

KALYANI INVESTMENT

C.I.N. : L65993PN2009PLC134196

Form A
(Pursuant to Clause 31(a) of the Listing Agreement)

Covering letter of the Annual Audit Report
To be filed with the Stock Exchanges

1.	Name of the Company	KALYANI INVESTMENT COMPANY LIMITED
2.	Annual Financial Statements for the year ended	31st March, 2015
3.	Type of Audit Observation	Un-qualified Audit Report
4.	Frequency of Observation	Not Applicable
5.	Signed by :	
	• CEO / Managing Director	 S.V. Yewale Chief Executive Officer
	• CFO	 S.V. Yewale Chief Financial Officer
	• Auditor of the Company	 P.V. Deo Chartered Accountant Membership No.41609
	• Audit Committee Chairman	 B.B. Hattarki Director & Audit Committee Chairman



Date : 15.07.2015



KALYANI
GROUP COMPANY

KALYANI INVESTMENT COMPANY LIMITED, CORPORATE BUILDING, 2ND FLOOR, MUNDHWA, PUNE - 411 036.
PHONE : +91 020 66215000 FAX : +91 20 26821124 CIN - L65993PN2009PLC134196 WEB : www.kalyani-investment.com

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KALYANI INVESTMENT COMPANY LIMITED



BOARD OF DIRECTORS

Mr. Amit B. Kalyani
Chairman

Mrs. Deeksha A. Kalyani

Mr. S.S. Vaidya

Mr. B.B. Hattarki

Mr. C.G. Patankar

Mr. R.K. Goyal

CORPORATE IDENTITY NUMBER (CIN)

L65993PN2009PLC134196

REGISTERED OFFICE

Mundhwa, Pune - 411 036

Phone : +91-020-26715000 / 66215000

Fax : +91-020-26821124

Website : www.kalyani-investment.com

E-mail : investor@kalyani-investment.com

CHIEF EXECUTIVE OFFICER

Mr. Sanjay V. Yewale

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. Rahul Agarwal

AUDITORS

Mr. Prashant V. Deo

Chartered Accountant

Office No. 604, Jeewan Heights,

Plot No. 53/3, Thorat Colony,

S. No. 110, Erandawana,

Off Prabhat Road,

Pune - 411 004

BANKERS

Canara Bank

HDFC Bank Limited

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited

Block No. 202, Akshay Complex,

2nd Floor, Off Dhole Patil Road,

Near Ganesh Mandir, Pune - 411 001

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6TH ANNUAL GENERAL MEETING

Day : Thursday
Date : 13th August, 2015
Time : 2.00 p.m. (I.S.T.)
Place : Registered Office,
Kalyani Investment Company Limited,
Mundhwa, Pune - 411 036

**REPORT ON CORPORATE GOVERNANCE**

Kalyani Investment is committed to good Corporate Governance and is in full compliance with the requirements under Clause 49 of the Listing Agreement with the Stock Exchanges. The basic philosophy of Corporate Governance is to achieve business excellence and dedicate itself for increasing long-term shareholder value.

This chapter of the report, plus the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitutes the compliance report of the Company on Corporate Governance during the year 2014-15.

1. BOARD LEVEL ISSUES**COMPOSITION OF THE BOARD**

As on 31st March, 2015, the Board of Directors of Kalyani Investment comprised six directors. The Board consists of Non-Executive Chairman, who is a Relative of Promoter and five Non-Executive Directors, of which three are Independent. Details are given in Table 1.

NUMBER OF BOARD MEETINGS

During the year 2014-15, the Board of the Company met six times on 29th May, 2014, 9th August, 2014, 20th October, 2014, 18th December, 2014, 3rd February, 2015 and 30th March, 2015. All the meetings were held in such manner that the gap between two consecutive meetings was not more than four months.

DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIPS

Table 1: The composition of the Board, the category of Directors, their attendance record and the number of directorships :

Table - 1 - Details about Board of Directors of the Company							
Name of the Director	Category	Particulars of Attendance			Number of Directorships and Committee Memberships / Chairmanships in other Public Limited Companies**		
		Number of Board Meetings		Last AGM	Directorships	Committee Memberships	Committee Chairmanships
		Held	Attended				
Mr.Amit B. Kalyani Chairman	Relative of Promoter Non-Executive	6	4	Yes	7	3	—
Mrs.Deeksha A. Kalyani *	Relative of Promoter Non-Executive	1	1	N.A.	—	—	—
Mr.S.S. Vaidya	Independent	6	6	Yes	6	3	4
Mr.B.B. Hattarki	Independent	6	5	Yes	8	4	3
Mr.C.G. Patankar	Non-Executive	6	6	Yes	6	1	—
Mr.R.K. Goyal	Independent	6	6	Yes	1	1	—

* Appointed with effect from 30th March, 2015

** Directorships do not include alternate Directorships, Directorships of private limited companies, Section 8 companies and of companies incorporated outside India. In accordance with Clause 49 of the Listing Agreement, Memberships / Chairmanships of only Audit Committee and Stakeholders Relationship Committee in all public limited companies (excluding Kalyani Investment Company Limited) have been considered.

As mandated by Clause 49 of the Listing Agreement, the Independent Directors on Kalyani Investment Company Limited's Board :

- are person of integrity and possesses relevant expertise and experience;
- (i) are not a Promoter of the Company or its holding, subsidiary or associate company;
- (ii) are not related to promoters or directors in the Company, its holding, subsidiary or associate company;
- apart from receiving director's remuneration, has or had no material pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

➤ who, neither himself nor any of his relatives :

- (i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of :
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
- (iii) holds together with his relatives two per cent or more of the total voting power of the company; or
- (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company;
- (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;

➤ are not less than 21 years of age.

None of the Directors is a member of more than ten Board level Committees of public limited companies in which they are Directors or a Chairman of more than five such Committees.

BOARD PROCEDURE

Information Supplied to the Board

Among others, information supplied to the Board includes :

- Annual operating plans and budgets, capital budgets and any update thereof.
- Quarterly results for the Company.
- Minutes of meetings of Audit Committee and other committees of the Board.
- The information on recruitment and remuneration of senior officers just below the level of the Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, if any which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company
- Details of Joint Venture / Collaboration Agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Sale of material nature of investments, assets, which is not in normal course of business.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- General Notices of interest by Directors.
- Formation / Reconstitution of Committees of the Board.
- Dividend declaration.
- Appointment and fixing remuneration, of the Auditors as recommended by the Audit Committee.
- Annual Financial Results of the Company, Auditors' Report and the Report of the Board of Directors.
- Compliance certificates for all the laws as applicable to the Company.

The Board of the Company is presented with all the relevant information on various vital matters affecting the working of the Company as well as those matters, which require deliberation at the highest level. Board Members are given appropriate documents / detailed notes and information in advance of each Board and Committee Meeting.

CEO AND CFO CERTIFICATION

The Chief Executive Officer and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Director and the Chief Financial Officer also give quarterly certification on financial results, while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

**CODE OF CONDUCT**

The Company has adopted a Code of Conduct for Directors and Senior Management of the Company. The code was suitably amended in February, 2015 to include the duties of Independent Directors as laid down in Companies Act, 2013. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company's website www.kalyani-investment.com.

The Board members and the senior management have affirmed the compliance with the Code. A declaration to that effect signed by the Chairman of the Company is contained in this Annual Report.

DIRECTORS WITH MATERIALLY PECUNIARY OR BUSINESS RELATIONSHIP WITH THE COMPANY

There has been no materially relevant pecuniary transactions or relationship between the Company and its non-executive and / or independent Directors for the year 2014-15.

COMMITTEES OF THE BOARD

As on 31st March, 2015 the Company has Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee. The Board Committees are set up under the formal approval of the Board to carry out clearly defined role which are considered to be performed by the members of the respective Board Committees. The Company's guidelines relating to Board Meetings are applicable to the Committee Meetings, as far as may be practicable. Minutes of the proceedings of the Committee Meetings are placed before the Board Meeting for perusal and noting. The Company Secretary acts as the Secretary of all Committees.

AUDIT COMMITTEE

As on 31st March, 2015, the Audit Committee of Kalyani Investment Company comprised three members, of which two are Independent Directors. All the members have accounting and finance management expertise. The Chairman of the Audit Committee is Mr.B.B. Hattarki. Mr.S.S. Vaidya and Mr.C.G. Patankar are the other members of the Committee. The Annual General Meeting of the Company held on 5th September, 2014 was attended by the Chairman of the Audit Committee, Mr.B.B. Hattarki, to answer the shareholders' queries.

The representatives of the Statutory Auditors, Internal Auditors and remaining Board Members are permanent invitees to the Audit Committee Meetings.

During the year 2014-15 Audit Committee met on 29th May, 2014, 8th August, 2014, 20th October, 2014 and 3rd February, 2015 and there were no instances, where the Board had not accepted the recommendations of the Audit Committee. Particulars relating to the attendance at the Audit Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	4	4
Mr.S.S. Vaidya	Independent	4	4
Mr.C.G. Patankar	Non-Executive	4	4

Powers of the Audit Committee :

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee of the Company include the following :

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to :
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.

- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilised for the purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
- 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, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussions with internal auditors on any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussions with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism.
- Approval of appointment of CFO (i.e. the wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of Information by the Audit Committee :

- 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.
- The appointment, removal and terms of remuneration of the chief internal auditors.

STAKEHOLDERS RELATIONSHIP COMMITTEE

'Stakeholders Relationship Committee' was constituted by the Board on 29th May, 2014 by changing the nomenclature of Shareholders' / Investors' Grievance Committee. The Committee comprises of Mr.B.B. Hattarki and Mr.C.G.Patankar, Directors. During the year 2014-15, the Stakeholders Relationship Committee met on 29th May, 2014, 7th August, 2014, 20th October, 2014, and 3rd February, 2015.



Particulars relating to the attendance at the Stakeholders Relationship Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	4	4
Mr.C.G. Patankar	Non-Executive	4	4

COMPLIANCE OFFICER

Mr.Rahul Agarwal, Company Secretary is the Compliance Officer for complying with requirements of Securities Laws and Listing Agreement with Stock Exchanges.

STATUS OF INVESTORS' COMPLAINTS

During the year four complaints were received, which were redressed. The status of complaint is also reported to the Board of Directors, as an agenda item.

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are : Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaints and its current status.

DESIGNATED EXCLUSIVE EMAIL-ID

The Company has also provided separate E-mail ID : investor@kalyani-investment.com exclusively for investor servicing.

NOMINATION AND REMUNERATION COMMITTEE

'Nomination and Remuneration Committee' was constituted by the Board on 29th May, 2014 by changing the nomenclature, constitution and terms of reference of the Remuneration Committee. During the year 2014-15, the Nomination and Remuneration Committee met on 29th May, 2014, 3rd February, 2015 and 30th March, 2015.

Role of Nomination and Remuneration Committee :

- Formulation of the criteria for determining qualifications, positive attributes and independence of Directors and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

Particulars relating to the attendance at the Nomination and Remuneration Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B.Hattarki, Chairman	Independent	3	3
Mr.Amit B. Kalyani	Non-Executive	3	2
Mr.R.K. Goyal	Independent	3	3

BOARD DIVERSITY AND REMUNERATION POLICY

The Board on recommendation of the Nomination and Remuneration Committee, on 3rd February, 2015, has approved Board Diversity and Remuneration Policy and the same is available on the Company's website www.kalyani-investment.com. The Policy provides for criteria for determining qualifications, positive attributes & independence of director as well as remuneration policy for directors, key managerial personnel and other employees.

In terms of the said Policy, a director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices. An Independent director should also meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement concerning independence of directors.

Remuneration to Non-Executive Directors

The Non-Executive Directors draw remuneration in the form of commission, upto an aggregate amount not exceeding 1% of the net profits of the Company for the year, as may be decided by the Board of Directors from time to time.

Remuneration to Key Managerial Personnel and other Employees

Remuneration to Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals. The Remuneration will be such, so as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

REMUNERATION OF DIRECTORS

No remuneration was paid to any Director during the year 2014-15. The Company does not have any stock option scheme.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Considering the requirement of the Companies Act, 2013, the Board on 29th May, 2014 constituted 'Corporate Social Responsibility (CSR) Committee'. The Committee comprises of Mr.B.B. Hattarki, Chairman, Mr.S.S.Vaidya and Mr.R.K. Goyal, Directors. During the year 2014-15, the Corporate Social Responsibility Committee met on 29th May, 2014 and 3rd February, 2015.

Role of CSR Committee :

- Formulation and recommendation to the Board, Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities referred in Clause (i) above.
- Monitor Corporate Social Responsibility Policy of the Company from time to time.

The Committee's core responsibility is to assist the Board in discharging its social responsibility by formulating and monitoring implementation of the framework of the CSR Policy. The Board on recommendation of the CSR Committee, on 29th May, 2014 has approved CSR Policy for the Company and the same is available on the Company's website www.kalyani-investment.com.

