

The BSE Ltd.  
BSE's Corporate Relationship Department  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort,  
**Mumbai 400 001**

KAMA/SEC/AGM-21/2021

03<sup>rd</sup> September, 2021

Dear Sir,

**Sub: Annual Report of 21<sup>st</sup> Annual General Meeting- KAMA Holdings Limited**

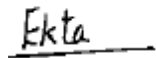
In Compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find attached 21<sup>st</sup> Annual Report of KAMA Holdings Limited.

The Annual Report can also be accessed at the company's website at: [www.kamaholdings.com](http://www.kamaholdings.com)

Request to kindly take this intimation on record.

Thanking you,

Yours faithfully,  
For **KAMA Holdings Limited**



**Ekta Maheshwari**  
**Whole-time Director, CFO & Company Secretary**

**Encl : A/a**

**KAMA Holdings Limited**

Block-C, Sector-45  
Gurgaon 122 003  
Haryana, India  
Tel: +91-124-4354400  
Fax: +91-124-4354500  
Email : [info@kamaholdings.com](mailto:info@kamaholdings.com)  
Website : [www.kamaholdings.com](http://www.kamaholdings.com)

Regd. Office:  
Jnit No. 236 & 237, 2nd Floor  
DLF Galleria, Mayur Palace  
Mayur Vihar Phase-1 Extension  
Delhi 110091



# **KAMA HOLDINGS LIMITED**

**ANNUAL REPORT  
2020-21**

## **BOARD OF DIRECTORS**

Mr. Kartik Bharat Ram, Chairman

Mr. Amitav Virmani

Mr. Ashish Bharat Ram

Mr. Jagdeep Singh Rikhy

Ms. Ira Gupta

Ms. Ekta Maheshwari, Whole-time Director, CFO & Company Secretary

## **AUDITORS**

M/s V Sahai Tripathi & Co., Chartered Accountants, New Delhi

## **BANKER**

HDFC Bank Ltd.

## **REGISTERED OFFICE**

CIN :L92199DL2000PLC104779

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, Gurugram – 122003 (Haryana), India

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## NOTICE

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of KAMA Holdings Limited will be held on Tuesday, September 28, 2021 at 11.00 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") facility [Deemed Venue for meeting: Registered Office: The Galleria, DLF Mayur Vihar, Unit No. 236 & 237, 2<sup>nd</sup> Floor, Mayur Place, Mayur Vihar Phase I Extn, Delhi – 110091] 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, 2021 together with the Reports of the Auditor and Board of Directors' thereon.
2. 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.

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

Sd/-  
**EKTA MAHESHWARI**  
(DIN 02071432)

Gurugram  
May 28, 2021

Whole Time Director, CFO &  
Company Secretary

### NOTES

1. In view of the continuing COVID-19 pandemic, Ministry of Corporate Affairs ("MCA"), vide Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 read with Circular No. 20/2020 dated May 5, 2020 read together with Circular No. 02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars') and SEBI vide its circular dated May 12, 2020 and January 15, 2021 (collectively referred to as 'SEBI Circulars') has permitted the Company to hold Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual means (OAVM).
2. In compliance with applicable provisions of the Companies Act, 2013 ("the Act") read with the aforesaid MCA Circulars and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 21<sup>st</sup> AGM of the Company is being conducted through VC/OAVM. Deemed Venue for meeting will be Registered Office: The Galleria, DLF Mayur Vihar, Unit No. 236 & 237, 2nd Floor, Mayur Place, Mayur Vihar Phase I Extn, Delhi – 110091.
3. National Securities Depository Limited (NSDL), will be providing facility for voting through remote e-voting, for participation in the 21<sup>st</sup> AGM through VC/OAVM facility and e-voting during the AGM.
4. Since, the meeting is being conducted through VC/OAVM, facility of appointing proxies to attend and vote at the meeting on behalf of the members of the Company is not available and hence the proxy form is not annexed to this notice. However, Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.  
  
Body Corporates who intend to authorize representatives to participate and vote on their behalf in the meeting to be held through VC/OAVM are requested to send, in advance, a duly certified copy of the relevant board resolution/letter of authority/power of attorney to the Scrutinizer by e-mail to [arvindkohli@gmail.com](mailto:arvindkohli@gmail.com) and to the Company at [info@kamaholdings.com](mailto:info@kamaholdings.com), through its registered E-mail Address.
5. The attendance of members (members' login) attending the AGM through VC/ OAVM shall be reckoned for the purpose of Quorum under Section 103 of the Companies Act, 2013 and hence no attendance slip is attached to the notice.
6. Pursuant to the applicable provisions of the Companies Act 2013, unpaid/unclaimed dividends up to the financial year 2013-14, was transferred to the Investor Education & Protection Fund (IEPF). Besides the dividend so transferred, Company has also transferred the relative share scrips in respect of dividends which remained unpaid for a continuous period of seven years to the demat account of IEPF Authority, in accordance with the applicable provisions of Companies Act, 2013 and Rules made thereunder. It may be noted that once the unclaimed / unpaid dividend and/or shares are so transferred; the same can only be reclaimed by a shareholder from the IEPF Authority in accordance with the applicable provisions of the Companies Act 2013 and relevant Rules made thereunder by following the prescribed procedure in this regard. The IEPF Rules and the application Form (Form IEPF-5), as prescribed by the Ministry of Corporate Affairs, are available on the website of the Ministry of Corporate Affairs at [www.iepf.gov.in](http://www.iepf.gov.in) Details of the unpaid/unclaimed dividend and shares transferred to IEPF from time to time also have been uploaded on the "Investors Section" of the website of the Company viz. [www.kamaholdings.com](http://www.kamaholdings.com).
- Members, who have not encashed their dividend pertaining to financial year 2014-15 onwards, are advised to write at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) to our Registrar & Transfer Agent M/s. Kfin Technologies Private Limited ("Kfintech" or "RTA"), immediately for claiming the same.
7. Members may utilize the facility extended by the RTA for redressal of their queries including change of

address, if any, by visiting at <https://karisma.kfintech.com/> and clicking on 'Investor Relations' section for query registration through free identity registration process. Members may also write at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) clearly mentioning their DP ID/ Client ID.

8. Members desiring any information/ clarification on the financial statements or any of the resolutions as detailed in the Notice are requested to write to the Company on or before 23<sup>rd</sup> September 2021 through an E-mail to [info@kamaholdings.com](mailto:info@kamaholdings.com), specifying his/her name along with Demat account details. The same shall be replied by the Company suitably.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which directors are interested under Section 189 of the Companies Act, 2013 and all other documents mentioned in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an E-mail to [info@kamaholdings.com](mailto:info@kamaholdings.com).
10. Pursuant to the MCA Circulars and SEBI Circulars, the Notice of the 21<sup>st</sup> AGM and the Annual Report for the financial year 2020-21 are being sent only by email to the Members whose name appear in the register of members/depositories as at closing hours of business on 27<sup>th</sup> August, 2021. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.kamaholdings.com](http://www.kamaholdings.com), websites of the Stock Exchange, that is, BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL, the e-voting agency at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

Those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 21<sup>st</sup> AGM and the Annual Report for the year 2020-21 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

- a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address at [info@kamaholdings.com](mailto:info@kamaholdings.com) or to Registrar & Transfer Agent email address at [Einward.ris@kfintech.com](mailto:Einward.ris@kfintech.com)
- b. For the Members holding shares in demat form,

please update your email address through your respective Depository Participant/s.

11. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company's Registrar.
12. In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form effective from 1<sup>st</sup> April 2019. In view of the above, members are advised to dematerialize their shares held by them in physical form. Members can also write to the Company's Registrar in this regard.
13. To prevent fraudulent transactions, members are advised to exercise due diligence and notify to their Depositories Participants (DPs) in respect of their electronic share accounts and to the Company's Registrar of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
14. In case of joint holders attending the meeting, the members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

#### **Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with MCA Circulars and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 21<sup>st</sup> AGM and facility for those Members participating in the 21<sup>st</sup> AGM to cast vote through e-Voting system during the 21<sup>st</sup> AGM.
- II. The remote e-Voting period will commence on September 25, 2021 (9:00 am IST) and end on September 27, 2021 (5:00 pm 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 September 21, 2021, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting

thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

- III. Any person, who are other than individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the Cut-off date may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you could reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com). In case of Individual shareholders holding securities in Demat mode, who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the Cut-off date, are requested to follow the login method mentioned below in point (A) under e-Voting instructions.

**The details of the process and manner for remote e-voting and voting during the AGM are explained here below:**

**Step 1 : Access to NSDL e-Voting system**

**Step 2 : Cast your vote electronically on NSDL e-Voting system**

**Details on Step 1 is mentioned below:**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p><b>A. NSDL IDeAS facility</b></p> <p><b>If you are already registered for NSDL IDeAS facility</b></p> <ol style="list-style-type: none"> <li>1. Please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> <li>2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section.</li> <li>3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</li> <li>4. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page.</li> <li>5. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> <p><b>If the user is not registered for IDeAS e-Services,</b></p> <ol style="list-style-type: none"> <li>1. The option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>.</li> <li>2. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Upon successful registration, please follow steps given at Point 1 to 5 above.</li> </ol> <p><b>B. e-Voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>1. Visit e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> <li>2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under Shareholder/Member' section.</li> </ol>



Type of shareholders	Login Method
	<ol style="list-style-type: none"> <li>3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>4. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>2. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>3. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting shareholders other than Individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode.**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login"
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 123456 then user ID is 123456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The

which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "[Forgot User Details/ Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).



- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

#### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system**

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [arvindkohli@gmail.com](mailto:arvindkohli@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [info@kamaholdings.com](mailto:info@kamaholdings.com)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/ Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Pallavi Mhatre at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
4. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:
  - a) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to



[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@kama holdings.com](mailto:info@kama holdings.com)

- b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@kamaholdings.com](mailto:info@kamaholdings.com) If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their

request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [info@kamaholdings.com](mailto:info@kamaholdings.com) from September 23, 2021 (9:00 am IST) to September 25, 2021 (5:00 pm IST)). Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

6. The Members can join the AGM through VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation in the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
15. Any person who acquires shares of the Company and becomes member of the Company post-dispatch of Notice of AGM along with the Annual Report before the Cut-Off Date may obtain the login ID and password by sending a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or at Company's email address at [info@kamaholdings.com](mailto:info@kamaholdings.com)  
However if they are already registered with NSDL for remote e-Voting then they can use their existing user ID and password for casting their vote. If they forgot their password, they can reset their password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
16. The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the Cut-off Date.
17. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories, as on the cut-off date, only shall be entitled to avail the facility of remote e-voting or e-voting during the AGM.
18. Mr. Arvind Kohli, (Membership No. FCS 4434, CP 2818) Practicing Company Secretary, Proprietor of M/s Arvind Kohli & Associates, Company Secretaries has been appointed as the Scrutinizer

to scrutinize the entire e-voting process in a fair and transparent manner.

19. The results declared along with the report of the Scrutinizer shall be placed on the Company's website <https://www.kamaholdings.com> and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the concerned Stock Exchange i.e. BSE limited.
20. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
21. In terms of SEBI Listing Regulations, application for:
  - (i) Deletion of name of the deceased member(s) where the shares are held in the name of two or

more member(s) (ii) Transmission of shares to the legal heir(s)/representative(s), where deceased member was the sole holder of shares (iii) 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 member has to be accompanied with a self-attested copy of their PAN along with the other required documents to the Company's Registrar irrespective of the value of the transaction. Members are requested to bear in mind the aforesaid requirements while communicating with the Company or Registrar for any of the purposes stated above. Section 72 of the Act, provides for Nomination by the members of the Company and the members are requested to avail this facility.

#### **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 KFin Technologies Pvt. Ltd.

#### **DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER LISTING REGULATIONS AND SECRETARIAL STANDARDS ON GENERAL MEETINGS**

##### **Mr. Kartik Bharat Ram (DIN 00008557)**

Mr. Kartik Bharat Ram is a Director liable to retire by rotation. In compliance with the requirements of Section 152 of the Companies Act, 2013, Mr. Kartik Bharat Ram will, retire at 21st Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Kartik Bharat Ram (50) holds a Masters' degree in Business Administration in Corporate Strategy from Cornell University, USA and has about 27 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, specialty chemicals and packaging films.

Mr. Kartik Bharat Ram is a member of Risk Management Committee, Stakeholders Relationship Committee and Committee of Directors-Financial Resources of the Board. He holds 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).

<b>Directorships in other companies</b>	<b>Committee Chairmanship/Membership</b>
SRF Ltd.	Stakeholders Relationship Committee- Member CSR Committee - Member Risk Management Committee - Member Committee of Directors-Financial Resources - Member
Shri Educare Limited	-
Orange Farms Private Limited	-
Lotus Estate Private Limited	-

Except Mr. Kartik Bharat Ram and Mr. Ashish 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. In view of the above, the Board of Directors recommend the resolution for approval of the members by way of ordinary Resolution set out at Item No. 2 of the Notice.

## **Board's Report**

Dear Members,

Your Directors are pleased to present their Twenty first Annual Report on the business and operations of the Company and the statement of accounts for the year ended March 31, 2021

### **FINANCIAL RESULTS**

(Rs. Lakhs)

Particulars	2020-21	2019-20
Dividend and Other Income	7212.09	4206.86
Profit before Interest, Depreciation & Tax (PBITD)	7102.00	4138.91
Less: Interest & Finance Charges (Net)	103.36	103.36
Gross Profit	6998.64	4035.55
Less: Depreciation and amortization charge	3.77	3.76
Profit before Tax (PBT)	6994.87	4031.79
Less: Provision for Taxes (including provision for deferred tax)	8.49	(5.86)
Net Profit after Tax (PAT)	6986.38	4037.65
Add: Profit brought forward from previous year	31512.33	29410.80
<b>Surplus available for appropriation</b>	<b>38498.71</b>	<b>33448.45</b>

### **Appropriations**

Interim Dividend on Equity shares	6968.84	1935.80
Other comprehensive income arising from re-measurement of defined benefit obligation	(0.33)	(0.32)
Amount transferred to General Reserve	-	-
Profit carried to Balance Sheet	31529.54	31512.33
<b>Total Appropriation</b>	<b>38498.71</b>	<b>33448.45</b>

### **DIVIDEND**

During the year, your Company has paid an interim dividend of Rs. 108 per equity share amounting to Rs. 6182.29 lakhs (net of TDS). No final dividend is recommended on Equity Shares.

Interim dividend @8% amounting to Rs. 93.02 lakhs (net of TDS) was paid on 8% Non-cumulative Redeemable Preference Shares for financial year 2020-21.

### **OPERATIONS REVIEW**

Profit before Interest, Depreciation & Tax (PBITD)

increased by 71.59% to Rs 7102.00 lakhs during 2020-21 from Rs 4138.91 lakhs during 2019-20. Profit after Tax increased by 73.03% to Rs. 6986.39 lakhs during 2020-21 from Rs 4037.65 lakhs during 2019-20 mainly on account of increase in dividend income

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

As on March 31, 2021, 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 six wholly owned subsidiaries out of which one wholly owned subsidiary is registered in India and remaining five are registered outside India. Two of these are direct wholly owned subsidiaries and the rest four are step down wholly owned subsidiaries of SRF Limited. The details of the business of these subsidiaries is more particularly given in the Annual Report of SRF Ltd. for 2020-21 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. Ltd. (SEMPL) 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. It is engaged primarily in acquisition and rental of properties.

The consolidated profit and loss account for the period ended March 31, 2021 includes the profit and accounts for these twelve subsidiaries for the complete financial year ended March 31, 2021

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 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-appointment.

All the Independent Director(s) have submitted the declaration of meeting the criteria for independence as provided in section 149 (6) of the Companies Act, 2013 and Listing Regulations. They are also independent of the management.

The Board confirms that independent directors appointed during the year possess the desired integrity, expertise and experience. The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. One of the Directors is exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA and the remaining have been advised to undergo the Online Proficiency Test as prescribed under Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended.

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 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.

<https://www.kamaholdings.com/Inv/KAMA%20Familiarisation%20programme%202021.pdf>

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

During the year 2020-21, five meetings of the Board of Directors were held. For further details, please refer to report on Corporate Governance on page no. 28 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 that :

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 ('the Act') in Form No. AOC-2 is not applicable to the Company for FY 2020-21 and hence the same is not provided.

Your Directors draw attention of the members to Note 25 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, guarantee or security was proposed to be utilized by the recipient are provided in the standalone financial statement. (Please refer Note 26 to the standalone financial statement).

#### **BUSINESS RESPONSIBILITY REPORT**

As stipulated under the Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective has been prepared for 2020-21 and forms a part of the Board's Report.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the year 2020-21, the provisions of Section 135 of the Companies Act 2013, were not applicable to the Company as the criteria for formation of CSR Committee laid down in section 135 (1) of the said Act were not met by the Company. Moreover, the net profit of the Company consisted predominantly of dividend from SRF limited, which is a subsidiary of the Company, which is complying with the requirements of the said section. As per the Companies (Corporate Social Responsibility Policy) Rules 2014, net profit for the purpose of the said section excludes any dividend income received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.

#### **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.

The Company has a Risk Management Committee consisting of Mr. Ashish Bharat Ram as Chairman, Mr. Kartik Bharat Ram and Mr. Jagdeep Singh Rikhy as members of the Committee. Mr. Jagdeep Singh Rikhy was appointed as member of the Committee wef 28.05.2021 in place of Ms. Ekta Maheshwari

#### **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.

#### **DIVIDEND DISTRIBUTION POLICY**

In compliance with the listing regulations, your Board had formulated a Dividend Distribution Policy. A copy of the said policy is available on the website of the company at [www.kamaholdings.com](http://www.kamaholdings.com). The Policy is also given in Annexure II.

#### **CORPORATE GOVERNANCE**

Certificate of the Statutory Auditor 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 III.

In compliance with the requirements of Regulation 17(8) of the aforesaid Regulations, a certificate from Whole Time Director, CFO 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, CFO 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 Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant amendments issued thereafter of the Act.

### **AUDIT COMMITTEE**

The Audit Committee comprises of Independent Directors namely Mr. Amitav Virmani (Chairman of the Committee), Ms. Ira Gupta and Mr. Jagdeep Singh Rikhy as other members. All the recommendations made by the Audit Committee were accepted by the Board.

### **ACCOUNTS AND AUDIT**

M/s V Sahai Tripathi & Co. (VST), Chartered Accountants (Firm Registration No. 000262N) were appointed as the statutory Auditor of the Company for a term of 5 years in its 20<sup>th</sup> Annual General Meeting.

There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditor in their Audit Report. The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in the Annual Report.

### **COST AUDIT**

As per the requirement of section 148(1) and other applicable provisions of the Companies Act, 2013, Maintenance of Cost records is not applicable on 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 section in the Annual report.

### **SECRETARIAL AUDITOR**

The Board had appointed M/s Sanjay Grover & Associates, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith as Annexure IV to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, Secretarial Compliance Report dated May 28, 2021, issued as per SEBI Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019 was given by M/s Sanjay Grover & Associates, Practicing Company Secretary which was submitted to Stock Exchanges.

### **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 as amended, 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 V.

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 as amended are provided in Annexure VI.

### **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 rules made thereunder have not been given. There is no foreign exchange earnings and outgo in the financial year ended March 31, 2021.

### **ANNUAL RETURN**

The Annual Return (MGT-7) of the Company as on March 31, 2021 is available on the following web link: [www.kamaholdings.com](http://www.kamaholdings.com)

### **SECRETARIAL STANDARDS**

Applicable Secretarial Standards i.e. SS-1, SS-2 and SS-3, relating to 'Meeting of the Board of Directors', 'General

Meetings' and 'Dividend' respectively, have been duly followed by the Company.

#### **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, CFO 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.

During the year there were no complaints received under the Sexual Harassment of Women at Workplace (Prevention, prohibition and redressal ) Act, 2013.

#### **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**

Place: New Delhi  
Date: May 28, 2021

Sd/-  
**Kartik Bharat Ram**  
Chairman  
(DIN 00008557)



## Annexure I to Board's Report

### **KAMA HOLDINGS LIMITED NOMINATION, APPOINTMENT AND REMUNERATION POLICY**

#### **A. Introduction**

This Policy on Nomination, Appointment and Remuneration of Directors and Key Managerial Personnel has been formulated in accordance with the provisions of Section 178 of the Companies Act, 2013 (the Act) and the Listing 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.
Senior Management Personnel	All Key Managerial Personnel and officers as may be decided by the NRC/ Board

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.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management

#### **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.

**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 : .....**

## Annexure II

### 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.	Advise 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 : .....

## Annexure - III

### CRITERIA FOR EVALUATION OF THE BOARD OF DIRECTORS

<b>A:</b>	Performance of Board as a whole	<b>Evaluation Criteria</b> <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.</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>B:</b>	Performance of Board Committees	<b>Evaluation Criteria</b> <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>

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

Place: New Delhi  
Date: May 28, 2021

Sd/-  
**Kartik Bharat Ram**  
Chairman  
(DIN 00008557)

## Annexure II to the Board's Report

### Dividend Distribution Policy

<b>OBJECTIVES</b>	This Policy shall provide the underlying philosophy, rationale and guidelines to distribute the surplus generated by the company, among its shareholders by way of cash Dividend including interim Dividend.
<b>PHILOSOPHY</b>	The philosophy of the Company is to maximise the shareholders' wealth in the Company through various means. The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilise its profits for making long term investments in its subsidiaries/ group Companies and / or providing loans to these subsidiaries/ group Companies and thereafter distributing the surplus profits in the form of dividend to the shareholders.
<b>KEY PROCESSES THE GUIDELINES GOVERNS</b>	Finance and Secretarial
<b>REGULATORY FRAMEWORK</b>	This Dividend Distribution Policy has been formulated in line with Clause 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which require the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a Dividend distribution policy which shall be disclosed in their annual reports and on their websites.
<b>PARAMETERS FOR DECLARATION OF DIVIDEND</b>	<p>Board of Directors of the Company shall consider the following parameters for declaration of Dividend :-</p> <p><b><u>Financial Parameters/Internal Factors</u></b></p> <ul style="list-style-type: none"> <li>• Standalone and Consolidated profit after tax</li> <li>• Resources required to fund acquisitions and/or new businesses</li> <li>• Return on Capital Employed</li> <li>• Cost of borrowings</li> <li>• Cash flow required to meet contingencies</li> <li>• Outstanding borrowings and their servicing</li> <li>• Covenants in the financial facilities agreements</li> <li>• Past Dividend trends</li> </ul> <p><b><u>External Factors</u></b></p> <ul style="list-style-type: none"> <li>• Prevailing statutory requirements, regulatory conditions or restrictions laid down under applicable laws including tax laws.</li> <li>• Dividend pay-out ratios of comparable companies.</li> <li>• Macroeconomic conditions</li> <li>• Expectations of major stakeholders including small shareholders.</li> </ul>
<b>CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND</b>	<p>Shareholders may not expect Dividend under the following circumstances :-</p> <ul style="list-style-type: none"> <li>• Whenever it undertakes long term investments in the securities of Subsidiaries/ group Companies.</li> <li>• Whenever it undertakes loans to Subsidiaries/ group Companies</li> <li>• Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;</li> <li>• Whenever it proposes to utilise surplus cash for buy-back of securities</li> <li>• In the event of inadequacy of profits or whenever the Company has incurred losses; or</li> <li>• Any other event in which the Board of Directors may deem it fit to not declare dividend.</li> </ul>

<b>UTILISATION OF RETAINED EARNINGS</b>	<p>The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:</p> <ul style="list-style-type: none"> <li>• long term investments in the securities of Subsidiaries/ group Companies.</li> <li>• loans to Subsidiaries/ group Companies</li> <li>• Diversification of business;</li> <li>• Mergers and acquisitions;</li> <li>• Long term strategic plans;</li> <li>• Where the cost of debt is expensive;</li> <li>• Other such criteria as the Board may deem fit from time to time.</li> </ul>
<b>PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES</b>	<ul style="list-style-type: none"> <li>• Presently, the Authorised Share Capital of the Company is divided into equity share of Rs. 10 each and Preference shares of Rs. 10 each. At present, the issued and paid-up share capital of the Company comprises equity shares and preference shares.</li> <li>• The Company shall first declare dividend on outstanding preference shares, if any, at the rate of dividend fixed at the time of issue of preference shares and thereafter, the dividend would be declared on equity shares.</li> </ul>
<b>PROCEDURE</b>	<ul style="list-style-type: none"> <li>• The Whole-time Director, CFO &amp; Company Secretary of the Company shall recommend any amount to be declared/ recommended as Dividend to the Board of Directors of the Company.</li> <li>• The agenda of the Board of Directors where Dividend declaration or recommendation is proposed shall contain the rationale of the proposal.</li> <li>• Pursuant to the provisions of applicable laws and this Policy, interim Dividend will be approved by the Board of Directors and final Dividend, if any, recommended by the Board of Directors, will be subject to shareholders approval, at the ensuing Annual General Meeting of the Company.</li> <li>• The Company shall ensure compliance of provisions of Applicable Laws and this Policy in relation to Dividend declared by the Company.</li> </ul>
<b>DISCLOSURE</b>	<ul style="list-style-type: none"> <li>• Company shall make appropriate disclosures as required under SEBI Regulations, Companies Act, 2013 and other applicable laws.</li> </ul>
<b>GENERAL</b>	<ul style="list-style-type: none"> <li>• This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter.</li> <li>• The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.</li> <li>• In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.</li> </ul>

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

Sd/-

**Kartik Bharat Ram**

Chairman

(DIN 00008557)

Place: New Delhi  
Date: May 28, 2021

## **Annexure III to the Board's Report**

### **INDEPENDENT AUDITORS' CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**To**  
**The Members**  
**KAMA Holdings Limited**

We have examined the compliance of the conditions of Corporate Governance by KAMA Holdings Limited (the "Company") for the year ended March 31, 2021 as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

The compliance of regulations of Corporate Governance is the responsibility of the management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

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

#### **Opinion**

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

**For V Sahai Tripathi & Co.**  
Chartered Accountants  
FRN: 000262N

Sd/-  
**(Vishwas Tripathi)**  
Partner

Place: New Delhi  
Date: 28<sup>th</sup> May 2021

Membership No. 086897  
**UDIN: 21086897AAAABF9652**



## Annexure IV to the Board's Report

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2021

[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)  
The Galleria, DLF Mayur Vihar,  
Unit No. 236 & 237, 2<sup>nd</sup> Floor, Mayur Place,  
Mayur Vihar Phase-I Extension, New Delhi-110091.

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.
- g) The auditor adhered to best professional standards and practices as could be possible while carrying out audit during the lock-down conditions due to Covid-19. The Company made due efforts to make available the relevant records and documents which were verified through online means to conduct and complete the audit in the aforesaid lock-down conditions.

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, 2021 ("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, 2021 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, where applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (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, 2018; 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 generally 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 with the RBI as the Company is not accessing any public funds and the Company is termed as Unregistered CIC.

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

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. No changes in the Board of Directors took place during the period under review.

Adequate notices are 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 were 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, which need to be further strengthened.

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

Sd/-

**Devesh Kumar Vasisht**  
Partner

CP No.: 13700, FCS No. F8488  
UDIN: F008488C000401903

Place: New Delhi  
Date: May 28, 2021

## Annexure V 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 Lakhs)	Qualification	Exp. (in Years)	Date of Joining	Last Employment
1.	Ekta Maheshwari	47	Whole-time Director, CFO & Company Secretary	21.50	PGDBM, M.Phil. (Commerce), ACS, LLB	19	01.04.2019	SRF Ltd.
2.	Anoop K Joshi	61	President	12	FCS, FCA	37	01.04.2019	SRF Ltd.
3.	Robin Sharma	38	Assistant Manager–Accounts	12.41	B.Com	16	01.04.2020	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. Ms. Ekta Maheshwari, Whole-time Director, CFO & Company Secretary is not related to any other Director of the Company.

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

Sd/-

**Kartik Bharat Ram**

Chairman

(DIN 00008557)

Place: New Delhi  
Date: May 28, 2021

## Annexure VI to Board's Report

### 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, CFO and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 are as under:

S. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2020-21 (Rs./Lakhs)	% increase in Remuneration in the Financial Year 2020-21	Ratio of remuneration of each Director to median remuneration of employees
1	Ms. Ekta Maheshwari (Whole Time Director, CFO & Company Secretary)	21.5	10.19	1.73
2	Mr. Kartik Bharat Ram (Non-Executive Chairman, & Promoter)	1.90	216.66	0.15
3	Mr. Ashish Bharat Ram (DIN 00671567) (Non-Executive Director & Promoter)	2.00	185.71	0.16
4	Mr. Amitav Virmani (Non-Executive Independent Director)	2.30	206.66	0.18
5	Mr. Jagdeep Singh Rikhy (Non-Executive Independent Director)	1.90	850.00	0.15
6	Ms. Ira Gupta (Non-Executive Independent Director)	2.00	277.35	0.16

- (ii) The median remuneration of employees of the Company as on March 31, 2021 was Rs. 12.41 Lakhs as compared to Rs. 15.75 Lakhs as on March 31, 2020. The decrease in median remuneration was 21.23% as compared to 2019-20.
- (iii) There were three permanent employees on the rolls of the Company as on March 31, 2021.
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2020-21 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration –

Category	Average Increase
Employees' remuneration (other than Directors)	103.42%
Managerial remuneration (Directors)	10.19%

The increase in managerial remuneration and remuneration of other employees is a function of many factors such as company performance, compensation philosophy, market competitiveness and the total number of employees.

During the year the sitting fees payable to Non-Executive Directors was increased, hence there is an extraordinary increase in their remuneration.

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

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

Place: New Delhi  
Date: May 28, 2021

Sd/-  
**Kartik Bharat Ram**  
Chairman  
(DIN 00008557)

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year the Company had earned total income by way of dividend and interest income aggregating to Rs. 7212.09 lakhs. Net profit for the year amounted to Rs. 6986.38 lakhs as compared to Rs. 4037.65 lakhs in the previous year. The share capital of the company as on 31<sup>st</sup> March, 2021 stood at Rs. 1937.20 lakhs and Reserves and Surplus at Rs. 57059.58 lakhs (including capital reserve of Rs. 20345.06 lakhs).

As on March 31, 2021, the return on net worth of the Company was 12.24% vis-à-vis 7.08% in FY20, change due to increase in dividend income.

As on March 31, 2021 current ratio of the company was 3.21 vis-à-vis 245.58 as on March 31, 2020 i.e. decrease of 98.69% on account of the fact that interim dividend was declared in the month of March 2021 and paid during April 2021. Therefore as on March 31, 2021 was accounted as current liability. There were no other significant change in the key financial ratios as prescribed in the Listing Regulations.

### 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 is a subsidiary of the Company which is a chemical based multi-business entity engaged in the manufacturing of industrial and specialty intermediates. It is widely recognized and well respected for its R&D capabilities globally, especially in the niche domain of chemicals. SRF Limited is a market leader in most of its business segments in India and commands a significant global presence in most of its businesses. It has operations in four countries namely, India, Thailand, South Africa and Hungary also and commercial interests in more than seventy-five countries. SRF Limited classifies its main businesses as Technical Textiles Business (TTB), Chemicals Business (CB), Packaging Films Business (PFB) and Other Business (OB).

The Company has five 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.

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 2020-21 which is available on its website [www.srf.com](http://www.srf.com).

#### Other subsidiaries

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

During the year, SEL added 1 (one) K-12 school in Rohini-Delhi, 1 (one) pre-school in Rohini-Delhi 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 two in 2021-22.

During the year 2020-21, SEL has earned a revenue of Rs. 1045.72 Lakhs (PY Rs. 1572.63 lakhs) mainly on account of project management fees and student fees and incurred loss after tax of Rs. 452.37 lakhs (PY Loss was Rs. 161.24 Lakhs) (including Deferred Tax and MAT Credit).

##### Shri Educare Maldives Pvt. Ltd. (SEMP)

SEMP has been managing a school under 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 2020-21, SEMPL earned a revenue of MVR 405.99 Lakhs (INR Rs. 1927.48 lakhs) (PY MVR 462.75 lakhs (INR Rs. 2135.32 lakhs)) mainly on account of tuition fees and incurred loss of MVR 4.40 (INR Rs. 20.86 lakhs) (PY Profit MVR 2.5441 lakhs (INR Rs. 11.74 lakhs)).

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

KRDL is a company engaged in acquisition and rental of properties. During 2020-21, KRDL has earned a revenue of Rs.788.60 lakhs (PY Rs. 758.05. lakhs) mainly on account of rental and interest income and profit after tax of Rs. 393.29 lakhs (PY Rs. 450.72 lakhs).

##### SRF Transnational Holdings Ltd. (SRFT)

SRFT is a registered non deposit taking NBFC engaged in the business of investment in shares and securities.

During 2020-21, SRFT has earned a revenue of Rs. 438.7 lakhs (PY Rs. 468.07 lakhs) mainly on account of interest income and profit on sale of investments and profit after tax of Rs. 125.22 lakhs (PY Rs. 342.91 lakhs).

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

KREHL is a limited liability partnership between KAMA Realty (Delhi) Ltd. and Shri Educare Ltd. It is engaged primarily in acquisition and rental of properties. During 2020-21, KREHL has earned a revenue of Rs. 133.95 lakhs (Previous year Rs. 103.58 lakhs) mainly on account of dividend and interest income and profit on sale of property and incurred loss of Rs. 59.36 lakhs (PY Rs. (417.99) lakhs).

#### **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.

#### **HUMAN RESOURCES**

Employee relations continued to remain cordial during the year under review. As on March 31, 2021, there were 3 employees, one of whom is a Key Managerial Personnel of the Company.

#### **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- 2020-21

### Philosophy of the Company on Corporate Governance

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

### Board of Directors

#### Composition of the Board

As on 31.03.2021, KAMA's 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 2020-21.

Table 1: Composition of the Board of Directors of KAMA Holdings Ltd. as on 31.03.2021

Sl. No.	Name of Director	Category of Director	No. of other Directorships of Indian Public Ltd Company* (other than KAMA)	No. of Audit & Stakeholder Relationship Committees where Chairperson or Member (including KAMA) #		Name of Listed Entities & Category of Directorship
				Chairperson	Member	
1	Mr. Kartik Bharat Ram	Non-Executive Chairman, Promoter	2	-	2	1. SRF Limited- Promoter, Executive Director
2	Mr. Ashish Bharat Ram	Non- Executive, Promoter	4	1	1	1. Transport Corporation of India Limited– Independent Director 2. SRF Limited– Promoter, Executive Director
3	Mr. Amitav Virmani	Non-Executive, Independent	1	1	1	-
4	Ms. Ira Gupta	Non-Executive, Independent	-	-	1	-
5	Mr. Jagdeep Singh Rikhy	Non-Executive, Independent	-	-	1	-
6	Ms. Ekta Maheshwari	Executive	1	-	-	-

Mr. Kartik Bharat Ram and Mr. Ashish 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.

# Membership & Chairmanship of Stakeholder Relationship Committee & Audit Committee of Indian Public Companies have been considered.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board as follows :

Name of Director	Skills/Expertise/ Competencies
Mr. Kartik Bharat Ram	Accounting and finance, Leadership skills, Understanding of relevant laws, rules, regulation and policy
Mr. Ashish Bharat Ram	Accounting and finance, Leadership skills, Understanding of relevant laws, rules, regulation and policy
Mr. Amitav Virmani	Accounting and finance, Leadership skills, Understanding of relevant laws, rules, regulation and policy
Ms. Ira Gupta	Accounting and finance, Leadership skills, Understanding of relevant laws, rules, regulation and policy

Name of Director	Skills/Expertise/ Competencies
Mr. Jagdeep Singh Rikhy	Accounting and finance, Leadership skills, Understanding of relevant laws, rules, regulation and policy
Ms. Ekta Maheshwari	Accounting and finance, Understanding of relevant laws, rules, regulation and policy

Certificate from M/s. S. Aggarwal & Associates, Practising Company Secretary (Registration No. 8989), confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/ Ministry of Corporate Affairs or any such Statutory Authority as stipulated under Regulation 34(3) of the Listing Regulations, is attached to this Report.

