sales from its manufacturing facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA).</p> <p>In terms of the Policy of the Government of Madhya Pradesh and Madhya Pradesh SEZ Act, 2003, the Unit was exempt from local state taxes and levies. SRF Limited has paid Additional Countervailing Duty (ACVD), to counter balance CST / Sales Tax, aggregating to Rs. 4831 lakhs for the period from 2007 to 2013 on sales from the SEZ to the DTA under the Customs laws pursuant to the Special Economic Zone Act 2005, MP SEZ Act, 2003 and the Policy of Centre and Madhya Pradesh State. SRF Limited had filed a writ petition before the Indore Bench of the Hon'ble High Court of Madhya Pradesh ("Court") against</p> |

| | | |
|--|--|--|
| | | <p>the said demands.</p> <p>SRF Limited contended that while State is demanding local taxes, the Centre in its reply has stated that ACVD is payable and therefore this amounts to double taxation.</p> <p>The Court has directed the State Government not to take any coercive steps for recovery of demand.</p> <p>The matter is sub judice. The Management of SRF Limited, based on the facts of the case and opinion received by it from legal experts, is confident of getting a relief in the matter from the Court and, accordingly, has not made any provision for the said disputed demands.</p> |
| | | <p>(b) SRF Limited had opted to apply the provisions under paragraph 46A of Accounting Standard – 11 “The Effects of changes in Foreign Exchange Rates” with effect from April 1, 2013. Accordingly, exchange difference of Rs. 7191.46 lakhs (Previous year Rs. 9777.25 lakhs) arising on all long term monetary items relating to acquisition of depreciable assets are added to the cost of Fixed Assets / Capital work-in-progress and will be depreciated over the useful life of the assets. The unamortized portion carried forward as at March 31, 2015 is Rs. 15427.44 lakhs (Previous year Rs. 9223.63 lakhs). As a result of such change, the net profit after tax for the year is higher by Rs. 4056.87 lakhs (Previous year Rs. 5851.70 lakhs).</p> <p><u>Our Opinion is not qualified in respect of above matters.</u></p> |

SIGNIFICANT ACCOUNTING POLICIES

No. 5 : FOREIGN CURRENCY TRANSACTIONS

As regards the holding company, i.e, KAMA Holdings Limited as well as the subsidiaries other than SRF Limited and Shri Educare Limited is concerned, there are no transaction in foreign currency.

The subsidiary SRF Limited and its subsidiaries follows the following policy:

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

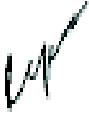



The exchange differences relating to non-integral foreign operations are accumulated in a "Foreign currency translation reserve".

The exchange differences arising on settlement / restatement of long term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss. The unamortised exchange difference is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

The subsidiary Shri Educare Limited and its subsidiary follows the following policy:

Transactions in foreign currency are accounted at the rate prevalent on the date of transactions, foreign currency current assets/current liabilities are translated at the year-end rates on account of fluctuation, whether gain or loss; is accounted for and disclose in the statement of profit & loss.

The loss or gain on account of exchange difference arising out of translation of integral foreign operations is also accounted for in the statement of profit & loss under the head exchange difference.

| | | |
|----|---|--|
| 4. | Frequency of Observation | Second time |
| 5. | <p>To be signed by:</p> <ul style="list-style-type: none"> • Whole Time Director & Chief Financial Officer & Company Secretary • Audit Committee Chairman • Auditor of the Company | <div style="text-align: center;">  (Rajat Lakhnupal) </div> <hr/> <div style="text-align: center;">  (Amitav Virmani) </div> <hr/> <p>Refer our Audit Report dated May 30, 2015 on the consolidated financial statements of the Company for the year ended March 31st, 2015.</p> <p>For THAKUR, VAIDYANATH AIYAR & CO. Chartered Accountants (Firm Registration No. 000038N)</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  V. Rajaraman (Partner) (Membership No. 2705) </div> <div style="text-align: center;">  </div> </div> <p>New Delhi, May 30, 2015</p> |



KAMA HOLDINGS LIMITED

**ANNUAL REPORT
2014-15**

BOARD OF DIRECTORS

Mr. Kartik Bharat Ram, Chairman

Ms. Vasvi Bharat Ram

Mr. Mukul Khandelwal

Mr. Amitav Virmani

Mr. Dharendra Datta

Mr. Rajat Lakhanpal, Whole-time Director, Chief Financial Officer & Company Secretary

AUDITORS

Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, New Delhi

BANKERS

HDFC Bank Ltd.

ICICI Bank Ltd.

REGISTERED OFFICE

CIN :L92199DL2000PLC104779

C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016, India

Email : info@kamaholdings.com Website: www.kamaholdings.com

CORPORATE OFFICE

Block C, Sector 45, Gurgaon – 122003 (Haryana), India

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KAMA Holdings Limited

(CIN : L92199DL2000PLC104779)

Regd. Office : C-8, Commercial Complex, Safdarjung Development Area, New Delhi - 110 016

Email : info@kamaholdings.com, Website : www.kamaholdings.com

Tel. No : (+91-11) 26857141 Fax : (+91-11) 26510428

NOTICE

Notice is hereby given that the 15th Annual General Meeting of KAMA Holdings Limited will be held on Friday, September 4, 2015 at 11.30 a.m. at the Modi Hall, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110 016 to transact the following businesses: -

Ordinary Business

1. To receive, consider and adopt the standalone and consolidated financial statements of the Company for the year ended March 31, 2015 together with the Reports of the Auditor and Board of Directors thereon.
2. To declare dividend on 8% non-cumulative redeemable reference share.
3. To appoint a Director in place of **Mr. Kartik Bharat Ram** (DIN 00008557), who retires by rotation and being eligible, offers himself for re-election.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

To ratify appointment of auditors of the Company as approved by the members at the Fourteenth Annual General Meeting.

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, and the Rules made thereunder, the recommendations of the Audit Committee and the resolution passed by the members at the fourteenth annual general meeting held on September 2, 2014, the appointment of M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, New Delhi (Registration No.000038N) as Auditors of the Company be and is hereby ratified.

Special Business

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

Appointment of Ms. Vasvi Bharat Ram (DIN00074849), as a Director, liable to retire by rotation:

“RESOLVED THAT pursuant to Section 149 and Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Listing Agreement, Ms. Vasvi Bharat Ram (DIN 00074849), who was appointed as an additional Director of the Company with effect from 29th January, 2015 be and is hereby appointed as a Director of the Company liable to retire by rotation.”

**By Order of the Board
for KAMA Holdings Limited**

Sd/-

Place : New Delhi,
Date : May 30, 2015

(Rajat Lakhnpal)
Whole Time Director, Chief Financial
Officer & Company Secretary
(DIN 00005664)

NOTES

1. Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 (the Act), relating to the Special Business to be transacted at the Meeting is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED, DULY COMPLETED, TO THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Proxy holders shall carry a valid identify proof at the time of attending the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

Corporate/Institutional Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 28th August, 2015, to Friday, 4th September, 2015 (both days inclusive) for the purposes of holding the Annual General Meeting.

The dividend when declared will be payable to the preference shareholders whose name stand on the Register of Preference Shareholders as on Friday, 28th August, 2015.

4. Members holding shares in physical form are requested to notify change in address and bank mandate, bank particulars, if any, under their signatures to Karvy Computershare Private Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial Dist., Gachibowli, Nanakramguda, Seri Lingampally, Hyderabad - 500 032 Telangana, the Registrar & Share Transfer Agent (RTA), quoting folio Nos. Members holding shares in electronic form may update such details with their respective Depository Participants.

In terms of SEBI Circular dated 20th May, 2009 and 7th January, 2010 pertaining to (i) transfer of physical shares (ii) deletion of name of the deceased shareholder(s) where the shares are held in the name of two or more shareholders (iii) transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares; and (iv) transposition of shares- when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders of listed company, the



transferees are requested to furnish copy of their Permanent Account Number (PAN) Card along with other documents to the RTA for the above mentioned purpose, irrespective of the value of the transaction.

5. Members seeking any information regarding accounts to be given at the meeting are requested to write to the Company at its Corporate Office at Block C, Sector – 45, Gurgaon- 122 003 (Haryana) at least seven days before the date of the meeting so as to enable the management to keep the information ready.
6. The Company has transferred the unpaid or unclaimed dividend declared up to the financial year 2007-08 to the Investor Education and Protection Fund (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 unpaid and unclaimed amounts lying with the Company as on 2 September 2014 (date of last Annual General Meeting) on the website of the Company (www.kamaholdings.com), as also on the website of the Ministry of Corporate Affairs.
7. Shareholders are advised that those who have not encashed their dividend warrant(s) for the subsequent years may send their outdated dividend warrants to the Company at its Corporate Office or to the Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited for issue of demand drafts in lieu thereof.
8. **Voting through electronic Means:** Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management & Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide remote e-voting facility to the members to exercise their right to vote by electronic means.
 - i) The Company has fixed 28 August 2015, as a cut -off date to record the entitlement of the shareholders to cast their vote electronically at the 15th Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules made thereunder. Consequently the same cut-off date i.e. 28 August 2015 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 15th AGM on 4 September 2015.
 - ii) The Companies (Management and Administration) Amendment Rules, 2015 provides that the electronic voting period shall close at 5.00 p.m. on the date preceding the date of AGM. Accordingly the e-voting period will commence at 10.00 AM on Tuesday, September 1, 2015 and will end at Thursday, September 3, 2015, 5:00 P.M. The e-voting module shall be disabled at 5.00 P.M. on the same day.
 - iii) The members who have cast their votes through remote e-voting facility may also attend the general meeting but shall not be entitled to cast their vote again. The facility for voting through ballot paper will be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting will be able to exercise their right at the meeting through ballot paper.
 - iv) The Company has appointed M/s. Arvind Kohli & Associates, Company Secretaries to act as the Scrutinizer, for conducting the scrutiny of the votes cast in a fair and transparent manner.

- v) The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

Procedure for remote e-voting

The Company has engaged the services of Karvy Computershare Private Limited (Karvy) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:

- (a) **In case of Members receiving an e-mail from Karvy:**
 - (i) Launch an internet browser and open <https://evoting.karvy.com>
 - (ii) Enter the login credentials (i.e. User ID and password). The Event No.+ Folio No. or DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - (iii) After entering the above details Click on - Login.
 - (iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.
 - (v) On successful login, the system will prompt you to select the E-Voting Event
 - (vi) Select the EVENT of KAMA Holdings Limited and click on - Submit.
 - (vii) Now you are ready for e-voting as 'Cast Vote' page opens.
 - (viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
 - (ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.
 - (x) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at arvindkohli@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "KAMA-AGM2015"

(b) In case of Shareholders receiving physical copy of the Notice of AGM and E-Voting instructions letter.

- i) Initial password is provided, as follows, in the covering letter forwarded alongwith physical copy of annual report.

| EVEN (E-Voting Event Number) | USER ID | PASSWORD |
|---------------------------------|---------|----------|
| 1864 | - | - |

- ii) Please follow all steps from Sr. No. (i) to Sr. No. (xi) above, to cast vote.
- iii) In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website <https://evoting.karvy.com>.
- iv) If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.
- v) Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- vi) Members who have acquired shares after the dispatch of the Annual Report and before the cut off date may obtain the user ID by approaching the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
- a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> Event number + Folio No. or DP ID Client ID to 9212993399
Example for NSDL :
MYEPWD <SPACE> IN12345612345678
Example for CDSL :
MYEPWD <SPACE> 1402345612345678
Example for Physical :
MYEPWD <SPACE> XXX1234567
- b. If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call Karvy's toll free number 1-800-3454-001
- d. Member may send an e-mail request to evoting@karvy.com
- vii) The Scrutinizer shall after the conclusion of voting at the AGM, count the votes cast at the meeting and 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 shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- viii) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.kamaholdings.com and on Karvy's website (<https://evoting.karvy.com>) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE.
9. Details under Clause 49 of the Listing Agreement in respect of the Director seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
10. Electronic copy of the Annual Report along with Notice of 15th Annual General Meeting are being sent to all the members holding shares in demat form and whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies are being sent in the permitted mode.
11. The Notice of the 15th Annual General Meeting and the Annual Report for 2014-15 will be available on the Company's website www.kamaholdings.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to inward.ris@karvy.com.
12. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to the date of the Annual General Meeting of the Company.
13. The register(s) maintained under Section 189 of the Companies Act, 2013 shall be available at the venue of the annual general meeting from its commencement and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.
14. Members are requested
- to quote their folio/identification Nos. in all correspondence.
 - to bring their attendance slip along with their copy of Annual Report to the Meeting.
 - to note that no gifts will be distributed at the meeting.
 - in case of Joint holders attending the meeting, only such Joint



- holder who is higher in the order of names will be entitled to vote.
- v) that in case they are holding shares in electronic form, to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / R&T Agent.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 5

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, had co-opted Ms. Vasvi Bharat Ram (44) as an Additional Director on 29 January 2015. In terms of Articles of Association of the Company and section 161 (1) of the Companies Act, 2013, she holds office upto the date of forthcoming Annual General Meeting. The Company has received a notice under Section 160 from a member signifying his intention to propose the candidature of Ms. Vasvi Bharat Ram at the forthcoming Annual General Meeting, copy of which is available on the website of the Company www.kamaholdings.com.

The information required by the Listing Agreement with the Stock Exchanges is given below:

Ms. Vasvi Bharat Ram

Ms. Vasvi Bharat Ram (44) is a Bachelor of Honours in Sociology from Delhi University. She is the Vice-Chairperson of The Shriram Schools which is one of the premier educational institutions in India. She has been the past Chairperson Young FICCI Ladies Organisation.

Ms. Vasvi Bharat Ram has no shareholding in the Company.

Ms. Vasvi Bharat Ram is Chairperson of Stakeholders Relationship Committee and member of Committee of Directors - Financial Resources Committee and Nomination and Remuneration Committee of the Board.

Ms. Vasvi Bharat Ram is not holding directorship in any other company.

Except Ms. Vasvi Bharat Ram and Mr. Kartik Bharat Ram who is her relative, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financial or otherwise, in the Resolution. The Board of Directors recommends the resolution for approval of the members.

Mr. Kartik Bharat Ram

Mr. Kartik Bharat Ram (44), appointed as Director wef from January 31, 2006, holds a Masters' degree in Business Administration in Corporate Strategy from Cornell University, USA and has about 20 years working experience in senior positions. He is the Deputy Managing Director of SRF Ltd. which is engaged in the business of manufacture of nylon tyre record, refrigerant gases, speciality chemicals and packaging films.

Mr. Kartik Bharat Ram is a member of Committee of Directors-Financial Resources and Stakeholders Relationship Committee of the Board. He holds 12,09,860 fully paid up equity shares of Rs.10 each (18.75% of the paid up equity share capital) and 31,94,325 fully paid up 8% Non-Cumulative Redeemable Preference Shares of Rs. 10 each (24.73% of the paid up preference share capital), jointly with Mr. Ashish Bharat Ram who is his relative.

| Directorships in other public limited companies | Committee Chairmanship/ Membership |
|--|--|
| SRF Ltd. | Stakeholders Relationship Committee - Member CSR Committee - Member Committee of Directors-Financial Resources- Member |
| Shri Educare Ltd. | Remuneration Committee- Member |
| SRF Energy Ltd. | - |

Except Mr. Kartik Bharat Ram and Ms. Vasvi Bharat Ram who is his relative, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financial or otherwise, in the Resolution. The Board of Directors recommend the resolution for approval of the members.

Important communication to members

The members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company's Registrar & Transfer agent M/s Karvy Computershare Pvt. Ltd.

Board's Report

To the Members,

The Directors are pleased to present their fifteenth Annual Report on the business and operations of the Company and the statement of accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS

| | (Rs. Crores) | |
|---|---------------------|----------------|
| | 2014-15 | 2013-14 |
| Dividend and Other Income | 30.15 | 30.21 |
| Profit Before Interest, Depreciation & Tax (PBIDT) | 29.65 | 29.75 |
| Less: Interest & Finance Charges | - | - |
| Profit before Depreciation and Tax (PBDT) | 29.65 | 29.75 |
| Less: Depreciation | - | - |
| Profit before Tax (PBT) | 29.65 | 29.75 |
| Less: Provision For Taxes (including provision for deferred tax) | 0.07 | 0.27 |
| Net Profit after Tax (PAT) | 29.58 | 29.48 |
| Add: Profit brought forward from previous year | 179.69 | 158.43 |
| Profit available for appropriation | 209.27 | 187.91 |
| Appropriations | | |
| Dividend on Preference Shares | 1.03 | 1.03 |
| Interim Dividend on Equity shares | 9.68 | 4.19 |
| Corporate tax on dividend | - | - |
| Amount transferred to General Reserve | - | 3.00 |
| Profit carried to Balance Sheet | 198.56 | 179.69 |
| Total Appropriation | 209.27 | 187.91 |

DIVIDEND

During the year, your Company has paid interim dividend of Rs. 15 per share amounting to Rs. 9.68 Crores. No final dividend is recommended on Equity Shares.

Your Directors recommended payment of dividend on 8% Non-cumulative Redeemable Preference Shares.

OPERATIONS REVIEW

Profit before Interest, Depreciation & Tax (PBIDT) decreased by 0.34% to Rs 29.65 crores during 2014-15 from Rs 29.75 crores during 2013-14 mainly due to decrease in dividend and interest income. Profit after Tax increased by 0.34% to Rs. 29.58 crores during 2014-15 from Rs 29.48 crores during 2013-14.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

A report on the performance and financial position of the subsidiaries is provided as Annexure I to this Report. The names of the Companies which became or ceased to be subsidiaries are given in the said Annexure. The Company has no associate company or a joint venture. The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: http://kamaholdings.com/Inv/Policy_MaterialSubsidiaryCompanies.pdf

DIRECTORS

Mr. Kartik Bharat Ram is retiring at the forthcoming annual general meeting and being eligible offers himself for re-election.

In compliance with the requirements of the Companies Act, 2013 and Listing Agreement pertaining to appointment of a woman director, Ms. Vasvi Bharat Ram was appointed as an additional Director on 29 January 2015. A notice has been received from a shareholder proposing to appoint her as a regular director liable to retire by rotation, as her co-option as additional director would come to an end at the date of the ensuing general meeting. The directors recommend her appointment.

Mr. Kartik Bharat Ram, Chairman is a relative of Ms. Vasvi Bharat Ram.

Brief resume of the Directors who are proposed to be appointed/re-appointed is furnished in the explanatory statement to the notice of the ensuing Annual General Meeting.

Mr. Ashish Bharat Ram resigned from the directorship with effect from 29 January, 2015.

Mr. Rajat Lakhanpal, Whole Time Director & Company Secretary was also appointed as Chief Financial Officer of the Company on 29 January, 2015.

During the year under review, the members approved the appointments of Mr. Amitav Virmani, Mr. Mukul Khandelwal and Mr. Dharendra Datta as Independent Directors who are not liable to retire by rotation.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

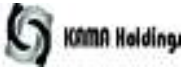
In accordance with the requirements of the Act and the Listing Agreement, the Company has formulated a Nomination, Appointment and Remuneration Policy. A copy of the Policy is enclosed as Annexure II.

In accordance with the aforesaid Policy, the Nomination and Remuneration Committee evaluates the performance of the Executive Director, Non-Independent non-executive Directors and Independent Directors. Board evaluates, its own performance on criteria like discharge of duties and responsibilities under the Companies Act and Listing Agreement, fulfilment of its role with respect to guiding corporate strategy, risk policy, business plans, corporate performance, monitoring company's governance practices etc. and number of meetings held during the year and the performance of its Committees on the criteria like fulfilment of role of the Committee with reference to its terms of reference, the Companies Act and the Listing Agreement and the number of committee meetings held during the year.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link http://kamaholdings.com/Inv/FAMILIARIZATION_INDEPENDENT_DIRECTORS.pdf.

MEETINGS OF THE BOARD

During the year 2014-15, four meetings of the Board of Directors were held. For further details, please refer to report on Corporate Governance on page no. 29 of this Annual Report.



DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134 (3) (c) of the Companies Act, 2013, it is hereby confirmed:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors 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) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered into by the Company during the financial year, with related parties, referred to in sub-section (1) of section 188 were in the ordinary course of business and on an arms' length basis and in accordance with the Transfer Pricing Policy/ basis approved by the Audit Committee. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Policy on materiality of related party transactions.

Your Directors draw attention of the members to Note 5 to the notes to accounts forming part of the financial statements which sets out related party transaction disclosures.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of loans given, investments made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security was proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note 6 to the standalone financial statement).

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, the Company was not required to undertake CSR obligations as it did not fulfill any of the criteria laid down under Section 135 of the Companies Act, 2013 and rules made thereunder.

RISK MANAGEMENT

The Company is a Core Investment Company within the meaning of Core Investment Companies (Reserve Bank) Directions, 2011.

Investment business is always prone to various risks i.e. risk of capital market fluctuations, global developments, competition risk, interest rate volatility, economic cycles and political risks which can affect the fortunes of investment companies in both ways.

To manage these risks the Company is following a sound and prudent risk management policy. The aim of the policy is to minimize risk and maximize the returns

In the opinion of your Board, none of the risks which have been identified may threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

LISTING OF EQUITY SHARES

KAMA's equity shares are listed at the Bombay Stock Exchange Ltd.

CORPORATE GOVERNANCE

Certificate of the auditors of your Company regarding compliance of the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement with the stock exchanges is attached to the report as Annexure III.

In compliance with the requirements of Clause 49(V), a certificate from Whole Time Director, Chief Financial Officer and Company Secretary was placed before the Board.

All Board members affirmed compliance with the Code of Conduct for Board and Senior Management Personnel. A declaration to this effect duly signed by the Whole Time Director, Chief Financial Officer and Company Secretary is enclosed as a part of the Corporate Governance Report. A copy of the Code is also placed at the website of the Company (www.kamaholdings.com).

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the accounting standard (AS-21), your Directors are pleased to attach the consolidated financial statements, which form part of the Annual Report and Accounts.

AUDIT COMMITTEE

The Audit Committee comprises of Independent Directors namely Mr. Amitav Virmani (Chairman of the Committee), Mr. Mukul Khandelwal and Mr. Dharendra Datta as other members. All the recommendations made by the Audit Committee were accepted by the Board.

ACCOUNTS AND AUDIT

As per the requirements of the Companies Act, 2013, the Statutory Auditors M/s. Thakur Vaidyanath Aiyar & Co., Chartered Accountants were appointed to hold office until the conclusion of 17th annual general meeting. Their appointment as per the provisions of the Companies Act, 2013 was subject to ratification by the members at every annual general meeting. They have submitted their certificate to the effect that they fulfill the requirements of Section 141 of the Companies Act, 2013. The observations of the auditors are explained wherever necessary in appropriate notes to the accounts.

VIGIL MECHANISM

In compliance of provisions of the Companies Act, 2013 and Listing Agreement, the company has established a vigil mechanism for directors, employees and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct.

The Vigil mechanism of the Company consists of Code of Conduct for Employees, Whistleblower Policy, Code of Conduct for Prevention of Insider Trading and Code of Conduct for Directors and Sr. Management Personnel. These taken together constitute the vigil mechanism through which Directors, employees and other stakeholders can voice their concerns. The Whistleblower Policy, Code of Conduct for Prevention of Insider Trading and Code of Conduct for Directors and Sr. Management Personnel can be accessed on the Company's website at the link <http://kamaholdings.com/InvCodesPolicies.aspx>

MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis on matters as stipulated in clause 49 of the listing agreement with the stock exchange, is given as a separate statement in the Annual report.

SECRETARIAL AUDITOR

The Board has appointed M/s Sanjay Grover & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31st March, 2015 is annexed herewith as Annexure IV to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

FIXED DEPOSITS

Your company had discontinued acceptance/renewal of fixed deposits w.e.f. 1st April, 2009. As on 31st March, 2015 all fixed deposits had matured and are being repaid as and when claimed by the depositors. As on 31st March, 2015, deposits (including interest) amounting to Rs. 1.90 lacs remained unclaimed by depositors.

PARTICULARS OF EMPLOYEES

No employee was drawing remuneration equal to or exceeding the limits under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure – V.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure VI.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there was no transactions on these items during the year under review :-

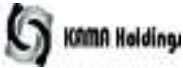
1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Whole-time Director, Chief Financial Officer and Company Secretary has not received any remuneration or commission from any of the Company's subsidiaries.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude the co-operation and assistance received from various agencies of the Central Government and the Lenders. Your Directors thank the shareholders for their support.

For and on behalf of the Board of Directors
Kartik Bharat Ram
Chairman
(DIN 00008557)

Place: New Delhi
Date: May 30, 2015



Annexure I to Board's Report

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part A: Indian Subsidiaries

| S. No. | Particulars | SRF Limited | SRF Transnational Holdings Limited | Shri Educare Limited | KAMA Realty (Delhi) Limited |
|--------|--------------------------------|--------------------------------|------------------------------------|--------------------------------|--------------------------------|
| | | Rs./lakhs | Rs./lakhs | Rs./lakhs | Rs./lakhs |
| (a) | Reporting Period | 1 April 2014 to March 31, 2015 | 1 April 2014 to March 31, 2015 | 1 April 2014 to March 31, 2015 | 1 April 2014 to March 31, 2015 |
| (b) | Reporting Currency | INR | INR | INR | INR |
| (c) | Exchange Rate as on 31.03.2015 | - | - | - | - |
| (d) | Share Capital | 5,843.56 | 3,254.18 | 951.00 | 6.00 |
| (e) | Reserves and Surplus | 233948.17 | (1918.21) | (503.28) | 2,277.10 |
| (f) | Total Assets | 455728.57 | 567.54 | 977.60 | 4,983.29 |
| (g) | Total Liabilities | 246998.33 | 5236.10 | 1050.79 | 3,519.63 |
| (h) | Investment | 17786.66 | 6004.54 | - | 819.44 |
| (i) | Turnover | 366134.51 | 322.80 | 674.22 | 984.28 |
| (j) | Profit Before Taxation | 39610.75 | 229.08 | 5.12 | 708.54 |
| (k) | Provision for Taxation | 8837.70 | 56.68 | (228.70) | 158.00 |
| (l) | Profit After Taxation | 30773.05 | 172.40 | 233.82 | 550.54 |
| (m) | Proposed Dividend | - | - | - | - |
| (n) | % of shareholding | 52.25% | 100.00% | 100.00% | 100.00% |

| S. No. | Name of the subsidiary | SRF Holiday Home Limited (subsidiary of SRF Ltd) | SRF Energy Limited (subsidiary of SRF Ltd) | SRF Fluorochemicals Limited (subsidiary of SRF Ltd) |
|--------|--------------------------------|--|--|---|
| | | Rs./lakhs | Rs./lakhs | Rs./lakhs |
| (a) | Reporting Period | 1 April 2014 to March 31, 2015 | 1 April 2014 to March 31, 2015 | 1 April 2014 to March 31, 2015 |
| (b) | Reporting Currency | INR | INR | INR |
| (c) | Exchange Rate as on 31.03.2015 | - | - | - |
| (d) | Share Capital | 400.00 | 5.00 | 5.00 |
| (e) | Reserves and Surplus | (5.52) | (5.00) | (5.00) |
| (f) | Total Assets | 395.44 | 0.08 | 0.08 |
| (g) | Total Liabilities | 1.01 | 0.08 | 0.08 |
| (h) | Investment | - | - | - |
| (i) | Turnover | 0.11 | 0.24 | 0.24 |
| (j) | Profit Before Taxation | (0.33) | (4.25) | (4.25) |
| (k) | Provision for Taxation | - | - | - |
| (l) | Profit After Taxation | (0.33) | (4.25) | (4.25) |
| (m) | Proposed Dividend | - | - | - |
| (n) | % of shareholding | 52.25% | 52.25% | 52.25% |

Foreign subsidiaries

| S. No. | Particulars | SRF Global BV# (subsidiary of SRF Ltd) | | SRF Flexipak (South Africa)(Pty) Limited# (subsidiary of SRF Global BV) | |
|--------|--------------------------------|---|-----------|---|------------|
| | | USD | Rs./lakhs | Rand | Rs./lakhs |
| (a) | Reporting Period | 1 April 2014 to March 31, 2015 | | 1 April 2014 to March 31, 2015 | |
| (b) | Reporting Currency | USD | | Rand | |
| (c) | Exchange Rate as on 31.03.2015 | 62.47 | | 5.118 | |
| (d) | Share Capital | 18315664 | 11441.80 | 100 | 0.01 |
| (e) | Reserves and Surplus | (1155002) | (721.53) | (141480460) | (7240.97) |
| (f) | Total Assets | 86878933 | 54273.27 | 822062890 | 42073.18 |
| (g) | Total Liabilities | 69718271 | 43553.00 | 963543250 | 49314.14 |
| (h) | Investment | * | * | - | - |
| (i) | Turnover | 1729333 | 1080.31 | 532338607 | 27245.09 |
| (j) | Profit Before Taxation | (554400) | (346.33) | (106641922) | (5457.93) |
| (k) | Provision for Taxation | - | - | (28967088) | (17561.01) |
| (l) | Profit After Taxation | (554400) | (346.33) | (77674834) | 12103.07 |
| (m) | Proposed Dividend | - | - | - | - |
| (n) | % of shareholding | 52.25% | | 52.25% | |

* Investment in subsidiary USD 30097405 (Equivalent to Rs. 18801.85 lakhs)*

| S. No. | Particulars | SRF Overseas Limited# (subsidiary of SRF Global BV) | | SRF Industries (Thailand) Limited# (subsidiary of SRF Global BV) | |
|--------|--------------------------------|---|-----------|--|-----------|
| | | AED | Rs./lakhs | Baht | Rs./lakhs |
| (a) | Reporting Period | 1 April 2014 to March 31, 2015 | | 1 April 2014 to March 31, 2015 | |
| (b) | Reporting Currency | AED | | THB | |
| (c) | Exchange Rate as on 31.03.2015 | 17.008 | | 1.92 | |
| (d) | Share Capital | 84049966 | 14295.22 | 100000000 | 1479.15 |
| (e) | Reserves and Surplus | (49089787) | (8349.19) | 16488541.67 | 316.58 |
| (f) | Total Assets | 34970402 | 5947.77 | 3097024479.17 | 59462.87 |
| (g) | Total Liabilities | 10223 | 1.74 | 3380084234 | 58300.30 |
| (h) | Investment | - | - | - | - |
| (i) | Turnover | 17091833 | 2906.98 | 3142881770.83 | 60343.33 |
| (j) | Profit Before Taxation | 13325180 | 2266.35 | (18077604.17) | (347.09) |
| (k) | Provision for Taxation | - | - | (42963020.83) | (824.89) |
| (l) | Profit After Taxation | 13325180 | 2266.35 | (61040625.00) | (1171.98) |
| (m) | Proposed Dividend | - | - | - | - |
| (n) | % of shareholding | 52.25% | | 52.25% | |



| S. No. | Name of the subsidiary | SRF Industex Belting (Pty) Limited#(subsidiary of SRF Global BV) | | SRF Fluor Private Limited# (subsidiary of SRF Ltd) | | Shri Educare Maldives Private Limited# (subsidiary of Shri Educare Limited) | |
|--------|--------------------------------|--|------------|--|------------|---|------------|
| | | Rand | Rs. /lakhs | USD | Rs. /lakhs | MVR | Rs. /lakhs |
| (a) | Reporting Period | 1 April 2014 to March 31, 2015 | | 1 April 2014 to June 30, 2014 | | 1 April 2014 to March 31, 2015 | |
| (b) | Reporting Currency | Rand | | USD | | MVR | |
| (c) | Exchange Rate as on 31.03.2015 | 5.118 | | 62.47 | | 3.9376 | |
| (d) | Share Capital | 13320202 | 681.73 | 45002 | 28.11 | 137.95 | 543.19 |
| (e) | Reserves and Surplus | (4000765) | (204.76) | (47924) | (29.94) | (136.25) | (536.50) |
| (f) | Total Assets | 106118754 | 5431.16 | 19.00 | 0.01 | 45.68 | 179.87 |
| (g) | Total Liabilities | 96799316 | 4954.19 | 2941 | 1.84 | 43.98 | 173.18 |
| (h) | Investment | - | - | - | - | - | - |
| (i) | Turnover | 185211208 | 9479.11 | 18437 | 11.52 | 277.81 | 1093.90 |
| (j) | Profit Before Taxation | (4392335) | (224.80) | 9129 | 5.70 | (6.33) | (24.93) |
| (k) | Provision for Taxation | 42081 | 2.15 | - | - | - | - |
| (l) | Profit After Taxation | (4350254) | (222.65) | 9129 | 5.70 | (6.33) | (24.93) |
| (m) | Proposed Dividend | - | - | - | - | - | - |
| (n) | % of shareholding | 52.25% | | 52.25% | | 100% | |

The financial statements of these foreign subsidiaries have been converted into Indian Rupees on the basis of following exchange rates :

- (i) 1 AED = Rs. 17.008
- (ii) 1 USD = Rs. 62.47
- (iii) 1 Baht = Rs. 1.92
- (iv) 1 Rand = Rs. 5.118
- (v) 1 MVR = Rs. 3.9376

Notes :-

1. Investment in SRF Transnational Holdings Ltd. was divested by SRF Ltd. to KAMA Holdings Ltd. during the financial year 2014-15.
2. KHL Investments Ltd. was wound up during the financial year 2014-15.
3. Investment in SRF Properties Ltd. (subsidiary of SRF Ltd.) was divested during the financial year 2014-15.
4. SRF Fluor Pvt. Ltd. (subsidiary of SRF Ltd.) has been wound up during the financial year 2014-15.
5. Applications for striking off the names of SRF Fluorochemicals Ltd. and SRF Energy Ltd. (subsidiaries of SRF Limited) from register of companies were made after the end of financial year 2014-15.

Part "B" : Associates and Joint Ventures- N.A.

Rajat Lakhnupal
WHOLE TIME DIRECTOR,
CHIEF FINANCIAL OFFICER &
COMPANY SECRETARY
(DIN:00005664)

Kartik Bharat Ram
CHAIRMAN
(DIN:00008557)

Dhirendra Datta
DIRECTOR
(DIN: 02376649)

Amitav Virmani
DIRECTOR
(DIN: 02169955)

Place : New Delhi
Date : 30th May 2015

NOMINATION, APPOINTMENT AND REMUNERATION POLICY**A. Introduction**

This Policy on Nomination, Appointment and Remuneration of Directors and Key Managerial Personnel has been formulated in accordance with the provisions of Section 178 of the Companies Act, 2013 (the Act) and the Listing Agreement with the Stock Exchanges by the Nomination and Remuneration Committee of the Directors of the Company.