Particulars relating to the attendance at the CSR Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	2	2
Mr.S.S. Vaidya	Independent	2	2
Mr. R.K. Goyal	Independent	2	2

RISK MANAGEMENT COMMITTEE

The Company recognises that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and efficient manner. The Company has formulated Risk Management Policy to identify and then manage threats / risks that could have impact on the goals and objectives of the Company.

Considering the requirement of the Companies Act, 2013, the Board on 3rd February, 2015, has also constituted 'Risk Management Committee' to identify, monitor and minimise risks as also identify business opportunities. Within the framework of the Risk Management Policy, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan. The Committee comprises of Mr.R.K. Goyal and Mr.Amit B. Kalyani, Directors of the Company. No meeting of the Committee was held during the year.

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 3rd February, 2015, inter alia to discuss :

- Evaluation of the performance of Non-Independent Directors and Board of Directors, as a whole.
- Evaluation of the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Evaluation of the quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors.

All the Independent Directors were present at the meeting. The Directors expressed their satisfaction with the evaluation process.

**PERFORMANCE EVALUATION**

Nomination and Remuneration Committee had prepared and sent feed-back forms for evaluation of the Board, Independent Directors and the Chairman, covering various aspects of the Board functioning. Independent Directors at their meeting without any one from non-independent Directors and management, considered the Board's performance, performance of the Chairman and of other non-independent Directors and their feedback / suggestions were forwarded by them to the Chairman of the Company. Subsequently the Board carried out the annual performance evaluation of its own performance, the Directors individually and of various Committees of the Board.

2. MANAGEMENT**MANAGEMENT DISCUSSION AND ANALYSIS****STRUCTURE OF THE COMPANY AND THRUST OF THE BUSINESS**

Kalyani Investment is a Core Investment Company holding more than 90% of its assets in investments in shares of or debts in Group Companies. The thrust of business is to hold and continue to hold securities in Kalyani Group Companies.

RISKS AND CONCERNS

Kalyani Investment's income is mainly from the dividends that may be receivable on investments held by it / may be held in future. Any adverse impact on the industries of which securities are held by Kalyani Investment, also have a bearing on the performance of Kalyani Investment. Any slowdown in the growth of Indian economy or future volatility in global financial market, could also adversely affect the business.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company strongly believes that Internal Control Systems are necessary for Good Corporate Governance and has in place an effective system of internal controls to ensure that all assets are properly safeguarded and protected and used optimally and financial transactions are reported accurately.

Cautionary Statement

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry - global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigations etc.

DISCLOSURES**RELATED PARTY TRANSACTIONS**

The Company has not entered into any 'Related Party Transaction' pursuant to Section 188(1) of the Companies Act, 2013, during the financial year 2014-15.

DISCLOSURES BY MANAGEMENT TO THE BOARD

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussions nor do they vote on such matters.

WHISTLE BLOWER POLICY

The Company has vigil mechanism named 'Whistle Blower Policy', wherein the employees / directors can report the instances of unethical behavior, actual or suspected fraud or any violation of the Code of Conduct and / or laws applicable to the Company and seek redressal. This mechanism provides appropriate protection to the genuine Whistle Blower, who avails of the mechanism. The details of establishment of Whistle Blower Policy / Vigil Mechanism have been disclosed on the website of the Company www.kalyani-investment.com.

INDEPENDENT DIRECTORS' TRAINING AND INDUCTION

The Independent Directors' are provided with necessary documents / brochures and reports to enable them to familiarise with the Company's business, procedures and practices. Along with role, function, duties and responsibilities expected from Director, the Director is also explained in detail the compliances required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and his affirmation is taken with respect to the same.

Further, with a view to familiarise Director with the Company's operations, the Chairman also has one-to-one discussion with the newly appointed Director. These initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company. The details of this familiarisation programme are available on the website of the Company www.kalyani-investment.com.

3. SHAREHOLDERS

DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, following information is furnished about the Directors proposed to be appointed / reappointed at the ensuing Annual General Meeting.

- Mr.Amit B. Kalyani, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr.Amit B. Kalyani, born on 26th July, 1975, after having his initial education in Pune, graduated in Mechanical Engineering from Bucknell University, Pennsylvania, U.S.A. He initially worked with Kalyani Steels Limited, followed by other companies within the group. He then joined Bharat Forge Limited in 1999 as Vice President and Chief Technology Officer. He was also instrumental in strategising and execution of the several acquisitions that the group had in Germany.

Mr.Amit B. Kalyani is currently an Executive Director of Bharat Forge Limited. He also takes care of the overall group strategy and is responsible for the expansion of steel business and driving the infrastructure foray of the group.

The details of Directorships and Committee Memberships held are as follows :

Other Directorships Name of the Company	Committee Memberships Name of the Company & Committee
1. Bharat Forge Limited	1. BF Utilities Limited
2. BF Utilities Limited	Audit Committee - Member
3. BF-NTPC Energy Systems Limited	2. BF Investment Limited
4. Kalyani Steels Limited	Audit Committee - Member
5. BF Investment Limited	Stakeholders Relationship Committee - Member
6. Hikal Limited	
7. BF Elbit Advanced Systems Private Limited (Deemed Public Company)	

Mr.Amit B. Kalyani, is husband of Mrs.Deeksha A. Kalyani, Director and holds 3,169 Equity Shares of the Company as on 31st March, 2015.

- Mrs.Deeksha A. Kalyani, was appointed as an Additional Director of the Company on 30th March, 2015, is seeking an appointment as Director pursuant to the Notice received from the member of the Company, signifying his intention to propose Mrs.Deeksha A. Kalyani, as candidate for the office of Director.

Mrs.Deeksha A. Kalyani, born on 3rd March, 1974, has done her Bachelor's Degree in Arts (Psychology Hons.) and thereafter her Master's Degree in Child Psychology from Tufts University, U.S.A. Mrs.Kalyani is instrumental in driving the educational foray of the group.

Mrs.Deeksha A. Kalyani is wife of Mr.Amit B. Kalyani, Chairman and does not hold any Equity Shares of the Company as on 31st March, 2015.

COMMUNICATION TO SHAREHOLDERS

Kalyani Investment puts all vital information relating to the Company and its performance, including quarterly, half yearly, yearly financial results, official announcements and communication to the investors and analysts on its website www.kalyani-investment.com regularly for the benefit of the public at large.

Quarterly, half yearly, yearly financial results are published in leading newspapers such as Financial Express (All Editions) and Loksatta (Pune) and are also sent to the Stock Exchanges immediately after they are approved by the Board.

Letters and Transfer Deeds received from shareholders are acted upon and replied promptly.

**SHARE TRANSFER**

The Company has constituted the 'Share Transfer Committee', to approve share transfers, transmissions, consolidation, sub-division, issue of duplicate certificates and requests for dematerialisation of Company's shares. The Committee comprises of Mr.B.B.Hattarki and Mr.C.G.Patankar, Directors of the Company.

DETAILS OF NON-COMPLIANCE

Kalyani Investment has complied with all the requirements of regulatory authorities. No penalties were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter relating to the capital market during the period under report.

GENERAL BODY MEETINGS

Particulars of General Body Meetings held for the last three years are given below :

Date	Time	Type of Meeting	Venue	Special Resolutions Passed
28th July, 2012	2.00 a.m.	Annual General Meeting	Registered Office of the Company at Mundhwa, Pune - 411 036	—
24th July, 2013	2.00 p.m.	Annual General Meeting	Registered Office of the Company at Mundhwa, Pune - 411 036	—
5th September, 2014	2.00 p.m.	Annual General Meeting	Registered Office of the Company at Mundhwa, Pune - 411 036	—

No Special Resolution was put through postal ballot in the last year.

This year no resolution is proposed to be taken up through postal ballot.

COMPLIANCE WITH MANDATORY AND NON-MANDATORY REQUIREMENTS

The Company is fully compliant with the applicable mandatory requirements of the Clause 49. It has not adopted any non-mandatory requirements.

SHAREHOLDER INFORMATION**COMPANY REGISTRATION DETAILS**

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is L65993PN2009PLC134196.

ANNUAL GENERAL MEETING

Day and Date : Thursday, 13th August, 2015 at 2.00 p.m.

Venue : Registered Office of the Company at Mundhwa, Pune - 411 036

FINANCIAL CALENDAR

1st April to 31st March

BOOK CLOSURE

The books will be closed on Thursday, 13th August, 2015 as an Annual Closure for the Annual General Meeting.

LISTING

National Stock Exchange of India Limited (NSE)

BSE Limited (BSE)

STOCK CODES

NSE : KICL

BSE : 533302

ISIN in NSDL and CDSL : INE029L01018

STOCK DATA

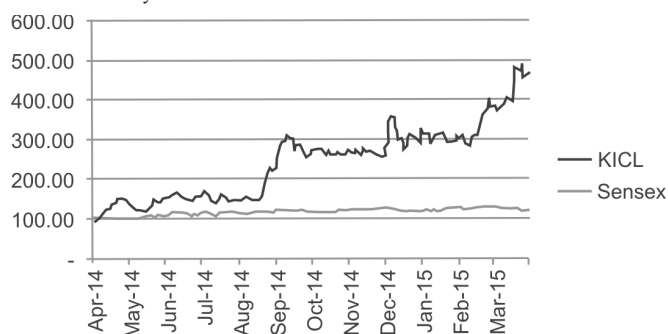
Table below gives the monthly high and low prices and volumes of trading of Equity Shares of the Company at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year 2014-15 :

Month & Year	NSE			BSE		
	High (₹)	Low (₹)	Volume (No. of Shares Traded)	High (₹)	Low (₹)	Volume (No. of Shares Traded)
April, 2014	719.90	417.05	29,926	733.20	420.85	47,778
May, 2014	721.50	533.20	28,893	720.00	520.00	19,246
June, 2014	781.20	667.00	23,533	784.95	651.00	18,059
July, 2014	790.00	608.00	30,151	799.00	625.00	12,985
August, 2014	1,099.90	615.00	47,842	1,100.00	670.10	29,795
September, 2014	1,465.00	975.00	72,450	1,489.00	955.00	35,382
October, 2014	1,400.00	1,123.00	13,512	1,539.95	1,171.00	4,798
November, 2014	1,359.95	1,020.00	18,585	1,422.00	1,169.00	8,964
December, 2014	1,774.95	1,162.50	102,125	1,777.00	1,160.10	33,904
January, 2015	1,538.00	1,206.05	23,383	1,535.00	1,299.00	7,302
February, 2015	1,923.90	1,301.00	75,103	1,920.00	1,305.00	31,642
March, 2015	2,344.00	1,660.00	73,355	2,343.00	1,632.25	49,618

STOCK PERFORMANCE

Chart 'A' plots the movement of Kalyani Investment's Equity Shares adjusted closing prices compared to the BSE Sensex.

Chart A : Kalyani Investment's Share Performance Vs. BSE Sensex



Note : Share prices of Kalyani Investment and BSE Sensex have been indexed to 100 as on first working day of Financial Year 2014-15 i.e. 1st April, 2014

REGISTRAR AND TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

M/s. Link Intime India Private Limited, Block No.202, Akshay Complex, 2nd Floor, Off Dhole Patil Road, Near Ganesh Mandir, Pune - 411 001 are the Registrar and Transfer Agents of the Company and carry out the share transfer work on behalf of the Company. The Equity Shares of the Company are traded on the Stock Exchanges compulsorily in demat mode.

PATTERN OF SHAREHOLDING BY OWNERSHIP AS ON 31ST MARCH, 2015

Category of the Shareholder	No. of Equity Shares held	Shareholding %
Promoters	2,771,716	63.49
Mutual Funds / UTI	380,394	8.72
Financial Institutions / Banks	173	—
Foreign Institutional Investors	55,347	1.27
Bodies Corporate	390,208	8.94
NRI's	17,406	0.40
Foreign Companies / Foreign Nationals	66	—
Indian Public	749,996	17.18
TOTAL	4,365,306	100.00

**PATTERN OF SHAREHOLDING BY SHARE CLASS AS ON 31ST MARCH, 2015**

Category (Shares)	No. of Shareholders	No. of Equity Shares held	Shareholding %
Up to 5000	19,887	744,850	17.06
5,001 to 10,000	17	128,473	2.94
10,001 to 20,000	5	74,972	1.72
20,001 to 30,000	2	55,402	1.27
30,001 to 40,000	1	31,601	0.72
40,001 to 50,000	3	141,767	3.25
50,001 to 100,000	1	52,003	1.19
100,001 and above	4	3,136,238	71.85
TOTAL	19,920	4,365,306	100.00

DEMATERIALIZATION

The Company's Equity Shares are under compulsory Demat Trading. As on 31st March, 2015, dematerialised shares accounted for 92.90% of the total Equity.

