



# **KAMA HOLDINGS LIMITED**

**ANNUAL REPORT  
2016-17**

## **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

### **BANKER**

HDFC Bank Ltd.

### **REGISTERED OFFICE**

CIN :L92199DL2000PLC104779

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

Registered Office of the Company changed to the following address w.e.f. August 8, 2017 :-

The Galleria, DLF Mayur Vihar, Unit No. 236 & 237, Second Floor, Mayur Place, Noida Link Road,  
Mayur Vihar Phase I Extn, Delhi- 110 091

Email : [info@kamaholdings.com](mailto:info@kamaholdings.com) Website: [www.kamaholdings.com](http://www.kamaholdings.com)

### **CORPORATE OFFICE**

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

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## NOTICE

Notice is hereby given that the 17<sup>th</sup> Annual General Meeting of KAMA Holdings Limited will be held on Thursday, September 28<sup>th</sup>, 2017 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, 2017 together with the Reports of the Auditor and Board of Directors' thereon.
2. To declare dividend on 8% Non-Cumulative Redeemable Preference Shares.
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 appoint Statutory Auditors of the Company.

**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Luthra & Luthra, Chartered Accountants, New Delhi (Firm Registration No.: 002081N) be and is hereby appointed as Statutory Auditor of the Company, upon completion of the term of appointment of the erstwhile Statutory Auditor M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, New Delhi (Registration No. 000038N) under the Companies Act, 2013, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 22<sup>nd</sup> Annual General Meeting of the Company (subject to ratification of their appointment by the Members at every Annual General Meeting) at such remuneration plus taxes as applicable and reimbursement of out-of-pocket expenses in connection with the audit as the Board of Directors may fix in this regard."

By Order of the Board  
for KAMA Holdings Limited

Sd/-  
(Rajat Lakhanpal)  
Whole Time Director, Chief Financial  
Officer & Company Secretary  
(DIN 00005664)

Gurgaon  
July 25, 2017

### NOTES

1. 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 identity 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.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 21<sup>st</sup> September, 2017 to Thursday, the 28<sup>th</sup> September, 2017 (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 Thursday, the 21<sup>st</sup> September, 2017.

3. 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, 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 Regulation 40 of the Listing Regulations 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 the listed companies, the transferor(s) and transferee(s) are requested to furnish copies of their Permanent Account Number (PAN) Cards, along with other requisite documents as required by the said regulation.

4. Members seeking any information regarding accounts to be given at the meeting are requested to write to the Company at its registered office at least seven days before the date of the meeting so as to enable the management to keep the information ready.
5. 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 28<sup>th</sup>

September, 2016 (date of last Annual General Meeting) on the website of the Company ([www.kamaholdings.com](http://www.kamaholdings.com)), as also on the website of the Ministry of Corporate Affairs.

6. Shareholders are advised that those who have not encashed their dividend warrant(s) for the dividend declared after April 1, 2012 (the Company has not declared any dividend on equity shares for the year 2008-09 to 2011-12) 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.
7. **Voting through electronic Means:** Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management & Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations 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 Thursday, 21<sup>st</sup> September, 2017, as a cut-off date to record the entitlement of the shareholders to cast their vote electronically at the 17<sup>th</sup> Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules thereunder. Consequently the same cut-off date i.e. Thursday, 21<sup>st</sup> September 2017 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 17<sup>th</sup> AGM on Thursday, the 28<sup>th</sup> September, 2017.
  - ii) The remote e-voting period commences on Monday, September 25, 2017 (10.00 AM IST) and ends on Wednesday, September 27, 2017 (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, the 21<sup>st</sup> September, 2017 may cast their votes electronically. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
  - iii) A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
  - iv) 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 shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - v) 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.
  - vi) The Members desiring to vote through remote e-voting may refer to the detailed procedure given hereinafter.

#### **Procedure for remote e-voting:**

- (A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:
  - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client 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 these details appropriately, click on "LOGIN".
  - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and 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.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVENT" i.e., "Name of the Company"
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you

have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email [arvindkohli@gmail.com](mailto:arvindkohli@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_Event No."
- (B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:
- i. E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the e-voting letter send alongwith Annual Report.
  - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.
- (C) Voting at AGM: The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

#### Other instructions

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr Kishore BV, (Unit: KAMA Holdings Limited) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 – 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
- b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, the 21<sup>st</sup> September, 2017.

- d. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., Thursday, the 21<sup>st</sup> September, 2017, he/she may obtain the User ID and Password in the manner as mentioned below:
    - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting 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> XXXX1234567890
    - ii. If e-mail address 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.
    - iii. Member may call Karvy's toll free number 1800-3454-001.
    - iv. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com). However, Karvy shall endeavour to send User ID and Password to those new Members whose mail IDs are available.
  - e. 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.
  - f. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [http:// www.kamaholdings.com](http://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.
8. Details in respect of the Director seeking re-appointment at the Annual General Meeting, as required to be provided under Listing Regulations and Secretarial Standard on General Meetings forms integral part of the notice. The Director has furnished the requisite declarations for his re-appointment.

9. Electronic copy of the Annual Report along with Notice of 17<sup>th</sup> 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.
10. The Notice of the 17<sup>th</sup> Annual General Meeting and the Annual Report for 2016-17 will be available on the Company's website [www.kamaholdings.com](http://www.kamaholdings.com). The physical copies of the aforesaid documents will 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 [einward.ris@karvy.com](mailto:einward.ris@karvy.com).
11. 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 i.e except Saturdays and Sundays, up to the date of the Annual General Meeting of the Company.
12. The register(s) maintained under Section 170 and 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.
13. Members are requested
  - i) to quote their folio/identification Nos. in all correspondence.
  - ii) to bring their attendance slip along with their copy of Annual Report to the Meeting.
  - iii) to note that no gifts will be distributed at the meeting.
  - iv) 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.
  - vi) that in case they are holding physical shares of the Company in multiple folios the same may be consolidated in a single folio
14. 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.

15. Members who are holding shares in physical form are advised to make nomination in respect of their shareholding in the Company and for the purpose may contact the Company or the RTA. Members holding shares in electronic mode are advised to contact their respective DPs for availing the nomination facility.

**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AS REQUIRED UNDER LISTING REGULATIONS AND SECRETARIAL STANDARDS ON GENERAL MEETINGS ARE GIVEN BELOW:**

**Item No. 3**

Mr. Kartik Bharat Ram (DIN 00008557) shall retire by rotation and being eligible, offer himself for re-appointment.

**Mr. Kartik Bharat Ram**

Mr. Kartik Bharat Ram (46) holds a Masters' degree in Business Administration in Corporate Strategy from Cornell University, USA and has about 23 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 cord, refrigerant gases, speciality chemicals and packaging films.

Mr. Kartik Bharat Ram was appointed as Director in the Company on January 31, 2006.

Mr. Kartik Bharat Ram is a member of Stakeholders Relationship Committee and Committee of Directors-Financial Resources 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, his relative.

Directorships in other public limited companies	Committee Chairmanship/ Membership
SRF Ltd.	Stakeholders Relationship Committee- Member, Committee of Directors-Financial Resources - Member, CSR Committee - Member

Except Mr. Kartik Bharat Ram and Mrs. Vasvi Bharat Ram who is his relative, none of the 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

Dear Members,

Your Directors are pleased to present their seventeenth Annual Report on the business and operations of the Company and the statement of accounts for the year ended 31<sup>st</sup> March, 2017.

### **FINANCIAL RESULTS**

(Rs. Crores)

	2016-17	2015-16
Dividend and Other Income	36.09	30.17
Profit Before Interest, Depreciation & Tax (PBIDT)	35.48	29.54
Less: Interest & Finance Charges (Net)	-	-
Gross Profit	35.48	29.54
Less: Depreciation and amortization charge	-	-
<b>Profit before Tax (PBT)</b>	<b>35.48</b>	29.54
Less: Provision for Taxes (including provision for deferred tax)	0.01	0.04
<b>Net Profit after Tax (PAT)</b>	<b>35.47</b>	29.50
Add: Profit brought forward from previous year	217.34	198.55
<b>Surplus available for appropriation</b>	<b>252.81</b>	228.05

### **Appropriations**

Dividend on Preference Shares	1.03	1.03
Interim Dividend on Equity shares	9.68	9.68
Corporate tax on dividend	-	-
Amount transferred to General Reserve	-	-
Profit carried to Balance Sheet	242.10	217.34
<b>Total Appropriation</b>	<b>252.81</b>	228.05

### **DIVIDEND**

During the year, your Company has paid an interim dividend of Rs. 15 per equity 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) increased by 20.07% to Rs 35.48 crore during 2016-17 from Rs 29.54 crore during 2015-16. Profit after Tax increased by 20.24% to Rs. 35.47 crore during 2016-17 from Rs 29.50 crore during 2015-16 mainly on account of increase in dividend income.

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

During the year, KAMA Realty (Delhi) Ltd. and Shri Educare Ltd. had entered into a limited liability partnership to set up KAMA Real Estate Holdings LLP for undertaking business of acquisition and renting of properties and SRF Overseas Ltd. (SRFO), a wholly owned subsidiary of SRF Limited was wound up which had a nylon tyre cord manufacturing facility in Dubai, UAE which was closed in 2013-14 due to sustained downturn in European markets and high fixed costs. As on March 31, 2017, your company had the following subsidiaries :-

1. SRF Limited is a subsidiary of the Company engaged primarily in the manufacture of technical textiles, specialty chemicals, fluorochemicals and packaging films. It has five operating wholly owned subsidiaries out of which one wholly owned subsidiary is registered in India and remaining four are registered outside India. Two of these are direct wholly owned subsidiaries and the rest three are step down wholly owned subsidiaries of SRF Limited. The details of the business of these subsidiaries is more particularly detailed in the Annual Report of SRF Ltd. for 2016-17 which is available on the website [www.srf.com](http://www.srf.com)
2. SRF Transnational Holdings Ltd.(SRFT) is a registered non deposit taking NBFC engaged in the business of investment in shares and securities.
3. Shri Educare Ltd. (SEL) is a company engaged in the business of rendering assistance for establishing, managing and running of the schools including sub-licensing of copyrights, trademarks and software.
4. Shri Educare Maldives Pvt. (SEMP) is managing a school in a public-private partnership with Maldives Government.
5. KAMA Realty (Delhi) Ltd. (KRDL) is a company engaged in acquisition and rental of properties.
6. KAMA Real Estate Holdings LLP (KREHL) is a limited liability partnership between KAMA Realty (Delhi) Ltd. and Shri Educare Ltd. which has been set up during the year. It is engaged primarily in acquisition and rental of properties.

The consolidated financial statements of the Company prepared in compliance with applicable Accounting Standards and other applicable laws including all the above subsidiaries duly audited by the statutory auditors are presented in the Annual Report.

No other subsidiaries were divested or incorporated. No company has become/ceased to be a joint venture or associate during the year. A report on performance and financial position of each of the subsidiaries and associates is presented in a separate section in this Annual Report. Please refer (AOC-1) annexed to the financial statements in the Annual Report. The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link: [http://www.kamaholdings.com/Inv/Policy\\_MaterialSubsidiaryCompanies.pdf](http://www.kamaholdings.com/Inv/Policy_MaterialSubsidiaryCompanies.pdf)

The Company shall make available the annual accounts of the subsidiary companies to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the registered office of the Company and respective subsidiary companies. Further, the annual accounts of the subsidiaries are also available on the website of the Company viz. '[www.kamaholdings.com](http://www.kamaholdings.com)'.

### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

Mr. Kartik Bharat Ram (DIN 00008557) is retiring at the forthcoming annual general meeting and being eligible offers himself for re-election.

Brief resume of Mr. Kartik Bharat Ram is furnished in the notice of the ensuing Annual General Meeting.

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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

In accordance with the requirements of the Act and the Listing Regulations, the Company has formulated a Nomination, Appointment and Remuneration Policy. A copy of the Policy is enclosed as Annexure 1.

In accordance with the aforesaid Policy, the Nomination and Remuneration Committee (NRC) 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, 2013 ("the Companies Act) and Listing Regulations, 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 Regulations and the number of committee meetings held during the year. Performance evaluation of individual Directors is done annually by the NRC as per the structure of performance evaluation prescribed in the Nomination, Appointment and Remuneration Policy.

NRC may recommend to the Board appropriate fees / commission to the non-executive directors for its approval. The Committee / Board shall inter alia, consider level of remuneration /commission payable by other comparable companies, time devoted, experience, providing guidance on strategic matters and such other factors as it may deem fit.

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://www.kamaholdings.com/inv/familiarization\\_independent\\_directors.pdf](http://www.kamaholdings.com/inv/familiarization_independent_directors.pdf)

#### **MEETINGS OF THE BOARD**

During the year 2016-17, five 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 basis approved by the Audit Committee. During the year, the Company has 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 BSE Limited.

#### **CORPORATE GOVERNANCE**

Certificate of the auditors of your Company regarding compliance of the conditions of corporate governance as stipulated in Regulation 34(3) of SEBI (Listing Obligations and



Disclosure Requirements) Regulations, 2015 is attached to the report as Annexure II.

In compliance with the requirements of Regulation 17(8) of the aforesaid Regulations, 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](http://www.kamaholdings.com)).

#### **CONSOLIDATED FINANCIAL STATEMENT**

The consolidated financial statements of the Company 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") and form part of the Annual Report and Accounts.

#### **AUDIT COMMITTEE**

The Audit Committee comprises of Independent Directors namely Mr. Amitav Virmani (DIN 02169955) (Chairman of the Committee), Mr. Mukul Khandelwal (DIN 00662822) and Mr. Dharendra Datta (DIN 02576649) as other members. All the recommendations made by the Audit Committee were accepted by the Board.

#### **ACCOUNTS AND AUDIT**

As per the requirements of Section 139 and other applicable provisions of the Companies Act, 2013 & Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the said section. The Audit Committee at its meeting held on 25.07.2017 has recommended the appointment of M/s. Luthra & Luthra, Chartered Accountants, New Delhi (Registration No.: 002081N) as the Statutory Auditor of the Company upon completion of the term of M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, New Delhi (Registration No. 000038N) under the Companies Act, 2013, to hold office from the conclusion of 17<sup>th</sup> Annual General Meeting to be held on 28.09.2017 until the conclusion of the 22<sup>nd</sup> Annual General Meeting of the Company, subject to approval of shareholders of the Company.

#### **VIGIL MECHANISM**

In compliance of provisions of the Companies Act, 2013 and Listing Regulations, 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://www.kamaholdings.com/InvCodesPolicies.aspx>.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

Management discussion and analysis on matters as stipulated in Listing Regulations is given as a separate statement in the Annual report.

#### **SECRETARIAL AUDITOR**

The Board has appointed M/s Sanjay Grover & Associates, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2017 is annexed herewith as Annexure III 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. 1<sup>st</sup> April, 2009. As on 31<sup>st</sup> March, 2017, there are no deposits remaining unclaimed by depositors.

#### **PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration required to be disclosed under the said rules are provided in Annexure IV.

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.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

As the Company is not carrying out any manufacturing activity, the disclosures as required under Section 134(3)(m) of the Companies Act, 2013 and the rules made thereunder have not been given.

#### **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 stakeholders and statutory agencies. Your Directors thank the shareholders for their support.

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

**Gurgaon**  
**July 25, 2017**

**KAMA HOLDINGS LIMITED**
**NOMINATION, APPOINTMENT AND REMUNERATION POLICY - ADOPTED ON 30.05.2017**
**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 Regulations 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 27<sup>th</sup> May, 2014 reconstituted the existing Remuneration Committee of Directors as "Nomination and Remuneration Committee" of Directors (the Committee). The terms of reference of the Committee are as follows:-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director.
- Formulation of criteria for evaluation of performance 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 and Other Employees.
- 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.
- To develop a succession plan for the Directors, Key Managerial Personnel and Sr. Management Personnel and regularly review the plan.
- Formulation of criteria for making payment to non-executive Directors.

**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 Regulations 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 Regulations 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.

The Committee will recommend to the Board appropriate fees / commission to the non-executive directors for its approval. The Committee / Board shall inter alia, consider level of remuneration /commission payable by other comparable companies, time devoted, experience, providing guidance on strategic matters and such other factors as it may deem fit.

#### **F. Evaluation**

The Committee will review the performance of Directors as per the structure of performance evaluation.

Performance evaluation of Executive Directors, Non-executive Directors, Independent Directors, Board as a whole, Board Committees and their members and Chairman shall be carried out in following manner:

a) **Performance evaluation of all individual Directors:** It shall be done annually by the Nomination and Remuneration Committee (NRC) as per the structure of performance evaluation (as per Annexure I & II). The outcome of the evaluation shall be shared by the Chairman of NRC with the Board.

b) **Performance evaluation of Independent Directors:** It shall be done, annually and at the time of their re-appointment, by NRC for deciding whether to extend or continue the term of appointment of independent directors. Based upon the recommendations of the NRC, the Board of Directors shall decide to continue their appointment or consider them for reappointment.

The performance evaluation of independent directors, in addition to feedback received from NRC, shall be done by the entire Board of Directors, excluding the director being evaluated as per the structure of performance evaluation (as per Annexure II).

c) **Performance evaluation of the Board of Directors:** Board shall evaluate its own performance on criteria like discharge of duties and responsibilities under the Companies Act and Listing Regulations, fulfillment 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 as specified in annexure III (Part - A).

d) **Performance evaluation of Board Committees:** The Board shall review the performance of all its committees annually on criteria for evaluation as specified in annexure III (Part - B).

e) **Performance evaluation by independent directors at their separate meeting :** The Independent Directors in their separate meeting shall review performance of non-independent directors, Board as a whole, the Chairman of the company, taking into account the views of executive directors and non-executive directors;

The Chairman of meeting of Independent Directors or one selected by independent Directors shall share outcome of their abovementioned evaluations with the Chairman of the Board.

Chairman of the Board shall be responsible for giving feedback as and when required as a result of performance evaluation above and guide on preparation of a suitable action plan, if required.

#### **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 Committee 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 and other Employees**

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.

The remuneration for the Employees other than Key Managerial Personnel is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions and his/her last drawn remuneration in the previous organization.

The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.

The annual increments to the remuneration paid to the employees shall be determined based on the appraisal carried out by the respective reporting managers/HODs of various departments. Decision on annual increments shall be made on the basis of this appraisal. The remuneration would be benchmarked intermittently with a basket of identified companies comparable to the Company.

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.

The aforesaid Key Managerial Personnel, Senior Management Personnel, Functional Heads and Other Employees may also be provided any facility, perquisites, commission, accommodation, interest free loans or loans at concessional rate in accordance with the policies framed for them or any category thereof.

However loan to the Directors who are KMPs shall be governed by such approvals as may be required by the Companies Act, 2013.

**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 (Remarks)	

**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 (Remarks)	

**Name of Director : .....**
**Signature : .....**
**Date & Place : .....**
**CRITERIA FOR EVALUATION OF THE BOARD OF DIRECTORS**
**A:**

Performance of	Evaluation Criteria
Board as a whole	<ul style="list-style-type: none"> <li>Discharge of duties and responsibilities under the Companies Act and Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Listing Regulations)</li> <li>Fulfilment of role of the Board (for instance guiding corporate strategy, risk policy, business plans, corporate performance, monitoring company's governance practices etc.).</li> <li>Number of Board Meetings held during the year.</li> </ul>

**B:**

Performance of	Evaluation Criteria
Board Committees	<ul style="list-style-type: none"> <li>Fulfilment of role of the Committee with reference to its terms of reference, the Companies Act and the Listing Regulations.</li> <li>Number of Committee Meetings held during the year.</li> </ul>

**TO THE MEMBERS OF  
KAMA HOLDINGS LIMITED****INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

1. We, Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, the Statutory Auditors of KAMA HOLDINGS LIMITED ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

**Managements' Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**Auditor's Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.
8. We 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, Vaidyanath Aiyar & Co.  
Chartered Accountants  
FRN: 000038N

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

Place : New Delhi  
Date : 30.05.2017

**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 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 record 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 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) Wherever 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, regulations, 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 31<sup>st</sup> March, 2017 ("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 31<sup>st</sup> March, 2017 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 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, 2015;
  - (c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) \*The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
  - (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 regarding the Companies Act and dealing with client;
  - (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015;

\*No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India with which the company has generally complied with.

During the Audit Period, 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 further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent in advance 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 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.

For Sanjay Grover & Associates  
Company Secretaries  
Firm Registration No. P2001DE052900

Devsh Kumar Vasisht  
Partner  
CP No.: 13700

New Delhi  
May 30, 2017

#### Annexure IV to the Board's Report

#### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S. No.	Name	Age	Designation	Remuneration (Rs. in Crores)	Qualification	Exp. (In Years)	Date of Joining	Last Employment
1.	Rajat Lakhanpal	44	Whole-time Director, Chief Financial Officer & Company Secretary	0.43	B.Com, ACS, LLB	18	1.4.2002	SRF Ltd.

Note : 1. Remuneration comprises salary, bonus, allowances, perquisites, leave encashment, retention pay and Company's contribution to Provident Fund and Gratuity. 2. All appointments are contractual in nature. 3. There are no employees in the services of the Company within the category covered by Section 197(12) read with rule 5(2)(i) to (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. 4. Mr. Rajat Lakhanpal, Whole-time Director, Chief Financial Officer & Company Secretary is not related to any other Director of the Company.



**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, Whole Time Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. N.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2016-17 (Rs./Crores)	% increase in Remuneration in the Financial Year 2016-17	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)	0.43	19.44	1.00	Profit after Tax increased by 20.24% to Rs. 35.47 crore during 2016-17 from Rs 29.50 crore during 2015-16
2	Mr Kartik Bharat Ram (Non-Executive Chairman, & Promoter)	0.0025	(16.66)	0.006	
3	Mr Mukul Khandelwal (Non-Executive Independent Director)	0.0020	15.00	0.005	
4	Mr Amitav Virmani (Non-Executive Independent Director)	0.0040	25.00	0.009	
5	Mr Dharendra Datta (Non-Executive Independent Director)	0.0022	-	0.005	
6	Ms Vasvi Bharat Ram (Non-Executive Director, & Promoter)	0.0033	3.12	0.008	

- (ii) The median remuneration of employees of the Company during the financial year 2016-17 was Rs. 0.43 Crores as compared to Rs. 0.36 Crores during 2015-16. The increase in median remuneration was 19.44% as compared to 2015-16.
- (iii) There was one permanent employee on the rolls of the Company as on March 31, 2017.
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 and its comparison with the percentile increase in the managerial remuneration and justification thereof.
- Mr. Rajat Lakhanpal, Whole time Director, Chief Financial Officer & Company Secretary is the only employee of the Company. Hence, this is not applicable.
- v) It is hereby affirmed that the remuneration paid is as per the Nomination, Appointment and Remuneration Policy of the Company.