B. Definitions

Directors : Directors (other than Whole-time Director(s)) appointed under the provisions of the Companies Act, 2013 and rules made thereunder.

Key Managerial

Personnel Whole-time Director(s), Chief Financial Officer and Company Secretary.

The terms "He" or "his" as mentioned in this Policy includes any gender.

C. Terms of Reference

The Board of Directors of the Company at its meeting held on 27th May, 2014 reconstituted the existing Remuneration Committee of Directors as "Nomination and Remuneration Committee" of Directors (the Committee) with the following terms of reference :-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director.
- Formulation of criteria for evaluation of Independent Directors and the Board
- Devising a policy on Board diversity.
- Formulation of policies for remuneration to Directors, Key Managerial Personnel, Sr. Management Personnel and functional heads.
- Identification and recommendation to Board of persons who are qualified to become Directors, Key Managerial Personnel, Sr. Management Personnel and functional heads in accordance with the criteria laid down.
- Recommend to the Board on appointment and removal of Directors, Key Managerial Personnel, Sr. Management Personnel and functional heads.
- Evaluation of the performance of Directors (other than independent directors).
- Evaluation of the performance of independent directors and make recommendations to Board.
- Evaluation of the performance of KMPs, Sr. management personnel and functional heads as a team.

D. Criteria for recommending a person to become Director

The Committee shall take into consideration the following criteria of qualification, positive attributes and independence for recommending to the Board for appointment of a Director:-

1. Qualification & Experience

The incumbent shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, operations, research, corporate governance, education, community service or other disciplines.

2. Attributes/Qualities

The incumbent Director shall possess one or more of the following attributes/qualities :-

- Respect for and strong willingness to imbibe the Company's Core Values.
- Honesty and Professional integrity.
- Strategic capability with business vision.
- Entrepreneurial spirit and track record of achievement.
- Ability to be independent
- Capable of lateral thinking.
- Reasonable financial expertise.
- Association in the fields of business/corporate world/Finance/education/community service/Chambers of Commerce & industry.
- Effective review and challenge to the performance of management.

3. In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as Independent Director as per the provisions of the Act, Listing Agreement with Stock Exchanges and other applicable laws and regulations.



4. The incumbent should not be disqualified for appointment as a Director pursuant to the provisions of the Act or other applicable laws & regulations.

E. Directors' Compensation

The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Act, Listing Agreement with Stock Exchanges and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval by the Board. Non-executive Directors shall be entitled to such sitting fees as may be decided by the Board.

F. Evaluation

The Committee will review the performance of Directors as per the structure of performance evaluation. (As per Annexure I or Annexure II, as applicable).

G. Board Diversity

The Committee will review from time to time Board diversity to bring in professional experience in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy, education, community service and human resource management in the Company. The Company will keep succession planning and Board diversity in mind in recommending any new name of Director for appointment to the Board.

H. Eligibility criteria & Remuneration of Key Managerial Personnel, Senior Management Personnel and Functional Heads

The eligibility criteria for appointment of key managerial personnel shall be in accordance with the job description of the relevant position. The remuneration structure for Key Managerial Personnel, shall be as per the Company's remuneration structure taking into account factors such as level of experience, qualification, performance and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration may consist of fixed and incentive pay/retention bonus reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Annexure I

**Performance Evaluation of Executive Directors
Financial Year/Period :**

Name of Director :
Type of Directorship : Executive Director

Assessment of the following Roles/Attributes as performed by or observed in the Director whose performance is under evaluation :

| S. No. | Role/Attribute | Remarks (Y/N) |
|--------|---|---------------|
| 1. | Attendance and participation in meetings of the Board of Directors and of the Board Committees | |
| 2. | Advises on implementation of good corporate governance practices. | |
| 3. | Exercised his/her duties with due & reasonable care, skill and diligence. | |
| 4. | Acted in good faith and in the best interests of the Company towards promotion of interest of the stakeholders. | |
| 5. | Conduct in compliance with the policies of the Company viz. Code of Conduct, Code of Conduct for Prevention of Insider Trading, Whistleblower Policy etc. | |
| 6. | Ensures compliance with applicable laws/ statutory obligations in the functioning of the Company. | |
| 7. | Enhances Brand Equity | |
| 8. | Encourages new initiatives/expansion/innovation | |
| 9. | Encourages adherence to the principles of Quality, Cost, Delivery and Safety (QCDS) | |
| 10. | Resolves Investor complaints | |
| 11. | Ensures talent retention | |
| 12. | Encourages awards & recognitions | |
| | Overall Performance | |

Name of Director :
Signature :
Date & Place :

Performance Evaluation of Independent Directors/ Non-Executive Directors
Financial Year/Period:

Name of Director :
Type of Directorship : **Independent Directors/ Non-Executive Director**

Assessment of the following Roles/Attributes as performed by or observed in the Key Managerial Personnel as a team whose performance is under evaluation :

| S. No. | Role/Attribute | Remarks (Y/N) |
|--------|--|---------------|
| 1. | Attendance and participation in meetings of the Board of Directors and of the Board Committees | |
| 2. | Advises on implementation of good corporate governance practices. | |
| 3. | Independent in judgement and actions | |
| 4. | Exercised his/her duties with due & reasonable care, skill and diligence. | |
| 5. | Acted in good faith and in the best interests of the Company towards promotion of interest of the stakeholders. | |
| 6. | Conduct in compliance with the policies of the Company viz. Code of Conduct, Code of Conduct for Prevention of Insider Trading, Whistleblower Policy etc. Overall Performance | |

Name of Director :
Signature :
Date & Place :

Annexure III to the Board's Report

Auditors' Certificate on Corporate Governance

To the Members of KAMA Holdings Limited

We have examined the compliance of conditions of Corporate Governance by KAMA Holdings Limited, for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us:

We certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement(s).

We state that there are no investor grievance(s) pending for a period exceeding one month against the company as per the records maintained by the Stakeholders Relationship Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Thakur Vaidanath Aiyar & Co.
Chartered Accountants
(Registration No.000038N)

V. RAJARAMAN
Partner
(Membership No. 2705)

Place : New Delhi
Date : 30th May 2015



SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015
[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,
KAMA HOLDINGS LIMITED
(CIN: L92199DL2000PLC104779)
C-8, Safdarjung Development Area,
New Delhi-110016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kama Holdings Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Where ever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The 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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) *The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

* Not Applicable on the company during the Audit period.

We have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with BSE Limited. During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

- (vi) The Company is carrying on the business of investment in the shares of the group companies. As informed by the management, Master Circular on Regulatory Framework for Core Investment Companies (CICs) of Reserve Bank of India (RBI) is applicable on the Company, however, the Company is not required to register as CIC-ND-SI with the RBI as the Company is not accessing any public funds.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company is adequate to ensure compliance of laws specifically applicable to the Company.

We further report that the Board of Directors of the Company is constituted with the following Executive Directors, Non-Executive Directors and Independent Directors-

| Sr. No. | Name | Position held |
|---------|-----------------------|--|
| 1. | Mr. Kartik Bharat Ram | Non-Executive Chairman |
| 2. | Ms. Vasvi Bharat Ram | Non-Executive, non-independent |
| 3. | Mr. Rajat Lakhanpal | Whole-time Director, Chief Financial Officer and Company Secretary |
| 4. | Mr. Amitav Virmani | Non-Executive, Independent |
| 5. | Mr. Mukul Khandelwal | Non-Executive, Independent |
| 6. | Mr. Dharendra Datta | Non-Executive, Independent |

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

Advance seven days notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the shareholders of the Company in their Annual General Meeting held on September 2, 2014 approved-

- creation of mortgage, charge and hypothecation, and creation of securities in such form and manner and such on terms and at such time(s) as the Board may deem fit, over the assets of the company under section 180(1)(a) of the Act; and
- the borrowing limits of the company for an amount not exceeding Rs. 250 Crores (Rupees Two Hundred Fifty Crores only) under section 180(1)(c) of the Act.

Further, during the audit period, there were no instances of:

- (i) Public/Rights/Preferential issue of shares/sweat equity.
- (ii) Redemption/Buy Back of securities.
- (iii) Merger/Amalgamation/Reconstruction.
- (iv) Foreign technical collaborations.

For Sanjay Grover & Associates
Companies Secretaries

Sanjay Grover
CP No.: 3850

Place : New Delhi
Date : 30th May 2015

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

| S. No. | Name of Director/ KMP and Designation | Remuneration of Director/KMP for financial year 2014-15 (Rs./lacs) | % increase in Remuneration in the Financial Year 2014-15 | Ratio of remuneration of each Director to median remuneration of employees | Comparison of the Remuneration of the KMP against the performance of the Company |
|--------|--|--|--|--|---|
| 1. | Mr Rajat Lakhanpal (Whole Time Director, Chief Financial Officer & Company Secretary) | 29.69 | 18.09 | 100.00 | Profit after tax of the Company increased by 0.34% from Rs. 2948 lacs during 2013-14 to Rs. 2958 lacs during 2014-15. |
| 2 | Mr Kartik Bharat Ram (Non-Executive Chairman, & Promoter) | 0.10 | (50.00) | 0.003 | |
| 3 | Mr Mukul Khandelwal (Non-Executive Independent Director) | 0.125 | (28.57) | 0.004 | |
| 4 | Mr Amitav Virmani (Non-Executive Independent Director) | 0.30 | (7.69) | 0.010 | |
| 5 | Mr Dharendra Datta (Non-Executive Independent Director) | 0.20 | (33.33) | 0.007 | |
| 6 | Ms Vasvi Bharat Ram (Non-Executive Director, & Promoter) (Appointed wef 29.01.2015) | 0.00 | N.A. | 0.00 | |
| 7 | Mr Ashish Bharat Ram (Non-Executive Director, & Promoter) (Resigned wef 29.01.2015) | 0.175 | (22.22) | 0.006 | |

- (ii) The median remuneration of employees of the Company during the financial year 2014- 15 was Rs. 29.69 lacs as compared to Rs. 25.14 lacs during 2013-14. The increase in median remuneration was 18.09% as compared to 2013-14.
- (iii) There was one permanent employee on the rolls of the Company as on March 31, 2015.
- (iv) Relationship between average increase in remuneration and company performance :
Increase in the remuneration of the employee was 18.09% as compared to the increase in Profit after tax by 0.34%.
Increase in remuneration is impacted by Company performance, compensation philosophy and market competitiveness.
- v) Comparison of Remuneration of Key Managerial Personnel(s) against the performance of the Company :
As Mr. Rajat Lakhanpal, Whole-time Director, Chief Financial Officer and Company Secretary is the only employee of the Company, the explanation given in clause (iv) above is applicable.
- vi) a) Variations in the market capitalisation of the Company : The market capitalisation as on March 31, 2015 was Rs. 586.22 Crores as against the market capitalisation of Rs. 258.23 as on March 31, 2014.
- b) Price Earnings Ratio of the Company was 20.54 as at March 31, 2015 and was 9.08 as at March 31, 2014.
- c) Percent increase over/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:



Pursuant to the Scheme of Amalgamation, Arrangement and Reconstruction between SRF Limited, SRF Chemicals Limited (now KAMA Holdings Limited) and Tyrecord Fabric Limited and their respective shareholders, the shareholders of SRF Limited were issued and allotted 6452615 fully paid up equity shares of Rs. 10 each of SRF Chemicals Limited (now KAMA Holdings Limited). The Company has not issued any equity shares thereafter. The share of the Company was traded at the time of listing in 2002-03 at the market rate of Rs. 13.40 per share. The market rate of the Company on BSE as on 31st March was Rs. 908.50 per share representing 6680% increase over the market rate at the time of listing.

vii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 and its comparison with the percentile increase in the managerial remuneration and justification thereof.

Not applicable in view of (v) above.

ix) Key parameters for any variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Nomination, Appointment and Remuneration Policy of the Company.

x) 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 financial year 2014-15- Not applicable; and

xi) It is hereby affirmed that the remuneration paid is as per the Nomination, Appointment and Remuneration Policy of the Company.

Annexure VI to Board's Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

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

| | |
|---|---|
| I. REGISTRATION AND OTHER DETAILS | |
| i) CIN | L92199DL2000PLC104779 |
| ii) Registration Date | 28th March, 2000 |
| iii) Name of the Company | KAMA Holdings Limited |
| iv) Category/Sub-category of the Company | Public Company/Limited by shares |
| v) Address of the Registered Office and contact details | C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016 Tel: +91 11 26857141 Fax: +91 11 26510428 |
| vi) Whether listed company | Yes |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any. | Karvy Computershare Private Limited Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli Nanakramguda, Serilingampally, Hyderabad 500 032 Tel No.: +91 040 6716 2222 Toll Free: 1800-345-4001 Fax No.: +91 2300 1153 |
| II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY | |
| All the business activities contributing 10% or more of the total turnover of the Company | As per Attachment A |
| III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES | As per Attachment B |
| IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY) | |
| i) Category-wise Share Holding | As per Attachment C |
| ii) Shareholding of Promoters | As per Attachment D |
| iii) Change in Promoter's Shareholding | As per Attachment E |
| iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) | As per Attachment F |
| v) Shareholding of Directors and Key Managerial Personnel | As per Attachment G |



| | |
|---|--|
| V. INDEBTEDNESS | |
| Indebtedness of the Company including interest outstanding /accrued but not due for payment | As per Attachment H |
| VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL | |
| i) Remuneration to Managing Director, Whole-time Directors and/or Manager | As per Attachment I |
| ii) Remuneration to other Directors | As per Attachment J |
| iii) Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD | There is no Key Managerial Personnel other than Mr. Rajat Lakhanpal, Wholetime Director, Chief Financial Officer and Company Secretary |
| VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES | As per Attachment K |

ATTACHMENT A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are given below :-

| S. No. | Name and Description of main products /services | NIC Code of the product/ service * | % to total turnover of the Company |
|--------|---|------------------------------------|------------------------------------|
| 1. | Activities of Holdings Companies | 642 | 99.50% |

*As per National Industrial Classification- Ministry of Statistics and Programme Implementation.

ATTACHMENT B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. No. | Name of Company | Address of Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|--------|--|---|-----------------------|--------------------------------|------------------|--------------------|
| 1. | SRF Limited | C-8, Commercial Complex, Safdarjung Development Area, New Delhi-110 016 | L18101DL1970PLC005197 | Subsidiary | 52.25 | 2(87)(ii) |
| 2. | SRF Transnational Holdings Ltd | C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016 | U65993DL1984PLC196620 | Subsidiary | 100.00 | 2(87)(ii) |
| 3. | KAMA Realty (Delhi) Ltd. | C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016 | U70101DL2007PLC160735 | Subsidiary | 100.00 | 2(87)(ii) |
| 4. | Shri Educare Ltd | C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016 | U80903DL2008PLC183146 | Subsidiary | 100.00 | 2(87)(ii) |
| 5. | Shri Educare Maldives Pvt. Ltd | Ghiyasuddin International School,Ameenee Magu, Male', Maldives | N.A. | Subsidiary | 100.00 | 2(87)(ii) |
| 6. | SRF Global B.V. | Schiphol Boulevard 231, B Tower 5th Floor, 1118BH, Schiphol, The Netherlands | N.A. | Subsidiary | 52.25 | 2(87)(ii) |
| 7. | SRF Industries (Thailand) Ltd. | 3, Map to Phut Industrial Estate, I -1 Road, Amphur Muang, P.O. Box – 61, Rayong Province, Thailand | N.A. | Subsidiary | 52.25 | 2(87)(ii) |
| 8. | SRF Flexipak (South Africa) (Pty) Ltd. | 5, Eddie Hagan Drive, Cato Ridge, KwaZulu-Natal, South Africa | N.A. | Subsidiary | 52.25 | 2(87)(ii) |

| S. N. | Name of Company | Address of Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|-------|---------------------------------|---|-----------------------|--------------------------------|------------------|--------------------|
| 9. | SRF Industex Belting (Pty) Ltd. | PO Box 4038, Korsten, Port Elizabeth-6014, Republic of South Africa | N.A. | Subsidiary | 52.25 | 2(87)(ii) |
| 10. | SRF Holiday Home Ltd. | C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016 | U45200DL2006PLC156147 | Subsidiary | 52.25 | 2(87)(ii) |
| 11. | SRF Overseas Ltd. | P.O. Box 61101, Jebel Ali Free Zone, Dubai, U.A.E. | N.A. | Subsidiary | 52.25 | 2(87)(ii) |
| 12. | SRF Fluorochemicals Ltd. | C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016 | U24232DL2007PLC169852 | Subsidiary | 52.25 | 2(87)(ii) |
| 13. | SRF Energy Ltd. | C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016 | U11200DL2007PLC169973 | Subsidiary | 52.25 | 2(87)(ii) |

ATTACHMENT C
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i. Category-wise Share Holding

| 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. Promoter | | | | | | | | | |
| 1) Indian | | | | | | | | | |
| a) Individual/ HUF | 4839447 | 0 | 4839447 | 75.00 | 4839446 | 0 | 4839446 | 75.00 | 0.00 |
| 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 Corp | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0.00 |
| f) Any Other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0.00 |
| Sub-total(A)(1):- | 4839447 | 0 | 4839447 | 75.00 | 4839446 | 0 | 4839446 | 75.00 | 0.00 |
| 2) Foreign | | | | | | | | | |
| g) NRIs-Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| h) Other-Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i) Bodies Corp. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| j) Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| k) Any Other.... | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-total (A)(2):- | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 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 | 372 | 667 | 1039 | 0.02 | 372 | 667 | 1039 | 0.02 | 0.00 |
| c) Central Govt | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |

| 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 | |
| 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) FIs | 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) Others (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-total (B)(1) | 372 | 667 | 1039 | 0.02 | 372 | 667 | 1039 | 0.02 | 0.00 |
| 2. Non Institutions | | | | | | | | | |
| a) Bodies Corp. | 264558 | 3202 | 267760 | 4.15 | 296124 | 3202 | 299326 | 4.64 | 0.49 |
| b) Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 424249 | 104830 | 529079 | 8.20 | 430784 | 94540 | 525324 | 8.14 | -0.06 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 163957 | 0 | 163957 | 2.54 | 135197 | 0 | 135197 | 2.10 | -0.45 |
| c) Others(Specify) | | | | | | | | | |
| (i) Clearing Members | 444 | 0 | 444 | 0.01 | 60 | 0 | 60 | 0.00 | -0.01 |
| (ii) Non-Resident Indians | 650369 | 228 | 650597 | 10.08 | 651479 | 228 | 651707 | 10.10 | 0.02 |
| (iii) Overseas Corporate Bodies | 0 | 292 | 292 | 0.00 | 0 | 292 | 292 | 0.00 | 0.00 |
| (iv) Trusts | 0 | 0 | 0 | 0.00 | 224 | 0 | 224 | 0.00 | 0.00 |
| Sub-total (B)(2) | 1503577 | 108552 | 1612129 | 24.98 | 1513868 | 98262 | 1612130 | 24.98 | 0.00 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 1503949 | 109219 | 1613168 | 25.00 | 1514240 | 98929 | 1613169 | 25.00 | 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) | 6343396 | 109219 | 6452615 | 100.00 | 6353686 | 98929 | 6452615 | 100.00 | 0.00 |

ATTACHMENT D
ii. Shareholding of Promoters

| Sr. No | 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 the company | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares of the company | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | |
| 1. | Mr. Arun Bharat Ram | 7 | 0.00 | 0.00 | 0 | 0.00 | 0.00 | 0.00 |
| 2. | Mr. Arun Bharat Ram jointly with Mr. Ashish Bharat Ram jointly with Mr. Kartik Bharat Ram | 12,09,860 | 18.75 | 0.00 | 12,09,863 | 18.75 | 0.00 | 0.00 |
| 3. | Mr. Arun Bharat Ram jointly with Mr. Kartik Bharat Ram jointly with Mr. Ashish Bharat Ram | 12,09,860 | 18.75 | 0.00 | 12,09,863 | 18.75 | 0.00 | 0.00 |
| 4. | Mr. Ashish Bharat Ram jointly with Mr. Kartik Bharat Ram | 12,09,860 | 18.75 | 0.00 | 12,09,860 | 18.75 | 0.00 | 0.00 |
| 5. | Mr. Kartik Bharat Ram jointly with Mr. Ashish Bharat Ram | 12,09,860 | 18.75 | 0.00 | 12,09,860 | 18.75 | 0.00 | 0.00 |
| | Total | 48,39,447 | 75.00 | 0.00 | 48,39,446 | 75.00 | 0.00 | 0.00 |

ATTACHMENT E
iii. Change in Promoters' Shareholding

| Particulars | 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 (01.04.2014) | 48,39,447 | 75.00 | | |
| Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | * | | * | |
| At the End of the year (31.03.2015) | 48,39,446 | 75.00 | | |

*Sale of shares in the open market / inter se transfer

| Sr. No | Shareholder's Name | Shareholding | | Date | Increase/Decrease in Shareholding (No. of Shares) | Reason | Cumulative Holding during the year (01/04/2014 to 31/03/2015) | |
|--------|---|--|----------------------------------|--|---|--|---|----------------------------------|
| | | No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 | Mr. Arun Bharat Ram | 7 | 0.00 | 01-Apr-14 20-Aug-14 26-Aug-14 31-Mar-15 | (6) (1) | Inter se Transfer Sale in open market | 0 | 0.00 |
| 2 | Mr. Arun Bharat Ram jointly with Mr. Ashish Bharat Ram jointly with Mr. Kartik Bharat Ram | 12,09,860 12,09,863 | 18.75 18.75 | 01-Apr-14 20-Aug-14 31-Mar-15 | 3 | Inter se Transfer | 12,09,863 | 18.75 |
| 3 | Mr. Arun Bharat Ram jointly with Mr. Kartik Bharat Ram jointly with Mr. Ashish Bharat Ram | 12,09,860 12,09,863 | 18.75 18.75 | 01-Apr-14 20-Aug-14 31-Mar-15 | 3 | Inter se Transfer | 12,09,863 | 18.75 |

ATTACHMENT F
iv. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

| Sr. No | Shareholder's Name | Shareholding | | Date | Increase/Decrease in Shareholding (No. of Shares) | Reason | Cumulative Holding during the year (01/04/2014 to 31/03/2015) | |
|--------|---------------------------|--|----------------------------------|-------------------------------------|---|----------|---|----------------------------------|
| | | No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 | KESWANI HARESH | 314,860 314,860 | 4.88 4.88 | 01-Apr-14 31-Mar-15 | Nil movement during the year | | 314,860 | 4.88 |
| 2 | RICKY ISHWARDAS KIRPALANI | 311,502 314,002 | 4.83 4.87 | 01-Apr-14 30-Sep-14 31-Mar-15 | 2,500 | Transfer | 314,002 314,002 | 4.87 4.87 |

| Sr. No | Shareholder's Name | Shareholding | | Date | Increase/Decrease in Shareholding (No. of Shares) | Reason | Cumulative Holding during the year (01/04/2014 to 31/03/2015) | |
|--------|------------------------|--|----------------------------------|-----------|---|----------|---|----------------------------------|
| | | No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 3 | IL AND FS TRUST CO LTD | 235,326 | 3.65 | 01-Apr-14 | | | | |
| | | | | 23-May-14 | 488 | Transfer | 235,814 | 3.65 |
| | | | | 30-May-14 | 124 | Transfer | 235,938 | 3.66 |
| | | | | 06-Jun-14 | 679 | Transfer | 236,617 | 3.67 |
| | | | | 13-Jun-14 | 2873 | Transfer | 239,490 | 3.71 |
| | | | | 30-Jun-14 | 100 | Transfer | 239,590 | 3.71 |
| | | | | 11-Jul-14 | 20 | Transfer | 239,610 | 3.71 |
| | | | | 15-Aug-14 | (1,536) | Transfer | 238,074 | 3.69 |
| | | | | 12-Sep-14 | (2,668) | Transfer | 235,406 | 3.65 |
| | | | | 19-Sep-14 | (1,819) | Transfer | 233,587 | 3.62 |
| | | | | 30-Sep-14 | (124) | Transfer | 233,463 | 3.62 |
| | | | | 24-Oct-14 | 1243 | Transfer | 234,706 | 3.64 |
| | | | | 07-Nov-14 | 7006 | Transfer | 241,712 | 3.75 |
| | | | | 14-Nov-14 | 210 | Transfer | 241,922 | 3.75 |
| | | | | 21-Nov-14 | 2925 | Transfer | 244,847 | 3.79 |
| | | | | 28-Nov-14 | 452 | Transfer | 245,299 | 3.80 |
| | | | | 05-Dec-14 | 828 | Transfer | 246,127 | 3.81 |
| | | | | 12-Dec-14 | 1100 | Transfer | 247,227 | 3.83 |
| | | | | 31-Dec-14 | 2002 | Transfer | 249,229 | 3.86 |
| | | | | 02-Jan-15 | 2265 | Transfer | 251,494 | 3.90 |
| | | | | 09-Jan-15 | 98 | Transfer | 251,592 | 3.90 |
| | | 23-Jan-15 | 2049 | Transfer | 253,641 | 3.93 | | |
| | | 06-Feb-15 | 2484 | Transfer | 256,125 | 3.97 | | |
| | | 13-Feb-15 | 237 | Transfer | 256,362 | 3.97 | | |
| | | 27-Feb-15 | 29 | Transfer | 256,391 | 3.97 | | |
| | | 20-Mar-15 | 65 | Transfer | 256,456 | 3.97 | | |
| | | 27-Mar-15 | 1680 | Transfer | 258,136 | 4.00 | | |
| | | 258,263 | 4.00 | 31-Mar-15 | 127 | Transfer | 258,263 | 4.00 |
| 4 | LOK NATH SOOD | 48,382 | 0.74 | 01-Apr-14 | | | | |
| | | | | 21-Nov-14 | (10,000) | Transfer | 38,382 | 0.59 |
| | | | | 09-Jan-15 | (10,000) | Transfer | 28,382 | 0.44 |
| | | | | 06-Feb-15 | (8,382) | Transfer | 20,000 | 0.31 |
| | | | | 13-Feb-15 | 3,500 | Transfer | 23,500 | 0.36 |
| | | 23,500 | 0.36 | 31-Mar-15 | | Transfer | 23,500 | 0.36 |

| Sr. No | Shareholder's Name | Shareholding | | Date | Increase/Decrease in Shareholding (No. of Shares) | Reason | Cumulative Holding during the year (01/04/2014 to 31/03/2015) | |
|--------|--------------------|--|----------------------------------|-----------|---|--------------------------|---|----------------------------------|
| | | No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 5 | KAVI KAPUR | 37,196 | 0.57 | 01-Apr-14 | | | | |
| | | | | 13-Jun-14 | (5,000) | Transfer | 32,196 | 0.50 |
| | | 32,196 | 0.49 | 31-Mar-15 | | | 32,196 | 0.50 |
| 6 | KUMARA B SWAMY | 37,030 | 0.57 | 01-Apr-14 | 37,030 | Nil | | |
| | | 37,030 | 0.57 | 31-Mar-15 | | movement during the year | 37,030 | 0.57 |
| 7 | V RAJAM | 18,871 | 0.29 | 01-Apr-14 | | | | |
| | | | | 16-May-14 | 100 | Transfer | 18,971 | 0.29 |
| | | | | 23-May-14 | 35 | Transfer | 19,006 | 0.29 |
| | | | | 22-Aug-14 | 629 | Transfer | 19,635 | 0.30 |
| | | | | 21-Nov-14 | (150) | Transfer | 19,485 | 0.30 |
| | | | | 28-Nov-14 | (30) | Transfer | 19,455 | 0.30 |
| | | 19,467 | 0.301 | 30-Jan-15 | 12 | Transfer | 19,467 | 0.30 |
| | | 31-Mar-15 | | | 19,467 | 0.30 | | |
| 8 | S P VADIVELU | 11,399 | 0.18 | 01-Apr-14 | | | | |
| | | | | 16-May-14 | 151 | Transfer | 11,550 | 0.18 |
| | | | | 01-Aug-14 | 1 | Transfer | 11,551 | 0.18 |
| | | | | 22-Aug-14 | 155 | Transfer | 11,706 | 0.18 |
| | | | | 21-Nov-14 | (300) | Transfer | 11,406 | 0.18 |
| | | | | 28-Nov-14 | (60) | Transfer | 11,346 | 0.18 |
| | | | | 23-Jan-15 | 4 | Transfer | 11,350 | 0.18 |
| | | 11,360 | 0.18 | 06-Mar-15 | 10 | Transfer | 11,360 | 0.18 |
| | | 31-Mar-15 | | | 11,360 | 0.18 | | |
| 9 | P MALLIGA | 11,079 | 0.17 | 01-Apr-14 | | | | |
| | | | | 16-May-14 | 40 | Transfer | 11,119 | 0.17 |
| | | | | 23-May-14 | 655 | Transfer | 11,774 | 0.18 |
| | | | | 22-Aug-14 | 48 | Transfer | 11,822 | 0.18 |
| | | | | 21-Nov-14 | (150) | Transfer | 11,672 | 0.18 |
| | | | | 28-Nov-14 | (40) | Transfer | 11,632 | 0.18 |
| | | | | 30-Jan-15 | 12 | Transfer | 11,644 | 0.18 |
| 11,644 | 0.18 | 31-Mar-15 | | | 11,644 | 0.18 | | |
| 10 | M RADHA | 8,195 | 0.13 | 01-Apr-14 | | | | |
| | | | | 22-Aug-14 | 71 | Transfer | 8,266 | 0.13 |
| | | | | 21-Nov-14 | (100) | Transfer | 8,166 | 0.13 |
| | | | | 28-Nov-14 | (30) | Transfer | 8,136 | 0.13 |
| | | | | 30-Jan-15 | 20 | Transfer | 8,156 | 0.13 |
| | | | | 20-Mar-15 | 194 | Transfer | 8,350 | 0.13 |
| | | 31-Mar-15 | | Transfer | 8,350 | 0.13 | | |

| Sr. No | Shareholder's Name | Shareholding | | Date | Increase/Decrease in Shareholding (No. of Shares) | Reason | Cumulative Holding during the year (01/04/2014 to 31/03/2015) | |
|--------|--------------------|--|----------------------------------|-----------|---|----------|---|----------------------------------|
| | | No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 11 | V ARULJOTHI | 7,220 | 0.11 | 01-Apr-14 | | | | |
| | | | | 02-May-14 | 200 | Transfer | 7,420 | 0.11 |
| | | | | 16-May-14 | 164 | Transfer | 7,584 | 0.12 |
| | | | | 08-Aug-14 | 144 | Transfer | 7,728 | 0.12 |
| | | | | 15-Aug-14 | 893 | Transfer | 8,621 | 0.13 |
| | | | | 22-Aug-14 | 714 | Transfer | 9,335 | 0.14 |
| | | | | 21-Nov-14 | (150) | Transfer | 9,185 | 0.14 |
| | | | | 28-Nov-14 | (19) | Transfer | 9,166 | 0.14 |
| | | | | 05-Dec-14 | (12) | Transfer | 9,154 | 0.14 |
| | | | | 23-Jan-15 | 4 | Transfer | 9,158 | 0.14 |
| | | | | 13-Mar-15 | 26 | Transfer | 9,184 | 0.14 |
| | | 9,184 | 0.14 | 31-Mar-15 | | | 9,184 | 0.14 |

ATTACHMENT G
v. Shareholding of Directors and Key Managerial Personnel

| Sr. No | Shareholder's Name | Shareholding | | Date | Increase/Decrease in Shareholding (No. of Shares) | Reason | Cumulative Holding during the year (01/04/2014 to 31/03/2015) | |
|--------|--|--|----------------------------------|------------------------|---|------------------------------|---|----------------------------------|
| | | No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 | Kartik Bharat Ram Jointly with Ashish Bharat Ram | 12,09,860 | 18.75 | 01-Apr-14 31-Mar-15 | 0 | Nil movement during the year | 12,09,860 | 18.75 |



ATTACHMENT H

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31 March, 2015

(Rs./Lakhs)

| | Secured Loan excluding Deposits | Unsecured Loan | Deposits* | Total Indebtedness |
|--|------------------------------------|-------------------|---------------|-----------------------|
| Indebtedness as at the beginning of the financial year (1.4.2014) | | | | |
| i) Principal Amount | | | 5.69 | 5.69 |
| ii) Interest Due but not paid | - | - | - | - |
| iii) Interest Accrued but not due | | | | |
| Total (i+ii+iii) | | | 5.69 | 5.69 |
| Change in indebtedness during the financial year | | | | |
| Addition | | | | |
| Reduction | | | (3.79) | (3.79) |
| Change in Interest Accrued | | | | |
| Net Change | | | (3.79) | (3.79) |
| Indebtedness as at the end of the financial year (31.3.2015) | | | | |
| i) Principal Amount | | | 1.90 | 1.90 |
| ii) Interest Due but not paid | - | - | - | - |
| iii) Interest Accrued but not due | | | | |
| Total (i+ii+iii) | | | 1.90 | 1.90 |

*Unclaimed deposits including interest.

ATTACHMENT I

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs./Lakhs)

| S. No. | Particulars of Remuneration | Name of MD/WTD/Manager Mr. Rajat Lakhnopal, Chief Financial Officer, Whole Time Director and Company Secretary | | Total Amount |
|-----------|---|--|--|-----------------|
| | | | | |
| 1 | Gross Salary | | | |
| | a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 25.41 | | 25.41 |
| | b) Value of perquisites u/s 17(2) of the Income – tax Act, 1961 | 0.10 | | 0.10 |
| | 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 | | | |
| 5 | Others | - | | - |
| | TOTAL (A) | 25.51 | | 25.51 |
| | Ceiling as per the Act | Rs. 149.77 lakhs (being 5% of the net profit of the company calculated as per section 197 of the Companies Act, 2013) | | |

ATTACHMENT J
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
B. Remuneration to other Directors

(Rs./Lakhs)

| S. No. | Particulars of Remuneration | Ashish Bharat Ram (Resigned w.e.f. 29.01.2015) | Kartik Bharat Ram | Mukul Khandelwal | Amitav Virmani | Dhirendra Datta | Vasvi Bharat Ram (Appointed w.e.f. 29.01.2015) | Total |
|--------|--|---|-------------------|------------------|----------------|-----------------|--|--------------|
| 1 | Independent Directors | | | | | | | |
| | - Fee for attending Board /committee meetings | - | - | 0.125 | 0.300 | 0.200 | - | 0.625 |
| | - Commission | - | - | - | - | - | - | - |
| | - Others | - | - | - | - | - | - | - |
| 2 | Other Non-Executive Directors | | | | | | | |
| | - Fee for attending Board / committee meetings | 0.175 | 0.100 | - | - | - | - | 0.275 |
| | - Commission | - | - | - | - | - | - | - |
| | - Others | - | - | - | - | - | - | - |
| | TOTAL (B)=(1+2) | 0.175 | 0.100 | 0.125 | 0.300 | 0.200 | | 0.900 |
| | Ceiling as per the Act | Rs. 29.95 lakhs (being 1% of the net profits of the Company calculated as per Section 197 of the Companies Act, 2013) | | | | | | |
| | TOTAL MANAGERIAL REMUNERATION* | | | | | | | 26.41 |
| | Overall Ceiling as per the Act | Rs. 329.50 (being 11% of the net profits of the Company calculated as per Section 197 of the Companies Act, 2013) | | | | | | |

* Total remuneration to Whole-time Director, Chief Financial Officer and Company Secretary and other Directors.