#### 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 Mr. Ashish Bharat Ram are Independent in terms of Regulation 16 of Listing Regulations and Section 149(6) of the Companies Act, 2013.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed both under the Companies Act and Listing Regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

None of the Directors on the Board holds directorships in more than ten public companies. None of our Directors serve as a director/ independent director on more than seven listed entities. None of our Directors who is serving as whole time Director/Managing Director in any listed entity is holding position of independent director in more than three listed entities. 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 08.02.2021 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 2020-21, the Board of Directors met five times on the dates as referred below in Table 2.

**Table 2: Attendance of directors in Board Meetings and Annual General Meeting (AGM) held during the year in 2020-21**

Name of the Director	Date of Board Meeting and Attendance of Directors					Attended last AGM
	30.07.2020	10.08.2020	11.11.2020	08.02.2021	30.03.2021	
Mr. Kartik Bharat Ram	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ashish Bharat Ram	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Amitav Virmani	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Ira Gupta	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Ekta Maheshwari	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Jagdeep Singh Rikhy	Yes	Yes	Yes	Yes	Yes	Yes



## Remuneration of Directors

Table 3 gives the remuneration paid or payable to the Directors during 2020-21.

**Table 3: Remuneration Paid or Payable to Directors during 2020-21**

Name of Director	Salary & Perquisites#	Sitting fees for Board and Committee meetings	Deferred Benefits (PF, superannuation and Gratuity)	Total (Rs. in lakhs)
Mr Kartik Bharat Ram	-	1.90	-	1.90
Mr Ashish Bharat Ram	-	2.00	-	2.00
Mr Amitav Virmani	-	2.30	-	2.30
Ms. Ira Gupta	-	2.00	-	2.00
Ms. Ekta Maheshwari	19.78	-	1.72	21.50
Mr. Jagdeep Singh Rikhy	-	1.90	-	1.90
<b>Total</b>	<b>19.78</b>	<b>10.10</b>	<b>1.72</b>	<b>31.60</b>

# 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
Ms. Ekta Maheshwari	5 years w.e.f 01.04.2019	1 month by either party	Nil

## Shareholding of non-executive Directors

As on 31.03.2021, Mr. Kartik Bharat Ram holds 31,94,325 fully paid up 8% Non-cumulative Redeemable Preference Shares of Rs. 10 each. Mr. Ashish Bharat Ram holds 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 one of the subsidiaries of the Company. Consequently, the subsidiaries of SRF Ltd. all of whom are unlisted are also subsidiaries of the Company. As per sub-regulation 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 in so far 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, CFO & 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 include approval of annual internal audit plan, review of financial reporting systems, ensuring compliance with regulatory guidelines, discussions on quarterly, half yearly and annual financial results, interaction with statutory and internal auditors, recommendation for appointment, remuneration and term of auditors, examination of financial statements and auditors' report thereon, review the functioning of the 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, reviewing with the management adequacy of internal control system. Appointment of Chief Financial Officer, reviewing the utilization of loan and/ or advances from/ investment by the holding company in the subsidiary company exceeding prescribed limit

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 Meetings held during the year**

As on 31.03.2021, 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 2020-21 and attendance of its members.

**Table 5: Attendance Record of Audit Committee Meetings during 2020-21**

Name of Members	Category	Date of Audit Committee Meeting and Attendance of Members			
		03.07.2020	10.08.2020	11.11.2020	08.02.2021
Mr. Amitav Virmani (Chairman)	Independent, Non-Executive	Yes	Yes	Yes	Yes
Ms. Ira Gupta	Independent, Non-Executive	Yes	Yes	Yes	Yes
Mr. Jagdeep Singh Rikhy	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. 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, and other Employees.
- Identification and recommendation to Board of persons who are qualified to become Directors, Key Managerial Personnel, and Senior Management Personnel in accordance with the criteria laid down.
- Recommend to the Board on appointment and removal of Directors, Key Managerial Personnel, and Senior Management Personnel
- 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, and Senior Management Personnel.
- Formulation of criteria for making payment to Non-Executive Directors and
- Recommend to the Board all remuneration in whatever form, payable to Senior Management Personnel

**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 31.03.2021, this Committee comprised three Directors, Ms. Ira Gupta (Chairperson), Mr. Ashish Bharat Ram and Mr. Amitav Virmani, 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 2020-21 and attendance of its members.

**Table 6: Attendance Record of Nomination and Remuneration Committee Meetings during 2020-21**

Name of Members	Category	Date of NRC Meeting and Attendance of Members
		03.07.2020
Mr. Amitav Virmani #	Independent, Non-Executive	Yes
Mr. Ashish Bharat Ram	Non-executive, promoter	Yes
Ms. Ira Gupta #	Independent, Non-Executive	Yes

# Ms. Ira Gupta was appointed as Chairperson of NRC Committee in place of Mr. Amitav Virmani from the close of business hours of 03.07.2020.

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

Pursuant to the provisions 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 other employees forms part of the Board's Report and is accessible on Company's website [www.kamaholdings.com](http://www.kamaholdings.com).

### c) Stakeholders Relationship Committee

As on 31.03.2021, this Committee comprised of three members. Mr. Ashish Bharat Ram, Chairman 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 2020-21 and attendance of its members.

**Table 7: Attendance Record of Stakeholders Relationship Committee Meetings during 2020-21**

Name of Members	Category	Date of Stakeholders Relationship Committee Meeting and Attendance of Members					
		30.06.2020	07.08.2020	07.09.2020	01.12.2020	19.02.2021	31.03.2021
Mr. Ashish Bharat Ram (Chairman)	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	Yes	Yes	Yes	No	Yes	Yes

To expedite the process of transfer, Company Secretary has been authorised by the Board to consider and approve the registration of transfer, transmission and name deletion of shares upto a limit of 500 shares in any one case.

As on 31.03.2021, 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 2020-21.

**Table 8: Shareholder and Investor Complaints received and redressed during 2020-21**

Total Complaints Received	Total Complaints Redressed	Complaints not solved to the satisfaction of Shareholders	Pending as on 31.03.2021
11	11	Nil	Nil

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

As on 31.03.2021, this Committee comprised of three Directors— Mr. Kartik Bharat Ram, Mr. Ashish Bharat Ram and Ms. Ekta Maheshwari.

Table 9 provides details of the Committee of Directors- Financial Resources meetings held during the year 2020-21 and attendance of its members.

**Table 9: Attendance Record of Committee of Directors- Financial Resources Meetings during 2020-21**

Name of Members	Category	Date of Committee of Directors- Financial Resources Meeting and Attendance of Members
		30.10.2020
Mr. Ashish Bharat Ram	Non-executive, promoter	Yes
Mr. Kartik Bharat Ram	Non-executive, promoter	Yes
Ms. Ekta Maheshwari	Whole Time Director	Yes

**e) Risk Management Committee**

As on 31.03.2021, Risk Management Committee comprised of three directors - Mr. Ashish Bharat Ram as Chairman, Mr. Kartik Bharat Ram and Ms. Ekta Maheshwari as Members. The composition of the Committee is in conformity with the Listing Regulations.

As on March 31, 2021, brief description of terms of reference of Risk Management Committee inter alia includes the following:

- Oversee key risks, including strategic, financial, operational, compliance and cyber security risks.
- Assist the Board in framing, implementing, monitoring and reviewing the risk management plan/policy for the Company and reviewing and guiding the Risk Policy.
- Assist the Audit Committee in evaluating the effectiveness of Risk Management System.

Table 10 provides details of Risk Management Committee meetings held during the year 2020-21 and attendance of its members.

**Attendance Record of Risk Management Committee Meetings during 2020-21**

Name of Members	Category	Date of Risk Management Committee Meeting and Attendance of Members
		30.12.2020
Mr. Ashish Bharat Ram	Non-executive, promoter	Yes
Mr. Kartik Bharat Ram	Non-executive, promoter	Yes
Ms. Ekta Maheshwari	Whole Time Director	Yes

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

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

**Disclosure Requirements**

- During the year 2020-21, the Company had not entered into any materially significant related party transaction. Transactions with related parties are disclosed in Note No 25 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 2020-21.
- The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) of the Listing Regulations.
- This Corporate Governance Report of the Company for the year 2020-21 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;
- **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.

#### **Appointment/ Reappointment/ Resignation of Directors**

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

#### **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/Pioneer (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 2020-21, 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 11.

**Table 11 : Last three AGMs of the Company**

Year	Location	Date	Time	No. of Special Resolutions passed
2017-18	Modi Hall, PHD House 4/2, Siri Institutional Area August Kranti Marg, New Delhi-110 016	28.09.2018	11.00 A.M	3
2018-19	Modi Hall, PHD House 4/2, Siri Institutional Area August Kranti Marg, New Delhi-110 016	30.09.2019	11.00 A.M	None
2019-20	Video Conferencing. Deemed Venue- The Galleria, DLF Mayur Vihar, Unit No. 236 & 237, 2nd Floor, Mayur Place, Mayur Vihar Phase I Extn, Delhi – 110091	30.10.2020	11.00 A.M	None

**Postal Ballot**

During the financial year 2020-21 the Company had passed Ordinary Resolution under Section 181 of the Companies Act, 2013 for Contribution to various bona fide and charitable funds etc through postal ballot as per following details:

Date of Postal Ballot Notice : May 12, 2020

Voting period : May 20, 2020 to June 18, 2020

Date of declaration of result : June 19, 2020

Date of approval : June 18, 2020

S. No.	Name of the resolution	Type of resolution	No. of votes polled	Votes cast in favour		Votes cast against	
				No. of votes	%	No. of votes	%
1	Approval for Contribution to various bona fide and charitable funds etc.	Ordinary	4863074	4840139	99.53	22935	0.47

**Procedure for Postal Ballot**

In compliance with Listing Regulations and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs for holding general meetings/conducting postal ballot process through e-voting vide General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 in view of COVID-19 pandemic, the Company provided electronic voting facility to all its members, to enable them to cast their votes electronically. The Company has availed E-voting facility offered by the RTA viz KFin Technologies Private Limited ("Kfintech" or "RTA") for conducting e-voting by members of the Company and as permissible under the Act, notices to the shareholders were sent through e-mail whose e-mail id were registered with depository participants and RTA . The Company has also provided option for e-voting to those shareholders, who held shares in Physical form. In compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope were not sent to the shareholders for this Postal Ballot and shareholders were requested to communicate their assent/dissent through the remote e-voting system only. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements and procedure for registration of the email address as mandated under the Act and applicable Rules and recent circulars.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members to exercise their votes by electronic mode only and were requested to vote before close of business hours on the last date of e-voting. The scrutinizer submitted his report to Ms. Ekta Maheshwari, Whole Time Director, CFO & Company Secretary (who was duly authorised by the Chairman in this regard), after the completion of scrutiny, the results of the voting by postal ballot were then announced by her. The results were also displayed on the website of the Company, [www.kamaholdings.com](http://www.kamaholdings.com), besides being communicated to the stock exchanges, depositories and RTA. The date of passing of the resolutions was 18.06.2020 i.e. last date of voting and date of declaration of the results was 19.06.2020.

## 21<sup>st</sup> Annual General Meeting

Day & Date	Tuesday, September 28, 2021
Time	11.00 a.m.
Venue	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circulars dated January 13, 2021 read together with Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 and deemed venue for meeting will be Registered Office: The Galleria, DLF Mayur Vihar, Unit No. 236 & 237, 2nd Floor, Mayur Place, Mayur Vihar Phase I Extn, Delhi – 110091 For details please refer to the Notice of this AGM.

## Financial Year

April 1 to March 31

## Tentative Financial Calendar for declaration of Results for FY 2021-22

First Quarter	Second week of August 2021
Second Quarter	Second week of November 2021
Third Quarter	Second week of February 2022
Fourth Quarter and Annual	Fourth week of May 2022

## Interim Dividend Payment Date

Interim dividend of Rs. 108 per share (1080%) on the paid-up equity capital of the Company amounting to Rs. 618229081 (after TDS of Rs. 78653339 on gross amount of Rs. 696882420) was paid on 28.04.2021. No final dividend has been recommended on equity shares.

Interim Dividend of Rs 0.80 per share (8%) on 12919412, 8% Non-cumulative Redeemable Preference Shares of the Company amounting to Rs. 9301975.60 (after TDS of Rs. 1033554 on gross amount of Rs. 10335529.60) was paid on 15.04.2021.

## 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 2021-22.

## Stock Market Data

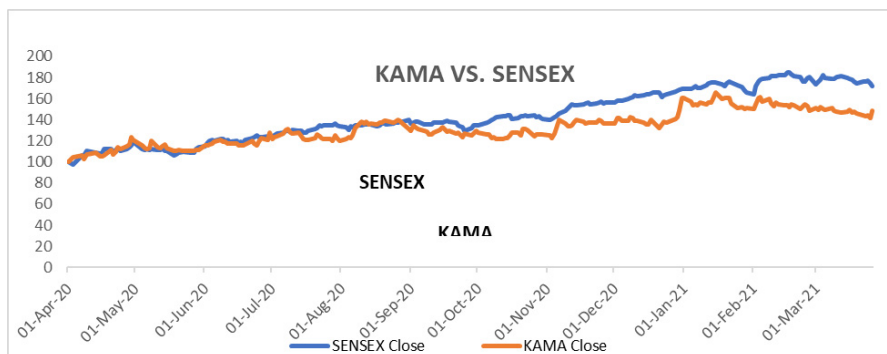
Table 12 gives the monthly high and low quotations as well as the volume of shares traded at BSE during 2020-21.

**Table 12: Monthly Highs and Lows and Volumes Traded at the BSE, 2020-21**

Month	BSE High (Rs.)	BSE Low (Rs.)	Volume (No.)
Apr-20	4799.75	3770.00	1943
May-20	4600.00	4127.15	854
Jun-20	5180.00	4345.00	2256
Jul-20	5140.95	4425.00	1756
Aug-20	5478.00	4600.00	4114
Sep-20	5450.00	4588.00	3807
Oct-20	5100.00	4601.00	3146
Nov-20	5499.80	4601.10	3893
Dec-20	6500.00	5000.00	7880
Jan-21	6675.00	5575.00	6347
Feb-21	6500.00	5670.25	2953
Mar-21	6200.00	5311.00	3329



**Chart 1: Share prices of KAMA Holdings Ltd. Versus BSE SENSEX for the year ended 31 March 2021**



Note: Both Sensex and KAMA Holdings Ltd share prices are indexed to 100 as on 1 April 2020

#### Registrar and Share Transfer Agents

M/s KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited), Hyderabad are the Registrar and Share Transfer Agent of the Company for handling both electronic and physical shares.

#### 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.

#### Dematerialisation of shares & liquidity

As on March 31, 2021, out of 64,52,615 Equity Shares of Rs. 10/- each 63,98,407 shares (99.16%) were held in electronic form by 4039 shareholders and balance 54,208 shares (0.84%) were held by 1,205 shareholders.

#### Distribution of shareholding as on 31 March 2021\*

Table 13 gives the distribution of shares according to shareholding class, while Table 14 gives the distribution of shareholding by ownership.

**Table 13: Pattern of shareholding by share class as on 31 March, 2021**

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1- 500	5,156	98.32	2,45,553	3.81
501- 1000	41	0.78	27,723	0.43
1001- 2000	16	0.31	23,008	0.36
2001- 3000	9	0.17	21,612	0.33
3001- 4000	3	0.06	10,031	0.16
4001- 5000	4	0.08	19,477	0.30
5001- 10000	5	0.10	32,117	0.50
10001& Above	10	0.19	60,73,094	94.12
Total	5,244	100	64,52,615	100

\* including holdings by NSDL and CDSL

**Table 14: Pattern of shareholding by ownership as on 31 March, 2021**

S. No.	Description	No. of Holders	Total Shares	% Equity
1	PROMOTER TRUST	4	4,839,446	75.00
2	NON RESIDENT INDIANS	19	634,458	9.83
3	BODIES CORPORATES	76	574,476	8.90
4	RESIDENT INDIVIDUALS	4,939	359,731	5.57
5	I E P F	1	25,229	0.39
6	H U F	91	8,833	0.14
7	NON RESIDENT INDIAN NON REPATRIABLE	69	7,678	0.12
8	FOREIGN PORTFOLIO - CORP	1	1,150	0.02
9	CLEARING MEMBERS	29	768	0.01
10	BANKS	9	664	0.01
11	TRUSTS	2	146	0.00
12	OVERSEAS CORPORATE BODIES	1	30	0.00
13	PROMOTERS BODIES CORPORATE	3	6	0.00
	Total	5,244	6,452,615	100

**Details of Total fees paid to Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part**

During the year M/s V Sahai Tripathi & Co., Chartered Accountants were appointed as Statutory Auditors of the Company on resignation of M/s Luthra & Luthra LLP, Chartered Accountant wef 10.08.2020. During FY 2020-21, total fees paid by the Company and its subsidiaries on a consolidated basis to M/s Luthra & Luthra LLP, Chartered Accountant (for Limited Review for 1<sup>st</sup> quarter) and M/s V Sahai Tripathi & Co., Chartered Accountants is given below -

Name of Companies	Audit Fees paid to M/s Luthra & Luthra LLP	Audit Fees paid to M/s V Sahai Tripathi & Co.	Total Audit Fees
KAMA Holdings Limited	1,50,000	8,30,000	9,80,000
SRF Transnational Holdings Limited	50,000	1,50,000	2,00,000
KAMA Realty (Delhi) Limited	15,000	55,000	70,000
KAMA Real Estates Holdings LLP	10,000	40,000	50,000
Shri Educare Limited	0	2,00,000	2,00,000
<b>Total</b>	<b>2,25,000</b>	<b>12,75,000</b>	<b>15,00,000</b>

**Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the year 2020-21**

No. of complaints filed during the financial year 0

No. of complaints disposed off during the financial year 0

No. of complaints pending as on the end of the financial year 0

**Credit Ratings**

Since the Company has not availed any credit facility during the year 2020-21, it has not opted for credit rating.

**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**

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

**Corporate Office**

Block C, Sector 45, Gurugram  
Haryana – 122 003  
Tel No. (+91 -124) 4354400  
Fax No : (+91-124) 4354500  
e-mail : [info@kamaholdings.com](mailto:info@kamaholdings.com)

**Registrar & Share Transfer Agent****KFin Technologies Private Limited**

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

**Declaration regarding Code of Conduct**

I, Ekta Maheshwari, Whole Time Director, CFO & 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, 2021.

For and on behalf of the Board of Directors

Sd/-

**Ekta Maheshwari**

Whole Time Director, CFO & Company Secretary

Date: 28.05.2021

Place: Gurugram

**CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS**

(Pursuant to regulation 34(3) and schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
KAMA HOLDINGS LIMITED  
The Galleria, DLF Mayur Vihar, Unit No. 236 & 237  
2nd Floor, Mayur Vihar Phase-1 New Delhi-110091

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KAMA HOLDINGS LIMITED having CIN: L92199DL2000PLC104779 and having registered office at The Galleria, DLF Mayur Vihar, Unit No. 236 & 237 2nd Floor, Mayur Vihar Phase-1 New Delhi-110091 (hereafter referred to as "the Company"), in accordance with Regulations 34(3) read with Scheduled V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors of the Board of the Company as stated below for the financial year ending 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or nay such other Statutory Authority.

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S. Aggarwal & Associates  
(Company Secretaries)

Sd/-

**CS Sanjay Aggarwal**

Proprietor

Date : April 21, 2021

Place: New Delhi

C.O.P No. 8989, Membership No. 6158

UDIN: F006158C000146309

## **BUSINESS RESPONSIBILITY STATEMENT**

### **About KAMA Holdings Limited**

It is a Core Investment Company engaged in the business of holding long term investments in the following subsidiaries:

**SRF Limited (SRF)** a manufacturing Company which along with its six wholly owned subsidiaries is engaged in the business of manufacture of nylon tyre cord fabric, packaging film and fluoro chemicals and speciality chemicals Business. It is listed on both NSE and BSE. Other details are given on the website [www.srf.com](http://www.srf.com)

**Shri Educare Limited (SEL)** is an entity providing quality education, essentially by way of setting up schools (from nursery to class 12) and pre-schools, and undertaking education consultancy, in India and abroad. These schools are modeled on the pattern of The Shri Ram Schools, an initiative of SRF Foundation, the social wing of SRF Limited. Shri Educare Maldives Limited which is a wholly owned subsidiary of SEL is engaged in running a school in Maldives in partnership with Maldives Government.

**KAMA Realty (Delhi) Limited, inter-alia** owns commercial properties in Gurugram and Mumbai. KAMA Real Estate Holding LLP is a subsidiary of KAMA Realty (Delhi) Limited engaged in acquisition and renting of commercial real estate.

**SRF Transnational Holdings Limited** is a registered NBFC engaged in the business of investment in securities of other companies.

### **About this report**

The Securities and Exchange Board of India (SEBI) as per its (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated the inclusion of a "Business Responsibility Report" (BRR) as part of Company's Annual Report for top 1000 listed entities based on market capitalisation at the BSE Ltd. (BSE). The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 Principles and Core Elements for each of the those 9 Principles.

### **Section A : General Information about the Company**

1.	<b>Corporate Identity Number (CIN) of the Company</b>	:	L92199DL2000PLC104779
2.	<b>Name of the Company</b>	:	KAMA Holdings Limited
3.	<b>Registered Address</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
4.	<b>Website</b>	:	<a href="http://www.kamaholdings.com">www.kamaholdings.com</a>
5.	<b>Email id</b>	:	<a href="mailto:info@kamaholdings.com">info@kamaholdings.com</a>
6.	<b>Financial Year reported</b>	:	2020-21
7.	<b>Sector(s) that the Company is engaged in (industrial activity code-wise)</b>	:	KAMA Holdings Limited 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.
8.	<b>List three key products/services that the Company manufactures/provides (as in balance sheet)</b> - KAMA Holdings Limited is a Core Investment Company engaged in Holding long term investments in the shares of Subsidiaries.		
9.	<b>Total number of locations where business activity is undertaken by the Company</b>		
	i) <b>Number of International Locations (Provide details of major 5)</b> N.A		

	<b>ii) Number of National Locations</b> KAMA Holdings Limited has business activity in 2 locations across the country.	
	State	Location
	Delhi	Delhi
	Haryana	Gurugram
<b>10.</b>	<b>Markets served by the Company – Local/State/National/ International</b> India	

**Section B : Financial Details of the Company**

<b>1.</b>	<b>Paid up Capital (INR)</b>	:	1,937.20 lakhs
<b>2.</b>	<b>Total Turnover (INR)</b>	:	7212.09 lakhs
<b>3.</b>	<b>Total profit after taxes (INR)</b>	:	6986.38 lakhs
<b>4.</b>	<b>Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) calculated in accordance with Companies Act, 2013</b>	:	NA
<b>5.</b>	<b>List of activities in which expenditure in 4 above has been incurred</b>	:	NA

**Section C : Other Details**

<b>1.</b>	<b>Does the Company have any Subsidiary Company/Companies ?</b>
	<p>Following are the subsidiary companies :-</p> <ol style="list-style-type: none"> <li>1. SRF Limited</li> <li>2. KAMA (Realty) Delhi Limited</li> <li>3. Shri Educare Limited</li> <li>4. SRF Transnational Holdings Limited</li> <li>5. Shri Educare Maldives Pvt. Ltd</li> <li>6. SRF Global B.V</li> <li>7. SRF Industries (Thailand) Ltd</li> <li>8. SRF Flexipak (South Africa) (Pty) Ltd</li> <li>9. SRF Industex Holdings (Pty) Ltd.</li> <li>10. SRF Europe Kft</li> <li>11. SRF Holiday Home Ltd.</li> <li>12. KAMA Real Estate Holdings LLP</li> </ol>
<b>2.</b>	<p><b>Do the Subsidiary Company/Companies participate in the BR initiatives of the parent Company ? If yes, then indicate the number of such subsidiary Company(s)</b></p> <p>The subsidiary companies operate in different jurisdictions and are engaged in their own BR initiatives as applicable to them.</p>
<b>3.</b>	<p><b>Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company ? If yes, then indicate the percentage of such entity/entities ? [Less than 30%, 30-60%, More than 60%]</b></p> <p>NA</p>

**Section D : BR Information**
**1. Details of Director/Directors responsible for implementation of the BR policy/policies**

Implementation of BR policies is the responsibility of Ms. Ekta Maheshwari, Whole-Time Director, CFO & Company Secretary (DIN : 02071432 )

**2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)**

S. N.	Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
		Ethics, transparency & Sustainability, accountability	Sustainability in life-cycle of products	Employee well-being	Stakeholder engagement	Promotion of human rights	Environmental protection	Responsible public policy advocacy	Inclusive growth	Customer value
1	Do you have a policy/policies for	Yes	NA	Yes	Yes	Yes	NA	No	Yes	NA
2	Has the policy been developed in consultation with relevant stakeholders ?	Yes	NA	Yes	Yes	Yes	NA	NA	Yes	NA
3	Does the policy conform to any national/ international standards? If yes, specify.	The policies adopted by the Company are in conformity with applicable rules/regulations.								
4	Has the policy been approved by the Board ? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director	Policies wherever stated have been approved by the Board/Committee of the Board/Senior Management of the Co.								
5	Does the Company have a specified Committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	NA	Yes	Yes	Yes	Yes	NA	Yes	NA
6	Indicate the link for the policy to be viewed online #	Partial 1. Code of Conduct for Directors & Sr. Management Personnel	NA	No	Yes 1. Dividend Distribution Policy 2. Code of Conduct	No 1. Policy against Sexual Harassment 2. Whistle-blower Policy	No	NA	NA	NA
		2. Whistle-blower Policy 3. Code of Conduct for Prevention of Insider Trading								
		As per regulatory requirement, the policies of the Company have been uploaded on the website of the Company at <a href="http://www.kamaholdings.com">www.kamaholdings.com</a>								
7	Has the policy been communicated to the relevant internal and external stakeholders ?	Yes	NA	Yes	Yes	Yes	Yes	NA	Yes	NA
8	Does the Company have an in-house structure to implement the policy ?	Yes	NA	Yes	Yes	Yes	Yes	NA	Yes	NA
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy /policies ?	Yes	NA	Yes	No	Yes	Yes	NA	No	NA
10	Has the Company carried out Independent audit/evaluation of the working of this policy by an internal or external agency ?	No	NA	NA	No	NA	NA	NA	No	NA

**2A If answer to S. No. 1 against any principle, is 'No', please explain why : (Tick upto 2 options)**

S. No.	Question	Principle 2 : Sustainability in life-cycle of products	Principle 7 : Responsible public policy advocacy	Principle 9 : Customer value
1.	The Company has not understood the Principles	-	-	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-
3.	The company does not have financial or manpower resources available for the task	-	-	-
4.	It is planned to be done within next 6 months	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-
6.	Any other reason (please specify)	KAMA Holdings Limited is a Core Investment Company engaged in Holding long term investments in the shares of Subsidiaries. Thus this is not applicable to the Company.		

**3. Governance related to BR**

**Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The Board of Directors discuss the BR performance annually.

**Does the Company publish a BR or a Sustainability Report ? What is the hyperlink for viewing this report ? How frequently it is published ?**

The BRR has been made available on the website of the Company at <http://www.kamaholdings.com/InvAnnualreport.aspx> and the said hyperlink has been provided in the Annual Report. The BRR will be reviewed and published annually.

**Section E : Principle-wise performance**
**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**
**1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

As a responsible organization, KAMA does its business with utmost integrity and in compliance with applicable laws and regulations, fairness, mutual respect and integrity. The Company expressly advocates that commitment to corporate governance is essential enhancement of stakeholders' value. This is exemplified in our Values which are not just strong words. Not just a theory but a way of life. It's a collection of habits that should be reflected in our day-to-day behaviour. We have the following policies in place which form the foundation of our Company's commitment towards ethical conduct at all levels :

- Code of Conduct for Company's Directors and Senior Management (including employees)
- Whistle-Blower Policy : This Policy is applicable to the Directors of the Company or a person who is in direct or indirect employment with the company who makes a protected disclosure under this policy. This Policy provides a platform to these stakeholders for making any communication made in good faith that discloses or demonstrates evidence of any fraud or unethical activity within the company and had provisions to ensure protection of the whistleblower against victimization for the disclosures made by him/her.

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management ?**

During the reporting period, no complaint was received under the provisions of Whistle-Blower Policy.

**Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

- List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

Nil. KAMA Holdings Limited is a Core Investment Company engaged in holding long term investments in the shares of Subsidiaries and it does not manufacture any goods.

- Does the Company have procedures in place for sustainable sourcing (including transportation) ? If yes, what percentage of your inputs was sourced sustainably ? Also, provide details thereof, in about 50 words or so.**

NA

- Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work ? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

NA

- Does the Company have a mechanism to recycle products and waste ? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).**

NA

**Principle 3 : Businesses should promote the wellbeing of all employees**

- Please indicate the total number employees.**

Permanent employees 3

- Please indicate the total number of employees hired on temporary/contractual/casual basis**

Temporary/contractual/casual basis Nil

- Please indicate the number of permanent women employees**

1

- Please indicate the number of permanent employees with disabilities**

NIL

- Do you have an employee association that is recognized by Management ?**

There is no employee association. However, mechanisms are in place for employees to represent their issues, if any, and the same is resolved amicably.

- What percentage of your permanent employees is Members of this recognized employee association ?**

0%

- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year**

S. No.	Category	No. of complaints filed during the Financial Year	No. of complaints pending as at end of the Financial Year
1.	Child labour/forced labour/involuntary labour	The Company at group level, does not hire child labour, forced labour or involuntary labour – No reported case	NA
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil



**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

a.	Permanent Employees	100%
b.	Permanent Women Employees	100%
c.	Casual/Temporary/Contractual Employees	NA
d.	Employees with Disabilities	NA

**Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.**

**1. Has the company mapped its internal and external stakeholders? Yes/No**

Yes, KAMA has mapped its internal and external stakeholders. We recognise employees, communities surrounding our operations, business associates, shareholders and regulatory authorities as our key stakeholders.

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

No

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

No

**Principle 5 : Businesses should respect and promote human rights**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures /Suppliers /Contractors /NGOs/Others?**

We have the Code of Conduct and Whistleblower Policy which covers issues related to human rights. The details of these two policies have been covered elsewhere in this Report. We do not deal with any supplier/contractor if it is in violation of human rights and we do not employ any person below the age of eighteen.

The said policies discourage violation of values stated therein and provide a fair and transparent mechanism for reporting any such violation. The Whistleblower Policy investigates the disclosure made by the Whistleblower and recommends disciplinary or corrective action based on the outcome of the investigation. This policy also provides direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. The system is designed to ensure confidentiality and protect the complainant from being victimized. False allegations are also dealt with disciplinary action in accordance with the Policy. A quarterly report of the summary of disclosures received and action recommended/taken to the Audit Committee on a quarterly basis.

Any amendment or modification in the Whistleblower Policy would be approved in writing by the Chairman of the Company and would be placed before the Audit Committee for its noting.

Some of the relevant policies are also implemented by the subsidiary companies

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

No complaint was received pertaining to human rights violation during the past financial year.

**Principle 6 : Business should respect, protect, and make efforts to restore the environment**

The Company is engaged in the financial services sector. Considering the nature of business of the Company, Principle 6 may not be strictly applicable to the Company. The Company's operations have no direct impact on the environment. However, the Company is vigilant on the need for conservation of the environment.

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors /NGOs/others.**

NA

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

NA

3. Does the company identify and assess potential environmental risks? Y/N  
NA
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?  
NA
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.  
NA
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?  
NA
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.  
NA

**Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:  
No
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)  
No

**Principle 8 : Businesses should support inclusive growth and equitable development**

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.  
The provisions of Companies Act pertaining to CSR are not applicable to the Company.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?  
NA
3. Have you done any impact assessment of your initiative?  
NA
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.  
NA
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.  
NA

**Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.  
NIL



2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)  
NA
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.  
No
4. Did your company carry out any consumer survey/ consumer satisfaction trends?  
NA

## **INDEPENDENT AUDITOR'S REPORT**

To  
The Members  
**KAMA Holdings Limited**

### **Opinion**

We have audited the accompanying standalone financial statements of KAMA Holdings Limited ("the Company"), which comprises Standalone Balance Sheet as at March 31, 2021, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Cash Flow Statement for the year then ended and notes to financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statement").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have

determined that there are no key audit matters to be communicated in our report.

### **Other Matters**

The financial statements of the company for the year ended March 31, 2020 were audited by predecessor auditor who expressed an unmodified audit opinion on those financial statements vide their report dated 3<sup>rd</sup> July, 2020. The comparative financial information of the company for the year ended March 31, 2020 is based on those financial statements audited by the predecessor auditor.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and,

based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **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 Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss including (other comprehensive income), the standalone statement of changes in equity, and the Standalone Cash Flow Statement dealt with by this report are in agreement with the books of accounts

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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, refer to our separate report in “Annexure B”:

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 standalone financial statement- Refer note 23 to standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

3. With respect to the matter to be included in the Auditors' Report in accordance with the requirement of section 197(16) of the Act, we report that:

In our opinion and according to the information and explanation provided to us, the remuneration paid by the company to its directors during the year is in accordance with provisions of Section 197(16) of the Act. The remuneration paid to the directors is

not in excess of the limit laid down under section 197 of the Act.

**For V Sahai Tripathi & Co.**  
Chartered Accountants  
FRN: 000262N

**(Vishwas Tripathi)**

Place: New Delhi  
Date: 28<sup>th</sup> May 2021

Partner  
Membership No. 086897

## **Annexure - A to the Independent Auditors' Report**

### **The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2021**

1. a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As per the information and explanations given to us, fixed assets have been physically verified by the Management at reasonable intervals, and no discrepancy was noticed.
- c) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not own any immovable property.
2. As the company does not hold any inventory, clause 3(ii) of the order is not applicable to the Company.
3. The Company has granted unsecured loans to wholly owned subsidiary companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')
  - a) In our opinion terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
  - b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the Company has complied

with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loan, investment, guarantee and security.

5. According to the information and explanations given to us, the company has not accepted deposits.
6. According to the information and explanation given to us, the Company is not required to be maintained cost records u/s 148(1) of the Companies Act, 2013.
7. a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, goods and service tax, duty of customs, cess and any other statutory dues applicable to it with the appropriate authorities during the year.

There were no undisputed amounts payable on account of the above dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

- b) According to the information and explanation given to us, there is no due on account of income tax, goods and service tax, duty of customs which have not been deposited on account of dispute other than given below:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lacs)	Financial year to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	37.43	2007-08	Supreme Court
Income Tax Act, 1961	Income Tax	10.40	2003-10	Income Tax Appellate Tribunal (ITAT)

8. As per the information and explanation given to us, the Company has not taken any loans or borrowing from banks, Government or financial institutions. Accordingly, paragraph 3 (viii) of the Order is not applicable
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the

the provisions of section 197 read with Schedule V to the Act.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For V Sahai Tripathi & Co.**  
Chartered Accountants  
FRN: 000262N

**(Vishwas Tripathi)**

Place: New Delhi  
Date: 28<sup>th</sup> May 2021

Partner  
Membership No. 086897

## **Annexure - B to the Independent Auditors' Report**

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

We have audited the internal financial controls over financial reporting of KAMA Holdings Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls



over financial reporting were operating effectively as at March 31, 2021, 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.

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

The Company's management is 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the

auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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.