**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2017

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

<b>I.</b>	<b>REGISTRATION AND OTHER DETAILS</b>	
i)	CIN	L92199DL2000PLC104779
ii)	Registration Date	28 <sup>th</sup> 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 Pursuant to the resolution passed by the Board of Directors at its meeting held on 25 <sup>th</sup> July, 2017, the registered office has been changed w.e.f. 8 <sup>th</sup> August, 2017 to the following address:- The Galleria, DLF Mayur Vihar, Unit No. 236 & 237, Second Floor, Mayur Place, Noida Link Road, Mayur Vihar Phase I Extn, Delhi- 110 091 Tel : +91 11 49482870 Fax: +91 11 49482900
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, Hyderabad 500 032 Tel No.: +91 040 6716 2222 Fax No. : +91 040 2300 1153 E-mail : <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a>
<b>II.</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
	All the business activities contributing 10% or more of the total turnover of the Company	As per Attachment A
<b>III.</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	As per Attachment B
<b>IV.</b>	<b>SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
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
<b>V.</b>	<b>INDEBTEDNESS</b>	
	Indebtedness of the Company including interest outstanding /accrued but not due for payment	As per Attachment H

<b>VI.</b>	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
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, Whole Time Director, Chief Financial Officer & Company Secretary
<b>VII.</b>	<b>PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES</b>	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	99.92%

\*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	52.33	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.	Atrium Building, 8 <sup>th</sup> Floor, Strawinskylaan, 3127, 10772X, Amsterdam, The Netherlands	N.A.	Subsidiary	52.33	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	52.33	2(87)(ii)

S. No.	Name of Company	Address of Company	CIN/GLN	Holding /Subsidiary /Associate	% of shares held	Applicable Section
8.	SRF Flexipak (South Africa) (Pty) Ltd.	5, Eddie Hagan Drive, Cato Ridge, KwaZulu-Natal, South Africa	N.A.	Subsidiary	52.33	2(87)(ii)
9.	SRF Industex Belting (Pty) Ltd.	PO Box 4038, Korsten, Port Elizabeth-6014, Republic Of South Africa	N.A.	Subsidiary	52.33	2(87)(ii)
10.	SRF Holiday Home Ltd.	C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016	U45200DL2006PLC156147	Subsidiary	52.33	2(87)(ii)
11.	KAMA Real Estate Holdings LLP (w.e.f. 13.12.2016)	C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016	AAH-9970	Subsidiary	100.00	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 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	4839446	0	4839446	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):-	<b>4839446</b>	<b>0</b>	<b>4839446</b>	<b>75.00</b>	<b>4839446</b>	<b>0</b>	<b>4839446</b>	<b>75.00</b>	<b>0.00</b>
<b>2) Foreign</b>									
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):-	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
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
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	17733	0	17733	0.27	486	0	486	0.01	0.27
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
<b>Sub-total (B)(1)</b>	<b>18105</b>	<b>667</b>	<b>18772</b>	<b>0.29</b>	<b>858</b>	<b>667</b>	<b>1525</b>	<b>0.02</b>	<b>0.27</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.	300731	3202	303933	4.71	420261	3172	423433	6.56	-1.85
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	440557	91262	531819	8.24	395793	87788	483581	7.49	0.75
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	114681	0	114681	1.78	58396	0	58396	0.90	0.87
c) Others (Specify)									
(i) Clearing Members	783	0	783	0.01	2347	0	2347	0.04	-0.02
(ii) Non-Resident Indians	642575	228	642803	9.96	637449	248	637697	9.88	0.08
(iii) NRI Non-Repatriation	0	0	0	0.00	5492	0	5492	0.09	-0.09
(iv) Overseas Corporate Bodies	0	292	292	0.00	0	292	292	0.00	0.00
(v) Trusts	86	0	86	0.00	406	0	406	0.01	0.00
<b>Sub-total (B)(2)</b>	<b>1499413</b>	<b>94984</b>	<b>1594397</b>	<b>24.71</b>	<b>1520144</b>	<b>91500</b>	<b>1611644</b>	<b>24.98</b>	<b>-0.27</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1517518</b>	<b>95651</b>	<b>1613169</b>	<b>25.00</b>	<b>1521002</b>	<b>92167</b>	<b>1613169</b>	<b>25.00</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>6356964</b>	<b>95651</b>	<b>6452615</b>	<b>100.00</b>	<b>6360448</b>	<b>92167</b>	<b>6452615</b>	<b>100.00</b>	<b>0.00</b>

**ii. Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year - 01.04.2016			Shareholding at the end of the year - 31.03.2017			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	Mr. Arun Bharat Ram jointly with Mr. Ashish Bharat Ram jointly with Mr. Kartik Bharat Ram	12,09,863	18.75	0.00	12,09,863	18.75	0.00	0.00
	Mr. Arun Bharat Ram jointly with Mr. Kartik Bharat Ram jointly with Mr. Ashish Bharat Ram	12,09,863	18.75	0.00	12,09,863	18.75	0.00	0.00
	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
	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
	<b>Total</b>	<b>48,39,446</b>	<b>75.00</b>	<b>0.00</b>	<b>48,39,446</b>	<b>75.00</b>	<b>0.00</b>	<b>0.00</b>

**iii. Change in Promoters' Shareholding - NIL**
**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	Reason	Cumulative Holding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares at the beginning (01/04/2016) / end of the year (31/03/2017)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	IL AND FS TRUST CO LTD	269,726	4.18	1-Apr-16				
				8-Apr-16	813	Transfer	270,539	4.19
				27-May-16	20	Transfer	270,559	4.19
				3-Jun-16	101	Transfer	270,660	4.19
				24-Jun-16	4613	Transfer	275,273	4.27
				30-Jun-16	8415	Transfer	283,688	4.4
				1-Jul-16	257	Transfer	283,945	4.4
				8-Jul-16	5601	Transfer	289,546	4.49
				15-Jul-16	8874	Transfer	298,420	4.62
				22-Jul-16	2297	Transfer	300,717	4.66
				29-Jul-16	3642	Transfer	304,359	4.72
				5-Aug-16	6144	Transfer	310,503	4.81
				12-Aug-16	4661	Transfer	315,164	4.88
				19-Aug-16	7515	Transfer	322,679	5
				26-Aug-16	5996	Transfer	328,675	5.09

Sr. No	Shareholder's Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Holding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares at the beginning (01/04/2016) / end of the year (31/03/2017)	% of total Shares of the company				No. of Shares	% of total Shares of the company
				2-Sep-16	3242	Transfer	331,917	5.14
				9-Sep-16	13966	Transfer	345,883	5.36
				16-Sep-16	1838	Transfer	347,721	5.39
				23-Sep-16	2526	Transfer	350,247	5.43
				30-Sep-16	3327	Transfer	353,574	5.48
				7-Oct-16	9419	Transfer	362,993	5.63
				14-Oct-16	3589	Transfer	366,582	5.68
				21-Oct-16	1969	Transfer	368,551	5.71
				28-Oct-16	4143	Transfer	372,694	5.78
				4-Nov-16	6873	Transfer	379,567	5.88
				11-Nov-16	428	Transfer	379,995	5.89
				18-Nov-16	80	Transfer	380,075	5.89
				25-Nov-16	801	Transfer	380,876	5.9
				2-Dec-16	36	Transfer	380,912	5.9
				9-Dec-16	67	Transfer	380,979	5.9
				16-Dec-16	316	Transfer	381,295	5.91
				30-Dec-16	492	Transfer	381,787	5.92
				6-Jan-17	3424	Transfer	385,211	5.97
				13-Jan-17	993	Transfer	386,204	5.99
				20-Jan-17	1438	Transfer	387,642	6.01
				27-Jan-17	1109	Transfer	388,751	6.02
				3-Feb-17	369	Transfer	389,120	6.03
				10-Feb-17	85	Transfer	389,205	6.03
				17-Feb-17	157	Transfer	389,362	6.03
				24-Feb-17	80	Transfer	389,442	6.04
				3-Mar-17	636	Transfer	390,078	6.05
				10-Mar-17	130	Transfer	390,208	6.05
				17-Mar-17	258	Transfer	390,466	6.05
				24-Mar-17	881	Transfer	391,347	6.06
		392853	6.08	31-Mar-17	1236	Transfer	392,583	6.08
2	KESWANI HARESH	314,861	4.88	1-Apr-16				
		314,861	4.88	31-Mar-17	-	-	314,861	4.88
3	RICKY ISHWARDAS KIRPALANI	310,157	4.81	1-Apr-16				
		310,157	4.81	31-Mar-17			310,157	4.81
4	KAVI KAPUR	23,472	0.36	1-Apr-16				
				22-Apr-16	58	Transfer	23,530	0.36
				3-Jun-16	(900)	Transfer	22,630	0.35
				10-Jun-16	(4000)	Transfer	18,630	0.29
				22-Jul-16	1390	Transfer	20,020	0.31
				5-Aug-16	(1000)	Transfer	19,020	0.29

Sr. No	Shareholder's Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Holding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares at the beginning (01/04/2016) / end of the year (31/03/2017)	% of total Shares of the company				No. of Shares	% of total Shares of the company
				7-Oct-16	745	Transfer	19,765	0.31
				14-Oct-16	400	Transfer	20,165	0.31
				25-Nov-16	166	Transfer	20,331	0.32
				23-Dec-16	1167	Transfer	21,498	0.33
				6-Jan-17	800	Transfer	22,298	0.35
				20-Jan-17	40	Transfer	22,338	0.35
				24-Mar-17	200	Transfer	22,538	0.35
		22,550	0.35	31-Mar-17	12	Transfer	22,550	0.35
5	AYESHA SOOD	12920	0.2	1-Apr-16				
		12920	0.2	31-Mar-17	-	-	12920	0.2
6	SONAL SOOD	0	0.0	1-Apr-16				
				2-Sep-2016	12919	Transfer	12919	0.2
		12919	0.2	31-Mar-17	-	-	12919	0.2
7	KUMARA B SWAMY	37,030	0.57	1-Apr-16				
				9-Sep-16	(5123)	Transfer	31,907	0.49
				7-Oct-16	(3131)	Transfer	28,776	0.45
				14-Oct-16	(5893)	Transfer	22,883	0.35
				21-Oct-16	(348)	Transfer	22,535	0.35
				28-Oct-16	(4943)	Transfer	17,592	0.27
				4-Nov-16	(7585)	Transfer	10,007	0.16
		10,007	0.16	31-Mar-17	0		10,007	0.16
8	SAMEER GUPTA	7800	0.12	1-Apr-16				
		7800	0.12	31-Mar-17	-	-	7800	0.12
9	BIPIN KOCHAR	7436	0.12	1-Apr-16				
		7436	0.12	31-Mar-17	-	-	7436	0.12
10	P MALLIGA	10,474	0.16	1-Apr-16				
				8-Apr-16	(204)	Transfer	10,270	0.16
				22-Apr-16	(204)	Transfer	10,066	0.16
				13-May-16	(160)	Transfer	9,906	0.15
				24-Jun-16	(64)	Transfer	9,842	0.15
				30-Jun-16	(700)	Transfer	9,142	0.14
				8-Jul-16	(360)	Transfer	8,782	0.14
				15-Jul-16	(780)	Transfer	8,002	0.12
				12-Aug-16	(1180)	Transfer	6,822	0.11
				19-Aug-16	(500)	Transfer	6,322	0.1
				9-Sep-16	(1200)	Transfer	5,122	0.08
				23-Sep-16	(10)	Transfer	5,112	0.08
				24-Mar-17	1600	Transfer	6,712	0.1
		6712	0.1	31-Mar-17	-	-	6,712	0.1



Sr. No	Shareholder's Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Holding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares at the beginning (01/04/2016) / end of the year (31/03/2017)	% of total Shares of the company				No. of Shares	% of total Shares of the company
11	LOK NATH SOOD*	12,919	0.2	1-Apr-16				0
				8-Apr-16	4838	Transfer	17,757	0.28
				2-Sep-16	(12919)	Transfer	4,838	0.07
		4838	0.07	31-Mar-17	-	-	4,838	0.07
12	VARULJOTHI*	9,165	0.14	1-Apr-16				
				6-May-16	(50)	Transfer	9,115	0.14
				13-May-16	(6560)	Transfer	8,459	0.13
				10-Jun-16	(4700)	Transfer	7,989	0.12
				17-Jun-16	(254)	Transfer	7,735	0.12
				30-Jun-16	(800)	Transfer	6,935	0.11
				8-Jul-16	(400)	Transfer	6,535	0.1
				29-Jul-16	(78)	Transfer	6,457	0.1
				5-Aug-16	(1603)	Transfer	4,854	0.08
				12-Aug-16	(998)	Transfer	3,856	0.06
				9-Sep-16	(530)	Transfer	3,326	0.05
		3326	0.05	31-Mar-17	-	-	3,326	0.05
		13	V RAJAM*	17,866	0.28	1-Apr-16		
				8-Apr-16	(310)	Transfer	17,556	0.27
				22-Apr-16	(80)	Transfer	17,476	0.27
				29-Apr-16	1	Transfer	17,477	0.27
				6-May-16	10	Transfer	17,487	0.27
				13-May-16	(453)	Transfer	17,034	0.26
				17-Jun-16	1	Transfer	17,035	0.26
				24-Jun-16	1	Transfer	17,036	0.26
				30-Jun-16	(700)	Transfer	16,336	0.25
				8-Jul-16	(1175)	Transfer	15,161	0.23
				15-Jul-16	(801)	Transfer	14,360	0.22
				22-Jul-16	(189)	Transfer	14,171	0.22
				29-Jul-16	(395)	Transfer	13,776	0.21
				5-Aug-16	(558)	Transfer	13,218	0.2
				19-Aug-16	(379)	Transfer	12,839	0.2
				9-Sep-16	(800)	Transfer	12,039	0.19
				23-Sep-16	(12000)	Transfer	39	0
		6-Jan-17	1	Transfer	40	0		
40	0	31-Mar-17	-	-	40	0		

Sr. No	Shareholder's Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Holding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares at the beginning (01/04/2016) / end of the year (31/03/2017)	% of total Shares of the company				No. of Shares	% of total Shares of the company
14	MORGAN STANLEY ASIA (SINGAPORE) PTE. *	13,250	0.21	1-Apr-16				
				15-Apr-16	917	Transfer	14,167	0.22
				22-Apr-16	3003	Transfer	17,170	0.27
				13-May-16	7820	Transfer	24,990	0.39
				20-May-16	3077	Transfer	28,067	0.43
				30-Jun-16	(723)	Transfer	27,344	0.42
				8-Jul-16	(88)	Transfer	27,256	0.42
				22-Jul-16	(1216)	Transfer	26,040	0.4
				29-Jul-16	(1446)	Transfer	24,594	0.38
				5-Aug-16	(2170)	Transfer	22,424	0.35
				12-Aug-16	(1809)	Transfer	20,615	0.32
				19-Aug-16	(1808)	Transfer	18,807	0.29
				26-Aug-16	(1808)	Transfer	16,999	0.26
				2-Sep-16	(1809)	Transfer	15,190	0.24
				9-Sep-16	(1808)	Transfer	13,382	0.21
				16-Sep-16	(1808)	Transfer	11,574	0.18
				23-Sep-16	(1809)	Transfer	9,765	0.15
				30-Sep-16	(1808)	Transfer	7,957	0.12
				7-Oct-16	(1808)	Transfer	6,149	0.1
				14-Oct-16	(1267)	Transfer	4,882	0.08
				21-Oct-16	(1)	Transfer	4,881	0.08
				11-Nov-16	(63)	Transfer	4,818	0.07
				18-Nov-16	(88)	Transfer	4,730	0.07
				25-Nov-16	(111)	Transfer	4,619	0.07
				2-Dec-16	(450)	Transfer	4,169	0.06
				9-Dec-16	(450)	Transfer	3,719	0.06
				16-Dec-16	(180)	Transfer	3,539	0.05
				23-Dec-16	(490)	Transfer	3,049	0.05
		30-Dec-16	(640)	Transfer	2,409	0.04		
		6-Jan-17	(803)	Transfer	1,606	0.02		
		13-Jan-17	(665)	Transfer	941	0.01		
		20-Jan-17	(837)	Transfer	104	0		
		27-Jan-17	(104)	Transfer	0	0		
		0	0	31-Mar-17	-	-	0	0

\* Ceased to be in the list of top 10 shareholders as on 31-03-2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2016.

**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 (01/04/2016 to 31/03/2017)	
		No. of Shares at the beginning (01/04/2016) / end of the year (31/03/2017)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Mr. Kartik Bharat Ram jointly with Mr. Ashish Bharat Ram	12,09,860	18.75	01-Apr-16 31-Mar-17	0	Nil movement during the year	12,09,860	18.75

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31 March, 2017  
(Rs./Crores)

	Secured Loan excluding Deposits	Unsecured Loan	Deposits*	Total Indebtedness
<b>Indebtedness as at the beginning of the financial year (1.4.2016)</b>				
i) Principal Amount	-	-	0.0051	0.0051
ii) Interest Due but not paid	-	-	-	-
iii) Interest Accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	0.0051	0.0051
Change in indebtedness during the financial year	-	-	-	-
Addition	-	-	-	-
Reduction	-	-	(0.0051)	(0.0051)
Change in Interest Accrued	-	-	-	-
<b>Net Change</b>	-	-	(0.0051)	(0.0051)
<b>Indebtedness as at the end of the financial year (31.3.2017)</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest Due but not paid	-	-	-	-
iii) Interest Accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

\*Unclaimed deposits including interest.

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**i. Remuneration to Managing Director, Whole-time Director and/or Manager**
**(Rs./Crores)**

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager	
		Mr. Rajat Laxhanpal, Whole Time Director, Chief Financial Officer and Company Secretary	
		Total Amount	
1	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.37	0.37
	b) Value of perquisites u/s 17(2) of the Income – tax Act, 1961	0.01	0.01
	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	0.03	0.03
	<b>TOTAL (A)</b>	<b>0.41</b>	<b>0.41</b>
	Ceiling as per the Act	Rs. 1.80 Crores (being 5% of the net profits of the Company calculated as per Section 197 of the Companies Act, 2013)	

**ATTACHMENT J**
**ii. Remuneration to other Directors**
**(Rs.crores)**

S. No.	Particulars of Remuneration	Kartik Bharat Ram	Mukul Khandelwal	Amitav Virmani	Dhirendra Datta	Vasvi Bharat Ram	Total
1	Independent Directors						
	-Fee for attending Board / committee meetings	-	0.0020	0.0040	0.0022	-	<b>0.0082</b>
	-Commission	-	-	-	-	-	-
	-Others	-	-	-	-	-	-
2	Other Non-Executive Directors						
	-Fee for attending Board / committee meetings	0.0025	-	-	-	0.0033	<b>0.0058</b>
	-Commission	-	-	-	-	-	-
	-Others	-	-	-	-	-	-
	<b>TOTAL (B)=(1+2)</b>	<b>0.0025</b>	<b>0.0020</b>	<b>0.0040</b>	<b>0.0022</b>	<b>0.0033</b>	<b>0.0140</b>
	Ceiling as per the Act	Rs. 0.36 Crores (being 1% of the net profits of the Company calculated as per Section 197 of the Companies Act, 2013)					
	<b>TOTAL MANAGERIAL REMUNERATION*</b>	<b>0.42</b>					
	Overall Ceiling as per the Act	Rs. 3.95 Crores (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.



**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 and gain on sale of investments amounting to Rs. 36.09 crores. Net profit for the year amounted to Rs. 35.47 crores as compared to Rs. 29.50 crores in the previous year. The share capital of the company as on 31st March, 2017 stood at Rs. 19.37 crores and Reserves and Surplus at Rs. 497.40 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, specialty 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, SRF Transnational Holdings Ltd., a registered non-deposit taking NBFC engaged in the business of investment in shares and other securities and KAMA Real Estate Holdings LLP, a limited liability partnership between KAMA Realty (Delhi) Ltd. and Shri Educare Ltd. engaged primarily in the business of acquisition and renting of properties.

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 2016-17 which is available on its website [www.srf.com](http://www.srf.com).

##### **Other subsidiaries**

##### **Shri Educare Ltd. (SEL)**

During the year, SEL added six K-12 schools in Noida Extension, Jammu, Bengaluru, Chennai, Hisar & Hyderabad 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 2017-18.

During the year, SEL has earned a revenue of Rs. 12.84 Crores mainly on account of project management fees and student fees and a profit after tax of Rs. 0.36 Crores (Including Deferred Tax).

##### **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 2016-17, SEMPL has earned a revenue of MVR 3.69 Crores (Rs. 15.47 Crores) mainly on account of tuition fees and made a loss of MVR 0.00069 Crores (Rs. 0.01 Crores).

##### **KAMA Realty (Delhi) Ltd. (KRDL)**

KRDL is a company engaged in acquisition and rental of properties. During 2016-17, KRDL has earned a revenue of Rs. 8.02 Crores mainly on account of rental and interest income and profit after tax of Rs. 4.51 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 2016-17, SRFT has earned a revenue of Rs. 9.58 Crores mainly on account of interest income and profit on sale of investments and profit after tax of Rs. 3.74 Crores.

##### **KAMA Real Estate Holdings LLP (KREHL)**

KREHL is a limited liability partnership between KAMA Realty (Delhi) Ltd. and Shri Educare Ltd. which has been set up during the year. It is engaged primarily in acquisition and rental of properties. During 2016-17, KREHL has earned a revenue of Rs. 0.003 Crores mainly on account of dividend on investments.

### **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-2017

### 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 31st March 2017, 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 2016-17

**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)	No. of Board-level Committees where chairperson or member (including KAMA)	
				Chairperson	Member
1	Mr Kartik Bharat Ram	Non-Executive Chairman, promoter	2	-	5
2	Mr Rajat Lakhnupal	Executive	1	-	2
3	Mr Mukul Khandelwal	Independent	-	1	1
4	Mr Amitav Virmani	Independent	2	1	5
5	Mr Dharendra Datta	Independent	2	3	2
6	Ms Vasvi Bharat Ram	Non- Executive, promoter	-	1	2

Mr. Kartik Bharat Ram and Ms. Vasvi Bharat Ram are related to each other.

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

### Independent Directors on the Board are Non-Executive Directors

Our definition of 'Independence' of Directors is derived from Regulation 16 of Listing Regulations 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 and Ms. Vasvi Bharat Ram are Independent in terms of Regulation 16 of Listing Regulations and Section 149(6) of the Companies Act, 2013.

None of the Directors is a member of more than ten Board level committees nor are they Chairman of more than five committees in which they are members.

### Independent Directors' Meeting

In accordance with the applicable provisions of Companies Act, 2013 and Listing Regulations, a meeting of the Independent Directors of the Company was held on February 14, 2017 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 [www.kamaholdings.com](http://www.kamaholdings.com)

### Number of Board Meetings

During 2016-17, the Board of Directors met five times on the dates as referred below in Table 2. The gap between any two Board meetings did not exceed four months.

**Table 2: Attendance of directors in Board Meetings and Annual General Meeting (AGM) held during the year in 2016-17**

Name of the Director	Date of Board Meeting and Attendance of Directors						Attended last AGM
	May 30, 2016	August 12, 2016	October 5, 2016	November 14, 2016	February 14, 2017	September 28, 2016	
Mr Kartik Bharat Ram	Yes	Yes	Yes	Yes	Yes	Yes	
Mr Rajat Lakhnupal	Yes	Yes	Yes	Yes	Yes	Yes	
Mr Mukul Khandelwal	Yes	No	Yes	Yes	Yes	No	
Mr Amitav Virmani*	Yes	Yes	Yes	Yes	Yes	Yes	
Mr Dharendra Datta	Yes	Yes	Yes	Yes	Yes	Yes	
Ms Vasvi Bharat Ram	Yes	Yes	Yes	Yes	Yes	No	

\* 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 2016-17** (Rs./Crores)

Name of Director	Salary & Perquisites #	Retention Bonus	Sitting fees for Board and Committee meetings*	Deferred Benefits (PF and super annuation)	Terminal Benefits	Total
Mr Kartik Bharat Ram	-	-	0.0025	-	-	0.0025
Mr Rajat Lakhanpal	0.37	0.02	-	0.04	-	0.4300
Mr Mukul Khandelwal	-	-	0.0020	-	-	0.0020
Mr Amitav Virmani	-	-	0.0040	-	-	0.0040
Mr Dharendra Datta	-	-	0.0022	-	-	0.0022
Ms Vasvi Bharat Ram	-	-	0.0033	-	-	0.0032
Total	0.37	0.02	0.0140	0.04	-	0.4400

\* Includes sitting fee for attending the meetings of the Board of Director and Committee Meetings

# Value of perquisites on actual basis.

The criteria of making payment to Non-Executive Directors has been disclosed as a part of Boards' Report and has also been disclosed on the website of the Company [www.kamaholdings.com](http://www.kamaholdings.com)

**Table 4: Details of Service Contracts**

Name of Director	Tenure	Notice Period	Severance Fee
Mr Rajat Lakhanpal	5 years w.e.f. 1st April, 2013	1 month by either party	Nil

### Shareholding of non-executive Directors

As on March 31, 2017, 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. None of the other non-executive director holds any shares of the Company.