INVESTORS CORRESPONDENCE ADDRESS

- | | |
|--|--|
| <p>1) Link Intime India Private Limited
Registrar & Transfer Agent
Block No.202, Akshay Complex, 2nd Floor,
Off Dhole Patil Road, Near Ganesh Mandir,
Pune - 411 001
Phone No. : 020 - 26161629 / 26160084
Telefax : 020 - 26163503
E-Mail : pune@linkintime.co.in</p> | <p>2) Kalyani Investment Company Limited,
Secretarial Department
Mundhwa, Pune - 411 036
Phone No. : 020 - 26715000 / 66215000
Fax No. : 020 - 26821124
E-mail : investor@kalyani-investment.com</p> |
|--|--|

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

I, Amit B. Kalyani, Chairman of the Company do hereby declare that all the Board Members and Senior Management Personnel have affirmed for the year ended 31st March, 2015, compliance with the Code of Conduct of the Company laid down for them.

Place : Pune
Date : 21st May, 2015

Amit B. Kalyani
Chairman

AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of
Kalyani Investment Company Limited

I have examined the compliance of conditions of Corporate Governance by KALYANI INVESTMENT COMPANY LIMITED ("the Company") for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement(s) entered into by the Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. My examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of the Chartered Accountants of India and was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit, nor an expression of an opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given and the representations made to me by the management, I certify that, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement(s).

I 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.

Place : Pune
Date : 21st May, 2015

P. V. Deo
Chartered Accountant
Membership No.41609

DIRECTORS' REPORT

To

The Members,

The Directors have pleasure in presenting the Sixth Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended 31st March, 2015.

1. Financial Highlights

		(₹ in Million)
		<u>2014-15</u>
		<u>2013-14</u>
Revenue from Operations	:	6.575
Other Income	:	188.245
Total Revenue	:	194.820
Total Expenditure	:	24.005
Profit before Exceptional Items and Tax	:	170.815
Exceptional Items	:	—
Profit before Tax		170.815
Tax Expenses		1.280
Profit after Tax	:	169.535

2. Dividend & Reserves

The Directors have decided to consolidate Company's finances during the current year. As a result, the Directors do not recommend any Dividend on Equity Shares for the financial year ended 31st March, 2015.

During the year under review, it is proposed to transfer ₹ 33.908 Million to Reserve Fund (Under Section 45IC(1) of the Reserve Bank of India Act, 1934). An amount of ₹ 246.576 Million is proposed to be retained as 'Surplus in the Statement of Profit and Loss'.

3. Management Discussion and Analysis Report

Management Discussion and Analysis Report (MD&A) for the year under review, as stipulated under Clause 49 of the Listing Agreement, is presented as a part of the Corporate Governance Report.

4. Corporate Governance

Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is presented in a separate section forming part of this Annual Report.

A certificate from Statutory Auditor of the Company, Mr.P.V. Deo, Chartered Accountant, Pune confirming compliance with conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to Report on Corporate Governance.

5. Fixed Deposits

The Company has not accepted any deposits from the public during the year.

6. Directors

In terms of the provisions of the Companies Act, 2013 and the Articles of Association, Mr.Amit B. Kalyani, Director of the Company, is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.



Mrs. Deeksha A. Kalyani, who was appointed as an Additional Director on the Board, with effect from 30th March, 2015, holds office till the ensuing Annual General Meeting. Notice proposing appointment of Mrs. Deeksha A. Kalyani, as Director having been received, the matter is included in the Notice for the ensuing Annual General Meeting.

These appointments form part of the Notice of the Annual General Meeting and the Resolutions are recommended for your approval. Profiles of these Directors, as required by Clause 49 of the Listing Agreement, are given in the Report on Corporate Governance.

The Company has received declarations from all Independent Directors that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

6.1 Board Evaluation

Pursuant to provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

6.2 Board Diversity and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Board Diversity and Remuneration Policy is available on the website of the Company viz. www.kalyani-investment.com.

6.3 Meetings

During the year, six Board Meetings were convened and held, the details of which are given in the Corporate Governance Report.

7. Directors' Responsibility Statement

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that :

- i) in the preparation of the annual financial statements for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the Directors have 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 as at 31st March, 2015 and of the profit of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual financial statements for the year ended 31st March, 2015, on a 'going concern' basis;
- v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vii) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. Conservation of energy, technology absorption and foreign exchange earnings & outgo

Your Directors have nothing to report on the aforesaid matters as your Company is not engaged in manufacturing, has no foreign collaboration and has not exported or imported any goods or services.

9. Corporate Social Responsibility

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014, the Company has planned activities as per the Corporate Social Responsibility (CSR) Policy and the details of CSR Activities being undertaken by the Company are annexed herewith as Annexure "A". The CSR Policy is available on Company's website www.kalyani-investment.com.

10. Related Party Transactions

During the year under review, the Company has not entered into any related party transactions with related parties, in terms of sub-section (1) of Section 188 of the Companies Act, 2013. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website viz. www.kalyani-investment.com.

11. Risk Management

Pursuant to requirement of Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The details of the Committee and the Risk Management Policy are set out in the Corporate Governance Report forming part of the Directors' Report.

12. Statutory Auditor and Auditor's Report

At the 5th Annual General Meeting held on 5th September, 2014, Mr.P.V. Deo, Chartered Accountants, Pune was appointed as Auditor of the Company, to hold office for the period of three years i.e. from the conclusion of 5th Annual General Meeting till the conclusion of the 8th Annual General Meeting to be held in 2017 and the said appointment is subject to ratification by the members at every Annual General Meeting, in term of First Proviso to Section 139 of the Companies Act, 2013.

The Company has received letter from Mr.P.V. Deo, Chartered Accountants, Pune to the effect that his appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that he is not disqualified for appointment.

The Directors recommend ratification of his appointment from the conclusion to ensuing Annual General Meeting till the conclusion of the 7th Annual General Meeting.

The Notes on Financial Statements referred to in the Auditor's Report are self-explanatory and hence do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

13. Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Board has appointed M/s SVD & Associates, Company Secretaries, Pune, to undertake Secretarial Audit of the Company for the Financial Year 2014-15. The Secretarial Audit Report is annexed herewith as Annexure "B". The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

14. Particulars of Employees and related Disclosures

The information required pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, has been provided in Annexure "C".

**15. Extract of the Annual Return**

An extract of the Annual Return as on 31st March, 2015, pursuant to the Section 92(3) of the Companies Act, 2013 is annexed hereto as Annexure "D".

16. Whistle Blower Policy

The Company has vigil mechanism named 'Whistle Blower Policy', wherein the employees / directors can report the instances of unethical behavior, actual or suspected fraud or any violation of the Code of Conduct and / or laws applicable to the Company and seek redressal. This mechanism provides appropriate protection to the genuine Whistle Blower, who avail of the mechanism. The 'Whistle Blower Policy' as approved by the Board is uploaded on the Company's website viz. www.kalyani-investment.com.

17. Particulars of Loans, Guarantees or Investments

Particulars of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the Financial Statements provided in this Annual Report.

18. Internal Financial Controls

The Company has in place adequate internal financial controls with reference to the Financial Statements. During the year, such controls were tested and no reportable material weakness was observed in the design or implementation.

19. Material Changes and Commitments, if any affecting Financial Position of the Company

There are no adverse material changes or commitments occurring after 31st March, 2015, which may affect the financial position of the Company.

20. Significant and Material Orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

21. Familiarisation Programme

The details of programmes for familiarisation of Independent Directors with the Company are put up on website of the Company viz. www.kalyani-investment.com.

22. Acknowledgement

The Directors take this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

For and on behalf of the Board of Directors

Place : Pune

Date : 21st May, 2015

Amit B. Kalyani

Chairman

ANNEXURE - A TO DIRECTORS' REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes :

The Board of Directors of the Company at its meeting held on 29th May, 2014 has adopted the Corporate Social Responsibility (CSR) Policy of the Company. The Policy emphasize initiatives in specific areas of social development that would include primary, secondary education, skills development, vocational training, health & hygiene, preventive health care and sanitation, women empowerment, environment and ecological protection, character building by providing training opportunities in sports and cultural activities etc. The CSR Policy is available on the website of the Company viz. www.kalyani-investment.com.

2. The composition of the CSR Committee :

The CSR Committee consists of three Directors viz. Mr.B.B. Hattarki, as the Chairman and Mr.S.S. Vaidya and Mr.R.K. Goyal, as members.

3. Average Net Profit of the Company for last three financial years : ₹ 139.365 Million

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : ₹ 2.788 Million

5. Details of CSR spent during the Financial Year :

a) Total amount spent for the financial year : ₹ Nil

b) Amount unspent, if any : ₹ 2.788 Million

c) Manner in which the amount was proposed to be spent during the financial year is detailed below :

(₹ in Million)

No.	CSR Project or Activity identified	Sector in which the project is covered	Location District (State)	Amount outlay (budget) Project or Programme wise	Amount spent on the Project or Programme	Cumulative Expenditure upto reporting period	Amount spent : Direct or through implementing agency
1	Various Educational Initiatives	Education	Pune (Maharashtra)	2.788	—	—	—

Note : The various educational initiatives, on which the amount was to be spent, are in stages of implementation and are expected to be completed in next few months.

For and on behalf of the Board of Directors

Place : Pune

Date : 21st May, 2015

Amit B. Kalyani

Chairman

**ANNEXURE - B TO DIRECTORS' REPORT****Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Kalyani Investment Company Limited,
Mundhwa,
Pune - 411036

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kalyani Investment Company 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.

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 authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder (in so far as they are made applicable);
- (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; (not applicable to the Company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit Period);
 - (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 (not applicable to the Company during the Audit Period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit Period).

We have also examined compliance with the applicable clauses of the following :

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable as on today).
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company :

- (a) The Reserve Bank of India Act, 1934 (applicable to the extent being a Core Investment Company)

We further report that :

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

For SVD & Associates
Company Secretaries

Sridhar Mudaliar
Partner

Place : Pune
Date : 21st May, 2015

FCS No : 6156
C P No : 2664

**ANNEXURE - C TO DIRECTORS' REPORT**

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year :
No remuneration has been paid to the Directors of the Company during the Financial Year 2014-15.
- b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year :
There is no increase in remuneration during the Financial Year 2014-15.
- c) The percentage increase in the median remuneration of employee(s) in the financial year :
Not Applicable
- d) The number of permanent employees on the role of the Company :
2 Employees
- e) The explanation on the relationship between average increase in remuneration and Company performance :
There is no increase in remuneration during the Financial Year 2014-15.
- f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company :
The remuneration is not solely based on Company performance but also includes various other factors like individual performance, experience, skill sets, academic background, industry trends, economic situation and future growth prospects etc. All these factors are considered by Nomination and Remuneration Committee and the Board.
- g) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer :

	31-03-2015	31-03-2014
Market Capitalisation (₹ in Million)	9,346.12	2,044.71
Price Earnings Ratio	55.12	12.27

% increase in market quotation over last IPO price :

The Company has not made any Public Offer.