**For V Sahai Tripathi & Co.**  
Chartered Accountants  
FRN: 000262N

**(Vishwas Tripathi)**  
Partner

Place: New Delhi  
Date: 28<sup>th</sup> May 2021

Membership No. 086897



# KAMA HOLDINGS LIMITED

## BALANCE SHEET AS AT MARCH 31, 2021

Amount in Lakhs

Particulars	Note	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	2(a)	7,135.86	24.84
(b) Bank balances other than cash and cash equivalents	2(b)	66.09	51.18
(d) Loans	3	15,589.92	15,755.75
(e) Investments	4	43,195.13	43,195.14
		<b>65,987.00</b>	<b>59,026.91</b>
<b>2 Non-Financial Assets</b>			
(a) Current tax assets (Net)	5	127.60	0.54
(b) Deferred tax Assets (Net)	6	26.66	27.52
(c) Property, Plant and Equipment	7	13.32	16.42
(d) Other non-financial assets	8	1.02	0.79
		<b>168.60</b>	<b>45.27</b>
<b>TOTAL ASSETS</b>		<b>66,155.60</b>	<b>59,072.18</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
(a) Subordinated liabilities	9	1,395.30	1,317.78
(b) Other financial liabilities	10	7,040.91	58.23
		<b>8,436.21</b>	<b>1,376.01</b>
<b>2 Non Financial Liabilities</b>			
(a) Provisions	11	11.53	6.36
(b) Other Non Financial liabilities	12	3.02	2.18
		<b>14.55</b>	<b>8.54</b>
<b>EQUITY</b>			
(a) Equity Share Capital	13	645.26	645.26
(b) Other Equity	14	57,059.58	57,042.37
		<b>57,704.84</b>	<b>57,687.63</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>66,155.60</b>	<b>59,072.18</b>

Significant accounting policies and accompanying notes from 2 to 30 forming part of the financial statements

As per our report of even date

**For V SAHAI TRIPATHI & CO.**

Chartered Accountants

Regn. No. 000262N

**Vishwas Tripathi**

Partner

M.No. 086897

Place: New Delhi

Date: 28th May 2021

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

**Kartik Bharat Ram**

Chairman

(DIN:00008557)

Place: New Delhi

Date: 28th May 2021

**Ekta Maheshwari**

Whole Time Director

CFO, & Company Secretary

(DIN: 02071432)

Place: Gurugram, Haryana

Date: 28th May 2021

**Ashish Bharat Ram**

Director

(DIN: 00671567)

Place: New Delhi

Date: 28th May 2021

**Amitav Virmani**

Director

(DIN: 02169955)

Place: New Delhi

Date: 28th May 2021

**KAMA HOLDINGS LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in Lakhs

Particulars	Note	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Revenue from operations</b>			
Dividend Income	15	7,211.76	4,206.86
<b>Total Revenue from operation (i)</b>		<b>7,211.76</b>	<b>4,206.86</b>
<b>Other Income (ii)</b>	16	<b>0.33</b>	-
<b>Total Income( i+ ii)</b>		<b>7,212.09</b>	<b>4,206.86</b>
<b>Expenses:</b>			
Finance Expenses	17	103.36	103.36
Employee benefit expenses	18	43.08	26.95
Depreciation, amortization and impairment	19	3.77	3.76
Other expenses	20	67.01	41.00
<b>Total</b>		<b>217.22</b>	<b>175.07</b>
<b>Profit/(Loss) before tax</b>		<b>6,994.87</b>	<b>4,031.79</b>
<b>Tax Expenses</b>	21		
Current Tax		8.92	-
Deferred Tax		(0.38)	-
Tax for earlier years		(0.05)	(5.86)
		<b>8.49</b>	<b>(5.86)</b>
<b>Profit/(Loss) After Tax</b>		<b>6,986.38</b>	<b>4,037.65</b>
<b>Other Comprehensive Income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
- Gain/(Loss) of defined benefit obligation		(0.44)	(0.43)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.11	0.11
<b>Total Other Comprehensive Income</b>		<b>(0.33)</b>	<b>(0.32)</b>
<b>Total comprehensive Income for the year</b>		<b>6,986.05</b>	<b>4,037.33</b>
<b>Earnings per equity share:</b>			
Basic and Diluted	22	<b>108.27</b>	<b>62.57</b>

Significant accounting policies and accompanying notes from 2 to 30 forming part of the financial statements

As per our report of even date

**For V SAHAI TRIPATHI & CO.**  
 Chartered Accountants  
 Regn. No. 000262N

**Vishwas Tripathi**  
 Partner  
 M.No. 086897  
 Place: New Delhi  
 Date: 28th May 2021

**For and on behalf of the Board of Directors**
**Kartik Bharat Ram**  
 Chairman  
 (DIN:00008557)  
 Place: New Delhi  
 Date: 28th May 2021

**Ekta Maheshwari**  
 Whole Time Director  
 CFO, & Company Secretary  
 (DIN: 02071432)  
 Place: Gurugram, Haryana  
 Date: 28th May 2021

**Ashish Bharat Ram**  
 Director  
 (DIN: 00671567)  
 Place: New Delhi  
 Date: 28th May 2021

**Amitav Virmani**  
 Director  
 (DIN: 02169955)  
 Place: New Delhi  
 Date: 28th May 2021

# KAMA HOLDINGS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021

Amount in Lakhs

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax	6,994.87	4,031.79
Adjustments for		
Depreciation	3.77	3.76
Gain/Loss on Defined Benefit Obligations	(0.44)	(0.43)
Loss on sale of fixed assets	-	0.05
<b>Operating Profit before working capital changes</b>	<b>6,998.20</b>	<b>4,035.17</b>
Adjustments for		
Other Payables and Provisions	4.73	(11.47)
<b>Cash Generated from operations before tax</b>	<b>7,002.93</b>	<b>4,023.70</b>
Taxation	(134.59)	(0.37)
<b>Net Cash from operating activities (A)</b>	<b>6,868.34</b>	<b>4,023.33</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase fixed assets	(0.67)	(20.19)
Sale fixed assets	-	15.31
Loan given and other financials assets	165.83	(2,005.45)
<b>Net Cash from Investment Activities (B)</b>	<b>165.16</b>	<b>(2,010.33)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend on equity shares paid	-	(1,935.78)
Reduction of subordinated liabilities	77.52	(77.52)
<b>Net cash used in/ from financing activities ( C )</b>	<b>77.52</b>	<b>(2,013.30)</b>
<b>Net increase in Cash and Cash Equivalents D=(A+B+C)</b>	<b>7,111.02</b>	<b>(0.30)</b>
<b>Cash &amp; Cash equivalents at the beginning of the year ( E )</b>	<b>24.84</b>	<b>25.14</b>
<b>Cash &amp; Cash equivalents at the close of the year F =(D+E)</b>	<b>7,135.86</b>	<b>24.84</b>

Significant accounting policies and accompanying notes from 2 to 30 forming part of the financial statements

As per our report of even date

**For V SAHAI TRIPATHI & CO.**

Chartered Accountants

Regn. No. 000262N

**Vishwas Tripathi**

Partner

M.No. 086897

Place: New Delhi

Date: 28th May 2021

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

**Kartik Bharat Ram**

Chairman

(DIN:00008557)

Place: New Delhi

Date: 28th May 2021

**Ekta Maheshwari**

Whole Time Director

CFO, & Company Secretary

(DIN: 02071432)

Place: Gurugram, Haryana

Date: 28th May 2021

**Ashish Bharat Ram**

Director

(DIN: 00671567)

Place: New Delhi

Date: 28th May 2021

**Amitav Virmani**

Director

(DIN: 02169955)

Place: New Delhi

Date: 28th May 2021

# KAMA HOLDINGS LIMITED

## STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

### A. Equity Share Capital

	Amount in Lakhs
<b>As at April 01, 2019</b>	645.26
Share Capital Issued during the year	-
<b>As at March 31, 2020</b>	645.26
Share Capital Issued during the period	-
<b>As at March 31, 2021</b>	645.26

### B. Other Equity

	Capital Reserve	General Reserve	Retained Earning	Total
<b>As at April 01, 2019</b>	<b>20,345.06</b>	<b>5,184.98</b>	<b>29,410.80</b>	<b>54,940.84</b>
Profit during the year	-	-	4,037.65	4,037.65
Other comprehensive income for the year, net of income tax	-	-	(0.32)	(0.32)
Payment of dividend	-	-	(1,935.80)	(1,935.80)
<b>Balance at March 31, 2020</b>	<b>20,345.06</b>	<b>5,184.98</b>	<b>31,512.33</b>	<b>57,042.37</b>
Profit during the year	-	-	6,986.38	6,986.38
Other comprehensive income for the year, net of income tax	-	-	(0.33)	(0.33)
Payment of dividend	-	-	(6,968.84)	(6,968.84)
<b>Balance at March 31, 2021</b>	<b>20,345.06</b>	<b>5,184.98</b>	<b>31,529.54</b>	<b>57,059.58</b>

Significant accounting policies and accompanying notes from 2 to 30 forming part of the financial statements

As per our report of even date

**For V SAHAI TRIPATHI & CO.**

Chartered Accountants

Regn. No. 000262N

**Vishwas Tripathi**

Partner

M.No. 086897

Place: New Delhi

Date: 28th May 2021

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

**Kartik Bharat Ram**

Chairman

(DIN:00008557)

Place: New Delhi

Date: 28th May 2021

**Ashish Bharat Ram**

Director

(DIN: 00671567)

Place: New Delhi

Date: 28th May 2021

**Ekta Maheshwari**

Whole Time Director

CFO, & Company Secretary

(DIN: 02071432)

Place: Gurugram, Haryana

Date: 28th May 2021

**Amitav Virmani**

Director

(DIN: 02169955)

Place: New Delhi

Date: 28th May 2021

## Notes forming part of the Financial Statements for the year ended March 31, 2021

### 1 CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

#### A Corporate Information

Kama Holdings Limited ("the Company/KHL") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Equity shares of the Company are publicly traded in India on the BSE Limited. The registered office of the Company is situated at The Galleria, DLF Mayur Vihar, Unit No. 236 and 237, Mayur Vihar Place, Mayur Vihar Phase I Extn, Delhi - 110091.

The Company is a core investment company. The financial statements were authorised for issue in accordance with a resolution of the directors on May 28, 2021.

#### B Significant Accounting Policies

##### 1 Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the 2013 Act. The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

**The principal accounting policies are set out below.**

##### 2 Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

Cost of acquisition or construction is inclusive of freight, duties, non recoverable taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, up to the date of commissioning of the assets.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets, up to the date of commissioning of the assets

Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

##### 3 Depreciation

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

Depreciation has been provided on the cost of assets less their residual values on straight line method on the basis of estimated useful life as prescribed under Schedule II of the 2013 Act.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

##### 4 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

## Notes forming part of the Financial Statements for the year ended March 31, 2021

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised on disposal or when no future economic benefit are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

### 5 Impairment of tangible and intangible assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognised when the carrying amount of an asset or CGU exceeds its recoverable amount. In such cases, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

### 6 Leasing

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of

## Notes forming part of the Financial Statements for the year ended March 31, 2021

right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### **7 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset.

Borrowing costs for 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.

Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they occur.

### **8 Foreign Currencies**

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

Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss.

### **9 Provisions and Contingent Liabilities**

#### **Provisions**

The company recognises a provision when there is a present obligation (legal or constructive) 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.

## Notes forming part of the Financial Statements for the year ended March 31, 2021

When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### **Contingent liability**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

## **10 Revenue recognition**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Company.

- a) Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).
- b) Interest income is recognised when it is probable that the economic benefits will flow to the company using the effective interest rate and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding.

## **11 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

### **a) Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss account i.e. in Other comprehensive income or equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **b) Deferred tax**

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date.

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.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed



## Notes forming part of the Financial Statements for the year ended March 31, 2021

at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax relating to items recognised outside profit or loss is recognised in other comprehensive income or in equity.

### 12 Employee benefits

#### Short term employee benefits

Wages and salaries including non monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

#### Defined contribution plans

Provident fund administered through Regional Provident Fund Commissioner and Employees' State Insurance Corporation are defined contribution schemes. Contributions to such schemes are charged to the statement of profit and loss in the year when employees have rendered services entitling them to the contributions. The company has no obligation, other than the contribution payable to such schemes.

#### Defined benefit plans

The company has defined benefit plan such as gratuity, provident fund for certain category of employees administered through a recognised provident fund trust.

Provision for gratuity, provident fund for certain category of employees administered through a recognised provident fund trust are determined on an actuarial basis at the end of the year and charged to statement of profit and loss, other than remeasurements. The cost of providing these benefits is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses and the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability and return on plan assets), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

#### Other long term employee benefits

The company also has other long term benefits plan such as compensated absences. Provision for compensated absences are determined on an actuarial basis at the end of the year and charged to Statement of Profit and Loss. The cost of providing these benefits is determined using the projected unit credit method.

### 13 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### 14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## Notes forming part of the Financial Statements for the year ended March 31, 2021

### A) Financial assets

#### Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets of the company are classified in three categories:

- a) At amortised cost
- b) At fair value through profit and loss (FVTPL)
- c) At fair value through other comprehensive income (FVTOCI)

Financial asset is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets not classified as measured at amortised cost or FVOCI as are measured at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

#### Equity Investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are measured at fair value through profit and loss.

For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative gain or loss is not reclassified to statement of profit and loss on disposal of such instruments.

Investments representing equity interest in subsidiaries are carried at cost less any provision for impairment.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement~ and either
  - (i) the company has transferred substantially all the risks and rewards of the asset, or
  - (ii) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## Notes forming part of the Financial Statements for the year ended March 31, 2021

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

### **Impairment of financial assets**

The company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

## **B) Financial liabilities and Equity instruments**

### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs, if any.

The company's financial liabilities include borrowings and trade and other payables.

### **Subsequent measurement**

#### **Borrowings**

Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction cost) and the redemption/repayment amount is recognised in profit and loss over the period of the borrowings using the Effective interest rate method.

#### **Trade and other payables**

Trade and other payables represent the liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### **Equity Instruments**

Equity Instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Debt or equity instruments issued by the company are classified as either financial liability or as equity in accordance with the substance of contractual arrangements and the definitions of a financial liabilities and an equity instruments.

## **16 Fair value measurement**

The company measures some of its financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly

## Notes forming part of the Financial Statements for the year ended March 31, 2021

transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- b) Level 2 — inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3 — inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 17 Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### 18 Applicability of new and revised Ind AS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020

## C Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates.

Judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes.

- Assessment of useful life of property, plant and equipment
- Estimation of obligations relating to employee benefits (including actuarial assumptions)

Notes forming part of the Financial Statements for the year ended March 31, 2021

**2(A) CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Cash in hand	0.01	0.01
Balance with banks in Current accounts	7,135.85	24.83
	<b>7,135.86</b>	<b>24.84</b>

**2(B) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Earmarked balances with bank (against unclaimed dividend)	66.09	51.18
	<b>66.09</b>	<b>51.18</b>



**Notes forming part of the Financial Statements for the year ended March 31, 2021**

**3 LOANS**

	As at March 31, 2021 Rs./lakhs		As at March 31, 2020 Rs./lakhs			
	At amortised Cost	At Fair value through OCI	Total	At amortised Cost	At Fair value through OCI	Total
<b>(A) Other Loan</b>	15,589.92	-	15,589.92	15,755.75	-	15,755.75
Less :- Impairment Loss allowances	-	-				
<b>Total (A)</b>	<b>15,589.92</b>	-	<b>15,589.92</b>	<b>15,755.75</b>	-	<b>15,755.75</b>
<b>(B) Out of above</b>						
(I) Secured	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total (I)	-	-	-	-	-	-
(II) Unsecured	15,589.92	-	15,589.92	15,755.75	-	15,755.75
check if employee allocation different						
Less: Impairment Loss allowances	-	-	-	-	-	-
Total (II)	15,589.92	-	15,589.92	15,755.75	-	15,755.75
<b>Total (B)</b>	<b>15,589.92</b>	-	<b>15,589.92</b>	<b>15,755.75</b>	-	<b>15,755.75</b>
<b>(C) Out of above</b>						
(I) Loans in India	15,589.92	-	15,589.92	15,755.75	-	15,755.75
Less: Impairment loss allowance	-	-	-	-	-	-
Total (I)	<b>15,589.92</b>	-	<b>15,589.92</b>	<b>15,755.75</b>	-	<b>15,755.75</b>
(II) Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total (II)	-	-	-	-	-	-
<b>Total (C)</b>	<b>15,589.92</b>	-	<b>15,589.92</b>	<b>15,755.75</b>	-	<b>15,755.75</b>

**Notes forming part of the Financial Statements for the year ended March 31, 2021**
**4 INVESTMENTS**

	As at March 31, 2021		As at March 31, 2020	
	Quantity	Amount (Rs./lakhs)	Quantity	Amount (Rs./lakhs)
<b>Investment in Subsidiaries (At cost)</b>				
<b>Quoted</b>				
SRF Limited	30,049,000	41,094.82	30,049,000	41,094.82
<b>Unquoted</b>				
KAMA Realty (Delhi) Limited	60,020	5.00	60,020	5.00
SRF Transnational Holdings Limited	3,254,184	1,144.31	3,254,184	1,144.32
Shri Educare Limited	9,510,000	951.00	9,510,000	951.00
Less: Impairment loss allowance		-		-
<b>Total Investments</b>		<b>43,195.13</b>		<b>43,195.14</b>
<b>Out of above</b>				
In India		43,195.13		43,195.14
Outside India		-		-
<b>Total</b>		<b>43,195.13</b>		<b>43,195.14</b>

**5 CURRENT TAX ASSETS(NET)**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Advance Tax (net of provisions and refunds)	127.60	0.54
	<b>127.60</b>	<b>0.54</b>

**6 DEFERRED TAX ASSETS(NET)**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
MAT credit available	25.99	27.34
Tax on depreciation	0.38	-
Tax on employee benefit	0.29	0.18
	<b>26.66</b>	<b>27.52</b>



Notes forming part of the Financial Statements for the year ended March 31, 2021

**7. PROPERTY, PLANT & EQUIPMENTS**

Description	Gross Block				Depreciation			Net Block	
	As at April 1, 2020	Additions	Deletion	As at March 31, 2021	As at April 1, 2020	Additions	Deletion	As at March 31, 2021	As at March 31, 2020
Vehicles	20.18	-	-	20.18	3.76	3.76	-	12.66	16.42
Computers	-	0.67	-	0.67	-	0.01	-	0.66	-
<b>Total</b>	<b>20.18</b>	<b>0.67</b>	<b>-</b>	<b>20.85</b>	<b>3.76</b>	<b>3.77</b>	<b>-</b>	<b>13.32</b>	<b>16.42</b>

Amount in Lakhs



**Notes forming part of the Financial Statements for the year ended March 31, 2021**
**8 OTHER NON FINANCIAL ASSETS**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Advance to Supplier	0.41	-
Prepaid expenses	0.61	0.79
	<b>1.02</b>	<b>0.79</b>

**9. SUBORDINATED LIABILITIES**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>At amortised cost</b>		
Liability portion of preference share	1,395.30	1,317.78
	<b>1,395.30</b>	<b>1,317.78</b>
<b>Out of above</b>		
In India	1,395.30	1,317.78
Outside India	-	-
	<b>1,395.30</b>	<b>1,317.78</b>

**i. Terms/rights attached to Non-Cumulative Redeemable Preference Shares**

8% Non-Cumulative Redeemable Preference Shares are redeemable on or before March 31, 2031 at the discretion of Board of Directors of the Company in accordance with Memorandum & Article of Association.

- ii. During the year ended March 31, 2021, the Company has paid a dividend of INR 25.84 lakhs on preference shares of INR 10 each fully paid (previous year INR 180.87 lakhs).

**10. OTHER FINANCIAL LIABILITIES**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Unclaimed dividends*	66.09	51.18
Dividend Payable	6,968.82	-
Expenses Payable	5.99	7.05
	<b>7,040.91</b>	<b>58.23</b>

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

**Notes forming part of the Financial Statements for the year ended March 31, 2021**
**11. PROVISIONS**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>Provision for Employee Benefits</b>		
Gratuity (non-funded)	5.74	3.13
Leave encashment (non-funded)	5.79	3.23
	<b>11.53</b>	<b>6.36</b>

**12. OTHER NON -FINANCIAL LIABILITIES**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Statutory dues	3.02	2.18
	<b>3.02</b>	<b>2.18</b>

**13. EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>AUTHORISED</b>		
10,000,000 (March, 31 2021 - 10,000,000; April, 01 2020 - 10,000,000) Equity shares of Rs. 10 each	1,000.00	1,000.00
13,000,000 (March, 31 2021- 13,000,000; April, 01 2020 - 13,000,000) Preference Shares of Rs. 10 each	1,300.00	1,300.00
	<b>2,300.00</b>	<b>2,300.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
6,452,615 (March, 31 2021 - 6,452,615; April, 01 2020 - 6,452,615) Equity Shares of Rs. 10 each fully paid up	645.26	645.26
	<b>645.26</b>	<b>645.26</b>

**(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year**

	In Nos.	Rs./lakhs
As at April 1, 2019	6,452,615	645.26
Shares issued during the year	-	-
Shares bought back during the year	-	-
As at March 31, 2020	6,452,615	645.26
As at April 1, 2020	6,452,615	645.26
Shares issued during the year	-	-
Shares bought back during the year	-	-
As at March 31, 2021	6,452,615	645.26

**b) Terms/ rights attached to equity shares:**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder

## Notes forming part of the Financial Statements for the year ended March 31, 2021

of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

During the year ended March 31, 2021, the amount of interim dividend recognised as distributions to equity shareholders was Rs. 108 per share (March 31, 2020 : Rs. 30 per share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	(No. of shares)	% age	(No. of shares)	% age
<b>Equity</b>				
ABR Family Trust through its trustees Ashish Bharat Ram and Kartik Bharat Ram	4,839,446	75.00%	4,839,446	75.00%

e) There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment, including the terms and amounts.

f) In the period of immediately preceding five years, the Company has not allotted any bonus shares.

g) In the period of immediately preceding five years, the Company has neither allotted any shares nor bought back any shares.

## 14. OTHER EQUITY

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Capital reserve	20,345.06	20,345.06
General reserve	5,184.98	5,184.98
Retained earning	31,529.54	31,512.33
	<b>57,059.58</b>	<b>57,042.37</b>

**Capital reserve\***

As at the beginning of the year	20,345.06	20,345.06
Addition/(Deletion) during the year	-	-
As at the end of the year	<b>20,345.06</b>	<b>20,345.06</b>

\*Capital Reserve are the reserves created as per Scheme of Arrangement for amalgamation of investment division of Narmada Farms Private Ltd, Bhairav Farms Private Limited, SRF Polymers Investments Limited into the company.

**General reserve#**

As at the beginning of the year	5,184.98	5,184.98
Addition/(Deletion) during the year	-	-
As at the end of the year	<b>5,184.98</b>	<b>5,184.98</b>

#The general reserve is created from time to time on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income. Items included in general reserve will not be reclassified subsequently to profit and loss.

**Notes forming part of the Financial Statements for the year ended March 31, 2021**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>Retained earning@</b>		
As at the beginning of the year	31,512.33	29,410.80
Add: Profit after tax transferred from statement of Profit and Loss annexed	6,986.38	4,037.65
Other Comprehensive income arising from remeasurement of defined payment obligation	(0.33)	(0.32)
Less: Interim Dividends on equity shares	(6,968.84)	(1,935.80)
As at the end of the year	<b>31,529.54</b>	<b>31,512.33</b>
<b>Total other Equity</b>	<b>57,059.58</b>	<b>57,042.37</b>

@Retained Earnings are the profits that the company has earned till date less any transfer to general reserve, dividend or other distribution paid to shareholders.

**15 DIVIDEND INCOME**

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Dividend from subsidiary	7,211.76	4,206.86
	<b>7,211.76</b>	<b>4,206.86</b>

**16 OTHER INCOME**

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Interest received on others	0.33	-
	<b>0.33</b>	<b>-</b>

**17. FINANCE EXPENSE**

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Interest on subordinated liabilities	103.36	103.36
	<b>103.36</b>	<b>103.36</b>

**18. EMPLOYEE BENEFITS EXPENSE**

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Salaries	38.55	23.98
Contribution to provident and other funds	4.53	2.97
	<b>43.08</b>	<b>26.95</b>

Notes forming part of the Financial Statements for the year ended March 31, 2021

**19. DEPRECIATION, AMORTIZATION AND IMPAIRMENT**

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Depreciation on vehicles	3.77	3.76
	<b>3.77</b>	<b>3.76</b>

**20. OTHER EXPENSES**

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Professional and legal charges	23.33	11.70
Payment to Auditors:		
for Audit	11.62	9.80
for certification & others	-	1.92
for reimbursement of expenses	-	0.50
Directors' sitting fees	11.92	3.39
Insurance Expenses	1.88	2.10
Rates & Taxes	1.43	-
Loss on sale of vehicle	-	0.05
Donation	6.00	-
Miscellaneous expenses	10.83	11.54
	<b>67.01</b>	<b>41.00</b>

**21. INCOME TAX**

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Current tax		
In relation to current year	8.92	-
Adjustment in relation to earlier years	(0.05)	(5.86)
	<b>8.87</b>	<b>(5.86)</b>

The income tax expenses for the year can be reconciled to the accounting profits as follows

Profit before tax	6,994.87	4,031.79
Income Tax Expenses @ 25.17% (Previous year: 26%)	1,760.61	1,048.27
Tax on deduction on section 80M	(1,780.07)	(1,093.78)
Expenses not allowed	28.39	45.52
Income tax credit recognised in statement of profit and loss in relation to earlier years	(0.05)	(5.86)
<b>Total Income tax expenses recognised in profit and loss</b>	<b>8.87</b>	<b>(5.86)</b>

## Notes forming part of the Financial Statements for the year ended March 31, 2021

### 22. EARNINGS PER SHARE:

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Profit after tax	6,986.38	4,037.65
Weighted average number of equity shares outstanding	6,452,615	6,452,615
Basic Earnings per share (Rs.)	108.27	62.57
Diluted Earnings per share (INR)	108.27	62.57

### 23. CONTINGENT LIABILITIES:

- (i) Claims against the Company not acknowledged as debts on account of:

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Income Tax	47.83	47.83

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	As at March 31, 2021 (Rs/ lakhs)	As at March 31, 2020 (Rs/ lakhs)
Income Tax Laws	Income Tax	Supreme Court	2007-08	37.43	37.43
		High Court	2003-04	-	-
		Income Tax Appellate Tribunal (ITAT)	2003-10	10.40	10.40
		<b>Total</b>		<b>47.83</b>	<b>47.83</b>

### 24. POST-EMPLOYMENT BENEFIT PLANS:

The Company sponsors funded defined benefit plans for qualifying employees. The defined benefit plans are administered by separate funds which are legally separate from the Company. These plans are:

- (a) Gratuity
- (b) Provident fund for certain category of employees administered through a recognised provident fund trust
  - (i) These plans typically expose the company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

#### Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

#### Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

#### Interest Risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

## Notes forming part of the Financial Statements for the year ended March 31, 2021

### Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

#### (a) Defined Contribution Plans:

Contributions paid / payable to defined contribution plans comprising of provident fund, pension fund, superannuation fund etc., in accordance with the applicable laws and regulations are recognised as expenses during the period when the contributions to the respective funds are due.

A sum of Rs. 4.53 lakhs (Previous Year Rs. 2.97 lakhs) has been charged to the Statement of Profit & Loss in this respect.

#### (b) Defined Benefit Plans:

The Company has defined benefit plan, namely gratuity. As per scheme, an employee who has completed five years or more of service gets gratuity equivalents to 15 days salary (last drawn salary) for each completed year of service.

The following table summarises the components of net expense recognised in the income statement and amounts recognised in the balance sheet for gratuity.

	Gratuity		Provident Fund	
	Year ended		Year ended	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
<b>Expense recognised in the Statement of Profit and Loss</b>				
Current service cost	0.45	0.06	0.88	0.80
Interest cost on benefit obligation	0.30	0.05	12.74	11.08
<b>Annual expenses</b>	<b>0.75</b>	<b>0.12</b>	<b>13.62</b>	<b>11.87</b>
<b>Amount recorded as Other Comprehensive Income</b>				
Actuarial (gain)/ losses arising from changes in financial assumptions	(0.06)	0.14	(6.87)	(1.93)
Actuarial (gain)/ losses arising from changes in experience adjustments	0.50	(0.06)	(0.60)	(0.10)
	<b>0.44</b>	<b>0.08</b>	<b>(7.47)</b>	<b>(2.04)</b>
<b>Benefit Asset/ (Liability)</b>				
Defined benefit obligation	5.74	3.13	169.86	147.37
Fair value of plan assets	-	-	-	-
<b>Benefit Asset/ (Liability)</b>	<b>(5.74)</b>	<b>(3.13)</b>	<b>(169.86)</b>	<b>(147.37)</b>
<b>Changes in the present value of the defined benefit obligation:</b>				
Opening defined benefit obligation	3.13	2.94	147.37	33.51
Acquisition In	1.42	-	-	-
Interest cost	0.30	0.05	12.74	11.08
Current service cost	0.45	0.06	0.88	0.80
Contributions by plan participants/employees	-	-	2.01	1.89
Benefits Paid	-	-	-	(60.00)
Settlements/Transfer In	-	-	-	158.16
Net actuarial(gain)/loss recognised in year	0.44	0.08	6.87	1.93
<b>Closing defined benefit obligation</b>	<b>5.74</b>	<b>3.13</b>	<b>169.86</b>	<b>147.37</b>

**Notes forming part of the Financial Statements for the year ended March 31, 2021**

	Gratuity		Provident Fund	
	Year ended		Year ended	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
<b>The principal assumption used for the purpose of the actuarial valuation were as follows</b>				
Discount rate	6.69%	6.60%	6.77%	7.66%
Future salary increases	7.50%	7.50%		
Retirement Age			58	58
Up to 30 years			20%	20%
from 31 to 44 years			7%	7.00%
above 44 years			8%	8.00%
Mortality table used	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)

**Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

	Gratuity		Provident Fund	
	Year ended March 31, 2021		Year ended March 31, 2021	
	Rs./lakhs		Rs./lakhs	
	Increase by 0.50%	Decrease by 0.50%	Increase by 0.50%	Decrease by 0.50%
Discount rate	(0.30)	0.32	(0.01)	0.01
Expected salary growth	0.32	(0.30)	(0.01)	0.01

	Year ended March 31, 2020		Year ended March 31, 2020	
	Rs./lakhs		Rs./lakhs	
	Increase by 0.50%	Decrease by 0.50%	Increase by 0.50%	Decrease by 0.50%
Discount rate	(0.15)	0.16	(0.15)	0.16
Expected salary growth	0.16	(0.15)	0.16	(0.15)

**25. RELATED PARTY TRANSACTIONS**

- (i) List of related parties and relationships :

(a)	<b>Subsidiaries</b>	(i) KAMA Realty (Delhi) Limited
		(ii) Shri Educare Limited
		(iii) SRF Limited
		(iv) SRF Transnational Holdings Limited
(b)	<b>Individuals owning, directly or indirectly, an interest in the voting power of the reporting entity that gives them control or significant influence over the enterprise, and relatives of any such individual</b>	(v) Arun Bharat Ram
		(vi) Ashish Bharat Ram
		(vii) Kartik Bharat Ram
		(viii) ABR Family Trust



**Notes forming part of the Financial Statements for the year ended March 31, 2021**

(c)	<b>Key Management Personnel and Directors</b>	Amitav Virmani (Independent Director)
		Ira Gupta (Independent Director)
		Jagdeep Rikhy (Independent Director)
		Ekta Maheshwari (Whole Time Director, Chief Financial Officer & Company Secretary)

**(ii) Transactions During the year with related parties :**

<b>Particulars</b>	<b>Year ended March 31, 2021 Rs./lakhs</b>	<b>Year ended March 31, 2020 Rs./lakhs</b>
<b>Loan/ICD given :</b>		
KAMA Realty (Delhi) Limited	896.00	3,288.00
Shri Educare Limited	77.00	388.00
SRF Transnational Holdings Limited	8,904.00	6,280.00
<b>Loan/ICD refund received :</b>		
KAMA Realty (Delhi) Limited	1,789.00	2,016.50
Shri Educare Limited	204.50	178.00
SRF Transnational Holdings Limited	8,052.00	5,724.00
<b>Dividend received :</b>		
SRF Limited	7,211.76	4,206.86
<b>Dividend paid</b>		
ABR Family Trust	-	1,451.83
Arun Bharat Ram	12.78	89.44
Ashish Bharat Ram	6.39	44.72
Kartik Bharat Ram	6.39	44.72
<b>Purchase of Property, Plant &amp; Equipment</b>		
SRF Limited	-	0.15
<b>Reimbursement of Expenses</b>		
SRF Limited	1.16	0.93
<b>Sale of Property, Plant &amp; Equipment</b>		
SRF Limited	-	0.20
<b>Remuneration:</b>		
Ekta Maheshwari	19.30	17.04
<b>Directors sitting fee :</b>		
Kartik Bharat Ram	1.90	0.60
Ashish Bharat Ram	2.00	0.70
Amitav Virmani	2.30	0.75
Dhirendra Datta	-	0.10
Ira Gupta	2.00	0.53
Jageep Rikhy	1.90	0.20

**Notes forming part of the Financial Statements for the year ended March 31, 2021**

(iii) Balances at year end with related parties :

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>Loan Receivable</b>		
KAMA Realty (Delhi) Limited	7,105.00	7,998.00
Shri Educare Limited	878.25	1,005.75
SRF Transnational Holdings Limited	7,604.00	6,752.00
<b>Sitting Fee payable</b>		
Ashish Bharat Ram	-	0.09
Kartik Bharat Ram	-	0.09
Amitav Virmani	-	0.05
<b>Post employment benefit plans trust-payable</b>	5.74	3.13
<b>Equity Investment</b>		
SRF Limited	41,094.83	41,094.83
KAMA Realty (Delhi) Limited	5.00	5.00
SRF Transnational Holdings Ltd	1,144.31	1,144.31
Shri Educare Limited	951.00	951.00

**26. Detail of loans given, investments made, Securities and Guarantees given on behalf of other companies as required under section 186(4) of the Companies Act 2013:-**

Nature of Transaction	Details of Transaction	Purpose
Investments	Refer note 4	Long term investments in subsidiaries.
Loans	Refer note 3	Funding of the principal business activities of the subsidiaries.

**27. TAX ON DISTRIBUTED PROFITS :**

Amendment made by the finance act 2020 has introduced abolition of DDT as per section 115-O for the companies. Now the dividends are taxed in the hands of the investors.

**28.** 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.

**29.** The company operates mainly in the business segment of investment activity. As such there are no reportable segments as per IND AS 108 on operating segment.

**30. FINANCIAL INSTRUMENTS & RISK MANAGEMENT**

**30.1 Capital management**

The Company is cash surplus and has only equity capital and preference shares. 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.

The cash surpluses are currently invested in equity instruments and inter -corporate loan depending on economic conditions in line with investment policy set by the Management. Safety of capital is of prime importance to ensure availability of capital for operations. Investment objective is to provide safety and adequate return on the surplus funds.

The Company does not have any borrowings.

**30.2 Financial Risk Management**

The Company being a Core Investment Company as per the Core Investment Companies (RBI) Directions,

## Notes forming part of the Financial Statements for the year ended March 31, 2021

2016 is required to invest or lend majority of its fund to subsidiaries. The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to support Company's operations. The Company's principal financial assets include inter corporate deposits, loans, cash and cash equivalents and other receivables. The Company is exposed to market risk, credit risk, liquidity risk and operational and business risk. The Company's management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The major risks are summarised below:

### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily impacts financial instruments measured at fair value through profit or loss.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rate as it does not have debt obligations.

### Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities towards inter corporate deposits to subsidiaries, where no significant impact on credit risk has been identified.

### Equity price risk:

The Company's investment in subsidiaries are accounted at cost in the financial statement net of impairment. The expected cash flow from these entities are regularly monitored to identify impairment indicators.

### Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company manages its liquidity requirement by analysing the maturity pattern of the Company's cash flow of financial assets and financial liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through issuance of equity shares etc. The Company invests its surplus funds in subsidiary companies.

The table below analyze the Company's financial liabilities into relevant maturity profiles based on their contractual maturities:

(Amounts in Lakhs)

	Less than 1 year	More than 1 year and upto 5 years	More than 5 years	Total
<b>As at March 31, 2021</b>				
Subordinated liabilities	103.36	-	1,291.94	1,395.30
Other financial liabilities	7,040.91	-	-	7,040.91
<b>As at March 31, 2020</b>				
Subordinated liabilities	25.84	-	1,291.94	1,317.78
Other financial liabilities	58.23	-	-	58.23

## Notes forming part of the Financial Statements for the year ended March 31, 2021

### 30.3 Categories of financial instruments by categories

Particulars	Carrying value as at		Fair value as at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Cash and cash equivalents	7,135.86	24.84	7,135.86	24.84
Bank balances other than cash and cash equivalents	66.09	51.18	66.09	51.18
Loans	15,589.92	15,755.75	15,589.92	15,755.75
	<u>22,791.87</u>	<u>15,831.77</u>	<u>22,791.87</u>	<u>15,831.77</u>
<b>Financial Liabilities</b>				
<b>Measured at amortised cost</b>				
Subordinated liabilities	1,395.30	1,317.78	1,395.30	1,317.78
Other financial liabilities	7,040.91	58.23	7,040.91	58.23
	<u>8,436.21</u>	<u>1,376.01</u>	<u>8,436.21</u>	<u>1,376.01</u>

Above information does not include investment in subsidiaries which is measured at cost.