### 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.
- 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.
- 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 Regulation 24 of the Listing Regulations, 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 BSE Limited and National Stock Exchange of India Limited 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 7 to Regulation 24 of the Listing Regulations, where a listed holding company has a listed subsidiary which is itself a holding company, the provisions of Regulation 24 of the Listing Regulations 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. The Code of Conduct is available on the website of the Company, [www.kamaholdings.com](http://www.kamaholdings.com). 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.

#### Statutory Committees of the Board

##### a) Audit Committee

##### i) Terms of Reference

The terms of reference of the Audit Committee are wide enough covering the matters as per the guidelines set out in the Listing Regulations read with Section 177 of the Companies Act, 2013. These broadly includes 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 Vigil 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 Internal auditor shall be subject to review by the Audit Committee.
- Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

##### ii) Composition of Audit Committee and Attendance of members in Audit Committee Meeting held during the year

As on March 31, 2017, the Audit Committee of KAMA comprised 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 Regulation 18 of Listing Regulations.

Table 5 provides details of the Audit Committee meetings held during the year 2016-17 and attendance of its members.

**Table 5: Attendance Record of Audit Committee Meetings during 2016-17**

Name of Members	Category	Date of Audit Committee Meeting and Attendance of Members			
		May 30, 2016	August 12, 2016	November 14, 2016	February 14, 2017
Mr Amitav Virmani (Chairman)	Independent, Non-Executive	Yes	Yes	Yes	Yes
Mr Mukul Khandelwal	Independent, Non-Executive	Yes	No	Yes	Yes
Mr Dharendra Datta	Independent, Non-Executive	Yes	Yes	Yes	Yes

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

##### b) Nomination and Remuneration Committee

##### i) Terms of Reference

The terms of reference of the Committee are wide enough covering the matters specified in Listing Regulations and the Companies Act, 2013 and terms of reference of the Committee briefly are as under:

- 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, functional heads and other Employees.
- 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 Directors (other than independent directors).
- Evaluation of the performance of independent directors and make recommendations to Board.
- To oversee succession planning for Board of Directors, Key Managerial Personnel, Senior Management Personnel and Functional Heads.
- Formulation of criteria for making payment to Non-Executive Directors

**ii) Composition of Nomination and Remuneration Committee and Attendance of members in the meetings of the Nomination and Remuneration Committee held during the year**

As on March 31, 2017, this Committee comprised three Directors, Mr Mukul Khandelwal (Chairman), Mr Amitav Virmani and Ms Vasvi Bharat Ram, majority of whom are independent. The constitution of the Committee meets the requirements of Section 178 of the Companies Act, 2013.

Table 6 provides details of the Nomination and Remuneration Committee meetings held during the year 2016-17 and attendance of its members.

**Table 6: Attendance Record of Nomination and Remuneration Committee Meetings during 2016-17**

Name of Members	Category	Date of NRC Meeting and Attendance of Members
		May 30, 2016
Mr Mukul Khandelwal (Chairman)	Independent, Non-Executive	Yes
Mr Amitav Virmani	Independent, Non-Executive	Yes
Ms Vasvi Bharat Ram	Non-executive, promoter	Yes

**iii) Annual Evaluation of Board, Committees and Individual Directors**

Pursuant to the provision of the Companies Act, 2013, Listing Regulations and as per the Nomination, Appointment and Remuneration Policy, the Board of Directors/ Independent Directors/Nomination & Remuneration Committee ("NRC") (as applicable) has undertaken an evaluation of the Board's own performance, the performance of its Committees and of all the individual Directors including the Chairman of the Board of Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees.

Performance evaluation of independent directors is done by the Nomination and Remuneration Committee on criteria like attendance and participation in Board and committee meetings, advises on implementation of good corporate governance practices, diligence and independence in judgement and actions, good faith and interest of the stakeholders, etc. Based on the recommendations of the NRC, the Board of Directors decide to continue their appointment or consider them for reappointment.

**iv) Nomination, Appointment and Remuneration Policy**

The Company's Nomination, Appointment and Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and Functional Heads and other employees is accessible on Company's website [www.kamaholdings.com](http://www.kamaholdings.com).

**c) Stakeholders Relationship Committee**

As on 31 March 2017, 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. Table 7 provides details of the Stakeholders Relationship Committee meetings held during the year 2016-17 and attendance of its members.

**Table 7: Attendance Record of Stakeholders Relationship Committee Meetings during 2016-17**

Name of Members	Category	Date of Stakeholders Relationship Committee Meeting and Attendance of Members					
		4-Apr-16	16-Jun-16	16-Aug-16	12-Dec-16	3-Feb-17	27-Mar-17
Ms Vasvi Bharat Ram (Chairperson)	Non-executive, promoter	Yes	Yes	Yes	Yes	Yes	Yes
Mr Amitav Virmani	Independent, Non-Executive	Yes	Yes	Yes	Yes	Yes	Yes
Mr Kartik Bharat Ram	Non-executive, promoter	No	No	Yes	Yes	Yes	No

Mr Rajat Lakhanpal, Whole-time Director, Chief Financial Officer & Company Secretary, is the Compliance Officer. To expedite the process of transfer, Mr Rajat Lakhanpal, 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 2017, no investor complaint was pending with the Registrar and Share Transfer Agent. Table 8 gives data on the shareholder/investor complaints received, and redressed, during the year 2016-17.

**Table 8: Shareholder and Investor Complaints received and redressed during 2016-17**

Total Complaints Received	Total Complaints Redressed	Complaints not solved to the satisfaction of Shareholders	Pending as on March 31, 2017
11	11	Nil	Nil

**d) Committee of Directors – Financial Resources**

As on March 31, 2017, this Committee comprised of three Directors— Mr. Kartik Bharat Ram, Ms. Vasvi Bharat Ram and Mr. Rajat Lakhanpal.

Table 9 provides details of the Committee of Directors-Financial Resources meetings held during the year 2016-17 and attendance of its members.

**Table 9: Attendance Record of Committee of Directors-Financial Resources Meetings during 2016-17**

Name of Members	Category	Date of Committee of Directors- Financial Resources Meeting and Attendance of Members	
		28-Sep-16	1-Mar-17
Mr Kartik Bharat Ram	Non-executive, promoter	Yes	Yes
Ms Vasvi Bharat Ram	Non-executive, promoter	No	Yes
Mr Rajat Lakhanpal	Executive Whole Time Director	Yes	Yes

**Management**
**Management Discussion and Analysis**

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

**Disclosure Requirements**

- During the year 2016-17, the Company had not entered into any materially significant related party transaction, which is considered to have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note No 5 to the Financial Statements. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The said policies are available on the website of the Company at the <http://www.kamaholdings.com/InvCodesPolicies.aspx>. Policy of determining 'material subsidiaries' is available on the website of the Company at the <http://www.kamaholdings.com/InvCodesPolicies.aspx>.
- The equity shares of the Company are listed on BSE Limited and the Company has complied with all the applicable requirements of capital markets and no penalties or strictures have been imposed on the Company by Stock Exchange, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.
- Vigil Mechanism Policy : Section 177 (9) of the Companies Act, 2013 and Regulation 22 of Listing Regulations requires that a Company shall have a vigil mechanism for directors and employees for reporting concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Company is following such a policy and crux of which is disclosed by the Company on its website at the <http://www.kamaholdings.com/InvCodesPolicies.aspx>. No personnel has been denied access to the Audit Committee for raising his/her concern under this policy during financial year 2016-17.
- The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.
- This Corporate Governance Report of the Company for the year 2016-17 is in compliance with the requirements of Listing Regulations, as applicable.

**Non-Mandatory Requirement**

The status of adoption of the non-mandatory requirements as specified in Regulation 27 (1) of the Listing Regulations are as follows:

- The Board:** The Company has a non-executive Chairman. The Company is not maintaining his office or making any

reimbursement of expenses incurred in performance of his duties;

- **Shareholder Rights:** Half-yearly and other quarterly financial statements are published in newspapers, uploaded on Company's website [www.kamaholdings.com](http://www.kamaholdings.com)
- **Modified opinion(s) in audit report:** The Company already has moved to a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements;
- **Separate posts of Chairperson and CEO:** Mr. Kartik Bharat Ram is the Chairman and Mr. Rajat Lakhanpal is the Whole Time Director, Chief Financial Officer & Company Secretary of the Company; and
- **Reporting of Internal Auditor:** The Internal Auditor of the Company has direct access to the Audit Committee.

#### CEO/CFO certification

The Certificate in compliance with Regulation 17(8) of Listing Regulations was placed before the Board of Directors.

#### Reappointment/Appointment of Directors

Mr Kartik Bharat Ram (DIN: 00008557), Director is retiring by rotation and being eligible, offer himself for re-appointment.

Brief resumes of the Director is given in the Notice of the 17<sup>th</sup> 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](http://www.kamaholdings.com). The website also contains other information regarding KAMA available in the public domain.

During 2016-17, 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 Body Meetings

The details of the last three AGMs are given in Table 10.

**Table 10 : Last three AGMs of the Company**

Year	Location	Date	Time	No. of Special Resolutions passed
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
2015	Modi Hall, PHD House 4/2, Siri Institutional Area August Kranti Marg ,New Delhi 110 016	04.09.2015	11.30 A.M	None
2016	Modi Hall, PHD House 4/2, Siri Institutional Area August Kranti Marg ,New Delhi 110 016	28.09.2016	11.30 A.M	None

#### Postal Ballot

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

#### Additional Shareholder Information

##### 17<sup>th</sup> Annual General Meeting

Day & Date Thursday, 28<sup>th</sup> September, 2017

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, 2017-18

First Quarter	Fourth Week of July 2017
Second Quarter	Second week of November 2017
Third Quarter	Second week of February 2018
Fourth Quarter and Annual	Fourth week of May 2018

#### Book Closure Date

The Share Transfer Register of KAMA Holdings will remain closed from Thursday, 21<sup>st</sup> September, 2017, to Thursday, 28<sup>th</sup> September, 2017 (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 Thursday, 21<sup>st</sup> September, 2017.

#### 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. 9.67 crores approx. were paid on 25.10.2016. No final dividend has been recommended on equity shares.

#### Listing on Stock Exchanges in India

The shares of KAMA Holdings Ltd are listed on BSE Ltd. (Stock Code: 532468). The Company has paid the listing fees to BSE for the year 2017-18.

#### Stock Market Data

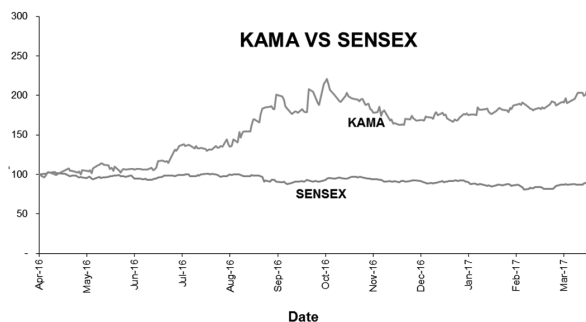
Table 11 gives the monthly high and low quotations as well as the volume of shares traded at BSE during 2016-17.

**Table 11: Monthly Highs and Lows and Volumes Traded at the BSE, 2016-17**

Month	BSE		
	High (Rs.)	Low (Rs.)	Volume (No.)
Apr-16	1,479.75	1,290.00	8,176
May-16	1,587.75	1,340.00	19,942
Jun-16	1,905.00	1,415.00	32,741
Jul-16	1,950.00	1,733.00	33,993
Aug-16	2,840.00	1,815.10	41,846
Sep-16	2,915.00	2,401.00	35,726
Oct-16	3,148.90	2,530.00	30,830
Nov-16	2,685.00	2,222.25	13,151

Dec-16	2,539.95	2,250.05	8,924
Jan-17	2,600.00	2,264.00	11,490
Feb-17	2,679.80	2,401.00	5,480
Mar-17	3,250.00	2,551.10	8,610

**Chart 1: Share prices of KAMA Holdings Ltd. Versus BSE Sensex for the year ended 31 March 2017**



Note: Both Sensex and KAMA Holdings Ltd share prices are indexed to 100 as on 1 April 2016

#### 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/Corporate 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 Lakhnupal, 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 2016 to 31 March 2017 was 1047.

#### 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 & liquidity

As on March 31, 2017 there were 4,046 shareholders holding 63,60,448 shares in electronic form. This constitutes 98.57% of the total paid-up share capital of the Company.

#### Distribution of shareholding as on 31 March 2017\*

Table 12 gives the distribution of shares according to shareholding class, while Table 13 gives the distribution of shareholding by ownership.

**Table 12: Pattern of shareholding by share class as on 31 March, 2017**

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
Upto 500	6030	97.81	317,789	4.92
501 – 1000	65	1.05	45,311	0.70
1001-2000	26	0.42	37,809	0.59
2001-3000	12	0.19	29,140	0.45
3001-4000	6	0.10	21,063	0.33
4001-5000	6	0.10	29,045	0.45
5001-10000	9	0.15	57,015	0.88
10000 and above	11	0.18	5,915,443	91.68
<b>Total</b>	<b>6165</b>	<b>100.00</b>	<b>6,452,615</b>	<b>100.00</b>

\* including holdings by NSDL and CDSL

**Table 13: Pattern of shareholding by ownership as on 31 March, 2017**

Category	Shareholding	
	Number of Shares Held	Shareholding %
Promoters	4,839,446	75.00
Banks, Financial Institutions, Insurance Companies	1,039	0.02
Foreign Institutional Investors	486	0.01
Private Corporate Bodies	423,433	6.56
Indian Public	531,371	8.23
NRIs / OCBs	643,481	9.97
Others (including shares in transit)	13,359	0.21
<b>Total</b>	<b>64,52,615</b>	<b>100.00</b>

**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.

**Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company is a core investment Company whose principal business is investment in shares of group Companies incorporated in India and as such it is not facing any commodity price risk and foreign exchange risk and accordingly has not undertaken any hedging activities.

**Address for Correspondence**

Registered Office	Corporate Office	Registrar & Share Transfer Agent
C-8, Commercial Complex Safdarjung Development Area, New Delhi – 110 016 Tel: (+91-11) 26857141 Fax: (+91-11) 2651 0428	Block C, Sector 45, Gurgaon Haryana – 122 003 Tel No. (+91 -124) 4354400 Fax No : (+91-124) 4354500 e-mail : <a href="mailto:rlakhanpal@kamaholdings.com">rlakhanpal@kamaholdings.com</a>	<b>Karvy Computershare Private Limited</b> Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Tele No : (+91- 40) 67162222 Fax : (+91- 40) 2300 1153 E-mail : <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a>
<b>Registered Office (w.e.f. 8.8.2017)</b>		
The Galleria, DLF Mayur Vihar, Unit No. 236 & 237, Second Floor, Mayur Place, Noida Link Road, Mayur Vihar Phase I Extn, Delhi- 110 091 Tel. No : (+91-11) 49482870 Fax : (+91-11) 49482900		

**Declaration regarding Code of Conduct**

I, Rajat Lakhanpal, 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 31<sup>st</sup> March, 2017.

For and on behalf of the Board of Directors

**Rajat Lakhanpal**  
Whole Time Director,  
Chief Financial Officer  
& Company Secretary

Date: May 30, 2017  
Place: New Delhi



# Financials

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KAMA HOLDINGS LIMITED**

### **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 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order under section 143(11) of the Act.

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

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

ableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- 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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable to the Company.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, it is the primarily responsibility of the Board of Directors to see the Controls and reporting are effective and faithful. During the course of audit, it has been observed that Board of Directors have made adequate arrangement for the same and it is being operated effectively.



(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer Note Para B(1)(1.1) of annexure to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The company has provided requisite disclosures in the financial statements as to holding as well as dealing in specific Bank Notes during the period from 8th November, 2016 and 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of accounts maintained by the company as produced to us by the management (refer Note Para B(10)).

For **Thakur, Vaidyanath Aiyar & Co.**

Chartered Accountants

FRN: 000038N

**(V. Rajaraman)**

Partner

M. No. : 002705

Place: New Delhi

Date:30-05-2017

**TO THE MEMBERS OF KAMA HOLDINGS LIMITED**

**Annexure 'A' referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of Independent Auditors' Report of even date on the Financial Statements for the year ended March 31, 2017**

**i) Fixed Assets**

The company has no fixed assets therefore, this clause is not applicable.

**ii) Inventories**

Since the company does not have inventories during the year under audit hence clause (ii) of the order is 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 crores)

Name of the Party	Outstanding balance as on 01.04.2016	Loan given during the year	Refund received during the year	Outstanding Balance as on 31.03.2017
KAMA Realty (Delhi)Limited	4.30	0.21	4.51	-
SRF Transnational Holding Limited	56.48	39.25	11.51	84.22
Shri Educare Ltd	-	1.25	-	1.25
<b>Total</b>	<b>60.78</b>	<b>40.71</b>	<b>16.02</b>	<b>85.47</b>

- (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- (b) The loan is repayable on demand and the same have been repaid wherever demanded.
- (c) There is no over due amount of principal and interest as at the year end.

**iv) Loans, Investments Guarantees & Securities etc. covered u/s 185 & 186 of the Act**

In our opinion and according to the information and explanations given to us, the Company has complied with the provision of Sections 185 & 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

**v) Deposits**

The company has not accepted any deposits during the year or in earlier years 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 there under, where applicable.

**vi) Cost Records**

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**

According to the books of accounts and records examined by us and the information and explanation given to us, the company has been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of

customs, duty of excise, value added tax, cess and other statutory dues where applicable with the appropriate authorities.

- a. No amount is payable in respect of the statutory dues as mentioned above were outstanding as at March 31, 2017 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 31<sup>st</sup> March, 2017 are given below:-

Nature of Statute	Where dispute is Forum Pending	Nature of dues	Period of Dispute	Amount (Rs In Crores)
Income Tax Laws	High Court	Income Tax	2003-04	0.06
	Supreme Court		2007-08	0.37
	Appellate Tribunal		2003-10	0.10
	Commissioner (Appeals)		2014-15	0.02
<b>Total</b>				<b>0.55</b>

- viii) The Company has not taken loans or borrowing from financial institutions, bank, Government and no dues are outstanding against debenture holders, hence this clause of the order is not applicable.
- ix) The Company has not raised any money by way of initial public offer or further public offer (including debts instruments). The Company has not taken any term loan from financial institutions.
- x) Based upon the audit procedures performed and on the basis of information and explanations provided by the management, we report that no frauds by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi) The Managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- xii) The Company is not a Nidhi Company and hence this clause is not applicable.
- xiii) According to the records of the company and information and explanation provided to us all the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statement as required by the applicable Accounting Standards.
- xiv) The Company has not made any preferential allotment

or private placement of shares or fully or partly convertible debentures during the year under review as such the clause is not applicable to the company.

- xv) As per the records of the company and information and explanation provided to us, the company has not entered into any non-cash transactions with directors or other persons connected with him and hence the clause is not applicable to the company.
- xvi) The Company is not required to get registered as NBFC under Section 45-IA of the Reserve Bank of India Act, 1934.

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

**(V. Rajaraman)**  
Partner  
M. No. : 002705

Place: New Delhi  
Date:30-05-2017

**KAMA HOLDINGS LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2017**

Particulars	Note No.	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	1	19.37	19.37
Reserves and surplus	2	497.40	472.64
		<u>516.77</u>	<u>492.01</u>
<b>Non-current liabilities</b>			
Long-term provisions	3(a)	0.15	0.13
		<u>0.15</u>	<u>0.13</u>
<b>Current liabilities</b>			
Other current liabilities	4	1.29	1.11
Short-term provisions	3(b)	0.00	0.00
		<u>1.29</u>	<u>1.11</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>518.21</b></u>	<u><b>493.25</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Non-current investments	5	431.95	431.95
		<u>431.95</u>	<u>431.95</u>
<b>Current assets</b>			
Cash and bank balances	6	0.32	0.07
Short-term loans and advances	7	85.47	60.78
Other current assets	8	0.47	0.45
		<u>86.26</u>	<u>61.30</u>
<b>TOTAL ASSETS</b>		<u><b>518.21</b></u>	<u><b>493.25</b></u>

**Accounting Policies & General Notes given in Annexure & Note 1 to 8 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 : 30<sup>th</sup> May, 2017

Dhirendra Datta

**Director**  
(DIN: 02376649)

Amitav Virmani

**Director**  
(DIN: 02169955)

**KAMA HOLDINGS LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

Particulars	Note No.	Year ended March 31, 2017 Rs./crores	Year ended March 31, 2016 Rs./crores
<b>Revenue from Operations</b>			
Dividend from subsidiary		36.06	30.05
<b>Other Income</b>			
Gain on sale of Investments		0.03	0.08
Interest received on tax refund		-	0.04
<b>TOTAL REVENUE</b>		<b>36.09</b>	<b>30.17</b>
<b>EXPENSES</b>			
Employee benefits expense	9	0.43	0.40
Other expenses	10	0.18	0.23
<b>TOTAL EXPENSES</b>		<b>0.61</b>	<b>0.63</b>
<b>Profit before tax expense</b>		<b>35.48</b>	29.54
Tax expense			
Current tax		0.01	0.04
		<b>0.01</b>	<b>0.04</b>
<b>Profit after tax</b>		<b>35.47</b>	<b>29.50</b>
<b>Earnings per share</b>			
Basic (Rs.)	11	53.38	44.12
Diluted (Rs.)		53.38	44.12

**Accounting Policies & General Notes given in Annexure & Note 9 to 11 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 : 30<sup>th</sup> May, 2017

Dhirendra Datta

**Director**

(DIN: 02376649)

Amitav Virmani

**Director**

(DIN: 02169955)

**KAMA HOLDINGS LIMITED**
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2017**

	Year Ended March 31, 2017 Rs./crores	Year Ended March 31, 2016 Rs./crores
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax	35.48	29.54
Adjustments for		
Income from Dividend on Shares	(36.06)	(30.05)
(Profit)/Loss on sale of Investments	(0.03)	(0.08)
<b>Operating Profit before working capital changes</b>	<b>(0.61)</b>	<b>(0.59)</b>
Adjustments for		
Trade and Other Receivables	(24.71)	(12.06)
Trade Payables and Provisions	0.20	0.01
<b>Cash Generated from operations before tax</b>	<b>(25.12)</b>	<b>(12.64)</b>
Taxation	(0.01)	(0.04)
<b>Net Cash from operating activities (A)</b>	<b>(25.13)</b>	<b>(12.68)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Investments	(14.32)	(21.57)
Sale of Investments	14.35	14.91
Income from Dividend on Shares	36.06	30.05
<b>Net Cash from Investment Activities (B)</b>	<b>36.09</b>	<b>23.39</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend on preference share paid	(1.03)	(1.03)
Interim dividend on equity shares paid	(9.68)	(9.68)
<b>Net cash used in/ from financing activities ( C )</b>	<b>(10.71)</b>	<b>(10.71)</b>
<b>Net increase in Cash and Cash Equivalents D=(A+B+C)</b>	<b>0.25</b>	<b>-</b>
<b>Cash &amp; Cash equivalents at the beginning of the year ( E )</b>	<b>0.07</b>	<b>0.07</b>
<b>Cash &amp; Cash equivalents at the close of the year F =(D+E)</b>	<b>0.32</b>	<b>0.07</b>

Rajat Lakhnupal  
**Whole Time Director**  
**Chief Financial Officer,**  
**& Company Secretary**  
(DIN:00005664)

Dhirendra Datta  
**Director**  
(DIN: 02376649)

Kartik Bharat Ram  
**Chairman**  
(DIN:00008557)

Amitav Virmani  
**Director**  
(DIN: 02169955)

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

V Rajaraman  
**Partner**  
M.No. 2705

Place : New Delhi  
Date : 30<sup>th</sup> May 2017

	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
<b>1 Share Capital</b>		
<b>a) Details of share capital</b>		
<b>AUTHORISED</b>		
10,000,000 (Previous Year - 10,000,000) Equity shares of Rs. 10 each	10.00	10.00
13,000,000 (Previous Year - 13,000,000) Preference Shares of Rs. 10 each	13.00	13.00
<b>Total Authorised Capital</b>	<b>23.00</b>	<b>23.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
6,452,615 (Previous Year - 6,452,615) Equity Shares of Rs. 10 each fully paid up	6.45	6.45
12,919,412* (Previous Year - 12,919,412) Preference Shares of Rs. 10 each fully paid up	12.92	12.92
<b>Total Issued, Subscribed and Paid up capital</b>	<b>19.37</b>	<b>19.37</b>

\*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 the previous year.