- h) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 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 :
There is no increase in remuneration during the Financial Year 2014-15.
- i) The key parameters for any variable component of remuneration availed by the Directors :
Commission is the variable component in the remuneration of the Directors. No Commission was paid to the Directors during the Financial Year 2014-15.
- j) The ratio of remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year :
Not Applicable
- k) The Company has remuneration policy in place, however no remuneration is paid to Directors during Financial Year 2014-15.
- l) Statement showing the name of every employee of the company, who (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees; (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month; (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or wholetime director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company :
Not Applicable

For and on behalf of the Board of Directors

Place : Pune

Date : 21st May, 2015

Amit B. Kalyani

Chairman

ANNEXURE - D TO DIRECTORS' REPORT**Form No. MGT-9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1)
of the Companies (Management and Administration) Rules, 2014]**I. REGISTRATION AND OTHER DETAILS :**

- i) CIN : L65993PN2009PLC134196
- ii) Registration Date : 25th June, 2009
- iii) Name of the Company : Kalyani Investment Company Limited
- iv) Category / Sub-Category of the Company : Public Company / Limited by Shares
- v) Address of the Registered Office and Contact details : Mundhwa, Pune - 411 036
Contact Nos : Phone : 020 - 26715000 / 66215000
Fax : 020 - 26821124
E-mail : investor@kalyani-investment.com
- vi) Whether Listed Company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Link Intime India Private Limited
Block No.202, Akshay Complex,
2nd Floor, Off Dhole Patil Road
Near Ganesh Mandir, Pune - 411 001
Phone : 020 - 26161629 / 26160084
Telefax : 020 - 26163503
E-mail : pune@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activity contributing 10% or more of the total turnover of the Company stated below :

No.	Name and Description of main products / services	NIC Code of the Product / Service	% to Total Turnover of the Company
1.	Investments and Loans	—	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Sundaram Trading and Investment Private Limited, Industry House, S.No.49, Mundhwa, Pune - 411 036	U67110MH1976PTC018904	Holding	55.74	2(46)
2	Hikal Limited 717/718, Maker Chamber V, Nariman Point, Mumbai - 400 021	L24200MH1988PTC048028	Associate	31.36	2(6)
3	Lord Ganesha Minerals Private Limited Industry House, S.No.49, Mundhwa, Pune - 411 036	U14213PN2007PTC129573	Associate	22.50	2(6)
4	Kalyani Agro Corporation Limited C/o. Kalyani Steels Limited, 1st Floor, Mundhwa, Pune 411 036	U01111MH1991PLC062106	Associate	47.93	2(6)



IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :

i) Category-wise Share Holding

No.	Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2015)				No. of Shares held at the end of the year (31-03-2015)				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters										
1) Indian										
a) Individual /HUF		4,833	—	4,833	0.11	4,833	—	4,833	0.11	—
b) Central Govt.		—	—	—	—	—	—	—	—	—
c) State Govt(s)		—	—	—	—	—	—	—	—	—
d) Bodies Corp.		2,735,282	—	2,735,282	62.66	2,766,883	—	2,766,883	63.38	0.72
e) Banks / FI		—	—	—	—	—	—	—	—	—
f) Any other		—	—	—	—	—	—	—	—	—
Sub-total (A)(1)		2,740,115	—	2,740,115	62.77	2,771,716	—	2,771,716	63.49	0.72
2) Foreign										
a) NRI - Individual		—	—	—	—	—	—	—	—	—
b) Other Individual		—	—	—	—	—	—	—	—	—
c) Bodies Corp.		—	—	—	—	—	—	—	—	—
d) Banks / FI		—	—	—	—	—	—	—	—	—
e) Any other		—	—	—	—	—	—	—	—	—
Sub-total (A)(2)		—	—	—	—	—	—	—	—	—
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)		2,740,115	—	2,740,115	62.77	2,771,716	—	2,771,716	63.49	0.72
B. Public Shareholding										
1. Institutions										
a) Mutual Funds		373,274	770	374,044	8.57	379,724	670	380,394	8.72	0.15
b) Banks / FI		63	115	178	—	63	110	173	—	—
c) Central Govt.		—	—	—	—	—	—	—	—	—
d) State Govt(s)		—	—	—	—	—	—	—	—	—
e) Venture Capital Funds		—	—	—	—	—	—	—	—	—
f) Insurance Companies		—	—	—	—	—	—	—	—	—
g) FIs		41,767	—	41,767	0.96	55,347	—	55,347	1.27	0.31
h) Foreign Venture Capital Funds		—	—	—	—	—	—	—	—	—
i) Others (specify)		—	—	—	—	—	—	—	—	—
Sub-total (B)(1)		415,104	885	415,989	9.53	435,134	780	435,914	9.99	0.46
2. Non-Institutions										
a) Bodies Corp.										
i) Indian		201,283	255,235	456,518	10.46	166,591	223,617	390,208	8.94	(1.52)
ii) Overseas		—	—	—	—	—	—	—	—	—
b) Individuals										
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh		597,155	87,185	684,340	15.68	593,036	84,404	677,440	15.52	(0.16)
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh		40,526	—	40,526	0.93	64,669	—	64,669	1.48	0.55
c) Others (specify)										
i) NRI's		19,794	1,161	20,955	0.48	16,245	1,161	17,406	0.40	(0.08)
ii) Foreign Companies /OCBs		—	66	66	—	—	66	66	—	—
iii) Clearing Member		6,797	—	6,797	0.15	7,887	—	7,887	0.18	0.03
Sub-total (B)(2)		865,555	343,647	1,209,202	27.70	848,428	309,248	1,157,676	26.52	(1.18)
Total Public Shareholding (B) = (B)(1) + (B)(2)		1,280,659	344,532	1,625,191	37.23	1,283,562	310,028	1,593,590	36.51	(0.72)
C. Shares held by Custodian for GDRs & ADRs										
		—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)		4,020,774	344,532	4,365,306	100.00	4,055,278	310,028	4,365,306	100.00	—

ii) Shareholding of Promoters :

No.	Shareholder's Name	Shareholding at the beginning of the year (01-04-2014)			Shareholding at the end of the year (31-03-2015)			% change during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Ajinkya Investment and Trading Company	326,182	7.47	—	326,182	7.47	—	—
2	Sundaram Trading and Investment Private Limited	2,401,844	55.02	—	2,433,445	55.74	—	0.72
3	Ajinkyatara Trading Company Limited	256	0.01	—	256	0.01	—	—
4	Lohagaon Trading Company Private Limited	7,000	0.16	—	7,000	0.16	—	—
5	Mr.B.N. Kalyani	111	—	—	111	—	—	—
6	Mr.Amit Kalyani	3,169	0.07	—	3,169	0.07	—	—
7	Mrs.Sugandha J. Hiremath	678	0.02	—	678	0.02	—	—
8	Mrs.Sunita B. Kalyani	774	0.02	—	774	0.02	—	—
9	Mrs.Sugandha Hiremath & Mr.Jay Hiremath	101	—	—	101	—	—	—
	Total	2,740,115	62.77	—	2,771,716	63.49	—	0.72

iii) Change in Promoter's Shareholding

No.	Promoter's Shareholding	Shareholding at the beginning of the year (01-04-2014)		Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the Year	2,740,115	62.77	—	—
	Sundaram Trading and Investment Private Limited :				
	Market Purchase on 02-03-2015	250	—	2,740,365	62.77
	Market Purchase on 03-03-2015	2,079	0.05	2,742,444	62.82
	Market Purchase on 05-03-2015	5,921	0.14	2,748,365	62.96
	Market Purchase on 11-03-2015	2,700	0.06	2,751,065	63.02
	Market Purchase on 12-03-2015	3,750	0.09	2,754,815	63.11
	Market Purchase on 13-03-2015	3,219	0.07	2,758,034	63.18
	Market Purchase on 16-03-2015	6,655	0.15	2,764,689	63.33
	Market Purchase on 17-03-2015	7,027	1.16	2,771,716	63.49
	At the end of the Year	—	—	2,771,716	63.49



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

No.	Name of the Shareholder	Shareholding at the beginning of the year (01-04-2014)		Increase / (Decrease) in Shareholding		Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	No. of Shares	% of total shares of the Company
1	ICICI Prudential Dynamic Plan	363,657	8.33	04-04-2014	(115,557)	248,100	5.68
2	Sadguru Investment & Trading Company	160,112	3.67	—	—	160,112	3.67
3	ICICI Prudential Top 200 Fund	52,003	1.19	—	—	52,003	1.19
4	ICICI Prudential Tax Plan	50,000	1.15	—	—	50,000	1.15
5	Gloxinia Investment and Finance Private Limited	50,000	1.15	—	—	50,000	1.15
6	Privatebank IHAG Zurich Ag	41,767	0.96	—	—	41,767	0.96
7	Hitesh Satishchandra Doshi	29,331	0.67	—	—	29,331	0.67
8	SMS Holdings Private Limited	26,071	0.60	—	—	26,071	0.60
9	Bang Securities Private Limited*	17,923	0.41	11-07-2014	(1,155)	16,768	0.38
				18-07-2014	(11,589)	5,179	0.12
				25-07-2014	(607)	4,572	0.10
				01-08-2014	(1,745)	2,827	0.06
				08-08-2014	(2,827)	—	—
10	Gatipriya Properties Private Limited*	16,863	0.39	20-03-2015	(16,863)	—	—
11	Bhavna Govindbhai Desai**	5,935	0.14	27-02-2015	13,605	19,540	0.45
12	Romil Oza**	2,375	0.05	25-04-2014	6,003	8,378	0.19
				02-05-2014	3,529	11,907	0.27
				09-05-2014	2,088	13,995	0.32
				16-05-2014	1,803	15,798	0.36

* Ceased to be in the list of Top 10 shareholders as on 31-03-2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2014.

** Not in the list of Top 10 shareholders as on 01-04-2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2015.

v) Shareholding of Directors and Key Managerial Personnel :

No.	Name of the Director/ Key Managerial Personnel	Shareholding at the beginning of the year (01-04-2014)		Increase / (Decrease) in Shareholding		Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	No. of Shares	% of total shares of the Company
1	Mr.Amit B. Kalyani, Director	3,169	0.07	—	—	3,169	0.07
2	Mr.C.G. Patankar, Director	477	0.01	—	—	477	0.01
3	Mr.Sanjay V. Yewale, CEO	20	—	—	—	20	—

Mr.Rahul Agarwal, Chief Financial Officer and Company Secretary, do not hold any shares in the Company at the beginning of the year as well as at the end of the year. He has neither acquired / Sold any shares during the year under review.

VI. INDEBTEDNESS :
Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Amount in ₹)

	Secured Loans excluding Deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i + ii + iii)	—	—	—	—
Change in Indebtedness during the financial year				
i) Addition	—	—	—	—
ii) Reduction	—	—	—	—
Net Change	—	—	—	—
Indebtedness at the end of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i + ii + iii)	—	—	—	—

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :
A. Remuneration to Managing Director, Wholtime Directors and / or Manager :

(Amount in ₹)

No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Gross Salary		
a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	—	—
b)	Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	—	—
c)	Profits in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	—	—
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission	—	—
	- As % of profit	—	—
	- Others, specify	—	—
5.	Others, please specify	—	—
	Total (A)	—	—
	Ceiling as per the Act		—

B. Remuneration to other Directors :

(Amount in ₹)

No.	Particulars of Remuneration	Name of Directors			Total Amount
	Independent Directors	—	—	—	—
a)	Fee for attending Board / Committee meetings	—	—	—	—
b)	Commission	—	—	—	—
c)	Others, please specify	—	—	—	—
	Total (1)	—	—	—	—
	Other Non-Executive Directors	—	—	—	—
a)	Fee for attending Board / Committee meetings	—	—	—	—
b)	Commission	—	—	—	—
c)	Others, please specify	—	—	—	—
	Total (2)	—	—	—	—
	Total (B) = (1 + 2)	—	—	—	—
	Total Managerial Remuneration	—	—	—	—
	Overall Ceiling as per the Act				—



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

(Amount in ₹)

		Key Managerial personnel		
		*Mr.Sanjay V. Yewale CEO	Mrs. Rahul Agarwal, CFO and Company Secretary	Total
1.	Gross Salary			
a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	*23,294	753,502	776,796
b)	Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	—	—	—
c)	Profits in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission			
	- As % of profit	—	—	—
	- Others, specify	—	—	—
5.	Others, please specify	—	—	—
	Total	23,294	753,502	776,796

* With effect from 30th March, 2015.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCE :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding Fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (Give Details)
A) COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B) DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C) OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

Place : Pune

Date : 21st May, 2015

Amit B. Kalyani

Chairman

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Kalyani Investment Company Limited

Report on the Financial Statements

I have audited the accompanying financial statements of Kalyani Investment Company Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit.

I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2015 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, I give in the Annexure 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, I report that :
 - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit;
 - b) In my opinion, proper books of account as required by law have been kept by the Company so far as appears from my examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as at 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act; and
 - f) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me :
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

Place : Pune
Date : 21st May, 2015

P. V. Deo
Chartered Accountant
Membership No.41609

Annexure referred to in the Independent Auditor's Report on the financial statements of KALYANI INVESTMENT COMPANY LIMITED for the year ended 31st March, 2015

On the basis of such checks as were considered appropriate and in accordance with the information and explanations given to me, I report as under :

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to me, the fixed assets have been physically verified by the Management at reasonable intervals, during the financial year. According to the information and explanations given to me, no discrepancies were noticed on physical verification of the fixed assets.
- (ii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- (iii) In my opinion and according to the information and explanations given to me, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchases of fixed assets. The Company is a Core Investment Company and does not sell any goods or services. During the course of my audit I have not observed any continuing failure to correct major weaknesses in internal control system.
- (iv) The Company has not accepted deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed, thereunder.
- (v) The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the business in which the Company is engaged.
- (vi) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities, undisputed statutory dues including income tax, other taxes, cess and statutory dues applicable to it. As explained to me by the Management, the provisions of the Employees' State Insurance Act, 1948 and the Employees' Provident Fund and Miscellaneous Provisions Act 1952 and other indirect taxes do not apply to the Company. According to the information and explanations given to me, no undisputed amounts payable in respect of income tax, other taxes, cess and statutory dues applicable to it were outstanding as at 31st March, 2015 for a period of more than six months from the date those became payable.
- (b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs or Duty of Excise, Value Added Tax, Cess which have not been deposited on account of any dispute.
- (c) According to the records of the Company, there are no dues which required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (vii) The Company does not have any accumulated losses as at 31st March, 2015. The Company has not incurred any cash loss during the financial year covered by this report and also in the preceding financial year.
- (viii) The Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
- (ix) The terms and conditions of the guarantees given by the Company in respect of the loans borrowed by others from banks or financial institutions are not found prima facie prejudicial to the interest of the Company.
- (x) Based upon the audit procedures performed and having regard to the information and explanations given by the Management, I report that no fraud on or by the Company has been noticed or reported during the course of my audit.
- (xi) Provisions of sub-clause Nos. (ii) and (xi) of Clause 3 of the said Order do not apply to the Company.