As per our report of even date

**For V SAHAI TRIPATHI & CO.**

Chartered Accountants

Regn. No. 000262N

**Vishwas Tripathi**

Partner

M.No. 086897

Place: New Delhi

Date: 28th May 2021

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

**Kartik Bharat Ram**

Chairman

(DIN:00008557)

Place: New Delhi

Date: 28th May 2021

**Ashish Bharat Ram**

Director

(DIN: 00671567)

Place: New Delhi

Date: 28th May 2021

**Ekta Maheshwari**

Whole Time Director

CFO, & Company Secretary

(DIN: 02071432)

Place: Gurugram, Haryana

Date: 28th May 2021

**Amitav Virmani**

Director

(DIN: 02169955)

Place: New Delhi

Date: 28th May 2021

## **INDEPENDENT AUDITOR'S REPORT**

To the Members  
KAMA Holdings Limited

### **Report on Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of KAMA Holdings Limited (hereinafter referred to as the "the Holding Company"), its subsidiary companies (Holding Company and its subsidiary companies together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended and notes to consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated financial statement").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid Consolidated financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2021,

of its consolidated profit and total comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters for Holding Company to be communicated in our report. Key audit matters as considered in the independent auditors' report of subsidiary company (SRF Limited) and reported by their auditor is described below:

<b>The key audit matter</b>	<b>Auditor's Response</b>
<p><b>Accounting for derivatives</b></p> <p>An important element of Group's fund-raising strategy involves various types of borrowings including foreign currency denominated borrowings and a combination of fixed and floating interest rates, and also foreign currency denominated loans and advances to other parties. The Group's operating activities are also exposed to significant foreign exchange risk (refer to note 47 of the consolidated financial statements).</p> <p>The Group uses derivative financial instruments to mitigate foreign currency risk and interest rate risk primarily through foreign currency forward exchange contracts and interest rate swaps.</p> <p>Further, the Group has been using hedge relationship designation as per criteria set out in relevant Indian accounting standards.</p> <p>Accounting thereof and related presentation and disclosures of these transactions require significant judgement.</p> <p>Given the significant level of judgement and estimation involved and the quantitative significance, the same has been determined to be a key audit matter.</p>	<p>The auditor of SRF Limited has performed the following audit procedures to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• Tested the design, implementation and operating effectiveness of controls over the Group's treasury and other related functions which directly impact the relevant account balances and transactions, including hedge accounting.</li> <li>• For selected samples via statistical routines, obtained external confirmations from counterparties of the year end positions as well as agreed to original agreements.</li> <li>• Performed sample tests of valuation and accounting of these transactions. In doing so we have involved valuation specialists to assist us in carrying out aforesaid procedure, as considered necessary.</li> <li>• Assessed the adequacy of disclosures in the financial statements in respect of both non-derivative and derivative financial instruments.</li> </ul>

**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If based on the work we have performed and based on the work done/audit report of other auditors, we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these Consolidated financial statements in terms of the requirement of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 of the assets of each 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 which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the

respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the each Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a

material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about

the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

1. The consolidated financial statements of the company for the year ended March 31, 2020 were audited by predecessor auditor who expressed an unmodified audit opinion on those consolidated financial statements vide their report dated 3<sup>rd</sup> July, 2020. The comparative financial information of the company for the year ended March 31, 2020 is based on those consolidated financial statements audited by the predecessor auditor.
2. We did not audit the financial statement/financial information of nine subsidiaries, whose financial information reflect total assets of Rs 12,93,587.32 lakhs (before consolidation adjustments) as at 31 March 2021, total revenue of Rs 8,48,567.13 Lakhs (before consolidation adjustments) and total net profit after tax (including Other Comprehensive Income) of Rs 1,32,517.89 Lakhs (before consolidation adjustments) and net cash inflows of Rs 2,277.71 Lakhs (before consolidation adjustments) for the year ended on that date, as considered in the consolidated financial statements. The independent auditors' reports on the financial statements of these subsidiaries have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Immediate Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Immediate Holding Company's Auditor has audited those conversion adjustments made by such Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of Immediate Holding Company's Auditor.

Our opinion on the consolidated financial



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

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

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report that 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, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015 as amended including the Companies (Indian Accounting Standards) Amendment Rules 2019.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 and taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors of the subsidiary companies incorporated in India, none of the directors of the Group is disqualified as on 31st March, 2021 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 with reference to financial statements of the Holding Company and subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

g. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditors of the subsidiary Companies incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limits laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

h. 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 and based on the consideration of the report of the other auditors on financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

- i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note 41 to the consolidated financial statements.
- ii. provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 47 to the consolidated financial statements in respect of such items as it relates to the Group;
- iii. there have been no delays in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2021.

**For V Sahai Tripathi & Co.**  
Chartered Accountants  
FRN: 000262N

**(Vishwas Tripathi)**  
Partner  
Membership No. 086897

Place: New Delhi  
Date: 28<sup>th</sup> May 2021



**Annexure 'A' to Independent Auditors' Report**  
**Report on the Internal Financial Controls under**  
**Clause (i) of Sub-section 3 of Section 143 of the**  
**Companies Act, 2013 ("the Act")**

**Opinion**

In conjunction with our audit of the consolidated financial statements of the KAMA Holdings Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of KAMA Holdings Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies incorporated in India as of that date.

In our opinion, the Holding Company and such subsidiary companies which are incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 (hereinafter referred to as "the Act").

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards

on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated 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 relevant subsidiary companies 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 internal financial controls with reference to consolidated financial statements.

**Meaning of Internal Financial controls with Reference to Consolidated Financial Statements**

A company's internal financial controls with reference to consolidated financial statements 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 controls with reference to consolidated financial statements 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 with Reference to consolidated Financial Statements**

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.

**Other Matters**

Our report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal

financial controls over financial reporting with reference to these consolidated financial statements, in so far as it relates to two subsidiary companies incorporated in India is based on the corresponding report of the auditors of such subsidiary companies in India. Our opinion is not qualified in respect of this matter.

**For V Sahai Tripathi & Co.**  
Chartered Accountants  
FRN: 000262N

Place: New Delhi  
Date: 28<sup>th</sup> May 2021

**(Vishwas Tripathi)**  
Partner  
Membership No. 086897

## KAMA HOLDINGS LIMITED

### CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

Amount in Lakhs

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>I Financial Assets</b>			
i Cash and cash equivalents	2 (a)	21,486.09	11,817.67
ii Bank Balance other than (a) above	2 (b)	14,437.27	954.67
iii Derivative financial instruments	3	9,093.31	8.13
iv Receivables			
(I) Trade Receivables	4	127,829.53	89,298.74
v Loans	5	1,058.65	2,777.24
vi Investments	6	64,579.03	35,396.94
vii Other Financial assets	7	23,575.93	23,885.32
		<b>262,059.81</b>	<b>164,138.71</b>
<b>II Non-Financial Assets</b>			
i Inventories	8	146,661.86	120,184.44
ii Current tax assets (Net)	9	3,903.38	3,886.81
iii Deferred tax Assets (Net)	10	2,039.54	1,898.65
iv Investment Property	11	3,026.26	3,086.62
v Property, Plant and Equipment	12	750,422.79	603,173.60
vi Right to use	13	19,004.29	19,631.75
vii Capital work-in-progress	14	77,296.41	141,510.79
viii Goodwill	15	62.30	62.30
ix Other Intangible assets	16	11,366.64	11,775.44
x Other non-financial assets	17	52,236.12	39,131.45
		<b>1,066,019.59</b>	<b>944,341.85</b>
<b>III Asset classified as held for sale</b>	49	-	1,184.00
<b>Total Assets</b>		<b>1,328,079.40</b>	<b>1,109,664.56</b>

(Contd.)

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

		Amount in Lakhs	
Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>IV Financial Liabilities</b>			
i Derivative financial instruments	18	53.72	7,062.01
ii Payables			
Trade Payables	19		
(i) total outstanding dues of micro enterprises and small enterprises		3,337.26	3,036.34
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		155,181.53	108,132.69
iii Debt Securities	20	25,000.00	29,996.57
iv Borrowings (Other than Debt Securities)	21	314,673.77	375,455.06
v Subordinated Liabilities	22	1,395.30	1,317.78
vi Lease Liabilities	13	4,731.68	5,371.68
vii Other financial liabilities	23	50,615.64	30,124.70
		<b>554,988.90</b>	<b>560,496.83</b>
<b>V Non Financial Liabilities</b>			
i Current tax liabilities (Net)	24	1,633.08	1,032.84
ii Provisions	25	5,380.77	4,548.09
iii Deferred tax liabilities (Net)	10	38,840.37	17,549.86
iv Other non-financial liabilities	26	13,728.13	10,815.80
		<b>59,582.35</b>	<b>33,946.59</b>
<b>VI EQUITY</b>			
i Equity Share Capital	27	645.26	645.26
ii Other Equity	28	374,976.35	279,142.45
		<b>375,621.61</b>	<b>279,787.71</b>
<b>VII Non Controlling Interest</b>			
		337,886.54	235,433.43
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,328,079.40</b>	<b>1,109,664.56</b>
Summary of significant accounting policies	1		
See accompanying notes to the consolidated financial statements	2 to 52		

As per our report of even date

**For V SAHAI TRIPATHI & CO.**  
Chartered Accountants  
Regn. No. 000262N

**Vishwas Tripathi**  
Partner  
M.No. 086897  
Place: New Delhi  
Date: 28th May 2021

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

**Kartik Bharat Ram**  
Chairman  
(DIN:00008557)  
Place: New Delhi  
Date: 28th May 2021

**Ekta Maheshwari**  
Whole Time Director  
CFO, & Company Secretary  
(DIN: 02071432)  
Place: Gurugram, Haryana  
Date: 28th May 2021

**Ashish Bharat Ram**  
Director  
(DIN: 00671567)  
Place: New Delhi  
Date: 28th May 2021

**Amitav Virmani**  
Director  
(DIN: 02169955)  
Place: New Delhi  
Date: 28th May 2021

# KAMA HOLDINGS LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Amount in Rs./lakhs)

Particulars	Note	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Revenue from operations</b>	29		
Interest Income	(a)	1,410.48	2,099.32
Dividend Income	(b)	62.56	71.85
Rental Income	(c)	16.35	31.85
Net gain on fair value changes	(d)	2,441.93	512.11
Net gain on derecognition of financial instruments under amortised cost category	(e)	21.88	-
Sale of products(including Excise Duty)	(f)	829,539.63	706,211.78
Sale of services	(g)	2,767.87	3,291.54
Export and other incentives	(h)	7,065.06	10,286.67
Others	(i)	3,429.48	4,442.29
<b>Total Revenue from operations</b>		<b>846,755.24</b>	<b>726,947.44</b>
Other Income	30	3,235.85	2,659.26
<b>Total Income</b>		<b>849,991.09</b>	<b>729,606.70</b>
<b>Expenses</b>			
Finance Costs	31	13,292.62	19,951.61
Cost of materials consumed	32	402,768.27	368,738.61
Purchases of Stock-in-trade	33	6,291.55	9,140.43
Changes in inventories of finished goods, work-in-progress and stock in trade	34	(7,166.48)	(9,182.14)
Employee benefits expense	35	64,694.26	56,776.32
Depreciation and amortisation	36	45,088.46	38,614.10
Other expenses	37	163,595.61	153,771.95
<b>Total Expenses</b>		<b>688,564.29</b>	<b>637,810.87</b>
<b>Profit/(Loss) before Tax</b>		<b>161,426.80</b>	<b>91,795.82</b>
<b>Tax expense</b>			
Current Tax	38	36,441.07	11,130.86
Deferred Tax		5,323.23	(10,673.74)
<b>Total Tax expense</b>		<b>41,764.30</b>	<b>457.12</b>
<b>Profit / (loss) for the period from continuing operations (VII-VIII)</b>		<b>119,662.50</b>	<b>91,338.70</b>
<b>Profit/(loss) from discontinued operations #</b>		(273.01)	15,585.49
<b>Tax Expense of discontinued operations</b>	38	(241.78)	5,266.26
<b>Profit/(loss) from discontinued operations (After tax) (X-XI)</b>		<b>(31.23)</b>	<b>10,319.23</b>
<b>Profit/(loss) for the period (IX+XII)</b>		<b>119,631.27</b>	<b>101,657.93</b>
<b>Other Comprehensive Income</b>			
<b>(A) (i) Items that will not be reclassified to profit or loss</b>			
Gain / (loss) of defined benefit obligation		272.79	(845.49)
Change in fair value of financial assets measured at FVTOCI		6,600.00	(1,982.26)
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>	39	(790.53)	544.10
<b>Subtotal (A)</b>		<b>6,082.26</b>	<b>(2,283.65)</b>

(Contd.)

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Amount in Rs./lakhs)

Particulars	Note	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>(B) (i) Items that will be reclassified to profit or loss</b>			
(a) Effective portion of gain / (loss) on hedging instruments in a cash flow hedge		13,233.44	(16,052.92)
(b) Cost of hedging reserve		346.25	-
(c) Exchange differences on translation of foreign operations		3,639.11	(1,052.94)
(ii) Income tax relating to items that will be reclassified to profit or loss	39	(4,657.42)	5,758.32
<b>Subtotal (B)</b>		<b>12,561.38</b>	<b>(11,347.54)</b>
<b>Other Comprehensive Income (A + B)</b>		<b>18,643.64</b>	<b>(13,631.19)</b>
<b>Total Comprehensive Income for the period(XIII+XIV)</b>		<b>138,274.91</b>	<b>88,026.74</b>
<b>Profit attributable to:</b>			
Owners of the company		60,596.56	53,023.99
Non controlling interest		59,034.71	48,633.94
<b>Total comprehensive income attributable to:</b>			
Owners of the company		72,957.13	45,072.25
Non controlling interest		65,317.78	42,954.49
Paid up equity share capital(Rs. 10 each fully paid up)		645.26	645.26
Earnings per equity share(for continuing operations)	40		
(a) Basic		939.35	738.14
(b) Diluted		939.35	738.14
Earnings per equity share(for discontinued operations)	40		
(a) Basic		(0.25)	83.60
(b) Diluted		(0.25)	83.60
Earnings per equity share (for continuing and discontinued operations)	40		
Basic		939.10	821.74
Diluted		939.10	821.74
Summary of significant accounting policies	1		
See accompanying notes to the consolidated financial statements	2 to 52		

As per our report of even date

**For V SAHAI TRIPATHI & CO.**

Chartered Accountants

Regn. No. 000262N

**Vishwas Tripathi**

Partner

M.No. 086897

Place: New Delhi

Date: 28th May 2021

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

**Kartik Bharat Ram**

Chairman

(DIN:00008557)

Place: New Delhi

Date: 28th May 2021

**Ekta Maheshwari**

Whole Time Director

CFO, & Company Secretary

(DIN: 02071432)

Place: Gurugram, Haryana

Date: 28th May 2021

**Ashish Bharat Ram**

Director

(DIN: 00671567)

Place: New Delhi

Date: 28th May 2021

**Amitav Virmani**

Director

(DIN: 02169955)

Place: New Delhi

Date: 28th May 2021

**KAMA HOLDINGS LIMITED**
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021**

(Amount in Rs./lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax		
- Continuing Operations	161,426.80	91,795.82
- Discontinued Operations	(273.01)	15,585.49
Adjustments for:		
Finance costs	13,451.91	19,966.65
Interest Income	(970.01)	(1,583.67)
Net (gain) / loss on sale / discarding of property, plant and equipment	(629.84)	(1,276.67)
Gain/Loss on Defined Benefit Obligations	(0.44)	-
Net gain on financial assets measured at fair value through profit and loss	(2,478.06)	(2,241.55)
Credit impaired assets provided / written off	1,193.54	218.24
Amortisation of grant income	(137.52)	(356.35)
Dividend Income	(47.02)	-
Depreciation and amortisation expense	45,614.69	40,104.14
Property, plant and equipment and inventory discarded/provided	339.64	7,458.31
Provision / liabilities no longer required written back	(1,199.43)	(446.74)
Net unrealised currency exchange fluctuations (gain)/loss	(909.52)	714.82
Profit on sale of business	-	(23,373.89)
Employee share based payment expense	97.49	97.49
Profit on sale of investments	(250.72)	47.34
Stamp duty on purchase of Investments	14.64	-
Unrealised Profit/(loss) due to IND-AS adjustment	4,267.96	-
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets :		
Trade receivables	(40,006.64)	14,096.27
Inventories	(25,983.27)	525.67
Loans (Current)	1,583.90	(2,922.60)
Loans (Non-current)	(257.79)	14,175.31
Other assets (Current)	2,092.51	-
Other assets (Non-current)	(198.66)	-
Adjustments for increase / (decrease) in operating liabilities :		
Trade payables	47,385.74	(27,147.01)
Provisions	745.60	(185.03)
Other liabilities	1,644.00	(1,375.16)
<b>Cash generated from operations</b>	<b>206,516.49</b>	<b>143,876.88</b>
Income taxes paid (net of refunds)	(25,816.85)	(14,683.01)
<b>Net cash generated from operating activities</b>	<b>180,699.64</b>	<b>129,193.87</b>

(Contd.)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021

(Amount in Rs./lakhs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of non-current investments	(22,026.50)	(13,322.68)
Payment for purchase of mutual funds	(18,857.44)	(8,862.64)
Stamp duty on purchase of Investments	(14.64)	-
Proceeds from sale of investments	20,823.68	23,442.17
Proceeds from sale of business	-	31,576.80
Cost incurred of sale of business	-	(570.57)
Income tax paid on profit from sale	-	(4,083.89)
Interest received	26.40	1,598.67
Bank balances not considered as cash and cash equivalents	(13,451.98)	51.97
Unrealised Profit on sale of Investments	(3,952.92)	2,019.50
Payment for purchase of property, plant, equipment, capital work-in-progress and intangible assets	(121,470.90)	(153,144.18)
Loan given	1.81	-
Proceeds from disposal of property, plant and equipment, Fixed Assets	973.54	2,241.67
Sale of work in progress	2,137.20	-
Dividend income	47.02	-
Grant Received from Government of Republic of Hungary	2,816.37	-
<b>Net cash used in investing activities</b>	<b>(152,948.36)</b>	<b>(119,053.18)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	75,000.00	-
Cost incurred on issue of shares	(1,198.57)	-
Proceeds from borrowings (Non-current)	128,505.53	127,792.04
Repayment of borrowings (Non-current)	(197,337.12)	(95,746.75)
Net proceeds / (repayment) from borrowings (Current)	1,477.88	(19,975.47)
Dividends on equity share to minority	(6,866.16)	(3,824.75)
Dividends paid	-	(1,935.78)
Corporate dividend tax paid	-	(1,654.14)
Payment towards lease liability	(2,052.07)	(1,887.23)
Dividends paid on redeemable cumulative preference shares	77.52	-
Finance costs paid	(15,786.33)	(20,468.12)
<b>Net cash (used in) / generated from financing activities</b>	<b>(18,179.32)</b>	<b>(17,700.20)</b>
<b>D EFFECT OF EXCHANGE RATE MOVEMENTS</b>	96.45	157.96
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>9,668.41</b>	<b>(7,401.55)</b>
Cash and cash equivalents at the beginning of the period	11,817.68	19,219.22
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>21,486.09</b>	<b>11,817.67</b>

(Contd.)



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021

### Notes:

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 on "Statement of Cash Flows"
- During the year, the Company paid in cash Rs. 1,018.00 lakhs (Previous year: Rs.1,200 lakhs) towards corporate social responsibility (CSR) expenditure.
- For cash flow information of discontinued operations, Refer note 49.
- The following table disclose changes in liabilities arising from historical activities including both cash and non cash changes.

### Non-cash changes

Particulars	As at March 31, 2020	Cash flow from financing activities	Upfront fees amortised	Exchange fluctuation changes	As at March 31, 2021
Borrowings	375,455.06	(62,274.83)	433.53	1,060.01	314,673.77
Debt Securities	29,996.57	(4,996.57)	-	-	25,000.00
<b>Total</b>	<b>405,451.63</b>	<b>(67,271.40)</b>		<b>1,060.01</b>	<b>339,673.77</b>

Particulars	As at April 1, 2019	Cash flow from financing activities	Upfront fees amortised	Exchange fluctuation changes	As at March 31, 2020
Borrowings	343,600.50	12,069.83	340.72	19,444.01	375,455.06
Debt Securities	29,995.00	-	1.57	-	29,996.57
<b>Total</b>	<b>373,595.50</b>	<b>12,069.83</b>		<b>19,444.01</b>	<b>405,451.63</b>

Summary of significant accounting policies

See accompanying notes to the consolidated financial statements

As per our report of even date

**For V SAHAI TRIPATHI & CO.**  
Chartered Accountants  
Regn. No. 000262N

**Vishwas Tripathi**  
Partner  
M.No. 086897  
Place: New Delhi  
Date: 28th May 2021

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

**Kartik Bharat Ram**  
Chairman  
(DIN:00008557)  
Place: New Delhi  
Date: 28th May 2021

**Ekta Maheshwari**  
Whole Time Director  
CFO, & Company Secretary  
(DIN: 02071432)  
Place: Gurugram, Haryana  
Date: 28th May 2021

**Ashish Bharat Ram**  
Director  
(DIN: 00671567)  
Place: New Delhi  
Date: 28th May 2021

**Amitav Virmani**  
Director  
(DIN: 02169955)  
Place: New Delhi  
Date: 28th May 2021



# KAMA HOLDINGS LIMITED

## STATEMENT OF CONSOLIDATED CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2021

### A. Equity Share Capital

	Amount in Lakhs
<b>Balance at April 1, 2019</b>	645.26
Changes in equity share capital during the year	-
<b>Balance at March 31, 2020</b>	645.26
Changes in equity share capital during the year	-
<b>Balance at March 31, 2021</b>	645.26

### B. Other Equity

Particulars	Reserves and Surplus*							Items of other comprehensive income*					Total	Non-Controlling Interest	
	General reserve	Retained earnings	Capital redemption reserve	Capital Reserve	Debture redemption reserve	Amalgamation Reserve	Special Reserve u/s 45-IC of RBI Act, 1934	Employee Share based payment reserve	Securities Premium	Cash Flow Hedging Reserve	Cost of Hedging Reserve	Foreign currency translation reserve			Equity Instrument Fair value Through OCI
Balance at April 1, 2019	62,558.97	121,539.68	1,048.10	41,928.83	7,500.00	252.58	269.63	30.56	-	1,274.44	-	(194.64)	209.43	236,417.59	197,062.02
Profit for the year	-	53,023.99	-	-	-	-	-	-	-	-	-	-	-	53,023.99	48,633.94
Other comprehensive income for the year, net of income tax	-	(325.33)	-	-	-	-	-	-	-	(5,382.18)	-	(543.09)	(1,728.62)	(7,979.22)	(5,679.47)
Total comprehensive income for the year	-	52,698.66	-	-	-	-	-	-	-	(5,382.18)	-	(543.09)	(1,728.62)	45,044.77	42,954.47
Payment of dividend	-	(1,935.78)	-	-	-	-	-	-	-	-	-	-	-	(1,935.78)	(3,840.41)
Tax on Dividend	-	(435.08)	-	-	-	-	-	-	-	-	-	-	-	(435.08)	(789.41)
Transfer to Special Reserve	-	(68.58)	-	-	-	-	68.58	-	-	-	-	-	-	-	-
Increase in minority interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee share based payments to employees	-	-	-	-	-	-	-	50.96	-	-	-	-	-	50.96	46.76
Balance at March 31, 2020	62,558.97	171,798.90	1,048.10	41,928.83	7,500.00	252.58	338.21	81.52	-	(4,107.74)	-	(737.73)	(1,519.19)	279,142.45	235,433.43
Profit for the year	-	60,596.56	-	-	-	-	-	-	-	-	-	-	-	60,596.56	59,034.71
Other comprehensive income for the year, net of income tax	-	633.83	-	-	-	-	-	-	-	4,366.55	158.81	1,843.44	5,261.00	12,263.63	6,283.07
Total comprehensive income for the year	-	61,230.39	-	-	-	-	-	-	-	4,366.55	158.81	1,843.44	5,261.00	72,860.19	65,317.78
Payment of dividend	-	(7,166.96)	-	-	-	-	-	-	-	-	-	-	-	(7,166.96)	(6,963.56)

(Contd.)



# STATEMENT OF CONSOLIDATED CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2021

Particulars	Reserves and Surplus <sup>4</sup>								Items of other comprehensive income <sup>5</sup>					Total	Non-Controlling Interest
	General reserve	Retained earnings	Capital redemption reserve	Capital Reserve	Debt redemption reserve	Amalgamation Reserve	Special Reserve u/s 45-IC of RBI Act, 1934	Employee Share based payment reserve	Securities Premium	Cash Flow Hedging Reserve	Cost of Hedging Reserve	Foreign currency translation reserve	Equity Instrument Fair value Through OCI		
Securities Premium	-	-	-	-	-	-	-	-	37,342.37	-	-	-	-	37,342.37	36,282.59
Transfer from Debt Redemption Reserves	7,500.00	-	-	-	(7,500.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Debt Redemption Reserves	-	(6,250.00)	-	-	6,250.00	-	-	-	-	-	-	-	-	-	-
Transfer to Special Reserve	-	(25.04)	-	-	-	-	25.04	-	-	-	-	-	-	-	-
Employee share based payments to employees	-	-	-	-	-	-	-	48.98	-	-	-	-	-	48.98	47.59
Other	-	-	-	(7,250.68)	-	-	-	-	-	-	-	-	-	(7,250.68)	7,768.70
Balance at March 31, 2021	70,058.97	219,587.29	1,048.10	34,678.15	6,250.00	252.58	363.25	130.50	37,342.37	258.81	158.81	1,105.71	3,741.81	374,976.35	337,886.54

\* Refer note no. 28

Summary of significant accounting policies

1

See accompanying notes to the consolidated financial statements

2 to 55

As per our report of even date

**For V SAHAI TRIPATHI & CO.**  
Chartered Accountants  
Regn. No. 000262N

**Vishwas Tripathi**  
Partner  
M.No. 086897  
Place: New Delhi  
Date: 28th May 2021

**Kartik Bharat Ram**  
Chairman  
(DIN:00008557)  
Place: New Delhi  
Date: 28th May 2021

**Ashish Bharat Ram**  
Director  
(DIN: 00671567)  
Place: New Delhi  
Date: 28th May 2021

**Ekta Maheshwari**  
Whole Time Director  
CFO, & Company Secretary  
(DIN: 02071432)  
Place: Gurugram, Haryana  
Date: 28th May 2021

**Amitav Virmani**  
Director  
(DIN: 02169955)  
Place: New Delhi  
Date: 28th May 2021

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 1 CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

#### A Corporate Information

KAMA Holdings Limited ("the Company/KHL") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Equity shares of the Company are publicly traded in India on the Bombay Stock Exchange. The registered office of the Company is situated at The Galleria, DLF Mayur Vihar, Unit No. 236 and 237, Mayur Vihar Place, Mayur Vihar Phase I Extn, Delhi - 110091.

The Company is a core investment company while principal activities of its subsidiaries are manufacturing, purchase and sale of technical textiles, chemicals, packaging films and other polymers.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 28, 2021.

#### B Significant Accounting Policies

##### 1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the 2013 Act. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)- Defined benefit plans
- plan assets measured at fair value less present value of defined benefit obligation
- Share based payments

The functional currency of the Company is 'INR' and its subsidiaries are their respective local currencies. The financial statements are presented in INR and all values are rounded to the nearest lakhs, except when otherwise indicated.

The consolidated financial statements incorporate the financial statements of the holding group and its subsidiaries. Control is achieved when the group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the group gains control until the date when the group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Necessary adjustments are made in the consolidated financial statements of subsidiaries to bring their accounting policies in line with the Company's accounting policies if any.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

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

### Name of the direct subsidiaries of the company:

Indian subsidiaries	Country of Incorporation	Proportion of ownership as at March 31, 2021	Proportion of ownership as at March 31, 2020
SRF Limited	India	50.72%	52.28%
Shri Educare Limited	India	100.00%	100.00%
KAMA Realty (Delhi) Limited	India	100.00%	100.00%
SRF Transnational Holdings Limited	India	100.00%	100.00%

### Name of the direct subsidiaries of SRF Limited which is the direct subsidiary of the company:

subsidiaries	Country of Incorporation	Proportion of ownership as at March 31, 2021	Proportion of ownership as at March 31, 2020
SRF Holiday Home Limited	India	100.00%	100.00%
SRF Employees Welfare Trust (Controlled Trust)	India	*	*
SRF Global BV	Netherlands	100.00%	100.00%

\*by virtue of management control

### Name of the direct subsidiaries of Shri Educare Limited which is the direct subsidiary of the company:

subsidiaries	Country of Incorporation	Proportion of ownership as at March 31, 2021	Proportion of ownership as at March 31, 2020
Shri Educare Maldives Pvt. Ltd.	Maldives	100.00%	100.00%

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

Foreign subsidiaries	Country of Incorporation	Proportion of ownership as at March 31, 2021	Proportion of ownership as at March 31, 2020
SRF Industries (Thailand) Limited	Thailand	100.00%	100.00%
SRF Europe Kft	Hungary	100.00%	100.00%
SRF Industex Belting (Pty) Limited	Republic of South Africa	100.00%	100.00%
SRF Flexipak (South Africa) (Pty) Limited	Republic of South Africa	100.00%	100.00%

### Name of the direct subsidiary of KAMA Realty (Delhi) Limited

Subsidiaries	Country of Incorporation	Proportion of ownership as at March 31, 2021	Proportion of ownership as at March 31, 2020
KAMA Real Estate Holdings LLP	India	100.00%	100.00%

The group owns 22.60% (Previous year – 22.60%) in Malanpur Captive Power Limited and the same has not been considered for the purposes of consolidation, since the group does not exercise significant influence over Malanpur Captive Power Limited.

The group owns 26.32% (Previous year – 26.32%) in Vaayu Renewable Energy (Tapti) Private Limited and the same has not been considered for the purposes of consolidation, since the group does not exercise significant influence over Vaayu Renewable Energy (Tapti) Private Limited.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

**The principal accounting policies are set out below.**

### **2 Property, plant and equipment (PPE)**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

All items of property plant and equipment have been measured at fair value at the date of transition to Ind AS. The Group have opted such fair valuation as deemed cost at the transition date.

Cost of acquisition or construction is inclusive of freight, duties, non recoverable taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, up to the date of commissioning of the assets.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets, upto the date of commissioning of the assets

Likewise, when a major inspection for faults is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

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

Spare parts are capitalized when they meet the definition of PPE, i.e., when the group intends to use these for more than a period of 12 months.

### **3 Investment Property**

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost of acquisition, including transaction costs. On transition to IND AS, the Group has elected to measure all of its investment properties at the previous GAAP carrying value (deemed cost).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in the statement of Profit & Loss as incurred.

Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on investment properties is provided on straight line basis over the useful life specified in schedule II of the Companies Act, 2013.

The residual values, useful lives and method of depreciation are reviewed at the end of the each financial year and adjusted prospectively.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair value are determined based on an annual evaluation performed by external independent valuer.

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit & Loss in the period of de-recognition.

### **4 Depreciation**

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

Depreciation has been provided on the cost of assets less their residual values on straight line method on the basis of estimated useful life of assets determined by the Group which are different from the useful life as prescribed in Schedule II of the 2013 Act. The estimated useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

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 and machinery	2-30 years
Furniture and fixtures	15 years
Office equipment	3-20 years
Vehicles	4-5 years

Freehold land is not depreciated.

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

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 5 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The useful lives considered are as follows:

Trademarks / Brand	10-30 years
Technical Knowhow	10-30 years
Software	3 years
Other intangibles	2.5-8 years

The group has elected to continue with the carrying value of all of its intangibles assets recognised as on transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised on disposal or when no future economic benefit are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

### 6 Research and development expenditure

Expenditure on research and development of products is included under the natural heads of

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

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 development costs are capitalised if they can be reliably measured, the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development and to use or sell the asset.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

### 7 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

### 8 Impairment of tangible and intangible assets other than goodwill

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognised When the carrying amount of an asset or CGU exceeds its recoverable amount. In such cases, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 5 years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after 5th year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

**the reversal, if any, required of impairment loss recognised in previous periods.**

For assets excluding goodwill, an assessment is made at each reporting date to determine whether



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

### 9 Leasing

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assess whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision- making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

This policy is applicable to contracts entered into, or changed, on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

#### Group as lessee

The Group accounts for assets taken under lease arrangement in the following manner:

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right of use asset is subsequently depreciated using the straight line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the basis of remaining lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Group's estimate of the amount expected to be payable under a residual value guarantee,

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

### **Short-term leases and leases of low-value assets**

The Group has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

## **10 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset.

Borrowing costs for 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.

Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they occur.

## **11 Foreign Currencies**

### **Transaction and balances**

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

- (i) Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to exchange differences arising from cash flow hedges to the extent that the hedges are effective.
- (ii) Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2016 Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance useful life of the assets.
- (iii) Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2016 The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2016 is treated in accordance with Ind AS 21/ Ind AS 109.

## **12 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:

- (a) Raw materials, packing material and stores and spares including fuel - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

Cost is determined on weighted average basis. The aforesaid items are valued below cost if the finished products in which they are to be incorporated are expected to be sold at a loss.

- (b) Traded goods, Stock in progress and finished goods- Direct cost plus appropriate share of overheads and excise duty, wherever applicable
- (c) By products - At estimated realisable value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 13 Provisions and Contingent Liabilities

#### Provisions

The group recognised a provision when there is a present obligation (legal or constructive) 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.

When the group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The group does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

### 14 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Group.

- a) Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).
- b) Interest income is recognised when it is probable that the economic benefits will flow to the Group using the effective interest rate and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding.
- c) **Sale of goods:** Revenue from sale of products is recognised upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognised as and when the underlying services are performed. The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Revenues are measured based on the transaction price, which is the consideration, net of tax collected from customers and remitted to government authorities such as goods and services tax and applicable discounts and allowances.

Any fees including upfront fees received in relation to contract manufacturing arrangements is

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

recognised on straight line basis over the period over which the Group satisfies the underlying performance obligations. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash as per contractual terms. Advance from customers ("contract liability") is recognised when the group has received consideration from the customer before it delivers the goods.

- d) **Export incentive:** The benefit accrued under the Duty Drawback scheme and other schemes as per the Export and Import Policy in respect of exports made under the said Schemes is included under the head "Revenue from Operations" under 'Export and other incentives'.
- e) **Other Services :** Course fees is recognised over the duration of the course, franchise fees and other services is recognised as per the terms of agreement on performance of the service.

### 15 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### a) Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss account i.e. in Other comprehensive income or equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### b) Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date.

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 group has a legally enforceable right for such set off.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax relating to items recognised outside profit or loss is recognised in other comprehensive income or in equity.

Deferred tax assets/liabilities are not recognised for below mentioned temporary differences:

- (i) At the time of initial recognition of goodwill;
- (ii) Initial recognition of assets or liabilities (other than in a business combination) at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- (iii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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 group will pay normal income tax. Accordingly, MAT asset is

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

recognised in the consolidated Balance Sheet when it is probable that future economic benefit associated with it will flow to the group.

### 16 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period. Such a grant is recognised in profit or loss of the period in which it becomes receivable.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the group recognizes as expenses the related costs for which the grants are intended to compensate.

Government grants related to assets are presented in the consolidated balance sheet as deferred income and is recognised in profit or loss on a systematic basis over the expected useful life of the related assets.

