



2014-15
annual report

HIGHLIGHTS 2014-15



SRF organised a Company-wide celebration to mark the **Birth Centenary** of its Founder Chairman, the Padma Bhushan Late **Dr Bharat Ram** who was one of the doyens of the Indian Industry



SRF acquired Global **DuPont™ Dymel®** HFC 134a Pharma Business



SRF **Floron 134a** cans were for the first time available on the shelves of the Walmart Stores in US



CSR Times recognised SRF Foundation with the Pandit **Madan Mohan Malviya Award 2014** for positively impacting the lives of 16,000 school children through its educational programmes in the Nuh Block of Mewat in Haryana



SRF Foundation received the prestigious **NGOBOX CSR Award 2014** under the category of the Best NGO Practices by Indian Entities in the field of CSR



SRF won the **CRY CSR Sustainability Award 2015** in recognition of its contributions towards Child Rights both within and outside the Company and its initiatives in field of education



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CHAIRMAN'S MESSAGE

“But as an organisation, we remained resolute and relentless in our quest for strengthening our cost-competiveness and operational excellence across all businesses.”

Dear shareholders,

The year 2014-15 was an eventful year for SRF with many significant firsts in our 40 year history. For the first time our cans for HFC 134a were displayed and sold from the shelves of Walmart stores in the USA. Through a very thought out acquisition of DuPont's worldwide business of HFC 134a Pharma grade gas, we got an instant entry into the highly quality conscious pharma segment. And, the number of process patents filed by our scientists from the R&D Division for Specialty Chemicals cumulatively crossed the half century mark of 50 during the year.

We are particularly proud that our strategy to aggressively de-risk our businesses through expansion and diversification has been vindicated and translated into visible success and results. Building on our unique strength in the space of Specialty Chemicals, we capitalised a dedicated intermediate product plant and a multi-purpose plant during the year at our Chemical Complex at Dahej in Gujarat and moved up the value-chain. While we have built this business by servicing the agrochemical market, our strategy to enter the pharma chemical market is starting to pay dividends. We ramped up the production of HFC 134a from the new unit at Dahej. We also launched new products of coated fabrics for a variety of applications. Further, as part of our turnaround strategy for our Polyester Yarn & Fabrics segment, we successfully renewed our focus on the yarn business for diversified industrial applications.

And, that's not all. Our mother product, nylon tyre cord fabric, which continues to face stagnant demand, performed reasonably well and maintained its leadership position in the domestic market. To safeguard against the prevailing

slowdown in the international market for belting fabrics, we diverted our attention to the domestic market and expanded the range of our value-added products, and gained in market share. It is, therefore, no coincidence that the Company once again delivered a robust performance during the year despite challenging global economic environment. Growth of 86% in the consolidated profit after tax (PAT) for the group during 2014-15 reaffirms our belief in our management, in our strategic business directions and most importantly, in the caliber and commitment of our own people.

The performance assumes greater significance when viewed against the backdrop of significant fall in the prices of the crude based commodities in the second half of the year. These commodities form a significant part of our raw materials. The event thus had an adverse impact on the profitability due to losses on account of inventories held by SRF of higher priced raw material, work-in progress and finished goods.

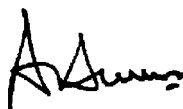
We continued to invest in building and enhancing our people, IT and TQM capabilities, the building blocks of our high-performance driven work culture and ethics. And most importantly, we remained committed to conduct our businesses with our strong organisational values and by adhering to the laws of the land.

In short, we did all we could to retain and improve the Company's growth. This year, our social wing, SRF Foundation expanded the outreach of its initiatives and positively impacted the lives of more than 10000 students through its educational programmes and more than 6500 families through its Natural Resource Management programmes. At SRF, we really feel fortunate to be in a position to make a meaningful difference in the lives of so many. This is the least we can do to make a difference.

Let me also assure you all that we will continue to work towards creating enduring business value for all our stakeholders. I take this opportunity to thank you all for your continued trust and confidence in the Company. I am also grateful to our customers for reposing faith in our capability to serve them, our esteemed board members for their guidance, our employees for their relentless efforts and our community for its support and understanding.

At SRF, we continue to work towards creating a better tomorrow.