Place : Pune
Date : 21st May, 2015

P. V. Deo
Chartered Accountant
Membership No.41609



KALYANI

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BALANCE SHEET AS AT 31ST MARCH, 2015

			As at 31st March, 2014
	Note No.	₹	₹
I. EQUITY AND LIABILITIES :			
1. Shareholders' Funds :			
a) Share Capital	3.1	43,653,060	43,653,060
b) Reserves and Surplus	3.2	3,084,647,409	2,915,112,124
		3,128,300,469	2,958,765,184
2. Non-Current Liabilities :			
a) Deferred Tax Liabilities (Net)	3.3	110,000	—
b) Long-Term Provisions	3.4	59,628	—
		169,628	—
3. Current Liabilities :			
a) Other Current Liabilities	3.5	1,178,266	407,571
b) Short-Term Provisions	3.6	262,656	157,568
		1,440,922	565,139
TOTAL		3,129,911,019	2,959,330,323
II. ASSETS :			
1. Non-Current Assets :			
a) Fixed Assets			
Tangible Assets	3.7	10,141,576	—
b) Non-Current Investments	3.8	2,912,190,315	2,897,489,503
c) Long-Term Loans and Advances	3.9	2,077,200	2,077,200
		2,924,409,091	2,899,566,703
2. Current Assets :			
a) Current Investments	3.10	203,798,802	57,551,677
b) Cash and Cash Equivalents	3.11	1,333,370	1,134,419
c) Short-Term Loans and Advances	3.12	369,756	1,077,524
		205,501,928	59,763,620
TOTAL		3,129,911,019	2,959,330,323

Significant Accounting Policies and Notes forming
an integral part of the Financial Statements

1, 2

As per my attached Report of even date

On behalf of the Board of Directors

P. V. Deo
Chartered Accountant
Membership No.41609

Rahul Agarwal
Chief Financial Officer
& Company Secretary

Amit B. Kalyani
Chairman
R. K. Goyal
Director

Place : Pune
Date : 21st May, 2015

Place : Pune
Date : 21st May, 2015

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

			Year ended 31st March, 2014	
	Note No.	₹	₹	₹
Revenue from Operations	3.13	6,575,322		2,015,016
Other Income	3.14	188,245,585		164,225,581
Total Revenue			194,820,907	166,240,597
Expenses				
a) Employee benefit expenses	3.15	841,202		—
b) Finance costs	3.16	17,041		570,000
c) Depreciation and amortisation	3.17	95,924		—
d) Other expenses	3.18	23,051,704		30,753,350
Total Expenses			24,005,871	31,323,350
Profit before Exceptional Items and Tax			170,815,036	134,917,247
Exceptional Items	3.19		—	55,605,250
Profit before Tax			170,815,036	190,522,497
Tax Expense :				
a) Current tax expense		(1,170,000)		(11,460,000)
b) MAT credit utilised		(614,000)		—
c) Tax expense / (savings) for earlier years		614,249		—
d) Deferred Tax Expense		(110,000)		—
			(1,279,751)	(11,460,000)
Profit for the year			169,535,285	179,062,497
Earnings per Share (of ₹ 10/- each)				
a) Basic	3.30		38.84	38.17
b) Diluted	3.30		38.84	38.17
Significant Accounting Policies and Notes forming an integral part of the Financial Statements	1, 2			

As per my attached Report of even date

On behalf of the Board of Directors

P. V. Deo
Chartered Accountant
Membership No.41609

Rahul Agarwal
Chief Financial Officer
& Company Secretary

Amit B. Kalyani
Chairman

R. K. Goyal
Director

Place : Pune
Date : 21st May, 2015

Place : Pune
Date : 21st May, 2015



KALYANI

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

		Year ended 31st March, 2014
	₹	₹
A. Cash Flow from Operating Activities :		
Net Profit after tax and exceptional items	169,535,285	179,062,497
Adjusted for :		
Depreciation	95,924	—
Dividend received	(188,244,773)	(164,224,830)
Other Interest paid	17,000	570,000
Determined diminution in value, written off	—	49,000
Profit on sale of long term investments	—	(55,654,250)
Share in profit of partnership firm	(812)	(751)
Tax expense	1,279,751	11,460,000
	(186,852,910)	(207,800,831)
Operating Loss before Working Capital Changes :	(17,317,625)	(28,738,334)
Changes in :		
Loans and Advances	707,768	(904,800)
Liabilities and Provisions	832,222	(6,640,075)
	1,539,990	(7,544,875)
Cash generation from Operations	(15,777,635)	(36,283,209)
Direct Taxes paid	(1,083,562)	(11,841,502)
Net Cash used in Operating Activities	(16,861,197)	(48,124,711)
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(10,237,500)	—
Purchase of Investments	(162,747,937)	(314,663,995)
Sale of Investments	1,800,000	398,024,769
Dividend received	188,244,773	164,224,830
Share in profit of partnership firm	812	751
Net Cash from Investing Activities	17,060,148	247,586,355
C. Cash Flow from Financing Activities :		
Interim Dividend on 14% Non-Cumulative Redeemable Preference Share Capital	—	(10,630,027)
Redemption of 14% Non-Cumulative Redeemable Preference Share Capital	—	(186,000,000)
Dividend Distribution tax paid	—	(1,806,573)
Net Cash used in Financing Activities	—	(198,436,600)
Net changes in Cash and Cash Equivalents (A+B+C) :	198,951	1,025,044
Cash and Cash Equivalents, at the beginning :	1,134,419	109,375
Cash and Cash Equivalents, at the close :	1,333,370	1,134,419

Significant Accounting Policies and Notes forming an integral part of the Financial Statements 1, 2, 3

As per my attached Report of even date

On behalf of the Board of Directors

P. V. Deo
Chartered Accountant
Membership No.41609

Rahul Agarwal
Chief Financial Officer
& Company Secretary

Amit B. Kalyani
Chairman

R. K. Goyal
Director

Place : Pune
Date : 21st May, 2015

Place : Pune
Date : 21st May, 2015

Notes forming part of the Financial Statements for the year ended 31st March, 2015 :**1. Company Overview :**

The Company is a Non Deposit taking Core Investment Company, as defined in the Core Investment Companies (Reserve Bank) Directions, 2011. Since the Company is not a Systemically Important Non Deposit taking Core Investment Company, it is not required to obtain Certificate of Registration under Section 45-IA of the Reserve Bank of India Act, 1934.

The Company is a subsidiary of Sundaram Trading and Investment Private Limited.

Operating Cycle of the Company is considered to be of 12 months.

2. Statement of Significant Accounting Policies :**2.1 Basis of Accounting and Preparation of Financial Statements :**

These accounts have been prepared under historical cost convention and comply with the Accounting Standards, specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. All income and expenses having a material bearing on the financial statements are recognised on the accrual basis.

2.2 Use of Estimates :

The preparation of the financial statements in conformity with the GAAP requires that the Management makes estimates and assumptions, which affect the reported amounts of assets and liabilities, disclosure of contingent liabilities, as at the date of the financial statements and the reported amounts of revenue and expenses during the year under report. Contingencies are recorded, when it is probable that a liability will be incurred and the amount can be reasonably estimated. Actual results could differ from those estimates.

2.3 Fixed Assets and Depreciation :**a) Fixed Assets :**

Fixed Assets are stated at their original cost of acquisition including incidental expenses related to acquisition and installation of the concerned assets. Fixed Assets are shown net of accumulated depreciation, wherever applicable and amortisation.

b) Depreciation and Amortisation :

- i) Depreciation on fixed assets is calculated on straight-line basis using the rates arrived at based on the useful lives estimated by the management. Depreciation is charged on pro-rata basis for assets purchased / sold during the year.

The Management's estimate of the useful lives of various fixed assets which is in line with the provisions of Schedule II to the Companies Act, 2013 is given below.

Nature of the Asset	Estimated Useful Life
Furnitures and Fixtures	10 years

2.4 Investments :

- a) Long Term Investments are carried at cost. Provision for diminution is made to recognise a decline other than temporary, in value of investments.
- b) Short Term Investments are carried at lower of cost and fair value.

**Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :****2.5 Revenue Recognition :**

- a) The Company recognises income on accrual basis. However, revenue recognition is postponed in respect of specific items of income, where the ultimate collection, thereof is uncertain.
- b) Interest income is accrued over the period of the loan / investment.
- c) Dividend is accrued in the year in which it is declared whereby a right to receive is established.
- d) Profit / loss on sale of investments is recognised on the contract date.

2.6 Employee Benefits :**a) Gratuity :**

The Company operates a defined benefits plan for its employees. Payment for present liability of future payment of gratuity is being made to approved gratuity funds, which fully cover the same under cash accumulation policy of the Life Insurance Corporation of India. The cost of providing benefits under these plans is determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the project unit credit method. Actuarial gains and losses for both defined benefit plans are recognised in full in the period in which they occur in the statement of profit and loss.

b) Privilege leave benefits :

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

2.7 Taxation :

- a) Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

- c) Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the guidance note on "Accounting for Credit Available in respect of Minimum Alternative Tax" under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

2.8 Earnings per share :

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of extraordinary / exceptional item, if any. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

2.9 Provisions, Contingent Liabilities and Contingent Assets :

Provisions are made for present obligations arising out of past events, which are likely to result in an outflow of resources embodying economic benefits at an amount, which can be reliably estimated.

Items not classified as provisions as envisaged above are treated as contingent liabilities, which are disclosed by way of a note and are not provided for in the books of accounts.

Contingent assets are neither recognised nor disclosed.

2.10 Cash flow statement :

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.11 Cash and cash equivalents :

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

3. Other Notes :

		As at 31st March, 2015	As at 31st March, 2014
		₹	₹
3.1 SHARE CAPITAL :			
Authorised :			
12,000,000 (12,000,000) Equity Shares of ₹ 10/- each		120,000,000	120,000,000
60,000,000 (60,000,000) 14% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each		600,000,000	600,000,000
	TOTAL	<u>720,000,000</u>	<u>720,000,000</u>
Issued, Subscribed and Paid up :			
4,365,306 (4,365,306) Equity Shares of ₹ 10/- each, fully paid up ^(a)		43,653,060	43,653,060
	TOTAL	<u>43,653,060</u>	<u>43,653,060</u>

- (a) These shares have been allotted to the shareholders of Kalyani Steels Limited, on 27th April, 2010, without payment being received in cash, in terms of the Composite Scheme of Arrangement sanctioned by the Honourable High Court of Judicature at Bombay on 12th March, 2010.



Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

- (b) 57,600,000 - 14% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each had been allotted to Kalyani Steels Limited, on 27th April, 2010, without payment being received in cash, in terms of the Composite Scheme of Arrangement sanctioned by the Honourable High Court of Judicature at Bombay on 12th March, 2010. The said shares have since been redeemed.
- (c) Equity Shares of the Company have a par value of ₹ 10/-. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive surplus assets of the Company, remaining after distribution of all preferential amounts.
- (d) 14% Non-Cumulative Redeemable Preference Shares of the Company, whenever issued shall have a par value of ₹ 10/-. These shares carry preferential right to be paid a fixed dividend of 14% on the paid up value of the shares, if and when declared by the Company.

These shares carried, in the event of winding up or repayment of capital, a preferential right to be repaid the amount of capital paid up.