ATTACHMENT K
VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty/ punishment/ compounding fees imposed | Authority (RD/NCLT/ COURT) | Appeal made, if any (give details) |
|----------------------------------|------------------------------|-------------------|--|----------------------------|------------------------------------|
| COMPANY | | | | | |
| Penalty | | | NIL | | |
| Punishment | | | | | |
| Compounding | | | | | |
| DIRECTORS | | | | | |
| Penalty | | | NIL | | |
| Punishment | | | | | |
| Compounding | | | | | |
| OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | NIL | | |
| Punishment | | | | | |
| Compounding | | | | | |



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year the Company had earned income by way of dividend, interest and other income amounting to Rs. 30.15 crores. Net profit for the year amounted to Rs. 29.58 crores as compared to Rs. 29.47 crores in the previous year. The share capital of the company as on 31st March, 2015 stood at Rs. 19.37 crores and Reserves and Surplus at Rs. 453.85 crores (including capital reserve of Rs. 203.45 crores).

OUTLOOK

Major Activities

The Company is a Core Investment Company (CIC) within the meaning of Core Investment Companies (Reserve Bank) Directions, 2011 which does not require registration with Reserve Bank of India under the said Directions.

SRF Limited, a listed company is a subsidiary of the Company. SRF has businesses ranging from technical textiles, refrigerant gases, speciality chemicals and packaging films and has presence in Thailand and South Africa in one or more of these businesses.

The Company has four wholly owned subsidiaries viz. KAMA Realty (Delhi) Ltd. which is a company engaged in the business of acquisition and renting of properties, Shri Educare Ltd. which is engaged in the field of education, Shri Educare Maldives Pvt. Ltd. (a Wholly owned subsidiary of Shri Educare Ltd.) having a public private partnership with Government of Maldives for management of a Government School and SRF Transnational Holdings Ltd., a registered non-deposit taking NBFC engaged in the business of investment in shares and other securities.

The Company would continue to consolidate its stake in SRF and the aforesaid subsidiaries.

Future Prospects

SRF Ltd. and its subsidiaries

The business prospects of SRF Ltd. and its subsidiaries has been discussed in the Management Discussion and Analysis forming part of the Directors' Report of that company in the Annual Report for 2014-15 which is available on its website www.srf.com.

Other subsidiaries

Shri Educare Ltd. (SEL)

During the year, SEL added two play schools in New Delhi and one K-12 School In Abu Dhabi to the portfolio of schools being managed by SEL.

Going forward, SEL plans to continue to expand in the school consultancy vertical, where the demand for quality schools, both in India and abroad, continues to be high. SEL plans to leverage this demand and plan to increase the number of schools under consultancy by at least four in 2015-16.

During the year, SEL has earned a revenue of Rs. 6.74 Crores mainly on account of project management fees and student fees and a profit after tax of Rs. 2.34 Crores.

Shri Educare Maldives Pvt. Ltd. (SEMP)

SEMP is managing a school in a public-private partnership with Maldives Government. This school is now a financially self-sufficient school and this has been possible because the school has managed to establish itself as one of the best school in Maldives.

During 2014-15, SEMPL has earned a revenue of MVR 2.78 Crores (Rs. 10.94 Crores) mainly on account of tuition fees and made a loss of MVR 0.06 Crores (Rs. 0.25 Crores).

KAMA Realty (Delhi) Ltd. (KRDL)

KRDL is a company engaged in acquisition and rental of properties. During 2014-15, KRDL has earned a revenue of Rs. 9.84 Crores mainly on account of rental and interest income and profit after tax of Rs. 5.51 Crores.

SRF Transnational Holdings Ltd. (SRFT)

SRFT is a registered non deposit taking NBFC engaged in the business of investment in shares and securities. During 2014-15, SRFT has earned a revenue of Rs. 3.23 Crores mainly on account of dividend and interest income and profit after tax of Rs. 1.72 Crores.

KHL Investments Ltd. (KHL)

KHL was an inoperative company. During 2014-15, the name of this company was struck off from the Register of Companies consequent to an application made under the provisions of the Companies Act.

OPPORTUNITIES AND THREATS

The Company holds significant investment in shares of SRF Ltd. The value of these investments is dependent on the performance of the investee company.

RISKS AND CONCERNS

The Company is mainly exposed to the risk of reduction in value of investments in shares of SRF Ltd. due to fall in the share price and Investee Company's performance.

ADEQUACY OF INTERNAL CONTROL SYSTEM

Your Company's internal control systems and procedures are commensurate with the size of operations and adequate enough to meet the objectives of efficient use and safeguarding of assets, compliance with statutes, policies and procedures and proper recording of transactions.

CAUTIONARY STATEMENT

The Statement in this Management Discussion and Analysis Report describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

Report on Corporate Governance-2015

Philosophy of the Company on Corporate Governance

For KAMA Holdings Limited (KAMA), good corporate governance means adoption of best practices to ensure that the Company operates not only within the regulatory framework, but is also guided by broader business ethics. The adoption of such corporate practices – based on transparency and proper disclosures – ensures accountability of the persons in charge of the Company and brings benefits to investors, customers, creditors, employees and the society at large.

Board of Directors

Composition of the Board

As on 31 March 2015, KAMAs' Board consisted of six Directors. One Director is executive of the Company, three are independent and two are non-executive promoters. Table 1 gives the details of the Board during the year 2014-15

Table 1: Composition of the Board of Directors of KAMA Holdings Ltd.

| Sl. No. | Name of Director | Category of Director | No. of other Directorships* (other than KAMA Holdings) | No. of Board-level Committees where chairperson or member** (including KAMA Holdings) | |
|---------|--|-----------------------------------|--|---|--------|
| | | | | Chair-person | Member |
| 1 | Mr Kartik Bharat Ram | Non-Executive Chairman, promoter, | 3 | - | 2 |
| 2 | Mr Rajat Lakhanpal | Executive | 1 | - | - |
| 3 | Mr Mukul Khandelwal | Independent | - | - | 1 |
| 4 | Mr Amitav Virmani | Independent | 2 | 1 | 2 |
| 5 | Mr Dharendra Datta | Independent | 2 | 1 | 1 |
| 6 | Ms Vasvi Bharat Ram (Appointed wef 29.01.2015) | Non- Executive, promoter | - | 1 | - |
| 7 | Mr. Ashish Bharat Ram | Non- Executive, promoter | Resigned with effect from 29.01.2015 | | |

* Directorship in Foreign companies, Indian private limited companies and companies under Section 8 of the Companies Act, 2013 are not included.

** Chairmanship / Membership of Stakeholders Relationship Committee or Audit Committee are included only.

Independent Directors on the Board of KAMA are non-executive directors.

Our definition of 'Independence' of Directors is derived from Clause 49 of the Listing Agreement with Stock Exchanges and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors other than Mr. Kartik Bharat Ram, Chairman and Ms. Vasvi Bharat Ram, Director are Independent in terms of Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013.

As mandated by Clause 49 of the Listing Agreement, none of the Directors is a member of more than ten Board level committees nor are they Chairman of more than five committees.

Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a meeting of the Independent Directors of the Company was held on 29th January, 2015,

without the attendance of Non-Independent Directors and members of the management.

Familiarisation Programme

Your Company has put in place familiarisation programme for all its Directors including the Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc. and the familiarisation programme for the Independent Directors is available on the website of the Company http://www.kamaholdings.in/Inv_FAMILIARIZATION_INDEPENDENT_DIRECTORS.pdf

Number of Board Meetings

During 2014-15, the Board of Directors met 4 times - on 27th May, 2014, 11th August, 2014, 1st October, 2014 and 29th January, 2015. The gap between any two Board meetings did not exceed four months. Table 2 gives the details.

Table 2: Board Meeting Attendance Record of the Directors in 2014-15

| Name of the Director | Number of meetings attended | Attended last AGM |
|--|-----------------------------|-------------------|
| Mr Ashish Bharat Ram (Resigned wef 29.01.2015) | 3 | No |
| Mr Kartik Bharat Ram | 3 | Yes |
| Mr Rajat Lakhanpal | 4 | Yes |
| Mr Mukul Khandelwal | 2 | No |
| Mr Amitav Virmani* | 4 | Yes |
| Mr Dharendra Datta | 4 | Yes |
| Ms Vasvi Bharat Ram (Resigned wef 29.01.2015) | - | NA |

* Mr Amitav Virmani is the Chairman of Company's Audit Committee

Remuneration of Directors

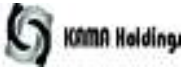
Table 3 gives the remuneration paid or payable to the Directors.

Table 3: Remuneration Paid or Payable to Directors during 2014-15

| Name of Director | Salary & Perquisites # | Sitting fees for Board and Committee meetings* | Deferred (PF and superannuation)@ Benefits | Terminal Benefits | Total (Rs.) |
|--|------------------------|--|--|-------------------|-------------|
| Mr Ashish Bharat Ram (Resigned wef 29.01.2015) | - | 17500 | - | - | 17500 |
| Mr Kartik Bharat Ram | - | 10000 | - | - | 10000 |
| Mr Rajat Lakhanpal | 27,70,856 | - | 1,97,964 | - | 2,968,820 |
| Mr Mukul Khandelwal | - | 12500 | - | - | 12500 |
| Mr Amitav Virmani | - | 30000 | - | - | 30000 |
| Mr Dharendra Datta | - | 20000 | - | - | 20000 |
| Ms Vasvi Bharat Ram | - | - | - | - | 0 |
| Total | 27,70,856 | 90,000 | 1,97,964 | - | 3,058,820 |

* Includes sitting fee for attending the meetings of the Board of Director and Committee Meetings including non-statutory Committees of Directors

Value of perquisites on actual basis.



@ Having regard to the fact that there is a global contribution to gratuity fund, the amount applicable to an individual is not ascertainable.

The present tenure of Mr. Rajat Lakhanpal is for 5 years w.e.f. 01.04.2013. His appointment may be terminated by either party giving to the other one calendar months' notice in writing. In the event of termination of this appointment of Mr. Rajat Lakhanpal by the Company, he shall be entitled to receive compensation in accordance with the provisions of the Companies Act, 2013 or any statutory amendment or re-enactment thereof.

Shareholding of non-executive Directors

As on 31 March 2015, Mr Kartik Bharat Ram holds 12,09,860 fully paid equity shares and 31,94,325 fully paid up, 8% Non-cumulative, Redeemable Preference Shares of Rs. 10 each. The Company has not issued any convertible securities to any director.

Information Supplied to the Board

The Board has complete access to all information with the Company. Inter-alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting:

- Annual operating plans & budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results for the Company and operating divisions and business segments.
- Minutes of the meetings of the audit committee and other committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Materially important show cause, demand, prosecution notices and penalty notices.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in human resources / industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.

In addition to the above, the Board is also provided with the information as required by Companies Act, 2013.

The Board periodically reviews compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances.

As per Clause 49, the minutes of the Board meetings of a company's unlisted subsidiary companies and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are required to be placed before the Board.

SRF Ltd. which is a company listed on Bombay Stock Exchange and National Stock Exchange is a subsidiary of the Company. Consequently, the subsidiaries of SRF Ltd. all of whom are unlisted are also subsidiaries of the Company. As per Explanation (iii) to Clause 49(V) of the Listing Agreement where a listed holding company has a listed subsidiary which is itself a holding company, the above provisions shall apply to the listed subsidiary insofar as its subsidiaries are concerned.

As such the information relating to the unlisted subsidiaries of SRF Ltd. were placed before the Board of that company.

Code of Conduct

The Company's Board has laid down a code of conduct for all Board members and senior management of the company. All Board members have affirmed compliance with the code of conduct. A declaration signed by the Whole-time Director, Chief Financial Officer & Company Secretary to this effect is given at the end of this report.

Risk Management

The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that management controls risk through means of a properly defined framework.

Committees of the Board

a) Audit Committee

As on 31 March 2015, the Audit Committee of KAMA comprises of three Directors all of whom are independent. The constitution of the Committee meets the requirements of Section 177 of the Companies Act, 2013, as well as Clause 49 of the Listing Agreement.

During 2014-15, the Audit Committee of KAMA met on four occasions - namely, 27th May, 2014, 11th August, 2014, 1st October, 2014 and 29th January, 2015. Table 4 gives the attendance record of Directors who are members of the Audit Committee.

Table 4: Attendance Record of Audit Committee Meetings during 2014-15

| Name of Director | Category | Number of meetings held during his tenure | Number of meetings attended |
|------------------------------|-------------|---|-----------------------------|
| Mr Amitav Virmani (Chairman) | Independent | 4 | 4 |
| Mr Mukul Khandelwal | Independent | 4 | 2 |
| Mr Dharendra Datta | Independent | 4 | 4 |

All the members of the Audit Committee are financially literate while Mr Amitav Virmani, Chairman of the Audit committee is a holder of Master's degree in Business Administration from University of North Carolina and has experience in the area of marketing and general management. Mr Rajat Lakhanpal, Whole time Director, Chief Financial Officer & Company Secretary, is the Secretary to the Committee.

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the Stock Exchanges read with Section 177 of the Companies Act, 2013. These broadly include approval of annual internal audit plan, review of financial reporting systems, ensuring compliance with regulatory guidelines, discussions on quarterly, half yearly and annual financial results, interaction with statutory and internal auditors, recommendation for appointment, remuneration and term of auditors, examination of financial statements and auditors' report thereon, review the functioning of the Whistle Blower Mechanism,

review and monitor the auditor's independence and performance and effectiveness of audit process, approval or any subsequent modification of transactions of the company with related parties, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of the company, wherever it is necessary, evaluation of internal financial controls and risk management systems and reviewing with the management adequacy of internal control system.

In addition, the Committee also mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor.

b) Nomination and Remuneration Committee

In order to comply with Section 178 of the Companies Act, 2013 Remuneration Committee was renamed as Nomination and Remuneration Committee and its role and scope enhanced as follows-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director.
- Formulation of criteria for evaluation of Independent Directors and the Board
- Devising a policy on Board diversity.
- Formulation of policies for remuneration to Directors, Key Managerial Personnel, Senior Management Personnel and functional heads.
- Identification and recommendation to Board of persons who are qualified to become Directors, Key Managerial Personnel, Senior Management Personnel and functional heads in accordance with the criteria laid down.
- Recommend to the Board on appointment and removal of Directors, Key Managerial Personnel, Senior Management Personnel and functional heads.
- Evaluation of the performance of independent directors and make recommendations to Board.
- Evaluation of the performance of Directors (other than independent directors).

As on 31 March 2015, Nomination & Remuneration Committee comprised of three members' two of whom are independent and one is non-executive promoter Director.

During 2014-15, the Nomination & Remuneration Committee met on 29th January, 2015. Table 5 gives the attendance record of Directors who are members of the Nomination & Remuneration Committee.

Table 5: Attendance Record of Nomination & Remuneration Committee Meetings during 2014-15

| Name of Director | Category | Number of meetings held | Number of meetings attended |
|--|-------------------------|-------------------------|-----------------------------|
| Mr Mukul Khandelwal- (Chairman) | Independent | 1 | 1 |
| Mr Ashish Bharat Ram (Resigned wef 29.01.2015) | Non-executive, promoter | 1 | 1 |
| Mr Amitav Virmani | Independent | 1 | 1 |
| Ms Vasvi Bharat Ram (Appointed wef 29.01.2015) | Non-executive, promoter | NA | NA |

Nomination, Appointment and Remuneration Policy

The Company's Nomination, Appointment and Remuneration Policy is annexed as Annexure II to the Directors Report.

c) Stakeholders Relationship Committee

As on 31 March 2015, this Committee comprised of three members. Ms Vasvi Bharat Ram, Chairperson and Mr Kartik Bharat Ram, Member of the Committee are non-executive promoter Directors and Mr Amitav Virmani, member of the Committee is non-executive and independent Director.

Mr Rajat Lakhnupal, Whole-time Director, Chief Financial Officer & Company Secretary, is the Compliance Officer. To expedite the process of transfer, Mr Rajat Lakhnupal, Whole-time Director, Chief Financial Officer & Company Secretary was authorised by the Board on 31 January, 2005 to consider and approve the registration of transfer and transmission of shares upto a limit of 500 shares in any one case.

As on 31 March 2015, no investor complaint was pending with the Registrar and Share Transfer Agent. Table 6 gives data on the shareholder/investor complaints received, and redressed, during the year 2014-15.

Table 6: Shareholder and Investor Complaints Received and Redressed during 2014-15

| Pending Complains as on 01.04.2014 | Total Complains received | Total complaints redressed | Pending as on 31.03.2015 |
|------------------------------------|--------------------------|----------------------------|--------------------------|
| Nil | 19 | 19 | Nil |

Management

Management Discussion and Analysis

This is given as a separate chapter in this Annual Report.

Disclosure Requirements

- Disclosures in respect of related party transactions are given at note no. 5 in the Notes to the Financial Statements. The Policy on related party transaction is placed on the Company's Website.

(http://www.kamaholdings.in/Inv/Policy_PartyTransactions.pdf).

During the year the Company has not entered into any materially significant related party transactions.

- The Company has followed the Accounting Standards notified under Section 133 of the Companies Act, 2013, readwith rule 7 of the Companies (Account) Rules, 2014 in preparation of its financial statements.
- The Company has complied with the regulations issued by SEBI and terms and conditions of Listing Agreement with the Stock Exchanges.
- In compliance with the revised SEBI regulations on prevention of insider trading, the Company has revised the existing Code of Conduct on prevention of insider trading to meet the requirement of revised regulations. The new code also lays down guidelines, which advises Management and Employees on procedures to be followed and disclosures to be made, while dealing with the shares of the Company, and cautioning them of the consequences of violations.
- Vigil Mechanism : In compliance of provisions of the Companies Act, 2013 and Listing Agreement, the company has established a vigil mechanism for directors, employees and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct.

The Vigil mechanism of the Company consists of Code of Conduct for Employees, Whistleblower Policy, Code of Conduct for Prevention of Insider Trading and Code of Conduct for Directors and Sr. Management Personnel. These taken together constitute the vigil mechanism through which Directors, employees and other stakeholders can voice their concerns. The Whistleblower Policy, Code of Conduct for Prevention of Insider Trading and Code of Conduct for Directors and Sr. Management Personnel can be accessed on the Company's website at the link <http://kamaholdings.com/InvCodesPolicies.aspx>. No personnel has been denied access to the Audit Committee for raising his/her concern under this Mechanism .



CEO/CFO certification

The Certificate in compliance with Clause 49(V) of the Listing Agreement was placed before the Board of Directors.

Shareholders

Reappointment/Appointment of Directors

Mr Kartik Bharat Ram, Chairman is retiring by rotation and being eligible, offer himself for re-appointment.

Ms Vasvi Bharat Ram is proposed to be appointed as a regular director at the ensuing Annual General Meeting.

Brief resumes of these Directors are given in the Notice of the 15th Annual General Meeting.

Means of Communication with Shareholders

Quarterly and annual results of KAMA are published in two national dailies, generally The Pioneer (in English) and Veer Arjun (in Hindi). In addition, these results are posted on the website of the Company, www.kamaholdings.com.

During 2014-15, KAMA has not made any formal presentations to institutional investors or analysts. As and when it does, the presentations will also be posted on the Company's website.

Last three Annual General Meetings

The details of the last three AGMs are given in Table 7.

Table 7 : Last three AGMs of the Company

| Year | Location | Date | Time | No. of Special Resolutions passed |
|------|--|------------|-----------|-----------------------------------|
| 2012 | Modi Hall, PHD House 4/2, Siri Institutional Area August Kranti Marg, New Delhi 110 016 | 22.08.2012 | 3.00 P.M | None |
| 2013 | Modi Hall, PHD House 4/2, Siri Institutional Area August Kranti Marg, New Delhi 110 016 | 23.08.2013 | 11.00 A.M | None |
| 2014 | Modi Hall, PHD House 4/2, Siri Institutional Area August Kranti Marg, New Delhi 110 016 | 02.09.2014 | 11.30 A.M | 2 |

Postal Ballot

During the year, no resolution was passed through Postal Ballot.

Compliance

Mandatory Requirements

The company is fully compliant with the applicable mandatory requirements of the Clause 49.

Additional Shareholder Information

15th Annual General Meeting

Day & Date : Friday, 4th September, 2015

Time : 11.30 A.M.

Venue : Modi Hall,
PHD House
4/2, Siri Institutional Area
August Kranti Marg,
New Delhi 110 016

Financial Year

April 1 to March 31

Tentative Financial Calendar for Results, 2015-16

| | |
|---------------------------|-----------------------------|
| First Quarter | First week of August 2015 |
| Second Quarter | First week of November 2015 |
| Third Quarter | First week of February 2016 |
| Fourth Quarter and Annual | Fourth week of May 2016 |

Book Closure Date

The Share Transfer Register of KAMA Holdings will remain closed from Friday, 28th August, 2015, to Friday, 4th September, 2015 (both days inclusive). The dividend, when declared will be payable to the Preference Shareholders whose name stand on the Register of Preference Shareholders as on Friday, 28th August, 2015.

Interim Dividend Payment Date

Interim dividend of Rs. 15 per share (150 per cent) on the paid up equity capital of the Company absorbing Rs. 9.68 crores approx. were paid on 17.10.2014.

Listing on Stock Exchanges in India

The shares of KAMA Holdings Ltd are listed on Bombay Stock Exchange Ltd. (Stock Code: 532468). The Company has paid the listing fees to Bombay Stock Exchange for the year 2015-16.

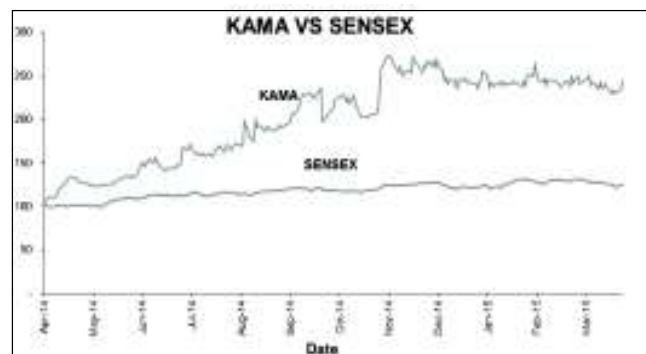
Stock Market Data

Table 8 gives the monthly high and low quotations as well as the volume of shares traded at BSE during 2014-15.

Table 8: Monthly Highs and Lows and Volumes Traded at the BSE, 2014-15

| Month | BSE | | |
|-----------|-----------|-----------|---------------|
| | High(Rs.) | Low (Rs.) | Volume (Nos.) |
| April | 499.95 | 361.20 | 9,375 |
| May | 574.00 | 380.00 | 9,122 |
| June | 638.00 | 487.15 | 14,996 |
| July | 675.50 | 555.00 | 8,013 |
| August | 749.00 | 612.00 | 22,827 |
| September | 899.00 | 680.00 | 22,639 |
| October | 1030.00 | 706.00 | 18,954 |
| November | 1095.00 | 905.00 | 17,473 |
| December | 1060.00 | 857.00 | 12,926 |
| January | 974.00 | 865.05 | 14,940 |
| February | 1008.00 | 871.00 | 9,722 |
| March | 1000.00 | 850.00 | 7,721 |

Chart 1: Share prices of KAMA Holdings Ltd. versus BSE Sensex for the year ended 31 March 2015



Note: Both Sensex and KAMA Holdings Ltd share prices are indexed to 100 as on 1 April 2014

Registrar and Share Transfer Agents

M/s Karvy Computershare Private Ltd., Hyderabad are the Registrar and Share Transfer Agent of Company for handling both electronic and physical shares.

Share Transfer System in Physical Mode

Share certificates sent for transfer are received at the Registered Office of the Company or the office of Karvy Computershare Pvt. Ltd. All valid transfer requests are processed. To expedite the process of share transfer, Mr. Rajat Lakhnopal, Whole-time Director, Chief Financial Officer & Company Secretary has been authorised to consider and approve the registration of transfer and transmission of shares/debentures upto a limit of 500 shares/debentures in any one case. For the shares above 500 cases, the Stakeholders Relationship Committee meets to approve valid transfer requests. After transfer, the physical shares are sent to the shareholders.

The total number of shares transferred in physical form during the period from 1 April 2014 to 31 March 2015 was 733.

Depository System

Shareholders can trade in the Company's shares only in electronic form. The process for getting the shares dematerialised is as follows:

- Shareholder submits the shares certificate along with Dematerialisation Request Form (DRF) to Depository Participant (DP).
- DP processes the DRF and generates a unique Dematerialisation Request No.
- DP forwards the DRF and share certificates to the Registrar and Share Transfer Agent (RTA).
- RTA after processing the DRF confirms or rejects the request to Depositories
- If confirmed by the RTA, depositories give the credit to shareholder in his account maintained with DP.

This process takes approximately 10-15 days from the date of receipt of DRF.

As the trading in the shares of the Company can be done only in the electronic form, it is advisable that the shareholders who have the shares in physical form get their shares dematerialised.

Dematerialisation of shares as on 31 March 2015

There were 3,915 shareholders holding 63,53,686 shares in electronic form. This constitutes 98.47% of the total paid-up share capital of the Company. Average daily turnover for the financial year 2014-15 on BSE was 698 shares of market value of Rs. 5.40 lacs.

Distribution of shareholding as on 31 March 2015*

Table 9 gives the distribution of shares according to shareholding class, while Table 10 gives the distribution of shareholding by ownership.

Table 9: Pattern of shareholding by share class as on 31 March, 2015

| No. of equity shares held | No. of shareholders | % of shareholders | No. of shares | % of shareholding |
|---------------------------|---------------------|-------------------|---------------|-------------------|
| Upto 500 | 6038 | 97.69 | 332,473 | 5.15% |
| 501 – 1000 | 62 | 1.00 | 43,990 | 0.68% |
| 1001-2000 | 32 | 0.52 | 45,449 | 0.70% |
| 2001-3000 | 10 | 0.16 | 23,761 | 0.37% |
| 3001-4000 | 6 | 0.10 | 21,435 | 0.33% |
| 4001-5000 | 7 | 0.11 | 33,605 | 0.52% |
| 5001-10000 | 13 | 0.21 | 90,134 | 1.40% |
| 10000 and above | 13 | 0.21 | 5,861,768 | 90.84% |
| Total | 6181 | 100.00 | 6452615 | 100.00 |

* including holdings by NSDL and CDSL

Table 10: Pattern of shareholding by ownership as on 31 March, 2015

| Category | Shareholding | |
|--|-----------------------|----------------|
| | Number of shares held | Shareholding % |
| Promoters | 4,839,446 | 75.00 |
| Mutual Funds & UTI | - | 0.00 |
| Banks, Financial Institutions, Insurance Companies | 1,039 | 0.02 |
| Central Government/ State Government(s) | - | 0.00 |
| Foreign Institutional Investors | - | 0.00 |
| Private Corporate Bodies | 299,326 | 4.64 |
| Indian Public | 649,363 | 10.06 |
| NRIs / OCBs | 651,999 | 10.10 |
| Other (including shares in transit) | 11,442 | 0.18 |
| Total | 6,452,615 | 100 |

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, their conversion dates and likely impact on equity

The Company has not issued any GDRs/ ADRs/ Warrants or other instruments, which are pending for conversion.

Address for Correspondence

Registered Office

C-8, Commercial Complex
Safdarjung Development Area,
New Delhi – 110 016
Tel : (+91-11) 26857141
Fax : (+91-11) 2651 0428

Corporate Office

Block C, Sector 45, Gurgaon
Haryana – 122 003
Tel No. (+91 -124) 4354400
Fax No : (+91-124) 4354500
e-mail: rlakhnopal@kamaholdings.com

Registrar & Share Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot No 31 & 32
Gachibowli, Financial District,
Nanakramguda, Serilingampally
Hyderabad – 500 032
Tele No : (+91- 40) 67162222
Fax : (+91- 40) 2300 1153
E-mail : einward.ris@karvy.com

Declaration regarding Code of Conduct

I, Rajat Lakhnopal, Whole Time Director, Chief Financial Officer & Company Secretary of KAMA Holdings Limited declare that all Board members have affirmed compliance with the Code of Conduct for Board and Senior Management Personnel for the year ended 31st March, 2015.

For and on behalf of the Board of Directors

Rajat Lakhnopal
Whole Time Director,
Chief Financial Officer & Company Secretary

Date : May 30, 2015

Place : New Delhi

Financials

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KAMA HOLDINGS LIMITED

1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of KAMA HOLDINGS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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.

2. 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 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 are 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.

3. 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for

the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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.

4. 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

5.1 As required by the Companies (Auditor's Report) Order, 2015 ("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 to the Company.

5.2 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 purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, 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 written representations received from the Directors as on March 31, 2015, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013;

- f) The company has adequate internal financial control system in place and the operating effectiveness of such controls;
- g) With respect to the other matters to be included in the Auditors 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 explanation given to us:-
- i) The company has disclosed the impact of possible pending litigation on its financial position in its financial statements Refer Para B Note 1 (1.1) of annexure to the financial statements.
- ii) The company did not have any long-term contracts including derivative contracts of whatever nature.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company as on 31st March, 2015.

For Thakur, VaidyanathAiyar & Co.
Chartered Accountants
FRN: 000038N
(V. Rajaraman)
Partner
M. No. : 02705

Place : New Delhi
Date : 30.05.2015

Annexure to the Independent Auditor's Report on the financial statements of KAMA Holdings Limited for the year ended 31.03.2015

(Referred to paragraph 1 under ' Report on Other Legal and Regulatory Requirements' section of our report of even date).

I. Fixed Assets

- (a) The Company has maintained proper records showing full particulars quantitative details and situation of fixed assets.
- (b) The Company has disposed of the fixed assets during the year and hence the physical verification is of no significance.

II. Inventories

The Company does not have inventory, hence clause (a),(b),(c) of item II of Companies (Auditors Report) Order 2015 are not applicable.

- III. Transactions with parties covered under section 189 of the Act
The company has granted interest free unsecured loan to the following wholly owned subsidiary companies covered in the register maintained under section 189 of the Act.

(Rs. In lakhs)

| Name of the Party | Outstanding balance as on 01.04.2014 | Loan given during the year | Refund received during the year | Outstanding Balance as on 31.03.2015 |
|------------------------------------|--------------------------------------|----------------------------|---------------------------------|--------------------------------------|
| KAMA Realty (Delhi) Limited | 1,740.00 | 1,503.00 | 2,630.00 | 613.00 |
| SRF Transnational Holdings Limited | - | 4,664.00 | 529.09 | 4,134.91 |
| Shri Educare Limited | 891.00 | - | 891.00 | - |
| Total | 2,631.00 | 6,167.00 | 4,050.09 | 4,747.91 |

- (a) The loan is repayable on demand and the same have been repaid wherever demanded.
- (b) There is no overdue amount of principal and interest as at the year end.

IV. Internal Control System

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for earning of income on the enterprise resources. There were no purchases of fixed assets during the year. During the course of our audit, no major weakness has been noticed in the aforesaid internal control system.

- V. The Company has not accepted any deposits during the year which are covered under the directives issued by the Reserve Bank of India or under the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable.

- VI. The requirements of maintenance of Cost Records under section 148(1) of the Companies Act, 2013 is not applicable to the company.

VII. Statutory Dues & Requirements

- (a) According to the books and records examined by us and the information and explanation given to us, the company has generally been regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues to the extent applicable, with the appropriate authorities.

There were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-tax, Sales tax, Wealth tax, Service tax, Custom Duty, Excise Duty, Value Added Tax, Works Contract Tax, Cess and other material statutory dues in arrears as at 31st March 2015 wherever applicable for a period of more than six months from the date they become payable.

(b) The details of disputed dues of Income Tax, which have not been deposited as on 31st March, 2015 are given below:-

| Nature of Statute | where dispute is Forum pending | Nature of dues | Period of Dispute | Amount (Rs. In lakhs) |
|-------------------|--------------------------------|----------------|-------------------|-----------------------|
| Income Tax Laws | High Court | Income Tax | 2003-04 | 5.57 |
| | Supreme Court Income Tax | | 2007-08 | 37.43 |
| | Appellate Tribunal (ITAT) | | 2003-10 | 186.68 |
| | Commissioner (Appeals) | | 2010-11 | 5.82 |
| Total | | | | 235.50 |

(c) As per records of the company, information & explanation given, no amount is required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

VIII) The Company has no accumulated losses at the end of the financial year covered by our audit. The Company has neither incurred any cash losses during the financial year covered by our audit nor in the immediately preceding financial year.

IX) Since the Company has not taken any loan from the financial institution, Banks or debenture holders hence the default in repayment of dues does not arise.

X) According to the records of the company, information and explanations given to us, the Company has given guarantee for loans and interest thereon taken by KAMA Realty (Delhi) Limited (wholly - owned subsidiary) amounting to Rs. 2573.19 lakhs (Previous Year Rs. 2,086.83 lakhs), both inclusive of interest.

XI) The Company has not taken any term loans during the year.

XII) Based upon the audit procedures performed and on the basis of information and explanations provided by the management, we report that no fraud on or by the Company has been noticed or reported during the period under audit.