### 17 Employee benefits

#### Short term employee benefits

Wages and salaries including non monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

#### Defined contribution plans

Provident fund administered through Regional Provident Fund Commissioner, Superannuation Fund, National pension scheme and Employees' State Insurance Corporation are defined contribution schemes. Contributions to such schemes are charged to the statement of profit and loss in the year when employees have rendered services entitling them to the contributions. The group has no obligation, other than the contribution payable to such schemes.

#### Defined benefit plans

The group has defined benefit plan such as gratuity, provident fund for certain category of employees administered through a recognised provident fund trust and legal severance plans.

Provision for gratuity, provident fund for certain category of employees administered through a recognised provident fund trust and legal severance plans are determined on an actuarial basis at the end of the year and charged to consolidated statement of profit and loss, other than remeasurements. The cost of providing these benefits is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses and the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability and return on plan assets), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to consolidated statement of profit and loss in subsequent periods.

#### Other long term employee benefits

The group also has other long term benefits plan such as compensated absences and retention pay. Provision for compensated absences and long term retention pay are determined on an actuarial basis at the end of the year and charged to consolidated Statement of Profit and Loss. The cost of providing these benefits is determined using the projected unit credit method.

#### Share based payments

Equity settled share based payments to employees under SRF Long Term Share Based Incentive Plan (SRF LTIP) are measured at the fair value (which is the market price less exercise price) of the equity instruments on the grant date. This compensation cost relating to employee stock purchase scheme is amortised over the remaining tenure over which the employees renders their service on a straight line basis.

### 18 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### 19 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### A) Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets of the group are classified in three categories:

- a) At amortised cost
- b) At fair value through profit and loss (FVTPL)c) At fair value through other comprehensive income (FVTOCI)

Financial asset is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the consolidated statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets not classified as measured at amortised cost or FVOCI as are measured at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

##### Equity Investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are measured at fair value through profit and loss.

For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative gain or loss is not reclassified to statement of profit and loss on disposal of such instruments.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement~ and either (i) the group has transferred substantially all the risks and rewards of the asset, or (ii) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

### **Impairment of financial assets**

The group recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

## **B) Financial liabilities and Equity instruments**

### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs, if any.

The group's financial liabilities include borrowings and trade and other payables including derivative financial instruments.

### **Subsequent measurement**

#### **Borrowings**

Borrowings are subsequently measured at amortised cost. Any differences between the proceeds(net of transaction cost) and the redemption/repayment amount is recognised in profit and loss over the period of the borrowings using the Effective interest rate method.

#### **Trade and other payables**

Trade and other payables represent the liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

### **Equity Instruments**

Equity Instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Debt or equity instruments issued by the group are classified as either financial liability or as equity in accordance with the substance of contractual arrangements and the definitions of a financial liabilities and an equity instruments.

## **21 Derivative financial instruments and hedge accounting**

### **Initial recognition and subsequent measurement**

The group uses derivative financial instruments (such as forward currency contracts, interest rate swaps) or non derivative financial assets/liabilities to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit and loss when the hedge item affects profit and loss.

For the purpose of hedge accounting, hedges are classified as:

- a) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.
- b) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the group formally designates and documents the hedge relationship to which the group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

### **Fair value hedges**

The change in the fair value of a hedging instrument is recognised in the consolidated statement of profit and loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in consolidated profit and loss.



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

The group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in the consolidated statement of profit and loss.

The group also designates certain non derivative financial liabilities, such as foreign currency borrowings from banks, as hedging instruments for the hedge of foreign currency risk associated with highly probable transactions and, accordingly, applies cash flow hedge accounting for such relationships.

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast transaction occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in other comprehensive income remains separately in other equity until the forecast transaction occurs or the foreign currency firm commitment is met.

### 22 Fair value measurement

The group measures some of its financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- b) Level 2 — inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3 — inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 23 Foreign Currency translation reserve

On consolidation, the assets and liabilities of foreign operations are translated into Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

### 24 Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices. Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

### 25 Dividend

The group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### 26 Applicability of new and revised Ind AS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020

## C Significant accounting judgements, estimates and assumptions

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes.

- Leasing arrangement (classification and accounting) – Note B.10
- Financial instruments - Note B. 22
- Fair value measurement – Note B.23
- Assessment of useful life of property, plant and equipment and intangible asset – Note B.5
- Recognition and estimation of tax expense including deferred tax– Note B.16
- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions) – Note B.18
- Estimated impairment of financial assets and non-financial assets – Note B.21 and Note B.9
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note B.14

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 2(A) CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Cash on hand	83.26	116.64
Balance with banks		
Current accounts	20,110.78	10,456.42
Exchange Earners Foreign Currency (EEFC) accounts	1,282.67	954.00
Deposit accounts with maturity of three months or less	9.38	290.61
	<b>21,486.09</b>	<b>11,817.67</b>

The disclosures regarding details of specified bank notes held and transacted during the period November 8, 2016 to December 30, 2016 have not been made since the requirement does not pertain to financial Year ended March 31, 2021.

### 2(B) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>Earmarked balances with bank</b>		
Margin Money	195.00	289.22
Unclaimed dividend	723.56	655.45
Deposit accounts with maturity beyond three months upto twelve months	13,518.71	10.00
	<b>14,437.27</b>	<b>954.67</b>

### 3. DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Derivatives carried at fair value through Other comprehensive income		
- Forward exchange contracts used for hedging	8,553.66	-
- Interest rate swaps used for hedging	100.95	-
Derivatives carried at fair value through profit and loss		
- Forward exchange contracts used for hedging	438.70	8.13
	<b>9,093.31</b>	<b>8.13</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 4. TRADE RECEIVABLES

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Unsecured – considered good	127,829.53	89,298.74
Unsecured, credit impaired	502.55	360.55
	128,332.08	89,659.29
Less: Provision for credit impaired receivables	(502.55)	(360.55)
	<b>127,829.53</b>	<b>89,298.74</b>

#### Notes:

- (i) The credit period generally allowed on sales varies, on a case to case basis, business to business and based on market conditions. Maximum credit period allowed is upto 120 days

- (ii) Age of receivables :

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Within the credit period	113,174.29	69,131.60
1 to 180 days past due	14,274.96	18,900.13
More than 180 days past due	882.83	1,627.56
<b>Total</b>	<b>128,332.08</b>	<b>89,659.29</b>

- (iii) The group has entered into receivables purchase agreements with banks to unconditionally and irrevocably sell, transfer, assign and convey all the rights, titles and interest of the group in the receivables as identified. Receivables sold as on March 31, 2021 are of Rs. 36,912.32 lakhs (Previous year: Rs. 50,254.93 lakhs). The group has derecognized these receivables as it has transferred its contractual rights to the banks with substantially all the risks and rewards of ownership and retains no control over these receivables as the banks have the right to further sell and transfer these receivables with notice to the group.
- (iv) The group sold, with recourse, trade receivables amounting to Rs. 4,715.03 lakhs (Previous Year: Nil) to a bank for cash proceeds. These trade receivables have not been derecognised because the group retains substantially all of the risks and rewards, primarily credit risk. The amounts received on such transfer have been recognised as a secured bank loan (Refer note 21)
- (v) There is no customer who represents more than 10% (Previous year - Nil) of the total balances of trade receivables.
- (vi) Refer Note 21.1 for information on trade receivables pledged as security by the group.



**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

**5 LOANS**

		As at March 31, 2021		As at March 31, 2020	
		Rs./lakhs		Rs./lakhs	
		At amortised Cost	At Fair value through OCI	Total	At amortised Cost
					At Fair value through OCI
					Total
<b>(A) Others</b>					
Corporate loans	988.12	-	988.12	1,311.64	-
Loans to employees	70.53	-	70.53	1,739.93	-
Less: Impairment Loss allowances	-	-	-	(274.33)	-
<b>Total (A)</b>	<b>1,058.65</b>	-	<b>1,058.65</b>	<b>2,777.24</b>	<b>2,777.24</b>
<b>(B) Out of the above</b>					
<b>(i) Secured</b>					
Corporate loans	950.50	-	950.50	1,000.55	-
Loans to employees	70.52	-	70.52	-	-
Less: Impairment loss allowance	-	-	-	-	-
<b>Total (i)</b>	<b>1,021.02</b>	-	<b>1,021.02</b>	<b>1,000.55</b>	<b>1,000.55</b>
<b>(ii) Unsecured</b>					
Corporate loans	37.62	-	37.62	311.09	-
Loans to employees	-	-	-	1,739.93	-
Less: Impairment Loss allowances	-	-	-	(274.33)	-
<b>Total (ii)</b>	<b>37.62</b>	-	<b>37.62</b>	<b>1,776.69</b>	<b>1,776.69</b>
<b>Total (B)</b>	<b>1,058.64</b>	-	<b>1,058.64</b>	<b>2,777.24</b>	<b>2,777.24</b>
<b>(C) Out of above</b>					
<b>(i) Loans in India</b>					
Corporate loans	988.12	-	988.12	1,311.64	-
Loans to employees	70.53	-	70.53	1,739.93	-
Less: Impairment loss allowance	-	-	-	(274.33)	-
<b>Total (i)</b>	<b>1,058.65</b>	-	<b>1,058.65</b>	<b>2,777.24</b>	<b>2,777.24</b>
<b>(ii) Loans Outside India</b>					
Corporate loans	-	-	-	-	-
Loans to employees	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-
<b>Total (ii)</b>	<b>-</b>	-	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (C)</b>	<b>1,058.65</b>	-	<b>1,058.65</b>	<b>2,777.24</b>	<b>2,777.24</b>



**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

**6. INVESTMENTS**

Particulars	As at March 31, 2021				As at March 31, 2020			
	At amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total	At amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
In Mutual funds	-	1,075.00	15,953.51	17,028.51	-	1,324.00	19,049.37	20,373.37
Add: Fair value gain/(losses)	-	419.76	3,762.98	4,182.74	-	(244.19)	800.59	556.41
	-	<b>1,494.76</b>	<b>19,716.49</b>	<b>21,211.25</b>	-	<b>1,079.81</b>	<b>19,849.96</b>	<b>20,929.78</b>
In Bonds, Debentures and Commercial Paper*	2,287.10	-	21,356.68	23,643.78	2,327.13	-	600.00	2,927.13
Less: Provision for doubtful debts	(56.79)	-	-	(56.79)	(6.79)	-	-	(6.79)
Add: Amortized	66.85	-	-	66.85	-	-	-	-
Add: Fair value gain/(losses)	-	-	189.36	189.36	16.89	-	(450.00)	(433.11)
	<b>2,297.16</b>	-	<b>21,546.04</b>	<b>23,843.20</b>	<b>2,337.23</b>	-	<b>150.00</b>	<b>2,487.23</b>
In Equity Instruments	-	11,906.33	-	11,906.33	-	10,721.63	-	10,721.63
Add: Fair value gain/(losses)	-	4,156.94	-	4,156.94	-	(1,464.78)	-	(1,464.78)
	-	<b>16,063.27</b>	-	<b>16,063.27</b>	-	<b>9,256.85</b>	-	<b>9,256.85</b>
In Convertible Preference Shares**	-	-	500.00	500.00	-	-	500.00	500.00
Add: Fair value gain/(losses)	-	-	-	-	-	-	-	-
	-	-	<b>500.00</b>	<b>500.00</b>	-	-	<b>500.00</b>	<b>500.00</b>
In Other Instruments	-	1.00	3,327.27	3,328.27	-	-	2,213.99	2,213.99
Add: Fair value gain/(losses)	-	113.65	(480.61)	(366.96)	-	-	9.10	9.10
	-	<b>114.65</b>	<b>2,846.66</b>	<b>2,961.31</b>	-	-	<b>2,223.08</b>	<b>2,223.08</b>
<b>Total Investments</b>	<b>2,297.16</b>	<b>17,672.68</b>	<b>44,609.19</b>	<b>64,579.03</b>	<b>2,337.23</b>	<b>10,336.66</b>	<b>22,723.05</b>	<b>35,396.94</b>
<b>Out of above</b>								
In India	2,297.16	17,672.68	44,609.19	64,579.03	2,337.23	10,336.66	22,723.05	35,396.94
Outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,297.16</b>	<b>17,672.68</b>	<b>44,609.19</b>	<b>64,579.03</b>	<b>2,337.23</b>	<b>10,336.66</b>	<b>22,723.05</b>	<b>35,396.94</b>

\*Tax Free Bonds Rs. 759.27 lakhs pledged with HDFC Bank Ltd against the credit facility.

\*\*Fair value not available due to unavailability of sufficient recent informations, hence valued at cost in accordance with para B.5.2.3 of IND-AS 109.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 7 OTHER NON FINANCIAL ASSET

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Interest accrued but not due on non-current investments	92.80	94.30
Security deposit	6,385.30	4,937.98
Insurance claim recoverable	33.01	578.64
Government grant and claims recoverable	16,996.74	17,969.56
Others	68.08	304.84
	<b>23,575.93</b>	<b>23,885.32</b>

### 8. INVENTORIES

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Raw material (including packing material)	68,335.51	51,259.30
Stock in progress	17,647.45	15,645.12
Finished goods	33,859.22	28,123.56
Stores and spares (including fuel)	26,307.68	24,392.64
Traded goods	432.49	701.97
Others -stock of uniform and Books	79.51	61.85
	<b>146,661.86</b>	<b>120,184.44</b>
<b>Goods-in-transit, included above :</b>		
Raw material (including packing material)	24,142.67	18,333.21
Finished goods	10,047.17	3,583.01
Stores and spares (including fuel)	106.37	259.16
Traded goods	33.27	202.39
	<b>34,329.48</b>	<b>22,377.77</b>

#### Notes:

- The cost of inventories recognised as an expense includes Rs.1,122.78 lakhs.(Previous year : Rs. 1,056.44 lakhs) in respect of write-downs of inventory to net realisable value.
- Refer Note 21.1 for information on inventories pledged as security by the group.
- The method of valuation of inventory has been stated in note 1.B.13

### 9. CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Advance Tax (net of provisions and refunds)	3,903.38	3,886.81
	<b>3,903.38</b>	<b>3,886.81</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 10. DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
The following is the analysis of deferred tax assets(liabilities) presented in balance sheet.		
Deferred tax assets	34,165.70	47,470.02
Deferred tax liabilities	(70,966.53)	(63,121.23)
<b>Deferred tax liabilities, net</b>	<b>(36,800.83)</b>	<b>(15,651.21)</b>
Net Deferred tax assets after set off	2,039.54	1,898.65
Net Deferred tax liabilities after set off	38,840.37	17,549.86

The major components of deferred tax assets/(liabilities) arising on account of temporary differences are as follows:

2020-21	Recognised in profit and loss account			Recognised in other comprehensive income	FCTR for the year	Closing Balance
	Opening balance	Continuing operations	Discontinued operations			
<b>Deferred Tax Assets</b>						
Expenses deductible in future years	2,810.09	(600.81)	-	-	180.05	2,389.33
Provision for credit impaired loans / receivables	90.41	36.71	241.78	-	(0.85)	126.27
MAT Credit Entitlement	36,938.26	1,002.95	(9,536.97)	-	-	28,162.46
Cash flow hedges	4,229.06	-	-	(4,229.05)	-	0.01
Effect of fair value change in financial assets	162.41	-	-	-	-	162.41
Unabsorbed carried forward losses	2,297.56	(190.56)	241.78	-	45.97	2,394.75
Others	942.23	(87.69)	-	-	75.93	930.47
<b>Total</b>	<b>47,470.02</b>	<b>160.60</b>	<b>(9,536.97)</b>	<b>(4,229.05)</b>	<b>301.10</b>	<b>34,165.70</b>
<b>Deferred Tax Liabilities</b>						
Property plant and equipment and intangible assets	(61,759.97)	(5,482.44)	-	-	(1,144.31)	(68,386.72)
Investment in mutual funds	(794.99)	(290.05)	-	-	-	(1,085.04)
Effect of fair value change in financial assets	52.70	-	-	(925.95)	-	(873.25)
Cash flow hedges	-	-	-	(427.95)	-	(427.95)
Others	(618.97)	425.40	-	-	-	(193.57)
	(63,121.23)	(5,347.09)	-	(1,353.90)	(1,144.31)	(70,966.53)
<b>Total</b>	<b>(15,651.21)</b>	<b>(5,186.49)</b>	<b>(9,536.97)</b>	<b>(5,582.95)</b>	<b>(843.21)</b>	<b>(36,800.83)</b>



**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

2019-20	Recognised in profit and loss account			Recognised in other comprehensive income	FCTR for the year	Closing Balance
	Opening balance	Continuing operations	Discontinued operations			
<b>Deferred Tax Assets</b>						
Expenses deductible in future years	3,070.82	(88.36)	-	-	(172.37)	2,810.09
Provision for credit impaired loans/ receivables	80.22	10.19	-	-	-	90.41
MAT Credit Entitlement	33,346.54	3,591.72	-		-	36,938.26
Cash flow hedges	-	-	-	4,229.06	-	4,229.06
Effect of fair value change in financial assets	(146.93)	-		309.34	-	162.41
Unabsorbed carried forward losses	1,061.52	398.41	856.90	-	(19.27)	2,297.56
Others	821.58	(109.56)	-	286.00	(55.79)	942.23
<b>Total</b>	<b>38,233.75</b>	<b>3,802.40</b>	<b>856.90</b>	<b>4,824.40</b>	<b>(247.43)</b>	<b>47,470.02</b>
<b>Deferred Tax Liabilities</b>						
Property plant and equipment and intangible assets	(69,835.08)	7,201.01	-	-	874.10	(61,759.97)
Investment in mutual funds	(824.05)	29.06	-	-	-	(794.99)
Effect of fair value change in financial assets	(0.03)	-		52.73		52.70
Cash flow hedges	(1,529.37)	-	-	1,529.37	-	-
Others	(114.80)	(504.17)	-	-	-	(618.97)
	(72,303.33)	6,725.90	-	1,582.10	874.10	(63,121.23)
<b>Total</b>	<b>(34,069.58)</b>	<b>10,528.30</b>	<b>856.90</b>	<b>6,406.50</b>	<b>626.67</b>	<b>(15,651.21)</b>

- i) At March 31, 2021, there was no recognised deferred tax liability ( Previous year : Nil) for taxes that would be payable on the unremitted earnings of certain of the Company's subsidiaries. The Company has determined that undistributed profits of its subsidiaries will not be distributed in the foreseeable future.
- ii) Section 115BAA of the Income Tax Act, 1961 was introduced by the Taxation Laws (Amendment) Ordinance, 2019. During the previous year, based on the estimate of expected timing of exercising of the option under Section 115BAA, the Company had re-measured its deferred tax balances. Consequently, tax credit of Rs. 13,610.53 lakhs (net of MAT adjustment of Rs 7,402 lakhs) was recorded in the Statement of Profit and Loss during the year ended March 31, 2020.
- iii) MAT credit entitlement of Rs. 7,402.00 lakhs (out of total Rs. 8,785.00 lakhs generated during the previous year) expiring in the financial year ending March 31, 2035 is not recognised in the statement of profit and loss of the previous year, due to expected timing of exercising of the option under section 115BAA of Income Tax Act, 1961.
- iv) As on March 31, 2019 there were capital losses of Rs. 18,631.77 lakhs expiring in the financial year ending March 31, 2023 on which no deferred tax asset was created, due to lack of probability of future capital gains against which such deferred tax assets can be realised. Pursuant to recognition of long term capital gain in the previous year, such capital losses were set off in previous year. Also refer Note 49 (A).

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**
**11. INVESTMENT PROPERTY**

Amount in lakhs

	Building at Gurgaon-1	Building at Gurgaon-2	Building at Mumbai	Building at Uttarakhand	Total
<b>Year ended 31 March 2020</b>					
<b>Gross carrying amount</b>					
Opening	1,919.95	668.33	309.48	309.58	3,207.34
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>1,919.95</b>	<b>668.33</b>	<b>309.48</b>	<b>309.58</b>	<b>3,207.34</b>
<b>Accumulated depreciation</b>					
Opening	38.29	11.04	5.61	5.44	60.38
Depreciation charge during the year	38.29	11.04	5.61	5.40	60.34
Disposals	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>76.58</b>	<b>22.08</b>	<b>11.22</b>	<b>10.84</b>	<b>120.72</b>
<b>Net carrying amount</b>	<b>1,843.37</b>	<b>646.25</b>	<b>298.26</b>	<b>298.74</b>	<b>3,086.62</b>
<b>Year ended 31 March 2021</b>					
<b>Gross carrying amount</b>					
Opening	1,919.95	668.33	309.48	309.58	3,207.34
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>1,919.95</b>	<b>668.33</b>	<b>309.48</b>	<b>309.58</b>	<b>3,207.34</b>
<b>Accumulated depreciation</b>					
Opening	76.58	22.08	11.22	10.84	120.72
Depreciation charge during the year	38.29	11.04	5.61	5.42	60.36
<b>Closing accumulated depreciation</b>	<b>114.87</b>	<b>33.12</b>	<b>16.83</b>	<b>16.26</b>	<b>181.08</b>
<b>Net carrying amount</b>	<b>1,805.08</b>	<b>635.21</b>	<b>292.65</b>	<b>293.32</b>	<b>3,026.26</b>



**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

**12. PROPERTY, PLANT & EQUIPMENTS**

Current Year		Amount in Lakhs							
Particulars	Freehold land	Roads	Buildings	Plant & equipment	Furniture and fixtures	Office equipment	Vehicle	Others	Total
Cost									
Balance at April 1, 2019	35,791.47	6,399.41	84,781.50	527,135.69	3,039.98	6,000.40	4,133.14	62.48	667,344.07
Additions/adjustments	2,615.80	1,168.46	4,461.26	91,076.61	313.27	908.63	1,014.33	15.18	101,573.54
Disposals/adjustments	(131.79)	(99.45)	(4,837.26)	(9,382.97)	(83.03)	(261.78)	(784.90)	(4.38)	(15,585.56)
Effect of foreign currency exchange differences	18.92	(46.22)	(441.78)	(614.11)	9.96	1.32	3.12	10.81	(1,057.98)
Balance at March 31, 2020	38,294.40	7,422.20	83,963.72	608,215.22	3,280.18	6,648.56	4,365.69	84.09	752,274.08
Additions/adjustments	98.54	2,336.19	36,797.02	145,806.10	435.76	1,060.61	659.21	12.95	187,206.38
Disposals/adjustments	-	(45.18)	(629.06)	(2,463.26)	(32.21)	(254.65)	(426.63)	-	(3,850.99)
Effect of foreign currency exchange differences	336.57	113.02	1,575.92	5,163.23	26.54	73.69	0.93	(15.24)	7,274.66
Balance at March 31, 2021	38,729.51	9,826.23	121,707.60	756,721.29	3,710.27	7,528.21	4,599.20	81.80	942,904.13
Accumulated depreciation									
Balance at April 1, 2019	-	585.78	9,238.81	101,322.66	951.38	2,914.63	1,807.32	26.00	116,846.55
Depreciation expenses	-	-	-	-	-	-	-	-	-
- Continuing operations	-	225.70	2,334.81	32,083.61	271.81	851.36	807.28	21.63	36,596.20
- Discontinued operations	-	-	169.76	190.34	1.23	61.56	4.43	-	427.32
Disposals/adjustments	-	(36.34)	(1,448.68)	(2,446.38)	(18.92)	(206.57)	(482.94)	(4.26)	(4,644.09)
Effect of foreign currency exchange differences	-	(1.82)	(19.61)	(123.20)	8.81	(0.04)	2.03	8.32	(125.51)
Balance at March 31, 2020	-	773.32	10,275.09	131,027.03	1,214.31	3,620.94	2,138.12	51.69	149,100.47
Depreciation expenses	-	-	-	-	-	-	-	-	-
- Continuing operations	-	213.93	2,999.52	37,762.95	306.30	793.17	778.16	17.89	42,871.92
- Discontinued operations	-	-	(2.53)	(269.83)	(14.03)	(133.36)	(304.53)	-	(724.28)
Disposals/adjustments	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	11.49	176.97	1,005.42	8.59	15.37	18.50	(3.12)	1,233.22
Balance at March 31, 2021	-	998.74	13,449.05	169,525.57	1,515.17	4,296.12	2,630.25	66.46	192,481.33
(Contd.)									

(Contd.)



**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

**12. PROPERTY, PLANT & EQUIPMENTS**

Particulars	Amount in Lakhs						
	Freehold land	Roads	Buildings	Plant & equipment	Furniture and fixtures	Office equipment	Vehicle Others
<b>Carrying Amount</b>							
<b>Balance at April 1, 2019</b>	<b>35,791.47</b>	<b>5,813.63</b>	<b>75,542.70</b>	<b>425,813.03</b>	<b>2,088.60</b>	<b>3,085.77</b>	<b>2,325.82</b>
Additions/adjustments	2,615.80	1,168.46	4,461.26	91,076.61	313.27	908.63	1,014.33
Disposals/adjustments	(131.79)	(63.11)	(3,388.57)	(6,936.58)	(64.10)	(55.21)	(301.96)
Depreciation expenses							
- Continuing operations	-	(225.70)	(2,334.81)	(32,083.61)	(271.81)	(851.36)	(807.28)
- Discontinued operations	-	-	(169.76)	(190.34)	(1.23)	(61.56)	(4.43)
Effects of foreign currency exchange differences	18.92	(44.40)	(422.17)	(490.91)	1.15	1.35	1.09
<b>Balance at March 31, 2020</b>	<b>38,294.40</b>	<b>6,648.88</b>	<b>73,688.65</b>	<b>477,188.20</b>	<b>2,065.88</b>	<b>3,027.62</b>	<b>2,227.57</b>
Additions/adjustments	98.54	2,336.19	36,797.02	145,806.10	435.76	1,060.61	659.21
Disposals/adjustments	-	(45.18)	(626.53)	(2,193.43)	(18.18)	(121.29)	(122.10)
Depreciation expenses							
- Continuing operations	-	(213.93)	(2,999.52)	(37,762.95)	(306.30)	(793.17)	(778.16)
- Discontinued operations	-	-	-	-	-	-	-
Effects of foreign currency exchange differences	336.57	101.53	1,398.95	4,157.81	17.95	58.32	(17.57)
<b>Balance at March 31, 2021</b>	<b>38,729.51</b>	<b>8,827.49</b>	<b>108,258.57</b>	<b>587,195.73</b>	<b>2,195.11</b>	<b>3,232.09</b>	<b>1,968.95</b>

**Notes:**

- Borrowing cost capitalised during the year Rs. 1,306.80 lakhs ( Previous year: Rs.2,430.39 lakhs) with a capitalisation rate ranging from 0.5% to 8.09% (Previous year: 0.55% to 9.45%)
- Out of the Industrial Freehold land measuring 32.41 acres at the group's plant in Gummidipoondi, the group does not have clear title to 2.43 acres.
- Capital expenditure incurred during the year includes Rs. 1,345.54 lakhs ( Previous year - Rs. 3,309.16 lakhs) on account of research and development. Depreciation for the year includes depreciation on assets deployed in research and development as per note 52 (a) below.
- Refer to note 21.1 for information on PPE pledged as security by the group. Additionally, non funded working capital facilities from banks amounting to Rs. 5,850.01 lakhs (previous year : Nil) are secured by hypothecation of CPP and HFC134A plant situated at Dahej in state of Gujarat.
- Refer to note 52 (c) for additions/adjustments on account of exchange difference during the year .
- The group accounts for all capitalizations of property, plant and equipment through capital work in progress, and, therefore, the movement in capital work in progress is the difference between closing and opening balance of capital work in progress as adjusted in additions to property, plant and equipment and intangible assets.
- Disposals/adjustments during the previous year includes property plant and equipment of discontinued operations. Refer note 49 below.

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**
**13 RIGHT-OF-USE ASSETS**

Amount in lakhs

Particulars	Land *	Buildings	Plant & equipment	Total
<b>Balances at April 1, 2019</b>	<b>152.86</b>	-	-	<b>152.86</b>
Transition to IND-AS 116**	14,156.56	1,118.58	2,167.49	<b>17,442.63</b>
Additions to right-of-use assets	1,389.26	102.07	2,896.13	4,387.46
Deletion of right-of-use assets	(675.90)	-	-	(675.90)
Depreciation charge for the year	(155.55)	(676.18)	(843.57)	(1,675.30)
<b>Balances at April 1, 2020</b>	<b>14,867.23</b>	<b>544.47</b>	<b>4,220.05</b>	<b>19,631.75</b>
Additions to right-of-use assets	324.99	1,046.19	185.57	1,556.75
Deletion of right-of-use assets	1.46	-	-	1.46
Disposals/adjustments	-	(85.97)	(260.64)	(346.61)
Depreciation charge for the year	(169.94)	(707.26)	(961.86)	(1,839.06)
<b>Balances at March 31, 2021</b>	<b>15,023.74</b>	<b>797.43</b>	<b>3,183.12</b>	<b>19,004.29</b>

\* The execution of lease deed of land in respect of 11,49,550 sq. mtrs. (Previous year : 11,49,550 sq. mtrs) of leasehold land allotted to the group by Gujarat Industrial Development Corporation at Dahej, Gujarat is pending.

Lease liabilities	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>Lease liabilities included in the Balance Sheet as at March 31, 2021</b>	4,731.68	5,371.68
<b>Amounts recognised in Statement of Profit and Loss</b>		
Interest on lease liabilities	404.41	384.90
Depreciation expense	1,839.07	1,175.87
Expenses relating to short-term leases and leases of low-value assets	1,791.74	1,491.82
<b>Amounts recognised in Cash Flow Statement</b>		
Total cash outflow for leases	4,035.22	1,887.23

**14. CAPITAL WORK IN PROGRESS**

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Capital work In progress	77,296.41	141,665.35
Impairment loss	-	(154.56)
	<b>77,296.41</b>	<b>141,510.79</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 15. GOODWILL

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>Cost</b>		
Opening	412.11	490.81
Additions	-	-
Disposals	-	(78.70)
<b>Balance</b>	<b>412.11</b>	<b>412.11</b>
<b>Impairment losses</b>		
Opening	349.81	83.00
Additions	-	266.81
Disposals	-	-
<b>Balance</b>	<b>349.81</b>	<b>349.81</b>
<b>Closing</b>	<b>62.30</b>	<b>62.30</b>
<b>Carrying amount</b>	<b>As at March 31, 2021 Rs./lakhs</b>	<b>As at March 31, 2020 Rs./lakhs</b>
Industrial yarn unit	62.30	62.30
	<b>62.30</b>	<b>62.30</b>

The group has allocated goodwill to the above mentioned cash generating units (CGU) and determined recoverable amount of this allocated goodwill using cash flow projections based on financial budget as approved by the directors of the Company.

SRF Industries (Thailand) Limited closed its Technical Textiles Business operations located at Rayong, Thailand, thus corresponding goodwill of Rs. 266.81 lakhs has been written off in the statement of consolidated profit and loss in the previous financial year. ( Also refer note 49)

### 16 OTHER INTANGIBLE ASSETS

Amount in lakhs

Particulars	Trade Marks/ Brands	Technical Knowhow	Software	Others	Total
<b>Cost</b>					
<b>Balance at April 1, 2019</b>	<b>7,855.60</b>	<b>4,566.68</b>	<b>2,699.29</b>	<b>1,929.91</b>	<b>17,051.48</b>
Additions / adjustments	64.13	1,051.20	439.90	9.34	<b>1,564.57</b>
Disposals/adjustments	-	(99.35)	(35.26)	-	(134.61)
Effect of foreign currency exchange difference	-	-	1.73	-	<b>1.73</b>
<b>Balance at March 31, 2020</b>	<b>7,919.73</b>	<b>5,518.53</b>	<b>3,105.66</b>	<b>1,939.25</b>	<b>18,483.17</b>
Additions / adjustments	17.22	-	421.27	-	<b>438.49</b>
Disposals/adjustments	-	-	-	-	-
Effect of foreign currency exchange differences	-	-	(0.57)	-	<b>(0.57)</b>
<b>Balance at March 31, 2021</b>	<b>7,936.95</b>	<b>5,518.53</b>	<b>3,526.36</b>	<b>1,939.24</b>	<b>18,921.09</b>

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

Amount in lakhs

Accumulated amortisation	Trade Marks/ Brands	Technical Knowhow	Software	Others	Total
<b>Balance at April 1, 2019</b>	<b>1,432.96</b>	<b>522.54</b>	<b>2,240.93</b>	<b>1,840.23</b>	<b>6,036.66</b>
Amortisation expenses					
- Continuing operations	281.01	171.40	317.27	10.08	<b>779.76</b>
- Discontinued operations	-	-	1.82	-	<b>1.82</b>
Disposals/adjustments	-	(99.07)	(13.10)	-	<b>(112.17)</b>
Effects of foreign currency exchange differences	-	-	1.66	-	<b>1.66</b>
<b>Balance at March 31, 2020</b>	<b>1,713.97</b>	<b>594.87</b>	<b>2,548.58</b>	<b>1,850.31</b>	<b>6,707.72</b>
Amortisation expenses					
- Continuing operations	263.22	170.16	404.93	4.61	<b>842.93</b>
- Discontinued operations	-	-	-	-	<b>-</b>
Disposals/adjustments	-	-	-	-	<b>-</b>
Effects of foreign currency exchange differences	-	-	3.79	-	<b>3.79</b>
<b>Balance at March 31, 2021</b>	<b>1,977.19</b>	<b>765.03</b>	<b>2,957.30</b>	<b>1,854.92</b>	<b>7,554.44</b>

Amount in lakhs

Carrying Amount	Trade Marks/ Brands	Technical Knowhow	Software	Others	Total
<b>Balance at April 1, 2019</b>	<b>6,422.64</b>	<b>4,044.14</b>	<b>458.36</b>	<b>89.68</b>	<b>11,014.82</b>
Additions / adjustments	64.13	1,051.20	439.90	9.34	<b>1,564.57</b>
Disposals/adjustments	-	(0.28)	(22.16)	-	<b>(22.44)</b>
Amortisation expenses					
- Continuing operations	(281.01)	(171.40)	(317.27)	(10.08)	<b>(779.76)</b>
- Discontinued operations	-	-	(1.82)	-	<b>(1.82)</b>
Effects of foreign currency exchange differences	-	-	0.07	-	<b>0.07</b>
<b>Balance at March 31, 2020</b>	<b>6,205.76</b>	<b>4,923.66</b>	<b>557.08</b>	<b>88.94</b>	<b>11,775.44</b>
Additions / adjustments	17.22	-	421.27	-	<b>438.49</b>
Disposals/adjustments	-	-	-	-	<b>-</b>
Amortisation expenses					
- Continuing operations	(263.22)	(170.16)	(404.94)	(4.61)	<b>(842.93)</b>
- Discontinued operations	-	-	-	-	<b>-</b>
Effects of foreign currency exchange differences	-	-	(4.36)	-	<b>(4.36)</b>
<b>Balance at March 31, 2021</b>	<b>5,959.76</b>	<b>4,753.50</b>	<b>569.05</b>	<b>84.33</b>	<b>11,366.64</b>

**Notes:**

- (i) Refer note 52 (c) for additions/adjustments on account of exchange difference during the year.
- (ii) Disposals/adjustments pertains to intangible assets of discontinued operations. Refer note 49 below.

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**
**17. OTHER NON FINANCIAL ASSETS**

(unsecured and considered good, unless otherwise stated)

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Advance to Supplier	9,971.95	6,151.59
Prepaid expenses	1,233.36	1,057.10
Cenvat credit recoverable	-	14,873.41
Capital Advance	24,033.29	9,474.68
Export Incentives	3,275.53	6,366.52
Deposits with customs and excise authorities	1,758.44	829.00
Cenvat/Service tax/Goods and Services Tax/ sales tax recoverable	11,749.62	18.81
Claims recoverable under Post EPCG scheme and others	11.58	22.33
Others	202.35	338.01
	<b>52,236.12</b>	<b>39,131.45</b>

**18. DERIVATIVE FINANCIAL INSTRUMENTS**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Derivatives carried at fair value through other comprehensive income		
- Forward exchange contracts used for hedging	-	6,562.25
- Interest rate swaps used for hedging	53.72	241.75
Derivatives carried at fair value through profit and loss		
- Forward exchange contracts used for hedging	-	258.01
	<b>53.72</b>	<b>7,062.01</b>

**19. TRADE PAYABLES**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Trade payables		
Total outstanding dues of micro enterprises and small enterprises#	<b>3,337.26</b>	<b>3,036.34</b>
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Acceptances*	13,996.84	9,259.00
- Other than acceptances	141,184.69	98,873.69
	<b>155,181.53</b>	<b>108,132.69</b>
	<b>158,518.79</b>	<b>111,169.03</b>

# Refer note 19.1

\* Acceptances represents invoices discounted by vendors with banks.