- (e) The reconciliation of the number of Equity Shares outstanding and the amount of Equity Share Capital as at 31st March, 2015 and 31st March, 2014 is set out below :

	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Balance at the beginning of the year	4,365,306	43,653,060	4,365,306	43,653,060
Add : Shares issued during the year	—	—	—	—
Less : Cancelled during the year	—	—	—	—
Balance at the close of the year	4,365,306	43,653,060	4,365,306	43,653,060

- (f) The reconciliation of the number of 14% Non-Cumulative Redeemable Preference Shares outstanding and the amount of Preference Share Capital as at 31st March, 2015 and 31st March, 2014 is set out below :

	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Balance at the beginning of the year	—	—	18,600,000	186,000,000
Add : Shares issued during the year	—	—	—	—
Less : Redeemed during the year	—	—	(18,600,000)	(186,000,000)
Balance at the close of the year	—	—	—	—

- (g) Details of Shareholders holding more than 5% of the aggregate issued and subscribed Equity Shares :

Name of the Shareholder(s)	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	%	No. of Shares	%
Ajinkya Investment and Trading Company	326,182	7.47	326,182	7.47
Sundaram Trading and Investment Private Limited ^{\$}	2,433,445	55.74	2,401,844	55.02
ICICI Prudential Dynamic Plan	248,100	5.68	363,657	8.33

^{\$} The Holding Company

KALYANI INVESTMENT

Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
3.2 RESERVES AND SURPLUS :		
Reserve Fund :		
(Under Section 45IC(1) of the Reserve Bank of India Act, 1934) :		
As per last Account	81,516,900	45,703,900
Add : Set aside this financial year	33,908,000	35,813,000
	115,424,900	81,516,900
General Reserve :		
As per last Account	2,146,646,048	2,332,646,048
Less : Transferred to Capital Redemption Reserve	—	186,000,000
	2,146,646,048	2,146,646,048
Capital Redemption Reserve :		
As per last Account	576,000,000	390,000,000
Add : Transferred from General Reserve, upon redemption of Nil (18,600,000) 14% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up, at par	—	186,000,000
	576,000,000	576,000,000
Surplus in the Statement of Profit and Loss :		
As per last Account	110,949,176	(19,863,721)
Add : Profit for the year transferred from the Statement of Profit and Loss	169,535,285	179,062,497
Amount available for appropriation	280,484,461	159,198,776
Less : Appropriations		
Interim Dividend on 14% Non-Cumulative Redeemable Preference Share Capital	—	10,630,027
Dividend Distribution Tax	—	1,806,573
Amount transferred to Reserve Fund	33,908,000	35,813,000
	33,908,000	48,249,600
	246,576,461	110,949,176
TOTAL	3,084,647,409	2,915,112,124



Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
3.3 DEFERRED TAX LIABILITY (NET) :		
Deferred Tax Liability		
Timing difference in respect of depreciation	129,000	—
Deferred Tax Asset		
Timing difference in respect of disallowances	19,000	—
TOTAL	110,000	—
3.4 LONG TERM PROVISIONS :		
Provision for employee benefits		
Gratuity	31,216	—
Leave encashment	28,412	—
TOTAL	59,628	—
3.5 OTHER CURRENT LIABILITIES :		
Payable to employees	61,500	—
Statutory liabilities	377,603	224,303
Accrued Expenses	739,163	183,268
TOTAL	1,178,266	407,571
3.6 SHORT TERM PROVISIONS :		
Provision for employee benefits		
Leave encashment	1,899	—
Provision for taxation net of advance tax paid	260,757	157,568
TOTAL	262,656	157,568
3.7 FIXED ASSETS :		
	Tangible Assets Furniture and Fittings ₹	As at 31st March, 2014 ₹
GROSS BLOCK, AT COST :		
As at 31st March, 2014	—	—
Additions	10,237,500	—
As at 31st March, 2015	10,237,500	—
DEPRECIATION AND AMORTISATION :		
As at 31st March, 2014	—	—
For the year	95,924	—
As at 31st March, 2015	95,924	—
NET BLOCK :		
As at 31st March, 2014	—	—
As at 31st March, 2015	10,141,576	10,141,576

KALYANI INVESTMENT

Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

		As at 31st March, 2015	As at 31st March, 2014
	₹	₹	₹
3.8 NON-CURRENT INVESTMENTS, AT COST :			
Other than Trade :			
(i) Equity Instruments, Quoted :			
Investments in Associates :			
25,778,250 (5,155,650) Equity Shares of ₹ 2/- (Previous Year ₹ 10/-) each fully paid up of Hikal Limited	65,610,549		65,610,549
Investments in Other Companies :			
6,195,046 (6,195,046) Equity Shares of ₹ 5/- each fully paid up of BF Utilities Limited	172,239,912		172,239,912
31,656,095 (31,656,095) Equity Shares of ₹ 2/- each fully paid up of Bharat Forge Limited	1,376,310,874		1,376,310,874
		1,614,161,335	1,614,161,335
(ii) Equity Instruments, Unquoted :			
Investments in Associates :			
579,000 (579,000) Equity Shares of ₹ 10/- each fully paid up of Kalyani Agro Corporation Limited	1		1
450,000 (450,000) Equity Shares of ₹ 10/- each fully paid up of Lord Ganesha Minerals Private Limited	55,187,500		55,187,500
Investments in Other Companies :			
22,005 (22,005) Equity Shares of ₹ 100/- each fully paid up of Dandakaranya Investment and Trading Limited	2,200,500		2,200,500
22,005 (22,005) Equity Shares of ₹ 100/- each fully paid up of Hastinapur Investment and Trading Limited	2,200,500		2,200,500
22,005 (22,005) Equity Shares of ₹ 100/- each fully paid up of Dronacharya Investment and Trading Limited	2,200,500		2,200,500
220,000 (220,000) Equity Shares of ₹ 10/- each fully paid up of Campanula Investment and Finance Limited	2,200,000		2,200,000
220,000 (220,000) Equity Shares of ₹ 10/- each fully paid up of Cornflower Investment and Finance Limited	2,200,000		2,200,000
245,000 (245,000) Equity Shares of ₹ 10/- each fully paid up of Carpenter Kalyani Special Alloys Private Limited	2,462,250		2,462,250
Less : Provision for diminution in value	(2,217,250)		(2,217,250)
	245,000		245,000
5,001,000 (5,001,000) Equity Shares of ₹ 10/- each fully paid up of KSL Holdings Private Limited	50,160,050		50,160,050
— (4,900) Equity Shares of ₹ 10/- each fully paid up of KG Renewable Energy Private Limited@	—		49,000
Less : Determined diminution in value, written off	—		(49,000)
	—		—
		116,594,051	116,594,051
Carried Over	1,730,755,386		1,730,755,386

@ KG Renewable Energy Private Limited was a fellow subsidiary of the Company



Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

		As at 31st March, 2015	As at 31st March, 2014
	₹	₹	₹
	Brought Over	1,730,755,386	1,730,755,386
(iii) Preference Shares, Unquoted :			
Investments in the Holding Company :			
35,000 (53,000) 12% Non-Cumulative Redeemable "C" Preference Shares of ₹ 100/- each fully paid up of Sundaram Trading and Investment Private Limited \$ \$ Sundaram Trading and Investment Private Limited became the Holding Company during the previous financial year. These shares do not carry any voting rights.	3,500,000		5,300,000
Investments in Associates :			
4,900,000 (4,900,000) 1% Non-Cumulative Optionally Convertible Preference Shares of ₹ 10/- each fully paid up of Lord Ganesha Minerals Private Limited	49,122,500		49,122,500
Investments in Other Companies :			
3,000,000 (3,000,000) 11% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of KSL Holdings Private Limited	30,000,000		30,000,000
14,500,000 (14,500,000) 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each of Baramati Speciality Steels Limited	145,000,000		145,000,000
85,000,000 (85,000,000) 8% Non-Cumulative Optionally Convertible Redeemable Preference Shares of ₹ 10/- each of Kenersys India Private Limited	850,000,000		850,000,000
		1,077,622,500	1,079,422,500
iv) Debentures, Unquoted :			
Investments in Other Companies :			
725,000 (560,000) 0% Fully Convertible Unsecured Debentures of ₹ 100/- each fully paid up of Azalea Enterprises Private Limited	72,500,000		56,000,000
313,000 (313,000) 0% Fully Convertible Unsecured Debentures of ₹ 100/- each fully paid up of Gloxinia Investment and Finance Limited	31,300,000		31,300,000
		103,800,000	87,300,000
v) In a Partnership Firm :			
M/s Sundaram Enterprises (Refer note 3.25)		12,429	11,617
	TOTAL	2,912,190,315	2,897,489,503
Book Value of Quoted Investments :		1,614,161,335	1,614,161,335
Book Value of Unquoted Investments :		1,298,028,980	1,283,328,168
Market Value of Quoted Investments :		48,413,943,364	19,900,459,871
Aggregate provision for diminution in value of investments :		2,217,250	2,217,250

KALYANI INVESTMENT

Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
3.9 LONG TERM LOANS AND ADVANCES (UNSECURED, GOOD) :		
Security Deposits	500,000	500,000
Tax Refund Claims	1,577,200	1,577,200
TOTAL	2,077,200	2,077,200
3.10 CURRENT INVESTMENTS, AT LOWER OF COST AND FAIR VALUE :		
Other than trade :		
In Units of Mutual Funds, Unquoted :		
19,983,801 (5,643,317) Units of ₹ 10/- each of HDFC Liquid Fund		
- Dividend - Daily Reinvest Option - Reinvest	203,798,802	57,551,677
TOTAL	203,798,802	57,551,677
3.11 CASH AND CASH EQUIVALENTS :		
Balances with banks		
In current accounts	1,317,728	1,133,272
Cash on hand	15,642	1,147
TOTAL	1,333,370	1,134,419
3.12 SHORT TERM LOANS AND ADVANCES (UNSECURED, GOOD) :		
Advances recoverable in cash or in kind or for value to be received	369,756	1,077,524
TOTAL	369,756	1,077,524
	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
3.13 REVENUE FROM OPERATIONS :		
Interest received on loans	6,575,322	1,197,249
Interest received on bank deposits	—	817,767
TOTAL	6,575,322	2,015,016
3.14 OTHER INCOME :		
Dividend received on long term investments	186,997,648	162,487,243
Dividend received on short term investments	1,247,125	1,737,587
Share in profit of partnership firm (Refer Note No. 3.25)	812	751
TOTAL	188,245,585	164,225,581
3.15 EMPLOYEE BENEFIT EXPENSES :		
(Also includes amounts paid to Key Management Personnel on deputation)		
Salaries and wages	809,986	—
Gratuity	31,216	—
TOTAL	841,202	—
3.16 FINANCE COSTS :		
Other interest	17,041	570,000
TOTAL	17,041	570,000
3.17 DEPRECIATION AND AMORTISATION :		
Tangible assets	95,924	—
TOTAL	95,924	—



KALYANI

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Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

	Year ended 31st March, 2015	Year ended 31st March, 2014
	₹	₹
3.18 OTHER EXPENSES :		
Professional fees	789,135	7,308,798
Infrastructure support charges	20,224,800	20,224,800
Fees and subscription	402,187	195,200
Printing and stationery	248,190	224,711
Communication	337,355	209,339
Advertisement	190,701	183,309
Audit Fees (Refer Note No.3.21)	173,481	168,540
Brand usage fees	561,800	561,800
Travelling and conveyance	1,168	1,194,001
Sundry expenses	122,887	482,852
TOTAL	23,051,704	30,753,350
3.19 EXCEPTIONAL ITEMS :		
Profit on sale of long term investments (Net)	—	55,654,250
Determined diminution in value of investment written off	—	(49,000)
TOTAL	—	55,605,250
	As at 31st March, 2015	As at 31st March, 2014
	₹	₹

3.20 Contingent Liabilities not provided for :

- i) Corporate Guarantees given, in respect of loans borrowed by other companies :

Guarantee Amount ^{(a)(b)}	1,549,085,712	1,540,280,716
Balance outstanding ^{(a)(b)}	881,206,263	1,166,779,400

- (a) Guarantee amount and balance outstanding include a Corporate Guarantee amount and loan balance of ₹ 8,133,350/- (Previous year ₹ 10,175,785/-), equivalent to ₹ 549,085,712/- (Previous year ₹ 840,280,716/-).
- (b) The Company has given Corporate Guarantee for External Commercial Borrowing of ₹ 10,178,549/- raised by another company within Kalyani Group. The Company's commitments under the said Guarantee include negative pledge over assets, undertaking not to dispose of assets of value exceeding ₹ 250 Million in a year without prior written consent of the lender, maintenance of ratio of financial indebtedness to tangible net worth not exceeding 0.75 during the tenor of the ECB, undertaking not to sell, transfer, encumber the Company's existing investments in listed entities of the Kalyani Group or in KSL Holdings Private Limited or any other entity which has paid dividend in any of the past 3 years.

	Year ended 31st March, 2015	Year ended 31st March, 2014
	₹	₹
3.21 Payment to Auditor, inclusive of Service Tax :		
As Auditor	168,540	168,540
Reimbursement of expenses	4,941	—
TOTAL	173,481	168,540

Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

3.22 DISCLOSURE PURSUANT TO ACCOUNTING STANDARD – 15 (REVISED) ON “EMPLOYEE BENEFITS” :

a) Defined benefits plans :

The Company has a defined benefit gratuity plan. It is liable to provide for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service or part thereof, in excess of six months. Vesting occurs upon completion of five years of service. The scheme is entirely unfunded.

The present value of defined benefit obligation and the related current service costs were measured using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date.

The following table sets out the funded status of the gratuity and the amounts recognised in the financial statements for the year ended 31st March, 2015.