For Thakur, VaidyanathAiyar & Co.
Chartered Accountants
FRN: 000038N
(V. Rajaraman)
Partner
M. No. : 02705

Place : New Delhi
Date : 30.05.2015



KAMA HOLDINGS LIMITED
BALANCE SHEET AS AT MARCH 31, 2015

| Particulars | Note No | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|-------------------------------------|---------|--------------------------------------|--------------------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 1 | 1,937.20 | 1,937.20 |
| Reserves and surplus | 2 | 45,385.04 | 43,498.34 |
| | | <u>47,322.24</u> | <u>45,435.54</u> |
| Non - current liabilities | | | |
| Long - term provisions | 3(a) | 8.86 | 7.36 |
| | | <u>8.86</u> | <u>7.36</u> |
| Current liabilities | | | |
| Other current liabilities | 4 | 113.09 | 118.30 |
| Short - term provisions | 3(b) | 0.59 | 0.22 |
| | | <u>113.68</u> | <u>118.52</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>47,444.78</u> | <u>45,561.42</u> |
| ASSETS | | | |
| Non - current assets | | | |
| Fixed assets | | | |
| Tangible assets | 5 | - | 0.08 |
| Non - current investments | 6(a) | 42,512.71 | 41,435.90 |
| | | <u>42,512.71</u> | <u>41,435.98</u> |
| Current assets | | | |
| Current investments | 6(b) | 9.24 | - |
| Cash and bank balances | 7 | 6.44 | 1,283.85 |
| Short - term loans and advances | 8 | 4,747.91 | 2,631.00 |
| Other current assets | 9 | 168.48 | 210.59 |
| | | <u>4,932.07</u> | <u>4,125.44</u> |
| TOTAL ASSETS | | <u>47,444.78</u> | <u>45,561.42</u> |

Accounting Policies & General Notes given in Annexure & Note 1 to 9 form part of financial statements

As per our report of even date attached
For **THAKUR, VAIDYANATH AIYAR & CO.**
Chartered Accountants
Regn. No. 000038N

V. Rajaraman
Partner
M.No. 2705

Rajat Lakhnupal
**WHOLE TIME DIRECTOR,
CHIEF FINANCIAL OFFICER
& COMPANY SECRETARY**
(DIN:00005664)

Kartik Bharat Ram
CHAIRMAN
(DIN:00008557)

Place : New Delhi
Date : 30th May 2015

Dhirendra Datta
DIRECTOR
(DIN: 02376649)

Amitav Virmani
DIRECTOR
(DIN: 02169955)

KAMA HOLDINGS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

| Particulars | Note No | Year Ended March 31, 2015 Rs./lakhs | Year Ended March 31, 2014 Rs./lakhs |
|--|---------|---|---|
| Revenue from Operations | | | |
| Dividend from subsidiary | | 3,000.00 | 2,995.26 |
| Dividend from others | | - | 10.42 |
| Interest on Loans & Deposits | | - | 12.41 |
| Other Income | | | |
| Gain on sale of Investments | | 14.73 | 0.09 |
| Miscellaneous income | | 0.60 | 3.02 |
| TOTAL REVENUE | | 3,015.33 | 3,021.20 |
| EXPENSES | | | |
| Employee benefits expenses | 10 | 29.69 | 25.14 |
| Other expenses | 11 | 20.75 | 21.24 |
| TOTAL EXPENSES | | 50.44 | 46.38 |
| Profit before tax expense | | 2,964.89 | 2,974.82 |
| Tax expense | | | |
| Current tax | | 6.94 | 3.25 |
| Relating to earlier years | | - | 24.16 |
| | | 6.94 | 27.41 |
| Profit after tax | | 2,957.95 | 2,947.41 |
| Interim Dividends on equity shares | | 967.89 | 419.43 |
| 1 Proposed dividend on preference shares | | 103.36 | 103.36 |
| Balance Profit | | 1,886.70 | 2,424.26 |
| Earnings per share | | | |
| Basic | 12 | 44.24 | 44.08 |
| Diluted | | 44.24 | 44.08 |

Accounting Policies & General Notes given in Annexure & Note 10 to 12 form part of financial statements

As per our report of even date attached
For **THAKUR, VAIDYANATH AIYAR & CO.**
Chartered Accountants
Regn. No. 000038N

V. Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
**WHOLE TIME DIRECTOR,
CHIEF FINANCIAL OFFICER
& COMPANY SECRETARY**
(DIN:00005664)

Kartik Bharat Ram
CHAIRMAN
(DIN:00008557)

Place : New Delhi
Date : 30th May 2015

Dhirendra Datta
DIRECTOR
(DIN: 02376649)

Amitav Virmani
DIRECTOR
(DIN: 02169955)



KAMA HOLDINGS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

| | Year Ended March 31, 2015 Rs./lakhs | Year Ended March 31, 2014 Rs./lakhs |
|--|---|---|
| A CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit before tax | 2,964.89 | 2,974.82 |
| Adjustments for | | |
| Income from Dividend on Shares | (3,000.00) | (3,005.68) |
| Interest Income | - | (12.41) |
| Assets written off | 0.08 | - |
| (Profit)/Loss on sale of Investments | (14.73) | (0.09) |
| Operating Profit before working capital changes | (49.76) | (43.37) |
| Adjustments for | | |
| Trade and Other Receivables | (2,074.80) | 6.61 |
| Trade Payables and Provisions | (3.34) | 3.49 |
| Cash Generated from operations before tax | (2,127.90) | (33.27) |
| Taxation | (6.94) | (27.41) |
| Net Cash from operating activities (A) | (2,134.84) | (60.68) |
| B CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Investments | (4,729.31) | (2,185.68) |
| Sale of Investments | 3,657.99 | 1,031.42 |
| Interest Income | - | 12.41 |
| Income from Dividend on Shares | 3,000.00 | 3,005.68 |
| Net Cash from Investment Activities (B) | 1,928.68 | 1,863.84 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend on preference share paid | (103.36) | (103.36) |
| Interim dividend on equity shares paid | (967.89) | (419.43) |
| Net cash used in/ from financing activities (C) | (1,071.25) | (522.79) |
| Net increase in Cash and Cash Equivalents D=(A+B+C) | (1,277.41) | 1,280.37 |
| Cash & Cash equivalents at the beginning of the year (E) | 1,283.85 | 3.48 |
| Cash & Cash equivalents at the close of the year F =(D+E) | 6.44 | 1,283.85 |

Rajat Lakhanpal
WHOLE TIME DIRECTOR & COMPANY SECRETARY
CHIEF FINANCIAL OFFICER
(DIN:00005664)

(Dhirendra Datta)
DIRECTOR
(DIN: 02376649)

Kartik Bharat Ram
CHAIRMAN
(DIN:00008557)

Amitav Virmani
DIRECTOR
(DIN: 02169955)

We have certified the above cash flow statement of KAMA Holdings Limited derived from the audited financial statements for the year ended March 31, 2015 and other records and found the same to be drawn in accordance there with and also with the requirements of clause 32 of the listing agreements with the Stock Exchanges.

For **THAKUR, VAIDYANATH AIYAR & CO.**
Chartered Accountants
Regn. No. 000038N

Place: New Delhi
Date: 30th May 2015

V. Rajaraman
Partner
M.No. 2705

| Particulars | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|---|--------------------------------------|--------------------------------------|
| 1. Share Capital | | |
| a) Details of share capital | | |
| AUTHORISED | | |
| 10,000,000 (Previous Year - 10,000,000) Equity shares of Rs. 10 each | 1,000.00 | 1,000.00 |
| 13,000,000 (Previous Year - 13,000,000) Preference Shares of Rs. 10 each | 1,300.00 | 1,300.00 |
| Total Authorised Capital | <u>2,300.00</u> | <u>2,300.00</u> |
| ISSUED, SUBSCRIBED AND PAID UP | | |
| 6,452,615 (Previous Year - 6,452,615) Equity Shares of Rs. 10 each fully paid up | 645.26 | 645.26 |
| 12,919,412* (Previous Year - 12,919,412) Preference Shares of Rs. 10 each fully paid up | 1,291.94 | 1,291.94 |
| Total Issued, Subscribed and Paid up capital | <u>1,937.20</u> | <u>1,937.20</u> |

*Represents 8% Non-cumulative Redeemable Preference Shares redeemable on or before 31-Mar-2031 at the discretion of the Board of Directors of the Company in accordance with Memorandum & Articles of Association.

There is no change in the share capital as compared to previous year.

b) Shareholders holding more than 5% shares in the Company

| Name of the shareholder | As at March 31, 2015 | | As at March 31, 2014 | |
|-----------------------------|-------------------------|-----------------|-------------------------|-----------------|
| | % age | (No. of shares) | % age | (No. of shares) |
| Equity | | | | |
| Arun Bharat Ram } Promoters | 37.50% | 2,419,726 | 37.50% | 2,419,727 |
| Ashish Bharat Ram } | 18.75% | 1,209,860 | 18.75% | 1,209,860 |
| Kartik Bharat Ram } | 18.75% | 1,209,860 | 18.75% | 1,209,860 |
| Preference | | | | |
| Arun Bharat Ram } Promoters | 49.45% | 6,388,650 | 49.45% | 6,388,650 |
| Ashish Bharat Ram } | 24.73% | 3,194,325 | 24.73% | 3,194,325 |
| Kartik Bharat Ram } | 24.73% | 3,194,325 | 24.73% | 3,194,325 |

In the period immediately preceding five years:

- i) 1,209,563 equity shares of Rs 10 each fully paid up were allotted without payment being received in cash pursuant to Scheme of Arrangement approved by Hon'ble Delhi High Court vide order dated 24.02.2011 to the promoters by simultaneous cancellation of equivalent number of shares and also allotted 12,919,412 - 8% Non-cumulative Redeemable Preference Shares of Rs 10 each fully paid up without payment being received in cash pursuant to said Scheme of Arrangement ; and
- ii) The company has not allotted any bonus shares.

2. Reserves and Surplus

Reserves

| | | |
|-----------------|-----------------------------------|------------------|
| Capital reserve | 20,345.06 | 20,345.06 |
| General reserve | 5,184.98 | 5,184.98 |
| | Total | 25,530.04 |
| Surplus | 19,855.00 | 17,968.30 |
| | Total Reserves and Surplus | 45,385.04 |

There is no change in the balances of Capital Reserves as compared to Previous year.

Movement in General Reserve

| | | |
|--|-----------------|-----------------|
| As at the beginning of the year | 5,184.98 | 4,884.98 |
| Add: transfer from profit and loss account | - | 300.00 |
| As at the end of the year | <u>5,184.98</u> | <u>5,184.98</u> |

Movement in Surplus

| | | |
|--|------------------|------------------|
| As at the beginning of the year | 17,968.30 | 15,843.68 |
| Profit after tax transferred from statement of Profit and Loss annexed | 1,886.70 | 2,424.62 |
| Less: Transfer to General Reserve | - | 300.00 |
| As at the end of the year | <u>19,855.00</u> | <u>17,968.30</u> |

| Particulars | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|---|--------------------------------------|--------------------------------------|
| 3. Provisions | | |
| (a) Long-term provisions | | |
| Provision for Gratuity (non-funded) | 4.40 | 3.61 |
| Provision for leave encashment (non-funded) | 4.46 | 3.75 |
| Total Long-term provisions | <u>8.86</u> | <u>7.36</u> |
| (b) Short-term provisions | | |
| Provision for Gratuity (non-funded) | 0.29 | 0.10 |
| Provision for leave encashment (non-funded) | 0.30 | 0.12 |
| Total Long-term provisions | <u>0.59</u> | <u>0.22</u> |
| Total Provisions | <u>9.45</u> | <u>7.58</u> |
| 4. Other current liabilities | | |
| Expenses payable | 2.00 | 2.00 |
| Unclaimed fixed deposits* | 1.90 | 5.69 |
| Unclaimed dividends* | 3.72 | 5.78 |
| Proposed dividend on preference shares | 103.36 | 103.36 |
| Statutory dues | 2.10 | 1.46 |
| Other current liabilities | 0.01 | 0.01 |
| Total Other current liabilities | <u>113.09</u> | <u>118.30</u> |

*Will be credited to Investor Education and Protection Fund if not claimed within seven years from the date of issue of dividend/interest warrant and the date of maturity of fixed deposits.

| Description | Rs./lakhs | | | | | | | | | |
|---------------------------|---------------------------|-----------|--------------------------|----------------------------|---------------------------|-----------------|-------------------------|---------------------------|----------------------------|----------------------------|
| | Gross Block | | | | Depreciation | | | | Net Block | |
| | As at April 1, 2014 | Additions | Deductions/ Write Off | As at March 31, 2015 | Upto March 31, 2014 | For the Year | Addition/ (deletion) | Upto March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| Tangible assets | Rs./lakhs | | | | | | | | | |
| Office equipments, etc. | 1.68 | - | (1.68) | - | 1.59 | - | (1.59) | - | - | 0.08 |
| Total Fixed Assets | 1.68 | - | (1.68) | - | 1.59 | - | (1.59) | - | - | 0.08 |
| Previous year | 1.68 | - | - | 1.68 | 1.59 | - | - | 1.59 | 0.08 | 0.08 |

6. Investments

Long term investments are valued at cost unless there is a decline in value, other than temporary. Current investments are valued at lower of cost or fair value.

| Scrip | Par Value (Rs.) | As at March 31, 2015 | | As at March 31, 2014 | |
|--|-----------------------|-------------------------|---------------------|-------------------------|---------------------|
| | | Qty. (Nos.) | Amount Rs./lakhs | Qty. (Nos.) | Amount Rs./lakhs |
| (a) NON-CURRENT INVESTMENTS- Others | | | | | |
| Investments in Equity Instruments | | | | | |
| <i>Quoted in subsidiary</i> | | | | | |
| SRF Limited | 10 | 30,000,000 | 40,412.40 | 30,000,000 | 40,412.40 |
| Total (A) | | | <u>40,412.40</u> | | <u>40,412.40</u> |
| Aggregate value of quoted investments | | | 40,412.40 | | 40,412.40 |

[Market value of Quoted Equity Investments Rs. 2,97,600 lakhs (previous year Rs 1,07,880 lakhs).]



Details of Related Parties

| Name of the Party | Nature of borrowing | Relationship | Amount | |
|--------------------------------|---------------------|--------------|-----------------------------|-----------------------------|
| | | | March 31, 2015 Rs./lakhs | March 31, 2014 Rs./lakhs |
| KAMA Realty (Delhi) Limited | Unsecured | Subsidiary | 613.00 | 1,740.00 |
| SRF Transnational Holdings Ltd | Unsecured | Subsidiary | 4,134.91 | - |
| Shri Educare Limited | Unsecured | Subsidiary | - | 891.00 |
| | Total | | 4,747.91 | 2,631.00 |

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|--|--------------------------------------|--------------------------------------|
| 9. Other current assets | | |
| Dividend receivable | - | 3.27 |
| MAT credit available | 35.12 | 36.33 |
| Advance to Supplier | - | 0.13 |
| Advance Tax (net of provisions) | 133.36 | 170.86 |
| Total Other current assets | 168.48 | 210.59 |
| 10. Employee benefits expense | | |
| Salaries, wages, leave encashment and gratuity | 27.71 | 23.43 |
| Contribution to provident and superannuation fund | 1.98 | 1.71 |
| Total Employees benefits | 29.69 | 25.14 |
| 11. Other expenses | | |
| Payment to Auditors: | | |
| for Audit fee | 2.00 | 2.25 |
| for Interim audit fee | 1.50 | 1.50 |
| for other services | 0.56 | 0.36 |
| Rates & Taxes | 1.19 | 1.27 |
| Donation to Political Party* | - | 5.00 |
| Amount write off | 8.27 | - |
| Assets Write off | 0.08 | - |
| Miscellaneous expenses | 7.15 | 10.86 |
| Total Other expenses | 20.75 | 21.24 |
| *Contribution to Aam Aadmi Party | | |
| 12. Earnings Per Share | | |
| Profit after tax | 2,957.95 | 2,947.41 |
| Less: Dividend to Preference Shareholders | 103.36 | 103.36 |
| | 2,854.59 | 2,844.06 |
| Weighted average number of equity shares outstanding | 6,452,615 | 6,452,615 |
| Earnings per share in rupees (face value- Rs. 10 per share)* | 44.24 | 44.08 |

*No Instrument has been issued which is likely to dilute the earnings per share.

KAMA HOLDINGS LIMITED

ANNEXURE – ACCOUNTING POLICIES AND GENERAL NOTES TO THE ACCOUNTS

A) ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on the historical cost convention basis. The generally accepted accounting principles and the Accounting Standards referred under section 133 of the Companies Act, 2013 have been adopted by the Company and disclosures made in accordance with the requirements of Schedule III to the Companies Act, 2013 and the Indian Accounting Standards.

2. FIXED ASSETS

In the previous year, Gross block of fixed assets was stated at their original cost.

3. DEPRECIATION

There are no fixed assets in the current year, In the previous year depreciation was provided as under:-

3.1 Depreciation is provided on Fixed Assets with reference to their historical cost.

3.2 Depreciation is provided on Straight-line method at rates based upon life determined by the management which are lower than the life determined based on the rates specified in Schedule XIV to the Companies Act, 1956. The depreciation rates based on useful life as estimated by the management are 19% for Vehicles, 19% for Mobiles (office equipment) and 31.33% for Computers (office equipment).

3.3 Depreciation is calculated on a pro rata basis except that, assets costing upto Rs. 5,000 each are fully depreciated in the year of purchase.

4. INVESTMENTS

4.1 Long term quoted investments are valued at cost unless there is a permanent fall in their value as at the date of Balance Sheet.

4.2 Unquoted investment in subsidiaries being of long term nature are valued at cost and no loss is recognized in the fall in their net worth, if any, unless there is permanent fall in their value.

5. CONTINGENT LIABILITY

Liabilities, though contingent, are provided for if there are reasonable prospects of such liabilities maturing. Other contingent liabilities, barring frivolous claims not acknowledged as debt, are disclosed by way of note.

6. REVENUE RECOGNITION

6.1 Revenue from operations and other income are recognized in accordance with the Accounting Standard (AS-9). Accordingly, wherever there are uncertainties in the ascertainment or realization of income such as interest from customers (including the financial condition of the person from whom the same is to be realized), the same is not accounted for.

6.2 Interim dividend income from investments is recognized in the Profit and Loss Account on receipt basis.

7. TAXATION

7.1 Tax provision is made, in accordance with the Income Tax Act, 1961 including the provisions regarding Minimum Alternate Tax and the contentions of the Company and also the fact that certain expenditure becoming allowable on payment being made before filing of the return of income.

7.2 Deferred tax assets and liabilities are accounted for on the basis of Accounting Standard AS-22. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

8. EARNING PER SHARE

The earnings considered in ascertaining the Company's Earnings Per Share ('EPS') comprise the net profit after tax after reckoning of dividend to equity and preference shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares.

B) GENERAL NOTES
1. Contingent Liabilities

1.1 Claims against the Company not acknowledged as debts on account of:

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|--|--------------------------------------|--------------------------------------|
| Income Tax* | 340.32 | 122.23 |
| Under Business Transfer Agreement with SRF Limited for Excise Duty/Sales Tax | 2,102.30 | 2,102.30 |

*out of the above amount a sum of Rs. 104.83 lakhs has been deposited under protest.

The details of dues of Income-tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2015 on account of disputes are given below:

| Name of the Statute | Nature of the dues | Forum where dispute is pending | Period to which the amount relates (various years covering the period) | Amount** (Rs. in lakhs) |
|---------------------|--------------------|--------------------------------|---|----------------------------|
| Income Tax Laws | Income Tax | Upto Commissioner (Appeals) | 2010-2011 | 5.82 |

**amount as per demand orders including interest and penalty wherever quantified in the Order.

The following matters, which have been excluded from the above table, have been decided in favour of the Company but the department has preferred appeals at higher levels. The details are given below:

| Name of the Statute | Nature of the dues | Forum where dispute is pending | Period to which the amount relates (various years covering the period) | Amount (Rs. in lakhs) |
|---------------------|--------------------|--------------------------------------|---|--------------------------|
| Income Tax Laws | Income Tax | Supreme Court | 2007-08 | 37.43 |
| | | High Court | 2003-04 | 5.57 |
| | | Income Tax Appellate Tribunal (ITAT) | 2003-2010 | 186.68 |

1.2 Guarantees provided on behalf of wholly-owned subsidiary KAMA Realty (Delhi) Limited for repayment of loans and interest thereon amount to Rs 2,573.19 lakhs (Previous Year Rs 2,086.83 lakhs) which is a related party.

2. Remuneration for key Management Personnel

| Whole Time Director | Year Ended March 31, 2015 Rs./lakhs | Year Ended March 31, 2014 Rs./lakhs |
|--|---|---|
| Salary including allowances | 27.71 | 23.43 |
| Contribution to provident and superannuation funds | 1.98 | 1.71 |
| Total | 29.69 | 25.14 |

The contribution to provident and superannuation funds is made to M/s SRF Limited which maintains separate funds administered by trusts.

3. Disclosure as per AS-29 referred to in Note 3 titled "Provisions":

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|--|--------------------------------------|--------------------------------------|
| Amount at the beginning of the year | 7.58 | 6.67 |
| Add: additional provision made during the year | 1.87 | 0.91 |
| Amount at the end of the year | 9.45 | 7.58 |

4. Employee Benefits

In accordance with Accounting Standard (AS) – 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using Projected Unit Credit Method. The details of the same are as follows:-

| Assumptions | Gratuity (Non- funded) | | Earned leaves (Non - funded) | |
|--|---------------------------|--------------------------|---------------------------------|--------------------------|
| | Year ended 31.03.2015 | Year ended 31.03.2014 | Year ended 31.03.2015 | Year ended 31.03.2014 |
| Discount rate (per annum) | 8.50% | 8.00% | 8.50% | 8.00% |
| Future salary increase | 7.50% | 7.00% | 7.50% | 7.00% |
| Expected rate of return on plan assets | 0.00 | 0.00 | 0.00 | 0.00 |
| In service mortality | IALM (2006-08) | IALM (2006-08) | IALM (2006-08) | IALM (2006-08) |
| Retirement age | 58 years | 58 years | 58 years | 58 years |
| Withdrawal rates | | | | |
| - up to 30 years | 10.00 | 3.00 | 10.00 | 3.00 |
| - up to 44 years | 5.00 | 2.00 | 5.00 | 2.00 |
| - above 44 years | 2.00 | 1.00 | 2.00 | 1.00 |

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.
Reconciliation of opening and closing balances of Defined Benefit Obligations

| | Gratuity (Non- funded) | | Earned leaves (Non - funded) | |
|---|---------------------------|--------------------------|---------------------------------|--------------------------|
| | Year ended 31.03.2015 | Year ended 31.03.2014 | Year ended 31.03.2015 | Year ended 31.03.2014 |
| Present value of obligation as at the beginning of the year | 371656 | 309044 | 386636 | 358173 |
| Current service cost | 31381 | 26555 | 31740 | 27625 |
| Interest cost | 29732 | 24724 | 30931 | 28654 |
| Benefits paid | - | - | - | - |
| Actuarial loss/(gain) | 37801 | 11333 | 26643 | (27816) |
| Present value of obligation as at the end of the year | 470570 | 371656 | 475950 | 386636 |
| Bifurcation of present value of obligation | | | | |
| Current | 29599 | 10069 | 29785 | 11942 |
| Non-current | 440971 | 361587 | 446165 | 374694 |

Net Assets/(Liabilities) recognised in the Balance Sheet

| | Gratuity (Non- funded) | | Earned leaves (Non - funded) | |
|---|---------------------------|--------------------------|---------------------------------|--------------------------|
| | Year ended 31.03.2015 | Year ended 31.03.2014 | Year ended 31.03.2015 | Year ended 31.03.2014 |
| Present value of obligation as at the end of the period | 470570 | 371656 | 475950 | 386636 |
| Fair value of plan assets as at the end of the period | - | - | - | - |
| Funded status / Difference | (470570) | (371656) | (475950) | (386636) |
| Excess of actual over estimated | - | - | - | - |
| Unrecognized actuarial (gains) / losses | - | - | - | - |
| Net asset / (liability) recognized in balance sheet | (470570) | (371656) | (475950) | (386636) |

Expenses recognized in the profit and loss account

| | Gratuity (Non- funded) | | Earned leaves (Non - funded) | |
|-----------------------------------|---------------------------|--------------------------|---------------------------------|--------------------------|
| | Year ended 31.03.2015 | Year ended 31.03.2014 | Year ended 31.03.2015 | Year ended 31.03.2014 |
| Current service cost | 31381 | 26555 | 31740 | 27625 |
| Interest cost | 29732 | 24724 | 30931 | 28654 |
| Expected return on planned assets | - | - | - | - |
| Actuarial loss/(gain) | 37801 | 11333 | 26643 | (27816) |
| Total expense | 98914 | 62612 | 89314 | 28463 |

Reconciliation statement of expense in the statement of profit and loss

| | Gratuity (Non- funded) | | Earned leaves (Non - funded) | |
|---|---------------------------|--------------------------|---------------------------------|--------------------------|
| | Year ended 31.03.2015 | Year ended 31.03.2014 | Year ended 31.03.2015 | Year ended 31.03.2014 |
| Present value of obligation as at the end of period | 470570 | 371656 | 475950 | 386636 |
| Present value of obligation as at the beginning of the period | 371656 | 309044 | 386636 | 358173 |
| Benefits paid | - | - | - | - |
| Actual return on plan assets | - | - | - | - |
| Acquisition adjustment | - | - | - | - |
| Expenses recognized in the statement of profit & losses | 98914 | 62612 | 89314 | 28463 |

Movement in the liability recognized in the balance sheet

| | Gratuity (Non- funded) | | Earned leaves (Non - funded) | |
|------------------------------|---------------------------|--------------------------|---------------------------------|--------------------------|
| | Year ended 31.03.2015 | Year ended 31.03.2014 | Year ended 31.03.2015 | Year ended 31.03.2014 |
| Opening net liability | 371656 | 309044 | 386636 | 358173 |
| Expenses as above | 98914 | 62612 | 89314 | 28463 |
| Benefit paid | - | - | - | - |
| Actual return on plan assets | - | - | - | - |
| Acquisition adjustment | - | - | - | - |
| Closing net liability | 470570 | 371656 | 475950 | 386636 |

Superannuation - Defined Contribution Plan

Apart from being covered under the Gratuity Plan described above, the employees of the Company also participate in a defined contribution superannuation plan maintained by the Company. The Company has no further obligations under the plan except making annual contributions based on a specified percentage of each covered employee's salary. The Company provided an option to the employees to receive the said benefit as cash compensation along with salary in lieu of the superannuation benefit. Thus, no contribution is required to be made for the category of employees who opted to receive the benefit in cash.

Provident Fund - Defined Contribution Plan

All employees are entitled to Provident Fund benefits as per the law. For certain category of employees the Company administers the benefits through a recognized Provident fund trust. For other employees contributions are made to the regional Provident Fund Commissioners as per law. The Government mandates the annual yield to be provided to the employees on their corpus. For the first category of employees (covered by the Trust), the Company has an obligation to make good the shortfall, if any, between the yield on the investments of the trust and the yield mandated by the Government.

5. Related Party Transactions

| | | |
|-----|--|--|
| (i) | List of related parties and relationships: | (i) KAMA Realty (Delhi) Limited |
| (a) | Enterprises that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the reporting enterprise | (ii) Shri Educare Limited (iii) SRF Limited (iv) KHL Investments Limited (v) SRF Transnational Holdings Limited |
| (b) | Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual | (vi) Arun Bharat Ram (vii) Ashish Bharat Ram (viii) Kartik Bharat Ram |
| (c) | Key Management Personnel | (ix) Rajat Lakhanpal, Whole Time Director, Chief Financial Officer & Company Secretary |

(ii) Transactions during the year with related parties:

| Nature of transaction | Amount in Rs/lakhs with related parties referred to above | | | | | | | | | Total |
|---|---|--------|----------|------|----------|------|-------|--------|-------|----------|
| | a | | | | | b | | | c | |
| | (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | |
| Loan/ICD given: | | | | | | | | | | |
| Current year | 1,503.00 | - | - | - | 4,664.00 | - | - | - | - | 6,167.00 |
| Previous year | 1,538.00 | 5.00 | - | - | - | - | - | - | - | 1,543.00 |
| Loan/ICD refund received: | | | | | | | | | | |
| Current year | 2,630.00 | 891.00 | - | - | 529.09 | - | - | - | - | 4,050.09 |
| Previous year | 1,527.61 | - | - | - | - | - | - | - | - | 1,527.61 |
| Purchase of Investment during year from:* | | | | | | | | | | |
| Current year | - | - | 1,144.31 | - | - | - | - | - | - | 1,144.31 |
| Previous year | - | - | 1,552.96 | - | - | - | - | - | - | 1,552.96 |
| Sale of Investment during year to: | | | | | | | | | | |
| Current year | - | - | - | - | 55.36 | - | - | - | - | 55.36 |
| Previous year | - | - | - | - | - | - | - | - | - | - |
| Dividend received: | | | | | | | | | | |
| Current year | - | - | 3,000.00 | - | - | - | - | - | - | 3,000.00 |
| Previous year | - | - | 2,995.26 | - | - | - | - | - | - | 2,995.26 |
| Remuneration: | | | | | | | | | | |
| Current year | - | - | - | - | - | - | - | - | 29.69 | 29.69 |
| Previous year | - | - | - | - | - | - | - | - | 25.13 | 25.13 |



| Nature of transaction | Amount in Rs/lakhs with related parties referred to above | | | | | | | | | |
|------------------------|---|--------|-------|------|----------|------|-------|--------|------|----------|
| | a | | | | | b | | | c | Total |
| | (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | |
| Directors Sitting Fee: | | | | | | | | | | |
| Current year | - | - | - | - | - | - | 0.18 | 0.10 | - | 0.28 |
| Previous year | - | - | - | - | - | - | 0.23 | 0.20 | - | 0.43 |
| Year end receivables: | | | | | | | | | | |
| Current year | 613.00 | - | - | - | 4,134.91 | - | - | - | - | 4,747.91 |
| Previous year | 1,740.00 | 891.00 | - | - | - | - | - | - | - | 2,631.00 |

*Includes investment of Rs. Nil (pr. Yr. Rs.1552.96 lakhs) in equity shares of SRF Limited acquired from open market.

6. Detail of loans, investments and guarantees given on behalf of other companies are as under:-

| Nature of transaction | Details of transaction | Purpose |
|---------------------------|----------------------------------|--|
| Guarantees | Refer note 1.2 of Annexure | To guarantee the borrowings of the wholly owned subsidiary to be utilised by it for funding its principal business activities. |
| Investments (Non-current) | Refer note 6(a) to Balance Sheet | Long term investments in subsidiaries. |
| Investments (Current) | Refer note 6(b) to Balance sheet | Trade investments |
| Loans and advances | Refer note 8 to Balance Sheet | Funding of the principal business activities of the subsidiaries. |

7. Tax on distributed profits: The interim dividend to equity shareholders (Rs.967.89 lakhs) as well as proposed dividend to preference shareholders (Rs.103.35 lakhs) is paid out of dividend received from the subsidiary (Rs.3,000.00 lakhs). No tax is payable under section 115-O of the Income Tax Act, 1961 and hence no provision has been made for dividend distribution tax.
8. The company is a Core Investment Company (CIC) within the meaning of Core Investment Companies (Reserve Bank) Directions, 2011 and does not require registration with Reserve Bank of India under said directions.
9. The company has only one segment i.e. Core Investments.
10. Previous year figures have been regrouped/ rearranged to accord with current year classification.

As per our report of even date attached
For **THAKUR, VAIDYANATH AIYAR & CO.**
Chartered Accountants
Regn. No. 000038N

V. Rajaraman
Partner
M.No. 2705

Rajat Lakhnopal
**WHOLE TIME DIRECTOR,
CHIEF FINANCIAL OFFICER
& COMPANY SECRETARY**
(DIN:00005664)

Kartik Bharat Ram
CHAIRMAN
(DIN:00008557)

Place: New Delhi
Date: 30th May 2015

Dhirendra Datta
DIRECTOR
(DIN: 02376649)

Amitav Virmani
DIRECTOR
(DIN: 02169955)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KAMA HOLDINGS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **KAMA HOLDINGS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of 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 the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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 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 judgements 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 but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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 referred 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:

- (a) in the case of the Consolidated Balance Sheet of the state of affairs of the Group, as at 31st March, 2015;
- (b) in the case of the Consolidated Statement of Profit and Loss of the profit for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flows Statement, of the Cash Flows for the year ended on that date.

Emphasis of Matter

Attention is invited to Note 2(2.2), which sets out the position of the demand for Central Sales Tax (CST), VAT and Entry Tax aggregating to Rs. 11138 lakhs for the period from 2007 to 2013 by the Commercial Tax Department, Government of Madhya Pradesh, in respect of sales from the SRF Limited, a subsidiary company's manufacturing facility in its Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA). The matter is sub-judice and is pending before the Hon'ble High Court of Madhya Pradesh. On the basis of legal opinion obtained by the subsidiary, the Management of the subsidiary Company is confident of getting relief in this matter and, accordingly, has not made any provision for the said disputed demands.

Our opinion is not modified in respect of this matter.

Other Matters

- (a) We did not audit the financial statements / financial information of Subsidiaries viz. SRF Limited, KAMA Realty (Delhi) Limited, SRF Holiday Home Limited, SRF Energy Limited, SRF Fluorochemicals Limited, SRF Fluor Private Limited, SRF Global BV, Shri Educare (Maldives) Private Limited, SRF Overseas Limited, SRF Industries (Thailand) Limited, SRF Industex Belting (Pty) Limited and SRF Flexipak (South Africa) (Pty) Limited whose financial statements / financial information reflect total assets of Rs. 601375.85 as at

31st March, 2015, total revenues of Rs. 462521.30 and net cash flows amounting to Rs. 2418.07 for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management or the Statutory Auditors of SRF Limited and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

- (b) SRF Limited had opted to apply the provisions under paragraph 46A of Accounting Standard – 11 “The Effects of changes in Foreign Exchange Rates” with effect from April 1, 2013. Accordingly, exchange difference of Rs. 7191.46 lakhs (Previous year Rs. 9777.25 lakhs) arising on all long term monetary items relating to acquisition of depreciable assets are added to the cost of Fixed Assets / Capital work-in-progress and will be depreciated over the useful life of the assets. The unamortized portion carried forward as at March 31, 2015 is Rs. 15427.44 lakhs (Previous year Rs. 9223.63 lakhs). As a result of such change, the net profit after tax for the year is higher by Rs. 4056.87 lakhs (Previous year Rs. 5851.70 lakhs).

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 and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2015 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors’ reports of the Holding company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account 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 and the reports of the other auditors.
 - c) 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.