With kind regards,



Arun Bharat Ram

COMPANY INFORMATION

Board of Directors



Ashish Bharat Ram



Arun Bharat Ram



Kartik Bharat Ram



L Lakshman



Vellayan Subbiah



Vinayak Chatterjee



Dr Meenakshi Gopinath



Pramod Bhasin



Tejpreet S Chopra



K Ravichandra

SRF Limited

Auditors

M/s Deloitte Haskins & Sells, Chartered Accountants

Company Secretary

Anoop K Joshi

Bankers

ICICI Bank • State Bank of India
Standard Chartered Bank • Citibank NA
Yes Bank Limited • HDFC Bank • The
Royal Bank of Scotland • HSBC • Kotak
Mahindra Bank

Registered Office

(CIN: L18101DL1970PLC005197)
C-8, Commercial Complex,
Safdarjung Development Area
New Delhi -110 016, India
Email: info@srf.com
Website: www.srf.com

Corporate Office

Block - C, Sector - 45
Gurgaon - 122 003, Haryana, India

PLANTS



Chemicals & Polymers Business

- Village & P.O. Jhiwana, Tehsil Tijara Distt. Alwar - 301 018, Rajasthan
- Manali Industrial Area, Manali Chennai - 600 068, Tamil Nadu
- Plot No. 14 C, Sector 9, IIE Pantnagar, Distt. Udham Singh Nagar - 263 153, Uttarakhand
- D II/I GIDC, PCPIR, GIDC, Phase II Tal Vagra, Village Dahej Distt. Bharuch - 392 130, Gujarat



Technical Textiles Business

- Manali Industrial Area, Manali Chennai - 600 068, Tamil Nadu
- Industrial Area, Malanpur Distt. Bhand - 477 116, Madhya Pradesh
- Plot No. 1, SIPCOT Industrial Area Complex, Gummidipoondi Distt. Thiruvallur - 601 201, Tamil Nadu
- Viralimalai, Distt. Pudukottai - 621 316 Tamil Nadu
- Plot No. 12, Rampura, Ramnagar Road, Kashipur, Distt. Udham Singh Nagar - 244 713, Uttarakhand



Packaging Films Business

- Plot No. 12, Rampura, Ramnagar Road Kashipur, Distt. Udham Singh Nagar - 244 713, Uttarakhand
- Plot No. C 1-8, C 21-30, Sector 3 Indore Special Economic Zone Pithampur, Distt. Dhar - 454 775 Indore, Madhya Pradesh

SRF Limited

(CIN: L18101DL1970PLC005197)

Regd. Office: C-8, Commercial Complex,

Safdarjung Development Area,

New Delhi-110016

Email: info@srf.com website: www.srf.com

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

NOTICE

Notice is hereby given that the 44th Annual General Meeting of SRF Limited will be held on Thursday, the 6 August 2015 at 3.30 P.M. at the Laxmipat Singhania Auditorium, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110 016 to transact the following businesses: -

Ordinary Business

1. To receive, consider and adopt the standalone and consolidated audited financial statements of the Company for the financial year ended 31 March 2015, the Reports of the Auditors' and Board of Directors' thereon.
2. To appoint a Director in place of **Mr Arun Bharat Ram** (DIN 00694766), who retires by rotation and being eligible, offers himself for re-election.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

To ratify appointment of auditors of the Company as approved by the members at the Forty Third Annual General Meeting:

"RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, recommendations of the Audit Committee and the resolution passed by the members at the forty third annual general meeting held on 4 August 2014, the appointment of M/s Deloitte Haskins & Sells, Chartered Accountants, New Delhi (Registration No. 015125N) as Auditors of the Company be and is hereby ratified."

Special Business

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

Appointment of **Dr Meenakshi Gopinath** (DIN – 00295656), as a Director, liable to retire by rotation:

"**RESOLVED THAT** pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of

Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Dr Meenakshi Gopinath (DIN 00295656), who was appointed as an additional Director of the Company with effect from 28 October 2014 be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

Appointment and Remuneration of Dr Meenakshi Gopinath (DIN – 00295656) as Director (CSR)

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) ("the Act") and rules made thereunder and subject to such approvals as may be required, the approval of the shareholders be and is hereby accorded for appointment of Dr Meenakshi Gopinath as a Director liable to retire by rotation and as Chairman of the CSR Committee constituted by the Board on the following terms and conditions :-

Functions

Dr Meenakshi Gopinath shall be designated as Director (CSR). She shall be responsible for planning, guiding and ensuring implementation of CSR projects of the Company in accordance with the CSR Policy approved by the Board and such other responsibilities as may be entrusted to her by the Chairman and/or the Board, from time to time.