Sr. No.		Year ended 31st March, 2015	Year ended 31st March, 2014
		₹	₹
I.	Change in Benefit Obligations :		
	Projected benefit obligation, at the beginning of the year	—	—
	Interest cost	—	—
	Past service cost	—	—
	Current service cost	31,216	—
	Benefits paid	—	—
	Actuarial (gain) / loss	—	—
	Present Benefit Obligation, at the end of the year	31,216	—
II	Fair Value of Plan Assets :		
	Fair Value of Plan Assets, at the beginning of the year	—	—
	Expected return on Plan Assets	—	—
	Employer's contributions	—	—
	Benefits paid	—	—
	Actuarial gain / (loss)	—	—
	Fair Value of Plan Assets, at the end of the year	—	—
III	Amount recognised in the balance sheet :		
	Present Benefit Obligation, at the end of the year	31,216	—
	Fair Value of Plan Assets, at the end of the year	—	—
	Funded status	(31,216)	—
	Unrecognised actuarial gain / loss	—	—
	Net Asset / (Liability) recognised in the balance sheet	(31,216)	—
	Net Liability is bifurcated as :		
	Current :	—	—
	Non-Current :	31,216	—
IV	Amounts recognised in the Statement of Profit and Loss :		
	Current service cost	31,216	—
	Past service cost	—	—
	Interest cost	—	—
	Expected return on plan assets	—	—
	Net actuarial (gain) / loss recognised	—	—
	Expenses recognised in the Statement of Profit and Loss	31,216	—
V	Actuarial assumptions :		
	Discount rate	7.80%	0.00%
	Salary escalation rate	10.00%	0.00%
	Expected rate of return on plan assets	0.00%	0.00%



Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

	Year ended 31st March, 2015	Year ended 31st March, 2014
	₹	₹
b) Experience adjustments# :		
Defined Benefit Obligation	31,216	—
Plan Assets	—	—
Surplus / (deficit)	(31,216)	—
Experience adjustments on Plan Liabilities	—	—
Experience adjustments on Plan Assets	—	—

The Company has started providing for Gratuity from the year covered by these financial statements.

c) The following table sets out the funded status of the employees' leave encashment and the amounts recognised in the financial statements for the year ended 31st March, 2015.

Sr. No.		Year ended 31st March, 2015	Year ended 31st March, 2014
		₹	₹
1	Present Value of Obligation	30,311	—
2	Fair Value of Plan Assets	—	—
3	Net Asset / (Liability) recognised in the Balance Sheet	(30,311)	—
	Net Liability is bifurcated as :		
	Current :	1,899	—
	Non-Current :	28,412	—

3.23 SEGMENT REPORTING :

The Company is a Non Deposit taking Core Investment Company, as defined in the Core Investment Companies (Reserve Bank) Directions, 2011 and all activities of the Company revolve around this business. Hence, no separate segment is considered reportable.

3.24 Related Party Disclosures :

a) Related Parties and their relationships :

i) Holding Company	Sundaram Trading and Investment Private Limited
ii) Associates	Hikal Limited
	Lord Ganesha Minerals Private Limited
iii) Joint Ventures	M/s Sundaram Enterprises, a partnership firm
iv) Fellow Subsidiary	KG Renewable Energy Private Limited
v) Key Management Personnel	Mr.Sanjay V. Yewale, Chief Executive Officer, appointed on 30th March, 2015.
	Mr.Rahul Agarwal, Chief Financial Officer and Company Secretary, appointed on 1st April, 2014.

b) Transactions with Related Parties :

Particulars	Holding Company ₹	Associates ₹	Joint Venture ₹	Fellow Subsidiary ₹	Key Management Personnel ₹	Total ₹
Capital Contribution/	—	—	—	—	—	—
Investment in shares	—	(49,122,500)	—	—	—	(49,122,500)
Share in profit of partnership firm	—	—	812	—	—	812
	—	—	(751)	—	—	(751)
Sale of shares	—	—	—	—	—	—
	(327,366,468)	—	—	—	—	(327,366,468)
Redemption of preference shares	1,800,000	—	—	—	—	1,800,000
	—	—	—	—	—	—
Dividend Received	—	12,889,125	—	—	—	12,889,125
	—	(23,200,425)	—	—	—	(23,200,425)
Remuneration to Key Management Personnel@	—	—	—	—	841,202	841,202
	—	—	—	—	—	—
Determined diminution in value of investment, written off	—	—	—	—	—	—
	—	—	—	(49,000)	—	(49,000)

(Figures in bracket indicate previous year)

@Also includes amounts paid to Key Management Personnel on deputation.

c) Balances with Related Parties :

Particulars	Holding Company ₹	Associates ₹	Joint Venture ₹	Fellow Subsidiary ₹	Key Management Personnel ₹	Total ₹
Balance on Capital	—	—	12,429	—	—	12,429
with partnership firm	—	—	(11,617)	—	—	(11,617)
Current	—	—	—	—	—	—
	—	—	—	—	—	—
Non-Current	—	—	12,429	—	—	12,429
	—	—	(11,617)	—	—	(11,617)

(Figures in bracket indicate previous year)



Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

3.25 INVESTMENT IN CAPITAL OF PARTNERSHIP FIRM :

The Company is a partner in M/s Sundaram Enterprises. The names of partners, their capital contributions and their respective profit / loss sharing ratios are as under :

Name of the Partner	Capital Contribution		Profit / Loss Sharing Ratio	
	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹	As at 31st March, 2015 %	As at 31st March, 2014 %
Kalyani Investment Company Limited	12,429	11,617	20%	20%
BF Investment Limited	37,287	34,853	60%	60%
Sundaram Trading and Investment Private Limited	6,215	5,809	10%	10%
Axiom Project Consultants Private Limited	6,215	5,809	10%	10%
TOTAL	62,146	58,088	100%	100%

The details of the aggregate amounts of the assets, liabilities, income and expenses of M/s Sundaram Enterprises, related to the Company's interest therein, based on its accounts for the year ended 31st March, 2015 are as under :

	Year ended 31st March, 2015		Year ended 31st March, 2014	
	Total ₹	Share of the Company ₹	Total ₹	Share of the Company ₹
Assets	168,826	33,765	162,958	32,592
Liabilities	106,680	21,336	104,870	20,974
Income	5,868	1,174	5,435	1,087
Expenses	1,810	362	1,680	336

3.26 The Company does not owe any moneys to the suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006.

3.27 35,000 - 12% Non-Cumulative Redeemable "C" Preference Shares of ₹ 100/- each fully paid up of Sundaram Trading and Investment Private Limited are redeemable on or before 26th July, 2027.

3,000,000 - 11 % Non-Cumulative Redeemable Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Private Limited are redeemable on the expiry of 10 years from the date of allotment, i.e. on 28th September, 2022, with an option to the said Company to redeem the said preference shares, in one or more tranches, at any time on or after 28th December, 2012.

9,400,000 - 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Baramati Speciality Steels Limited are redeemable at the end of 20 years from the date of allotment, i.e. on 28th March, 2033, with an option to the said Company to redeem the said shares in one or more tranches at any time on or after 28th September, 2013.

5,100,000 - 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Baramati Speciality Steels Limited are redeemable at the end of 20 years from the date of allotment, i.e. on 28th September, 2033, with an option to the said Company to redeem the said shares in one or more tranches at any time on or after 28th March, 2014.

85,000,000 - 8% Non-Cumulative Optionally Convertible Redeemable Preference Shares of ₹ 10/- each fully paid up of Kenersys India Private Limited may be redeemed in part or totality to the extent not converted into equity shares, at any time before the end of 20 years from the date of allotment, i.e. on or before 28th March, 2033 in one or more tranches, at the request of Kalyani Investment Company Limited and acceptance of such request by Kenersys India Private Limited, subject to necessary investor approvals. Kalyani Investment Company Limited shall be entitled to have the option to convert the preference shares into equity shares in one or more tranches (whether fully or partially) at any time after 31st May, 2017, at such pricing as shall be mutually decided by Kenersys India Private Limited and Kalyani Investment Company Limited, at the time, in consultation with the then existing shareholders of Kenersys India Private Limited, at such discount to fair value as may be mutually decided by Kalyani Investment Company Limited and Kenersys India Private Limited, subject to necessary investor approvals.

Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued) :

4,900,000 - 1% Non-Cumulative Optionally Convertible Preference Shares of ₹ 10/- each fully paid up of Lord Ganesha Minerals Private Limited carry option to convert the entire amount outstanding into equity shares of the said company at par. The said 4,900,000 - 1% Non-Cumulative Optionally Convertible Preference Shares of ₹ 10/- each fully paid up, if not opted for conversion, are redeemable on 31st March, 2020. However, the said Company as well as the holders of 1% Non-Cumulative Optionally Convertible Preference Shares, have a call / put option respectively, by giving one month's notice to the other party.

- 3.28** 560,000 - 0% Fully Convertible Unsecured Debentures of ₹ 100/- each fully paid up of Azalea Enterprises Private Limited are compulsorily convertible into such number of fully paid up equity shares of ₹ 10/- each at such a price as shall be fixed by the said Company upon the expiry of the period of 5 years from the date of their original issue, viz. 29th March, 2014.

165,000 - 0% Fully Convertible Unsecured Debentures of ₹ 100/- each fully paid up of Azalea Enterprises Private Limited are compulsorily convertible into such number of fully paid up equity shares of ₹ 10/- each at such a price as shall be fixed by the said Company upon the expiry of the period of 5 years from the date of their original issue, viz. 4th April, 2014.

313,000 - 0% Fully Convertible Unsecured Debentures of ₹ 100/- each fully paid up of Gloxinia Investment and Finance Private Limited are compulsorily convertible on or before 29th March, 2022, into Equity Shares of ₹ 10/- each fully paid up at such price as shall be fixed by the said Company upon the expiry of the period of 10 years from the date of original issue viz. 29th March, 2012.

- 3.29** Legal title to some of the assets vested and transferred to the Company in pursuance of the Composite Scheme of Arrangement approved by the Honourable High Court of Judicature at Bombay, as per Order dated 12th March, 2010 as already reported could not be transferred in the name of the Company till 31st March, 2015. The Company is in the process of completing the required legal processes.

3.30 EARNINGS PER SHARES :

	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Profit for the year, as per the Statement of Profit and Loss	169,535,285	179,062,497
Less : (i) Interim Dividend on 14% Non-Cumulative Redeemable Preference Share Capital	—	(10,630,027)
(ii) Dividend Distribution Tax	—	(1,806,573)
(a) Profit attributable to equity shareholders	169,535,285	166,625,897
(b) Weighted Average Number of Equity Shares, outstanding during the period	4,365,306	4,365,306
(c) Earnings per share (of ₹ 10/- each) :		
Basic (₹ per share) (a / b) :	38.84	38.17
Diluted (₹ per share) (a / b) :	38.84	38.17



Notes forming part of the Financial Statements for the year ended 31st March, 2015 (continued):

3.31 CORPORATE SOCIAL RESPONSIBILITY :

The Company has formed Corporate Social Responsibility (CSR) Committee and has also adopted a CSR Policy in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company recognises CSR spends as and when incurred. Relevant details for the financial year covered by these statements are as under :

	Year ended 31st March, 2015 ₹
Gross Amount required to be spent by the Company during the year	2,788,000
Amount spent during the year	—

3.32 Previous year's figures have been regrouped / rearranged wherever necessary to correspond with the current year's classification / disclosure.

As per my attached Report of even date

On behalf of the Board of Directors

P. V. Deo
Chartered Accountant
Membership No.41609

Rahul Agarwal
Chief Financial Officer
& Company Secretary

Amit B. Kalyani
Chairman

R. K. Goyal
Director

Place : Pune
Date : 21st May, 2015

Place : Pune
Date : 21st May, 2015



KALYANI

DRIVING INNOVATION

KALYANI INVESTMENT COMPANY LIMITED

MUNDHWA, PUNE - 411 036
MAHARASHTRA, INDIA.

KALYANI INVESTMENT COMPANY LIMITED

CIN : L65993PN2009PLC134196

Registered Office : Mundhwa, Pune 411 036

Phone No. : 020 - 26715000 / 66215000, Fax No. : 020 - 26821124

Website : www.kalyani-investment.com, E-mail : investor@kalyani-investment.com



KALYANI

NOTICE

NOTICE is hereby given that the SIXTH Annual General Meeting of the Members of Kalyani Investment Company Limited will be held on Thursday, the 13th day of August, 2015, at 2.00 p.m. (I.S.T), at the Registered Office of the Company at Mundhwa, Pune - 411 036, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Amit B. Kalyani (DIN 00089430), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the resolution passed by the members at the Fifth Annual General Meeting held on 5th September, 2014, the Company hereby ratifies the appointment of Mr. P.V. Deo, Chartered Accountant, Pune (Membership No. 41609), as Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Seventh Annual General Meeting of the Company to be held in 2016, on such remuneration plus service tax thereon and reimbursement of out of pocket and travelling expenses etc. as may be mutually agreed between the Board of Directors of the Company and the Auditor based on the recommendation of the Audit Committee."