- d) 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.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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 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 disclose the impact of possible pending litigations on the consolidated financial position of the Group – Refer Note 2.1 and 2.2 to the consolidated financial statements.
 - ii. The group did not have any material foreseeable losses on long-term contracts including derivative contracts – Refer Note 5.7 to the consolidated financial statements.
 - iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education Protection Fund by the Subsidiary Company viz. SRF Limited, and its subsidiary companies incorporated in India – Refer 4(b) to the consolidated financial statements.

| Nature of Amount | Amount (Rs. in lakhs) | Period to which the amount relates | Date by which amount should have been credited to the fund | Date of Deposit |
|----------------------------------|-----------------------|------------------------------------|--|-----------------|
| Matured unclaimed fixed deposits | 0.15 | 2005-06 | 20-12-2012 | 23-06-2014 |
| Interest accrued on above | 0.02 | 2005-06 | 20-12-2012 | 23-06-2014 |

For Thakur, VaidyanathAiyar & Co.
Chartered Accountants
FRN: 000038N
(V. Rajaraman)
Partner
M. No. : 02705

Place : New Delhi
Date : 30.05.2015

Annexure to the Independent Auditor's Report on the financial statements of KAMA Holdings Limited (" the Holding Company) for the year ended 31.03.2015

(Referred to paragraph 1 under ' Report on Other Legal and Regulatory Requirements' section of our report of even date).

(i) In respect of its fixed assets of the Holding Company and subsidiary companies incorporated in India:

- (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The Holding Company and subsidiary companies incorporated in India have a programme of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion and the opinion of the other auditors, is reasonable having regard to the size of the respective entities and the nature of their assets. Pursuant to the programme, certain fixed assets were physically verified by the Management of the respective entities during the year. According to the information and explanations given to us and the other auditors, no material discrepancies were noticed on such verification.

(ii) The Holding Company does not have inventory, hence clause (a),(b),(c) of item II of Companies (Auditors Report) Order 2015 are not applicable.

In respect of its inventories of the Subsidiary Companies incorporated in India:

- a) As explained by other auditors, the inventories were physically verified during the year by the Management of the respective entities at reasonable intervals other than for stock lying with third parties and / or goods in transit for which confirmations have been obtained / subsequent receipts have been verified in most of the cases.
- b) In the opinion of the other auditors and according to the information and explanations given to other auditors, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
- c) In the opinion of the other auditors and according to the information and explanations given to other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.

(iii) Transactions with parties covered under section 189 of the Act

There are no Inter Party transactions other than the Holding Company and its subsidiaries.

The Holding Company and its Subsidiary companies incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.

(iv) Internal Control System

In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the Holding Company and subsidiary companies incorporated in India, commensurate with the size of the respective entities and the nature of their business for the purchases of inventory and fixed assets and for the sale of goods and services and during the course of our and the other auditors audit, no major weakness in such internal control system has been observed.

(v) Deposits

The Holding Company has not accepted any deposits during the year which are covered under the directives issued by the Reserve Bank of India or under the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder, where applicable.

In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, subsidiary companies incorporated in India have complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies act, 2013 and the Companies (Acceptance of deposits) Rules, 2014, as amended, with regard to the deposits accepted. According to the information and explanations given to us and the other auditors, no Order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal in respect of any of the respective entities.

(vi) Cost Records

The requirements of maintenance of Cost Records under section 148(1) of the Companies Act, 2013 is not applicable to the Holding Company.

In respect of subsidiary companies according to the information and explanations given by the subsidiary company's other auditors, in the opinion of the other auditors, the subsidiary companies incorporated in India wherever applicable, have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Neither we nor the other auditors have, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) Statutory Dues & Requirements

According to the information and explanations given to us, in respect of statutory dues of the Holding Company and subsidiary companies incorporated in India:

- (a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax,

Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Works Contract Tax, Cess and other material statutory dues wherever applicable to the respective entities with the appropriate authorities.

There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Works Contract Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 wherever applicable for a period of more than six months from the date they became payable.

- (b) In respect of Holding Company, the details of disputed dues of Income tax which have not been deposited as at 31st March, 2015 are given below:-

| Nature of Statute | where dispute is Forum pending | Nature of dues | Period of Dispute | Amount (Rs. In lakhs) |
|-------------------|--------------------------------------|----------------|-------------------|-----------------------|
| Income Tax Laws | High Court | Income Tax | 2003-04 | 5.57 |
| | Supreme Court | | 2007-08 | 37.43 |
| | Income Tax Appellate Tribunal (ITAT) | | 2003-10 | 186.68 |
| | Commissioner (Appeals) | | 2010-11 | 5.82 |
| Total | | | | 235.50 |

In respect of Subsidiary companies details of disputed dues of Income-tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Excise Duty, Customs Duty and Cess which have not been deposited as on 31st March, 2015 is given below:-

| Name of the Statute | Nature of the Dues | Forum where Dispute is pending | Period to which the amount relates (various years covering the period) | Amount* (Rs. in lakhs) |
|---------------------|--------------------|---|--|------------------------|
| Central Excise Laws | Excise Duty | High Court | 1996-1997 | 213.79 |
| | | Customs, Excise & Service Tax Appellate Tribunal (CESTAT) | 1992-2013 | 5903.05 |
| | | Upto Commissioner (Appeals) | 1993-2010 | 449.59 |
| Service Tax Laws | Service Tax | High Court | 2006 | 2.50 |
| | | Customs, Excise & Service Tax Appellate Tribunal (CESTAT) | 2005-2010 | 47.97 |
| | | Upto Commissioner (Appeals) | 2006-2011 | 29.01 |
| Customs Laws | Customs Duty | Customs, Excise & Service Tax Appellate Tribunal (CESTAT) | 2004-2006 | 45.43 |
| | | Upto Commissioner (Appeals) | 2002-2013 | 147.47 |

| | | | | |
|-----------------|------------------|--------------------------------------|-----------|---------|
| Sales Tax Laws | Sales Tax | High Court | 2007-2013 | 9361.25 |
| | | Sales Tax Appellate Tribunal | 1987-2008 | 102.28 |
| | | Upto Commissioner (Appeals) | 1988-2015 | 28.21 |
| Income Tax Laws | Income Tax | Supreme Court | 1988-1989 | 113.35 |
| | | Income Tax Appellate Tribunal (ITAT) | 2009-2010 | 78.58 |
| | | Upto Commissioner (Appeals) | 2006-2007 | 273.80 |
| Others | Electricity Cess | High Court | 2007-2008 | 6.00 |

* amount as per demand orders including interest and penalty wherever quantified in the Order.

The following matters, which have been excluded from the above table, have been decided in favour of the aforesaid entities but the department has preferred appeals at higher levels. The details are given below:

| Name of the Statute | Nature of the dues | Forum where Dispute is pending | Period to which the amount relates (various years covering the period) | Amount (Rs. in lakhs) |
|---------------------|--------------------|---|--|-----------------------|
| Central Excise Laws | Excise Duty | Supreme Court | 1994-2001 | 187.73 |
| | | High Court | 1994-2002 | 121.98 |
| | | Customs, Excise & Service Tax Appellate Tribunal (CESTAT) | 1989-1995 | 223.61 |
| Service Tax Laws | Service Tax | Customs, Excise & Service Tax Appellate Tribunal (CESTAT) | 2003 | 7.05 |
| | | Upto Commissioner (Appeals) | 2007-2008 | 4.57 |
| Income Tax Laws | Income Tax | Income Tax Appellate Tribunal (ITAT) | 1994-1995 | 343.70 |

- (c) Details of amounts to be transferred to the Investor Education and Protection Fund during the year by the subsidiary companies incorporated in India in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder,

which have not been transferred within time but subsequently transferred are covered under para f (iii) of Other Legal and Regulatory Requirements of Independent Auditors Report.

- (viii) The Group does not have consolidated accumulated losses at the end of the financial year and the Group has neither incurred cash losses on a consolidated basis during the financial year covered by our audit nor in the immediately preceding financial year.
- (ix) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) According to the records of the Holding company, information and explanations given to us, the Holding Company has given guarantee for loans and interest thereon taken by KAMA Realty (Delhi) Limited (wholly - owned subsidiary) amounting to Rs. 2573.19 lakhs (Previous Year Rs. 2,086.83 lakhs) both inclusive of interest.

In respect of Subsidiary companies the opinion of the other auditors and according to the information and explanations given to the other auditors, the terms and conditions of the guarantees given by the subsidiary companies incorporated in India for loans taken by others outside the Group from banks and financial institutions are not, prima-facie, prejudicial to the interests of the Group.

- (xi) The Holding Company has not taken any term loans during the year.

In respect of Subsidiary Companies, in our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the subsidiary Companies incorporated in India during the year for the purposes for which they were obtained, other than temporary deployment pending application.

- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Holding Company and subsidiary companies incorporated in India and no material fraud on the Holding Company and subsidiary companies incorporated in India has been noticed or reported during the year.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N

(V. Rajaraman)
Partner
M. No. : 02705

Place: New Delhi
Date : 30.05.2015



**KAMA HOLDINGS LIMITED (CONSOLIDATED)
BALANCE SHEET AS AT MARCH 31, 2015**

| Particulars | Note No | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|-------------------------------------|---------|--------------------------------------|--------------------------------------|
| Shareholders' funds | | | |
| Share capital | 1 | 1,937.20 | 1,937.20 |
| Reserves and surplus | 2 | 134,485.66 | 116,304.70 |
| | | 136,422.86 | 118,241.90 |
| Minority interest | 3 | 101,266.13 | 93,040.73 |
| Non-current liabilities | | | |
| Long-term borrowings | 4 | 181,078.34 | 172,992.37 |
| Long-term liabilities | 5 | 5,010.34 | 13.83 |
| Deferred tax liabilities (net) | 6 | 33,627.01 | 27,517.55 |
| Long-term provisions | 7 | 1,706.99 | 1,740.67 |
| | | 221,422.68 | 202,264.42 |
| Current liabilities | | | |
| Short-term borrowings | 4 | 24,723.28 | 32,085.40 |
| Trade payables | 8 | 58,144.58 | 78,860.68 |
| Other current liabilities | 9 | 57,073.16 | 27,768.00 |
| Short-term provisions | 10 | 987.20 | 1,481.08 |
| | | 140,928.22 | 140,195.16 |
| EQUITY AND LIABILITIES | | 140,928.22 | 140,195.16 |
| TOTAL EQUITY AND LIABILITIES | | 600,039.89 | 553,742.21 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | 11 | | |
| Tangible assets | | 384,885.71 | 355,648.31 |
| Intangible assets | | 10,358.19 | 1,883.03 |
| Capital work-in-progress | | 11,738.51 | 11,747.18 |
| Non-current investments | 12 | 6,819.90 | 3,548.12 |
| Long-term loans and advances | 13 | 12,785.25 | 6,881.61 |
| Other non-current assets | 14 | 920.21 | 863.40 |
| | | 427,507.77 | 380,571.65 |
| Current assets | | | |
| Current investments | 12 | 9,447.60 | 2,649.00 |
| Inventories | 15 | 76,350.26 | 74,640.29 |
| Trade receivables | 16 | 61,138.63 | 69,220.29 |
| Cash and cash equivalents | 17 | 10,925.92 | 9,720.87 |
| Short-term loans and advances | 18 | 14,131.72 | 16,050.13 |
| Other current assets | 19 | 537.99 | 889.98 |
| | | 172,532.12 | 173,170.56 |
| TOTAL ASSETS | | 600,039.89 | 553,742.21 |

Accounting Policies & General Notes given in Annexure &
Note 1 to 19 form part of financial statements

As per our report of even date attached
For **THAKUR, VAIDYANATH AIYAR & CO.**
Chartered Accountants

Regn. No. 000038N
V. Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
**WHOLE TIME DIRECTOR,
CHIEF FINANCIAL OFFICER
& COMPANY SECRETARY**
(DIN:00005664)

Kartik Bharat Ram
CHAIRMAN
(DIN:00008557)

Place: New Delhi
Date: 30th May 2015

Dhirendra Datta
DIRECTOR
(DIN: 02376649)

Amitav Virmani
DIRECTOR
(DIN: 02169955)



KAMA HOLDINGS LIMITED (CONSOLIDATED)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

| Particulars | Note No | Year Ended March 31, 2015 Rs./lakh | Year Ended March 31, 2014 Rs./lakh |
|--|---------|--|--|
| Revenue from Operations | | | |
| Sale of products (gross) | | 481,908.64 | 429,447.74 |
| Less: Excise Duty | | 32,672.99 | 30,179.56 |
| Sale of products (net) | | 449,235.65 | 399,268.18 |
| Other operating revenues | 20 | 6,800.93 | 3,959.58 |
| | | 456,036.58 | 403,227.76 |
| Other Income | 21 | 6,839.70 | 2,642.32 |
| TOTAL REVENUE | | 462,876.28 | 405,870.08 |
| EXPENSES | | | |
| Cost of materials consumed | 22 | 253,858.52 | 242,088.64 |
| Purchase of traded goods | 23 | 3,612.40 | 1,601.62 |
| (Increase)/Decrease in inventories of finished goods, stock-in-process and traded goods | 24 | (3,275.25) | (3,966.01) |
| Employee benefits | 25 | 36,820.87 | 32,047.26 |
| Finance costs [Refer sub-note 11 in note 11] | 26 | 14,041.75 | 9,901.55 |
| Depreciation and amortisation | 27 | 24,649.12 | 22,569.18 |
| Other expenses | 28 | 92,330.15 | 80,252.02 |
| TOTAL EXPENSES | | 422,037.56 | 384,494.26 |
| Profit before tax | | 40,838.72 | 21,375.82 |
| Tax expense | | | |
| Current tax | | 8,471.62 | 5,642.07 |
| MAT credit | | (4,213.03) | (2,841.22) |
| MAT credit related to previous year | | 2.47 | - |
| Current tax relating to prior years | | (899.07) | (574.79) |
| Deferred tax charge | | 6,293.29 | 2,467.48 |
| | | 9,655.28 | 4,693.54 |
| Profit after tax | | 31,183.44 | 16,682.28 |
| Earnings per share | 29 | 481.67 | 256.93 |
| Basic (Rs.) | | 481.67 | 256.93 |
| Diluted (Rs.) | | | |

**Accounting Policies & General Notes given in Annexure &
Note 20 to 29 form part of financial statements**

As per our report of even date attached
For **THAKUR, VAIDYANATH AIYAR & CO.**
Chartered Accountants

Regn. No. 000038N
V. Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
**WHOLE TIME DIRECTOR,
CHIEF FINANCIAL OFFICER
& COMPANY SECRETARY**
(DIN:00005664)

Kartik Bharat Ram
CHAIRMAN
(DIN:00008557)

Place: New Delhi
Date: 30th May 2015

Dhirendra Datta
DIRECTOR
(DIN: 02376649)

Amitav Virmani
DIRECTOR
(DIN: 02169955)



KAMA HOLDINGS LIMITED (CONSOLIDATED)
CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

| | Year Ended March 31, 2015 Rs./lakhs | Year Ended March 31, 2014 Rs./lakhs |
|---|---|---|
| A CASH FLOW FROM OPERATING ACTIVITY: | | |
| Net Profit Before Tax | 40,838.72 | 21,375.82 |
| Adjustments for | | |
| Interest & Finance Charges | 14,058.31 | 9,901.55 |
| Depreciation and amortisation | 24,649.12 | 22,569.19 |
| Exchange currency fluctuation (net) | 57.77 | (809.97) |
| Provision for doubtful debts | 320.26 | 97.79 |
| Impairment of fixed assets | 10.88 | 91.62 |
| MAT Adjusted | (2.47) | - |
| Deffered Tax Savings (Net) | 231.17 | - |
| Income from dividend | (314.10) | (934.54) |
| Interest Income | (522.82) | (771.84) |
| Asset written off/discarded | - | 134.67 |
| Provision for dimunition in value | (0.13) | - |
| (Profit)/Loss on sale of fixed assets | (2,326.88) | (78.48) |
| (Profit)/Loss on sale of investment in subsidiaries | (1,510.00) | - |
| (Profit)/Loss on sale of investments | (285.78) | (96.91) |
| Operating Profit before working capital changes | 75,204.05 | 51,478.90 |
| Adjustments for | | |
| Trade and other receivables, inventories and other assets | 5,036.10 | (39,973.42) |
| Trade payables and provisions and other current liabilities | (18,313.05) | 27,998.66 |
| Cash Generated from operations before tax | 61,927.10 | 39,504.14 |
| Exchange currency fluctuation | - | - |
| Taxation | (8,716.99) | (4,276.60) |
| Net Cash from operating activities (A) | 53,210.11 | 35,227.54 |
| B CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Investments | (82,568.22) | (87,230.58) |
| Sale of Investments | 71,655.20 | 97,429.77 |
| Capital expenditure on fixed assets including capital advances | (51,293.09) | (80,010.54) |
| Investment on work in progress | (791.40) | - |
| Proceeds from sale of fixed assets | 2,734.24 | 984.63 |
| Proceeds from sale of subsidiaries | 2,099.55 | - |
| Grant received from Govt. of Republic of South Africa | 972.88 | - |
| Interest Income | 522.82 | 771.84 |
| Income from dividend on shares | 314.10 | 934.54 |
| Net Cash from Investment Activities (B) | (56,353.92) | (67,120.34) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds/(Repayment) of long term borrowings (net) | 26,597.80 | 30,130.97 |
| Proceeds/(Repayment) of short term borrowings (net) | (3,184.40) | 8,778.86 |
| Dividend paid on equity shares | (2,718.27) | (3,121.06) |
| Dividend paid on preference shares | (103.36) | (103.36) |
| Corporate dividend tax paid | (2,029.86) | (975.86) |
| Repayment of fixed deposits | - | (1.01) |
| Finance cost | (14,221.50) | (12,271.06) |
| Net cash used in/ from financing activities (C) | 4,340.41 | 22,437.48 |
| Net increase in Cash and Cash Equivalents D=(A+B+C) | 1,196.60 | (9,455.32) |
| Cash & Cash equivalents of SRF Transnational Holdings Limited at the beginning of the year (E) | 8.45 | - |
| Cash & Cash equivalents at the beginning of the year (F) | 9,720.87 | 19,176.19 |
| Cash & Cash equivalents at the close of the year (D+E+F) | 10,925.92 | 9,720.87 |



Rajat Lakhanpal
CHIEF FINANCIAL OFFICER
WHOLE TIME DIRECTOR & COMPANY SECRETARY
(DIN:00005664)

Kartik Bharat Ram
CHAIRMAN
(DIN:00008557)

Dhirendra Datta
DIRECTOR
(DIN: 02376649)

Amitav Virmani
DIRECTOR
(DIN: 02169955)

We have certified the above cash flow statement of KAMA Holdings Limited derived from the audited financial statements for the year ended March 31, 2015 and other records and found the same to be drawn in accordance there with and also with the requirements of clause 32 of the listing agreements with the Stock Exchanges.

For **THAKUR, VAIDYANATH AIYAR & CO.**
Chartered Accountants
Regn. No. 000038N

Place: New Delhi
Date: 30th May 2015

V. Rajaraman
Partner
M.No. 2705



1. Share Capital
a) Details of share capital

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|---|--------------------------------------|--------------------------------------|
| AUTHORISED | | |
| 10,000,000 (Previous Year - 10,000,000) Equity shares of Rs. 10 each | 1,000.00 | 1,000.00 |
| 13,000,000 (Previous Year - 13,000,000) Preference Shares of Rs. 10 each | 1,300.00 | 1,300.00 |
| | <u>2,300.00</u> | <u>2,300.00</u> |
| ISSUED, SUBSCRIBED AND PAID UP | | |
| 6,452,615 (Previous Year - 6,452,615) Equity Shares of Rs. 10 each fully paid up | 645.26 | 645.26 |
| 12,919,412* (Previous Year - 12,919,412) Preference Shares of Rs. 10 each fully paid up | 1,291.94 | 1,291.94 |
| | <u>1,937.20</u> | <u>1,937.20</u> |

*Represents 8% Non-cumulative Redeemable Preference Shares redeemable on or before 31-Mar-2031 at the discretion of the Board of Directors of the Company in accordance with Memorandum & Articles of Association.
There is no change in the share capital as compared to previous year.

b) Shareholders holding more than 5% shares in the Company

| Name of the shareholder | As at March 31, 2015 | | As at March 31, 2014 | |
|-----------------------------|-------------------------|-----------------|-------------------------|-----------------|
| | % age | (No. of shares) | % age | (No. of shares) |
| Equity | | | | |
| Arun Bharat Ram } Promoters | 37.50% | 2,419,726 | 37.50% | 2,419,727 |
| Ashish Bharat Ram } | 18.75% | 1,209,860 | 18.75% | 1,209,860 |
| Kartik Bharat Ram } | 18.75% | 1,209,860 | 18.75% | 1,209,860 |
| Preference | | | | |
| Arun Bharat Ram } Promoters | 49.45% | 6,388,650 | 49.45% | 6,388,650 |
| Ashish Bharat Ram } | 24.73% | 3,194,325 | 24.73% | 3,194,325 |
| Kartik Bharat Ram } | 24.73% | 3,194,325 | 24.73% | 3,194,325 |

In the period immediately preceding five years:

- i) 1,209,563 equity shares of Rs 10 each fully paid up were allotted without payment being received in cash pursuant to Scheme of Arrangement approved by Hon'ble Delhi High Court vide order dated 24.02.2011 to the promoters by simultaneous cancellation of equivalent number of shares and also allotted 12,919,412 - 8% Non-cumulative Redeemable Preference Shares of Rs 10 each fully paid up without payment being received in cash pursuant to said Scheme of Arrangement ; and
ii) The company has not allotted any bonus shares.

2. Reserves and Surplus

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Reserves | | |
| Capital reserve | 75,719.27 | 75,118.45 |
| Capital redemption reserve | 0.02 | 0.02 |
| General reserve | 5,184.97 | 5,184.97 |
| Foreign currency translation reserve | 9.10 | 3.51 |
| | <u>80,913.36</u> | <u>80,306.95</u> |
| Surplus | 53,572.30 | 35,997.75 |
| | <u>134,485.66</u> | <u>116,304.70</u> |
| | Total | Total Reserves and Surplus |

There is no change in Capital redemption reserve.

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|---|--------------------------------------|--------------------------------------|
| Movement in surplus | | |
| As at the beginning of the year | 35,997.75 | 25,536.26 |
| Add: Grant received by SRF from Govt of SA | 966.50 | - |
| Less: Adjustments made by SRF on disposal of subsidiaries | 1,172.47 | - |
| Add: Adjustments made by SRF in its reserves during the period | 314.02 | 244.67 |
| Less: Depreciation by SRF on transition to Schedule II | 616.27 | - |
| Add: Profit after tax transferred from statement of Profit and Loss annexed | 31,183.44 | 16,682.28 |
| Less: Interim dividend on equity shares | 967.89 | 419.43 |
| Less: Proposed dividend on preference shares | 103.36 | 103.36 |
| Less: Dividend distribution tax | 1,061.97 | 975.86 |
| Less: Transfer to general reserve | - | 300.00 |
| Less: Transfer to minority interest | 10,967.45 | 4,666.81 |
| As at the end of the year | 53,572.30 | 35,997.75 |
| Movement in capital reserve | | |
| As at the beginning of the year | 75,118.45 | 73,967.29 |
| Less: Adjustment due to regrouping by SRF | - | 635.11 |
| Add: Amount withdrawn by SRF for sale of subsidiary | 581.56 | - |
| Less: Accumulated profit/(loss) for acquisition of co. | 2,090.61 | - |
| Add: Addition on acquisition of subsidiary by KAMA | 2,109.87 | - |
| Addition on consolidation (net)* | - | 1,786.27 |
| <i>*on acquisition of shares of SRF Limited</i> | | |
| As at the end of the year | 75,719.27 | 75,118.45 |
| Movement in foreign currency translation reserve | | |
| As at the beginning of the year | 3.51 | 13.48 |
| Addition/(deletion) during the year | 5.59 | (9.97) |
| As at the end of the year | 9.10 | 3.51 |
| Movement in general reserve | | |
| As at the beginning of the year | 5,184.97 | 4,884.97 |
| Add: Transfer from surplus in statement of profit and loss | - | 300.00 |
| As at the end of the year | 5,184.97 | 5,184.97 |
| 3. MINORITY INTEREST | | |
| As at the beginning of the year | 93,040.73 | 94,459.95 |
| Add: Profit for the year | 10,967.45 | 4,666.81 |
| Less: Dividend paid to minority during the year | 2,742.05 | 2,746.79 |
| Less: Withdrawal for acquisition during the year | - | 3,339.24 |
| | 101,266.13 | 93,040.73 |
| 4. BORROWINGS | | |
| LONG TERM BORROWINGS | | |
| Secured | | |
| 2000 (Previous year- Nil), 9.80%, listed, Secured Redeemable Non-convertible debentures of Rs. 10. lakhs each | 20,000.00 | - |
| Term loans | | |
| from banks | 113,576.58 | 99,228.93 |
| from others | 51,357.61 | 50,854.78 |
| | 184,934.19 | 150,083.71 |
| Less: Current maturities of long term borrowings | | |
| Term loans from banks | 21,953.23 | 14,617.30 |
| Term loans from Others | 6,890.62 | - |
| Net secured long term borrowings (a) | 156,090.34 | 135,466.41 |

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|--|--------------------------------------|--------------------------------------|
| Unsecured | | |
| Term loans from banks | 37,482.00 | 37,525.96 |
| | <u>37,482.00</u> | <u>37,525.96</u> |
| Less: Current maturities of long term borrowings | 12,494.00 | - |
| Net unsecured long term borrowings (b) | <u>24,988.00</u> | <u>37,525.96</u> |
| Net long term borrowings (c = a+b) | <u>181,078.34</u> | <u>172,992.37</u> |
| SHORT TERM BORROWINGS | | |
| Secured | | |
| Term loans | | |
| from banks | 5,785.25 | 8,548.32 |
| Cash credit from banks | 3,461.37 | 449.24 |
| | <u>9,246.62</u> | <u>8,997.56</u> |
| Unsecured | | |
| Term loans | | |
| from banks | 15,414.21 | 22,527.68 |
| from related party | - | 50.00 |
| from others | 62.45 | 510.16 |
| | <u>15,476.66</u> | <u>23,087.84</u> |
| Total short term borrowings (d) | <u>24,723.28</u> | <u>32,085.40</u> |
| Total borrowings (e = c+d) | <u>205,801.62</u> | <u>205,077.77</u> |
| 5. LONG TERM LIABILITIES | | |
| For purchase of capital assets | 12.74 | 13.83 |
| Payable for fixed assets | 4997.60 | - |
| Total long term liabilities | <u>5010.34</u> | <u>13.83</u> |
| 6. DEFERRED TAX LIABILITIES (NET) | | |
| Difference between book and tax depreciation | 39106.53 | 30,894.08 |
| Research and development expenditure and others | 1854.74 | 1,604.35 |
| | <u>40961.27</u> | <u>32,498.43</u> |
| Less: Deferred Tax Assets | | |
| Provision for bad and doubtful debts | 166.78 | 278.94 |
| Accrued expenses deductible on payment | 2564.93 | 3435.97 |
| Brought forward business losses* | 4602.55 | 1265.97 |
| | <u>7334.26</u> | <u>4980.88</u> |
| Total deferred tax liabilities | <u>33627.01</u> | <u>27517.55</u> |
| <i>*The deferred tax assets have been recognised keeping in view the concept of prudence and on the basis of virtual certainty that sufficient future taxable income will be available against which deferred tax assets will be realised.</i> | | |
| 7. LONG TERM PROVISIONS | | |
| Employee benefits | 1,706.99 | 1,740.67 |
| Total long term provisions | <u>1,706.99</u> | <u>1,740.67</u> |

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|--|--------------------------------------|--------------------------------------|
| 8. TRADE PAYABLES | | |
| Acceptances | 29,295.53 | 46,317.97 |
| Trade payables | | |
| Outstanding dues to Micro and Small enterprises | 306.33 | 213.48 |
| Outstanding dues to parties other than Micro and Small enterprises | 28,542.72 | 32,329.23 |
| Total trade payables | 58,144.58 | 78,860.68 |
| 9. OTHER CURRENT LIABILITIES | | |
| Current maturities of long term borrowings | 41,337.85 | 14,617.30 |
| Interest accrued but not due on borrowings | 880.75 | 1,054.71 |
| Interest accrued and due on borrowings | - | 0.08 |
| Unclaimed dividend* | 627.55 | 605.83 |
| Unclaimed fixed deposits (including interest)* | 2.64 | 6.44 |
| Proposed dividend on preference shares | 103.36 | 103.36 |
| Security deposits from: | | |
| Students | 38.53 | 15.37 |
| Others | 480.55 | 486.41 |
| Income received in advance from: | | |
| Fee from students | 49.15 | 29.62 |
| Others | 29.90 | 30.89 |
| Advances received from customers | 1,609.92 | 1,393.52 |
| Acceptances for fixed assets | - | 175.28 |
| Payables for fixed assets | | |
| Outstanding dues to Micro and Small enterprises | 217.80 | 465.01 |
| Outstanding dues to parties other than Micro and Small enterprises | 5,133.76 | 3,150.11 |
| Gratuity | 720.92 | 451.73 |
| Statutory remittances | 3,681.26 | 3,180.81 |
| Statutory dues and other taxes payable | 1,954.79 | 1,946.81 |
| Other payables | 204.43 | 54.72 |
| | 57,073.16 | 27,768.00 |
| 10. SHORT TERM PROVISIONS | | |
| Employee benefits | 618.18 | 605.12 |
| Provision for tax (net of payments) | 369.02 | 875.96 |
| | 987.20 | 1,481.08 |

*Will be credited to Investor Education and Protection Fund if not claimed within seven years from the date of issue of dividend/interest warrant and the date of maturity of fixed deposits.

11. FIXED ASSETS

| Particulars | Gross Block | | | | | Depreciation/ amortization** | | | | Net Block | | |
|--------------------------|---------------------|---------------------------------|--|----------------------------------|----------------------|------------------------------|------------------|-------------------------|----------------------------------|---------------------|----------------------|----------------------|
| | As at April 1, 2014 | Additions (refer note 10 below) | Translation/ adjustment/ net revaluation | Disposals/ Deductions/ Transfers | As at March 31, 2015 | Upto March 31, 2014 | For the year | Translation/ adjustment | Disposals/ Deductions/ Transfers | Upto March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| Tangible assets | | | | | | | | | | | | |
| Land | | | | | | | | | | | | |
| Freehold | 11,248.19 | - | (47.11) | - | 11,201.08 | - | - | - | - | - | 11,201.08 | 11,244.68 |
| Leasehold | 10,387.39 | 182.61 | 29.25 | - | 10,599.25 | 631.54 | 7.22 | 25.99 | - | 664.75 | 9,934.50 | 10,387.39 |
| Roads | 4,368.36 | 862.83 | (32.97) | 168.88 | 5,029.34 | 336.50 | 100.57 | 5.24 | 141.77 | 300.54 | 4,728.80 | 3,404.91 |
| Buildings* | 85,245.37 | 4,690.79 | 28.61 | - | 89,964.77 | 19,892.16 | 1,916.38 | 436.91 | - | 22,245.45 | 67,719.32 | 66,800.47 |
| Books | 1.04 | - | - | - | 1.04 | 1.04 | - | - | - | 1.04 | - | - |
| Plant and machinery | 488,171.18 | 48,059.27 | 2,751.15 | 9,543.84 | 529,437.76 | 227,471.50 | 21,266.00 | 3,583.92 | 9,330.88 | 242,990.54 | 286,447.22 | 259,287.23 |
| Furniture and fixtures | 3,145.63 | 263.09 | 2.46 | 51.01 | 3,360.17 | 1,520.38 | 189.99 | 9.78 | 48.28 | 1,671.87 | 1,688.30 | 1,595.26 |
| Office equipments | 4,535.17 | 554.64 | 14.62 | 292.32 | 4,812.11 | 2,912.38 | 565.71 | 21.49 | 254.20 | 3,245.38 | 1,566.73 | 1,616.35 |
| Data processing | 46.55 | 27.31 | - | - | 73.86 | 32.39 | 13.46 | - | - | 45.85 | 28.01 | 14.16 |
| Vehicles | 2,696.94 | 915.50 | 3.49 | 625.96 | 2,989.97 | 1,399.62 | 488.50 | 3.08 | 472.98 | 1,418.22 | 1,571.75 | 1,297.86 |
| Sub-total | 609,845.82 | 55,556.04 | 2,749.50 | 10,682.01 | 657,469.35 | 254,197.51 | 24,547.83 | 4,086.41 | 10,248.11 | 272,583.64 | 384,885.71 | 355,648.31 |
| Previous year | 474,903.93 | 144,934.27 | 370.01 | 10,361.59 | 609,845.82 | 240,189.11 | 21,924.82 | 809.88 | 8,725.49 | 254,197.52 | 355,648.31 | 234,714.82 |
| Intangible assets | | | | | | | | | | | | |
| Goodwill | 368.94 | - | - | - | 368.94 | 191.03 | 36.89 | - | - | 227.92 | 141.02 | 813.01 |
| Trade marks & copyrights | 1,199.43 | 6,809.34 | - | - | 8,008.77 | 619.11 | 177.19 | - | - | 796.30 | 7,212.47 | 580.32 |
| Technical knowhow | 914.81 | - | - | 0.60 | 914.21 | 510.02 | 106.98 | 0.17 | - | 617.17 | 297.04 | 404.79 |
| Software | 2,242.56 | 758.21 | - | - | 3,000.77 | 1,522.55 | 543.90 | - | 0.50 | 2,065.95 | 934.82 | 720.01 |
| Others | - | 1,942.78 | - | - | 1,942.78 | - | 169.94 | - | - | 169.94 | 1,772.84 | - |
| Sub-total | 4,725.74 | 9,510.33 | - | 0.60 | 14,235.47 | 2,842.71 | 1,034.90 | 0.17 | 0.50 | 3,877.28 | 10,358.19 | 2,518.13 |
| Previous year | 4,559.62 | 801.23 | - | - | 5,360.85 | 2,162.02 | 680.69 | - | - | 2,842.71 | 2,518.13 | 2,397.60 |
| Grand total | 614,571.56 | 65,066.37 | 2,749.50 | 10,682.61 | 671,704.82 | 257,040.22 | 25,582.73 | 4,086.58 | 10,248.61 | 276,460.92 | 395,243.90 | 358,166.44 |
| Previous year | 479,463.55 | 145,735.50 | 370.01 | 10,361.59 | 615,206.67 | 242,351.13 | 22,605.51 | 809.88 | 8,725.49 | 257,040.23 | 358,166.44 | 237,112.42 |

Notes to fixed assets :

- The amount of borrowing cost capitalised to fixed assets/capital work-in-progress during the year Rs. Nil lakhs (previous year Rs.2,812.02 lakhs) by SRF Limited.
- The deed of assignment in respect of free hold land at Manali, Chennai has been executed in respect of 135.70 acres (previous year 135.70 acres). In addition to aforesaid extent, 0.79 acres were handed over to SRF Limited under a land delivery receipt. Thus, SRF Limited is in possession of 136.49 acres of Industrial land at Manali, Chennai.
- Conveyancing of buildings and other superstructures located at SRF Limited's plant at Malanpur in the state of Madhya Pradesh including immovable machinery is linked to the Stamp Duty matter.
- Out of the Industrial free hold land measuring 32.41 acres at the SRF Limited's plant in Gummidipoondi, SRF Limited does not have clear title to 2.43 acres.
- The execution of lease deed of land in respect of 911336 square metres (previous year 904910 square meters) of leasehold land allotted to SRF Limited by Gujarat Industrial Development Corporation at Dahej, Gujarat is pending.
- Capital work-in-progress includes pre-operative expenses Rs.214.54 lakhs (previous year Rs.161.05 lakhs).
- The revaluation of fixed assets of SRF Limited was carried out in the year ended March 31, 2005 and of SRF Industries (Thailand) Limited has been done in financial year ended March 31, 2011.
- SRF Overseas Limited has charged an impairment of Rs. Nil (previous year Rs.91.62 lakhs) on fixed assets. The same is based on the estimated value in use.
- Pursuant to the requirements of Schedule II of the Companies Act, 2013, SRF Limited has, effective April 1, 2014, reviewed and revised the estimated useful lives of its fixed assets. Consequent thereto, the depreciation charge for the year is lower by Rs. 3581.91 lakhs and amount of Rs. 616.27 lakhs (net of deferred tax) on account of fixed assets with Nil remaining useful life as on April 1, 2014, has been charged to opening balance of retained earnings.
- Assets retired from active use and held for sale aggregating to Rs. Nil (gross block of Rs.503.65 lakhs less accumulated depreciation of Rs.2632.85 lakhs) has been reclassified under 'Other current assets'.
- SRF Limited had opted to apply the provisions under paragraph 46A of Accounting Standard-11 "The Effects of Changes in Foreign Exchange Rates" with effect from April 1, 2013. Accordingly, exchange difference of Rs.7191.46 lakhs (previous year Rs. 9,777.25 lakhs) arising on all long term monetary items relating to acquisition of depreciable assets are added to the cost of Fixed Assets/Capital work-in-progress and will be depreciated over the useful life of the assets. The

unamortised portion carried forward as at March 31, 2015 is Rs.15427.44 lakhs (previous year Rs. 9,223.63 lakhs). As a results of such changes, the net profit after tax for the year is higher by Rs. 4056.87 lakhs (previous year- Rs. 5851.70 lakhs)

- 12 Pursuant to an agreement between E.I. Dupont De Nemours, USA and SRF Limited on December 31, 2014, SRF Limited acquired Global DuPont™ Dymel® HFC 134a Pharma Business and will own Du Pont's 'Dymel' brand and also receive the technology and know how from DuPont™ for setting up its own 'current Good Manufacturing Practices' (cGMP) facility for manufacturing HFC 134a Pharma grade at an aggregate consideration of USD 20 million (Rs. 126 crores) of which USD 10 Million to be paid in five equal annual installments of USD 2 Million each commencing December 31, 2015.