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

Name of the shareholder	As at		As at	
	March 31, 2017		March 31, 2016	
	% age	(No. of shares)	% age	(No. of shares)
<b>Equity</b>				
Arun Bharat Ram } Promoters	37.50%	2,419,726	37.50%	2,419,726
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
<b>Preference</b>				
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 of immediately preceding five years, the Company has: -

- 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	203.45	203.45
General reserve	51.85	51.85
<b>Total</b>	<b>255.30</b>	<b>255.30</b>
Surplus	242.10	217.34
<b>Total Reserves and Surplus</b>	<b>497.40</b>	<b>472.64</b>

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

**Movement in Surplus**

As at the beginning of the year	217.34	198.55
Add: Profit after tax transferred from statement of Profit and Loss annexed	35.47	29.50
Less: Interim Dividends on equity shares	9.68	9.68
Less: Proposed dividend on preference shares	1.03	1.03
<b>Surplus as at the end of the year</b>	<b>242.10</b>	<b>217.34</b>

	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
<b>3 Provisions</b>		
<b>(a) Long-term provisions</b>		
Provision for Gratuity (non-funded)	0.08	0.06
Provision for leave encashment (non-funded)	0.07	0.07
<b>Total Long-term provisions</b>	<u>0.15</u>	<u>0.13</u>
<b>(b) Short-term provisions</b>		
Provision for Gratuity (non-funded)*	0.00	0.00
Provision for leave encashment (non-funded)**	0.00	0.00
<b>Total Short-term provisions</b>	<u>0.00</u>	<u>0.00</u>
<b>Total Provisions</b>	<u>0.15</u>	<u>0.13</u>

\*Provision for Gratuity (non-funded) for the current year Rs. 18863 (pr. Yr Rs. 16849)

\*\*Provision for leave encashment (non-funded) for the current year Rs. 19876 (pr. Yr. 17961)

#### 4 Other current liabilities

Expenses payable	0.03	0.03
Unclaimed fixed deposits	-	0.01
Unclaimed dividends*	0.20	0.04
Proposed dividend on preference shares	1.03	1.03
Statutory dues	0.03	-
<b>Total Other current liabilities</b>	<u>1.29</u>	<u>1.11</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.

#### 5. 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, 2017		As at March 31, 2016	
		Qty. (Nos.)	Amount Rs./crores	Qty. (Nos.)	Amount Rs./crores
<b>NON-CURRENT INVESTMENTS- Others</b>					
<b>Investments in Equity Instruments</b>					
<u>Quoted in subsidiary</u>					
SRF Limited	10	30,049,000	410.95	30,049,000	410.95
Total (A)			<u>410.95</u>		<u>410.95</u>
<b>Aggregate value of quoted investments</b>			<u>410.95</u>		<u>410.95</u>
<i>[Market value of Quoted Equity Investments Rs. 4889.42 cr. (previous year Rs 3931.76 cr. .)]</i>					
<u>Unquoted in wholly owned subsidiaries</u>					
KAMA Realty (Delhi) Limited	10	60,020	0.05	60,020	0.05
SRF Transnational Holdings Ltd	100	3,254,184	11.44	3,254,184	11.44
Shri Educare Limited*	10	9,510,000	9.51	9,510,000	9.51
Total (B)			<u>21.00</u>		<u>21.00</u>
<b>Total of Investments in Subsidiaries (A+B=C)</b>			<u>431.95</u>		<u>431.95</u>
*The diminution in value of investments, if any, is not considered as permanent.					





	Year ended March 31, 2017 Rs./crores	Year ended March 31, 2016 Rs./crores
<b>10. Other expenses</b>		
Payment to Auditors:		
for Audit fee	0.02	0.02
for Interim audit fee	0.02	0.02
Secretarial audit fee	0.01	0.02
Sitting Fees	0.01	0.01
Rates & Taxes	0.02	0.02
Miscellaneous expenses	0.10	0.14
<b>Total Other expenses</b>	<b>0.18</b>	<b>0.23</b>
<b>11. Earnings Per Share</b>		
Profit after tax	35.47	29.50
Less: Dividend to Preference Shareholders	<u>1.03</u>	<u>1.03</u>
	34.44	28.47
Weighted average number of equity shares outstanding	6,452,615	6,452,615
Earnings per share in rupees (face value- Rs. 10 per share)*	53.38	44.12

\*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**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Cost of Acquisition or construction is inclusive of freight, duties, taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, upto the date of commissioning of the assets. There are no fixed assets and hence no depreciation also.

##### **3. DEPRECIATION**

In the previous years depreciation was provided as under:-

- 3.1 Depreciation amount for assets is the cost of an asset, or other amount substitute for cost, less its estimated residual value.
- 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 II to the Companies Act, 2013. 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, 2017 Rs./crores	As at March 31, 2016 Rs./crores
Income Tax	0.55	1.11
Under Business Transfer Agreement with SRF Limited for Excise Duty/ Sales Tax	21.02	21.02

There 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, 2017 on account of disputes.

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 crores)
Income Tax Laws	Income Tax	Commissioner of Income Tax(Appeals)	2014-15	0.02

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

The following matters, which have been excluded from the above, 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 crores)
Income Tax Laws	Income Tax	Supreme Court	2007-2008	0.37
		High Court	2003-2004	0.06
		Income Tax Appellate Tribunal (ITAT)	2003-2010	0.10

1.2 Guarantees provided on behalf of wholly-owned subsidiary KAMA Realty (Delhi) Limited for repayment of loans and interest thereon amount to Rs 19.25 crores (Previous Year Rs 28.59 crores) which is a related party.

**2. Remuneration for key Management Personnel / Whole Time Director**

	Year ended March 31, 2017 Rs./crores	Year ended March 31, 2016 Rs./crores
Salary including allowances	0.40	0.37
Contribution to provident and superannuation funds	0.03	0.03
<b>Total</b>	<b>0.43</b>	<b>0.40</b>

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, 2017 Rs./crores	As at March 31, 2016 Rs./crores
Amount at the beginning of the year	0.12	0.09
Add: additional provision made during the year	0.03	0.03
<b>Amount at the end of the year</b>	<b>0.15</b>	<b>0.12</b>

#### 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 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Discount rate (per annum)	7.35%	8.00%	7.35%	8.00%
Future salary increase	7.50%	7.50%	7.50%	7.50%
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	10.00	10.00	10.00
- up to 44 years	5.00	5.00	5.00	5.00
- above 44 years	2.00	2.00	2.00	2.00

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

(Rs./ Crores)

	Gratuity (Non- funded)		Earned leaves (Non - funded)	
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Present value of obligation as at the beginning of the year	0.066	0.047	0.062	0.048
Current service cost	0.005	0.004	0.004	0.004
Interest cost	0.005	0.004	0.005	0.004
Benefits paid	-	-	-	-
Actuarial loss/(gain)	0.008	0.011	(0.002)	0.007
Present value of obligation as at the end of the year	0.084	0.066	0.069	0.063
Bifurcation of present value of obligation				
Current	0.002	0.002	0.002	0.002
Non-current	0.082	0.064	0.067	0.061

#### Net Assets/(Liabilities) recognized in the Balance Sheet

(Rs./ Crores)

	Gratuity (Non- funded)		Earned leaves (Non - funded)	
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Present value of obligation as at the end of the period	0.084	0.066	0.069	0.063
Fair value of plan assets as at the end of the period	-	-	-	-
Funded status / Difference	(0.084)	(0.066)	(0.069)	(0.063)
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gains) / losses	-	-	-	-
Net asset / (liability) recognized in balance sheet	(0.084)	(0.066)	(0.069)	(0.063)

Expenses recognized in the profit and loss account

(Rs./ Crores)

	Gratuity (Non- funded)		Earned leaves (Non - funded)	
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Current service cost	0.005	0.004	0.004	0.004
Interest cost	0.005	0.004	0.005	0.004
Expected return on planned assets	-	-	-	-
Actuarial loss/(gain)	0.008	0.011	(0.003)	0.007
Total expense	0.018	0.019	0.006	0.015

Reconciliation statement of expense in the statement of profit and loss

(Rs./ Crores)

	Gratuity (Non- funded)		Earned leaves (Non - funded)	
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Present value of obligation as at the end of period	0.084	0.066	0.069	0.062
Present value of obligation as at the beginning of the period	0.066	0.047	0.063	0.047
Benefits paid	-	-	-	-
Actual return on plan assets	-	-	-	-
Acquisition adjustment	-	-	-	-
Expenses recognized in the statement of profit & losses	0.018	0.019	0.006	0.015

Movement in the liability recognized in the balance sheet

(Rs./ Crores)

	Gratuity (Non- funded)		Earned leaves (Non - funded)	
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Opening net liability	0.066	0.047	0.063	0.047
Expenses as above	0.018	0.019	0.006	0.015
Benefit paid	-	-	-	-
Actual return on plan assets	-	-	-	-
Acquisition adjustment	-	-	-	-
Closing net liability	0.084	0.066	0.069	0.062

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:

(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	(i) KAMA Realty (Delhi) Limited (ii) Shri Educare Limited (iii) SRF Limited (iv) 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	(v) Arun Bharat Ram (vi) Ashish Bharat Ram (vii) Kartik Bharat Ram (viii) Vasvi 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./crores notes with related parties referred to above									Total
	a				b				c	
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	
Loan/ICD given:										
Current year	0.21	1.25	-	39.25	-	-		-	-	40.71
Previous year	6.00	-	-	21.74	-	-		-	-	27.74
Loan/ICD refund received:										
Current year	4.51	-	-	11.51	-	-		-	-	16.02
Previous year	7.83	-	-	6.61	-	-		-	-	14.44
Purchase of Investment during year from:*										
Current year	-	-	-	-	-	-		-	-	-
Previous year	-	-	6.82	-	-	-		-	-	6.82
Dividend received:										
Current year	-	-	36.06	-	-	-		-	-	36.06
Previous year	-	-	30.05	-	-	-		-	-	30.05
Remuneration:										
Current year	-	-	-	-	-	-		-	0.43	0.43
Previous year	-	-	-	-	-	-		-	0.40	0.40
Directors Sitting Fee:										
Current year	-	-	-	-	-	-	0.0025	0.0033	-	0.0058
Previous year	-	-	-	-	-	-	0.0030	0.0033	-	0.0063
Year end receivables:										
Current year	-	1.25	-	84.22	-	-	-	-	-	85.47
Previous year	4.30	-	-	56.48	-	-	-	-	-	60.78

\*Includes investment of Rs. Nil (pr. Yr. Rs.6.82 crores) in equity shares of SRF Limited acquired from open market.

6. Detail of Loans, Investments as Securities 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 5 to Balance sheet	Long term investments in subsidiaries.
Loans and advances	Refer note 7 to Balance sheet	Funding of the principal business activities of the subsidiaries.

7. Tax on distributed profits: The interim dividend to equity shareholders (Rs.9.68 crores) as well as proposed dividend to preference shareholders (Rs.1.03 crores) is paid out of dividend received from the subsidiary (Rs.36.06 crores). 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 the said directions.
9. The company has only one segment i.e. Core Investments.
10. In terms of notification dated 30<sup>th</sup> March 2017 issued by Ministry of Corporate Affairs, The company is require to disclose the details of \*Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. The said information is provided in the table below:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	500*30	34	15034
(+) Permitted receipts	-	16000	16000
(-) Permitted payments	-	15044	15044
(-) Amount deposited in Banks	500*30	-	15000
Closing cash in hand as on 30.12.2016	-	990	990

\*Specified Bank Notes are Rs. 500/- and Rs. 1000/- notes which were demonetized vide notification no. dated 08<sup>th</sup> Nov 2016.

11. 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 Lakhnupal

**Whole Time Director**

**Chief Financial Officer,**

**& Company Secretary**

(DIN:00005664)

Kartik Bharat Ram

**Chairman**

(DIN:00008557)

Place : New Delhi

Date : 30<sup>th</sup> May, 2017

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, 2017, the Consolidated Statement of Profit and Loss, 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. 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 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:

- in the case of the Consolidated Balance Sheet of the state of affairs of the Group, as at 31st March, 2017;
- in the case of the Consolidated Statement of Profit and Loss of the profit for the year ended on that date; and
- 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) to the accompanying consolidated financial statement, which sets out the position of the demand for Central Sales Tax (CST), VAT and Entry Tax aggregating to Rs. 123.11 crores, including interest and penalty of Rs 34.38 crores for the period from 2004 to 2013. The Company had filed writ petitions against such demand, on which, Hon'ble High Court of Madhya Pradesh ("Court") has granted stay. The Management is of the view which is also confirmed by legal opinion that Company has good case on merits and is confident of getting relief from the court and, accordingly, no provision has been created.

Our opinion is not modified in respect of this matter.

#### Other Matters

- We did not audit the financial statements / financial information of Subsidiaries viz. SRF Limited, SRF Holiday Home Limited, SRF Global BV, Shri Educare Maldives Pvt. Ltd., SRF Overseas Limited, SRF Industries (Thailand) Limited, SRF Industex Belting (Pty) Limited, SRF Flexipak (South Africa) (Pty) Limited, Kama Real Estate Holdings LLP And Kama Realty (Delhi) Limited whose financial statements/ financial information reflect total assets Rs 7,130.40 crores at 31<sup>st</sup> March 2017, total revenues of Rs 4,887.36 crores and net cash flows amounting to Rs 252.71 crores for the year 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 and our opinion on the consolidated financial Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of other auditors. The consolidated financial statement of the SRF Limited prepared in terms of Ind AS has been converted in to AS by an auditor other than their Statutory Auditor of SRF Ltd.

- (b) SRF Limited had opted to apply the provisions under paragraph 46A of Accounting Standard (AS) - 11 "The Effects of Changes in Foreign Exchange Rates" with effect from April 1, 2013. Accordingly, exchange difference of Rs. 46.87 Crores (Previous Year – Rs. 137.46 Crores), 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 balance useful life of assets. The unamortised portion carried forward as at March 31, 2017 is Rs.213.02 Crores (Previous Year – Rs. 276.90 Crores). As a result of such change, the net profit after tax for the year is higher by Rs.50.06 Crores (Previous Year – Rs. 90.50 Crores).

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 certified by the Management.

#### Report on Other Legal and Regulatory Requirements

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, 2017 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, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's and its subsidiary companies' incorporated in India internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 B of Annexure para 2.1&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 B of Annexure para 5.14 to the consolidated financial statements.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
  - iv. The Holding Company has provided as stated in Note B of Annexure para 17 requisite disclosures wherever applicable, in the financial statements as to holding as well as dealing in specific Bank Notes during the period from 8th November, 2016 and 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of accounts maintained by the company as produced to us by the management.

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

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

Place: New Delhi  
Date: 30.05.2017

#### Annexure 'A' to the Independent Auditor's Report

*(Referred to in paragraph 1(f) under "Report on other Legal & Regulatory Requirements" of our report of even date)*

#### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, We have audited the internal financial controls over financial reporting of **KAMA HOLDING LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary

companies, which is company incorporated in India, as of that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary companies incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

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

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

Place: New Delhi  
Date: 30.05.2017

**KAMA HOLDINGS LIMITED (CONSOLIDATED)  
BALANCE SHEET AS AT MARCH 31, 2017**

Particulars	Note No.	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	1	19.37	19.37
Reserves and surplus	2	1,845.80	1,593.47
		<u>1,865.17</u>	<u>1,612.84</u>
<b>Minority interest</b>	3	1,308.07	1,161.13
<b>Non-current liabilities</b>			
Long-term borrowings	4	1,427.74	1,931.15
Long-term liabilities	5	26.04	39.81
Deferred tax liabilities (net)	6	481.38	397.46
Long-term provisions	7	33.94	19.10
		<u>1,969.10</u>	<u>2,387.52</u>
<b>Current liabilities</b>			
Short-term borrowings	4	549.35	194.61
Trade payables	8	808.90	714.56
Other current liabilities	9	647.25	521.67
Short-term provisions	10	3.32	8.55
		<u>2,008.82</u>	<u>1,439.39</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>7,151.16</u>	<u>6,600.88</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	11		
Tangible assets		4,341.34	4,054.86
Intangible assets		82.27	96.01
Capital work-in-progress		270.27	128.43
Non-current investments	12A	120.65	80.78
Long-term loans and advances	13	256.55	208.21
Other non-current assets	14	6.99	10.51
		<u>5,078.07</u>	<u>4,578.80</u>
<b>Current assets</b>			
Current investments	12B	169.60	157.57
Inventories	15	838.33	705.08
Trade receivables	16	658.07	515.44
Cash and cash equivalents	17	97.85	391.37
Short-term loans and advances	18	305.26	247.04
Other current assets	19	3.98	5.58
		<u>2,073.09</u>	<u>2,022.08</u>
<b>TOTAL ASSETS</b>		<u>7,151.16</u>	<u>6,600.88</u>

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 : 30<sup>th</sup> May, 2017

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, 2017

Particulars	Note No.	Year ended March 31, 2017 Rs./crores	Year ended March 31, 2016 Rs./crores
<b>REVENUE FROM OPERATIONS</b>			
Sale of products (gross)		5,065.49	4,836.37
Less: Excise Duty		314.79	305.55
Sale of products (net)		4,750.70	4,530.82
Other operating revenues	20	113.68	99.65
		<b>4,864.38</b>	<b>4,630.47</b>
<b>Other Income</b>	21	<b>35.79</b>	<b>33.55</b>
<b>TOTAL REVENUE</b>		<b>4,900.17</b>	<b>4,664.02</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	2,389.18	2,278.48
Purchase of traded goods	23	51.07	35.04
(Increase)/Decrease in inventories of finished goods, stock-in-process and traded goods	24	(21.94)	17.07
Employee benefits	25	450.19	403.18
Finance costs	26	102.69	131.14
Depreciation and amortisation	27	297.15	290.70
Other expenses	28	991.03	921.69
<b>TOTAL EXPENSES</b>		<b>4,259.37</b>	<b>4,077.30</b>
<b>Profit before tax</b>		<b>640.80</b>	<b>586.72</b>
Tax expense			
Current tax		114.16	109.73
MAT credit		(51.74)	(19.13)
MAT credit related to previous year		-	-
Current tax relating to prior years		(0.55)	0.80
Deferred tax charge		77.94	60.71
		<b>139.81</b>	<b>152.11</b>
<b>Profit after tax</b>		<b>500.99</b>	<b>434.61</b>
<b>Earnings per share</b>	29		
Basic (Rs.)		774.81	671.94
Diluted (Rs.)		774.81	671.94

**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 : 30<sup>th</sup> May, 2017

Dhirendra Datta

**Director**

(DIN: 02376649)

Amitav Virmani

**Director**

(DIN: 02169955)

## KAMA HOLDINGS LIMITED (CONSOLIDATED) CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2017

	Year Ended March 31, 2017 Rs./crores	Year Ended March 31, 2016 Rs./crores
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax	640.80	586.72
Adjustments for		
Interest & Finance Charges	102.69	132.20
Depreciation and amortisation	297.15	290.70
Exchange currency fluctuation (net)	7.60	(2.91)
Provision for doubtful debts	0.16	9.45
Provision for long term investments no longer required	4.22	-
MAT Adjusted	(0.31)	(0.14)
Income from dividend	(0.06)	(0.22)
Interest Income	(4.97)	(5.48)
Asset written off/discarded	2.15	0.18
(Profit)/Loss on sale of fixed assets	2.09	(4.97)
(Profit)/Loss on sale of investment in subsidiaries	-	0.24
(Profit)/Loss on sale of investments	(5.15)	(12.13)
<b>Operating Profit before working capital changes</b>	<b>1,046.37</b>	<b>993.64</b>
Adjustments for		
Trade and other receivables, inventories and other assets	(488.51)	25.20
Trade payables and provisions and other current liabilities	195.36	185.16
<b>Cash Generated from operations before tax</b>	<b>753.22</b>	<b>1,204.00</b>
Taxation	(118.05)	(112.84)
<b>Net Cash from operating activities (A)</b>	<b>635.17</b>	<b>1,091.16</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Investments	(219.81)	(612.67)
Sale of Investments	-	542.45
Purchase of Fixed Assets	30.78	(8.50)
Proceeds from sale of fixed assets	(469.80)	8.95
Capital expenditure on fixed assets including capital advances	(674.21)	(588.02)
Investment on work in progress	(0.29)	(3.07)
Sale of work in progress	10.64	5.36
Proceeds from sale of subsidiaries	627.55	-
Grant received from Govt. of Republic of South Africa	3.64	6.06
Interest Income	5.43	5.48
Income from dividend on shares	0.06	0.07
<b>Net Cash used in/from Investment Activities (B)</b>	<b>(686.01)</b>	<b>(643.89)</b>

	Year Ended March 31, 2017 Rs./crores	Year Ended March 31, 2016 Rs./crores
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) of long term borrowings (net)	(459.09)	685.59
Proceeds/(Repayment) of short term borrowings (net)	386.68	(664.27)
Dividend paid on equity shares	(42.52)	(27.41)
Dividend paid on preference shares	(1.03)	(1.03)
Corporate dividend tax paid	(14.03)	(21.37)
Finance cost	(112.69)	(136.68)
<b>Net cash used in/ from financing activities ( C )</b>	<b>(242.68)</b>	<b>(165.16)</b>
<b>Net increase in Cash and Cash Equivalents D=(A+B+C)</b>	<b>(293.52)</b>	282.11
<b>Cash &amp; Cash equivalents at the beginning of the year (E)</b>	<b>391.37</b>	109.26
<b>Cash &amp; Cash equivalents at the close of the year (D+E)</b>	<b>97.85</b>	391.37

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 : 30<sup>th</sup> May, 2017

Dhirendra Datta  
**Director**  
(DIN: 02376649)

Amitav Virmani  
**Director**  
(DIN: 02169955)

	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
<b>1 Share Capital</b>		
<b>a) Details of share capital</b>		
<b>AUTHORISED</b>		
10,000,000 (Previous Year - 10,000,000) Equity shares of Rs. 10 each	10.00	10.00
13,000,000 (Previous Year - 13,000,000) Preference Shares of Rs. 10 each	13.00	13.00
<b>Total Authorised Capital</b>	<b>23.00</b>	<b>23.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
6,452,615 (Previous Year - 6,452,615) Equity Shares of Rs. 10 each fully paid up	6.45	6.45
12,919,412* (Previous Year - 12,919,412) Preference Shares of Rs. 10 each fully paid up	12.92	12.92
<b>Total Issued, Subscribed and Paid up capital</b>	<b>19.37</b>	<b>19.37</b>

\*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 the previous year.