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 19.1) Total outstanding dues of micro enterprises and small enterprises

Trade Payables include the following dues to micro and small enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) to the extent such parties have been identified from the available information.

Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
- Principal amount**	5,201.80	3,588.49
- Interest due thereon	-	-
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	-	-
- Interest actually paid under section 16 of MSMED /settled	-	102.01
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED	-	-
Interest accrued and remaining unpaid at the end of the year		
- Interest accrued during the year	-	-
- Interest remaining unpaid as at the end of the year	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues are actually paid, for the purpose of disallowance of a deductible expenditure	-	-

\*\* including payable to micro enterprise and small enterprise included in other financial liabilities (refer note 21)

### 20. DEBT SECURITIES

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
2,500 Nos., Three Months T Bill plus 188 bps (2020: 3000 Nos. 7.33%), listed, secured redeemable non-convertible debentures of Rs. 10 lakhs each	25,000.00	29,996.57
	<b>25,000.00</b>	<b>29,996.57</b>
Debt Securities*		
2,500 Nos., Three Months T Bill plus 188 bps (2020: 3000 Nos. 7.33%), listed, secured redeemable non-convertible Debentures of Rs. 10 lakhs each	25,000.00	30,000.00

Terms and conditions

- Redeemable at face value in one single installment at the end of 3rd year from the date of allotment.
- Coupon is payable annually on 30th June every year.

Debentures were secured by hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralmalai (other than moveable assets of Coated Fabrics Business) 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 in the State of Uttarakhand (other than moveable assets of Laminated Fabrics Business) and Dahej in the State of Gujarat (excluding certain assets).

\*Gross of upfront fees paid nil (2020 : Rs. 3.43 Lakhs)

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 21. BORROWINGS OTHER THAN DEBT INSTRUMENTS

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Secured		
Term Loans from banks* @ (Refer note 21.1.1)	227,665.96	214,773.01
Term Loans from others* (Refer note 21.1.2)	19,630.73	28,159.42
Cash credits from banks (Refer note 21.1.3 (iv))	622.33	1,770.04
Bills discounted with banks (Refer note 18.1.4.(iv))	4,715.03	-
Unsecured		
Term Loans from Banks *#	62,039.72	130,752.59
	<b>314,673.77</b>	<b>375,455.06</b>
In INDIA	233,085.68	302,864.51
Outside INDIA	81,588.09	72,590.55
	<b>314,673.77</b>	<b>375,455.06</b>

\* Above amount of borrowings are net of upfront fees paid Rs 502.30 lakhs (Previous year : Rs. 940.07 lakhs)

# The maximum amount due during the year is Rs. 60,000 lakhs (Previous year : Rs. 40,000 lakhs)

There have been no defaults in repayment of principal and interest on borrowings during the reporting periods.

@ Tax Free Bonds Rs. 759.27 lakhs pledged with HDFC Bank Ltd against the credit facility.

#### 21.1 Details of security of the secured loans:

	Details of Loan	As at March 31, 2021#	As at March 31, 2020#	Security
1	(i) Term loan from Banks *	139,006.51	134,302.00	<p><b>Moveable property</b></p> <p>(a) (i) Out of the loans as at 3(i), loans aggregating to Rs. 1,09,929.17 lakhs (Previous Year – Rs. 1,15,412 lakhs) are secured by hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralimalai (other than moveable assets of Coated Fabrics Business) 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 (other than moveable assets of Laminated Fabrics Business) in the State of Uttarakhand and Dahej in the State of Gujarat (save and except certain assets)</p> <p>(ii) Out of the loans as at 3(i), loans aggregating to Rs. 29,077.34 lakhs (Previous Year – Rs. 18,890 lakhs ) are in the process of being secured by hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralimalai (other than moveable assets of Coated Fabrics Business) and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan,</p>

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

	Details of Loan	As at March 31, 2021#	As at March 31, 2020#	Security
				<p>Malanpur and Special Economic Zone, Indore in the State of Madhya Pradesh and Kashipur (other than moveable assets of Laminated Fabrics Business) in the State of Uttarakhand and Dahej in the State of Gujarat (save and except certain assets)</p> <p><b>Immoveable property</b></p> <p>(b) (i) Out of the loans as at 3(i) loans aggregating to Rs. 84,929.17 lakhs (Previous Year – Rs. 1,34,302.15 lakhs) are secured by equitable Mortgage of Company's 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</p> <p>(ii) Out of the loans as at 3(b)(i) loans aggregating to Rs. 40,098.81 lakhs (Previous Year – Rs. 54,456.31 lakhs) are additionally secured by equitable Mortgage of Company's immoveable properties, both present and future, situated at Jhiwana in the State of Rajasthan.</p> <p>(iii) Out of the loans as at 3(b)(i) loans aggregating to Rs. Nil (Previous Year – Rs. 7,556 lakhs) are additionally secured by equitable Mortgage of Company's immoveable properties, both present and future, situated at Malanpur in the State of Madhya Pradesh (save and except superstructures).</p> <p>(iv) Out of the loans as at 3(i), the term loans aggregating to:</p> <p>(a) Rs. Nil (Previous Year - Rs. 56,547.50 lakhs) were to be secured by equitable mortgage of immoveable properties at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu and Kashipur in the State of Uttarakhand in the previous year.</p> <p>(b) Rs. 3,850.00 lakhs (Previous Year – Rs. 4,350 lakhs) are to be further secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Jhiwana in the State of Rajasthan.</p>
	(ii) Term loans from banks	42,887.99	39,569.15	Term loan is secured by pledge of 85% of the share capital of SRF Europe Kft held by SRF Global BV, mortgage of land and building of SRF Europe Kft and exclusive charge over the fixed assets of SRF Europe Kft.

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

	Details of Loan	As at March 31, 2021#	As at March 31, 2020#	Security
	(iii) Term loans from banks	16,380.03	16,100.00	Term loan is secured by mortgage of land, building and/or any construction in future of Packaging film Factory (SRF Industries (Thailand) Ltd).
2	(i) Term loans from Others	2,194.38	6,047.94	Term loan availed from International Finance Corporation, Washington is secured by continuing coverage mortgage bond over the land, special notarial bond and general notarial bond over the property of in SRF Flexipak (South Africa) (Pty) Limited.
	(ii) Term loans from others	17,558.92	22,166.28	Loan of Rs. 17,558.93 lakhs (Previous Year – Rs. 22,166.28 lakhs) is secured by the hypothecation and equitable mortgage of Company's moveable and immoveable properties at Dhar in the State of Madhya Pradesh.
3	(i) Loans repayable on demand from banks	23,338.25	24,445.00	Secured by hypothecation of stocks, stores and book debts (current assets), both present and future at Manali, Viralimalai (other than current assets of Coated Fabrics Business) and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh and Kashipur (other than current assets of Laminated Fabrics Business) in the State of Uttarakhand.
	(ii) Loans repayable on demand from banks	6,432.81	1,238.70	Working capital facilities is secured by pledge of 85% of the share capital of SRF Europe Kft held by SRF Global BV and pledge over receivables arising out of trade agreements
	(iii) Cash credit from banks	44.38	1,000.04	Working capital facilities availed by SRF Flexipak (South Africa) (Pty) Ltd. are secured by cession of debtors and limited cession and pledge of credit balances
	(iv) Bills discounted with Banks	4,715.03	-	Secured against certain trade receivables of the Company. (Also Refer note 13 (iv))
	(v) Cash credit from bank/ Financial Institution	578.05	770.00	Secured by pledge of Tax Free Bonds.

\* Such hypothecation in respect of Non convertible debentures mentioned in point no. 2 and hypothecation and equitable mortgage mentioned in point no 3 rank pari-passu inter se between term loans from banks / Non convertible debentures. (Previous year : Such hypothecation and equitable mortgage in point no 1 and 3 rank pari-passu between term loans from banks / Non convertible debentures.)

The term loans figures from bank as on March 31, 2020 as mentioned in point 1(i)(a)(i) and 1(i)(b)(i) above includes amount of Rs 20,000 lakhs, which was repaid during the current financial year. However, charge created to secure the said loan against the assets mentioned in the said points is yet to be released.

During the current financial year, the company has taken term loan of Rs. 50,000 lakhs which was secured by assets as mentioned in point 1(i)(a)(i). This loan was repaid during the current year only, however, charge created against these assets is yet to be released.

# Gross of upfront fees paid Rs. 502.30 lakhs (Previous year - Rs. 936.64 lakhs)

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 21.2 Terms of loans

As at March 31, 2021

Loan Category	Frequency of principal repayments	Interest rate	Up to March 31, 2022	Up to March 31, 2023	Up to March 31, 2024	From 2024 to 2027
Term loans from banks	Half yearly instalment	Ranging from 1.23% to 7.85%	1,763.09	5,576.07	2,326.03	23,261.55
	Quarterly Instalment	Ranging from 0.41% to 6.25%	37,983.40	39,800.07	30,990.16	54,474.53
	Yearly payments	Floating rate at 7.25%	400.00	100.00	100.00	-
	Bullet payments	Fixed rate at 6.65%	-	1,500.00	-	-
Term loans from Others	Half year payments	Ranging from 2.01% to 2.21%	6,094.86	3,900.36	3,900.16	5,857.56
			<b>46,241.34</b>	<b>50,876.50</b>	<b>37,316.35</b>	<b>83,593.64</b>

Amounts mentioned above are gross of upfront fees paid of Rs. 502.30 lakhs

Short term borrowings are either payable in one instalment within one year or repayable on demand. For short term borrowings interest rates ranges from 0.30% to 7.50%

As at March 31, 2020

Loan Category	Frequency of principal repayments	Interest rate	Up to March 31, 2021	Up to March 31, 2022	Up to March 31, 2023	From 2023 to 2027
Term loans from banks	Half yearly instalment	Ranging from 2.71% to 9.05%	500.00	4,631.27	7,281.27	8,062.84
	Quarterly Instalment	Ranging from 0.55% to 7.40%	21,756.18	29,152.70	28,773.75	59,585.82
	Yearly payments	Ranging from 7.65% to 8.25%	10,600.00	10,400.00	100.00	100.00
	Bullet payments	Ranging from 0.97% to 6.65%	-	22,668.00	40,697.00	-
Term loans from Others	Half yearly instalments	Ranging from 3.28% to 3.92%	15,364.86	6,295.66	4,028.86	10,078.90
			<b>48,221.04</b>	<b>73,147.63</b>	<b>80,880.88</b>	<b>77,827.56</b>

Amounts mentioned above are gross of upfront fees paid of Rs. 940.07 lakhs

Short term borrowings are either payable in one instalment within one year or repayable on demand. For short term borrowings interest rates ranges from 0.80% to 8.75%

#### Terms of repayment

- 1) Redeemable non convertible debenture of Rs. 30,000.00 lakhs repaid in current year in June 2020 (Previous year: Rs. 30,000 lakhs are repayable in one bullet instalment in June 2020)
- 2) Rupee term loans of Rs. 3,850.00 lakhs are repayable in 3 half yearly instalments from August 2021 (Previous year: Rs. 4,350 lakhs repayable in 5 half yearly instalments from August 2020).
- 3) Rupee term loans of Rs. 2,466.00 lakhs are repayable in 6 quarterly instalments from June 2021 (Previous year: Rs.4,110 lakhs repayable in 10 quarterly instalments from June 2020 )

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

- 4) Rupee term loans of Rs. 20,000.00 lakhs repaid in current financial year (Previous year: Rs. 20,000 lakhs repayable in 2 annual instalments from August 2020).
- 5) Rupee term loans of Rs. 600.00 lakhs are repayable in 3 annual instalments from December 2020 (Previous year: Rs. 1,200 lakhs repayable in 4 annual instalments from December 2019).
- 6) Reedemable non convertible debenture of Rs. 25,000.00 lakhs are repayable in one bullet instalment in September 2022. (Previous year: Nil)
- 7) Rupee term loans of Rs. 25,000.00 lakhs are repayable in 16 quarterly instalments from July 2021 (Previous year: Nil).
- 8) Foreign currency term loan of Rs. 11,429.69 lakhs are repayable in 5 quarterly instalments from June 2021 (Previous year: Rs. 18,889.98 lakhs are repayable in 8 quarterly instalments from September 2020).
- 9) Foreign currency term loan of Rs. 36,133.14 lakhs are repayable in 16 quarterly instalments from May 2021 (Previous year: Rs. 41,290 lakhs are repayable in 19 quarterly instalments from August 2020).
- 10) Foreign currency term loan of Rs. 14,368.75 lakhs are repayable in 11 quarterly instalments from April 2021 (Previous year: Rs. 18,889.98 lakhs are repayable in 14 quarterly instalments from July 2020).
- 11) Foreign currency term loan of Rs. 7,556.00 lakhs was repaid in current year (Previous year: Rs. 7,556 lakhs repayable in 2 half yearly instalments from September 2020).
- 12) Foreign currency term loan of Rs. 17,558.93 lakhs are repayable in 9 half yearly instalments from April 2021 (Previous year: Rs. 22,166 lakhs are repayable in 11 half yearly instalments from April 2020).
- 13) Foreign currency term loan of Rs. 1,500.00 lakhs are repayable in one bullet instalment in June 2022 (Previous year: Rs. 1,500 lakhs is repayable in one bullet instalment in June 2022).
- 14) Foreign currency term loan of Rs. 14,581.92 lakhs are repayable in 9 quarterly instalments from April 2021 (Previous year: Rs. 16,516 lakhs are repayable in 12 quarterly instalments from July 2020).
- 15) Foreign currency term loan of Rs. 29,077.13 lakhs are repayable in 5 half yearly instalments from March 2022 and 12 monthly instalments from April 2024. (Previous year: Nil)
- 16) Foreign currency term loan of Rs. 22,668.00 lakhs repaid in current financial year (Previous year: Rs. 22,668 lakhs repayable in one bullet instalment in December 2021).
- 17) Foreign currency term loan of Rs. 22,668.00 lakhs repaid in current financial year (Previous year: Rs. 22,668 lakhs repayable in one bullet instalment in December 2022).
- 18) Foreign currency term loan of Rs. 16,534.00 lakhs repaid in current financial year ((Previous year: Rs. 16,534 lakhs repayable in one bullet instalment in December 2022).
- 19) Foreign currency term loan of Rs. 2,194.50 lakhs are repayable in 2 half yearly instalments from May 2021 (Previous year: Rs. 6,045 lakhs are repayable in 4 half yearly instalments from May 2020).
- 20) Foreign currency term loan of Rs. 42,888.00 lakhs are repayable in 20 quarterly instalments from March 2022 (Previous year : Rs. 39,569 lakhs are repayable in 20 quarterly instalments from March 2022).
- 21) Foreign currency term loan of Rs. 16,380.00 lakhs are repayable in 8 half yearly instalments from September 2021 (Previous year : Rs. 16,126 lakhs are repayable in 8 half yearly instalments from September 2021).

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 22. SUBORDINATED LIABILITIES

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Liability portion of preference share	1,395.30	1,317.78
	<b>1,395.30</b>	<b>1,317.78</b>
<b>Out of above</b>		
In India	1,395.30	1,317.78
Outside India	-	-
	<b>1,395.30</b>	<b>1,317.78</b>

- i. Terms/rights attached to Non-Cumulative Redeemable Preference Shares.

8% Non-Cumulative Redeemable Preference Shares are redeemable on or before March 31, 2031 at the discretion of Board of Directors of the Company in accordance with Memorandum & Article of Association.

- ii. During the year ended March 31, 2021, the Company has paid a dividend of INR 25.84 lakhs on preference shares of INR 10 each fully paid (previous year INR 180.87 lakhs).

### 23. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Unclaimed dividends*	722.95	655.45
Expenses Payable	7.75	7.91
Security Deposit	997.60	845.78
Interest accrued and due on borrowings	583.68	2,914.04
Other payables -Salaries and benefits	-	11.37
Payables to capital creditors		
Total outstanding dues of micro enterprises and small enterprises	1,864.54	552.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	34,946.09	21,590.42
Other payable	11,493.03	3,547.58
	<b>50,615.64</b>	<b>30,124.70</b>

\* Amount will be credited to investor education and protection fund if not claimed within seven years from the date of issue of dividend.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 24. CURRENT TAX LIABILITIES

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Provision for tax	1,633.08	1,032.84
	<u>1,633.08</u>	<u>1,032.84</u>

### 25. PROVISIONS

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>Provision for Employee benefits</b>		
Provision for compensated absence (Refer note 44.3)	4,791.70	3,942.55
Provision for retention pay (Refer note 44.3)	17.04	162.88
Other employee benefits	572.03	442.66
	<u>5,380.77</u>	<u>4,548.09</u>

### 26. OTHER NON-FINANCIAL LIABILITIES

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Statutory dues	3,858.06	2,229.83
Income received in advance	103.96	126.95
Prepaid rent received	-	-
Deferred government grants*	4,277.46	1,399.83
Payable to Gratuity Trust	451.68	1,582.50
Contract liability (Refer note 48)	1,840.34	1,267.53
Others	3,196.63	4,209.16
	<u>13,728.13</u>	<u>10,815.80</u>

\* The group had received financial assistance from the Industrial Development Corporation of South Africa for the development of the clothing and textiles competitiveness programme - RCF in respect of its property, plant and equipment in earlier years.

Further, during the current year, the group has received financial assistance from Ministry of Foreign Affair and Trade, Hungary amounting to Rs. 2,816.37 lakhs under the governments' "Scheme for Investment Promotion" to promote investment and job creation.

The unamortised grant amount as on March 31, 2021 is Rs. 4,277.46 lakhs (Previous year : Rs 1,399.83 lakhs).



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 27. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>AUTHORISED</b>		
10,000,000 (Previous Year - 10,000,000) Equity shares of Rs. 10 each	1,000.00	1,000.00
13,000,000 (Previous Year - 13,000,000) Preference Shares of Rs. 10 each	1,300.00	1,300.00
	<b>2,300.00</b>	<b>2,300.00</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	645.26	645.26
	<b>645.26</b>	<b>645.26</b>

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

**b) Terms/ rights attached to equity shares:**

The parent has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The group declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the group.

During the year ended March 31, 2021, the amount of interim dividend recognised as distributions to equity shareholders was Rs. 108 per share (2020 : Rs. 30 per share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Terms/ rights attached to 8% Non-cumulative Redeemable Preference Shares:**

8% Non-cumulative Redeemable Preference Shares are 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.

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

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	% age	(No. of shares)	% age	(No. of shares)
<b>Equity</b>				
ABR Family Trust	75.00%	4,839,446	75.00%	4,839,446
<b>Preference</b>				
Arun Bharat Ram	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 not allotted any bonus shares.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 28. OTHER EQUITY

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
General reserve	70,058.97	62,558.97
Retained earnings	219,587.29	171,798.90
Cash flow hedging reserve	258.80	(4,107.74)
Cost of hedging reserve	158.81	-
Capital redemption reserve	1,048.10	1,048.10
Capital reserve	34,678.15	41,928.83
Debenture redemption reserve	6,250.00	7,500.00
Foreign currency translation reserve	1,105.71	(737.73)
Amalgamation Reserve	252.58	252.58
Special Reserve u/s 45-IC of RBI Act, 1934	363.25	338.21
Employee Share based payment reserve	130.50	81.52
Equity Instrument Fair value Through OCI	3,741.81	(1,519.19)
Securities premium	37,342.37	-
	<b>374,976.35</b>	<b>279,142.45</b>

#### General reserve

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	62,558.97	62,558.97
Increase/(decrease) during the year	7,500.00	-
Balance at end of year	<b>70,058.97</b>	<b>62,558.97</b>

*The general reserve is created from time to time on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income. Items included in general reserve will not be reclassified subsequently to profit and loss.*

#### Retained Earnings

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	171,798.90	121,539.68
Add: Profit for the year	60,596.56	53,023.99
Less: Interim dividend on equity shares	(7,166.96)	(1,935.78)
Less: Dividend distribution tax	-	(435.08)
Less: Transfer to Special Reserve u/s 45-IC of RBI Act, 1934	(25.04)	(68.58)
Less: Transfer to debenture redemption reserve	(6,250.00)	-
Less: Other Comprehensive income arising from remeasurement of defined payment obligation	633.83	(325.33)
Balance at end of year	<b>219,587.29</b>	<b>171,798.90</b>

*Retained earnings represents the surplus in profit and loss account and appropriations.*

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### Cash Flow Hedging Reserve

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	(4,107.74)	1,274.44
Recognized/(reclassified) during the year	6,711.97	(5,382.18)
Income tax related to above	(2,345.43)	-
Balance at end of year	258.80	(4,107.74)

The Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

### Cost of hedging reserve

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	-	-
Recognized/(reclassified) during the year	175.61	-
Income tax related to above	(16.80)	-
Balance at end of year	158.81	-

The cost of hedging reserve reflects gain or loss on the portion excluded from the designated hedging instrument that relates to the forward element of forward contracts. It is initially recognised in other comprehensive income and accounted for similarly to gains or losses in the cash flow hedging reserve.

### Capital Redemption Reserve

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	1,048.10	1,048.10
Movement	-	-
Balance at end of year	1,048.10	1,048.10

Capital Redemption reserve is a statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares. The reserve is utilised in accordance with the provision of the Act.

### Capital Reserve

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	41,928.83	41,928.83
Add/(Less): Adjustment due to change in NCI	(7,250.68)	-
Balance at end of year	34,678.15	41,928.83

Capital Reserve are the reserves created;

- as per Scheme of Arrangement for amalgamation of investment division of Narmada Farms Private Ltd, Bhairav Farms Private Limited, SRF Polymers Investments Limited into the company.
- amount received pursuant to Montreal Protocol Phase-out Programme of refrigerant gases.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### Debenture Redemption Reserve

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	7,500.00	7,500.00
Less: Transfer to General Reserve	(7,500.00)	-
Add: Transfer from retained earnings	6,250.00	
Balance at end of year	6,250.00	7,500.00

The Company has issued non-convertible debentures. In prior years, the Company has created debenture redemption reserve out of the profits of the Company available for payment of dividend.

### Foreign Currency Translation Reserve

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	(737.73)	(194.64)
Exchange differences arising on translation of foreign operations	1,843.44	(543.09)
Balance at end of year	1,105.71	(737.73)

Exchange differences relating to translation of the results and net assets of the group's foreign operations from their functional currency in to group presentation currency (i.e. Rs) are recognized in Other Comprehensive Income and accumulated in foreign currency translation reserve. Exchange differences previously accumulated in foreign currency translation reserve in respect of foreign operations are reclassified to statement of profit and loss on disposal of foreign operation.

### Amalgamation Reserve

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	252.58	252.58
Movement	-	-
Balance at end of year	252.58	252.58

Amalgamation reserve is reserve created in accordance with the provisions of Companies Act, 2013.

### Special Reserve u/s 45-IC of RBI Act, 1934

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	338.21	269.63
Transfer from surplus	25.04	68.58
Balance at end of year	363.25	338.21

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### Employee Share based payment reserve

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	81.52	30.56
Add/(Less): Recognised in the statement of profit & loss	48.98	50.96
Balance at end of year	<u>130.50</u>	<u>81.52</u>

The group has allotted equity shares to certain employees under an employee share purchase scheme. The share based payment reserve is used to recognise the value of equity-settled share based payments provided to the such employees as part of their remuneration. Refer note 48 for further details of the scheme.

### Equity Instrument through Other Comprehensive Income

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	(1,519.19)	209.43
Less: Recognised in the statement of profit & loss	(633.83)	325.33
"Add: Net gain on equity instruments designated at FVTOCI for the year"(net of tax impacts)"	5,894.83	(2,053.95)
Balance at end of year	<u>3,741.81</u>	<u>(1,519.19)</u>

This reserves represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when those assets have been disposed of.

### Securities Premium

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Balance at beginning of year	-	-
Add: Increase/(decrease) during the year	37,342.37	-
Balance at end of year	<u>37,342.37</u>	<u>-</u>

Securities premium represents the amount received in excess of the face value upon issue of equity shares. The same may be inter-alia utilised, for issue of fully paid bonus shares or for buy-back of equity shares by the Company, in accordance with the provisions of the Act. Expenses amounting to Rs. 1,198.53 lakhs incurred on issue of equity shares under Qualified Institutional Placement have been charged off against securities premium. (Refer note 16.1)

## 29. REVENUE FROM OPERATION\*

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>a) Interest Income</b>		
Interest on Loan	218.85	240.63
interest from Customer	0.66	8.10
Interest from Investments	325.66	402.36
Interest on Tax free bonds	81.45	54.75
interest from others	783.86	1,393.48
	<u>1,410.48</u>	<u>2,099.32</u>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 29. REVENUE FROM OPERATION\* (CONTD.)

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>b) Dividend Income</b>		
Dividend from investment	62.56	71.85
	<b>62.56</b>	<b>71.85</b>
<b>c) Rental income</b>	16.35	31.85
	<b>16.35</b>	<b>31.85</b>
<b>d) Net gain on fair value changes</b>	2,441.93	512.11
	<b>2,441.93</b>	<b>512.11</b>
<b>e) Net gain on derecognition of financial instruments under amortised cost category</b>	21.88	-
	<b>21.88</b>	<b>-</b>
<b>f) Sale of products (including Excise Duty)</b>		
Manufactured goods	821,409.63	694,191.78
Traded goods	8,130.00	12,020.00
	<b>829,539.63</b>	<b>706,211.78</b>
<b>g) Sale of services</b>		
Project Management Fees	696.65	892.26
Annual Maintenance Fees	51.54	51.56
Students Fees	2,019.68	2,347.72
	<b>2,767.87</b>	<b>3,291.54</b>
<b>h) Export and other incentives</b>	7,065.06	10,286.67
	<b>7,065.06</b>	<b>10,286.67</b>
<b>i) others</b>	3,429.48	4,442.29
	<b>3,429.48</b>	<b>4,442.29</b>
<b>Total revenue from Operation</b>	<b>846,733.36</b>	<b>726,947.42</b>

#### Reconciliation of revenue from sale of products with the contracted price

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Contracted price	843,869.50	716,259.02
Less: Discounts, allowances and claims	(14,329.87)	(10,047.24)
<b>Sale of products</b>	<b>829,539.63</b>	<b>706,211.78</b>

\* Refer Note 49 C

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**
**30. OTHER INCOME\***

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Interest received on Income Tax refunds	12.82	4.71
Non Operating Income	838.31	1,076.25
Exchange currency fluctuation	1,186.44	5.98
Provision / Liabilities no longer required written back	1,154.10	287.00
Profit on sale of fixed assets	44.18	1,285.31
	<b>3,235.85</b>	<b>2,659.26</b>

\* Refer Note 49 C

**31. FINANCE COST**

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Interest on financial liability measured at amortised cost</b>		
Debt	1,226.50	2,199.00
Subordinated liabilities	103.36	103.36
Lease Liability	649.32	384.90
Term Loan from bank	9,992.51	14,661.13
Other Borrowing Cost	1,242.52	1,286.60
Exchange differences regarded as an adjustment to borrowing cost	78.41	1,316.60
	<b>13,292.62</b>	<b>19,951.59</b>

**32. COST OF MATERIAL CONSUMED**

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Opening stock of Raw Materials		
- Continuing operations	51,259.30	57,301.09
- Discontinuing operations		3,509.64
	51,259.30	60,810.73
Add: Purchases of raw materials		
- Continuing operations	419,844.99	362,696.82
- Discontinuing operations		8,123.93
	419,844.99	370,820.75
Less: Closing stock of raw materials		
- Continuing operations	68,336.02	51,259.30
- Discontinuing operations		-
	68,336.02	51,259.30
<b>Cost of materials consumed *</b>		
- Continuing operations	<b>402,768.27</b>	<b>368,738.61</b>
- Discontinuing operations	-	<b>11,633.57</b>

\* Including packing material

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**
**33. PURCHASE OF TRADED GOODS\***

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Purchases of Stock-in-trade	6,291.55	9,140.43
	<u>6,291.55</u>	<u>9,140.43</u>

\* Refer Note 49 C

**34. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE**

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Inventories at the end of the year:</b>		
- Continuing operations		
Stock-in-Process	17,647.45	15,645.12
Finished goods	33,859.22	28,123.56
Traded goods	432.49	701.97
	<u>51,939.16</u>	<u>44,470.65</u>
<b>Effect of changes in exchange currency rates</b>		
- Continuing operations		
Stock-in-Process	55.52	(14.31)
Finished goods	246.51	(111.05)
	<u>302.03</u>	<u>(125.36)</u>
- Discontinuing operations		
Stock-in-Process	-	40.29
Finished goods	-	56.64
	<u>-</u>	<u>96.93</u>
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>		
<b>Inventories at the beginning of the year:</b>		
- Continuing operations		
Stock-in-Process	15,645.12	13,964.55
Finished goods	28,123.56	20,948.90
Traded goods	701.97	500.42
	<u>44,470.65</u>	<u>35,413.87</u>
- Discontinuing operations		
Stock-in-Process	-	-
Finished goods	-	795.01
Traded goods	-	1,637.00
	<u>-</u>	<u>2,432.01</u>
<b>Net (increase) / decrease</b>		
- Continuing operations	<u>(7,166.48)</u>	<u>(9,182.14)</u>
- Discontinuing operations	<u>-</u>	<u>2,528.94</u>



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 35. EMPLOYEE BENEFIT EXPENSES

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Salaries and wages including bonus	54,032.31	47,116.48
Contribution to provident and other funds	4,191.59	3,673.74
Workmen and staff welfare expenses	6,374.15	5,887.61
Share based payment expense (Refer note 45)	96.21	98.49
	<b>64,694.26</b>	<b>56,776.32</b>

### 36. DEPRECIATION AND AMORTISATION

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Depreciation on Property, Plant and Equipment	42,406.06	36,689.80
Amortisation on intangible assets	856.77	748.43
Depreciation of Right of use assets	1,825.63	1,175.87
	<b>45,088.46</b>	<b>38,614.10</b>

\* Refer Note 49 C

### 37. OTHER EXPENSES\*

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Stores & spares consumed	6,653.80	6,647.08
Rent	1,798.50	1,491.82
Power & Fuel Charges	71,733.76	67,255.00
Exchange currency loss	7.27	350.11
Professional and legal charges	3,295.84	3,474.86
Payment to Auditors: #****		
for Audit	170.85	170.54
for certification & others	124.18	19.05
for reimbursement of expenses	8.00	16.81
Directors' fees, allowance and expenses	124.95	113.66
Insurance Expenses	3,961.06	3,911.03
Rates & Taxes	1,001.82	3,656.33
Corporate Social Responsibility Activities**	1,304.00	1,215.10
Selling commission	2,682.76	2,101.71
Advertisement & Publicity	382.62	393.01
Repair & Maintenance		
- Buildings	561.40	669.95
- Plant and machinery	16,241.94	15,843.51
- Other maintainances	3,772.02	3,944.17
Communication Cost	678.28	676.75
Travelling & conveyance	590.75	1,984.35
Freight Charges	30,206.42	22,331.48
Printing & Stationery	313.48	396.19

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 37. OTHER EXPENSES\* (CONTD.)

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Credit impaired assets provided / written off	1,193.84	359.06
Loss on sale of investments	-	
Labour Production	5,244.47	4,492.06
Miscellaneous expenses@	11,543.60	12,258.32
	<b>163,595.61</b>	<b>153,771.95</b>

\* Refer note 49 C

\*\* Refer to note- 52(D)

# including fees paid to auditors of subsidiary companies

\*\*\*\* Excluding fees of Rs.43.26 lakhs (Previous year: Nil) for QIP related attestation and certification which is related to subsidiary, netted off from securities premium.

### 38 INCOME TAX RECOGNISED IN PROFIT AND LOSS

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Tax expense related to continuing operations	41,764.30	457.12
Tax expense related to discontinued operations	(241.78)	5,266.26
	<b>41,522.52</b>	<b>5,723.38</b>
<b>a) Tax expense related to continuing operations</b>		
<b>Current tax</b>		
In relation to current year	36,434.57	12,301.89
Adjustment in relation to earlier years	6.50	(1,171.03)
	<b>36,441.07</b>	<b>11,130.86</b>
<b>Deferred tax</b>		
- MAT credit entitlement		
In relation to current year	(317.81)	(1,512.60)
Adjustment in relation to earlier years	(538.00)	(2,290.00)
	<b>(855.81)</b>	<b>(3,802.60)</b>
- Others		
In relation to current year	5,744.04	(7,561.24)
Adjustment in relation to earlier years	435.00	690.10
	<b>6,179.04</b>	<b>(6,871.14)</b>
<b>(b) Tax expense related to discontinued operations</b>		
<b>Current tax</b>		
In relation to current year	-	6,123.56
<b>Deferred tax</b>		
- Others		
In relation to current year	(27.52)	(857.30)
Adjustment in relation to earlier years	(214.26)	-
	<b>(241.78)</b>	<b>5,266.26</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

The income tax expenses for the year can be reconciled to the accounting profits as follows:

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Profit before tax</b>		
From continuing operations	161,426.80	91,795.82
From discontinued operations	(273.01)	15,585.49
	<b>161,153.79</b>	<b>107,381.31</b>
Income Tax Expenses @ 34.944% (Previous year @ 34.944%)	56,313.58	37,523.32
Effect of income taxable at lower rate	220.24	(2,653.26)
Effect of deductions (research and development and deductions under Chapter - VIA of Income Tax Act)	(5,459.42)	(7,673.96)
Effect of expenses that are not deductible in determining taxable profits	610.38	695.38
Effect of credit recognised on set-off of carried forward long term capital losses (Refer note (iii) below)		(4,340.46)
Effect of credit recognised on re-measurement of deferred tax balances pursuant to introduction of Section 115BAA by the Taxation Laws (Amendment) Ordinance, 2019 Refer to note 9(ii)	(2,273.10)	(13,610.53)
Effect of Nil tax/exemption of overseas subsidiaries	(4,004.93)	(865.80)
Effect of Deferred tax created on past accumulated losses		(1,124.28)
Effect of lower tax rates in overseas subsidiaries	(4,014.02)	427.47
Others	230.80	116.51
<b>Income tax expenses recognised in profit and loss in relation to current year</b>	<b>41,623.53</b>	<b>8,494.40</b>
Income tax expenses recognised in profit and loss in relation to earlier years (Refer note (ii) below)	(101.00)	(2,771.02)
<b>Total Income tax expenses recognised in profit and loss</b>	<b>41,522.52</b>	<b>5,723.38</b>

### Notes :

- (i) The tax rate used for the current year reconciliation above is the corporate tax rate of 34.944% (2020: 34.944%) payable by corporate entities in India on taxable profits under the Indian tax law.
- (ii) Income tax in relation to earlier years includes tax credit of Rs. 161.95 lakhs (Previous year Rs. 2,258.00 lakhs) which is related to finalization and determination of deduction/allowance claimed for earlier years under Chapter-VIA of the Income-tax Act, 1961, for generation of power from captive power plants which is based on finalization of transfer pricing study /tax audit reports of the earlier years.
- (iii) SRF Limited had Rs. 18,631.72 lakhs of carried forward long term capital losses as per Income Tax Act, 1961, available for set off, on which no deferred tax asset was recognized till year ended March 31, 2019. Pursuant to recognition of long term capital gain, a tax credit of Rs. 4,340.45 lakhs has been recognised during the previous year in respect of such losses in accordance with Ind AS 12 - "Income Taxes".