Pursuant to the acquisition, SRF Ltd acquired certain intangible assets, i.e, trademarks/brands, technical know how and other intangibles, which will be amortised over their estimated useful life ranging from 2.5 years to 30 years on straight line method. The life of the intangible assets is arrived at based on the management's best estimates of useful lives of such assets after due consideration regarding their expected usage, the products life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to SRF Ltd.

- 13 Depreciation for the year is inclusive of Rs. 933.61 lakhs related to transition of to schedule of 2013 Act on tangible fixed assets with nil remaining useful life. "Pursuant to the requirements of Schedule II of the Companies Act, 2013, SRF Limited has, effective April 1, 2014, reviewed and revised the estimated useful lives of its fixed assets. Consequent thereto, the depreciation charge for the year is lower by Rs. 3581.91 lakhs and amount of Rs. 616.27 lakhs (net of deferred tax) on account of fixed assets with Nil remaining useful life as on April 1, 2014, has been charged to opening balance of retained earnings.

| | Par Value Rs. | As at March 31, 2015 | | As at March 31, 2014 | |
|--|------------------|-------------------------|---------------------|-------------------------|---------------------|
| | | Qty. (nos.) | Amount Rs./lakhs | Qty. (nos.) | Amount Rs./lakhs |
| 12. INVESTMENTS | | | | | |
| NON-CURRENT INVESTMENTS-LONG TERM | | | | | |
| Trade investments | | | | | |
| Investments in equity instruments | | | | | |
| Unquoted | | | | | |
| Malanpur Captive Power Ltd | 10 | - | - | 4,221,535 | 422.15 |
| Other investments | | | | | |
| Investments in equity instruments | | | | | |
| Quoted - Direct Equity | | | | | |
| Mawana Sugars Ltd. | 10 | 2,901 | 0.48 | 2,901 | 0.48 |
| DCM Shriram Ltd. | 2 | 280 | - | - | - |
| Axis Bank Ltd | 2 | 1,000 | 4.26 | - | - |
| Britannia Industries | 2 | 500 | 4.67 | - | - |
| Cipla Ltd | 2 | 935 | 5.19 | 1,500 | 4.92 |
| Engineers India Ltd | 5 | 2,925 | 7.15 | - | - |
| Exide Industries | 1 | 2,700 | 3.80 | - | - |
| Gail (I) Ltd | 10 | 1,000 | 4.57 | 1,500 | 5.80 |
| Gujarat State Petronet Ltd | 10 | 5,000 | 3.86 | - | - |
| Hero Motocorp Ltd | 2 | 9,400 | 303.27 | - | - |
| Hindustan Zinc Ltd | 2 | 2,400 | 3.99 | - | - |
| ICICI Bank Ltd | 2 | 1,500 | 4.25 | 400 | 3.51 |
| Idea Cellular Ltd | 10 | 2,800 | 3.92 | - | - |
| IDFC Ltd | 10 | 4,385 | 5.85 | 2,000 | 2.93 |
| Infosys Ltd | 5 | 300 | 4.90 | 100 | 3.04 |
| ITC Ltd | 1 | 1,500 | 4.91 | 2,000 | 4.88 |
| ITI Ltd | 10 | 60,000 | 19.76 | - | - |
| Karur vysya Bank Ltd | 10 | 800 | 3.64 | - | - |
| Larsen & Turbo Ltd | 2 | 435 | 6.98 | - | - |
| Goldman Sachs Mutual Fund Nifty Bees | 10 | 3,500 | 27.28 | - | - |
| Oil India Ltd | 10 | 2,125 | 11.27 | - | - |
| Pidilite Industries Ltd | 1 | 500 | 2.04 | - | - |
| SpiceJet | 10 | 500,000 | 113.61 | - | - |
| State Bank of India | 1 | 2,000 | 5.16 | - | - |
| Tata Communication Ltd | 10 | 800 | 2.92 | - | - |
| Tata Consultancy Ltd | 1 | 200 | 4.56 | - | - |



| | Par Value Rs. | As at March 31, 2015 | | As at March 31, 2014 | |
|--|------------------|-------------------------|---------------------|-------------------------|---------------------|
| | | Qty. (nos.) | Amount Rs./lakhs | Qty. (nos.) | Amount Rs./lakhs |
| Tata Motors Ltd | 2 | 900 | 3.99 | - | - |
| Torrent Power Ltd | 10 | 2,500 | 3.88 | - | - |
| Bharat Heavy Electricals Ltd | 2 | - | - | 1,150 | 3.03 |
| Bajaj Auto Ltd | 10 | - | - | 200 | 3.91 |
| Bajaj Finserv Ltd | 5 | 538 | - | 600 | 4.34 |
| Cipla Ltd | 2 | - | - | 750 | 2.97 |
| Cholamandalam Investment and Finance Co.Ltd. | 10 | - | - | 70,000 | 199.81 |
| Dish TV India Ltd | 1 | - | - | 7,500 | 4.93 |
| Dr.Reddy's Laboratories Ltd | 5 | - | - | 125 | 2.65 |
| Goldman Sachs Nifty ETF | 10 | - | - | 3,200 | 18.09 |
| Indian Bank | 10 | - | - | 2,500 | 4.88 |
| Jindal Steel & Power Ltd | 1 | - | - | 500 | 2.05 |
| Lupin Ltd | 2 | - | - | 200 | 1.18 |
| TV18 Broadcast Ltd | 2 | - | - | 10,000 | 2.06 |
| NMDC Ltd | 1 | - | - | 3,500 | 5.61 |
| SESA Sterilite Ltd | 1 | - | - | 1,140 | 2.00 |
| Uflex Ltd | 10 | - | - | 114,000 | 99.72 |
| Quoted - Equity PMS | | | | | |
| ASK PMS* | | | 201.36 | | - |
| Motilal Oswal PMS* | | | 199.70 | | - |
| Quest PMS* | | | 100.14 | | - |
| Reliance PMS* | | | 301.73 | | - |
| *(as per schedule 12A) | | | | | |
| Investments in debt instruments | | | | | |
| Quoted | | | | | |
| 8.20% 2027 tax free bonds of HUDCO | 1,000 | 42,500 | 448.13 | 42,500 | 446.87 |
| 8.66% 2033 tax free bonds of NTPC | 1,000 | 6,333 | 61.93 | 6,333 | 63.33 |
| 8.12% 2027 tax free bonds of REC | 1,000 | 25,000 | 249.22 | 25,000 | 249.97 |
| Bonds of VGN Developers Pvt Ltd | 10,000,000 | - | - | 10 | 1,000.00 |
| Investments in mutual funds | | | | | |
| Quoted | | | | | |
| DWS Gilt Fund-Growth | 10 | 390,665 | 50.00 | 390,665 | 50.00 |
| HDFC Income Fund-Growth | 10 | 187,571 | 50.00 | 187,571 | 50.00 |
| IDFC Dynamic Bond Fund-Growth | 10 | 362,500 | 50.00 | 362,500 | 50.00 |
| Kotak Bond Scheme Plan A-Growth | 10 | 148,993 | 50.00 | 148,993 | 50.00 |
| Birlasunlife Frontline Equity Fund- Growth | 10 | - | - | 25,596 | 25.00 |
| ICICI Prudential Discovery Fund- Growth | 10 | - | - | 45,389 | 25.00 |
| IDFC Sterling Equity Fund- Growth | 10 | 177,891 | 50.00 | 122,556 | 25.00 |
| Reliance Equity Opportunity Fund- Growth | 10 | - | - | 58,987 | 25.00 |
| Birla Sun Life Frontline Equity Fund - Dividend | 10 | 161,970 | 50.00 | - | - |
| HDFC Infrastructure Fund - Growth | 10 | 685,394 | 100.00 | - | - |
| ICICI Prudential Value Discovery Fund - Growth | 10 | 56,484 | 50.00 | - | - |
| ICICI Prudential Focussed Bluechip Fund - Dividend | 10 | 441,306 | 100.00 | - | - |
| ICICI Prudential Infrastructure Fund - Growth | 10 | 261,375 | 100.00 | - | - |
| IDFC Infrastructure Fund - Growth | 10 | 482,245 | 50.00 | - | - |
| IDFC Premier Equity Fund - Growth | 10 | 92,776 | 50.00 | - | - |
| Birlasunlife Dynamic Bond Fund-Retail-Growth | 10 | 548,944 | 100.00 | 548,944 | 100.00 |
| HDFC Index Fund-Nifty Plan-Growth | 10 | - | - | 93,270 | 50.00 |
| JP Morgan US Value Equity Offshore Fund-Growth | 10 | 830,916 | 85.00 | 830,916 | 85.00 |
| Kotak FMP Series 127 Direct-Growth | 10 | 830,000 | 83.00 | 830,000 | 83.00 |
| ICICI Prudential Exports and Other Services-Growth | 10 | - | - | 186,637 | 50.00 |

| | Par Value Rs. | As at March 31, 2015 | | As at March 31, 2014 | |
|--|------------------|-------------------------|---------------------|-------------------------|---------------------|
| | | Qty. (nos.) | Amount Rs./lakhs | Qty. (nos.) | Amount Rs./lakhs |
| Unquoted | | | | | |
| Sanghi Spinners Ltd | 10 | 670,000 | 11.69 | 670,000 | 11.69 |
| Less: provision for diminution in value | | | 11.69 | | 11.69 |
| | | | - | | - |
| SB Packaging Ltd | 10 | 23,800 | 49.98 | 119,000 | 49.98 |
| Less: provision for diminution in value | | | 49.98 | | 49.98 |
| | | | - | | - |
| Vaayu Renewable Energy (Tapti) Pvt Ltd | 100 | 5,000 | 5.00 | 5,000 | 5.00 |
| Investment in Private equity funds | | | | | |
| Fully paid investments | | | | | |
| Unquoted | | | | | |
| TVS Shriram Growth Fund Scheme 1B | 1,000 | 32,500 | 325.00 | 12,500 | 125.00 |
| ICICI Prudential Venture Capital Fund | 10 | 1,000,100 | 100.01 | 1,000,100 | 60.01 |
| Partly paid investments | | | | | |
| Unquoted | | | | | |
| Asian Healthcare Fund | 100 | 125,000 | 110.03 | 500,000 | 125.00 |
| Carpedeim Capital Partners Fund [Partly paid-up to the extent of Rs. 10 each] | 10,000 | 300 | 30.00 | - | - |
| Zodius Technology Fund [Partly paid-up to the extent of Rs. 10 each] | 10 | 288,968 | 33.37 | - | - |
| Investments in debt instruments | | | | | |
| Unquoted | | | | | |
| Alliance Infrastructure Projects P Ltd | 18,288 | 1,564 | 288.99 | - | - |
| Nirmal Lifestyle Ltd | 99,500 | 10 | 99.95 | - | - |
| Ansal Hi-Tech Township Ltd | 100,000 | 1,000 | 1,000.00 | - | - |
| Kumar Urban Development Pvt Ltd | 100,000 | 200 | 201.31 | - | - |
| Spark Builder & Infra Projects Pvt Ltd | 9,065,076 | 5 | 455.90 | - | - |
| VGN Developers Pvt Ltd | 1,000,000 | 100 | 1,020.00 | - | - |
| Total non-current investments | | | | | |
| Aggregate value of long term quoted investments | | | 6,819.90 | | 3,548.12 |
| Aggregate amount of long term unquoted investments (net of provisions) | | | 3,150.35 | | 2,810.96 |
| Aggregate provision for diminution in value of long term investments | | | 3,669.54 | | 737.14 |
| Market value of long term quoted investments | | | 61.67 | | 61.67 |
| | | | 3,475.59 | | 2,840.04 |
| Current investments | | | | | |
| Investments in mutual funds | | | | | |
| Unquoted | | | | | |
| Malanpur Captive Power Ltd | 10 | 4,221,535 | 422.15 | - | - |
| Quoted | | | | | |
| Kotak Gilt Investment | 10 | - | - | 238,190 | 96.31 |
| ICICI Prudential Savings Fund-Regular Plan-Growth | 10 | 3,614,674 | 7,500.00 | - | - |
| ICICI Prudential FMP Series 73 Regular Cumulative | 10 | 5,000,000 | 500.00 | 5,000,000 | 500.00 |
| SBI Debt Fund Series A Regular Growth | 10 | 10,000,000 | 1,000.00 | 10,000,000 | 1,000.00 |
| Baroda Pioneer Liquid Fund Plan A Growth | 1,000 | - | - | 68,304 | 1,002.76 |
| DSP Blackrock Liquidity Fund-Weekly dividend | 1,000 | - | - | 4,891 | 48.95 |
| Kotak Floater Long Term-Dividend option | 10 | - | - | 9,779 | 0.99 |
| Kotak Floater Short Term-Weekly Div Reinvest | 1,000 | 1,600 | 16.21 | - | - |
| Less: Diminution in Value of Investment | | | 0.00 | | - |
| | | | 16.21 | | - |



| | Par Value Rs. | As at March 31, 2015 | | As at March 31, 2014 | |
|--|------------------|-------------------------|---------------------|-------------------------|---------------------|
| | | Qty. (nos.) | Amount Rs./lakhs | Qty. (nos.) | Amount Rs./lakhs |
| ICICI Prudential Money Market Fund | 100 | 4,823 | 9.24 | - | - |
| Total current investments | | | 9,447.60 | | 2,649.00 |
| Aggregate amount of current quoted investments | | | 9,447.60 | | 2,649.00 |
| Aggregate amount of current unquoted investments | | | 422.15 | | - |
| Market value of current quoted investments | | | 9,181.01 | | 2,660.53 |
| 12A. Investments | | | | | |
| NON-CURRENT INVESTMENTS- Others | | | | | |
| Investments in Equity Instruments | | | | | |
| <u>Quoted - Equity PMS</u> | | | | | |
| <u>ASK PMS</u> | | | | | |
| Lupin Ltd | 2 | 868 | 11.85 | - | - |
| Sun Pharmaceuticals Industries Ltd | 1 | 1,534 | 12.28 | - | - |
| Page Industries Ltd | 10 | 111 | 8.86 | - | - |
| PI Industries Ltd | 1 | 2,394 | 10.93 | - | - |
| Pidilite Industries Ltd | 1 | 2,399 | 9.59 | - | - |
| Motherson Sumi Systems Ltd | 1 | 2,772 | 11.17 | - | - |
| Havells India Ltd. | 1 | 4,575 | 12.11 | - | - |
| Bajaj Finance Ltd | 10 | 315 | 8.34 | - | - |
| Asian Paints Ltd | 1 | 1,555 | 10.24 | - | - |
| Ajanta Pharma Ltd | 2 | 1,007 | 7.30 | - | - |
| Amara Raja Batteries Ltd | 1 | 1,470 | 8.94 | - | - |
| Tata Consultancy Services Ltd | 1 | 478 | 12.65 | - | - |
| Kotak Mahindra Bank Ltd | 5 | 903 | 10.68 | - | - |
| Astral Poly Technik Ltd | 1 | 2,526 | 10.02 | - | - |
| Indusind Bank Ltd | 10 | 1,229 | 11.08 | - | - |
| Hero Motocorp Ltd | 2 | 364 | 10.85 | - | - |
| Titan Company Ltd | 1 | 2,261 | 8.85 | - | - |
| Shree Cements Ltd | 10 | 77 | 6.42 | - | - |
| Thermax Ltd | 2 | 716 | 6.63 | - | - |
| Dhanuka Agritech Ltd | 2 | 1,014 | 4.93 | - | - |
| Atul Ltd | 10 | 479 | 7.02 | - | - |
| Cash & Cash Equivalent* | | | 0.62 | | - |
| | | | 201.36 | | - |
| <u>QUEST PMS</u> | | | | | |
| Deepak nitrite Ltd | 2 | 8,893 | 7.64 | - | - |
| Godrej Properties Ltd | 5 | 899 | 2.25 | - | - |
| Greaves Cotton Ltd | 2 | 4,350 | 6.00 | - | - |
| KEC International Ltd | 2 | 11,113 | 10.01 | - | - |
| Kirloskar Ferrous Industries Ltd | 5 | 14,722 | 9.29 | - | - |
| TV 18 Broadcast Ltd | 2 | 15,550 | 5.05 | - | - |
| Zensar Technologies Ltd | 10 | 1,568 | 9.55 | - | - |
| Cash & Cash Equivalent* | | | 50.35 | | - |
| | | | 100.14 | | - |

| | Par Value Rs. | As at March 31, 2015 | | As at March 31, 2014 | |
|--|------------------|-------------------------|---------------------|-------------------------|---------------------|
| | | Qty. (nos.) | Amount Rs./lakhs | Qty. (nos.) | Amount Rs./lakhs |
| MOTILAL PMS | | | | | |
| Eicher Motors Ltd. | 10 | 219 | 34.97 | - | - |
| Sun Pharmaceuticals Ltd. | 1 | 2,226 | 22.66 | - | - |
| Bosch Ltd. | 10 | 74 | 19.76 | - | - |
| HDFC Bank Ltd. | 2 | 1,634 | 17.10 | - | - |
| Tech Mahindra Limited | 5 | 2,332 | 16.51 | - | - |
| Housing Development Finance Corporation Ltd. | 2 | 1,104 | 14.71 | - | - |
| State Bank of India | 1 | 4,421 | 12.49 | - | - |
| Tata Consultancy Services Ltd. | 1 | 442 | 11.45 | - | - |
| Asian Paints Ltd. | 1 | 1,309 | 10.64 | - | - |
| Bharat Forge Ltd. | 2 | 801 | 10.39 | - | - |
| Larsen & Toubro Ltd. | 2 | 594 | 10.10 | - | - |
| United Spirits Ltd | 10 | 278 | 9.90 | - | - |
| Hero Motocorp Limited | 2 | 291 | 7.62 | - | - |
| Cash & Cash Equivalent* | | | 1.40 | - | - |
| | | | 199.70 | | - |
| Total value of Motilal PMS | | | | | |
| RELIANCE PMS | | | | | |
| Infosys Ltd | 5 | 2,391 | - | - | - |
| Tata Elxsi Ltd | 10 | 2,793 | 28.95 | - | - |
| Page Industries Ltd | 10 | 131 | 13.01 | - | - |
| Eicher Motors Ltd | 10 | 100 | 15.00 | - | - |
| RepcO Home Finance Ltd | 10 | 2,463 | 11.94 | - | - |
| Kajaria Ceramics Ltd | 2 | 1,554 | 10.37 | - | - |
| IFB Industries Ltd | 10 | 2,047 | 9.22 | - | - |
| Sonata Software Ltd | 1 | 6,354 | 9.54 | - | - |
| TVS Motor Company Ltd | 1 | 4,291 | 10.65 | - | - |
| MM Forgings Ltd | 10 | 1,636 | 9.79 | - | - |
| Marksans Pharma Ltd | 1 | 16,551 | 10.07 | - | - |
| Ramkrishna Forgings Ltd | 10 | 2,363 | 8.17 | - | - |
| Adani Enterprises Ltd | 1 | 1,465 | 9.60 | - | - |
| Bajaj Finance Ltd | 10 | 217 | 8.87 | - | - |
| Century Plyboards India Ltd | 10 | 3,412 | 5.41 | - | - |
| Ajanta Pharmaceuticals Ltd | 2 | 645 | 5.56 | - | - |
| Symphony Ltd | 2 | 304 | 5.29 | - | - |
| PI Industries Ltd | 1 | 1,293 | 6.23 | - | - |
| Atul Auto Ltd | 5 | 1,392 | 5.07 | - | - |
| Britannia Industries Ltd | 2 | 353 | 6.67 | - | - |
| APL Apollo Tubes Ltd | 10 | 1,834 | 7.03 | - | - |
| Aarti Drugs Ltd | 10 | 1,076 | 6.78 | - | - |
| Cera Sanitaryware Ltd | 5 | 275 | 6.57 | - | - |
| Can Fin Homes Ltd | 10 | 1,086 | 6.68 | - | - |
| Indian Terrain Fashions Ltd | 10 | 1,049 | 6.44 | - | - |
| Shemaroo Entertainment Ltd | 10 | 3,038 | 6.58 | - | - |
| Motherson Sumi Systems Ltd | 1 | 1,021 | 4.35 | - | - |
| Gujarat Pipavav Port Ltd | 10 | 2,050 | 4.34 | - | - |
| AIA Engineering Ltd | 2 | 391 | 3.94 | - | - |
| Kitex Garments Ltd | 1 | 873 | 4.56 | - | - |
| Talwalkars Better Value Fitness Ltd | 10 | 1,049 | 3.53 | - | - |
| KDDL Ltd | 10 | 1,253 | 3.81 | - | - |
| Zensar Technologies | 10 | 511 | 3.16 | - | - |



| | Par Value Rs. | As at March 31, 2015 | | As at March 31, 2014 | |
|--|------------------|-------------------------|---------------------|-------------------------|---------------------|
| | | Qty. (nos.) | Amount Rs./lakhs | Qty. (nos.) | Amount Rs./lakhs |
| Granules India Ltd | 1 | 3,660 | 3.13 | - | - |
| K P R Mill Ltd | 10 | 583 | 1.83 | - | - |
| Sharda Cropchem Ltd | 10 | 824 | 2.27 | - | - |
| Hawkins Cookers Ltd | 10 | 67 | 2.04 | - | - |
| LA Opala RG Ltd | 2 | 532 | 1.91 | - | - |
| Aarti Industries Ltd | 5 | 546 | 1.57 | - | - |
| Indo Count Industries Ltd | 10 | 492 | 2.08 | - | - |
| Cash & Cash Equivalent* | | | 29.72 | | - |
| Total value of ASK PMS | | | 301.73 | | - |
| Total value of Quoted- Equity PMS | | | 802.93 | | - |

*Not included in cash balance under current assets since they are with Portfolio Managers concerned.

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|---|--------------------------------------|--------------------------------------|
| 13. LONG TERM LOANS AND ADVANCES | | |
| (Unsecured considered goods, unless otherwise stated) | | |
| Capital advances | 1,313.42 | 716.12 |
| Security deposits *# | 2,630.07 | 2,115.85 |
| Loans to employees (also refer to note no. 17) | 658.31 | 480.62 |
| Prepaid expenses (also refer to note no. 17) | 14.46 | 15.96 |
| MAT credit entitlement | 7,615.74 | 2,841.22 |
| Cenvat/Service tax/VAT recoverable | 482.44 | 528.65 |
| Other loans and advances (unsecured): | | |
| considered good | 70.81 | 183.19 |
| considered doubtful | 9.95 | 9.95 |
| Less : Provision for doubtful advances | (9.95) | (9.95) |
| Total long term loans and advances | 12,785.25 | 6,881.61 |
| 14. OTHER NON-CURRENT ASSETS | | |
| Unamortised upfront fees on loans | 920.21 | 863.40 |
| Total other non-current assets | 920.21 | 863.40 |

*Security deposits includes Rs.724.53 lakhs (previous year Rs.798.61 lakhs) as interest free security deposits for accomodation taken on lease for SRF Limited's officers/ directors and various offices taken on lease by SRF Limited.

#Security deposits include the following related party deposits:

| | | |
|--|---------------|---------------|
| Arun Bharat Ram | 12.00 | 12.00 |
| Ashish Bharat Ram | 0.60 | 0.60 |
| Kartik Bharat Ram | 0.60 | 0.60 |
| Karm Farms Private Limited | 310.00 | 310.00 |
| Srishti Westend Greens Farms Private Limited | 310.00 | 310.00 |
| | 633.20 | 633.20 |

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|---|--------------------------------------|--------------------------------------|
| 15. INVENTORIES | | |
| Raw materials | 25,703.26 | 26,787.29 |
| Raw materials in transit | 11,031.02 | 14,351.26 |
| Stock-in-process | 10,078.13 | 10,566.61 |
| Stock-in-process in transit | 209.29 | 134.28 |
| Finished goods | 15,802.99 | 12,757.05 |
| Finished goods in transit | 1,942.36 | 1,554.05 |
| Stock of traded goods | 144.89 | 83.36 |
| Stock of traded goods in transit | 54.06 | - |
| Stores and spares | 11,364.99 | 8,383.89 |
| Stores and spares in transit | 19.27 | 17.99 |
| Stock of Certified Emission Reductions | - | 4.51 |
| Total inventories | 76,350.26 | 74,640.29 |
| 16. TRADE RECEIVABLES | | |
| Trade receivables outstanding for a period less than six months from the date they were due for payment | | |
| Unsecured – considered good | 47.82 | - |
| Trade receivables outstanding for a period exceeding six months from the date they were due for payment | | |
| Unsecured – considered good | 31.20 | - |
| Unsecured – considered doubtful | 1,025.98 | 309.39 |
| | <u>1,105.00</u> | <u>309.39</u> |
| Less : Provision for doubtful debts | 1,025.98 | 309.39 |
| | <u>79.02</u> | - |
| Other trade receivables | | |
| Unsecured – considered good | 61,059.61 | 69,220.29 |
| Total trade receivables | 61,138.63 | 69,220.29 |
| 17. CASH AND CASH EQUIVALENTS | | |
| Cash in hand | 49.35 | 48.05 |
| Cheques/drafts in hand | - | 0.48 |
| Balance with banks on | | |
| Current accounts | 4,703.57 | 8,832.30 |
| Savings accounts | 328.82 | - |
| Balances with bank in deposits maturing within three months | 5,018.00 | 50.00 |
| In earmarked accounts | | |
| Margin money | 198.63 | 189.99 |
| Unclaimed dividend accounts | 627.55 | 600.05 |
| Total cash and bank equivalents | 10,925.92 | 9,720.87 |

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|---|--------------------------------------|--------------------------------------|
| 18. SHORT TERM LOANS AND ADVANCES | | |
| (Unsecured considered goods, unless otherwise stated) | | |
| Loans to employees | 523.90 | 551.14 |
| Prepaid expenses | 1,105.93 | 851.23 |
| Advances | - | 1,079.06 |
| Deposits with customs and excise authorities | 197.19 | 311.90 |
| Security deposits | 320.67 | 455.05 |
| Claims recoverable | 2,848.53 | 2,566.58 |
| CENVAT/Service tax/VAT recoverable | 5,611.16 | 8,331.57 |
| | <u>10,607.38</u> | <u>14,146.53</u> |
| Advance to suppliers | | |
| Unsecured - considered good | 2,492.91 | - |
| considered doubtful | 5.36 | - |
| | <u>2,498.27</u> | - |
| Less: Provision for doubtful advances | 5.36 | - |
| | <u>2,492.91</u> | - |
| Other loans and advances | | |
| Secured - considered good | 400.00 | - |
| Unsecured - considered good | 631.43 | 1,903.60 |
| - considered doubtful | 297.16 | 293.68 |
| | <u>1,328.59</u> | <u>2,197.28</u> |
| Less : Provision for doubtful advances | 297.16 | 293.68 |
| | <u>1,031.43</u> | <u>1,903.60</u> |
| Total short-term loans and advances | <u>14,131.72</u> | <u>16,050.13</u> |
| 19. OTHER CURRENT ASSETS | | |
| Unamortised upfront fees on loans | 390.10 | 275.57 |
| Unamortised expenditure | - | - |
| Interest accrued on bonds | - | 18.35 |
| Intt accrued but not due on investments | 49.49 | - |
| Intt accrued but not received on investments | 10.00 | - |
| MAT credit available | 82.84 | 84.05 |
| Assets held for sale | - | 503.65 |
| Others | 5.56 | 8.36 |
| Total other current assets | <u>537.99</u> | <u>889.98</u> |

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|---|--------------------------------------|--------------------------------------|
| 20. OTHER OPERATIVE REVENUE | | |
| Claims | 66.43 | 40.87 |
| Rent received | 0.20 | 0.90 |
| Dividend on investments | - | 10.41 |
| Interest on loans, deposits and investments | 48.00 | 12.41 |
| License fee | 10.94 | 12.27 |
| Project management fee | 374.79 | 290.89 |
| Annual maintenance fee | 19.89 | 10.77 |
| Student fee from: | | |
| Government | 145.83 | 220.82 |
| Student | 1,180.37 | 863.24 |
| Export incentives | 1,632.43 | 126.70 |
| Scrap sales | 1,238.56 | 1,666.46 |
| Other operating income | 2,083.49 | 703.82 |
| Total other operating revenue | 6,800.93 | 3,959.58 |
| 21. OTHER INCOME | | |
| Provision / Liabilities no longer required written back | 444.03 | 233.12 |
| Dividend on investments | 317.29 | 924.13 |
| Profit on sale of investments | 292.92 | 96.91 |
| Profit on sale of investments in subsidiaries | 1,510.00 | - |
| Profit on sale of fixed assets | 2,311.13 | 78.48 |
| Interest income | | |
| from customers | 23.27 | 15.32 |
| on loan and deposits | 294.14 | - |
| on others | 205.44 | 744.00 |
| Other non-operating income | 297.17 | 550.36 |
| Provision for long term investments no longer required | 1,144.31 | - |
| Total other operating income | 6,839.70 | 2,642.32 |
| 22. COST OF RAW MATERIAL CONSUMED | | |
| Opening stock of Raw Materials | 41,138.55 | 27,928.24 |
| Add : Purchase of Raw Materials | 249,454.25 | 255,298.95 |
| | 290,592.80 | 283,227.19 |
| Less : Closing Stock of Raw Materials | 36,734.28 | 41,138.55 |
| Cost of materials consumed | 253,858.52 | 242,088.64 |

| | | As at March 31, 2015 Rs./lakhs | | As at March 31, 2014 Rs./lakhs |
|---|-----------|--------------------------------------|-----------|--------------------------------------|
| 23. PURCHASE OF TRADED GOODS | | | | |
| | Qty. (MT) | | Qty. (MT) | |
| Yarn | 1,021.89 | 1,516.63 | 490.09 | 1,065.25 |
| Refrigerant gases | 557.07 | 167.41 | 32.71 | 100.90 |
| Polyester films | - | - | 160.56 | 200.33 |
| Packaging Films | 1,565.00 | 1,721.29 | - | - |
| Others | - | 207.07 | - | 235.14 |
| Total | | 3,612.40 | | 1,601.62 |
| 24. (INCREASE)/DECREASE IN INVENTORIES OF FINISHE GOODS, STOCK-IN-PROCESS AND TRADED GOODS | | | | |
| Opening Stock | | | | |
| Stock-in-Process | | 10,700.89 | | 10,014.87 |
| Finished goods | | 14,311.10 | | 11,086.11 |
| Traded goods | | 83.36 | | 19.58 |
| Certified Emission Reductions Stock | | 4.51 | | 13.29 |
| | | 25,099.86 | | 21,133.85 |
| Effects of change in exchange currency rates | | | | |
| Stock-in-Process | | (23.94) | | - |
| Finished goods | | (119.45) | | - |
| | | (143.39) | | - |
| Closing Stock | | | | |
| Stock-in-Process | | 10,287.42 | | 10,700.89 |
| Finished goods | | 17,745.35 | | 14,311.10 |
| Traded goods | | 198.95 | | 83.36 |
| Certified Emission Reductions Stock | | - | | 4.51 |
| | | 28,231.72 | | 25,099.86 |
| (Increase) \ Decrease in inventories of finished goods, stock-in-process and traded goods | | | | |
| Stock-in-Process | | 389.53 | | (686.02) |
| Finished goods | | (3,553.70) | | (3,224.99) |
| Traded goods | | (115.59) | | (63.78) |
| Certified Emission Reductions Stock | | 4.51 | | 8.78 |
| | | (3,275.25) | | (3,966.01) |
| 25. EMPLOYEE BENEFITS | | | | |
| Salaries, wages, bonus, etc | | 30,502.39 | | 26,217.93 |
| Contribution to provident and other funds | | 2,476.53 | | 2,408.92 |
| Workmen and staff welfare expenses | | 3,841.95 | | 3,420.40 |
| Total employee benefits | | 36,820.87 | | 32,047.26 |

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|---|--------------------------------------|--------------------------------------|
| 26. FINANCE COSTS | | |
| Interest expenses | | |
| On loans to related party | 8.57 | 40.09 |
| On debentures and loans to others | 7,815.55 | 3,878.03 |
| Cash Credit and others | 3,111.39 | 2,724.04 |
| Other borrowing costs | 1,686.75 | 1,294.88 |
| Net (gain)/loss on foreign currency transactions and translation (considered as finance cost) | 1,419.49 | 1,964.51 |
| Total finance costs | 14,041.75 | 9,901.55 |
| 27. DEPRECIATION AND AMORTISATION | | |
| Depreciation on tangible assets* | 23,612.46 | 21,924.81 |
| Amortization on intangible assets* | 1,036.66 | 685.30 |
| Less : Transfer from revaluation reserve* | - | 40.93 |
| Net Depreciation and amortisation | 24,649.12 | 22,569.18 |
| * Refer sub note no. 13 of schedule 11 | | |
| 28. OTHER EXPENSES | | |
| Stores and Spares consumed | 3,354.99 | 4,222.72 |
| Power and Fuel | 43,414.94 | 41,885.24 |
| Rent | 1,330.84 | 1,292.65 |
| Repairs and Maintenance | | |
| Buildings | 327.80 | 303.88 |
| Plant and machinery | 11,843.71 | 6,879.86 |
| Other Maintenance | 2,867.12 | 2,504.92 |
| Insurance | 1,498.82 | 1,170.38 |
| Rates and taxes | 531.55 | 489.87 |
| Freight | 11,087.26 | 8,581.50 |
| Expenditure on Corporate Social Responsibility | 441.95 | - |
| Professional and legal charges | 2,695.18 | 1,976.74 |
| Contract conversion charges | 305.39 | 355.25 |
| Travel and conveyance | 1,540.10 | 1,468.31 |
| Directors' sitting fees | 19.42 | 17.30 |
| Selling commission | 1,262.04 | 893.41 |
| Increase / (decrease) in excise duty on closing stock | 614.73 | (240.85) |
| Provision for doubtful debts / advances | 207.35 | 42.23 |
| Bad debts / advances written off | 121.92 | 55.56 |
| Fixed assets discarded/written off | 558.16 | 134.67 |
| Impairment of fixed assets | - | 91.62 |

| | As at March 31, 2015 Rs./lakhs | As at March 31, 2014 Rs./lakhs |
|---|--------------------------------------|--------------------------------------|
| Auditors' Remuneration (net of service tax input credit) | | |
| Audit Fees | 107.48 | 97.61 |
| For limited review of unaudited financial results | 77.57 | 31.50 |
| For corporate governance, consolidated financial statements and other certificates | 16.50 | 20.29 |
| For tax audit | 10.08 | 8.50 |
| Exchange currency fluctuation | 945.97 | 1,718.21 |
| Amount Return off | 6.52 | - |
| Provision for dimunition in investments | (0.13) | - |
| Donation to political parties: | | |
| Bhartiya Janata Party | - | 50.00 |
| Aam Aadmi Party | - | 5.00 |
| Miscellaneous expenses | 7,142.89 | 6,195.65 |
| Total other expenses | 92,330.15 | 80,252.02 |
| | | |
| 29. EARNINGS PER SHARE | | |
| Profit after tax after recekoning of dividend paid to preference shareholders and tax thereon | 31,080.08 | 16,578.93 |
| Weighted average number of equity shares outstanding | 6,452,615 | 6,452,615 |
| Earnings per share in rupees (face value- Rs. 10 per share)* | 481.67 | 256.93 |

*No Instrument has been issued which is likely to dilute the earnings per share.