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

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	% age	(No. of shares)	% age	(No. of shares)
<b>Equity</b>				
Arun Bharat Ram } Promoters	37.50%	2,419,726	37.50%	2,419,726
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
<b>Preference</b>				
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 of immediately preceding five years, the Company has: -

- 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.

	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
<b>2. RESERVES AND SURPLUS</b>		
<b>Reserves</b>		
Capital reserve	752.49	752.49
Capital redemption reserve*	0.00	0.00
General reserve	51.85	51.85
Foreign currency translation reserve	0.11	(0.11)
<b>Total</b>	<b>804.45</b>	<b>804.23</b>
Surplus	1,041.35	789.24
<b>Total Reserves and Surplus</b>	<b>1,845.80</b>	<b>1,593.47</b>
* Value Rs. 1800/- (pr. yr Rs. 1800/-)		
<b>Movement in surplus</b>		
As at the beginning of the year	789.24	535.72
Add: Grant received by SRF from Govt of SA	4.12	4.52
Add: Adjustments made by SRF in its reserves during the period	(48.47)	14.76
Add: Profit after tax transferred from statement of Profit and Loss annexed	500.99	434.61
Less: Interim dividend on equity shares	(9.68)	(9.68)
Less: Proposed dividend on preference shares	(1.03)	(1.03)
Less: Dividend distribution tax	(14.03)	(11.69)
Less: Transfer to minority interest	(179.79)	(177.97)
<b>As at the end of the year</b>	<b>1,041.35</b>	<b>789.24</b>
<b>Movement in capital reserve</b>		
As at the beginning of the year	752.49	757.19
Less: withdrawal on further acquisition of SRF Shares	-	(4.70)
<b>As at the end of the year</b>	<b>752.49</b>	<b>752.49</b>
<b>Movement in foreign currency translation reserve</b>		
As at the beginning of the year	(0.11)	0.10
Addition/(deletion) during the year	0.22	(0.21)
<b>As at the end of the year</b>	<b>0.11</b>	<b>(0.11)</b>
<b>3. MINORITY INTEREST</b>		
As at the beginning of the year	1,161.13	1,012.66
Add: Profit for the year	179.79	177.97
Less: Dividend paid to minority during the year	(32.85)	(27.38)
Less: Withdrawal for acquisition during the year	-	(2.12)
	<b>1,308.07</b>	<b>1,161.13</b>



	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
<b>4. BORROWINGS</b>		
<b>LONG TERM BORROWINGS</b>		
<b>Secured</b>		
2000 (Previous year- Nil), 9.80%, listed, Secured Redeemable Non-convertible debentures of Rs. 10. lakhs each	200.00	200.00
Term loans		
from banks	1,107.02	1,315.13
from others	546.22	675.97
	<u>1,853.24</u>	<u>2,191.10</u>
Less: Current maturities of long term borrowings		
Term loans from banks	(225.50)	(186.90)
Term loans from Others	(200.00)	(73.05)
<b>Net secured long term borrowings (a)</b>	<u>1,427.74</u>	<u>1,931.15</u>
<b>Unsecured</b>		
Term loans from banks	-	132.28
	-	132.28
Less: Current maturities of long term borrowings	-	132.28
<b>Net unsecured long term borrowings (a)</b>	<u>-</u>	<u>-</u>
<b>Net long term borrowings (c = a+b)</b>	<u>1,427.74</u>	<u>1,931.15</u>
<b>SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
Term loans		
from banks	231.11	104.56
Cash credit from banks	22.14	23.91
	<u>253.25</u>	<u>128.47</u>
<b>Unsecured</b>		
Term loans		
from banks	296.10	66.14
from others	-	-
	<u>296.10</u>	<u>66.14</u>
<b>Total short term borrowings (d)</b>	<u>549.35</u>	<u>194.61</u>
<b>Total borrowings (e = c+d)</b>	<u>1,977.09</u>	<u>2,125.76</u>
<b>5. LONG TERM LIABILITIES</b>		
For purchase of capital assets	0.12	0.13
Payables for fixed assets	25.92	39.68
<b>Total long term liabilities</b>	<u>26.04</u>	<u>39.81</u>
<b>6. DEFERRED TAX LIABILITIES (NET)</b>		
Difference between book and tax depreciation	498.50	454.04
Research and development expenditure and others	50.51	23.78
	549.01	477.82
<b>Less: Deferred Tax Assets</b>		
Provision for bad and doubtful debts	0.54	0.76
On account of WDV	(0.66)	-
Accrued expenses deductible on payment	34.39	35.30
Brought forward business losses*	33.36	44.30
	<u>67.63</u>	<u>80.36</u>
<b>Total deferred tax liabilities</b>	<u>481.38</u>	<u>397.46</u>

\*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.

	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
<b>7. LONG TERM PROVISIONS</b>		
Employee benefits	33.94	19.10
<b>Total long term provisions</b>	<b>33.94</b>	<b>19.10</b>
<b>8. TRADE PAYABLES</b>		
Acceptances	455.63	302.12
Trade payables		
Outstanding dues to Micro and Small enterprises	7.45	7.50
Outstanding dues to parties other than Micro and Small enterprises	345.82	404.94
<b>Total trade payables</b>	<b>808.90</b>	<b>714.56</b>
<b>9. OTHER CURRENT LIABILITIES</b>		
Current maturities of long term borrowings	421.73	388.88
Interest accrued but not due on borrowings	9.01	6.33
Unclaimed dividend*	6.52	6.24
Unclaimed fixed deposits (including interest)*	0.01	0.01
Proposed dividend on preference shares	1.03	1.03
Security deposits from:		
Students	-	-
Others	7.20	6.01
Income received in advance from:		
Students	0.59	0.41
Others	0.21	0.33
Advances received from customers	28.96	11.35
Acceptances for fixed assets	-	1.57
Payables for fixed assets		
Outstanding dues to Micro and Small enterprises	14.74	1.11
Outstanding dues to parties other than Micro and Small enterprises	69.75	28.54
Gratuity	6.24	11.68
Statutory remittances	0.58	34.54
Statutory dues and other taxes payable	68.12	18.36
Other payables	12.56	5.28
	<b>647.25</b>	<b>521.67</b>
<p><i>*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.</i></p>		
<b>10. SHORT TERM PROVISIONS</b>		
Employee benefits	6.25	6.05
Provision for bad and doubtful debts	-	0.51
Provision for tax (net of payments)	(2.93)	1.99
	<b>3.32</b>	<b>8.55</b>

**11. FIXED ASSETS**

(Amount in Rs./crores)

Particulars	Gross Block					Depreciation/ amortization					Net Block	
	As at April 1, 2016	Additions (refer note 10 below)	Translation/ adjustment/ net revaluation	Dispos- als/ De- ductions/ Transfers	As at March 31, 2017	Upto March 31, 2016	For the year	Trans- lation/ adjust- ment	Dispos- als/ De- ductions/ Trans- fers	Upto March 31, 2017	As at March 31, 2017	As at March 31, 2016
<b>Tangible assets</b>												
Land												
Freehold	109.46	0.39	1.01	-	<b>110.86</b>	-	-	-	-	-	<b>110.86</b>	109.46
Leasehold	111.18	-	0.02	-	<b>111.20</b>	6.66	0.26	0.01	-	<b>6.93</b>	<b>104.27</b>	104.52
Roads	57.95	2.92	0.52	-	<b>61.39</b>	4.22	1.99	0.02	-	<b>6.23</b>	<b>55.16</b>	53.73
Buildings	931.67	69.10	7.37	(1.02)	<b>1,007.12</b>	241.33	22.05	0.43	-	<b>263.81</b>	<b>743.31</b>	690.34
Books	0.01	-	-	-	<b>0.01</b>	0.01			-	<b>0.01</b>	-	-
Plant and machinery	5,672.45	462.04	25.54	(58.52)	<b>6,101.51</b>	2,629.88	238.46	(32.84)	-	<b>2,835.50</b>	<b>3,266.01</b>	3,042.57
Furniture and fixtures	36.66	4.52	0.15	(0.13)	<b>41.20</b>	18.27	2.36	(0.10)	-	<b>20.53</b>	<b>20.67</b>	18.39
Office equipments	56.44	10.86	0.25	(2.12)	<b>65.43</b>	36.55	7.29	(1.77)	-	<b>42.07</b>	<b>23.36</b>	19.88
Data processing	0.86	0.26	-	-	<b>1.12</b>	0.60	0.18	-	-	<b>0.78</b>	<b>0.34</b>	0.26
Vehicles	32.76	9.09	0.01	(5.32)	<b>36.54</b>	17.06	6.09	(3.97)	-	<b>19.18</b>	<b>17.36</b>	15.70
<b>Sub-total</b>	<b>7,009.44</b>	<b>559.18</b>	<b>34.87</b>	<b>(67.11)</b>	<b>7,536.38</b>	<b>2,954.58</b>	<b>278.68</b>	<b>(38.22)</b>	-	<b>3,195.04</b>	<b>4,341.34</b>	<b>4,054.86</b>
Previous year	6,574.69	531.39	(71.82)	(24.82)	<b>7,009.44</b>	2,725.84	271.73	(22.32)	(20.67)	<b>2,954.58</b>	<b>4,054.86</b>	<b>3,848.86</b>
<b>Intangible assets</b>												
Goodwill	3.69	-	-	-	<b>3.69</b>	2.65	0.37	-	-	<b>3.02</b>	<b>0.67</b>	1.04
Trade marks & copyrights	84.30	(0.51)	-	-	<b>83.79</b>	12.05	3.70	-	-	<b>15.75</b>	<b>68.04</b>	72.25
Technical knowhow	9.14	-	-	-	<b>9.14</b>	7.24	1.07	-	-	<b>8.31</b>	<b>0.83</b>	1.90
Software	36.20	5.39	-	-	<b>41.59</b>	27.31	6.04	-	-	<b>33.35</b>	<b>8.24</b>	8.90
Others	20.58	(0.14)	-	-	<b>20.44</b>	8.66	7.29	-	-	<b>15.95</b>	<b>4.49</b>	11.92
<b>Sub-total</b>	<b>153.92</b>	<b>4.74</b>	-	-	<b>158.66</b>	<b>57.91</b>	<b>18.47</b>	-	-	<b>76.38</b>	<b>82.27</b>	<b>96.01</b>
Previous year	142.35	11.40	-	(0.17)	<b>153.92</b>	38.77	18.97	-	(0.17)	<b>57.91</b>	<b>96.01</b>	<b>103.58</b>
<b>Grand total</b>	<b>7,163.36</b>	<b>563.92</b>	<b>34.87</b>	<b>(67.11)</b>	<b>7,695.04</b>	<b>3,012.49</b>	<b>297.15</b>	<b>(38.22)</b>	-	<b>3,271.42</b>	<b>4,423.61</b>	<b>4,150.87</b>
Previous year (Net Total)	6,717.04	542.79	(71.82)	(24.99)	7,163.36	2,764.61	290.70	(22.32)	(20.84)	3,012.49	4,150.87	3,952.44
										<b>Capital Work in Progress</b>	<b>270.27</b>	<b>128.43</b>

- (i) The amount of borrowing cost capitalised to capital work in progress during the year Rs. 11.85 crores (Previous Year - Rs. 2.01 crores) by SRF Limited.
- (ii) The deed of assignment in respect of free hold land at Manali, Chennai has been executed in respect of 135.02 acres (Previous Year - 135.02 acres). In addition to aforesaid extent, 1.47 acres were handed over to SRF Limited under a land delivery receipt. During the year, SRF Limited has sold 1.03 acres of land. Thus, the SRF Limited is in possession of 135.46 acres of industrial land at Manali, Chennai.
- (iii) 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 (refer note no. 2.1).
- (iv) Out of the Industrial Free hold land measuring 32.41 acres at the SRF Limited's plant in Gummidipoondi, the SRF Limited does not have clear title to 2.43 acres.
- (v) The execution of lease deed of land in respect of 911336 sq. mtrs. (Previous Year 911336 sq. mtrs.) of leasehold land allotted to the SRF Limited by Gujarat Industrial Development Corporation at Dahej, Gujarat is pending.
- (vi) Capital work in progress includes pre-operative expenses Rs. 6.35 crores (Previous Year - Rs. 4.21 crores) by SRF Limited.
- (vii) SRF Limited had opted to apply the provisions under paragraph 46A of Accounting Standard (AS) - 11 "The Effects of Changes in Foreign Exchange Rates" with effect from April 1, 2013. Accordingly, exchange difference of Rs. (46.87) Crores (Previous Year - Rs. 137.46 Crores), 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 balance useful life of assets. The unamortised portion carried forward as at March 31, 2016 is Rs. 213.02 Crores (Previous Year - Rs. 276.90 Crores). As a result of such change, the net profit after tax for the year is higher by Rs. 50.06 Crores (Previous Year - Rs. 90.50 Crores).
- (ix) Leasehold land amounting to Rs. 1.65 crores taken by Shri Educare Limited is valid for the period 95 year commencing from 19th October 2011.
- (x) Trademarks and Copyright of Shri Educare Limited amounting to Rs. 0.90 crores (previous year Rs. 0.88 crores) is under the process of registration.

Scrip	Par Value (Rs.)	As at March 31, 2017		As at March 31, 2016	
		Qty. (Nos.)	Amount (Rs./crores)	Qty. (Nos.)	Amount (Rs./crores)
<b>12 (A) Non-Current Investments</b>					
<b>NON-CURRENT INVESTMENTS- Others</b>					
<b>Investments in Equity Instruments</b>					
<u>Quoted - Direct Equity</u>					
Mawana Sugars Ltd.	10	2,901	-	2,901	-
DCM Shriram Ltd.*	2	280	-	280	-
Axis Bank Ltd	2	-	-	1,000	0.04
Britannia Industries	2	-	-	500	0.05
Cipla Ltd	2	-	-	935	0.05
Gail (I) Ltd	10	-	-	1,000	0.05
Hero Motocorp Ltd	2	-	-	9,300	2.37
Hindustan Zinc Ltd	2	-	-	2,400	0.04
ICICI Bank Ltd	2	-	-	1,500	0.07
IDFC Ltd	10	-	-	4,385	0.04
Infosys Ltd	5	-	-	600	0.05
IDFC Bank Ltd	10	-	-	4,385	0.02
ITC Ltd	1	-	-	1,500	0.05
ITI Ltd	10	-	-	60,000	0.20
Karur vysya Bank Ltd	10	-	-	1,350	0.06
Larsen & Turbo Ltd	2	-	-	355	0.06
Goldman Sachs Nifty Exchange Traded Scheme	10	-	-	3,500	0.27
State Bank of India	1	-	-	2,000	0.05
Tata Communication Ltd	10	-	-	800	0.03
Tata Consultancy Ltd	1	-	-	200	0.05
Tata Motors Ltd	2	-	-	1,834	0.07
		<b>Total (A)</b>	<b>-</b>		<b>3.62</b>

\*These investments have no cost value as these represents split shares issued by the companies concerned. These were sold by the company in physical form and the buyer had not got the shares transferred in his name.

Quoted - Portfolio Management Services (PMS)

ASK PMS		<b>3.87</b>		1.97
ASK PMS-Eagle		<b>1.98</b>		-
Quest PMS		<b>2.11</b>		1.09
Motilal Oswal PMS		-		1.93
Reliance PMS		<b>2.47</b>		3.05
Reliance PMS-Alpha Pro-I		<b>0.17</b>		0.20
Reliance PMS-Alpha Pro-II		<b>0.09</b>		0.10
Reliance PMS-EBOP		<b>2.99</b>		-
Reliance PMS [NCD]		<b>1.20</b>		1.20
Unifi PMS		<b>3.48</b>		-
Kotak PMS		<b>1.24</b>		-
	As per Schedule 7(c)	<b>Total (B)</b>	<b>19.60</b>	<b>9.53</b>

Scrip	Par Value (Rs.)	As at March 31, 2017		As at March 31, 2016	
		Qty. (Nos.)	Amount (Rs./crores)	Qty. (Nos.)	Amount (Rs./crores)
<b>Investments in Equity Instruments</b>					
<u>Unquoted</u>					
SB Packaging Ltd.		-	-	23,800	<b>0.50</b>
Less: Provision for diminution in value					(0.50)
			-		-
Malanpur Captive Power Limited	10	4,221,535	4.22	4,221,535	4.22
Less : Provision for diminution in value			<b>(4.22)</b>		-
			-		-
OPGS Power Gujrat Pvt Limited	0.19	567,000	0.01		-
Vaayu Renewable Energy (Tapti) Private Limited	10	50,000	0.05	50,000	0.05
Suryadev Alloys & Power Private Limited	10	4,000	0.06	4,000	0.06
Sanghi Spinners India Limited	10	670,000	0.12	670,000	0.12
Less : Provision for diminution in value			(0.12)		(0.12)
			-		-
		<b>Total (C)</b>	<b>0.12</b>		<b>4.33</b>
<b>Investments in Convertible Preference Shares</b>					
<u>Unquoted</u>					
SARG Media Holdings Private Limited	1,000	50,000	5.00		-
		<b>Total (D)</b>	<b>5.00</b>		-
<b>Investments in Bonds, Debentures and Commercial Paper</b>					
<u>Quoted</u>					
HUDCO Tax Free Bonds 8.20%, 2027	1,000	42,500	4.48	42,500	4.48
NTPC Tax Free Bonds 8.66%, 2033	1,000	6,333	0.62	6,333	0.62
REC Tax Free Bonds 8.12%, 2027	1,000	25,000	2.49	25,000	2.49
IDBI Bank Limited	1,000,000	20	2.00	-	-
Reliance Capital Limited	100,000	2,500	25.00	-	-
		<b>Total (E)</b>	<b>34.59</b>		<b>7.59</b>
<u>Unquoted</u>					
Alliance Infrastructure Projects Pvt Ltd	18,166	-	-	1,564	2.87
Nirmal Lifestyle Ltd	99,500	-	-	10	1.00
Ansal Hi-Tech Township Ltd	100,000	1,000	10.00	1,000	10.00
Kumar Urban Development Pvt Ltd	54,897	-	-	200	1.11
Spark Builder & Infra Projects Pvt Ltd	3,945,380	-	-	5	2.00
Orris Infrastructure Pvt Ltd	10,000,000	2	2.02	-	-
VGN Developers Pvt Ltd	1,000,000	100	7.70	100	10.20
Omkar Realtors Andheri Projects Pvt Ltd	6,469,927	3	1.19	3	2.80
Reliance Infrastructure Limited	500,000	260	12.69	-	-
		<b>Total (F)</b>	<b>33.61</b>		<b>29.98</b>

Scrip	Par Value (Rs.)	As at March 31, 2017		As at March 31, 2016	
		Qty. (Nos.)	Amount (Rs./crores)	Qty. (Nos.)	Amount (Rs./crores)
<b>Investments in Mutual Funds</b>					
<u>Quoted</u>					
Birla Sun Life Frontline Equity Fund - Dividend	10	161,970	0.50	161,970	0.50
HDFC Infrastructure Fund - Growth	10	685,394	1.00	685,394	1.00
ICICI Prudential Value Discovery Fund - Growth	10	56,484	0.50	56,484	0.50
ICICI Prudential Focussed Bluechip Fund - Dividend	10	441,306	1.00	441,306	1.00
ICICI Prudential Infrastructure Fund - Growth	10	261,375	1.00	261,375	1.00
IDFC Infrastructure Fund - Growth	10	482,245	0.50	482,245	0.50
IDFC Premier Equity Fund - Growth	10	92,776	0.50	92,776	0.50
IDFC Sterling Equity Fund - Growth	10	177,891	0.50	177,891	0.50
IDFC Dynamic Bond Fund- Growth	10	362,500	-	362,500	0.50
		<b>Total (G)</b>	<b>5.50</b>		<b>6.00</b>
<b>Investments in Other Instruments</b>					
<u>Unquoted-Private Equity Fund/Alternative Investment Fund/Real Estate Fund</u>					
<u>Fully Paid Investments</u>					
Asian Healthcare Fund	60.44	125,000	1.10	125,000	1.10
Reliance Yield Maximiser AIF Scheme-II	10,000	5,000	5.00	5,000	5.00
Strugence Debt Fund	100,000	200	2.00	200	2.00
Zodius Technology Fund	10	3,000,000	3.03	2,100,000	2.43
ICICI Prudential Venture Capital Fund	10	767,818	0.77	1,000,100	1.00
TVS Shriram Growth Fund Scheme 1B	1,000	38,940	3.89	50,000	5.00
		<b>Total (H)</b>	<b>15.79</b>		<b>16.53</b>
<u>Partly Fully Paid Investments</u>					
KAE Capital Fund	100,000	200	2.00	100	1.00
<i>[Partly paid-up to the extent of Rs. 200 each (pr. yr. Rs. 100 each) [Total commitment Rs.300.00 lakhs]</i>					
Phi Capital Growth Fund	100,000	-	-	100	1.00
<i>[Partly paid-up to the extent of Rs. Nil (pr. yr. Rs. 100 each) [Total commitment Rs.500.00 lakhs]</i>					
Phi Capital Growth Fund	100,000	15.8	0.16	-	-
<i>[Partly paid-up to the extent of Rs. 15.80 each] [Total commitment Rs.500.00 lakhs]</i>					
Carpediem Capital Partners Fund	10,000	750	0.75	600	0.60
<i>(Partly paid-up to the extent of Rs 750 each (pr. yr Rs. 600 each) [Total commitment Rs.300.00 lakhs]</i>					
Exfinity Technology Fund	200,000	30	0.60	30	0.60
<i>(Partly paid-up to the extent of Rs 30 each (pr yr Rs. 30 each)</i>					

Scrip	Par Value (Rs.)	As at March 31, 2017		As at March 31, 2016	
		Qty. (Nos.)	Amount (Rs./crores)	Qty. (Nos.)	Amount (Rs./crores)
<i>[Total commitment Rs.300.00 lakhs]</i>					
Reliance Yield Maximiser AIF Scheme-III			0.60	-	-
<i>[Total commitment Rs.300.00 lakhs]</i>					
ASK Real Estate Special Situations Fund-I	100,000	7.50	0.08	-	-
<i>[Partly paid-up to the extent of Rs. 7.5 each]</i>					
<i>[Total commitment Rs. 150.00 lakhs]</i>					
Edelwiss Real Estate Opportunities Fund	10,000	480	0.48	-	-
<i>[Partly paid-up to the extent of Rs. 48 each]</i>					
<i>[Total commitment Rs. 150.00 lakhs]</i>					
India Whizdom Fund			1.03	-	-
<i>[Total commitment Rs. 200.00 lakhs]</i>					
Indiabulls High Yield Fund	500,000	15	0.75	-	-
<i>[Partly paid-up to the extent of Rs. 75 each]</i>					
<i>[Total commitment Rs. 150.00 lakhs]</i>					
		Total (I)	<u>6.44</u>		<u>3.20</u>
<b>Aggregate value of non-current investments</b>		(Total A to I)	<u>120.65</u>		<u>80.78</u>
Aggregate value of quoted investments = Total (A+B+E+G)			59.69		26.74
Aggregate value of quoted investments (Market Value)			66.24		29.68
Aggregate value of unquoted investments = Total (C+D+F+H)			60.96		54.04
Aggregate provision for diminution in value of investments			0.12		0.62
<b>12 (B) Current Investments</b>					
<b>CURRENT INVESTMENTS</b>					
<b>Investments in Mutual Funds</b>					
DSP Black Rock Mutual Fund-Regular Plan-WDR	10	7,566,413	7.61	-	-
Kotak Floater Short Term-Growth	1,000	18,938	5.02	-	-
ICICI Prudential P1543 Saving Fund-Growth Plan	100	3,612,365	79.54	3,612,365	79.54
Religare Invesco Credit Opptunities Fund-Growth Plan	1,000	312,529	53.03	312,529	53.03
Kotak Treasury Advantage Fund-Growth Plan	10	-	-	10,516,707	25.00
Reliance Infrastructure Limited	500,000	500	24.40		-
			<u>169.60</u>		<u>157.57</u>

[Market value of current investments Rs. 183.42 lakhs (previous year Rs 160.60 lakhs).]