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 39 INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Arising on income and expense recognised in other comprehensive income</b>		
Net (gain)/ loss on designated portion of hedging instruments in cash flow hedges	(4,657.42)	(1,904.57)
Remeasurement of defined benefit obligation	(790.53)	544.10
	<u>(5,447.95)</u>	<u>(1,360.47)</u>
<b>Bifurcation of the income tax recognised in other comprehensive income into:</b>		
Items that will be reclassified to profit or loss	(4,657.42)	(1,904.57)
Items that will not be reclassified to profit or loss	(790.53)	544.10
	<u>(5,447.95)</u>	<u>(1,360.47)</u>

### 40 EARNINGS PER SHARE (EPS)

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Profit attributable to equity holders of the group used in calculating basic earning per share and diluted earning per share		
- From continuing operations	119,662.50	91,338.70
- From discontinued operations	(31.23)	10,319.23
- From continuing and discontinued operations	119,631.27	101,657.93
Weighted average number of equity shares of the group used in calculating basic earning per share and diluted earning per share(nos.)	6,452,615	6,452,615
Basic and diluted earnings per share (Rs.)		
- From continuing operations	939.35	738.14
- From discontinued operations	(0.25)	83.60
- From continuing and discontinued operations	939.10	821.74

### 41 CONTINGENT LIABILITIES

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>a. Claims against the group not acknowledged as debts :</b>		
Goods and Services tax, excise duty, custom duty and service tax *	2,310.99	2,132.56
Sales tax and entry tax **	2,038.41	1,907.53
Income Tax****	527.21	1,147.30
Others***	1,318.93	1,185.24

\* Amount deposited against contingent liability Rs. 179.12 lakhs (Previous year: Rs. 271.96 lakhs)

\*\* Amount deposited against contingent liability Rs. 759.16 lakhs (Previous year: Rs. 462.45 lakhs)

\*\*\* Amount deposited against contingent liability Rs. 40.08 lakhs (Previous year: Rs. 49.20 lakhs)

\*\*\*\* Amount deposited against contingent liability Rs. 413.86 lakhs (Previous year: Rs. 672.8 lakhs)

\*\*\* Includes demand by Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd. (MPPKV Ltd) of Rs. 1,139.56 lakhs (Previous year: Rs. 1,006.48 lakhs) which is disputed by the Company.

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 group.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

- b**
- (i) SRF Limited has been served with show cause notices regarding certain transactions as to why additional customs / excise duty / service tax amounting to Rs. 1,858.28 lakhs (Previous year: Rs. 2,560.56 lakhs) should not be levied. The Company has been advised that the contention of the department is not tenable and hence the show cause notice may not be sustainable.
  - (ii) SRF Limited had received a draft assessment order for assessment year 2016-17 on December 29, 2019 in which adjustments amounting to Rs. 36,737.25 lakhs were proposed on account of transfer pricing adjustments etc. which were pending before Dispute Resolution Panel as at March 31, 2021. On April 30, 2021 the Company has received the final assessment order wherein adjustments amounting to Rs. 11,849.43 lakhs have been made on account of transfer pricing adjustments, research and development expenditure and others etc. and demand of Rs. 2,266.25 lakhs have been raised. The Company will file rectification application against research and development disallowance as well as towards certain computation error and for rest of the issues, appeal will be filed before ITAT. Based on the facts of the case and the Company's assessment, the Company is of the view that the proposed adjustments are not likely to sustain.
  - (iii) SRF Limited has received a show cause notice for assessment year 2017-18 on April 23, 2021 wherein adjustments amounting to Rs. 37,744.43 lakhs have been proposed on account of transfer pricing adjustments, research and development expenditure and others etc. Draft assessment order is yet to be passed by the National E-Assessment Centre. Based on the facts of the case and the Company's assessment, the Company is of the view that the proposed adjustments are not likely to sustain.
- c** In February 2019, the Honourable Supreme Court of India in its judgement opined on the applicability of allowances that should be considered to measure obligations under Employees Provident Funds and Miscellaneous Provisions Act, 1952. SRF Limited believes that there are interpretative challenges on the application of judgement retrospectively and therefore had applied the judgement on a prospective basis from previous year onwards.

## 42 CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	75,156.00	36,294.77
(ii) The group has other commitments, for purchases / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreements in normal course of business. The group does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses which have not been provided for.		
(ii) The group has other commitments, for purchases / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreements in normal course of business. The group does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses which have not been provided for.		

## 43 RELATED PARTY TRANSACTIONS

### 43.1 Description of related parties under Ind AS- 24 " Related party disclosures "

#### Persons having significant control / influence over the entity#

Arun Bharat Ram  
Ashish Bharat Ram  
Kartik Bharat Ram  
ABR Family Trust

#### Key Management Personnel#

Tejpreet S Chopra  
Lakshman Lakshminarayan  
Vellayan Subbiah  
Bharti Gupta Ramola

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

<b>Post employment benefit plans trust</b>	Meenakshi Gopinath
SRF Limited Officers Provident Fund Trust	Pramod Gopaldas Gujarathi
SRF Employees Gratuity Trust	Yash Gupta
SRF Officers Gratuity Trust	Amitav Virmani
	Ira Gupta
<b>Relatives of KMP #</b>	Jagdeep Rikhy
Sushil Ramola	Narender Kumar Gupta (Whole Time Director of SRF Transnational Holdings Ltd)
Shanthi Narayan	Ekta Maheswari (Whole Time Director, CFO & Company Secretary)
Murugappan Vellayan Subbiah	Himanshu Jain (Whole Time Director)
Nirmala Kothari	Arjun Arora
	(Whole Time Director, CFO and Company Secretary)
	<b>Enterprises over which KMP have significant influence #</b>
	SRF Foundation
	SRF Welfare Trust
	Statkraft BLP Solar Solutions Private Limited

# Only with whom the Company had transactions during the year

**43.2 Transactions with related parties**

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Sale of goods to</b>		
Enterprises over which KMP have significant influence	-	25.00
	-	25.00
<b>Rent paid</b>		
Persons having significant control / influence over the entity	27.30	29.20
Enterprises over which KMP have significant influence	27.32	27.32
	54.62	56.52
<b>Rent received</b>		
Enterprises over which KMP have significant influence	-	8.56
	-	8.56
<b>Workshop &amp; Training Expenses</b>		
Enterprises over which KMP have significant influence	-	0.22
	-	0.22
<b>Receiving of Services from</b>		
Enterprises over which KMP have significant influence	7.27	-
	7.27	-
<b>AMC Fees received</b>		
Enterprises over which KMP have significant influence	-	38.06
	-	38.06

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**
**43.2 Transactions with related parties (Contd.)**

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Contribution for expenditure on corporate social responsibility</b>		
Enterprises over which KMP have significant influence	934.00	1,214.60
	<b>934.00</b>	<b>1,214.60</b>
<b>Loan/Deposit received back from</b>		
Enterprises over which KMP have significant influence	-	4.51
	<b>-</b>	<b>4.51</b>
<b>Security Deposit received</b>		
Enterprises over which KMP have significant influence		4.67
	<b>-</b>	<b>4.67</b>
<b>Contribution to post employment benefit plans</b>		
Post employment benefit plans trust	3,544.67	2,431.38
	<b>3,544.67</b>	<b>2,431.38</b>
<b>Equity dividend paid</b>		
Persons having significant control / influence over the entity	28.18	1,636.51
Relatives of KMP	16.63	4.28
	<b>44.81</b>	<b>1,640.79</b>

**43.3 Outstanding Balances**

Particulars	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
<b>Commission payable</b>		
Key management personnel	1,284.00	1,022.00
	<b>1,284.00</b>	<b>1,022.00</b>
<b>Sitting fee payable</b>		
Persons having significant control / influence over the entity	-	0.23
	<b>-</b>	<b>0.23</b>
<b>Payable</b>		
Post employment benefit plans trust	459.16	1,436.58
	<b>459.16</b>	<b>1,436.58</b>
<b>Security deposits outstanding</b>		
Persons having significant control / influence over the entity	13.20	13.20
Enterprises over which KMP have significant influence	18.33	18.33
	<b>31.53</b>	<b>31.53</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 43.4 Compensation to KMP/Individuals having significant influence

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Short-term benefits	2,621.06	2,236.35
Post-employment benefits	144.42	175.16
Other long-term benefits	97.00	127.97
	<b>2,862.48</b>	<b>2,539.48</b>

## 44 EMPLOYEE BENEFITS

### 44.1 Defined contribution plans:

Amounts recognized in the statement of profit and loss are as under:

Indian entities	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Superannuation fund (Refer to note (i) below)	60.81	65.00
Provident fund administered through Regional Provident Fund Commissioner (Refer to note (ii) below)	1,419.04	1,270.88
Employees' State Insurance Corporation	43.00	58.75
National Pension Scheme	133.98	199.48
	<b>1,656.83</b>	<b>1,594.11</b>
Foreign subsidiaries	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Contribution to provident fund	121.12	124.19
Skill, development and Social Security Fund	310.19	78.15
Pension fund	153.12	105.10
	<b>584.43</b>	<b>307.44</b>

The expenses incurred on account of the above defined contribution plans have been included in Note 35 "Employee Benefits Expenses" under the head "Contribution to provident and other funds"

#### (i) Superannuation fund

The group makes contributions to a Trust which in turn contributes to ICICI Prudential Life Insurance Company Limited. Apart from being covered under the Gratuity Plan described below, the employees of the group also participate in a defined contribution superannuation plan maintained by the group. The group has no further obligations under the plan except making annual contributions based on a specified percentage of each covered employee's salary. From November 1, 2006, the group 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.

#### (ii) Provident fund administered through Regional Provident Fund Commissioner

All employees are entitled to Provident Fund benefits as per the law. For certain category of employees the group administers the benefits through a recognized Provident Fund Trust. For other employees contributions are made to the Regional Provident Fund Commissioners. The Government mandates the annual yield to be provided to the employees on their corpus. This plan is considered as a Defined Contribution Plan. For the first category of employees (covered by



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

the Trust), the group has an obligation to make good for the shortfall, if any, between the yield on the investments of the trust and the yield mandated by the Government and these are considered as Defined Benefit Plans accounted for on the basis of an actuarial valuation.

### 44.2 Defined benefit plans

The group sponsors funded defined benefit plans for qualifying employees. The defined benefit plans are administered by separate funds which are legally separate from the group. These plans are:

- (a) Gratuity
- (b) Provident fund for certain category of employees administered through a recognized provident fund trust.
- (c) Legal Severance pay & Health care (Unfunded) as applicable with respect to foreign entities
- (i) **These plans typically expose the group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.**

#### Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

#### Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

#### Interest Risk

The plan exposes the group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of the providing the above benefits and will thus result an increase in value of the liability.

#### Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after the employment. An increase in the life expectancy of plan participants will increase the plan's liability.

- (ii) **The principal assumption used for the purpose of the actuarial valuation were as follows:**

Indian entities	As at March 31, 2021		As at March 31, 2020	
	Gratuity	Provident Fund	Gratuity	Provident Fund
Discount Rate	6.69%	6.69%	6.77%	6.77%
Expected statutory interest rate	-	8.50%	-	8.50%
Salary increase	7.00%	-	7.00%	-
Retirement Age(years)	58	58	58	58
Mortality Rates	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
<b>Withdrawal Rate</b>				
Upto 30 years	20.00%	20.00%	20.00%	20.00%
31 to 44 years	7.00%	7.00%	7.00%	7.00%
Above 44 years	8.00%	8.00%	8.00%	8.00%

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

<b>Foreign subsidiaries</b>	<b>Legal Severance Pay (unfunded)</b>	
	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Discount Rate	2.70%	1.74%
Salary increase	6.25%	6.00%
In service mortality	TMO	TMO
	2017	2017
Retirement Age	55	55
Withdrawal Rate		
- up to 20 years	15%	20%
- 21-30	15%	16%
- 31-40	8%	10%
- 41-50	3%	3%
- 51 onwards	2%	2%

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. An actuarial valuations involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date.

The present value of defined benefit obligation and the related current service cost and past service cost were measured using projected unit credit method.

**(iii) Amounts recognized in statement of profit an loss in respect of these benefit plans are as follows:**

<b>Indian entities</b>	<b>Year ended March 31, 2021</b>		<b>Year ended March 31, 2020</b>	
	<b>Gratuity</b>	<b>Provident Fund</b>	<b>Gratuity</b>	<b>Provident Fund</b>
Current Service cost	803.00	675.00	730.67	626.34
Interest expenses (net of expected return on plan assets)	107.00	-	67.41	29.54
	<u>910.00</u>	<u>675.00</u>	<u>798.08</u>	<u>655.88</u>

<b>Foreign subsidiaries</b>	<b>Legal Severance Pay (unfunded)</b>	
	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
Current/past Service cost *	92.78	1,526.94
Net interest expenses	6.13	40.28
	<u>98.91</u>	<u>1,567.22</u>

\* The above includes impact of discontinued operations.

The current service cost and the net interest expenses for the year are included in Note 35 "Employee Benefits Expenses" under the head Contribution to provident and other funds"

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**
**(iv) Amount recognized in other comprehensive income:**

<b>Foreign subsidiaries</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
<b>Indian entities</b>	<b>Gratuity</b>	<b>Gratuity</b>
Actuarial (gain)/losses on plan assets	(584.00)	(41.10)
Actuarial (gain)/losses arising from changes in financial assumptions	48.94	474.23
Actuarial (gain)/losses arising from changes in experience adjustments	294.46	406.23
	<u>(240.60)</u>	<u>839.36</u>

<b>Foreign subsidiaries</b>	<b>Legal Severance Pay (unfunded)</b>	
	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
Actuarial (gain)/losses arising from changes in financial assumptions	(36.62)	71.37
Actuarial (gain)/losses arising from changes in experience adjustments and demographic assumption	10.04	(64.75)
	<u>(26.58)</u>	<u>6.62</u>

**(v) The amount included in consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:**

<b>Indian entities</b>	<b>As at March 31, 2021</b>		<b>As at March 31, 2020</b>	
	<b>Gratuity</b>	<b>Provident Fund</b>	<b>Gratuity</b>	<b>Provident Fund</b>
Present value of funded defined benefit obligation	9,759.87	16,274.01	8,654.82	14,084.01
Fair value of plan assets	9,420.00	15,771.00	6,996.00	13,655.00
<b>Surplus / (deficit)</b>	<u>(339.87)</u>	<u>(503.01)</u>	<u>(1,658.82)</u>	<u>(429.01)</u>
Effect of asset ceiling (if any)	-	-	-	-
<b>Net asset / (liability)</b>	<u>(339.87)</u>	<u>(503.01)</u>	<u>(1,658.82)</u>	<u>(429.01)</u>

<b>Foreign subsidiaries</b>	<b>Legal Severance Pay (unfunded)</b>	
	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Present value of funded defined benefit obligation	414.30	399.13
Fair value of plan assets	-	-
<b>Net asset / (liability)</b>	<u>(414.30)</u>	<u>(399.13)</u>

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**
**(vi) Movements in the present value of defined benefit obligation are as follows:**

Indian entities	As at March 31, 2021		As at March 31, 2020	
	Gratuity	Provident Fund	Gratuity	Provident Fund
Opening defined benefit obligation	8,654.82	14,084.01	7,117.60	12,323.87
Current Service Cost	815.05	675.00	730.67	626.34
Interest Cost	586.32	1,192.00	544.41	1,060.82
Acquisition In	1.68	-	474.37	3.49
Actuarial (gain)/losses arising from changes in financial assumptions	44.21	-	406.00	-
Actuarial (gain)/losses arising from changes in experience adjustments	94.00	-	-	-
Past service cost including curtailment Gains/Loss	-	-	-	24.44
Benefits paid	(436.21)	(873.00)	(514.23)	(1,448.00)
Contribution by plan participants / employees	-	1,083.00	-	1,001.89
Settlement / transfer in	-	113.00	(104.00)	491.16
<b>Closing defined benefit obligation</b>	<b><u>9,759.87</u></b>	<b><u>16,274.01</u></b>	<b><u>8,654.82</u></b>	<b><u>14,084.01</u></b>

Foreign subsidiaries	Legal Severance Pay (unfunded)	
	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	399.13	972.49
Current Service Cost	92.78	1,526.94
Interest Cost	6.13	40.28
Actuarial (gain)/losses arising from changes in financial assumptions	(36.62)	71.07
Actuarial (gain)/losses arising from changes in experience adjustments and demographic assumption	10.04	(64.95)
Exchange difference on foreign plans	6.77	36.74
Benefits paid/Settled*	(64.16)	(2,183.43)
<b>Closing defined benefit obligation</b>	<b><u>414.07</u></b>	<b><u>399.13</u></b>

\* Benefits paid to employees due to discontinuation of business

**(vii) Movements in the fair value of plan assets are as follows:**

Indian entities	As at March 31, 2021		As at March 31, 2020	
	Gratuity	Provident Fund	Gratuity	Provident Fund
Opening fair value of plan assets	6,996.00	13,655.00	6,236.24	12,307.00
Return on plan assets(excluding amounts included in net interest expenses)	1,058.00	1,118.00	528.00	1,014.00
Contributions from employer	1,799.00	675.00	830.00	607.00
Contributions from plan participants	-	1,083.00	-	1,000.00
Benefits paid	(433.00)	(873.00)	(504.00)	(1,388.00)
Settlement / Transfer in	-	113.00	(94.24)	115.00
<b>Closing fair value of plan assets</b>	<b><u>9,420.00</u></b>	<b><u>15,771.00</u></b>	<b><u>6,996.00</u></b>	<b><u>13,655.00</u></b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### Gratuity

Plan assets comprises primarily of investment in HDFC Group Unit Linked Plan fund. The average duration of the defined benefit obligation is 9.14 years (Previous year: 9.08 years). The Company expects to make a contribution of Rs. 876.05 lakhs (Previous year: Rs. 868.08 lakhs) to the defined benefit plans during the next financial year.

### Provident fund:

The plan assets have been primarily invested in government securities and corporate bonds.

### (viii) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Indian entities	Year ended March 31, 2021		Year ended March 31, 2020	
	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
<b>Sensitivity analysis of gratuity</b>				
Discount rate	(304.41)	324.77	(265.52)	283.21
Expected salary growth	321.74	(305.42)	276.19	(266.89)
<b>Sensitivity analysis of provident fund</b>	(0.97)	1.01	(1.11)	1.13

### Foreign subsidiaries

Sensitivity analysis of defined benefit obligation	Year ended March 31, 2021		Year ended March 31, 2020	
	1.00% increase	1.00% decrease	1.00% increase	1.00% decrease
<b>Sensitivity analysis of legal severance pay (unfunded)</b>				
Discount rate	(43.91)	51.52	(34.36)	40.40
Expected salary growth	47.66	(41.72)	37.11	(32.46)

Sensitivity due to mortality and withdrawals are insignificant and hence ignored

### 44.3 Other long-term employee benefit

Amounts recognised in the statement of profit and loss in note 35 "Employee benefits expenses" under the head "Salaries and wages, including bonus"

Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Long term retention pay (refer to note (i) below)	-	14.00
Compensated absences	1,157.21	1,126.00
	<b>1,157.21</b>	<b>1,140.00</b>

#### (i) Long Term Retention Pay

The group has a Long Term Retention Pay Plan which covers employees selected on the basis of their current band and their long term value to the Company. The incentive is payable in three year blocks subject to achievement of certain performance ratings. The Company also has a scheme for talent retention of certain identified employees under which an incentive is payable over a period of three years. Based on actuarial valuation, the Company has accrued the above mentioned amounts.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 45 EMPLOYEE SHARE BASED PAYMENTS

SRF Limited has an Employee Share Purchase Scheme (SRF Long Term Share Based Incentive Plan) to provide equity settled share based payments to certain employees. The expenses related to the grant of shares under the Scheme are accounted for on the basis of fair value of the share on the grant date (which is the market price of the Company's share on the date of grant less exercise price). The fair value so determined is expensed on a straight line basis over the remaining tenure over which the employees renders their services. There were no equity shares granted during the current and previous year. Based on the grants made in earlier years, SRF Limited has recognised Rs. 95.73 lakhs as share based payment expense during the current year (Previous year Rs 97.99 lakhs).

### 46 SEGMENT REPORTING

Based on the guiding principles laid down in Indian Accounting Standard (Ind AS) - 108 "Segment Reporting", the Managing Director of the group is the Chief Operating Decision Maker (CODM) and for the purposes of resource allocation and assessment of segment performance the business of the group is segregated in the segments below:

- Technical Textiles business: includes nylon tyre cord fabric, belting fabric, polyester tyre cord fabric and industrial yarns and its research and development
- Chemicals business: includes refrigerant gases, chloromethane, pharmaceuticals, fluorochemicals & allied products and its research and development.
- Packaging Film business: includes polyester films.
- Others: includes coated fabric, laminated fabric and other ancillary activities

Effective April 1, 2018, the Group has realigned its operating segments based on requirements under Ind AS 108 – Operating Segments. Accordingly, Laminated Fabrics business and Coated Fabrics business from "Technical Textiles Business" segment and Engineering Plastics business from "Chemicals and Polymers Business" segment have been regrouped to "Others" segment. Also "Chemicals and Polymers Business" segment has been renamed to "Chemicals Business" segment. Relevant comparative information has been restated to give effect to the above changes.

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.

In addition to the significant accounting policies applicable to the business segments as set out in note 2 above, the accounting policies in relation to segment accounting are as under:

#### a) 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. These amounts relate to continuing operations, unless otherwise stated. (Refer to note 42 with regard to information in relation to discontinued operations).

#### b) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and property plant and equipment and intangible assets, net of allowances and provisions, which are reported as direct offsets in the consolidated 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.

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**
**A Information about operating business segments**

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Segment revenue</b>		
a) <b>Technical textiles business (TTB)</b>		
- External sales	123,140.81	135,262.08
- Inter-segment sales	870.39	493.41
<b>Total</b>	<b>124,011.20</b>	<b>135,755.49</b>
b) <b>Chemicals and polymers (CPB)</b>		
- External sales	364,488.81	297,495.61
- Inter-segment sales	-	-
<b>Total</b>	<b>364,488.81</b>	<b>297,495.61</b>
c) <b>Packaging films business (PFB)</b>		
- External sales	329,171.80	260,357.50
- Inter-segment sales	-	41.46
<b>Total</b>	<b>329,171.80</b>	<b>260,398.96</b>
d) <b>Others</b>		
- External sales	16,566.73	27,825.55
- Inter-segment sales	-	8.04
<b>Total</b>	<b>16,566.73</b>	<b>27,833.59</b>
e) <b>Others</b>	6,751.34	1,101.38
	<b>6,751.34</b>	<b>1,101.38</b>
<b>Total segment revenue</b>	<b>840,989.88</b>	<b>722,585.03</b>
Less: Inter Segment revenue	870.39	542.91
<b>Revenue from operations</b>	<b>840,119.49</b>	<b>722,042.12</b>
Add: unallocable income	6,635.75	4,905.32
<b>Total revenue</b>	<b>846,755.24</b>	<b>726,947.44</b>

Segment Profits	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Profit/ (loss) before interest and tax from each segment</b>		
a) <b>Technical textiles business (TTB)</b>	17,690.40	15,149.30
b) <b>Chemicals and polymers (CPB)</b>	72,814.45	51,147.74
c) <b>Packaging films business (PFB)</b>	89,786.89	55,562.17
d) <b>Others</b>	2,617.24	3,386.67
<b>Total segment results</b>	<b>182,908.98</b>	<b>125,245.88</b>
Less: i) Interest and finance Charges	13,292.62	19,951.61
Less: ii) Other unallocable expenses net of income	8,189.56	13,498.44
<b>Profit before tax from continuing operations</b>	<b>161,426.80</b>	<b>91,795.83</b>
<b>Profit before tax from discontinued operations(Refer note 42)</b>	<b>(273.01)</b>	<b>15,585.49</b>
<b>Total Profit before tax</b>	<b>161,153.79</b>	<b>107,381.31</b>

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Capital Expenditure</b>		
a) Technical textiles business (TTB)	7,789.51	6,318.15
b) Chemicals and polymers (CPB)	61,866.25	50,327.18
c) Packaging films business (PFB)	55,334.34	109,849.20
d) Others	262.03	3,349.00
e) Unallocated	312.58	652.99
<b>Total</b>	<b>125,564.71</b>	<b>170,496.52</b>
<b>Depreciation and amortisation</b>		
a) Technical textiles business (TTB)	3,541.15	3,468.74
b) Chemicals and polymers (CPB)	27,309.11	24,533.12
c) Packaging films business (PFB)	12,360.84	8,626.03
d) Others	586.50	602.04
e) Unallocated	1,290.86	1,384.17
<b>Total</b>	<b>45,088.46</b>	<b>38,614.10</b>
<b>Segment assets and liabilities</b>	<b>As at March 31, 2021 Rs./lakhs</b>	<b>As at March 31, 2020 Rs./lakhs</b>
<b>Segment Assets</b>		
a) Technical textiles business (TTB)	158,216.45	138,506.49
b) Chemicals and polymers (CPB)	574,197.23	524,750.27
c) Packaging films business (PFB)	454,332.97	358,276.72
d) Others	52,334.75	40,725.56
<b>Total</b>	<b>1,239,081.40</b>	<b>1,062,259.04</b>
Unallocable assets	88,998.00	46,221.52
Assets classified as held for sale	-	1,184.00
<b>Total Assets</b>	<b>1,328,079.40</b>	<b>1,109,664.56</b>
<b>Segment Liabilities</b>		
a) Technical textiles business (TTB)	33,714.14	30,371.03
b) Chemicals and polymers (CPB)	71,021.59	51,532.62
c) Packaging films business (PFB)	111,789.86	66,405.37
d) Others	10,557.45	4,467.29
<b>Total</b>	<b>227,083.04</b>	<b>152,776.31</b>
Unallocable Liabilities	387,488.21	441,667.11
<b>Total Liabilities</b>	<b>614,571.25</b>	<b>594,443.42</b>



**Notes to Consolidated Financial Statements for the year ended March 31, 2021**
**B Information about geographical business segments**

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Revenue from operations</b>		
- India	368,885.64	369,510.53
- South Africa	47,537.48	36,305.63
- Singapore	547.00	1,303.80
- Germany	47,658.00	52,559.25
- USA	57,619.90	42,694.27
- Hungary	1,360.62	-
- Thailand	18,888.92	14,073.59
- Switzerland	68,775.00	42,538.14
- Belgium	63,551.00	29,359.40
- Others	171,931.68	138,602.80
	<b>846,755.24</b>	<b>726,947.42</b>

No single customer contributed 10% or more to the group's revenue for both 2019-20 and 2018-19

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Revenue from major products</b>		
<b>a) Technical Textiles Business (TTB)</b>		
Nylon tyre cord fabric/ Polyester tyre cord fabric/ Belting fabric	112,294.00	117,873.28
Synthetic filament yarn including Industrial yarn /Twine	9,721.00	16,285.64
Waste/others	62.00	
<b>b) Chemicals Business (CB)</b>		
Fluorospecialities chemicals	238,939.00	162,382.69
Fluorochemicals, Refrigerant Gases and allied products	89,398.00	92,908.38
Chlorinated solvents and industrial chemicals	31,100.00	34,488.79
Waste/others	74.00	130.67
<b>c) Packaging Films Business (PFB)</b>		
Packaging Films	325,326.00	255,708.81
<b>d) Others</b>		
Coated fabric, laminated fabric, other ancillary activities and investments segment	39,841.24	35,319.73
	<b>846,755.24</b>	<b>715,097.99</b>

**47 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**
**47.1 Capital Management**

The group manages its capital to ensure that it will be able to continue as a going concern and provide reasonable return to the shareholders by maintaining a reasonable balance between debt and equity. The capital structure of the group consists of net debt (borrowings net of cash and cash equivalents and current investments) and total equity of the group. The group is not subject to any externally imposed capital requirements. The group's management reviews the capital structure of the group on periodic

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

basis. As part of its review, the management considers the cost of capital and risk associated with each class of capital. The group also evaluates its gearing measures using Debt Equity Ratio to arrive at an appropriate level of debt and accordingly evolves its capital structure.

The following table provides the details of the debt and equity at the end of the reporting periods:

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Debt	339,673.77	405,451.64
Cash and bank balance	35,923.36	12,772.34
Investments	64,579.03	35,396.94
<b>Net debt</b>	<b>239,171.38</b>	<b>357,282.37</b>
<b>Total equity</b>	<b>375,621.61</b>	<b>279,787.71</b>
<b>Net debt to equity ratio</b>	<b>0.64</b>	<b>1.28</b>

### 47.2 Financial instruments by category

Financial assets	Level of hierarchy	Notes	Carrying value as at		Fair value as at	
			As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Measured at amortised cost</b>						
Trade Receivables		a	127,829.53	89,298.74	127,829.53	89,298.74
Cash and cash equivalents		a	21,486.09	11,817.67	21,486.09	11,817.67
Bank balances other than above		a	14,437.27	954.67	14,437.27	954.67
Loans		a,b	1,058.65	2,777.24	1,058.65	2,777.24
Investment in Bonds & Debentures		c	2,297.16	2,337.23	2,297.16	2,337.23
Other financial assets		a	23,575.93	23,885.32	23,575.93	23,885.32
			<u><b>190,684.63</b></u>	<u><b>131,070.87</b></u>	<u><b>190,684.63</b></u>	<u><b>131,070.87</b></u>
<b>Measured at Fair value through Other comprehensive income</b>						
Investments in equity instruments		d	16,063.27	9,256.85	16,063.27	9,256.85
Investments in mutual funds		d	1,494.76	1,079.81	1,494.76	1,079.81
Derivative Instrument		d	8,654.61	-	8,654.61	-
			<u><b>26,212.64</b></u>	<u><b>10,336.66</b></u>	<u><b>26,212.64</b></u>	<u><b>10,336.66</b></u>
<b>Measured at Fair value through Profit and loss</b>						
Investments in Bonds & Debentures		c	21,546.04	150.00	21,546.04	150.00
Investments in preference shares		d	500.00	500.00	500.00	500.00
Investments in mutual funds		d	19,716.49	19,849.96	19,716.49	19,849.96
Investments in other instruments		d	2,961.31	2,223.08	2,961.31	2,223.08
Derivative Instrument		d	438.70	8.13	438.70	8.13
			<u><b>45,162.53</b></u>	<u><b>22,731.18</b></u>	<u><b>45,162.54</b></u>	<u><b>22,731.18</b></u>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

Financial liabilities	Level of hierarchy	Notes	Carrying value as at		Fair value as at	
			As at	As at	As at	As at
			March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Measured at amortised cost</b>						
Borrowings		a,c	314,673.77	375,455.06	314,673.77	375,455.06
Debt Securities		c	25,000.00	29,996.57	25,000.00	29,996.57
Lease Liabilities		a,c	4,731.68	5,371.68	4,731.68	5,371.68
Trade Payables		a	158,518.79	111,169.03	158,518.79	111,169.03
Subordinated Liabilities		a	1,395.30	1,317.78	1,395.30	1,317.78
Other financial liabilities		a	50,615.64	30,124.70	50,615.64	30,124.70
			<u>554,935.18</u>	<u>553,434.83</u>	<u>554,935.18</u>	<u>553,434.83</u>
<b>Measured at Fair value through profit and loss</b>						
Derivative instruments	2	d	-	258.01	-	258.01
			<u>-</u>	<u>258.01</u>	<u>-</u>	<u>258.01</u>
<b>Measured at Fair value through other comprehensive income</b>						
Derivative instruments	2	d	53.72	6,803.99	53.72	6,803.99
			<u>53.72</u>	<u>6,803.99</u>	<u>53.72</u>	<u>6,803.99</u>

The following methods / assumptions were used to estimate the fair values:

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.
- Fair value of other long-term borrowings and lease liabilities is estimated by discounting future cash flows using current rates (applicable to instruments with similar terms, currency, credit risk and remaining maturities) to discount the future payouts.
- The fair value is determined by using the valuation model/technique with observable/non-observable inputs and assumptions.

There are no transfers between Level 1, Level 2 and Level 3 during the Year ended March 31, 2021 and March 31, 2020

### Level 1:

Quoted prices in the active market: This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of non convertible debentures.

### Level 2:

Valuation techniques with significant observable inputs: This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of over the counter (OTC) derivative contracts and open ended mutual funds.

### Level 3:

Valuation techniques with significant unobservable inputs: This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

The fair value of the financial instruments are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- (i) Investments in mutual funds and non convertible debentures: Fair value is determined by reference to quotes from the financial institutions.
- (ii) Derivative contracts: The group has entered into various foreign currency contracts and interest rate swaps contracts to manage its exposure to fluctuations in foreign exchange rates and interest rate respectively. These financial exposures are managed in accordance with the group's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data, i.e., mark to market values determined by the authorized dealers banks and forward exchange rates at the balance sheet date.
- (iii) Unquoted equity investments: Fair value is determined based of the recoverable value as per agreement with the investee.

Reconciliation of Level 3 fair value measurements	Unlisted equity instruments
<b>As at March 31, 2019</b>	<b>901.48</b>
Purchases	<b>405.00</b>
<b>As at March 31, 2020</b>	<b>1,306.48</b>
Purchases	-
Sale of investment	-
<b>As at March 31, 2021</b>	<b>1,306.48</b>

Sensitivity of the fair value measurement to changes in unobservable inputs for financial instruments in Level 3 level of hierarchy is insignificant.

### 47.3 Financial Risk Management

The group is exposed to various financial risks arising from its underlying operations and finance activities. The group is primarily exposed to market risk (i.e. interest rate and foreign currency risk) and to credit risk and liquidity risk. The group's Corporate Treasury function plays the role of monitoring financial risk arising from business operations and financing activities.

Financial risk management within the group is governed by policies and guidelines approved by the senior management and the Board of Directors. These policies and guidelines cover interest rate risk, foreign currency risk, credit risk and liquidity risk. group policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long-term debt. Compliance with the policies and guidelines is managed by the Corporate Treasury function within the group. Review of the financial risk is done on a monthly basis by the Managing Director and on a quarterly basis by the Board of Directors. The objective of financial risk management is to contain, where deemed appropriate, exposures on net basis to the various types of financial risks mentioned above in order to limit any negative impact on the group's results and financial position.

In accordance with its financial risk management policies, the group manages its market risk exposures by using specific type of financial instruments duly approved by the Board of Directors as and when deemed appropriate. It is the group's policy and practice neither to enter into derivative transactions for speculative purpose, nor for any purpose unrelated to the underlying business. The Board of Directors / Managing Director reviews and approves policies for managing each of the above risks.

#### 47.3.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and foreign currency risk. Financial instruments affected by market risk includes loans and borrowings, deposits, investments and derivative financial instruments. The group enters into derivative contracts as approved by the Board to manage its exposure to interest rate risk and foreign currency risk.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### A. Foreign Currency Risk Management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the group is attributable to group's operating activities and financing activities.

In the operating activities, the group's exchange rate risk primarily arises when revenue / costs are generated in a currency that is different from the reporting currency (transaction risk). In compliance with the Board approved policy, the Group manages the net exposure on a rolling 12 month basis and for exposures between 12 to 36 months, hedging is done based on specific exposure. The information is monitored by the Audit committee and the Board of Directors on a quarterly basis. This foreign currency risk exposure of the group are mainly in U.S. Dollar (USD), Euro (EUR), Japanese Yen (JPY) and British pound sterling (GBP). The group's exposure to foreign currency changes for all other currencies is not material.

The carrying amounts of the group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in Rs. are as follows:

	Assets		Liabilities	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
USD	82,426.93	28,030.03	194,620.67	157,655.32
EUR	25,766.63	11,434.07	112,486.07	81,384.77
JPY	-	-	1,127.70	687.38
GBP	1,095.76	412.75	1,311.67	25.83

### Foreign currency sensitivity analysis

The group is mainly exposed to changes in USD, EURO, JPY and GBP exchange rates.

The following table details the group's sensitivity to a 1% increase and decrease in the Rs. against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

	Year ended March 31, 2021		Year ended March 31, 2020	
	Rs. strengthens by 1%	Rs. weakens by 1%	Rs. strengthens by 1%	Rs. weakens by 1%
Impact on profit / (loss) *				
USD	572.90	(572.90)	918.45	(918.45)
EUR	360.37	(360.37)	121.45	(121.45)
JPY	11.06	(11.06)	6.87	(6.87)
GBP	2.00	(2.00)	(3.87)	3.87

\* Includes sensitivity on long-term foreign currency monetary items on which Para D13 AA of Ind AS 101. Accordingly, the exchange loss/ (gain) arising on long term foreign currency monetary items relating to acquisition of depreciable assets will be added to/deducted from the cost of such assets/capital work-in-progress and will be depreciated over the balance useful life of assets.