Fee

She will be entitled to consolidated fees of ₹ 1 lakh per month (subject to deduction of applicable taxes) plus service tax. She will also be entitled to a Company maintained car.

Sitting Fees

Dr Meenakshi Gopinath would be entitled to sitting fees for attending the Board meetings and/or meetings of other Committees on which she is nominated except the Corporate Social Responsibility Committee.

Termination

The services of Dr Meenakshi Gopinath as Director (CSR) may be terminated by either party giving to the other three calendar months notice in writing.

“RESOLVED FURTHER THAT subject to the overall limit of remuneration payable to all the Directors (other than Executive Directors) taken together, the aforesaid remuneration payable to Dr Meenakshi Gopinath shall be within an overall ceiling of 1% of the net profits of the Company computed in the manner laid down in Section 197 of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Nomination and Remuneration Committee/Board be and is are hereby authorized to increase or vary the remuneration of Dr Meenakshi Gopinath from time to time, subject to and in accordance with the provisions of the Companies Act, 2013.”

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

Re-appointment of **Mr Ashish Bharat Ram** (DIN – 00671567) as Managing Director:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Company be and is hereby accorded for reappointment of Mr Ashish Bharat Ram as Managing Director on the terms, conditions and remuneration, including minimum remuneration as are hereinafter specifically given:-

Tenure

Five years with effect from 23 May 2015.

Functions

Subject to the direction, control and superintendence of the Board of Directors, Mr Ashish Bharat Ram shall have the overall responsibility for looking after the day to day management of the Company.

Remuneration

Subject to the overall limit on remuneration payable to all the managerial personnel taken together, the remuneration payable to Mr Ashish Bharat Ram shall comprise salary, perquisites and commission, as may be decided by the Board/Nomination and Remuneration Committee

in accordance with the Nomination, Appointment and Remuneration Policy within an overall ceiling of 5% of the net profits of the Company, computed in the manner laid down in Section 198 of the Companies Act, 2013.

Remuneration for a part of the Year

Remuneration for a part of the year shall be computed on pro-rata basis.

Minimum Remuneration

In the event of absence or inadequacy of profits in any financial year, the remuneration payable to Mr Ashish Bharat Ram shall be decided by the Nomination and Remuneration Committee subject to the provisions of Companies Act, 2013 and such approvals, if any, as may be required.

Termination

The appointment of Mr Ashish Bharat Ram as Managing Director may be terminated by either party giving to the other three calendar months notice in writing.

In the event of termination of this appointment of Mr Ashish Bharat Ram by the Company, he shall be entitled to receive compensation in accordance with the provisions of the Companies Act, 2013 or any statutory amendment or re-enactment thereof.”

“RESOLVED FURTHER THAT in the event of any further revision in the levels of permissible managerial remuneration, the Board of Directors/ Nomination and Remuneration Committee be and is hereby authorised to alter, vary and increase the remuneration of Mr Ashish Bharat Ram, notwithstanding the overall remuneration set out above, as may then be prescribed/permissible without requiring any further resolution or consent of or reference to the general meeting.”

“RESOLVED FURTHER THAT the Nomination and Remuneration Committee be and is hereby authorised to recommend/ decide from time to time the salary, perquisites and commission payable to Mr Ashish Bharat Ram during his tenure with effect from 23 May 2015 within the approved ceiling of remuneration in accordance with the Nomination and Remuneration Policy, as amended from time to time.”

“RESOLVED FURTHER THAT the powers and authorities delegated by the Board to Mr Ashish Bharat Ram from time to time including powers to sub-delegate shall remain valid upon his re-appointment.”

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

Re-appointment of **Mr Ravichandra Kambhampaty** (DIN – 00641900) as Director (Safety & Environment)

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Company be and is hereby accorded for re-appointment of Mr Ravichandra Kambhampaty as Director (Safety & Environment) liable to retire by rotation, on the terms, conditions and remuneration, including minimum remuneration as are hereinafter specifically given:-

Tenure

Three years with effect from 1 October 2015

Functions

Mr Ravichandra Kambhampaty shall be responsible for compliances with the laws relating to safety, health and environment at the factories of the Company, present and future and such other responsibilities, if any, as may be entrusted to him by the Chairman, Managing Director, Deputy Managing Director and/or the Board, from time to time.