SPECIAL BUSINESS

4. **Appointment of Mrs. Deeksha A. Kalyani as a Director**

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

"RESOLVED THAT Mrs. Deeksha A. Kalyani (DIN 00129026) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 30th March, 2015 and who holds office upto the date of this Annual General Meeting

in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

By Order of the Board of Directors
For Kalyani Investment Company Limited

Pune
21st May, 2015

Rahul Agarwal
Company Secretary

NOTES :

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a Poll instead of himself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case, a Proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such Proxy shall not act as a Proxy for any other person or member.

The Instrument appointing proxy should, however, be deposited at the Registered Office of the Company duly completed and signed not less than forty-eight (48) hours before the commencement of the meeting.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business under Item No. 4 of the Notice to be transacted at the Annual General Meeting is annexed hereto.
3. Corporate members are requested to send board resolution duly certified, authorising their representative to attend and vote on their behalf at the Annual General Meeting.
4. Members holding shares in dematerialised form are requested to intimate any change in their address, bank details, ECS details etc. to their respective Depository Participants and those holding shares in physical form are to intimate the said changes to the Registrar and Transfer Agent of the Company, at their address given below.
5. The Share Transfer Books and the Register of Members of the Company will remain closed on Thursday, 13th August, 2015 as an Annual Closure for Annual General Meeting.

6. Equity Shares of the Company are under compulsory demat trading by all investors. Those shareholders, who have not dematerialised their shareholding, are advised to dematerialise the same to avoid any inconvenience in future.
7. Brief Profile of Directors proposed to be appointed / re-appointed, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialised form are therefore requested to submit their PAN to the Depository Participants with whom they are maintaining the demat account. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent of the Company, at their address given below.
9. The Ministry of Corporate Affairs (MCA), Government of India, had taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and had issued circulars stating that service of notice / documents including Annual Report can be done by e-mail to its members.

To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialised holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill-up the Email Updation Form available at Company's web-site www.kalyani-investment.com and submit the same to the Registrar and Transfer Agent of the Company, at their address given below.

The Notice of the Annual General Meeting along with the Annual Report 2014-15 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for the physical copy of the same.

10. Voting through Electronic Means :

- i) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015 and Clause 35B of the Listing Agreement, the

Company is pleased to provide members, holding shares as on 6th August, 2015 being the Cut-off date, facility to exercise their right to vote at the Sixth Annual General Meeting (AGM) by electronic means and the business shall be transacted through e-voting Services. The facility of casting the votes by members using the electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The remote e-voting rights of members / beneficial owners shall be reckoned on the Equity Shares held by them as on 6th August, 2015, i.e. Cut-off date for the purpose.

The process and manner for remote e-voting are as under :

- A) Member receiving an e-mail from NSDL (for members whose e-mail IDs are registered with the Company / Depository Participant(s)) :
 - a) Open e-mail and open PDF file viz. "kalyani_investment e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and Password / PIN for remote e-voting. Please note that the password is an initial password.
 - b) Launch internet browser by typing the URL : <https://www.evoting.nsdl.com>
 - c) Click on Shareholder Login
 - d) Put User ID and Password as initial Password / PIN noted in Step (i) above. Click Login.
 - e) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f) Home page of remote e-voting opens. Click on remote e-voting : Active Voting Cycles.
 - g) Select "EVEN" (e-voting Event Number) of "Kalyani Investment Company Limited."
 - h) Now you are ready for remote e-voting as Cast Vote page opens.



- i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- j) Upon confirmation, the message "Vote cast successfully" will be displayed.
- k) Once you have voted on the resolution, you will not be allowed to modify your vote.
- l) 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. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser through e-mail to evoting@kalyani-investment.com with a copy marked to evoting@nsdl.co.in
- B) Member receiving physical copy of the Notice of AGM (for members whose e-mail IDs are not registered with the Company / Depository Participant(s) or members requesting physical copy) :
- i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM
- | | | |
|---|------------|----------|
| e-voting
Event
Number
("EVEN") | USER
ID | PASSWORD |
|---|------------|----------|
- ii) Please follow all steps from Serial No.A(b) to Serial No.A(l) above, to cast vote.
- C) i) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 6th August, 2015, may obtain the login ID and password by sending a request at 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 vote. If you forgot your Password, you can reset your Password by using "Forgot User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the toll free No.1800-222-990.
- ii) 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 Downloads Section of www.evoting.nsdl.com or call on toll free no. 1800-222-990.
- iii) If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password for casting your vote.
- iv) You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- v) The e-voting commences on Monday, 10th August, 2015 (9.00 a.m.) and ends on Wednesday, 12th August, 2015 (5.00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialised form, as on cut-off date of 6th August, 2015, may cast their vote(s) electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote is cast by the member, the member shall not be allowed to change it subsequently.
- vi) The voting rights of members shall be in proportion to shares held by them as on the cut-off date viz. 6th August, 2015.
- vii) The facility for voting, either through electronic voting system or ballot paper shall also be made available at the Annual General Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
- viii) The members who have cast their vote by remote e-voting prior to meeting may also attend the meeting but shall not be entitled to cast their vote again.
- ix) Mr.S.V. Deulkar, Partner of SVD & Associates, Company Secretaries (Membership No. FCS 1321 & CP No. 965) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- x) The Scrutiniser shall immediately after conclusion of voting at Annual General Meeting, first count, the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and

shall make not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. The Chairman or by the person authorised by him in writing, shall declare the result of the voting forthwith.

11. For members who wish to vote using Ballot Paper :

Pursuant to Clause 35B of the Listing Agreement, Members who do not have access to remote e-voting facility may fill in the Ballot Paper enclosed with the Notice (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutinizer appointed by the Board of Directors of the Company, Mr.S.V. Deulkar,

Partner of SVD & Associates, Company Secretaries, at C/o Kalyani Investment Company Limited, Secretarial Department, Mundhwa, Pune - 411036 so as to reach not later than 12th August, 2015 by 5:00 p.m. Ballot Paper received after this date will be treated as invalid.

12. A member shall opt for only one mode of voting i.e either through remote e-voting or by Ballot Paper. If the member casts vote through both the modes, the votes in the electronic system would be considered and the Ballot Paper would be ignored.

13. The results of voting along with the Scrutinizer's Report shall be placed on the Company's website www.kalyani-investment.com and on the website of NSDL with three (3) days of passing of the resolutions at the Annual General Meeting of the Company and shall be communicated to the Stock Exchanges.

Registrar & Transfer Agent

LINK INTIME INDIA PRIVATE LIMITED

Block No.202, Akshay Complex, 2nd Floor,

Off Dhole Patil Road, Near Ganesh Mandir, Pune - 411 001

Phone Nos. : 020 - 26161629 / 26160084, Telefax : 26163503

E-mail : pune@linkintime.co.in

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 102 of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out, the material facts relating to Special Business mentioned under Item No. 4 in the accompanying Notice dated 21st May, 2015

ITEM NO.4

Mrs.Deeksha A. Kalyani was appointed as an Additional Director on the Board of Directors of the Company, with effect from 30th March, 2015, in exercise of the powers conferred to the directors under Article 148 of the Articles of Association of the Company. By virtue of the provisions of Section 161 of the Companies Act, 2013, Mrs.Deeksha A. Kalyani, would be holding office as Director only upto the date of this Annual General Meeting.

Notice in writing has been received from a member of the Company along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013,

signifying his intention to propose Mrs.Deeksha A. Kalyani as candidate for the office of Director. The resolution for her appointment as a Director, liable to retire by rotation, is recommended for approval of the members.

Profile of Mrs.Deeksha A. Kalyani, as required by the Corporate Governance Code (Clause 49 of the Listing Agreement), is provided in the report on Corporate Governance.

Mrs.Deeksha A. Kalyani, being appointee may be regarded as concerned with or interested in the resolution. Except Mr.Amit Kalyani, Chairman, none of the Directors / Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at Item No.4 of the Notice.

By Order of the Board of Directors
For Kalyani Investment Company Limited

Pune
21st May, 2015

Rahul Agarwal
Company Secretary

KALYANI INVESTMENT COMPANY LIMITED

CIN : L65993PN2009PLC134196

Registered Office : Mundhwa, Pune 411 036

Phone No. : 020 - 26715000 / 66215000, Fax No. : 020 - 26821124

Website : www.kalyani-investment.com, E-mail : investor@kalyani-investment.com



KALYANI

PROXY FORM

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

Name of the member(s)	:	
Registered Address	:	
E-mail Id	:	
Folio No. / DP ID & Client ID	:	

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

- (1) Name Address.....
E-mail ID..... Signature.....or failing him / her
- (2) Name Address.....
E-mail ID..... Signature.....or failing him / her
- (3) Name Address.....
E-mail ID..... Signature.....

as my /our proxy to attend and vote (on a poll) for me /us and on my /our behalf at the Sixth Annual General Meeting of the Company, to be held on Thursday, the 13th day of August, 2015 at 2.00 p.m. at the Registered Office of the Company at Mundhwa, Pune - 411 036 and at any adjournment thereof in respect of such resolutions as are indicated below :

Item No.	Resolution (For details, refer Notice of Sixth Annual General Meeting dated 21st May, 2015)	Vote *(Optional See Note 4)		
		For	Against	Abstain
1.	Adoption of the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 and the reports of the Board of Directors and Auditors thereon.			
2.	Appointment of Mr.Amit B. Kalyani, as a Director, who retires by rotation, and being eligible, offers himself for re-appointment.			
3.	Ratification of Appointment of Mr.P.V. Deo, Chartered Accountant, Pune as Auditor of the Company			
4.	Appointment of Mrs.Deeksha A. Kalyani as a Director			

Signed this..... day of..... 2015

Signature of member :

Signature of Proxy holder(s) :

Please affix
Revenue
Stamp

(Please refer instructions overleaf)

Notes :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. * It is optional to indicate your preference by placing Tick (✓) at the appropriate box. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.

KALYANI INVESTMENT COMPANY LIMITED

CIN : L65993PN2009PLC134196

Registered Office : Mundhwa, Pune 411 036

Phone No. : 020 - 26715000 / 66215000, Fax No. : 020 - 26821124

Website : www.kalyani-investment.com, E-mail : investor@kalyani-investment.com



BALLOT PAPER (In lieu of remote e-voting)

Sr. No.	Particulars	Details
1	Name of the First Named Shareholder	
2	Postal Address	
3	Registered Folio No. / * DP ID & Client ID	
4	Class of Shares	

(*Applicable to investors holding shares in dematerialised form)

I/We hereby exercise my/our vote in respect of Ordinary Resolution(s) enumerated below, by recording my/our assent or dissent to the said Resolution(s) in the following manner :

No.	Item Description (For details, refer Notice of Sixth Annual General Meeting dated 21st May, 2015)	No. of Equity Shares held	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1.	Adoption of the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 and the reports of the Board of Directors and Auditors thereon.			
2.	Appointment of Mr.Amit B. Kalyani, as a Director, who retires by rotation, and being eligible, offers himself for re-appointment.			
3.	Ratification of Appointment of Mr.P.V. Deo, Chartered Accountant, Pune as Auditor of the Company			
4.	Appointment of Mrs.Deeksha A. Kalyani as a Director			

Place : _____

Date : _____

Signature of the Shareholder(s)

(Please refer instructions overleaf)

INSTRUCTIONS

1. Members may fill up the Ballot Paper by placing the Tick (✓) Mark at the appropriate box above and submit the same in a sealed envelope to the Scrutinizer, Mr.S.V. Deulkar of SVD & Associates, Company Secretaries, C/o Kalyani Investment Company Limited, Secretarial Department, Mundhwa, Pune - 411 036 so as to reach not later than 12th August, 2015 by 5:00 p.m. Ballot Paper received thereafter will be treated as invalid.
2. The Company will not be responsible if the envelope containing the Ballot Paper is lost in transit.
3. Unsigned, incomplete or incorrectly ticked Ballot Papers are liable to be rejected and the decision of the Scrutinizer on the validity of the Ballot Papers will be final.
4. In the event member casts his votes through both the processes i.e. remote e-voting and Ballot Paper, the votes in the electronic system would be considered and the Ballot Paper would be ignored.
5. The right of voting by Ballot Paper shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity / signature of the members holding shares in electronic / demat form is verified with the specimen signatures furnished by NSDL / CDSL and that of members holding shares in physical form is verified as per the records of the Registrar & Transfer Agent of the Company. Members are requested to keep the same updated.
7. There will be only one Ballot Paper for every Folio / DP ID & Client ID irrespective of the number of joint members.
8. In case of joint holders, the Ballot Paper should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot Paper signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Paper signed by other joint holders.
9. Where the Ballot Paper has been signed by an authorised representative of the body corporate / Trust / Society etc. a certified copy of the relevant authorisation / Board resolution to vote should accompany the Ballot Paper.
10. Instructions for remote e-voting procedure are available in the Notice of Annual General Meeting and are also placed on the website of the Company.