Impact on equity (Other comprehensive income)

USD	548.80	(548.80)	377.80	(377.80)
EUR	507.51	(507.51)	578.06	(578.06)

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### Foreign exchange derivative contracts

The group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The group's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within of 1 to 24 months for hedges of forecasted sales, purchases and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts*	No. of Deals		Contract value of foreign Currency (In Millions)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
USD/INR Sell forward	264	196	513.25	254.56
EUR/INR sell forward	17	27	40.50	38.00
EUR/USD Sell forward	-	4	-	6.00
USD/THB Buy forward	20	-	18.48	-
EUR/USD Buy forward	20	9	15.67	15.14
USD/ZAR Buy forward	-	1	-	0.40
USD/ZAR Sell forward	-	1	-	0.40

Outstanding Contracts*	Maturity			
	Up to 12 months Nominal Amount* (Rs. Lakhs)		More than 12 months Nominal Amount* (Rs. Lakhs)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
USD/INR Sell forward	202,940.18	124,366.87	199,863.44	68,077.95
EUR/INR sell forward	18,152.78	17,264.73	20,277.30	15,378.04
EUR/USD Sell forward	-	5,050.66	-	-
USD/THB Buy forward	12,998.34	-	-	-
EUR/USD Buy forward	13,554.70	11,032.55	-	-
USD/ZAR Buy forward	-	250.60	-	-
USD/ZAR Sell forward	-	260.25	-	-

\* Computed using average forward contract rates

The following table details the group's sensitivity to a 1% increase and decrease in the Rs. against the relevant foreign currency. The sensitivity analysis includes only outstanding forward exchange contracts as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

	Year ended March 31, 2021		Year ended March 31, 2020	
	Rs. strengthens by 1%	Rs. weakens by 1%	Rs. strengthens by 1%	Rs. weakens by 1%
Impact on profit / (loss) for the year				
USD	176.33	(176.33)	138.38	(138.38)
EUR	34.50	(34.50)	50.12	(50.12)
Impact on equity				
USD	3,646.73	(3,646.73)	1,959.50	(1,959.50)
EUR	205.14	(205.14)	330.92	(330.92)

### B. Interest Rate Risk Management

Interest rate risk arises from movements in interest rates which could have effects on the group's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates.

The group manages its interest rate risk by having a portfolio of fixed and variable rate loans and borrowings. The group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed principal amount outstanding at the time of inception of the swap. Out of the total long term borrowings, the amount of fixed interest loan is Rs. 89,862 lakhs and floating interest loan is Rs. 1,53,165 lakhs (Previous year : Fixed interest loan Rs. 99,504.12 lakhs and Floating interest loan Rs. 2,09,636.10 lakhs)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the group's profit before tax is affected through the impact on floating rate long term borrowings, as follows:

	Year ended March 31, 2021		Year ended March 31, 2020	
	Rs. loans interest rate decreases by 0.50 %	Foreign currency loans interest rate decreases by 0.15 %	Rs. loans interest rate decreases by 0.50 %	Foreign currency loans interest rate decreases by 0.15 %
Increase in profit before tax by	284.55	144.38	148.30	269.96

In case of increase in interest rate by above mentioned percentage, there would be a comparable negative impact on the profit before tax as mentioned above.

### Interest Rate Swap Contracts

Under interest rate swap (IRS) contracts, the group agrees to exchange the difference between fixed and floating rate interest amounts calculated on the agreed notional principal amounts. Such contracts enables the group to mitigate the risk of changing interest rates.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

The following table details the IRS contracts outstanding at the end of the reporting period:

Outstanding Contracts	No. of Deals		Contract value of foreign Currency (In Millions)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
IRS Contracts*	4	3	31.05	15.05

Outstanding Contracts	Maturity			
	Up to 12 months Nominal Amount* (Rs. Lakhs)		More than 12 months Nominal Amount* (Rs. Lakhs)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
IRS Contracts*	8,548.53	2,671.03	14,168.10	8,699.24

Each of the above trades are in the nature of cash flow hedges and are effective hedges. The mark to market on these trades is therefore routed through Cash flow Hedge Reserve. The interest rate swap and the interest payments on the loan are paid simultaneously and are charged to statement of profit and loss.

\*Sensitivity on the above IRS contracts in respect of interest rate exposure is insignificant

### C. Hedge accounting

#### Cash flow hedges

The amounts at the reporting date relating to the item designed as hedge items are as follows:

Hedging instruments	As at March 31, 2021			Year ended March 31, 2021	As at March 31, 2020			Year ended March 31, 2020
	Nominal amount (Rs. Lakhs)	Carrying amount Assets/ (liabilities) (Rs. lakhs)	Line item where the hedging instrument is included		Nominal amount (Rs. Lakhs)	Carrying amount Assets / (liabilities) (Rs. Lakhs)	Line item where the hedging instrument is included	
Foreign exchange contracts	26,553.04	8,553.66	Other financial assets/liabilities (current and non - current)	15,115.91	222,480.00	(6,562.25)	Other financial assets/liabilities (current and non - current)	(8,849.82)
Foreign currency denominated loans	105,591.00	(105,591.00)	Non-current/ current borrowings	(127.37)	95,586.00	(95,586.00)	Non-current borrowing	(6,589.50)
Interest rate swap contacts	22,716.63	100.89	Other financial assets (current and non-current)	100.89	11,370.27	-	Other financial assets (current and non-current)	(613.60)
		(53.72)	Other financial liabilities (current and non-current)	188.03		(241.75)	Other financial liabilities (current and non-current)	



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### Fair value hedges

The amounts at the reporting date relating to the item designed as hedge items are as follows:

Hedging instruments	As at March 31, 2021			Year ended March 31, 2021	As at March 31, 2020			Year ended March 31, 2020
	Nominal amount (Rs. Crores)	Carrying amount Assets/ (liabilities) (Rs. Crores)	Line item where the hedging instrument is included	Change in the value of the hedging instrument recognised in consolida- ted statement of Profit and loss	Nominal amount (Rs. Lakhs)	Carrying amount Assets / (liabilities) (Rs. Lakhs)	Line item where the hedging instrument is included	Change in the value of the hedging instrument recognised in consolida- ted statement of Profit and loss (Rs. Lakhs)
Foreign exchange contracts	-	438.70	Other financial assets/liabilities (current and non-current)	688.58	19,201.40	(249.88)	Other financial assets/liabilities (Current and Non-current)	(313.43)

### 47.3.2 Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily trade receivables, loans and other financial assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Credit risk from balances with banks and financial institutions is managed by the group's treasury department in accordance with the group's policy. Investments of surplus funds are made only with counterparties who meet the parameters specified in Investment Policy of the groups. The investment policy is reviewed by the group's Board of Directors on an annual basis and if required, the same may be updated during the year. The investment policy specifies the limits of investment in various categories of products so as to minimize the concentration of risks and therefore mitigate financial loss due to counterparty's potential failure.

#### Expected credit loss on financial assets:

To manage credit risk for trade receivables, the group establishes credit approvals and credit limits, periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties, from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets other than as detailed below.

Loss allowance for the following financial assets have been recognised by the group:

	Note No.	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Loans	5	274.17	274.33
Trade receivables	13	502.55	360.55
		<b>776.71</b>	<b>634.88</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### Movement of loss allowance :

	Loans	Trade receivables
<b>As at April 1, 2019</b>	<b>281.17</b>	<b>248.89</b>
Provided during the year	16.87	187.63
Reversed during the year	(24.06)	(75.98)
<b>As at March 31, 2020</b>	<b>273.98</b>	<b>360.54</b>
Provided during the year	23.91	1,169.64
Reversed during the year	(23.72)	(1,027.63)
<b>As at March 31, 2021</b>	<b>274.17</b>	<b>502.55</b>

Other than financial assets mentioned above, none of the group's financial assets are impaired, as there are no indications that defaults in payments obligation would occur.

### 47.3.3 Liquidity Risk Management

Liquidity risk is the risk of non-availability of financial facilities available to the group to meet its financial obligations. The group's objective is to maintain a balance between continuity of funding and flexibility through the use of money market instruments, bank overdrafts, bank loans, debentures and other types of facilities. The liquidity management is governed by the Board approved liquidity management policy. Any deviation from the policy has to be approved by the Treasury Management comprising of Managing Director, Chief Financial Officer and Treasury Head. The group assesses the concentration of risk with respect to refinancing its debt, guarantee given and funding of its capital expenditure according to needs of the future. The group manages its liquidity by holding appropriate volumes of liquid assets which are available for its disposal on T +1 basis and by maintaining open credit lines with banks / financial institutions.

The table below analyze the group's financial liabilities into relevant maturity profiles based on their contractual maturities:

	Less than 1 year	More than 1 year and upto 5 years	More than 5 years	Total
<b>As at March 31, 2021</b>				
Borrowings	147,741.15	145,465.45	21,467.17	<b>314,673.77</b>
Debt Securities	-	25,000.00	-	<b>25,000.00</b>
Lease Liabilities	1,930.14	5,384.69	5,368.00	<b>12,682.83</b>
Derivative financial instrument	53.72			<b>53.72</b>
Subordinate liabilities	103.36		1,291.94	<b>1,395.30</b>
Trade payables	158,518.79			<b>158,518.79</b>
Other financial liabilities	50,561.92	53.72		<b>50,615.64</b>
	<b>358,909.08</b>	<b>175,903.86</b>	<b>28,127.11</b>	<b>562,940.04</b>

	Less than 1 year	More than 1 year and upto 5 years	More than 5 years	Total
<b>As at March 31, 2020</b>				
Borrowings	144,291.92	203,320.06	27,843.07	<b>375,455.05</b>
Debt Securities	29,996.57	-	-	<b>29,996.57</b>
Lease Liabilities	1,371.08	698.60	3,302.00	<b>5,371.68</b>
Derivative financial instrument	7,062.01	-	-	<b>7,062.01</b>
Subordinate liabilities	25.84	-	1,291.94	<b>1,317.78</b>
Trade payables	111,169.03	-	-	<b>111,169.03</b>
Other financial liabilities	27,837.68	2,287.00	-	<b>30,124.67</b>
	<b>321,754.12</b>	<b>206,305.66</b>	<b>32,437.01</b>	<b>560,496.80</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 48 CONTRACT BALANCES

The following table provides information about contract assets and contract liabilities from contracts with customers

<b>Contact assets</b>	<b>Year ended March 31, 2021 Rs./lakhs</b>	<b>Year ended March 31, 2020 Rs./lakhs</b>
Opening balance	-	2,551.63
Transfer from contract assets recognised at the beginning of the year to receivables	-	2,551.63
	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>
<b>Contact liability</b>	<b>Year ended March 31, 2021 Rs./lakhs</b>	<b>Year ended March 31, 2020 Rs./lakhs</b>
Opening balance	1,267.53	1,669.29
Revenue recognised that was included in the contract liability balance at the beginning of the period	(1,267.53)	(1,669.29)
Increase due to cash received, excluding the amount recognised as revenue during the period	1,840.34	1,267.53
	<u>1,840.34</u>	<u>1,267.53</u>
	<u><u>1,840.34</u></u>	<u><u>1,267.53</u></u>

### 49 NON - CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATION

#### A. Engineering Plastics Business

##### (a) Description

On May 11, 2019, the Company entered into a business transfer agreement for sale of its Engineering Plastics Business, which has been divested with effect from August 1, 2019. The business was reported under "Others segment" in accordance with the requirements of Ind AS 108 – "Operating Segments" in the financial statements till the year prior to the previous year. The relevant financial information of the said business has been disclosed under discontinued operations in terms of Ind AS 105- "Non-current assets held for sale and discontinued operations" as below:

##### (b) Financial performance and cash flow information

<b>Sl. Particulars No.</b>	<b>Year ended March 31, 2021 Rs./lakhs</b>	<b>Year ended March 31, 2020 Rs./lakhs</b>
I (a) Sale of Products	-	7,487.21
(b) Other operating Revenues	-	26.04
(c) <b>Revenue from operations {I(a)+I(b)}</b>	<u>-</u>	<u>7,513.25</u>
(d) Other income	-	-
(e) <b>Total income {I(c)+I(d)}</b>	<u>-</u>	<u>7,513.25</u>
(f) Total expenses	-	6,705.01
(g) <b>Profit before tax for the period from discontinued operations {I(e)-I(f)}</b>	<u>-</u>	<u>808.24</u>
(h) Tax expense related to discontinued operations	-	282.14
(i) <b>Net Profit after tax for the period from discontinued operations {I(g)-I(h)}</b>	<u>-</u>	<u>526.10</u>

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

Sl. No.	Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
II	(a) Profit before tax on disposal of discontinued operations	-	23,373.89
	(b) Tax expense related to disposal of discontinued operations	-	5,841.02
	(c) Net Profit after tax on disposal of discontinued operations {II(a)-II(b)}	-	17,532.87
III	Net Profit after tax for the period from discontinued operations {I(i)+II (c)}	-	18,058.97
IV	Net cash generated from operating activities	-	1,729.00
V	Net cash generated from / (used in) investing activities	-	26,892.00
VI	Net cash used in financing activities	-	(14.00)
(c)	Revenue from major products		
		Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
	Nylon/ PBT/ PC compounding chips	-	7,487.21
(d)	Details of disposal of discontinued operations:		
		Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
	Proceeds from sale of business	-	31,576.80
	Carrying amount of net assets transferred	-	(7,632.34)
	Costs incurred on sale of business	-	(570.57)
	Profit before tax on disposal of discontinued operations	-	23,373.89
	Tax expense related to disposal of discontinued operations	-	(5,841.02)
	Net Profit after tax on disposal of discontinued operations	-	17,532.87
(e)	The carrying amounts of assets and liabilities as at the date of sale were as follows:		
			As at July 31, 2019
	Property, plant and equipment		4,485.78
	Goodwill		78.69
	Intangible assets		22.48
	Inventory		2,507.09
	Trade receivables		2,527.13
	Other assets		41.84
	<b>Total assets</b>		<b>9,663.01</b>
	Trade payables		(1,958.98)
	Other liabilities and provisions		(71.70)
	<b>Total liabilities</b>		<b>(2,030.68)</b>
	<b>Net assets transferred</b>		<b>7,632.33</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### B. Technical Textiles Business of SRF Industries(Thailand) Limited

#### (a) Description

SRF Industries(Thailand) Limited closed its Technical Textiles Business operations located at Rayong, Thailand w.e.f. October 21, 2019. The business was reported as part of Technical Textiles Business as per requirements of Ind AS 108 – “Operating Segments” in the consolidated financial results till last year. The financial information of the said business have been classified as Discontinued Operations as per requirements of INDAS 105 - “Non -current assets held for sale and discontinued operations”. The relevant assets and liabilities have been recognised at estimated fair value and all future realizations / settlements of said assets / liabilities will continue to be shown under discontinued operations. The particulars of said discontinued operations are as under:

#### (b) Financial performance and cash flow information

Sl. No.	Particulars	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
I	(a) Sale of Products	-	13,359.23
	(b) Other operating Revenues	225.90	51.67
	(c) <b>Total revenue from operations {I(a)+I(b)}</b>	<b>225.90</b>	<b>13,410.90</b>
	(d) Other income	621.65	181.41
	(e) <b>Total income {I(c)+I(d)}</b>	<b>847.55</b>	<b>13,592.31</b>
	(f) Total expenses excluding point no.(g)	1,120.76	15,159.83
	(g) Impact on account of fair value measurement loss/ (gain) on assets/liabilities	-	7,029.12
	(h) <b>Profit / (loss) before tax from discontinued operations {I(e)-I(f)-I(g)}</b>	<b>(273.21)</b>	<b>(8,596.64)</b>
	(i) Tax expense / (gain) related to discontinued operations	(241.78)	(856.90)
II	<b>Net Profit/(loss) after tax from discontinued operations{I(h)-I(i)}</b>	<b>(31.43)</b>	<b>(7,739.74)</b>
III	Net cash generated from operating activities	(163.94)	(411.00)
IV	Net cash generated from investing activities	1,790.81	(255.92)
V	Net cash used in financing activities	(5.99)	(54.65)

#### (c) Revenue from major products

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Nylon tyre cord fabric/Polyester tyre cord fabric/Belting fabric	-	13,359.23

#### (d) Assets classified as held for sale

	As at March 31, 2021 Rs./lakhs	As at March 31, 2020 Rs./lakhs
Property plant and equipment	-	1,184.00

C. Pursuant to requirements of Ind AS 105, the amounts in the consolidated statement of profit and loss (and related notes) for the current year and the previous year have been presented for continuing operations, as applicable unless otherwise stated.

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 50 GROUP INFORMATION

Name	Principal activities	Country of incorporation	% equity interest	
			March 31, 2021	March 31, 2020
SRF Holiday Home Limited	Development and lease of Industrial, commercial and residential complexes	India	100%	100%
SRF Employees Welfare Trust	Implementation and operationalisation of long term incentive plans of the Company	India	*	*
SRF Global BV	Investment company	Netherlands	100%	100%
SRF Flexipak (South Africa) (Pty) Limited (subsidiary of SRF Global BV)	Manufacture of BOPP and metallized BOPP films	Republic of South Africa	100%	100%
SRF Europe Kft (subsidiary of SRF Global BV)	Manufacture of Polyester film and metallized Polyester film	Hungary	100%	100%
SRF Industries (Thailand) Limited (subsidiary of SRF Global BV)	Manufacture of Tyre cord fabric, Polyester film and metallized Polyester film & trading of chemical products	Thailand	100%	100%
SRF Industex Belting (Pty) Limited (subsidiary of SRF Global BV)	Trading of chemical products	Republic of South Africa	100%	100%
SRF Ltd	Manufacturing purchase and sale of Technical Textile, Chemicals, Packaging films and other Polymers	India	50.72%	52.28%
Shri Educare Ltd	Education	India	100%	100%
KAMA Realty (Delhi) Ltd	Real Estate Business	India	100%	100%
SRF Transnational Holdings Ltd	Non Banking Finance Company	India	100%	100%
KAMA Real Estate Holdings LLP	Real Estate and Investment	India	100%	100%
Shri Educare Maldives Pvt Ltd	Education	India	100%	100%

\* By virtue of management control



**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

**51 ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO THE SCHEDULE III TO THE COMPANIES ACT, 2013**

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss <sup>^</sup>		Share in other comprehensive income <sup>^</sup>		Share in total comprehensive income <sup>^</sup>	
	As % of consolidated net assets	Amount (Rs. Lakhs)	As % of consolidated Share in profit or loss	Amount (Rs. Lakhs)	As % of consolidated other comprehensive income	Amount (Rs. Lakhs)	As % of total consolidated comprehensive income	Amount (Rs. Lakhs)
<b>I Parent - KAMA Holdings Ltd</b>	0%	(1,080.20)	0%	(225.38)	0%	(0.33)	0%	(225.71)
<b>II Subsidiaries:</b>								
<b>A Indian</b>								
1 SRF Ltd	88%	629,398.90	77%	92,582.70	47%	8,827.86	73%	101,410.56
2 KAMA Realty (Delhi) Ltd	0%	3,207.46	0%	323.68	0%	17.12	0%	340.80
3 KAMA Real Estate Holdings LLP	2%	11,321.26	0%	(59.36)	20%	3,800.52	3%	3,741.16
4 Shri Educare Ltd	0%	747.63	0%	(382.75)	0%	(0.90)	0%	(383.65)
5 SRF Transnational Holdings Ltd	2%	13,641.73	0%	125.23	11%	2,077.56	2%	2,202.79
6 SRF Holiday Home Ltd	0%	374.63	0%	0.65	21%	3,921.81	3%	3,922.46
7 SRF Employees Welfare Trust		*		**		-	-	**
<b>B. Foreign</b>								
1 SRF Global BV (Consolidated)	9%	65,546.85	23%	27,344.94	0%	-	20%	27,344.94
2 Shri Educare Maldives P Ltd	0%	156.40	0%	(20.86)	0%	-	0%	(20.86)
Adjustments arising out of consolidation	-1%	(9,806.52)	0%	(57.58)	0%	-	0%	(57.58)
<b>Total</b>	<b>100%</b>	<b>713,508.14</b>	<b>100%</b>	<b>119,631.27</b>	<b>100%</b>	<b>18,643.64</b>	<b>100%</b>	<b>138,274.91</b>
<b>Non-controlling Interests in all subsidiaries</b>	<b>46%</b>	<b>337,886.53</b>	<b>49.35%</b>	<b>59,034.71</b>	<b>33.70%</b>	<b>6,283.07</b>	<b>47.24%</b>	<b>65,317.78</b>

\* Amount in absolute Rs 23,373 (Previous year - Rs 35,957)

\*\* Amount in absolute Rs (13,234) (Previous year - (7,426))

<sup>^</sup> Includes discontinued operations

## Notes to Consolidated Financial Statements for the year ended March 31, 2021

### 52 ADDITIONAL DISCLOSURES

#### (a) RESEARCH AND DEVELOPMENT EXPENDITURE

The details of research and development expenditure of Rs.11,050.00 lakhs (Previous Year - Rs. 13,277.13 lakhs) included in these financials statements are as under:

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
Capital expenditure	1,345.54	3,309.16
Revenue expenditure	9,704.46	9,967.97
	<b>11,050.00</b>	<b>13,277.13</b>
The details of revenue expenditure incurred on research and development is as below:		
Cost of material consumed	273.41	150.59
Salaries and wages, including Bonus	4,296.51	3,785.08
Contribution to provident and other funds	260.63	245.26
Workmen and staff welfare expenses	271.76	361.87
Stores and spares consumed	610.82	614.98
Power and fuel	484.13	774.39
Rent	-	3.77
Repairs and maintenance		
- Plant and machinery	832.27	1,085.78
- Others	57.88	126.34
Insurance	96.09	86.74
Rates and taxes	6.62	4.19
Travelling and conveyance	16.08	127.48
Legal and professional charges	358.48	395.15
Depreciation and amortisation expense	1,833.38	1,908.51
Interest cost	28.37	36.31
Miscellaneous expenses	278.03	261.53
	<b>9,704.46</b>	<b>9,967.97</b>

#### (b) MANAGERIAL REMUNERATION

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>(i) (a) Remuneration to Chairman/Managing Director/ Deputy Managing Director/Whole time Director</b>		
Salary and contribution to provident and other funds	1,293.94	1,130.62
Value of perquisites	236.00	226.00
Commission	1,200.00	950.00
<b>SUB-TOTAL</b>	<b>2,729.94</b>	<b>2,306.62</b>
<b>(b) Remuneration to Non Executive Directors</b>		
Commission	84.00	72.00
Directors sitting fees	26.65	23.58
Other fees	13.96	12.35
<b>SUB-TOTAL</b>	<b>124.61</b>	<b>107.93</b>
<b>TOTAL</b>	<b>2,854.55</b>	<b>2,414.55</b>



## Notes to Consolidated Financial Statements for the year ended March 31, 2021

- (c) The Group has elected to adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items as described in Para D13 AA of Ind AS 101. Accordingly, exchange loss/ (gain) arising on all long term monetary items financed or re-financed on or before March 31, 2016 relating to acquisition of following depreciable assets are added to/ adjusted from the cost of such assets/ capital work in progress and will be depreciated over the balance useful life of such assets.

Exchange loss/ (gain) added/ (adjusted)	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
<b>Property, plant and equipment</b>		
- Roads	(52.00)	66.16
- Buildings	(698.00)	885.79
- Plant and equipment	(3,159.00)	6,143.85
- Furniture and fixtures	(14.00)	17.66
- Office equipment	(1.00)	2.86
	<b>(3,924.00)</b>	<b>7,116.32</b>
<b>Other Intangible Assets</b>		
- Trade marks/ Brands	-	32.68
- Technical knowhow	-	19.01
- Others	-	9.34
	<b>-</b>	<b>61.03</b>

The cumulative exchange loss/ (gain) added/ (adjusted) and remaining unamortised as at March 31, 2021 is Rs. 25,914.26 lakhs (Previous year: Rs. 29,984.14 lakhs).

- (d) **Disclosure on corporate social responsibility expense:**

	Year ended March 31, 2021 Rs./lakhs	Year ended March 31, 2020 Rs./lakhs
(i) Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	1,303.68	1,177.46
(ii) Amount approved by the Board to be spent during the year	1,303.68	1,214.46
(iii) Actual amount spent during the year on purposes other than construction / acquisition of an asset (Also Refer note 43.2)	1,034.00	1,214.60
Details of expenditure:		
- In respect of ongoing projects (Rural education and skill programme) :		
a) Amount required to be spent during the year	700.00	-
b) Actual amount spent during the year from company's bank account	430.00	-
c) Remaining unpaid at the end of the year with the company *	270.00	-
- In respect of other than ongoing projects:		
a) Amount required to be spent during the year	604.00	1,177.60
b) Actual amount spent during the year from company's bank account	604.00	1,214.60

\* Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the unspent amount has been subsequently deposited in a "Unspent CSR Account".

**Notes to Consolidated Financial Statements for the year ended March 31, 2021**

- (e) The Code of Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Presidential assent in September 2020 and its effective date is yet to be notified. The Company will assess and record the impact of the Code, once its effective.
- (f) SRF Limited has established a comprehensive system of maintenance of information and documents as required by transfer pricing legislation under section 92D for its international transactions as well as specified domestic transactions. Based on the transfer pricing regulations/ policy, the transfer pricing study for the year ended March 31, 2021 is to be conducted on or before due date of the filing of return and the Company will further update above information and records based on the same and expects these to be in existence latest by that date. Management believes that all the above transactions are at arm's length price and the aforesaid legislations will not have impact on the financial statement, particularly on the amount of tax expense and provision for taxation.

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As per our report of even date

**For V SAHAI TRIPATHI & CO.**

Chartered Accountants  
Regn. No. 000262N

**Vishwas Tripathi**

Partner  
M.No. 086897  
Place: New Delhi  
Date: 28th May 2021

**For and on behalf of the Board of Directors**
**Kartik Bharat Ram**

Chairman  
(DIN:00008557)  
Place: New Delhi  
Date: 28th May 2021

**Ashish Bharat Ram**

Director  
(DIN: 00671567)  
Place: New Delhi  
Date: 28th May 2021

**Ekta Maheshwari**

Whole Time Director  
CFO, & Company Secretary  
(DIN: 02071432)  
Place: Gurugram, Haryana  
Date: 28th May 2021

**Amitav Virmani**

Director  
(DIN: 02169955)  
Place: New Delhi  
Date: 28th May 2021

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.	Name of the subsidiary	SRF Limited	SRF Transnational Holdings Ltd	KAMA Realty (Delhi) Ltd	Shri Educare Ltd
		(Rs. Lakhs)	(Rs. Lakhs)	(Rs. Lakhs)	(Rs. Lakhs)
(a)	Reporting Period	1 April, 2020 to 31 March, 2021	1 April, 2020 to 31 March, 2021	1 April, 2020 to 31 March, 2021	1 April, 2020 to 31 March, 2021
(b)	Date since when subsidiary was acquired/formed	03.08.2012	01.04.2014	30.11.2009	29.09.2009
(c)	Reporting Currency	INR	INR	INR	INR
(d)	Exchange Rate	-	-	-	-
(e)	Share Capital	6,026.03	3,254.18	6.00	951.00
(f)	Reserves and Surplus	623,501.27	2,783.56	5,280.61	(714.94)
(g)	Total Assets	1,071,129.97	14,026.76	12,774.69	3,127.54
(h)	Total Liabilities(external liabilities)	441,603.00	7,989.02	7,488.08	2,891.48
(i)	Investment	50,027.00	11,470.81	8,581.85	1,419.68
(j)	Turnover	705,162.13	438.70	788.60	1,045.72
(k)	Profit/(Loss) Before Taxation	130,997.04	235.88	513.66	(388.28)
(l)	Tax expense / (income)	38,491.00	110.66	120.37	64.09
(m)	Profit/(Loss) After Taxation	92,506.04	125.22	393.29	(452.37)
(n)	Proposed Dividend	-	-	-	-
(o)	% of shareholding	50.72%	100%	100%	100%

S. No.	Name of the subsidiary	SRF Holiday Home Limited	KAMA Real Estate Holdings LLP Subsidiary of KAMA Realty(Delhi) Ltd (90%)
		(Rs. Lakhs)	(Rs. Lakhs)
(a)	Reporting Period	1 April, 2020 to 31 March, 2021	1 April, 2020 to 31 March, 2021
(b)	Date since when subsidiary was acquired/formed	30.01.2008	13.12.2016
(c)	Reporting Currency	INR	INR
(d)	Exchange Rate	-	-
(e)	Share Capital	400.00	9,408.00
(f)	Reserves and Surplus	(25.00)	1,913.27
(g)	Total Assets	377.00	11,534.27
(h)	Total Liabilities(external liabilities)	2.00	213.00
(i)	Investment	-	11,325.24
(j)	Turnover	-	133.95
(k)	Profit/(Loss) Before Taxation	0.60	(39.15)
(l)	Tax expense / (income)	-	20.21
(m)	Profit/(Loss) After Taxation	0.60	(59.36)
(n)	Proposed Dividend	-	-
(o)	% of shareholding	100%	100%

**Foreign Subsidiaries**

S. No.	Name of the subsidiary	SRF Global BV# (subsidiary of SRF Limited)		SRF Flexipak (South Africa) (Pty) Limited# (subsidiary of SRF Global BV)	
		USD	Rs. Lakhs	Rand	Rs. Lakhs
(a)	Reporting Period	1 April, 2020 to 31 March, 2021		1 April, 2020 to 31 March, 2021	
(b)	Date since when subsidiary was acquired/formed	20.10.2008		26.10.2011	
(c)	Reporting Currency	USD	Rs. Lakhs	Rand	Rs. Lakhs
(d)	Exchange Rate	73.15	4.95		
(e)	Share Capital	18,315,664	13,397.91	100	0.00
(f)	Reserves and Surplus	(23,906,808)	(17,487.83)	320,156,159	15,847.73
(g)	Total Assets	88,046,910	64,406.31	849,371,682	42,043.90
(h)	Total Liabilities(external liabilities)	93,638,054	68,496.24	529,215,423	26,196.16
(i)	Investment	*	*	-	-
(j)	Turnover	-	-	1,063,926,332	52,664.35
(k)	Profit/(Loss) Before Taxation	(727,698)	(532.31)	297,903,724	14,746.23
(l)	Tax expense / (income)	-	-	83,544,614	4,135.46
(m)	Profit/(Loss) After Taxation	(727,698)	(532.31)	214,359,110	10,610.78
(n)	Proposed Dividend	-	-	-	-
(o)	% of shareholding	100%		100%	

\* Investment in subsidiary USD 1,13,23,713 (Equivalent to Rs. 8,283.30 lakhs)

S. No.	Name of the subsidiary	SRF Industries (Thailand) Limited# (subsidiary of SRF Global BV)		SRF Industex Belting (Pty) Limited# (subsidiary of SRF Global BV)	
		THB	Rs. Lakhs	Rand	Rs. Lakhs
(a)	Reporting Period	1 April, 2020 to 31 March, 2021		1 April, 2020 to 31 March, 2021	
(b)	Date since when subsidiary was acquired/formed	08.09.2008		13.06.2008	
(c)	Reporting Currency	THB	Rs. Lakhs	Rand	Rs. Lakhs
(d)	Exchange Rate	2.34		4.95	
(e)	Share Capital	100,000,300	2,340.01	13,320,202	659.35
(f)	Reserves and Surplus	2,123,930,026	49,699.96	(49,618,394)	(2,456.11)
(g)	Total Assets	6,499,628,366	152,091.30	12,277,712	607.75
(h)	Total Liabilities(external liabilities)	4,275,698,040	100,051.33	48,575,904	2,404.51
(i)	Investment	-	-	-	-
(j)	Turnover	3,215,127,643	75,233.99	6,417,635	317.67
(k)	Profit/(Loss) Before Taxation	886,633,414	20,747.22	9,964,911	493.26
(l)	Tax expense / (income)	(1,529,107)	(35.78)	-	-
(m)	Profit/(Loss) After Taxation	888,162,521	20,783.00	9,964,911	493.26
(n)	Proposed Dividend	-	-	-	-
(o)	% of shareholding	100%		100%	

S. No.	Name of the subsidiary	SRF Europe Kft# (subsidiary of SRF Global BV)		Shri Educare Maldives P Ltd# (subsidiary of Shri Educare Ltd)	
		EURO	Rs. Lakhs	MVR	Rs. Lakhs
(a)	Reporting Period	1 April, 2020 to 31 March, 2021		1 April, 2020 to 31 March, 2021	
(b)	Date since when subsidiary was acquired/ formed	25.04.2018		16.12.2009	
(c)	Reporting Currency	EURO	Rs. Lakhs	MVR	Rs. Lakhs
(d)	Exchange Rate	85.78		4.747655	
(e)	Share Capital	1,010,000	866.38	13,794,805	478.88
(f)	Reserves and Surplus	(143,167)	(122.81)	(10,454,743)	(322.48)
(g)	Total Assets	99,958,743	85,744.61	13,794,169	645.84
(h)	Total Liabilities(external liabilities)	99,091,910	85,001.04	10,454,108	489.44
(i)	Investment	-	-	-	-
(j)	Turnover	22,340,346	19,163.55	40,598,584	1,927.48
(k)	Profit/(Loss) Before Taxation	(993,819)	(852.50)	(439,841)	(20.86)
(l)	Tax expense / (income)	8,141	6.98	-	-
(m)	Profit/(Loss) After Taxation	(1,001,960)	(859.48)	(439,841)	(20.86)
(n)	Proposed Dividend	-	-	-	-
(o)	% of shareholding	100%		100%	

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

- (i) 1 USD = Rs. 73.15
- (ii) 1 Baht = Rs. 2.34
- (iii) 1 Rand = Rs. 4.95
- (iv) 1 Euro = Rs. 85.78
- (v) 1 MVR= Rs.4.747655

#### B Statement containing salient features of the financial statements of associates companies/joint ventures

Name of Associate Companies/Joint Ventures #	Malanpur Captive Power Ltd.	Vaayu Renewable Energy(Tapti) Pvt. Ltd.
	(Rs. Lakhs)	(Rs. Lakhs)
Latest audited Balance Sheet date	31.03.2020	31.03.2020
Share of Associate Companies held by the Company on the year end	422.15	5.00
Date on which the Associate was associated or acquired	09.01.2007	29.05.2013
Shares of associate held by the company on the year end	-	50,000
Number of shares		
Amount of investment in Associate Companies	0	-
Extent of holding (%)	22.60%	26.32%
Description of how there is significant influence	Due to control of at least 20% of total share capital as envisaged in Sec. 2(6) of the Companies Act, 2013	Due to control of at least 20% of total share capital as envisaged in Sec. 2(6) of the Companies Act, 2013
Reason why the associate company is not consolidated	*	*
Net worth attributable to shareholding as per latest Audited Balance Sheet	(7.10)	12.30

Name of Associate Companies/Joint Ventures #	Malanpur Captive Power Ltd.	Vaayu Renewable Energy(Tapti) Pvt. Ltd.
	(Rs. Lakhs)	(Rs. Lakhs)
<b>Profit &amp; loss for the year</b>		
(i) Considered in Consolidation	Nil	Nil
(ii) Not considered in Consolidation	(0.29)	0.50

# The company has no joint venture

\* Investment in both these group captive power companies are held by the company as a consumer in accordance with the requirements of the Electricity Act, 2005. The company does not exercise significant influence as defined under IND AS over these companies and therefore their annual accounts are not consolidated with the annual accounts of the company.

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

**Kartik Bharat Ram**

Chairman  
(DIN:00008557)  
Place: New Delhi  
Date: 28th May 2021

**Ashish Bharat Ram**

Director  
(DIN: 00671567)  
Place: New Delhi  
Date: 28th May 2021

**Ekta Maheshwari**

Whole Time Director  
CFO, & Company Secretary  
(DIN: 02071432)  
Place: Gurugram, Haryana  
Date: 28th May 2021

**Amitav Virmani**

Director  
(DIN: 02169955)  
Place: New Delhi  
Date: 28th May 2021



**KAMA Holdings Limited**

**Registered Office**

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