KAMA HOLDINGS LIMITED (CONSOLIDATED)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

A) SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries (together the Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with 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 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain fixed assets acquired that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.1 Principles of consolidation:

The consolidated financial statements relate to KAMA Holdings Limited ("the Company") and its subsidiary companies mentioned below. The consolidated financial statements have been prepared on the following basis:

- 1.1.1 The financial statements of the company and its subsidiary companies have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra group transactions, resulting in unrealised profit or losses.
- 1.1.2 The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.
- 1.1.3 The excess of Company's portion of the equity of the subsidiary over the cost to the company of its investment in the subsidiary company at the date on which investment in subsidiary is made is recognized in the financial statements as capital reserve. Similarly the excess of cost to the company of its investment in a subsidiary company over the Company's portion of the equity of the subsidiary at the date on which investment in subsidiary is made is recognized in the financial statements as goodwill.
- 1.1.4 Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.
- 1.1.5 Minority interest's share of net profit of consolidated subsidiaries for the year or a part of the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

1.2 The subsidiaries considered in the preparation of these consolidated financial statements are:

1.2.1 Name of the direct subsidiaries of the company.

| Indian subsidiaries | Country of Incorporations | Proportion of ownership as on 31 st March 2015 | Proportion of ownership as on 31 st March 2014 |
|-------------------------------------|---------------------------|---|---|
| SRF Limited | India | 52.25% | 52.25% |
| Shri Educare Limited | India | 100.00% | 100.00% |
| KAMA Realty (Delhi) Limited | India | 100.00% | 100.00% |
| KHL Investments Limited* | India | 100.00% | 100.00% |
| SRF Transnational Holdings Limited# | India | 100.00% | 52.25% |

*Ceased to be a Subsidiary in the year 2014-15

The company has acquired 100% equity stake acquired at a cost of Rs. 11,44,31,096/- in SRF Transnational Holdings Limited on 01st April 2014 from SRF Limited. Consequently, SRF Transnational Holdings Limited has become wholly owned subsidiary of the company with effect from 01st April 2014.

1.2.2 Name of the direct subsidiaries of the holding company SRF Limited which is the direct subsidiary of the company.

| Subsidiaries | Country of Incorporations | Proportion of ownership as on 31 st March 2015 | Proportion of ownership as on 31 st March 2014 |
|-----------------------------|---------------------------|---|---|
| SRF Properties Limited** | India | 100.00% | 100.00% |
| SRF Holiday Home Limited | India | 100.00% | 100.00% |
| SRF Energy Limited | India | 100.00% | 100.00% |
| SRF Fluorochemicals Limited | India | 100.00% | 100.00% |
| SRF Fluor Private Limited | Mauritius | 100.00% | 100.00% |
| SRF Global BV | Netherlands | 100.00% | 100.00% |

**Ceased to be a Subsidiary in the year 2014-15

1.2.3 Name of the direct subsidiaries of the holding company Shri Educare Limited which is the direct subsidiary of the company.

| Subsidiaries | Country of Incorporations | Proportion of ownership as on 31 st March 2015 | Proportion of ownership as on 31 st March 2014 |
|---------------------------------|---------------------------|---|---|
| Shri Educare Maldives Pvt. Ltd. | Maldives | 100.00% | 100.00% |

1.2.4 Name of the direct subsidiaries of the holding company SRF Global BV which is the direct subsidiary of SRF Limited.

| Foreign Subsidiaries | Country of Incorporations | Proportion of ownership as on 31 st March 2015 | Proportion of ownership as on 31 st March 2014 |
|---|---------------------------|---|---|
| SRF Overseas Limited ('SRFO') (100% subsidiary of SRF Global BV) | British Virgin Islands | 100.00% | 100.00% |
| SRF Industries (Thailand) Limited (100% subsidiary of SRF Global BV) | Thailand | 100.00% | 100.00% |
| SRF Industex Belting (Pty) Limited (100% subsidiary of SRF Global BV) | Republic of South Africa | 100.00% | 100.00% |
| SRF Flexipak (South Africa) (Pty) Limited (100% subsidiary of SRF Global BV) | Republic of South Africa | 100.00% | 100.00% |

2. USE OF ESTIMATES

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

3. FIXED ASSETS

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation except for certain fixed assets which are revalued and are therefore, stated at their revalued book values. Cost of acquisition or construction is inclusive of freight, duties, taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, up to the date of commissioning of the assets.

SRF Limited has adopted the provisions of para 46A of AS 11 "The Effect of Changes in Foreign Exchange Rates", accordingly exchange differences arising on restatement /settlement of long term foreign currency monetary items related to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets

The basis for revaluation is current cost of depreciated assets at the time of revaluation. If the revaluation shows an increase in the value of a category of assets, the same is added to the historical value net of any decline in value of any asset of that category; any such decrease is expensed. The decline in value of any individual asset in a category is charged to revenue over the remaining useful life of that asset and further corresponding adjustment has been made on the amount withdrawn from the revaluation reserve upto March 31, 2014.

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

Capital Work in Progress: Project under which tangible/intangible fixed assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

4. DEPRECIATION

4.1. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

4.2. On tangible fixed assets has been provided on the straight line method on the basis of useful life of assets determined by the Companies concerned which are different from the useful life as prescribed in Schedule II of 2013 Act. The useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc and are as under:

| | | |
|----------------------|---|---------------|
| Roads | - | 40 - 50 years |
| Buildings | - | 30 - 60 years |
| Plant & Machinery | - | 2 - 30 years |
| Furniture & Fixtures | - | 15 years |

| | | |
|-------------------|---|---|
| Office Equipment* | - | 3 - 20 years |
| Vehicles | - | 4 -5 years |
| Leasehold Land | - | Over the lease period and if lease is perpetual no amortization is made |

*Includes Data Processing whose life is considered to be 3 years, General Office Equipment whose life is considered to be 10 years and Heat Ventilation Air Conditioner to be 20 years.

4.3. Depreciation is calculated on a pro rata basis except that, assets costing upto Rs. 5,000 each are fully depreciated in the year of purchase.

4.4. On assets sold, discarded, etc. during the year, depreciation is provided upto the date of sale / discard.

4.5. Intangible assets are amortized over their estimated useful life considering the terms of the business purchase agreements on straight line method as follows:-

| | | |
|--------------------|---|----------------|
| Goodwill | - | 10 years |
| Trademarks / Brand | - | 10 - 30 years |
| Technical Knowhow | - | 10 - 30 years |
| Software | - | 3 years |
| Other intangibles | - | 2.5 – 10 years |

5. FOREIGN CURRENCY TRANSACTIONS

As regards the holding company, i.e, KAMA Holdings Limited as well as the subsidiaries other than SRF Limited and Shri Educare Limited is concerned, there are no transaction in foreign currency.

5.1 The subsidiary SRF Limited and its subsidiaries follows the following policy:

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

The exchange differences relating to non-integral foreign operations are accumulated in a "Foreign currency translation reserve".

The exchange differences arising on settlement / restatement of long term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss. The unamortised exchange difference is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

The Company uses foreign exchange forward and option contracts to hedge its exposure to movements in foreign exchange rates relating to certain firm commitments and highly probable forecast transactions. The Company designates such contracts in a cash flow hedge relationship by applying the principles set out in Accounting Standard (AS) – 30 - "Financial Instruments: Recognition and Measurement".

Forward and option contracts are fair valued at each reporting date. The resultant gain or loss from these contracts that are designated and effective as hedges of future cash flows are recognised directly in Cash Flow Hedge Reserve under Reserves and Surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in Statement of Profit and Loss.

Amount accumulated in Cash Flow Hedge Reserve are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects the profit and loss.

Hedge Accounting is discontinued when the hedging instrument expires, or is sold or terminated or exercised or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument recognised in Cash Flow Hedge Reserve is retained there until the forecasted transaction occurs.

If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss is immediately transferred from the Cash Flow Hedge Reserve to the Statement of Profit and Loss.

Contracts that are not designated as hedges of future cash flows are fair valued at each reporting date and the resultant gain or loss is recognised in the Statement of Profit and Loss.

5.2 The subsidiary Shri Educare Limited and its subsidiary follows the following policy:

Transactions in foreign currency are accounted at the rate prevalent on the date of transactions, foreign currency current assets/current liabilities are translated at the year-end rates on account of fluctuation, whether gain or loss; is accounted for and disclose in the statement of profit & loss.

The loss or gain on account of exchange difference arising out of translation of integral foreign operations is also accounted for in the statement of profit & loss under the head exchange difference.

6. RESEARCH AND DEVELOPMENT

Expenditure on research and development of products is included under the natural heads of expenditure in the year in which it is incurred except which relate to development activities whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes. Such costs are capitalized if they can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use or sell the asset.

Capital expenditure on research and development includes the cost of materials, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the asset for its intended use and is treated in the same manner as expenditure on other fixed assets and depreciated as per Company policy.

7. INVENTORIES

Inventories are valued at cost or net realisable value, whichever is lower. The basis of determining the cost for various categories of inventory are as follows:

| | |
|---|--|
| Stores, spares and raw materials | Weighted average rate |
| Stock in trade, process stocks and finished goods | Direct cost plus appropriate share of overheads and excise duty, wherever applicable |
| By products | At estimated realizable value |

8. EMPLOYEE BENEFITS

Contributions paid / payable during the year to provident fund administered through Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are recognized in the statement of profit and loss.

Provision for gratuity, compensated absences, provident fund for certain category of employees administered through a recognized provident fund trust and long term retention pay are determined on an actuarial basis at the end of the year and charged to revenue each year.

The employee benefits of employees of the subsidiary companies incorporated outside India are accounted for as per the requirements of their local laws.

9. INVESTMENTS

Long term quoted investments are valued at cost unless there is a permanent fall in their value as at the date of Balance Sheet.

Current investments are stated at lower of cost or fair value.

10. CONTINGENT LIABILITY

Liabilities, though contingent, are provided for if there are reasonable prospects of such liabilities maturing. Other contingent liabilities, barring frivolous claims not acknowledged as debt, are disclosed by way of note.

A provision is recognized when there is a present obligation as a result of past events and it is more likely than not that an outflow of resources would be required to settle the obligation and a reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

11. REVENUE RECOGNITION

11.1. Sale of goods is recognized at the point of dispatch of goods to customers. Gross sales are inclusive of excise duty and net of value added tax / sales tax.

11.2. Sale of Certified Emission Reductions (CER's) is recognized as income on the delivery of the CER's to the customer's account as evidenced by the receipt of confirmation of execution of delivery instructions.

11.3. Other items of revenue are recognized in accordance with the Accounting Standard (AS-9). Accordingly, wherever there are uncertainties in the ascertainment-realisation of income such as interest from customers (including the financial condition of the person from whom the same is to be realized), the same is not accounted for.

11.4. Dividend including interim dividend income is accounted for when the right to receive is established.

12. RESERVES

Revaluation reserve represents the difference between the revalued amount of the assets and the written down value of the assets on the date of revaluation net of withdrawals therefrom.

Capital receipts are credited to capital reserve.

Cash flow hedge reserve represents the gain or loss arising out of adjusting the hedging instruments to mark to market net of applicable deferred income taxes.

13. TAXATION

- 13.1. The income tax liability is provided in accordance with the provisions of the Income-tax Act, 1961.
- 13.2. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.
- 13.3. Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

14. BORROWING COST

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

15. PROVISIONS AND CONTINGENT LIABILITIES

The Company recognizes a provision when there is a present obligation as a result of past events and it is more likely than not that an outflow of resources would be required to settle the obligation and a reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

16. EARNING PER SHARE

The earnings considered in ascertaining the Company's Earnings Per Share ("EPS") comprise the net profit after tax after reckoning of dividend to preference shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is not calculated since the company has not issued any financial instrument which have an effect of diluting the earning of equity.

B) NOTES

1. BORROWINGS

Long term borrowings-Term loans from Banks

| Borrower | Amount as at March 31, 2015 | Amount as at March 31, 2014 |
|-----------------------------|-----------------------------|-----------------------------|
| SRF Limited | 1,11,026.15 | 97,161.19 |
| KAMA Realty (Delhi) Limited | 2,550.43 | 2,067.74 |
| Total | 1,13,576.58 | 99,228.93 |

1.1 Details of long term borrowing of SRF Limited- Rs.1,11,026.15 lakhs (previous year Rs. 97,161.19 lakhs)

Out of this, Rs. 20,000 lakhs (previous year Rs. Nil) secured by:

- 1.1.1 Debentures are secured by legal mortgage in English form on certain immoveable properties of SRF Limited situated in Gujarat. In addition, these debentures are secured by hypothecation of SRF Limited moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh, Pantnagar and Kashipur in the State of Uttarakhand and an equitable mortgage of SRF Limited immoveable properties, both present and future, situated at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Kashipur in the State of Uttarakhand.

Out of this, Rs. 98,532.15 lakhs (previous year Rs. 85,178.19 lakhs) secured by:

- 1.1.2 Hypothecation of SRF Limited's moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh and Kashipur in the State of Uttarakhand:
- 1.1.2.1 Out of above, term loans aggregating to Rs. 70,420.65 lakhs (previous year Rs. 57,757.69 lakhs) are additionally secured by hypothecation of SRF Limited's moveable properties both present and future, situated at Pantnagar in the State of Uttarakhand.

- 1.1.2.2 Out of above, term loans aggregating to Rs. 28,111.50 lakhs (previous year Rs. 26,983.00 lakhs) are to be further secured by hypothecation of SRF Limited's moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh, Kashipur and Pantnagar in the State of Uttarakhand.
- 1.1.3 Equitable Mortgage of SRF Limited's immovable properties, both present and future, situated at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan and Kashipur in the State of Uttarakhand:
- 1.1.3.1 Term Loans aggregating to Rs. Nil lakhs (previous year Rs.437.50 lakhs) are additionally secured by equitable mortgage of SRF Limited's immovable properties, both present and future, situated at Indore in the State of Madhya Pradesh.
- 1.1.3.2 Term Loan of Rs.53,803.15 lakhs (previous year Rs.35,995.19 lakhs) is additionally secured by equitable mortgage of SRF Limited's immovable properties, both present and future, situated at Malanpur (save and except superstructure) in the State of Madhya Pradesh and Manali in the State of Tamil Nadu.
- 1.1.3.3 Out of above, the term loans aggregating to Rs. 22,360.52 lakhs (previous year Rs. 29,971.45 lakhs) are to be further secured by equitable mortgage of SRF Limited's immovable properties, both present and future, situated at Gummidipoondi (leasehold land) in the State of Tamil Nadu.
- 1.1.3.4 Out of above, the term loans aggregating to Rs. 22,360.52 lakhs (previous year Rs. 29,533.95 lakhs) are to be further secured by equitable mortgage of SRF Limited's immovable properties, both present and future, situated at Indore in the State of Madhya Pradesh.
- 1.1.3.5 Out of above, the term loans aggregating to Rs.44,729.00 lakhs (previous year Rs.2,200.00 lakhs) are to be further secured by equitable mortgage of SRF Limited's immovable properties, both present and future, situated at Malanpur in the State of Madhya Pradesh (save and except superstructures).
- 1.1.3.6 Out of above, the term loans aggregating to Rs. 1,000.00 lakhs (previous year Rs. 2,200.00 lakhs) are to be further secured by equitable mortgage of SRF Limited's immovable properties, both present and future, situated at Manali in the State of Tamil Nadu.
- 1.1.3.7 Out of above, the term loans aggregating to Rs. 22,360.52 lakhs (previous year Rs. 29,971.45 lakhs) are to be further secured by equitable mortgage of SRF Limited's immovable properties, both present and future, situated at Pantnagar in the State of Uttarakhand.
- 1.1.4 Out of the loans above, term loans of Rs.43729.00 lakhs (previous year Rs.46,983 lakhs) are to be further secured by equitable mortgage of SRF Limited's immovable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi (freehold) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur in the State of Madhya Pradesh and Kashipur in the State of Uttarakhand; and
- 1.2 **Rs.12,494.00 lakhs (previous year Rs.11,983.00 lakhs)** secured by hypothecation of SRF Limited's moveable properties, both present and future, situated at Dahej in the State of Gujarat; and
- 1.3 **Details of long term borrowing of KAMA Realty (Delhi) Limited- Rs. 2,550.43 lakhs (previous year Rs. 2067.74 lakhs)** represents term loan secured by first charge by way of an equitable mortgage by deposit of title deeds of the immovable property of the company situated at Gurgaon, Haryana and Corporate Guarantee executed by KAMA Holdings Limited.

Term loans from others

| Borrower | Amount as at March 31, 2015 | Amount as at March 31, 2014 |
|---|-----------------------------|-----------------------------|
| SRF Industries (Thailand) Limited | 26,371.54 | 27,036.04 |
| SRF Flexipak (South Africa) (Pty) Limited | 24,986.07 | 23,818.74 |
| Total | 51,357.61 | 50,854.78 |

- 1.4 **Rs.26,371.54 lakhs (previous year Rs.27,036.04 lakhs)** represents term loan in SRF Industries (Thailand) Limited of USD 42 million (previous year USD 45 million) from International Finance Corporation, Washington is secured by mortgage on the land, building and machineries and pledge of SRF Industries (Thailand) Limited's leasehold right; and
- 1.5 **Rs.24,986.07 lakhs (previous year Rs. 23,818.74 lakhs)** represents term loan in SRF Flexipak (South Africa) (Pty) Ltd. of USD 40 million (previous year USD 40.00 million) from International Financial Corporation, Washington is secured by continuing covering mortgage bond over the land and general notarial bond over the moveables of SRF Flexipak (South Africa) (Pty) Ltd.

Short term borrowings

- 1.6 **Term loans from banks Rs.4685.15 lakhs (previous year Rs. 8,548.32 lakhs) and Cash credit from banks Rs.2768.28 lakhs (previous year Rs. 10.78)** secured by hypothecation of SRF Limited's stocks, stores and book debts (current assets), both present and future at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh, Kashipur and Pantnagar in the State of Uttarakhand.

Cash credit from banks

| Borrower | Amount as at March 31, 2015 | Amount as at March 31, 2014 |
|-----------------------------------|-----------------------------|-----------------------------|
| SRF Industries (Thailand) Limited | 693.09 | 438.46 |
| Total | 693.09 | 438.46 |

1.7 **Out of above, Rs.693.09 lakhs (previous year Rs. 438.46 lakhs)** represents bank overdraft and trust receipt payable in SRF Industries (Thailand) Limited are secured by the mortgage of buildings and machineries and the pledge of the SRF Industries (Thailand) Limited's leasehold rights.

1.8 In respect of SRF Limited, the hypothecation and equitable mortgage rank pari-passu between term loans from banks / others (save and except hypothecation of moveable assets at Dahej in the State of Gujarat in favour of a bank for term loan of Rs.12,494.00 lakhs (previous year Rs.11,983 lakhs) at 1.2 above.

TERMS OF REPAYMENT OF LOANS

LONG TERM BORROWINGS

| Loan Category | Frequency of principal repayments | Interest rate | Amount Repayable(Rs. in lakhs) | | | |
|---------------------------------------|---|--|--------------------------------|----------------------|----------------------|-------------------|
| | | | Up to March 31, 2016 | Up to March 31, 2017 | Up to March 31, 2018 | From 2018 to 2023 |
| Redeemable Non-Convertible Debentures | Redeemable at face value in one instalment at the end of third year | 9.80% | - | - | 20000.00 | - |
| Rupee term loans | Monthly Payment | 10.50% | 315.53 | 325.78 | 361.68 | 1547.44 |
| | Half yearly payments | 10.50% to 13.00% | 2155.54 | 1155.54 | 1155.54 | 978.03 |
| | Quarterly Payments | 9.60% | 5000.00 | 5000.00 | 5000.00 | - |
| Foreign currency term loans | Quarterly instalments | Libor plus interest rate spread ranging from 1.70% | 1874.10 | 3748.20 | 6871.70 | - |
| | Half yearly instalments | Libor plus interest rate spread ranging from 1.93 % to 2.70% | 25770.31 | 12165.59 | 12165.59 | 57479.13 |
| | One instalment a year | Libor plus interest rate spread ranging from 1.25% to 1.60% | 6247.00 | 6247.00 | 3123.50 | 3123.50 |
| | Payable in one instalment at the end of fifth year | Libor plus interest rate spread ranging from 2.25% to 2.43% | - | 24988.00 | - | 15617.49 |
| | | Total | 41362.48 | 53630.11 | 48678.01 | 78745.59 |

SHORT TERM BORROWINGS

Short term borrowings are payable in one installment within one year. For short term borrowings in foreign currency, interest rates are LIBOR plus interest rate spread ranging from 0.45% to 3.50%. For rupee denominated short term loans the interest rate is at 8.75%

2 CONTINGENT LIABILITIES NOT PROVIDED FOR

2.1 Claims against the company not acknowledged as debts:

| | As at March 31, 2015 | As at March 31, 2014 |
|--|----------------------|----------------------|
| Excise duty, customs duty and service tax* | 6095.19 | 6,182.32 |
| Sales tax** | 11212.89 | 9,615.65 |
| Income tax**** | 1468.95 | 798.46 |
| Stamp duty***** | 2881.55 | 2,881.55 |
| Others*** | 1089.06 | 940.73 |

*Amount deposited Rs.447.29 lakhs (previous year Rs. 455.85 lakhs).

**Amount deposited Rs.16.25 lakhs (previous year Rs.16.60 lakhs).

***Amount deposited Rs.Nil (previous year Rs.8.00 lakhs).

****Amount deposited Rs.432.55 lakhs (previous year Rs.162.41 lakhs).

***** In the matter of acquisition of the Tyrecord Division at Malanpur from Ceat Limited the Collector of Stamps, Bhind (Madhya Pradesh) has

by his order dated 07.11.2001 assessed the value of the subject matter of the Deed of Conveyance dated 13.06.1996 at Rs. 30300 lakhs and levied a stamp duty of Rs. 2372.50 lakhs and imposed a penalty of Rs. 509.05 lakhs. The said demand was challenged before the High Court of Madhya Pradesh Bench at Gwalior. The High Court accepted the case of the Company that the subject matter of the Deed of Conveyance dated 13.06.1996 is only the superstructures valued at Rs. 2776.18 lakhs and not the entire undertaking valued at Rs. 30300 lakhs as claimed by the State. Consequently, the High Court of Madhya Pradesh quashed the order and demands issued by the Collector of Stamps, Bhand (Madhya Pradesh) and allowed the writ petition by an order dated 29th November 2004. Against the said order, the State of Madhya Pradesh preferred a Special Leave Petition before the Hon'ble Supreme Court which the State of Madhya Pradesh has withdrawn to enable it to approach the Hon'ble High Court of Madhya Pradesh at Gwalior in view of the change in law in the State of Madhya Pradesh relating to Letters Patent Appeal.

All the above matters are subject to legal proceedings in the ordinary course of business. In the opinion of the management, the legal proceedings, when ultimately concluded, will not have a material effect on the results of the operations or financial position of the Company.

2.2 SRF Limited had received demand notices from the Commercial Tax Department, Government of Madhya Pradesh ("State Government") for payment of Central Sales Tax (CST), Value Added Tax (VAT) and Entry Tax aggregating to Rs. 11138 lakhs (including interest and penalty) (previous year Rs. 9491 lakhs) for the period from 2007 to 2013 in respect of sales from its manufacturing unit facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA).

In terms of the Policy of the Government of Madhya Pradesh and Madhya Pradesh SEZ Act, 2003, the Unit was exempt from local state taxes and levies. SRF Limited has paid Additional Countervailing Duty (ACVD), to counter balance CST / Sales Tax, aggregating to Rs. 4831 lakhs for the period from 2007 to 2013 on sales from the SEZ to the DTA under the Customs laws pursuant to the Special Economic Zone Act 2005, MP SEZ Act, 2003 and the Policy of Centre and Madhya Pradesh State. SRF Limited had filed a writ petition before the Indore Bench of the Hon'ble High Court of Madhya Pradesh ("Court") against the said demands.

SRF Limited contended that while State is demanding local taxes, the Centre in its reply has stated that ACVD is payable and therefore this amounts to double taxation.

The Court has directed the State Government not to take any coercive steps for recovery of demand.

The matter is sub judice. The Management of SRF Limited, based on the facts of the case and opinion received by it from legal experts, is confident of getting a relief in the matter from the Court and, accordingly, has not made any provision for the said disputed demands.

2.3 Liability on account of Bank Guarantees Rs. 1,098.63 lakhs (previous year Rs. 869.44 lakhs).

2.4 Guarantees given to banks for repayment of financial facilities availed by others to Rs. 2,823.19 lakhs (previous year Rs. 2,336.86 lakhs). Outstanding amount as at the year-end is Rs. 2,661.14 lakhs (previous year Rs. 2,186.83 lakhs).

2.5 SRF Limited has been served with show cause notices regarding certain transactions as to why additional customs / excise duty and service tax amounting to Rs. 2911.29 lakhs (Previous year - Rs. 2451.03 lakhs) should not be levied. The Company has been advised that the contention of the department is not tenable and hence the show cause notice may not be sustainable..

2.6 SRF Limited has entered into agreements with banks for assignment of trade receivables to them for value upto a maximum limit of Rs. 27,618 lakhs. The assigned receivables as at the year end is Rs. 9,524 lakhs (Previous Year – Nil).

3 Shri Educare Limited has made an agreement with the Government of Maldives to run a school jointly in Maldives. For this, Shri Educare Limited has incorporated a wholly owned subsidiary in Maldives namely Shri Educare Maldives Private Limited.

4 a. The details of dues of Income-tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2015 on account of disputes are given below:

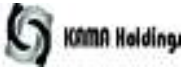
| Name of the Statute | Nature of the dues | Forum where dispute is pending | Period to which the amount relates (various years covering the period) | Amount*(Rs. in lakhs) | Company |
|---------------------|--------------------|---|--|-----------------------|----------------------|
| Central Excise Laws | Excise Duty | High Court | 1996-1997 | 213.79 | SRF Ltd (Subsidiary) |
| | | Customs, Excise & Service Tax Appellate Tribunal (CESTAT) | 1992-2013 | 5903.05 | SRF Ltd (Subsidiary) |
| | | Upto Commissioner (Appeals) | 1993-2010 | 449.59 | SRF Ltd (Subsidiary) |
| Service Tax Laws | Service Tax | High Court | 2006 | 2.50 | SRF Ltd (Subsidiary) |
| | | Customs, Excise & Service Tax Appellate Tribunal (CESTAT) | 2005-2010 | 47.97 | SRF Ltd (Subsidiary) |
| | | Upto Commissioner (Appeals) | 2006-2011 | 29.01 | SRF Ltd (Subsidiary) |

| Name of the Statute | Nature of the dues | Forum where dispute is pending | Period to which the amount relates (various years covering the period) | Amount*(Rs. inlaks) | Company |
|---------------------|--------------------|---|--|---------------------|----------------------|
| Customs Laws | Customs Duty | Customs, Excise & Service Tax Appellate Tribunal (CESTAT) | 2004-2006 | 45.43 | SRF Ltd (Subsidiary) |
| | | Upto Commissioner (Appeals) | 2002-2013 | 147.47 | SRF Ltd (Subsidiary) |
| Sales Tax Laws | Sales Tax | High Court | 2007-2013 | 9361.25 | SRF Ltd (Subsidiary) |
| | | Sales Tax Appellate Tribunal | 1987-2008 | 102.28 | SRF Ltd (Subsidiary) |
| | | Upto Commissioner (Appeals) | 1988-2015 | 28.21 | SRF Ltd (Subsidiary) |
| Income Tax Laws | Income Tax | Supreme Court | 1988-1989 | 113.35 | SRF Ltd (Subsidiary) |
| | | Income Tax Appellate Tribunal (ITAT) | 2009-2010 | 78.58 | SRF Ltd (Subsidiary) |
| | | Upto Commissioner (Appeals) | 2006-2007 | 273.80 | SRF Ltd (Subsidiary) |
| Others | Electricity Cess | High Court | 2007-2008 | 6.00 | SRF Ltd (Subsidiary) |
| Income Tax Laws | Income Tax | Upto Commissioner (Appeals) | 2010-2011 | 5.82 | KAMA Holdings Ltd |

* Amount as per demand orders including interest and penalty wherever quantified in the Order.

The following matters, which have been excluded from the above table, have been decided in favour of the Company but the department has preferred appeals at higher levels. The details are given below:

| Name of the Statute | Nature of the dues | Forum where dispute is pending | Period to which the amount relates (various years covering the period) | Amount*(Rs. inlaks) | Company |
|---------------------|--------------------|---|--|---------------------|-----------------------|
| Central Excise Laws | Excise Duty | Supreme Court | 1994-2001 | 187.73 | SRF Ltd (Subsidiary) |
| | | High Court | 1994-2002 | 121.98 | SRF Ltd (Subsidiary) |
| | | Customs, Excise & Service Tax Appellate Tribunal (CESTAT) | 1989-1995 | 223.61 | SRF Ltd (Subsidiary) |
| Service Tax Laws | Service Tax | Customs, Excise & Service Tax Appellate Tribunal (CESTAT) | 2003 | 7.05 | SRF Ltd (Subsidiary) |
| | | Upto Commissioner (Appeals) | 2007-2008 | 4.57 | SRF Ltd (Subsidiary) |
| Income Tax Laws | Income Tax | Income Tax Appellate Tribunal (ITAT) | 1994-1995 | 343.70 | SRF Ltd (Subsidiary) |
| Income Tax Laws | Income Tax | Supreme Court | 2007-08 | 37.43 | KAMA Holdings Limited |
| | | High Court | 2003-04 | 5.57 | KAMA Holdings Limited |
| | | Income Tax Appellate Tribunal (ITAT) | 2003-2010 | 186.68 | KAMA Holdings Limited |



- b. The details of matured unclaimed fixed deposits which have not been transferred within time but had been subsequently deposited are given below:

| Sr. No. | Nature of amount to be transferred | Amount (Rs. in lakhs) | Period to which the amount relates | Due date for transfer | Date of transfer | Company |
|---------|------------------------------------|-----------------------|------------------------------------|-----------------------|------------------|----------------------|
| 1 | Matured unclaimed fixed deposits | 0.15 | 2005-06 | 20-12-2012 | 23-06-2014 | SRF Ltd (Subsidiary) |
| 2 | Interest accrued on above | 0.02 | 2005-06 | 20-12-2012 | 23-06-2014 | SRF Ltd (Subsidiary) |

5 Capital Commitments

The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to Rs. 8753.07 lakhs (Previous Year - Rs. 5283.16 lakhs).