Scrip	Par Value (Rs.)	As at March 31, 2017		As at March 31, 2016	
		Qty. (Nos.)	Amount (Rs./crores)	Qty. (Nos.)	Amount (Rs./crores)
<b>12 (c) Investments</b>					
<b>NON-CURRENT INVESTMENTS- Others</b>					
<b>Investments in Equity Instruments</b>					
Aarti Drugs Ltd	10	829	0.05	-	-
Aarti Industries Ltd	5	2,669	0.20	-	-
Adani Power Ltd	10	21,273	0.08	-	-
Adani Transmission Ltd	10	11,400	0.07	-	-
Adita Birla Fashion and Retail Ltd	10	2,490	0.03	-	-
Aditya Birla Nuvo Limited	10	1,145	0.16	-	-
Ajanta Pharma Ltd	2	929	0.11	1,228	0.10
Alembic Limited	2	55,300	0.21	-	-
Alkem Laboratories Ltd	2	-	-	6	0.00
Alkyl Amines Chemicals Ltd	5	1,457	0.06	-	-
Alphageo India Ltd	10	2,377	0.22	-	-
Amara Raja Batteries Ltd	1	2,621	0.21	1,296	0.08
Apar Industries Ltd	10	-	-	436	0.02
APL Apollo Tubes Ltd	10	3,295	0.21	2,293	0.10
Ashiana Housing Ltd	2	7,050	0.16	-	-
Ashok Leyland Ltd	1	-	-	5,121	0.04
Asian Paints Ltd	1	2,162	0.19	3,075	0.23
Astral Poly Technik Ltd	1	4,146	0.18	2,677	0.11
Atul Auto Ltd	5	-	-	431	0.02
Avanti Feeds Ltd	2	2,453	0.15	1,220	0.07
Bajaj Finance Ltd	2	6,892	0.40	512	0.18
Bajaj Finserv Ltd	5	884	0.21	332	0.07
Bajaj Holdings & Investments Ltd	10	750	0.16	-	-
Balrampur Chini Mills Ltd	1	-	-	3,493	0.03
Bharat Bijlee Ltd	10	-	-	94	0.01
Bharat Financial Inclusion Ltd (formerly known as SKS Microfinance Ltd)	10	-	-	621	0.03
Bharat Petroleum Corpn. Ltd	10	-	-	1,745	0.16
Bharat Rasayan Ltd	10	550	0.15	-	-
Biocon Ltd	5	871	0.04	871	0.04
Bodal Chemicals Ltd	2	8,432	0.07	2,378	0.02
Bombay Burmah Trading Corp Ltd	2	2,950	0.15	-	-
Bosch Ltd.	10	-	-	80	0.21
Britannia Industries Ltd	2	806	0.26	714	0.18
Can Fin Homes Ltd	10	1,291	0.15	2,006	0.17
Caplin Point Laboratories Ltd	2	479	0.02	-	-
Carborundum Universal Ltd	1	6,544	0.16	-	-



Scrip	Par Value (Rs.)	As at March 31, 2017		As at March 31, 2016	
		Qty. (Nos.)	Amount (Rs./crores)	Qty. (Nos.)	Amount (Rs./crores)
CG Power And Industrial Solutions Ltd	2	26,500	0.20	-	-
Chambal Fertilisers & Chemicals Ltd	10	8,700	0.06	-	-
CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LTD	10	1,995	0.20	-	-
CMI Ltd	10	4,017	0.07	-	-
Coromandel Intl. Ltd	1	4,561	0.11	5,312	0.13
Crompton Greaves Consumer Electricals Ltd	2	12,500	0.22	-	-
D. B. Corp Limited	10	1,810	0.06	-	-
Dabur India Ltd	1	-	-	4,217	0.12
Datamatics Global Services Ltd	5	5,524	0.06	-	-
Deep Industries Ltd	10	8,317	0.25	-	-
Deepak nitrite Ltd	2	-	-	7,710	0.07
Dhampur Sugar Mills Ltd	10	12,688	0.29	-	-
ECLF Market Linked NCD	100,000	120	1.20	120	1.20
Eicher Motors Ltd	10	168	0.29	285	0.45
Emami Ltd	1	1,703	0.18	-	-
Excel Crop Care Ltd	5	59	0.01	-	-
FDC Ltd	1	2,890	0.06	-	-
Fineotex Chemical Ltd	2	23,656	0.08	-	-
Garware Wall Ropes Ltd	10	4,898	0.22	3,591	0.14
Gic Housing Finance Ltd	10	4,574	0.16	-	-
Godrej Properties Ltd	5	-	-	2,599	0.07
Greaves Cotton Ltd	2	13,011	0.17	4,839	0.07
Greenlam Industries Ltd (Greenply Demerger)	5	25	0.00	-	-
Greenply Industries Ltd	1	6,900	0.20	-	-
Gujarat Gas Ltd	10	1,455	0.09	-	-
Gulf Oil Lubricants India Ltd	2	2,600	0.19	-	-
Havells India Ltd.	1	5,359	0.18	4,124	0.11
HDFC Bank Ltd.	2	-	-	1,316	0.14
Hero Motocorp Limited	2	-	-	315	0.08
Himatsingka Seide Ltd	5	5,579	0.16	-	-
Hindustan Petroleum Corporation Ltd	10	3,674	0.17	-	-
Housing Development Finance Corporation Ltd.	2	-	-	718	0.10
ICICI Bank Ltd	2	2,400	0.06	-	-
IFGL Refractories Ltd	10	2,564	0.05	-	-
IIFL Holdings Ltd	2	2,284	0.08	-	-
Indian Terrain Fashions Ltd	2	-	-	5,245	0.06
Indo Count Industries Ltd	2	-	-	2,292	0.15
Indraprastha Gas Ltd	10	-	-	619	0.04
Indusind Bank Ltd	10	2,080	0.21	1,483	0.13

Scrip	Par Value (Rs.)	As at March 31, 2017		As at March 31, 2016	
		Qty. (Nos.)	Amount (Rs./crores)	Qty. (Nos.)	Amount (Rs./crores)
Intellect Design Arena Ltd	5	13,700	0.24	-	-
Interglobe Aviation Ltd	10	-	-	1,047	0.09
J B Chemicals & Pharamaceuticals Ltd	2	1,841	0.06	-	-
Jindal Saw Ltd	2	18,649	0.15	-	-
JK Paper Ltd	10	18,890	0.18	-	-
JMC Projects (India) Ltd	10	-	-	4,650	0.09
Kajaria Ceramics Ltd	1	621	0.02	1,350	0.09
Kalpatataru Power Transmission Ltd	2	6,806	0.16	3,719	0.08
Karur Vysya Bank Ltd	2	6,856	0.06	-	-
KCP Ltd	1	-	-	7,807	0.07
KDDL Ltd	10	-	-	1,263	0.04
KEC International Ltd	2	11,872	0.16	5,778	0.05
Kesoram Industries Ltd	10	-	-	3,498	0.04
Kirloskar Ferrous Industries Ltd	5	18,145	0.12	16,522	0.10
Kirloskar Industries Limited	10	1,444	0.15	-	-
KNR Constructions Ltd	2	2,214	0.04	-	-
Kotak Mahindra Bank Ltd	5	3,154	0.18	3,666	0.24
KRBL Ltd	1	4,679	0.14	-	-
Larsen & Toubro Ltd.	2	-	-	631	0.11
Lumax Industries Ltd	10	270	0.03	-	-
Lupin Ltd	2	1,709	0.25	952	0.13
Magma Fincorp Limited	2	6,421	0.07	-	-
Maharashtra Scooters Ltd	10	950	0.15	-	-
Mahindra Lifespace Developers Ltd	10	-	-	1,176	0.05
Majesco Ltd	5	4,500	0.20	-	-
Manappuram Finance Ltd	2	8,064	0.07	9,626	0.03
Marksans Pharma Ltd	1	-	-	2,861	0.03
Maruti Suzuki Ltd	5	333	0.17	-	-
Mastek Ltd	5	14,500	0.19	-	-
Minda Corporation Ltd	2	2,337	0.03	-	-
Minda Industries Ltd	2	10,404	0.30	981	0.09
Motherson Sumi Systems Ltd	1	7,594	0.21	6,417	0.18
Motilal Oswal Financial Services Ltd	1	2,558	0.13	-	-
MRF Ltd	10	76	0.42	-	-
Nandan Denim Ltd	10	-	-	5,278	0.06
National Fertilizers Ltd	10	17,610	0.10	-	-
NCL Industries Ltd	10	8,117	0.16	-	-
Network Ltd	10	-	-	10,029	0.06
NIIT Ltd	2	6,328	0.05	-	-
Nila Infrastructures Ltd	1	38,088	0.06	-	-

Scrip	Par Value (Rs.)	As at March 31, 2017		As at March 31, 2016	
		Qty. (Nos.)	Amount (Rs./crores)	Qty. (Nos.)	Amount (Rs./crores)
Nilkamal Ltd	10	1,312	0.19	-	-
Nitin Spinners Ltd	10	25,057	0.27	14,016	0.11
Page Industries Ltd	10	176	0.19	111	0.09
PI Industries Ltd	1	6,616	0.43	3,566	0.17
Pidilite Industries Ltd	1	2,731	0.15	2,295	0.09
Pioneer Distilleries Ltd	10	-	-	111	0.00
Pokarna Ltd	10	-	-	1,491	0.16
Polyplex Corporation Ltd	10	1,131	0.04	-	-
Ramco Cements Ltd	1	1,612	0.08	1,105	0.04
Ramco Industries Limited	1	8,450	0.15	-	-
Ramkrishna Forgings Ltd	10	-	-	1,860	0.09
RBL Bank Ltd	10	2,742	0.09	-	-
Repco Home Finance Ltd	10	3,718	0.21	3,418	0.19
RSWM Ltd	10	1,390	0.06	-	-
Ruchira Papers Ltd	10	10,445	0.16	-	-
S P Apparels Ltd	10	6,956	0.23	-	-
Salzer Electronics Ltd	10	-	-	2,104	0.05
Sasken Communication Technologies Ltd	10	-	-	812	0.03
Satin Creditcare Network Ltd	10	-	-	962	0.04
Shaily Engineering Plastics Ltd	10	-	-	311	0.02
Sharda Cropchem Ltd	10	4,063	0.16	-	-
Shree Cements Ltd	10	125	0.16	60	0.05
Shriram City Union Finance Ltd	10	350	0.06	-	-
Simplex Infra Ltd	2	5,086	0.14	547	0.02
Sintex Industries Ltd	1	20,800	0.18	-	-
Siyaram Silk Mills Ltd	10	500	0.06	-	-
Skipper Ltd	1	-	-	1,147	0.02
Solar Industries India Ltd	2	2,200	0.15	-	-
Sonata Software Ltd	1	1,955	0.04	-	-
State Bank of India	1	-	-	4,692	0.13
Sterling Tools Ltd	2	1,594	0.03	-	-
Strides Shasun Ltd	10	-	-	252	0.03
Summit Securities Limited	10	3,307	0.15	-	-
Sun Pharmaceuticals Industries Ltd	1	-	-	3,983	0.37
Sundram Finance Limited	10	790	0.11	-	-
Sunil Hitech Engineers Ltd	1	-	-	1,433	0.05
SVP Global Ventures Ltd	10	1,277	0.03	-	-
Symphony Ltd	2	-	-	206	0.04
Syngene International Ltd	10	3,085	0.13	1,897	0.07
Take Solutions Ltd	1	-	-	1,791	0.03

Scrip	Par Value (Rs.)	As at March 31, 2017		As at March 31, 2016	
		Qty. (Nos.)	Amount (Rs./crores)	Qty. (Nos.)	Amount (Rs./crores)
Tata Communications Ltd	10	2,312	0.17	-	-
Tata Consultancy Services Ltd.	1	-	-	471	0.12
Tata Elxsi Ltd	10	58	0.01	362	0.04
Tech Mahindra Ltd	5	3,650	0.17	965	0.06
The Byke Hospitality Ltd	10	8,053	0.13	4,735	0.07
The Federal Bank Ltd	2	10,164	0.06	-	-
Torrent Power Ltd	10	-	-	2,912	0.07
TV 18 Broadcast Ltd	2	-	-	13,770	0.05
TV Today	5	80	0.00	-	-
Ujaas Energy Ltd	1	18,611	0.09	-	-
United Spirits Ltd	10	-	-	299	0.11
Va Tech Wabag Ltd	2	3,308	0.16	-	-
Vakrangee Ltd	1	1,373	0.04	-	-
Vardhman Textiles Ltd	10	-	-	164	0.01
Venky's (India) Ltd	10	1,075	0.09	-	-
Veto Switchgears And Cables Ltd	10	2,802	0.04	-	-
Vidhi Specialty Food Ingredients Ltd	1	-	-	1,307	0.01
Vindhya Telelinks Ltd	10	-	-	1,214	0.11
Voltas Ltd	1	898	0.03	-	-
VST Industries Ltd	10	273	0.06	-	-
Welsun India Ltd	1	15,173	0.14	-	-
Welspun India Ltd	1	-	-	23,600	0.14
Wim Plast Ltd	10	422	0.06	-	-
Zensar Technologies Ltd	10	-	-	605	0.04
Cash & Cash Equivalent*		-	1.06	-	0.26
			<b>19.60</b>		<b>9.53</b>

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

	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
<b>13 LONG TERM LOANS AND ADVANCES</b>		
(Unsecured considered goods, unless otherwise stated)		
Capital advances	39.00	75.02
Security deposits *#	37.33	24.25
Loans to employees	7.11	7.81
Prepaid expenses	0.10	0.25
MAT credit entitlement	147.17	95.43
Cenvat/Service tax/VAT recoverable	13.14	4.80
Other loans and advances (unsecured):		
considered good	12.70	0.65
considered doubtful	0.15	0.15
Less : Provision for doubtful advances	(0.15)	(0.15)
<b>Total long term loans and advances</b>	<b>256.55</b>	<b>208.21</b>
<i>*Security deposits includes Rs. 2.26 crores (previous year Rs.2.34 crores) as interest free security deposits for accommodation taken on lease for SRF Limited's officers/ directors and various offices taken on lease by SRF Limited.</i>		
<b>#Security deposits include the following related party deposits:</b>		
Arun Bharat Ram	0.12	0.12
Ashish Bharat Ram	0.01	0.01
Kartik Bharat Ram	0.01	0.01
Karm Farms LLP (formerly known as Karm Farms Private Limited)	0.60	0.60
Srishti Westend Greens Farms LLP (formerly known as Srishti Westend Greens Farms Private Limited)	0.60	0.60
SRF Welfare Trust	0.14	0.14
	<b>1.47</b>	<b>1.47</b>
<b>14 OTHER NON-CURRENT ASSETS</b>		
Unamortised upfront fees on loans	6.99	10.51
<b>Total other non-current assets</b>	<b>6.99</b>	<b>10.51</b>
<b>15 INVENTORIES</b>		
Raw materials	262.22	209.72
Raw materials in transit	152.19	113.76
Stock-in-process	100.41	76.01
Stock-in-process in transit	1.04	1.07
Finished goods	168.52	159.64
Finished goods in transit	13.30	21.99
Stock of traded goods	1.87	2.64
Stores and spares	138.39	119.83
Stores and spares in transit	0.20	0.32
Stock of Books	0.07	-
Stock of Uniform	0.12	0.10
<b>Total inventories</b>	<b>838.33</b>	<b>705.08</b>

a) Raw materials, stock-in-process, finished goods and stock of traded goods are valued at lower of cost and net realisable value.

b) Stores and spares are valued at cost or under.

	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
<b>16 TRADE RECEIVABLES</b>		
Trade receivables outstanding for a period less than six months from the date they were due for payment		
Unsecured – considered good	1.04	0.86
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured – considered good	2.45	0.76
Unsecured – considered doubtful	15.30	17.15
	<u>18.79</u>	<u>18.77</u>
Less : Provision for doubtful debts	<u>(15.15)</u>	<u>(17.15)</u>
	3.64	1.62
Other trade receivables		
Unsecured – considered good	654.43	513.82
<b>Total trade receivables</b>	<u>658.07</u>	<u>515.44</u>
<b>17 CASH AND CASH EQUIVALENTS</b>		
Cash in hand	0.65	0.65
Balance with banks on		
Current accounts	45.12	218.52
Exchange Earners Foreign Currency (EEFC) accounts	8.04	6.54
Savings accounts	35.36	23.68
Balances with bank in deposits maturing within three months	-	92.60
In earmarked accounts		
Margin money	2.17	3.46
Unclaimed dividend accounts	6.51	6.24
Deposit accounts with maturity beyond three months upto twelve months	-	39.68
<b>Total cash and bank equivalents</b>	<u>97.85</u>	<u>391.37</u>
<b>18 SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured considered goods, unless otherwise stated)		
Loans to employees	6.25	7.07
Prepaid expenses	8.64	10.66
Deposits with customs and excise authorities	7.64	3.11
Security deposits*	5.40	11.73
Claims recoverable	97.55	93.84
CENVAT/Service tax/VAT recoverable	116.62	64.54
	<u>242.10</u>	<u>190.95</u>
Advance to suppliers		
Unsecured - considered good	37.63	46.40
considered doubtful	-	-
	<u>37.63</u>	<u>46.40</u>
Less: Provision for doubtful advances	-	-
	<u>37.63</u>	<u>46.40</u>
Other loans and advances		
Secured - considered good	1.50	4.00
Unsecured - considered good	24.04	5.69

	As at March 31, 2017 Rs./crores	As at March 31, 2016 Rs./crores
	28.33	12.50
Less : Provision for doubtful advances	<u>(2.79)</u>	<u>(2.81)</u>
	25.54	9.69
<b>Total short-term loans and advances</b>	<b><u>305.26</u></b>	<b><u>247.04</u></b>
* Security deposits includes Rs. 0.05 crores (Previous year - Rs. 0.05 crores ) as interest free security deposits for accommodation taken on lease for Company's officers / directors and various offices taken on lease by the Company.		
<b>19 OTHER CURRENT ASSETS</b>		
Unamortised upfront fees on loans	2.90	3.48
Intt accrued but not due on investments	0.37	0.46
Intt accrued but not received on investments	0.10	0.00
MAT credit available	0.46	0.45
Maintenance Deposits	0.08	0.08
Advance to Supplier	0.02	1.06
Others	0.05	0.05
<b>Total other current assets</b>	<b><u>3.98</u></b>	<b><u>5.58</u></b>
	Year ended March 31, 2017 Rs./crores	Year ended March 31, 2016 Rs./crores
<b>20 OTHER OPERATIVE REVENUE</b>		
Claims	0.94	1.99
Interest on loans, deposits and investments	0.21	0.48
License fee	0.10	0.09
Project management fee	6.97	6.26
Annual maintenance fee	0.34	0.29
Student fee from:		
Government	-	0.18
Student	18.07	15.97
Export incentives	44.69	36.29
Scrap sales	10.62	11.03
Other operating income	31.74	27.07
<b>Total other operating revenue</b>	<b><u>113.68</u></b>	<b><u>99.65</u></b>
<b>21 OTHER INCOME</b>		
Provision / Liabilities no longer required written back		-
Dividend on investments	0.40	0.60
Profit on sale of investments	5.15	10.89
Profit on sale of fixed assets	(2.20)	8.59
Interest income		
from customers	0.60	0.23
on loan and deposits	1.31	0.97
on others	3.07	4.32

	Year ended March 31, 2017 Rs./crores	Year ended March 31, 2016 Rs./crores
Other non-operating income	26.15	2.49
Provision for long term investments no longer required	1.32	5.46
<b>Total other operating income</b>	<b>35.79</b>	<b>33.55</b>
<b>22 COST OF RAW MATERIAL CONSUMED</b>		
Opening stock of Raw Materials	323.49	367.34
Add : Purchase of Raw Materials	2,513.52	2,234.62
	2,837.01	2,601.96
Less : Closing Stock of Raw Materials	447.83	323.48
<b>Cost of materials consumed</b>	<b>2,389.18</b>	<b>2,278.48</b>
<b>23 PURCHASE OF TRADED GOODS</b>		
Yarn	6.29	0.11
Refrigerant gases	41.83	29.87
Packaging Films	0.61	4.57
Others	2.34	0.49
<b>Total</b>	<b>51.07</b>	<b>35.04</b>
<b>24 (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND TRADED GOODS</b>		
Opening Stock		
Stock-in-Process	77.08	102.88
Finished goods	1,821.63	177.45
Traded goods	2.64	1.99
Certified Emission Reductions Stock	-	-
	1,901.35	282.32
Effects of change in exchange currency rates		
Stock-in-Process	0.91	(1.90)
Finished goods	0.95	(2.01)
	1.86	(3.91)
Closing Stock		
Stock-in-Process	101.45	77.08
Finished goods	181.82	181.63
Traded goods	1.87	2.64
	285.14	261.35
(Increase) \ Decrease in inventories of finished goods, stock-in-process and traded goods		
Stock-in-Process	(23.47)	23.90
Finished goods	0.76	(6.18)
Traded goods	0.77	(0.65)
Certified Emission Reductions Stock	-	-
	(21.94)	17.07