Remuneration

Subject to the overall limit on remuneration payable to all the managerial personnel taken together, the remuneration payable to Mr Ravichandra Kambhampaty shall comprise salary, perquisites and commission, as may be decided by the Board/Nomination and Remuneration Committee in accordance with the Nomination, Appointment and Remuneration Policy within an overall ceiling of 5% of the net profits of the Company, computed in the manner laid down in Section 198 of the Companies Act, 2013.

Remuneration for a part of the Year

Remuneration for a part of the year shall be computed on pro-rata basis.

Minimum Remuneration

In the event of absence or inadequacy of profits in any financial year, the remuneration payable to Mr Ravichandra Kambhampaty shall be decided by the Nomination and Remuneration Committee subject to the provisions of the Companies Act, 2013 and such approval, if any, as may be required.

Termination

The appointment of Mr Ravichandra Kambhampaty as Director (Safety & Environment) may be terminated by either party giving to the other three calendar months' notice in writing.

RESOLVED FURTHER that in the event of any further authorisation/ revision in the levels of permissible managerial remuneration, the Board of Directors/ Nomination and Remuneration Committee be and is hereby authorised to alter, vary and increase the remuneration of Mr Ravichandra Kambhampaty, notwithstanding the overall remuneration set out above, as may then be prescribed/permissible without requiring any further resolution or consent of or reference to the general meeting.”

“RESOLVED FURTHER THAT the Nomination and Remuneration Committee be and is hereby authorised to recommend/decide from time to time the salary and perquisites payable to Mr Ravichandra Kambhampaty during his tenure with effect from 1 October 2015 within the approved ceiling of remuneration in accordance with the Nomination and Remuneration Policy.”

8. 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 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31 March 2016 as provided below, be and is hereby approved and ratified:

Name of Cost Auditor	Business	Remuneration payable
H Tara & Co. (Membership No. 17321)	Technical Textile Business and Engineering Plastic Business	₹ 3.41 lakhs plus service tax and reimbursement of actual out of pocket expenses
Sanjay Gupta & Associates (Membership No. 18672)	Chemicals Business and Packaging Film Business	₹ 4.73 lakhs plus service tax and reimbursement of actual out of pocket expenses

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

“RESOLVED THAT pursuant to the provisions of Sections 42 and any other applicable provisions of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in

force), the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board duly authorized by it in this regard) be and is hereby authorised to offer or invite subscriptions for secured/unsecured redeemable non-convertible debentures, in or more series/ tranches, aggregating upto ₹ 2000 crores (Rupees two thousand crores), on private placement, on such terms and conditions as the Board of Directors may, from time to time, determine and consider proper and most beneficial to the Company including as to the timing of issue of such Debentures, the consideration for the issue, the utilisation of the issue proceeds and all other matters connected with or incidental thereto;

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board

For **SRF LIMITED**

Sd/-

(Anoop K Joshi)

Gurgaon, 11 May 2015

President & Company Secretary

NOTES

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

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

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

3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 31 July 2015 to Thursday, 6 August 2015 (both days inclusive) for the purposes of holding the Annual General Meeting.
4. Members holding shares in physical form are requested to notify change in address and bank mandate, bank

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

In terms of SEBI Circular dated 20 May 2009 and 7 January 2010 pertaining to (i) transfer of physical shares (ii) deletion of name of the deceased shareholder(s) where the shares are held in the name of two or more shareholders (iii) transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares; and (iv) transposition of shares- when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders, of the listed Companies, the transferee(s) are requested to furnish copy of their Permanent Account Number (PAN) Card along with the other documents to the RTA for the above mentioned purpose, irrespective of the value of the transaction.

5. Members seeking any information regarding accounts to be given at the meeting are requested to write to the Company at its Corporate Office at Block C, Sector – 45, Gurgaon-122 003 (Haryana) at least seven days before the date of the meeting so as to enable the management to keep the information ready.
6. The Company has transferred the unpaid or unclaimed dividend declared up to the financial year ended 31 March 2008 (except final dividend for the financial year ended 31 March 2008) to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor

Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 4 August 2014 (date of last Annual General Meeting) on the website of the Company (www.srf.com), as also on the website of the Ministry of Corporate Affairs.