Further, following contribution agreements have been executed:

- 5.1 **SRF Transnational Holdings Limited:** 10,00,100 units (previous year – 10,00,100) of Rs. 10 each out of which payment of Rs. Nil (previous year – Rs.4) per unit aggregating to Rs.Nil (previous year Rs.40 Lakhs) in ICICI Prudential Venture Capital Fund is pending.
- 5.2 **SRF Transnational Holdings Limited:** 3,000 units of Rs. 10,000 each out of which payment of Rs. 9000 per unit aggregating to Rs. 2.70 crores in Carpedium Capital Partners Fund is pending.
- 5.3 **SRF Transnational Holdings Limited:** 30,00,000 units of Rs. 10 each out of which payment of Rs. 9 per unit per unit aggregating to Rs. 2.70 crores in Zodiac Technology Fund is pending.
- 5.4 **SRF Transnational Holdings Limited:** 25,000 units of Rs. 1000 each out of which payment of Rs. 350 (previous year Rs. 750) per unit per unit aggregating to Rs. 87.50 lakhs (previous year Rs. 187.50 lakhs) in TVS Shriram Growth Fund Scheme 1B.
- 5.5 **KAMA Realty (Delhi) Limited:** 25,000 units of Rs. 1000 each out of which payment of Rs. 350 (previous year Rs. 750) per unit per unit aggregating to Rs. 87.50 lakhs (previous year Rs. 187.50 lakhs) in TVS Shriram Growth Fund Scheme 1B.
- 5.6 **KAMA Realty (Delhi) Limited:** The estimated amount of contracts remaining to be executed on capital account and not provided for amounts of Rs. 1377.38 lakhs (previous year) for Commercial office space admeasuring 31133 square feet in the project 'Magnum Tower' in Sector-58, District Gurgaon, Haryana.
- 5.7 The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.

6 MANAGERIAL REMUNERATION

6.1 Chairman/Managing Director/Deputy Managing Director/Whole Time Directors

| | Year ended March 31, 2015 Rs./lakhs | Year ended March 31, 2014 Rs./lakhs |
|--|---|---|
| Salary and allowances | 452.02 | 391.35 |
| Contribution to provident and superannuation funds | 62.56 | 97.53 |
| Value of perquisites | 223.21 | 208.39 |
| Commission (provided) | 475 | 475.00 |
| Sub-total | 1,212.79 | 1,172.27 |

6.2 Non-executive Directors

| | Year ended March 31, 2015 Rs./lakhs | Year ended March 31, 2014 Rs./lakhs |
|--------------------------|---|---|
| Commission (provided) | 35.00 | 18.30 |
| Others | 6.64 | - |
| Professional consultancy | 4.79 | 6.71 |
| Directors' sitting fees | 19.60 | 12.99 |
| Sub-total | 66.03 | 38.00 |
| Total | 1,278.82 | 1223.28 |

As there is a global contribution to gratuity fund, the amount applicable to an individual employee is not ascertainable and accordingly, contribution to gratuity fund in respect of directors has not been considered in the above computation. Further, the liability on account of compensated absences in respect of directors has not been considered above, since the provision is based on an actuarial basis for the Company as a whole.

7 OPERATING LEASES

Operating lease agreements for various premises taken for accommodation of Company's officers/ directors and various offices of the Companies. These arrangements are both cancellable and non-cancellable in nature and range between two to ten years. As at March 31, 2015, the future minimum lease payments under non-cancellable operating leases as set out below:

| | Year ended March 31, 2015 Rs./lakhs | Year ended March 31, 2014 Rs./lakhs |
|--|---|---|
| Total of future minimum lease payments under non-cancellable operating leases for each of the following periods: | | |
| - Not later than one year | 595.29 | 1,340.54 |
| - Later than one year and not later than five years | 1600.08 | 5,098.40 |
| - Later than five years | 125.83 | 1,044.47 |
| Lease rent recognized in the statement of profit and loss | 1317.51 | 1,280.86 |

- 8 Services provided by Shri Educare Limited also includes auxiliary educational services provided to educational institutions which is exempt from service tax vide notification no. 25/2012-ST dated 20th June 2012.

9 RELATED PARTY DISCLOSURES

9.1 List of related parties and relationships:

| | |
|--|--|
| (a) Enterprises that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the reporting enterprise | <ul style="list-style-type: none"> • KAMA Realty (Delhi) Limited • Shri Educare Limited • SRF Limited • SRF Transnational Holdings Limited • KHL Investments Limited |
| (b) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual | <ul style="list-style-type: none"> • Arun Bharat Ram • Ashish Bharat Ram • Kartik Bharat Ram |
| (c) Key Management Personnel and their relatives | <ul style="list-style-type: none"> • Rajat Lakhnpal, Whole Time Director, Chief Financial Officer & Company Secretary - KAMA Holdings Limited • Arun Bharat Ram, Chairman - SRF Limited • Ashish Bharat Ram, Managing Director – SRF Limited • Kartik Bharat Ram, Deputy Managing Director – SRF Limited • K. Ravichandra, Whole Time Director – SRF Limited • T.L. Raman, Whole Time Director – SRF Transnational Holdings Limited • Ekta Maheshwari, Whole Time Director – Shri Educare Limited |
| (d) Enterprises over which any person described in (c) or (d) is able to exercise significant influence | <ul style="list-style-type: none"> • Karm Farms Private Limited • Srishti Westend Greens Farms Private Limited • Bharat Ram Associates Private Limited • Karmav Real Estate Holdings Private Limited • Rose Farms (Delhi) Private Limited • SRF Foundation |

| Nature of Transactions | (a) Year ended 31 st March | | (b) Year ended 31 st March | | (c) Year ended 31 st March | | (d) Year ended 31 st March | |
|---|---|------|---|-------|---|--------|---|--------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Rent received from | | | | | | | | |
| • Mr. Arun Bharat Ram | | | 0.20 | 0.90 | | | | |
| Rent paid to | | | | | | | | |
| • Karm Farms Private Limited | | | | | | | 30.00 | 30.00 |
| • SrishtiWestend Greens Farms Private Limited | | | | | | | 30.00 | |
| • Arun Bharat Ram | | | 24.00 | 24.00 | | | | |
| • Ashish Bharat Ram | | | 2.40 | 2.40 | | | | |
| • Kartik Bharat Ram | | | 2.40 | 2.40 | | | | |
| Managerial Remuneration paid to | | | | | | | | |
| • Arun Bharat Ram | | | | | 439.05 | 456.76 | | |
| • Ashish Bharat Ram | | | | | 371.00 | 341.56 | | |
| • Kartik Bharat Ram | | | | | 354.07 | 331.36 | | |
| • K. Ravichandra | | | | | 9.57 | 9.57 | | |
| • T L Raman | | | | | 1.20 | 1.20 | | |
| • Rajat Lakhanpal | | | | | 29.69 | 25.14 | | |
| • Ekta Maheshwari | | | | | 8.21 | 6.68 | | |
| Donations to | | | | | | | | |
| • SRF Foundation | | | | | | | 350.00 | |
| Sitting fee paid to | | | | | | | | |
| • Ashish Bharat Ram | | | 0.18 | 0.23 | | | | |
| • Kartik Bharat Ram | | | 0.10 | 0.20 | | | | |
| Sale of investments to | | | | | | | | |
| • Arun Bharat Ram | | | | | | | | |
| Refund of loan from | | | | | | | | |
| Interest received from | | | | | | | | |
| Interest paid to | | | | | | | | |
| • Rose Farms(Delhi)Pvt.Ltd. | | | | | | | | 0.64 |
| • Bharat Ram Associates Pvt. Ltd. | | | | | | | | 17.62 |
| • Karmav Holdings Pvt. Ltd. | | | | | | | 8.57 | 18.20 |
| • SrishtiWestend Greens Farms Private Limited | | | | | | | | 3.60 |
| Loan received from | | | | | | | | |
| • Rose Farms(Delhi)Pvt.Ltd. | | | | | | | | 70.00 |
| • Bharat Ram Associates Pvt. Ltd. | | | | | | | | 665.00 |
| • Karmav Holdings Pvt. Ltd. | | | | | | | 125.00 | 315.00 |
| • SrishtiWestend Greens Farms Private Limited | | | | | | | | 175.00 |
| Loan repaid to | | | | | | | | |
| • Rose Farms(Delhi)Pvt.Ltd. | | | | | | | | 70.00 |
| • Bharat Ram Associates Pvt. Ltd. | | | | | | | | 665.00 |
| • Karmav Holdings Pvt. Ltd. | | | | | | | 175.00 | 265.00 |
| • SrishtiWestend Greens Farms Private Limited | | | | | | | | 175.00 |

Balances outstanding as at the year end:-

| Nature of Transactions | (a) Year ended 31 st March | | (b) Year ended 31 st March | | (c) Year ended 31 st March | | (d) Year ended 31 st March | |
|---|---|------|---|------|---|--------|---|--------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Commission Payable | | | | | | | | |
| • Arun Bharat Ram | | | | | 225.00 | 225.00 | | |
| • Ashish Bharat Ram | | | | | 125.00 | 125.00 | | |
| • Kartik Bharat Ram | | | | | 125.00 | 125.00 | | |
| Security Deposits outstanding with | | | | | | | | |
| • Karm Farms Private Limited | | | | | | | 310.00 | 310.00 |
| • SrishtiWestend Greens Farms Private Limited | | | | | | | 310.00 | 310.00 |
| • Arun Bharat Ram | | | | | 12.00 | 12.00 | | |
| • Ashish Bharat Ram | | | | | 0.60 | 0.60 | | |
| • Kartik Bharat Ram | | | | | 0.60 | 0.60 | | |
| Loan taken from | | | | | | | | |
| • Karmav Holdings Pvt. Ltd. | | | | | | | | 50.00 |
| Interest payable to | | | | | | | | |
| • Karmav Holdings Pvt. Ltd. | | | | | | | | 0.09 |



10 PROVISION FOR TAXATION

Provision for taxation is made in accordance with the Income Tax Act, 1961, including the provisions regarding Minimum Alternate Tax and the contentions of the Company.

- 11 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

| Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013. | | | | |
|--|---|-----------------------|-------------------------------------|-----------------------|
| Name of the entity | Net assets, i.e, total assets minus total liabilities | | Share of profit or loss | |
| | As % of consolidated net assets | Amount (Rs. in lakhs) | As % of consolidated profit or loss | Amount (Rs. in lakhs) |
| I. Parent-KAMA Holdings Limited | 0% | 78 | 0% | -30 |
| II. Subsidiaries | | | | |
| A. Indian | | | | |
| KAMA Realty (Delhi) Limited | 1% | 2,301 | 2% | 542 |
| SRF Transnational Holdings Limited | 2% | 5,471 | 0% | 168 |
| Shri Educare Limited | 1% | 848 | 1% | 246 |
| SRF Limited | 97% | 230,654 | 98% | 30,469 |
| SRF Properties Limited | 0% | - | 0% | -5 |
| SRF Holiday Home Limited | 0% | 394 | 0% | - |
| SRF Energy Limited | 0% | - | 0% | -4 |
| SRF Fluorochemicals Private Limited | 0% | - | 0% | -4 |
| B. Foreign | | | | |
| Shri Educare Maldives P Ltd | 0% | 38 | 0% | -24 |
| SRF Global BV | -1% | -2,093 | -1% | -179 |
| SRF Fluor Private Limited | 0% | -2 | 0% | 5 |
| Total | 100% | 237,689 | 100% | 31,184 |
| Minority Interest in all subsidiaries | 43% | 101,266 | 35% | 10,967 |

12 EARNINGS PER SHARE

Annualised earnings per equity share have been calculated based on the net profit after taxation of Rs. 31,183.44 lakhs (Previous Year Rs. 16,682.28 lakhs) less dividend to preference shareholders Rs.103.36 lakhs (Previous Year Rs.103.36 lakhs) and the average number of equity shares of 6,452,615 (Previous Year 6,452,615).

Basic earnings per share for the year is Rs. 481.67 (Previous Year Rs 256.93).

The Company has not issued any financial instruments which have an effect of diluting the earning of equity. Hence diluted earning does not arise.

- 13 The Company is a Core Investment Company (CIC) within the meaning of Core Investment Companies (Reserve Bank) Directions, 2011 and does not require registration with Reserve Bank of India under said directions.

14 SEGMENT REPORTING

There are only one business segment in respect of KAMA Holdings Limited (Core Investment), that of KAMA Realty (Delhi) Limited (Real Estate), that of SRF Transnational Holdings Limited (Non-Banking Non Deposit accepting Investments) and that of Shri Educare Limited including its subsidiary Shri Educare Maldives Private Limited (Education) and Following Business Segment of SRF Limited are given below:

Business segments

- 14.1 Based on the guiding principles laid down in Accounting Standard (AS) - 17 "Segment Reporting", the Company's business segments include:

14.1.2 Technical textiles business: includes nylon tyre cord fabric, belting fabric, coated fabric, laminated fabric, polyester tyre cord fabric and industrial yarns and its research and development

14.1.3 Chemicals and Polymers business: includes refrigerant gases, chloromethanes, pharmaceuticals, certified emissions reductions & allied products, engineering plastics business and its research and development.

14.1.4 Packaging film business includes polyester films.

14.2 Segment revenue, Results and Capital Employed include the respective amounts identifiable to each of the segments. Other unallocable expenditure includes expenses incurred on common services provided to the segments, which are not directly identifiable.

14.3 In addition to the significant accounting policies applicable to the business segments as set out in note 1 above, the accounting policies in relation to segment accounting are as under:

14.3.2 **Segment revenue and expenses** - Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

14.3.3 **Segment assets and liabilities** - Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes. While most of the assets / liabilities can be directly attributed to individual segments, the carrying amount of certain assets / liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

14.4 Information about Business Segments

Segment Revenue, Results, Assets, Liabilities and Capital Employed

| | Year ended March 31, 2015 (Rs. Lakhs) | Year ended March 31, 2014 (Rs. Lakhs) |
|--|---|---|
| Segment Revenue | | |
| a) Technical Textiles Business (TTB) | | |
| - External sales | 203193.35 | 218019.19 |
| - Inter-segment sales | 762.46 | 548.92 |
| - Total | 203955.81 | 218568.11 |
| b) Chemicals and Polymers Business (CPB) | | |
| - External sales | 126340.58 | 95612.61 |
| - Inter-segment sales | 0.38 | 14.13 |
| - Total | 126340.96 | 95626.74 |
| c) Packaging Films Business (PFB) | | |
| - External sales | 124451.04 | 88174.23 |
| - Inter-segment sales | 149.13 | 126.46 |
| - Total | 124600.17 | 88300.69 |
| d) Others | 2051.61 | 1421.73 |
| Total Segment revenue | 456948.55 | 403917.27 |
| Less: Inter Segment revenue | 911.97 | 689.51 |
| Net Sales / Income from Operations | 456036.58 | 403227.76 |
| Add: Unallocable Income | 6839.70 | 2642.32 |
| Total Revenue | 462876.28 | 405870.08 |
| Segment Results | | |
| (Profit / (Loss) before finance costs and tax from each segment) | | |
| a) Technical Textiles Business (TTB) | 19572.53 | 16305.51 |
| b) Chemicals and Polymers Business (CPB) | 29825.93 | 19129.59 |
| c) Packaging Films Business (PFB) | 6361.80 | (496.88) |
| d) Others | 1179.63 | 869.27 |
| Total Segment results | 56939.89 | 35807.49 |
| Less: i) Finance Costs | 14041.75 | 9901.55 |
| Less: ii) Other Unallocable expenses net of income | 2059.42 | 4530.12 |
| Total Profit before tax | 40838.72 | 21375.82 |
| Less: Provision for taxation | 9655.28 | 4693.54 |
| Profit after tax | 31183.44 | 16682.28 |

| | Year ended March 31, 2015 (Rs. Lakhs) | Year ended March 31, 2014 (Rs. Lakhs) |
|--|---|---|
| Capital Expenditure (other than capital advances) | | |
| a) Technical Textiles Business (TTB) | 3856.17 | 2662.11 |
| b) Chemicals and Polymers Business (CPB) | 49868.20 | 61177.31 |
| c) Packaging Films Business (PFB) | 8708.09 | 34527.79 |
| d) Unallocated | 1720.26 | 1990.44 |
| e) Others | 904.98 | 51.72 |
| Total | 65057.70 | 100409.37 |
| Depreciation | | |
| a) Technical Textiles Business (TTB) | 6458.15 | 9101.18 |
| b) Chemicals and Polymers Business (CPB) | 12361.56 | 7221.94 |
| c) Packaging Films Business (PFB) | 4729.54 | 5378.77 |
| d) Unallocated | 954.10 | 772.73 |
| e) Others | 145.77 | 94.56 |
| Total | 24649.12 | 22569.18 |

Other information

| | Year ended March 31, 2015 (Rs. Lakhs) | Year ended March 31, 2014 (Rs. Lakhs) |
|---|---|---|
| Segment Assets | | |
| a) Technical Textiles Business (TTB) | 148452.98 | 173979.68 |
| b) Chemicals and Polymers Business (CPB) | 255988.16 | 209042.38 |
| c) Packaging Films Business (PFB) | 146958.07 | 144418.31 |
| d) Others | 14996.56 | 9788.07 |
| Total | 566395.77 | 537228.44 |
| Add: Unallocable Assets | 33644.12 | 16513.77 |
| Total Assets | 600039.89 | 553742.21 |
| Segment Liabilities | | |
| a) Technical Textiles Business (TTB) | 33297.26 | 44562.12 |
| b) Chemicals and Polymers Business (CPB) | 25309.88 | 17626.10 |
| c) Packaging Films Business (PFB) | 18891.94 | 30272.66 |
| d) Others | 251.76 | 87.61 |
| Total | 77750.84 | 92548.49 |
| Add: Unallocable Liabilities | 3833.59 | 2698.47 |
| Total Liabilities | 81584.43 | 95246.96 |
| Segment Capital Employed (Segment assets less segment liabilities) | | |
| a) Technical Textiles Business (TTB) | 115155.72 | 129417.56 |
| b) Chemicals and Polymers Business (CPB) | 230678.28 | 191416.28 |
| c) Packaging Films Business (PFB) | 128066.13 | 114145.65 |
| d) Others | 14744.80 | 9700.46 |
| Total | 488644.93 | 444679.95 |
| Add : Unallocable assets less liabilities | 29810.56 | 13815.30 |
| Total capital employed | 518455.49 | 458495.25 |

Geographical segments

| | Year ended March 31, 2015 (Rs. Lakhs) | Year ended March 31, 2014 (Rs. Lakhs) |
|---|---|---|
| Revenue | | |
| Within India | 287616.36 | 266309.71 |
| Outside India | 175259.92 | 138127.4 |
| Total | 462876.28 | 404437.11 |
| Carrying Amount of Segment Assets | | |
| Within India | 486356.97 | 440144.47 |
| Outside India | 113682.92 | 114232.75 |
| Total | 600039.89 | 554377.22 |
| Addition to Fixed Assets and Intangible Assets | | |
| Within India | 60102.97 | 66416.58 |
| Outside India | 4959.77 | 33993.24 |
| Total | 65062.74 | 100409.37 |

15 FOREIGN CURRENCY EXPOSURE

SRF Limited has three diverse businesses with transactions both in the nature of imports and exports. This provides a natural hedge against the exchange rate fluctuations. As per the board mandated policy, hedging is done on basis of net exposure. Further, with respect to volatility in interest rates, certain hedging transactions are entered into by the company. Various kind of instruments are used for hedging which are mandated as per regulatory requirements and board guidelines.

- a. The details of category-wise quantitative data about derivative instruments as at March 31, 2015 are as under (figures given in the format are current year, previous year):

| Nature of Derivative | No. of Deals As at | | Purpose As at | | Foreign Currency (In Million) As at | | Amount (Rs. Lakhs) As at | |
|-----------------------|--------------------|------------|--|--|-------------------------------------|------------|--------------------------|------------|
| | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| USD/INR Buy | - | 1 | - | Forward Buy contract | - | 10.00 | - | 5992.00 |
| USD/INR Sell forward | 24 | - | Forward Sell contract | - | 17.00 | - | 10620.00 | - |
| EUR/INR sell forward | 5 | - | Forward Sell contract | - | 2.88 | - | 1934.00 | - |
| EUR/INR Buy forward | 4 | - | Forward Buy contract | - | 1.64 | - | 1102.00 | - |
| EUR/ZAR Sell forward | 1 | - | Conversion of Floating LIBOR to Fixed Rate | - | 0.40 | - | 269.00 | - |
| USD/THB Sell forward | 1 | - | Forward Sell contract | - | 1.00 | - | 625.00 | - |
| Interest Rate Swap | 4 | 3 | Conversion of Floating LIBOR to Fixed Rate | Conversion of Floating LIBOR to Fixed Rate | 60.00 | 40.00 | 37482.00 | 23966.00 |
| Interest Rate Options | 1 | 1 | Capping the floating interest rate | Capping the floating interest rate | 20.00 | 20.00 | 12494.00 | 11983.00 |

b. Foreign Currency Exposures that are not hedged by derivative instruments or otherwise are as follows:

| Particulars | As at March 31, 2015 | | As at March 31, 2014 | |
|-----------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|
| | Foreign Currency (in millions) | Amount Rs. lakhs | Foreign Currency (in millions) | Amount Rs. Lakhs |
| Term Loans – USD | 227.00 | 141806.90 | 177.63 | 106355.24 |
| PCFC - USD | 14.00 | 8745.80 | 24.00 | 14379.60 |
| Buyer's Credits - USD | 2.87 | 1794.14 | 13.32 | 7979.55 |

16 The details of subsidiary companies considered in the preparation of Consolidated Financial Statements are as under:

Indian subsidiaries

| S. No. | Particulars | SRF Limited | SRF Transnational Holdings Limited | Shri Educare Limited |
|--------|--|----------------|------------------------------------|----------------------|
| | | Rs./lakhs | Rs./lakhs | Rs./lakhs |
| (a) | Financial year of the subsidiary | March 31, 2015 | March 31, 2015 | March 31, 2015 |
| (b) | Extent of holding | 52.25% | 100.00% | 100.00% |
| (c) | Capital | 5,843.56 | 3,254.18 | 951.00 |
| (d) | Reserves and Surplus (adjusted for debit balance in statement of profit and loss, wherever applicable) | 233948.17 | (1918.21) | (503.28) |
| (e) | Total Assets (Fixed Assets + Current Assets*) | 455728.57 | 567.54 | 977.60 |
| (f) | Total Liabilities (Debts + Current Liabilities) | 246998.33 | 5236.10 | 1050.79 |
| (g) | Details of Investment (except in case of investment in subsidiaries) | 17786.66 | 6004.54 | - |
| (h) | Turnover (Including Other Income) | 366134.51 | 322.80 | 674.22 |
| (i) | Profit Before Taxation | 39610.75 | 229.08 | 5.12 |
| (j) | Less: Provision for Taxation | 8837.70 | 56.68 | (228.70) |
| (k) | Profit After Taxation | 30773.05 | 172.40 | 233.82 |
| (l) | Proposed Dividend | - | - | - |

* Includes Deferred Tax Assets

| S. No. | Particulars | SRF Energy Limited | SRF Fluorochemicals Limited | Shri Holiday Home Limited |
|--------|--|--------------------|-----------------------------|---------------------------|
| | | Rs./lakhs | Rs./lakhs | Rs./lakhs |
| (a) | Financial year of the subsidiary | March 31, 2015 | March 31, 2015 | March 31, 2015 |
| (b) | Extent of holding | 52.25% | 52.25% | 52.25% |
| (c) | Capital | 5.00 | 5.00 | 400.00 |
| (d) | Reserves and Surplus (adjusted for debit balance in statement of profit and loss, wherever applicable) | (5.00) | (5.00) | (5.52) |
| (e) | Total Assets (Fixed Assets + Current Assets) | 0.08 | 0.08 | 395.44 |
| (f) | Total Liabilities (Debts + Current Liabilities) | 0.08 | 0.08 | 1.01 |
| (g) | Details of Investment (except in case of investment in subsidiaries) | - | - | - |
| (h) | Turnover (Including Other Income) | 0.24 | 0.24 | 0.11 |
| (i) | Profit Before Taxation | (4.25) | (4.25) | (0.33) |
| (j) | Less: Provision for Taxation | - | - | - |
| (k) | Profit After Taxation | (4.25) | (4.25) | (0.33) |
| (l) | Proposed Dividend | - | - | - |

| S. No. | Particulars | KAMA Realty (Delhi) Limited Rs./lakhs |
|--------|--|--|
| (a) | Financial year of the subsidiary | March 31, 2015 |
| (b) | Extent of holding | 100.00% |
| (c) | Capital | 6.00 |
| (d) | Reserves and Surplus (adjusted for debit balance in statement of profit and loss, wherever applicable) | 2,277.10 |
| (e) | Total Assets (Fixed Assets + Current Assets) | 4,983.29 |
| (f) | Total Liabilities (Debts + Current Liabilities) | 3,519.63 |
| (g) | Details of Investment (except in case of investment in subsidiaries) | 819.44 |
| (h) | Turnover (Including Other Income) | 984.28 |
| (i) | Profit Before Taxation | 708.54 |
| (j) | Less: Provision for Taxation | 158.00 |
| (k) | Profit After Taxation | 550.54 |
| (l) | Proposed Dividend | - |

KHL Investments Limited has been closed during the year and SRF Properties Limited has been sold during the year.

Foreign subsidiaries

| S. No. | Particulars | SRF Global BV# | | SRF Flexipak (South Africa)(Pty) Limited# (subsidiary of SRF Global BV) | |
|--------|--|----------------|-----------|---|------------|
| | | USD | Rs./lakhs | Rand | Rs./ lakhs |
| (a) | Financial year of the subsidiary | March 31, 2015 | | March 31, 2015 | |
| (b) | Extent of holding | 52.25% | | 52.25% | |
| (c) | Capital | 183.16 | 11441.80 | 100 | 0.01 |
| (d) | Reserves and Surplus (adjusted for debit balance in statement of profit and loss, wherever applicable) | (11.55) | (721.53) | (1414.80) | (7240.97) |
| (e) | Total Assets (Fixed Assets + Current Assets) | 868.79 | 54273.27 | 8220.63 | 42073.18 |
| (f) | Total Liabilities (Debts + Current Liabilities) | 697.18 | 43553.00 | 9635.43 | 49314.14 |
| (g) | Details of Investment (except in case of investment in subsidiaries) | * | * | - | - |
| (h) | Turnover (Including Other Income) | 17.30 | 1080.31 | 5323.39 | 27245.09 |
| (i) | Profit Before Taxation | (5.54) | (346.33) | (1066.42) | (5457.93) |
| (j) | Less: Provision for Taxation | - | - | (289.67) | (17561.01) |
| (k) | Profit After Taxation | (5.54) | (346.33) | (776.75) | 12103.07 |
| (l) | Proposed Dividend | - | - | - | - |

* Investment in subsidiary USD 300.97 lakhs (Equivalent to Rs. 18801.85 lakhs)

| S. No. | Particulars | SRF Overseas Limited# (subsidiary of SRF Global BV) | | SRF Industries (Thailand) Limited# (subsidiary of SRF Global BV) | |
|--------|--|--|-----------|---|------------|
| | | USD | Rs./lakhs | Baht | Rs./ lakhs |
| (a) | Financial year of the subsidiary | March 31, 2015 | | March 31, 2015 | |
| (b) | Extent of holding | 52.25% | | 52.25% | |
| (c) | Capital | 8405.00 | 14295.22 | 1000.00 | 1479.15 |
| (d) | Reserves and Surplus (adjusted for debit balance in statement of profit and loss, wherever applicable) | (490.90) | (8349.19) | 164.89 | 316.58 |
| (e) | Total Assets (Fixed Assets + Current Assets) | 349.70 | 5947.77 | 30970.24 | 59462.87 |
| (f) | Total Liabilities (Debts + Current Liabilities) | 0.10 | 1.74 | 33800.84 | 58300.30 |
| (g) | Details of Investment (except in case of investment in subsidiaries) | - | - | - | - |
| (h) | Turnover (Including Other Income) | 170.92 | 2906.98 | 31428.82 | 60343.33 |
| (i) | Profit Before Taxation | 133.25 | 2266.35 | (180.78) | (347.09) |
| (j) | Less: Provision for Taxation | - | - | (429.63) | (824.89) |
| (k) | Profit After Taxation | 133.25 | 2266.35 | (610.41) | (1171.98) |
| (l) | Proposed Dividend | - | - | - | - |

| S. No. | Particulars | Shri Educare Maldives Private Limited# (subsidiary of Shri Educare Limited) | |
|--------|--|--|-----------|
| | | MVR | Rs./lakhs |
| (a) | Financial year of the subsidiary | March 31, 2015 | |
| (b) | Extent of holding | 100.00% | |
| (c) | Capital | 137.95 | 543.19 |
| (d) | Reserves and Surplus (adjusted for debit balance in statement of profit and loss, wherever applicable) | (136.25) | (536.50) |
| (e) | Total Assets (Fixed Assets + Current Assets) | 45.68 | 179.87 |
| (f) | Total Liabilities (Debts + Current Liabilities) | 43.98 | 173.18 |
| (g) | Details of Investment (except in case of investment in subsidiaries) | - | - |
| (h) | Turnover (Including Other Income) | 277.81 | 1093.90 |
| (i) | Profit Before Taxation | (6.33) | (24.93) |
| (j) | Less: Provision for Taxation | - | - |
| (k) | Profit After Taxation | (6.33) | 24.93 |
| (l) | Proposed Dividend | - | - |

| S. No. | Particulars | SRF Industex Belting (Pty) Limited# (subsidiary of SRF Global BV) | | SRF Fluor Private Limited# | |
|--------|--|---|-----------|----------------------------|------------|
| | | Rand | Rs./lakhs | USD | Rs./ lakhs |
| (a) | Financial year of the subsidiary | March 31, 2015 | | June 30, 2014 | |
| (b) | Extent of holding | 52.25% | | 52.25% | |
| (c) | Capital | 133.20 | 681.73 | 0.45 | 28.11 |
| (d) | Reserves and Surplus (adjusted for debit balance in statement of profit and loss, wherever applicable) | (40.01) | (204.76) | (0.48) | (29.94) |
| (e) | Total Assets (Fixed Assets + Current Assets*) | 1061.19 | 5431.16 | 0.00 | 0.01 |
| (f) | Total Liabilities (Debts + Current Liabilities) | 968.00 | 4954.19 | 0.03 | 1.84 |
| (g) | Details of Investment (except in case of investment in subsidiaries) | - | - | - | - |
| (h) | Turnover (Including Other Income) | 1852.11 | 9479.11 | 0.18 | 11.52 |
| (i) | Profit Before Taxation | (43.92) | (224.80) | 0.09 | 5.70 |
| (j) | Less: Provision for Taxation | 0.42 | 2.15 | - | - |
| (k) | Profit After Taxation | (43.50) | (222.65) | 0.09 | 5.70 |
| (l) | Proposed Dividend | - | - | - | - |

* Includes Deferred Tax Assets

For the limited purpose of disclosure as addition information as required by Schedule-III of the Companies Act, 2013, the financial statements of the foreign subsidiaries have been converted into Indian Rupees on the basis of following exchange rates prevailing as at 31st March 2015:

- (i) 1 AED = Rs. 17.008
- (ii) 1 USD = Rs. 62.47
- (iii) 1 Baht = Rs. 1.92
- (iv) 1 Rand = Rs. 5.118
- (v) 1 MVR = Rs. 3.9376

17 Previous year figures have been regrouped/ rearranged to accord with current year classification. Figures pertaining to subsidiaries have been reclassified wherever considered necessary to bring them in line with the Company's financial statements.

As per our report of even date attached
For **THAKUR, VAIDYANATH AIYAR & CO.**
Chartered Accountants
Regn. No. 000038N

V. Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
**WHOLE TIME DIRECTOR,
CHIEF FINANCIAL OFFICER
& COMPANY SECRETARY**
(DIN:00005664)

Kartik Bharat Ram
CHAIRMAN
(DIN:00008557)

Place: New Delhi
Date: 30th May 2015

Dhirendra Datta
DIRECTOR
(DIN: 02376649)

Amitav Virmani
DIRECTOR
(DIN: 02169955)

KAMA HOLDINGS LIMITED

(CIN : L92199DL2000PLC104779)

Email : info@kamaholdings.com website : www.kamaholdings.com Phone : 011-26857141

Regd. Office: C-8, Commercial Complex, Safdarjung Development Area, New Delhi-110 016

Corp. Office: Block-C, Sector-45, Gurgaon-122 003, Haryana

ADMISSION SLIP

MODI HALL, PHD HOUSE,

4/2 SIRI INSTITUTIONAL AREA, AUGUST KRANTI MARG, NEW DELHI-110 016

Friday, 4 September 2015

11.30 A.M.

PARTICULARS TO BE COMPLETED BY SHAREHOLDER/PROXY

I /We hereby record my/our presence at the 15th Annual General Meeting of KAMA Holdings Limited

DP Id/Client Id/ Registered Folio No.....

Name of the Shareholder/Proxy.....

No. of shares held.....

.....
Signature(s) of person(s) attending

Notes:

1. Please produce this admission slip duly completed at the entrance for admission to the meeting hall.
2. The attendance counter will open at 11.00 a.m.
3. Tea, coffee and cold drinks will be served at the meeting.
4. Please bring your copy of the Annual Report to the meeting.

KAMA HOLDINGS LIMITED

(CIN : L92199DL2000PLC104779)

Email : info@kamaholdings.com website : www.kamaholdings.com Phone : 011-26857141

Regd. Office: C-8, Commercial Complex, Safdarjung Development Area, New Delhi-110 016

Corp. Office: Block-C, Sector-45, Gurgaon-122 003, Haryana

PROXY FORM

| | |
|------------------------|--|
| Name of the Member (s) | |
| Registered Address | |

Email 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:
Email Id:Signature..... or falling him;
- (2) Name:.....Address:
Email Id:Signature..... or falling him;
- (3) Name:.....Address:
Email Id:Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15th Annual General Meeting of **KAMA HOLDINGS LIMITED** to be held on Friday, 4 September 2015 at 11.30 a.m. at the Modi Hall, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110 016 and at any adjournment thereof in respect of such resolutions as are contained in Notice.

Signed thisday of2015



Signature of Shareholder.....

Signature of Proxy holders (s)

Notes:

1. A Proxy in order to be effective must reach the Registered Office of the Company not less than 48 hours before the scheduled time of the meeting
2. The member himself or his constituted attorney may sign the proxy
3. Where a proxy is appointed, the member should hand over the attached admission slip to the proxy
4. The Company reserves the right to ask for identification of the proxy
5. Shareholder may vote either for or against each resolution.



KAMA Holdings Limited

Registered Office

C-8, Commercial Complex,
Safdarjung Development Area,
New Delhi - 110 016

***If undelivered, please return to:-
Corporate Office***

Block C, Sector - 45,
Gurgaon 122 003 (Haryana)
Tel: +91-124-4354 400
Fax: +91-124-4354 500