	Year ended March 31, 2017 Rs./crores	Year ended March 31, 2016 Rs./crores
<b>25 EMPLOYEE BENEFITS</b>		
Salaries, wages, bonus, etc	375.22	333.81
Contribution to provident and other funds	29.68	29.18
Workmen and staff welfare expenses	45.30	40.19
<b>Total employee benefits</b>	<b>450.19</b>	<b>403.18</b>
<b>26 FINANCE COSTS</b>		
Interest expenses		
On loans to related party	0.01	0.01
On debentures and loans to others	67.48	81.42
Cash Credit and others	17.14	27.25
Other borrowing costs	15.39	17.24
Net (gain)/loss on foreign currency transactions and translation (considered as finance cost)	2.67	5.22
<b>Total finance costs</b>	<b>102.69</b>	<b>131.14</b>
<b>27 DEPRECIATION AND AMORTISATION</b>		
Depreciation on tangible assets	278.68	271.73
Amortization on intangible assets	18.47	18.97
<b>Net Depreciation and amortisation</b>	<b>297.15</b>	<b>290.70</b>
<b>28 OTHER EXPENSES</b>		
Stores and Spares consumed	44.85	43.88
Power and Fuel	417.80	398.07
Rent	16.73	15.37
Repairs and Maintenance		
Buildings	4.81	5.64
Plant and machinery	123.43	113.17
Other Maintenance	34.32	32.26
Insurance	18.56	16.00
Rates and taxes	17.06	5.81
Freight	153.86	119.00
Expenditure on Corporate Social Responsibility	7.78	8.75
Professional and legal charges	27.54	22.86
Contract conversion charges	3.35	3.33
Travel and conveyance	20.78	15.18
Directors' sitting fees	0.30	0.31
Selling commission	9.74	10.61
Increase / (decrease) in excise duty on closing stock	0.41	(0.23)
Provision for doubtful debts / advances	(0.40)	9.24
Bad debts / advances written off	0.69	0.72

Fixed assets discarded/written off	<b>2.58</b>	2.68
Auditors' Remuneration (net of service tax input credit)		
Audit Fees	<b>1.83</b>	1.09
For limited review of unaudited financial results	<b>0.02</b>	0.69
For corporate governance, consolidated financial statements and other certificates	<b>0.10</b>	0.16
For tax audit	<b>0.23</b>	0.10
Secretarial audit	<b>0.01</b>	0.02
Exchange currency fluctuation	<b>(27.46)</b>	10.66
Provision for associates/investments	<b>4.22</b>	-
Loss on disposal of investment in subsidiary	-	0.24
Loss on sale of Interest Rate Futures	<b>3.83</b>	-
Donation to others	-	0.11
Miscellaneous expenses	<b>104.06</b>	85.97
<b>Total other expenses</b>	<b>991.03</b>	<b>921.69</b>

## 29 EARNINGS PER SHARE

Profit after tax after reworking of dividend paid to preference shareholders and tax thereon	<b>499.96</b>	433.58
Weighted average number of equity shares outstanding	<b>6,452,615</b>	6,452,615
Earnings per share in rupees (face value- Rs. 10 per share)* (in Rs.)	<b>774.81</b>	<b>671.94</b>

\*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"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain fixed assets pertaining to certain that were acquired that carried them at revalued amounts. The accounting policies adopted in the preparation of the consolidated 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.**

S. No.	Indian subsidiaries	Country of Incorporations	Proportion of ownership as on 31 <sup>st</sup> March 2017	Proportion of ownership as on 31 <sup>st</sup> March 2016
1	SRF Limited	India	52.33%	52.33%
2	Shri Educare Limited	India	100.00%	100.00%
3	KAMA Realty (Delhi) Limited	India	100.00%	100.00%
4	SRF Transnational Holdings Limited	India	100.00%	100.00%

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

S. No.	Subsidiaries	Subsidiaries	Country of Incorporations	Proportion of ownership as on 31 <sup>st</sup> March 2017	Proportion of ownership as on 31 <sup>st</sup> March 2016
5	SRF Holiday Home Limited	SRF Holiday Home Limited	India	100.00%	100.00%
6	SRF Energy Limited*	SRF Energy Limited*	India	-	100.00%
7	SRF Fluorochemicals Limited*	SRF Fluorochemicals Limited*	India	-	100.00%
8	SRF Global BV	SRF Global BV	Netherlands	100.00%	100.00%

\*Ceased to be a Subsidiary from 04<sup>th</sup> Nov 2015

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

S. No.	Subsidiaries	Country of Incorporations	Proportion of ownership as on 31st March 2017	Proportion of ownership as on 31st March 2016
9	Shri Educare Maldives Pvt. Ltd.	Maldives	100.00%	100.00%

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

S. No.	Foreign subsidiaries	Country of Incorporations	Proportion of ownership as on 31st March 2017	Proportion of ownership as on 31st March 2016
10	SRF Overseas Limited ('SRFO')** (100% subsidiary of SRF Global BV)	British Virgin Islands	100.00%	100.00%
11	SRF Industries (Thailand) Limited (100% subsidiary of SRF Global BV)	Thailand	100.00%	100.00%
12	SRF Industex Belting (Pty) Limited (100% subsidiary of SRF Global BV)	Republic of South Africa	100.00%	100.00%
13	SRF Flexipak (South Africa) (Pty) Limited (100% subsidiary of SRF Global BV)	Republic of South Africa	100.00%	100.00%

\*\*Ceased to be a Subsidiary from 07<sup>th</sup> March 2017

1.2.5 Name of the direct subsidiary of KAMA Realty (Delhi) Limited.

S. No.	Subsidiaries	Country of Incorporations	Proportion of ownership as on 31st March 2017	Proportion of ownership as on 31st March 2016
14	KAMA Real Estate Holdings LLP***	India	90%	-

\*\*\*Incorporated from 13<sup>th</sup> Dec 2016.

## 2. USE OF ESTIMATES

The preparation of Consolidated 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 were revalued (before the time of acquisition) 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.

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. Depreciation 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. REVENUE RECOGNITION

10.1. 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.

10.2. 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.

10.3. 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.

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

## 11. 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.

## 12. TAXATION

12.1. The income tax liability is provided in accordance with the provisions of the Income-tax Act, 1961.

12.2. 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.

12.3. 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.

## 13. 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.

## 14. 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.

## 15. 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

#### 1.1 Long term borrowings –Secured Redeemable Non-Convertible debentures

**Rs. 200.00 Crores (previous year Rs. 200.00 Crores) 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.

#### Long term borrowings-Term loans from Banks

(Rs. in Crores)

Borrower	Amount as at March 31, 2017	Amount as at March 31, 2016
SRF Limited	1087.93	1,292.57
KAMA Realty (Delhi) Limited	19.09	22.55
Total	1107.02	1,315.12

## **1.2 Details of long term borrowing of SRF Limited- Rs.1,087.93 Crores (previous year Rs. 1,292.57 Crores)**

### **1.2.1 Out of this, Rs. 745.5 Crores (previous year Rs. 915.57 Crores) secured by:**

- (a)(i) Out of the loans as at 1.2, loans aggregating to Rs. 745.50 Crores (Previous Year – Rs. 480.52 Crores) 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 Special Economic Zone, Indore in the State of Madhya Pradesh and Kashipur and Pantnagar in the State of Uttarakhand.

Out of the loans as at 1.2 (a)(i), loans aggregating to Rs. 518.73 Crores (Previous Year – Rs. 50.00) are additionally secured by hypothecation of SRF Limited moveable properties both present and future, at Dahej in the State of Gujarat (save and except certain assets).

Out of the loans as at 1.2 (a)(i), loans aggregating to Rs. 226.77 Crores (Previous Year – Rs. 430.52 Crores) are to be additionally secured by hypothecation of SRF Limited moveable properties both present and future, at Dahej in the State of Gujarat (save and except certain assets).

- (a)(ii) Out of the loans as at 1.2 (a)(i) loans aggregating to Rs. 546.48 Crores (Previous Year – Rs. 265.17 Crores) are secured by 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 and Malanpur in the State of Madhya Pradesh (save and except superstructures).

Out of the loans as at 1.2 (a)(i) loans aggregating to Rs. 149.02 Crores (Previous Year – Rs. Nil Crores) are secured by 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 and Kashipur in the State of Uttarakhand

Out of the loans as at 1.2 (a)(i) loans aggregating to Rs. 50.00 Crores (Previous Year – Rs. Nil Crores) are secured by equitable Mortgage of SRF Limited immoveable properties, both present and future, situated at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu and Kashipur in the State of Uttarakhand

Out of the loans as at 1.2 (a)(ii), the term loans aggregating to:

- (a) Rs. 76.02 Crores (Previous Year – Rs. 150.99 Crores) are to be further secured by equitable mortgage of SRF Limited immoveable properties, both present and future, situated at Gummidipoondi (leasehold land) in the State of Tamil Nadu, Special Economic Zone, Indore in the State of Madhya Pradesh and at Pantnagar in the state of Uttarakhand.
- (b) Rs. Nil Crores (Previous Year – Rs. 165.35 Crores) are to be further secured by equitable mortgage of SRF Limited immoveable properties, both present and future, situated at Malanpur in the State of Madhya Pradesh (save and except superstructures).
- (c) Out of the loans as at 1.2, loans aggregating to Rs. Nil Crores (Previous Year – 435.05 Crores) are to be 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 Special Economic Zone, Indore in the State of Madhya Pradesh, Kashipur and Pantnagar in the State of Uttarakhand and equitable mortgage of SRF Limited immoveable properties, both present and future, situated at Viralimalai and Gummidipoondi (freehold) in the State of Tamil Nadu, and Kashipur in the State of Uttarakhand.
- (d) Out of the loans as at 1.2, loans aggregating to Rs. 50 Crores (Previous Year – Rs. 50.00 Crores) are to be further secured by equitable mortgage of SRF Limited immoveable properties, both present and future, situated at Jhiwana in the State of Rajasthan.
- (e) Out of the loans as at 2(i), loans aggregating to Rs. Nil Crores (Previous Year –Rs 282.93 Crores ) are to be additionally secured by equitable mortgage of SRF Limited immoveable properties, both present and future, situated at Malanpur in the State of Madhya Pradesh (save and except superstructures).

### **1.2.2 Out of this, Rs. 258.20 Crores (previous year Rs. 264.56 crores) secured by:**

Term Loan in SRF Global BV of USD 40 million (Previous Year – USD 40 million) is secured by a Stand by Documentary Credit of USD 40.50 million issued by The HongKong & Shanghai Banking Corporation Ltd., India which is to be secured by an equitable mortgage of the immoveable properties of SRF Limited in Manali in the State of Tamil Nadu.

### **1.2.3 Out of this, Rs. 84.23 Crores (previous year Rs. 112.44 Crores) secured by:**

Rs. 84.23 Crores (previous year Rs.112.44 Crores) are 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. 19.09 Crores (previous year Rs. 22.55 Crores)** 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.



**1.4 Term loans from others**
**(Rs. in Crores)**

Borrower	Amount as at March 31, 2017	Amount as at March 31, 2016
SRF Industries (Thailand) Limited	137.06	179.92
SRF Flexipak (South Africa) (Pty) Limited	150.00	231.49
SRF Global BV	259.16	264.56
Total	546.22	675.97

**1.4.1 Rs. 136.06 Crores (previous year Rs. 179.92 Crores)** 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

**1.4.2 Rs. 149.02 Crores (previous year Rs. 231.49 Crores)** 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.

**1.4.3 Rs. 259.16 Crores (previous year Rs. 264.56)** represents Term loan in SRF Global BV of USD 40 million (Previous Year – USD Nil million) from HSBC Bank (Mauritius) Ltd. is secured by a Stand by Documentary Credit of USD 40.50 million issued by The HongKong & Shanghai Banking Corporation Limited, India which is to be secured by equitable mortgage of the immoveable properties of SRF Ltd. in Manali, Tamil Nadu.

**Short term borrowings**

**1.5 Term loans from banks Rs. 227.33 Crores (previous year Rs. 99.21 Crores) and Cash credit from banks Rs. 22.14 Crores (previous year Rs. 23.91 Crores)** 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.

**TERMS OF REPAYMENT OF LOANS**
**LONG TERM BORROWINGS**

Loan Category	Frequency of principal repayments	Interest rate	Amount repayable			
			(Rs. Crores)			
			Upto March 31, 2018	Upto March 31, 2019	Upto March 31, 2020	From 2020 to 2026
Redeemable Non-Convertible Debentures	Redeemable at face value in one Instalment at the end of second year	9.80%	200.00	-	-	-
Rupee term loans	Monthly Installments	9.60%	3.78	4.16	4.58	6.57
	Half yearly instalments	9.30% to 12.10%	13.06	9.81	4.97	43.50
	Quarterly instalments	8.50%	50.00	-	-	-
Foreign Currency Term loans	Half yearly installments	Libor plus interest rate spread ranging from 1.30 % to 2.20%	125.98	192.92	231.81	326.13
	One instalment a year	Libor plus interest rate spread of 1.60%	32.40	32.40	-	-
	Bullet	Libor plus interest rate spread ranging from 0.85 % to 2.25%	-	408.18	161.98	-
<b>Total</b>			<b>421.43</b>	<b>643.30</b>	<b>398.75</b>	<b>369.63</b>

**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 -0.10% to 0.45%. For rupee denominated short term loans taken during the year interest rate is at 6.26% to 9.05%.

## 2 CONTINGENT LIABILITIES NOT PROVIDED FOR

### 2.1 Claims against the company not acknowledged as debts:

(Rs. in Crores)

	As at March 31, 2017	As at March 31, 2016
Excise duty, customs duty and service tax*	70.12	61.25
Sales tax**	124.26	123.48
Income tax****	8.48	9.01
Stamp duty*****	28.81	28.81
Others***	1.01	12.33

\*Amount deposited Rs.8.60 Crores (previous year Rs. 4.57 Crores).

\*\*Amount deposited Rs.12.39 Crore (previous year Rs.0.02 Crores).

\*\*\*Amount deposited Rs. 0.08 Crore (previous year Rs. 0.08 ).

\*\*\*\*Amount deposited Rs.6.48 Crores (previous year Rs.3.38 Crores).

\*\*\*\*\* 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. 303.00 Crores and levied a stamp duty of Rs. 23.73 Crores and imposed a penalty of Rs. 5.09 Crores. 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. 27.76 Crores and not the entire undertaking valued at Rs. 303.00 Crores as claimed by the State. Consequently, the High Court of Madhya Pradesh quashed the order and demands issued by the Collector of Stamps, Bhind (Madhya Pradesh) and allowed the writ petition by an order dated 29<sup>th</sup> 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. 123.11 Crores (previous year Rs. 121.06 Crores) {including interest and penalty of Rs. 34.38 Crores (previous year Rs. 34.38 Crores)} for the period from 2004 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).

SRF Limited had already paid on the same products Rs. 51.37 Crores as Additional Countervailing Duty (ACVD) to the Central Government, based on Company's view that ACVD was payable as per extant policies and Legislations of the Centre and the State.

SRF Limited had filed writ petitions against all such demands, on which Hon'ble High Court of Madhya Pradesh ("Court") has granted stay subject to payment of 10% of the total demand in cash and bank guarantee for the remaining 90% of the total demand. The said deposit of cash as well as bank guarantee has been made company. The Management is of the view which is also confirmed by legal opinion that Company has a good case on merits and is confident of getting relief from the Court and, accordingly, no provision has been created.

- 2.3 In SRF Limited, Liability on account of Bank Guarantees Rs. 125.85 Crores (previous year Rs. 13.25 Crores).
- 2.4 Guarantees given to banks for repayment of financial facilities as at the year-end is Rs. 19.25 Crores (previous year Rs. 22.74 Crores).
- 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. 23.95 Crores (Previous year - Rs. 38.88 Crores) should not be levied. SRF Limited 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. 400.81 Crores. The assigned receivables as at the year-end is Rs. 185.46 Crores (Previous Year – Rs. 160.35 Crores).

- 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. Crores)	Company
Central Excise Laws	Excise Duty	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	1994-2015	71.17	SRF Ltd
		Upto Commissioner (Appeals)	1993-2016	3.73	SRF Ltd
Service Tax Laws	Service Tax	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2005-2008	0.13	SRF Ltd
		Upto Commissioner (Appeals)	2006-2015	1.7	SRF Ltd
Customs Laws	Customs Duty	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2005-2013	1.50	SRF Ltd
		Upto Commissioner (Appeals)	2002	0.17	SRF Ltd
Sales Tax Laws	Sales Tax	High Court	2004-2013	94.82	SRF Ltd
		Sales Tax Appellate Tribunal	1987-2008	1.02	SRF Ltd
		Upto Commissioner (Appeals)	1988-2015	0.75	SRF Ltd
Income Tax Laws	Income Tax	Supreme Court	1988-1989	1.13	SRF Ltd
		Income Tax Appellate Tribunal (ITAT)	2009-2011	1.69	SRF Ltd
Others	Electricity Cess	High Court	2007-2014	0.13	SRF Ltd
Income Tax Laws	Income tax	Commissioner of Income Tax(Appeals)	2014-2015	2.06	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. in Crores)	Company
Income Tax Laws	Income Tax	Supreme Court	2007-2008	0.37	KAMA Holdings Ltd
		High Court	2003-2004	0.06	KAMA Holdings Ltd
		Income Tax Appellate Tribunal (ITAT)	2003-2010	0.10	KAMA Holdings Ltd
Central Excise Law	Excise Duty	High Court	1994-2002	1.67	SRF Ltd
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	1989-1995	2.24	SRF Ltd

## 5 Capital Commitments

The estimated amount of contracts remaining to be executed by SRF Limited on capital account and not provided for (net of advances) amounts to Rs.397.87 Crores (Previous Year - Rs. 263.91 Crores).

Further, following contribution agreements have been executed:

- 5.1 **SRF Transnational Holdings Limited:** 150 units of Rs. 200,000 each out of which payment of Rs. 160000 per unit (previous year Rs. 160000 per unit) aggregating to Rs. 2.40 crores in Exfinity Technology Fund is pending.
- 5.2 **SRF Transnational Holdings Limited:**300 units of Rs. 100,000 each out of which payment of Rs. 33333 per unit (previous year Rs. 66666 per unit) aggregating to Rs. 1.00 crores in KAE Capital Fund is pending.
- 5.3 **SRF Transnational Holdings Limited:**3,000 units of Rs. 10,000 each out of which payment of Rs. 7500 per unit (previous Rs. 8000 per unit) aggregating to Rs. 2.25 crores in Carpedium Capital Partners Fund is pending.
- 5.4 **SRF Transnational Holdings Limited:**30,00,000 units of Rs. 10 each out of which payment of Rs. Nil (previous year Rs. 2 per unit) aggregating to Rs. Nil in Zodiac Technology Fund is pending.
- 5.5 **SRF Transnational Holdings Limited:**500 units of Rs. 100,000 each out of which payment of Rs. Nil (Previous year Rs. 80000 per unit aggregating to Rs. 4.00 crores in PHI Capital Growth Fund is pending.
- 5.6 **SRF Transnational Holdings Limited:**500 units of Rs. 100,000 each out of which payment of Rs. 96840 per unit aggregating to Rs. 4.84 crores in PHI Capital Growth Fund is pending.
- 5.7 **SRF Transnational Holdings Limited:**1500 units of Rs. 10000 each out of which payment of Rs. 6800 per unit aggregating to Rs.1.02 cr in Edelwiss Real Estate Opportunities Fund.
- 5.8 **SRF Transnational Holdings Limited:**150 units of Rs. 100,000 each out of which payment of Rs. 95000 per unit aggregating to Rs. 1.43 crores in ASK Real Estate Special Situations Fund-I.
- 5.9 **SRF Transnational Holdings Limited:** Rs. 0.60 crores paid out of Total Commitment Rs. 3 cr., Rs. 2.40 crores is pending in Reliance Yield maximizer AIF Scheme-III.
- 5.10 **SRF Transnational Holdings Limited:** Rs. 1.03 crores paid out of Total Commitment Rs. 2.00 cr., Rs. 0.98 crores is pending in India Whizdom Fund.
- 5.11 **SRF Transnational Holdings Limited:**30 units of Rs. 500,000 each out of which payment of Rs. 50000 per unit aggregating to Rs. 0.75 crores crores in Indiabulls High Yield Fund.
- 5.12 **KAMA Realty (Delhi) Limited:** The estimated amount of contracts remaining to be executed on capital account and not provided for amounts of Rs. Nil (previous year Rs. 11.63 crores) for Commercial office space admeasuring 31133 square feet in the project 'Magnum Tower' in Sector-58, District Gurgaon, Haryana.
- 5.13 **KAMA Real Estate Holdings LLP (Subsidiary of KAMA Realty (Delhi) Ltd):** The estimated amount of contracts remaining to be executed on capital account and not provided for amounts of Rs. 11.63 crores) for Commercial office space admeasuring 31133 square feet in the project 'Magnum Tower' in Sector-58, District Gurgaon, Haryana.
- 5.14 The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.

## 6 MANAGERIAL REMUNERATION OF KAMA GROUP COMPANIES.

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

	Year ended March 31, 2017 Rs./ Crores	Year ended March 31, 2016 Rs./ Crores
Salary and allowances	5.48	4.85
Contribution to provident and superannuation funds	1.13	0.75
Value of perquisites	3.02	2.91
Commission (provided)	5.45	4.75
Sub-total	15.08	13.26

### 6.2 Non-executive Directors

	Year ended March 31, 2017 Rs./Crores	Year ended March 31, 2016 Rs./ Crores
Commission (provided)	0.40	0.35
Others	0.13	0.13
Professional consultancy	-	-
Directors' sitting fees	0.29	0.31
Sub-total	0.82	0.79
Total	15.90	14.05

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, 2017, the future minimum lease payments under non-cancellable operating leases as set out below:

	<b>Year ended March 31, 2017 Rs./Crores</b>	Year ended March 31, 2016 Rs./Crores
Total of future minimum lease payments under non-cancellable operating leases for each of the following periods:		
- Not later than one year	<b>12.31</b>	5.58
- Later than one year and not later than five years	<b>7.86</b>	8.92
- Later than five years	<b>3.01</b>	0.45
Lease rent recognized in the statement of profit and loss	<b>16.51</b>	15.19

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 20<sup>th</sup> 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"> <li>▪ KAMA Realty (Delhi) Limited</li> <li>▪ Shri Educare Limited</li> <li>▪ SRF Limited</li> <li>▪ SRF Transnational Holdings Limited</li> <li>▪ KAMA Real Estate Holdings LLP</li> </ul>
(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"> <li>▪ Arun Bharat Ram</li> <li>▪ Ashish Bharat Ram</li> <li>▪ Kartik Bharat Ram</li> <li>▪ Vasvi Bharat Ram</li> </ul>
(c)	Key Management Personnel and their relatives	<ul style="list-style-type: none"> <li>▪ Rajat Lakhnupal, Chief Financial Officer, Whole Time Director &amp; Company Secretary - KAMA Holdings Limited</li> <li>▪ Arun Bharat Ram, Chairman - SRF Limited</li> <li>▪ Ashish Bharat Ram, Managing Director – SRF Limited</li> <li>▪ Kartik Bharat Ram, Deputy Managing Director – SRF Limited</li> <li>▪ K. Ravichandra, Whole Time Director – SRF Limited</li> <li>▪ T.L. Raman, Whole Time Director – SRF Transnational Holdings Limited</li> <li>▪ Ekta Maheshwari, Whole Time Director – Shri Educare Limited</li> </ul>
(d)	Enterprises over which any person described in (c) or (d) is able to exercise significant influence	<ul style="list-style-type: none"> <li>▪ Karm Farms LLP (formerly known as Karm Farms Pvt Ltd)</li> <li>▪ Srishti Westend Greens Farms LLP (formerly known as Srishti Westend Greens Farms Pvt Ltd)</li> <li>▪ Karmav Real Estate Holdings LLP (formerly known as Karmav Holdings Pvt Ltd)</li> <li>▪ SRF Welfare Trust</li> <li>▪ SRF Foundation</li> </ul>

Nature of Transactions	(a)		(b)		(c)		(d)	
	Year ended 31 <sup>st</sup> March		Year ended 31 <sup>st</sup> March		Year ended 31 <sup>st</sup> March		Year ended 31 <sup>st</sup> March	
	2017	2016	2017	2016	2017	2016	2017	2016
<b>Rent paid to</b>								
• Karm Farms LLP	-	-	-	-	-	-	0.60	0.60
• SrishtiWestend Greens Farms LLP	-	-	-	-	-	-	0.60	0.60
• SRF Welfare Trust	-	-	-	-	-	-	0.27	0.16
• Arun Bharat Ram	-	-	0.24	0.24	-	-	-	-
• Ashish Bharat Ram	-	-	0.02	0.02	-	-	-	-
• Kartik Bharat Ram	-	-	0.02	0.02	-	-	-	-
<b>Managerial Remuneration paid to</b>								
• Arun Bharat Ram	-	-	-	-	-	4.63	-	-
• Ashish Bharat Ram	-	-	-	-	4.42	4.10	-	-
• Kartik Bharat Ram	-	-	-	-	4.42	3.91	-	-
• K. Ravichandra	-	-	-	-	0.18	0.10	-	-
• T L Raman	-	-	-	-	0.012	0.01	-	-
• Rajat Lakhanpal	-	-	-	-	0.43	0.34	-	-
• Ekta Maheshwari	-	-	-	-	0.12	0.11	-	-
<b>Donations to</b>								
• SRF Foundation	-	-	-	-	-	-	7.60	8.75
<b>Sitting fee paid to</b>								
• Ashish Bharat Ram	-	-	-	-	-	-	-	-
• Vasvi Bharat Ram	-	-	0.0025	0.003	-	-	-	-
• Kartik Bharat Ram	-	-	0.003	0.003	-	-	-	-
<b>Sale of fixed assets to</b>								
• SRF Foundation	-	-	-	-	-	-	-	6.30
<b>Refund of Security Deposit</b>								
• Karm Farms LLP	-	-	-	-	-	-	-	2.50
• SrishtiWestend Greens Farms LLP	-	-	-	-	-	-	-	2.50
<b>Security Deposit paid</b>								
• SRF Welfare Trust	-	-	-	-	-	-	-	0.14
<b>Interest paid to</b>								
• Karmav Real Estate Holdings LLP	-	-	-	-	-	-	0.0013-	0.004
• Arun Bharat Ram	-	-	-	0.003	-	-	-	-
<b>Loan received from</b>								
• Arun Bharat Ram	-	-	-	1.00	-	-	-	-
• Karmav Real Estate Holdings LLP	-	-	-	-	-	-	0.25	0.80
<b>Loan repaid to</b>								
• Karmav Real Estate Holdings LLP	-	-	-	-	-	-	0.25	0.80

**Balances outstanding as at the year end:-**

Nature of Transactions	(a) Year ended 31 <sup>st</sup> March		(b) Year ended 31 <sup>st</sup> March		(c) Year ended 31 <sup>st</sup> March		(d) Year ended 31 <sup>st</sup> March	
	2017	2016	2017	2016	2017	2016	2017	2016
<b>Commission Payable</b>								
• Arun Bharat Ram	-	-	-	-	2.25	2.25	-	-
• Ashish Bharat Ram	-	-	-	-	1.60	1.25	-	-
• Kartik Bharat Ram	-	-	-	-	1.60	1.25	-	-
<b>Security Deposits outstanding with</b>								
• Karm Farms Private Limited	-	-	-	-	-	-	0.60	0.60
• SrishtiWestend Greens Farms Private Limited	-	-	-	-	-	-	0.60	0.60
• Arun Bharat Ram	-	-	-	-	0.12	0.12	-	-
• Ashish Bharat Ram	-	-	-	-	0.006	0.006	-	-
• Kartik Bharat Ram	-	-	-	-	0.006	0.006	-	-
• SRF Welfare Trust	-	-	-	-	-	-	0.14	0.14

**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 Crores)	As % of consolidated profit or loss	Amount (Rs. in Crores)
I. Parent-KAMA Holdings Limited	0%	-1	0%	-1
II. Subsidiaries				
A. Indian				
KAMA Realty (Delhi) Limited	1%	34	0%	-3
SRF Transnational Holdings Limited	4%	105	0%	4
Shri Educare Limited	0%	6	0%	1
SRF Limited	93%	2950	81%	406
SRF Holiday Home Limited	0%	4	0%	0
KAMA Real Estate Holdings LLP	0%	0	-	-
B. Foreign				
Shri Educare Maldives P Ltd	0%	0	0%	0
SRF Global BV	2%	75	19%	94
<b>Total</b>	<b>100%</b>	<b>3173</b>	<b>100%</b>	<b>501</b>
Minority Interest in all subsidiaries	41%	1308	36%	180

## 12 EARNINGS PER SHARE

Annualised earnings per equity share have been calculated based on the net profit after taxation of Rs. 500.99 Crores (Previous Year Rs. 434.61 Crores) less dividend to preference shareholders Rs.1.03 Crores (Previous Year Rs.1.03 Crores) 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. 774.81 (Previous Year Rs. 671.94).

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

- 13 The Holding 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

14.1 There are only one business segment in respect of KAMA Holdings Limited (Core Investment), that of KAMA Realty (Delhi) Limited including its subsidiary KAMA Real Estate Holdings LLP (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:

14.1.1 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

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

14.1.3 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:

**14.3.1 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.

**14.3.2 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, 2017 (Rs. Crores)	Year ended March 31, 2016 (Rs. Crores)
<b>Segment Revenue</b>		
a) Technical Textiles Business (TTB)		
- External sales	1,869.07	1,739.68
- Inter-segment sales	2.56	5.90
- <b>Total</b>	<b>1,871.63</b>	<b>1,745.58</b>
b) Chemicals and Polymers Business (CPB)		
- External sales	1,639.70	1,554.82
- Inter-segment sales	-	-
- <b>Total</b>	<b>1,639.70</b>	<b>1,554.82</b>



	Year ended March 31, 2017 (Rs. Crores)	Year ended March 31, 2016 (Rs. Crores)
c) Packaging Films Business (PFB)		
- External sales	1,350.55	1,305.63
- Inter-segment sales	1.71	1.20
<b>- Total</b>	<b>1,352.26</b>	<b>1,306.83</b>
d) Others	36.28	30.35
<b>Total Segment revenue</b>	<b>4,899.87</b>	<b>4,637.58</b>
Less: Inter Segment revenue	4.27	7.11
<b>Net Sales / Income from Operations</b>	<b>4,895.60</b>	<b>4,630.47</b>
Add: Unallocable Income	4.57	33.55
<b>Total Revenue</b>	<b>4,900.17</b>	<b>4,664.02</b>
<b>Segment Results</b>		
(Profit / (Loss) before finance costs and tax from each segment)		
a) Technical Textiles Business (TTB)	242.58	172.80
b) Chemicals and Polymers Business (CPB)	322.35	388.76
c) Packaging Films Business (PFB)	196.47	192.97
d) others	13.71	18.81
<b>Total Segment results</b>	<b>775.11</b>	<b>773.34</b>
Less: i) Finance Costs	103.29	131.14
Less: ii) Other Unallocable expenses net of income	31.02	55.48
<b>Total Profit before tax</b>	<b>640.80</b>	<b>586.72</b>
Less: Provision for taxation	139.81	152.11
<b>Profit after tax</b>	<b>500.99</b>	<b>434.61</b>

**Other information**

	As at March 31, 2017 (Rs. Crores)	As at March 31, 2016 (Rs. Crores)
<b>Segment Assets</b>		
a) Technical Textiles Business (TTB)	1,488.91	1,395.23
b) Chemicals and Polymers Business (CPB)	3,100.02	2,749.52
c) Packaging Films Business (PFB)	1,904.82	1,586.10
d) Others	164.79	177.52
<b>Total</b>	<b>6,658.54</b>	<b>5,908.37</b>
Add: Unallocable Assets	492.62	692.51
<b>Total Assets</b>	<b>7,151.16</b>	<b>6,600.88</b>
<b>Segment Liabilities</b>		
a) Technical Textiles Business (TTB)	429.57	321.34
b) Chemicals and Polymers Business (CPB)	332.45	266.75
c) Packaging Films Business (PFB)	286.75	281.67
d) Others	2.13	1.11
<b>Total</b>	<b>1,050.90</b>	<b>870.87</b>
Add: Unallocable Liabilities	43.04	40.65
<b>Total Liabilities</b>	<b>1,093.94</b>	<b>911.52</b>

	As at March 31, 2017 (Rs. Crores)	As at March 31, 2016 (Rs. Crores)
<b>Segment Capital Employed</b>		
<b>(Segment assets less segment liabilities)</b>		
a) Technical Textiles Business (TTB)	1,059.34	1,073.89
b) Chemicals and Polymers Business (CPB)	2,767.57	2,482.77
c) Packaging Films Business (PFB)	1,618.07	1,304.44
d) Others	162.66	176.41
<b>Total</b>	<b>5,607.64</b>	<b>5,037.51</b>
Add : Unallocable assets less liabilities	449.58	651.85
<b>Total capital employed</b>	<b>6,057.22</b>	<b>5,689.36</b>
<b>Capital Expenditure</b>		
a) Technical Textiles Business (TTB)	14.57	83.91
b) Chemicals and Polymers Business (CPB)	341.82	314.84
c) Packaging Films Business (PFB)	348.92	138.44
d) Unallocated	15.71	10.41
d) Others	1.30	6.23
<b>Total Capital Expenditure</b>	<b>722.32</b>	<b>553.83</b>
<b>Depreciation</b>		
a) Technical Textiles Business (TTB)	59.87	63.87
b) Chemicals and Polymers Business (CPB)	170.33	163.01
c) Packaging Films Business (PFB)	54.21	51.31
d) Unallocated	10.93	10.96
d) Others	1.81	1.55
<b>Total Depreciation</b>	<b>297.15</b>	<b>290.70</b>

**Geographical segments**

	Year ended March 31, 2017 (Rs. Crores)	Year ended March 31, 2016 (Rs. Crores)
<b>Revenue</b>		
Within India	2,948.06	2,660.81
Outside India	1,952.11	2,003.21
<b>Total</b>	<b>4,900.17</b>	<b>4,664.02</b>
<b>Carrying Amount of Segment Assets</b>		
Within India	6,070.02	5,502.08
Outside India	1,081.14	1,098.80
<b>Total</b>	<b>7,151.16</b>	<b>6,600.88</b>
<b>Addition to Fixed Assets and Intangible Assets</b>		
Within India	558.52	444.12
Outside India	21.96	109.71
<b>Total</b>	<b>580.48</b>	<b>553.83</b>

**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 (i.e. SRF Limited). 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, 2017 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 Millions) As at		Amount (Rs. Crores) As at	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
USD / INR buy forward	9	3	Forward Buy Contract	Forward Buy contract	15.48	5.24	100.28	34.66
USD/INR Sell forward	33	10	Forward sell contract	Forward Sell contract	50.00	24.00	323.95	158.74
EUR/USD sell forward	12	7	Forward sell contract	Forward Sell contract	6.30	3.46	43.62	26.06
EUR/INR Buy forward	3	-	Forward Buy contract	-	4.80	-	33.24	-
EUR/USD Buy forward	10	-	Forward Buy contract	-	14.95	-	103.51	-
GBP/USD Buy forward	2	-	Forward Buy contract	-	1.88	-	15.23	-
EUR/ZAR Sell Forward	1	6	Forward sell contract	Forward sell contract	0.70	2.25	4.85	16.94
USD/THB Buy Forward	4	1	Forward Buy contract	Forward Buy contract	2.80	0.50	18.14	3.31
USD/ZAR Buy Forward	2	-	Forward Buy contract	-	1.25	-	8.10	-
USD/ZAR Sell Forward	1	-	Forward sell contract	-	0.30	-	1.94	-
Interest Rate Swap	5	5	Conversion of Floating LIBOR to Fixed Rate	Conversion of Floating LIBOR to Fixed Rate	51.33	57.78	332.60	382.16

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

Particulars	As at March 31, 2017		As at March 31, 2016	
	Foreign Currency (in millions)	Amount Rs. Crores	Foreign Currency (in millions)	Amount Rs. Crores
Term Loans – USD	193.33	1252.61	229.78	1519.76
PCFC - USD	40.00	259.16	25.00	165.35

- 16 In terms of notification dated 30<sup>th</sup> March 2017 issued by Ministry of Corporate Affairs, The company is require to disclose the details of \*Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. The said information is provided in the table below:

	Denomination	No.	Amount	Others Denomination	Total
Closing Cash in hand as on 08 Nov 2016	1000	805	805,000		
	500	3,972	1,986,000		
			2,791,000	1,240,298	4,031,298
(+) Permitted Receipts			-	5,812,770	5,812,770

(-) Permitted Payments			-	(5,506,411)	(5,506,411)
(-) Amount deposited in Banks	1000	805	(805,000)	-	(805,000)
	500	3,972	(1,986,000)	-	(1,986,000)
			(2,791,000)	306,359	(2,484,641)
Closing Cash in hand as on 30 Dec 2016			-	1,546,657	1,546,657

\*\*Specified Bank Notes are Rs. 500/- and Rs. 1000/- notes which were demonetized vide notification no. dated 08<sup>th</sup> Nov 2016.

- 17 Previous year figures have been regrouped/ rearranged to accord with current year classification/disclosures. Figures pertaining to subsidiaries have been reclassified wherever considered necessary to bring them in line with the Holding 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 : 30<sup>th</sup> May, 2017

Dhirendra Datta

**Director**  
(DIN: 02376649)

Amitav Virmani

**Director**  
(DIN: 02169955)

Statement pursuant to first proviso to sub section(3) of section 129 of Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in prescribed form AOC-1 relating to Subsidiaries/Associates Companies/Joint Ventures.

**A. Statement showing salient features of the financial statements of subsidiaries.**

**Indian subsidiaries**

S. No.	Particulars	(1)	(2)	(3)
		SRF Limited	SRF Transnational Holdings Limited	Shri Educare Limited
		Rs./Crores	Rs./Crores	Rs./Crores
(a)	Reporting Period	1 April 2016 to 31 March, 2017	1 April 2016 to 31 March, 2017	1 April 2016 to 31 March, 2017
(b)	Date since when subsidiary was acquired	03.08.2012	01.04.2014	29.09.2009
(c)	Reporting currency	INR	INR	INR
(d)	Exchange Rate	-	-	-
(e)	Share Capital	58.44	32.54	9.51
(a)	Reserve and Surplus	2925.46	(11.35)	(4.13)
(g)	Total Assets	5990.62	11.91	9.81
(h)	Total Liabilities (external liabilities)	2489.59	84.24	12.34
(i)	Investment	182.09	93.52	6.02
(j)	Turnover	3894.34	9.58	12.84
(k)	Profit/(loss) Before Taxation	518.53	4.65	2.12
(l)	Tax expense/(income)	122.97	0.91	1.76
(m)	Profit/(Loss) After Taxation	395.56	3.74	0.36
(n)	Proposed Dividend	68.90	-	-
(o)	% of Shareholding	52.33%	100%	100%

S. No.	Particulars	(4)	(5)	(6)
		SRF Holiday Home Limited(Subsidiary of SRF Limited)	KAMA Realty (Delhi) Limited	KAMA Real Estate Holdings LLP(Subsidiary of KAMA Realty (Delhi) Limited)
		Rs./Crores	Rs./Crores	Rs./Crores
(a)	Reporting Period	1 April 2016 to 31 March, 2017	1 April 2016 to 31 March, 2017	1 April 2016 to 31 March, 2017
(b)	Date since when subsidiary was acquired	30.01.2008	30.11.2009	13.12.2016
(c)	Reporting currency	INR	INR	INR
(d)	Exchange Rate	-	-	-
(e)	Share Capital/Contribution	4.00	0.06	12.29
(a)	Reserve and Surplus	(0.12)	34.85	0.00006
(g)	Total Assets	3.88	46.45	12.40
(h)	Total Liabilities (external liabilities)	0.006	22.60	0.11
(i)	Investment	-	13.01	1.30
(j)	Turnover	-	8.02	0.003
(k)	Profit/(loss) Before Taxation	-0.05	5.71	0.00006
(l)	Tax expense/(income)	-	1.20	-
(m)	Profit/(Loss) After Taxation	-0.05	4.51	0.00006
(n)	Proposed Dividend	-	-	-
(o)	% of Shareholding	100%	100%	100%

**Foreign subsidiaries**

S. No.	Particulars	(7)		(8)	
		SRF Global BV# (Subsidiary of SRF Limited)		SRF Flexipak (South Africa) (Pty) Limited# (subsidiary of SRF Global BV)	
		USD	Rs./Crores	Rand	Rs./Crores
(a)	Reporting Period	1 April 2016 to 31 March, 2017		1 April 2016 to 31 March, 2017	
(b)	Date since when subsidiary was acquired	20.10.2008		26.10.2011	
(c)	Reporting currency	USD		Rand	
(d)	Exchange Rate	64.79	64.79	4.859	4.859
(e)	Share Capital	18,315,664.00	118.67	100.00	-
(a)	Reserve and Surplus	(16,843,718.00)	(109.13)	(15,457,584.00)	(7.51)
(g)	Total Assets	63,416,866.00	410.88	739,562,595.00	359.35
(h)	Total Liabilities (external liabilities)	61,944,920.00	401.34	755,020,079.00	366.86
(i)	Investment	*	*	-	-
(j)	Turnover	980,300.00	6.35	710,453,233.00	345.21
(k)	Profit/(loss) Before Taxation	(12,610,500.00)	(81.70)	166,262,272.00	80.79
(l)	Tax expense/(income)	-	-	(45,948,121.00)	(22.33)
(m)	Profit/(Loss) After Taxation	(12,610,500.00)	(81.70)	120,314,151.00	58.46
(n)	Proposed Dividend	-	-	-	-
(o)	% of Shareholding	100%	100%	100%	100%

\* Investment in subsidiary USD 30091805 (Equivalent to Rs. 199.03 crores)

S. No.	Particulars	(9)		(10)	
		SRF Overseas Limited#** (subsidiary of SRF Global BV)		SRF Industries (Thailand) Limited# (subsidiary of SRF Global BV)	
		AED	Rs. Crores	Baht	Rs. Crores
(a)	Reporting Period	1 April 2016 to 7th March, 2017		1 April 2016 to 31 March, 2017	
(b)	Date since when subsidiary was acquired	04.07.1994		08.09.2008	
(c)	Reporting currency	AED		THB	
(d)	Exchange Rate	18.484	18.484	1.886	1.886
(e)	Share Capital	84,049,966.00	155.36	100,000,000.00	18.86
(a)	Reserve and Surplus	(47,344,592.00)	(87.51)	449,442,085.00	84.76
(g)	Total Assets	36,705,371.00	67.85	3,257,087,851.00	614.29
(h)	Total Liabilities (external liabilities)	-	-	2,707,645,766.00	510.66
(i)	Investment	-	-	-	-
(j)	Turnover	748,050.00	1.38	3,036,332,032.00	572.65
(k)	Profit/(loss) Before Taxation	748,050.00	1.38	235,515,227.00	44.42
(l)	Tax expense/(income)	-	-	(57,431.00)	(0.01)
(m)	Profit/(Loss) After Taxation	748,050.00	1.38	235,457,796.00	44.41
(n)	Proposed Dividend	-	-	-	-
(o)	% of Shareholding	100%	100%	100%	100%

\*\* SRF Overseas Limited was liquidated during 2016-17

S. No.	Particulars	(11)		(12)	
		SRF Industex Belting (Pty) Limited# (subsidiary of SRF Global BV)		Shri Educare Maldives Private Limited# (subsidiary of Shri Educare Limited)	
		Rand	Rs. Crores	MVR	Rs./Crores
(a)	Reporting Period	1 April 2016 to 31 March 2017		1 April 2016 to 31 March 2017	
(b)	Date since when subsidiary was acquired	13.06.2008		16.12.2009	
(c)	Reporting currency	Rand		MVR	
(d)	Exchange Rate	4.859	4.859	4.18761	4.18761
(e)	Share Capital	13,320,202.00	6.47	13794805	5.78
(a)	Reserve and Surplus	(7,143,062.00)	(3.47)	(13605101.99)	(5.70)
(g)	Total Assets	83,480,689.00	40.56	8413876.23	3.52
(h)	Total Liabilities (external liabilities)	63,017,425.00	30.62	8224173.1	3.44
(i)	Investment	-	-	-	-
(j)	Turnover	131,687,220.00	63.99	36945625.91	15.47
(k)	Profit/(loss) Before Taxation	(8,899,208.00)	(4.32)	(6914)	(0.29)
(l)	Tax expense/(income)	(718,598.00)	(0.35)	-	-
(m)	Profit/(Loss) After Taxation	(9,617,806.00)	(4.67)	(6914)	(0.29)
(n)	Proposed Dividend	-	-	-	-
(o)	% of Shareholding	100%	100%	100%	100%

\* Includes Deferred Tax Assets

# For the limited purpose of disclosure as additional 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 2017:

- (i) 1 AED = Rs. 18.484
- (ii) 1 USD = Rs. 64.790
- (iii) 1 Baht = Rs. 1.886
- (iv) 1 Rand = Rs. 4.859
- (v) 1 MVR = Rs. 4.18761

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

**For and on behalf of the Board of Directors**

Rajat Lakhnopal  
**Whole Time Director**  
**Chief Financial Officer,**  
**& Company Secretary**  
(DIN:00005664)

Kartik Bharat Ram  
**Chairman**  
(DIN:00008557)

Place : New Delhi  
Date : 30<sup>th</sup> May, 2017

Dhirendra Datta  
**Director**  
(DIN: 02376649)

Amitav Virmani  
**Director**  
(DIN: 02169955)

**KAMA HOLDINGS LIMITED**

(CIN : L92199DL2000PLC104779)

Email : info@kamaholdings.com website : www.kamaholdings.com Phone : 011-49482870

Regd. Office : The Galleria, DLF Mayur Vihar, Unit No. 236 & 237, Second Floor, Mayur Place, Noida Link Road, Mayur Vihar Phase I Extn, Delhi- 110 091

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

Thursday, 28 September 2017

11.30 A.M.

**PARTICULARS TO BE COMPLETED BY SHAREHOLDER/PROXY**

I /We hereby record my/our presence at the 17<sup>th</sup> 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 10.30 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 : 011-49482870

Regd. Office : The Galleria, DLF Mayur Vihar, Unit No. 236 & 237, Second Floor, Mayur Place, Noida Link Road, Mayur Vihar Phase I Extn, Delhi- 110 091

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

**PROXY FORM**

Name of the Member(s) : .....

Registered Address:.....

E-mail ID:.....

Folio No./Client ID:.....

DP ID:.....

I/We being the member(s) of ..... shares of the above named Company hereby appoint :

(1) Name ..... Address.....

E-Mail ..... Signature..... or failing him/her

(2) Name ..... Address.....

E-Mail ..... Signature..... or failing him/her

(3) Name ..... Address.....

E-Mail ..... Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 17th Annual General Meeting of KAMA HOLDINGS LIMITED to be held on Thursday, 28 September 2017 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 this.....day of ..... 2017

Affix Rs. 1  
Revenue  
Stamp

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. A proxy cannot speak at the meeting or vote on a show of hands.
6. Shareholder may vote either for or against each resolution.



**Route map of the venue of 17th Annual General Meeting of KAMA Holdings Limited to be held on Thursday, September 28, 2017 at 11.30 a.m. at the Modi Hall, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110016**



**KAMA Holdings Limited**  
**Registered Office**  
 The Galleria, DLF Mayur Vihar, Unit No. 236 & 237, Second Floor, Mayur Place, Noida Link Road, Mayur Vihar Phase I Extn, Delhi- 110 091

***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