7. Shareholders are advised that those who have not encashed their dividend warrant(s) so far for the final dividend for financial year ended 31 March 2008 and dividends declared thereafter may send their outdated dividend warrants to the Company at its Corporate Office or to the Registrar and Share Transfer Agent, M/s Karvy Computershare Private Limited for issue of demand drafts in lieu thereof.
8. **Voting through electronic Means:** Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management & Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement the Company is pleased to provide remote e-voting facility to the members to exercise their right to vote by electronic means.
 - i) The Company has fixed 31 July 2015, as a cut-off date to record the entitlement of the shareholders to cast their vote electronically at the 44th Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules thereunder. Consequently the same cut-off date i.e. 31 July 2015 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 44th AGM on 6 August 2015.
 - ii) The Companies (Management and Administration) Amendment Rules, 2015 provides that the electronic voting period shall close at 5.00 P.M. on the date preceding the date of AGM. Accordingly the e-voting period will commence at 10.00 am on Monday, 3 August 2015 and will end at Wednesday, 5 August 2015, 5:00 P.M. The e-voting module shall be disabled at 5.00 P.M. on the same day.
 - iii) The members who have casted their votes through remote e-voting facility may also attend the general meeting but shall not be entitled to cast their vote again. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - iv) The Company has appointed M/s Arvind Kohli & Associates, Company Secretaries to act as the Scrutinizer, for conducting the scrutiny of the votes cast in a fair and transparent manner.
 - v) The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

Procedure for remote e-voting

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

(a) In case of Members receiving an e-mail from Karvy:

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

to vote, to the Scrutinizer by an e-mail at arvindkohli@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "SRF LIMITED-AGM2015".

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

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

EVEN (E-Voting Event Number)	USER ID	PASSWORD
1784	-	-

- ii) Please follow all steps from Sr. No. (i) to Sr. No. (xi) above, to cast vote.
- iii) In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website <https://evoting.karvy.com>.
- iv) If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.
- v) Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- vi) Members who have acquired shares after the dispatch of the Annual Report and before the cut off date may obtain the user ID by approaching the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
- a. If the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS : MYEPWD <space> Event number + Folio No. or DP ID Client ID to 9212993399

Example for NSDL

MYEPWD <SPACE> IN12345612345678

Example for CDSL

MYEPWD <SPACE> 1402345612345678

Example for Physical

MYEPWD <SPACE> XXX1234567

- b. If e-mail or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

- c. Member may call Karvy's toll free number 1-800-3454-001
- d. Member may send an e-mail request to evoting@karvy.com

vii) The Scrutinizer shall after the conclusion of voting at the AGM, count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

viii) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.srf.com and on Karvy's website (<https://evoting.karvy.com>) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE and NSE.

9. Details under Clause 49 of the Listing Agreement in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms an integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
10. Electronic copy of the Annual Report along with Notice of 44th Annual General Meeting are being sent to all the members holding shares in demat form and whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies are being sent in the permitted mode.
11. The Notice of the 44th Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website www.srf.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to einward.ris@karvy.com.
12. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to the date of the Annual General Meeting of the Company.
13. The register(s) maintained under Section 189 of the Companies Act, 2013 shall be available at the venue of the

annual general meeting from its commencement and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.

14. Members are requested

- i) to quote their folio/identification Nos. in all correspondence.
- ii) to bring their attendance slip along with their copy of Annual Report to the Meeting.
- iii) to note that no gifts will be distributed at the meeting.
- iv) in case of Joint holders attending the meeting, only such Joint holder who is higher in the order of names will be entitled to vote.
- v) that in case they are holding shares in electronic form, to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Karvy.

15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

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

Item No. 4 and 5

The Board of Directors at their meeting held on 28 October 2014, on the recommendation of the Nomination and Remuneration Committee, co-opted **Dr Meenakshi Gopinath** (65) as an Additional Director on the Board of Directors of the Company and designated her as Director (CSR). In terms of Articles of Association of the Company and section 161 (1) of the Companies Act, 2013 she holds office upto the date of forthcoming Annual General Meeting. The Company has received a notice under Section 160 from a member signifying its intention to propose the candidature of Dr Meenakshi Gopinath at the forthcoming Annual General Meeting, copy of which is available on the website of the Company www.srf.com.

She is a non-executive Director and her appointment and remuneration are in accordance with the requirements of Section 197 and 198 of the Companies Act, 2013. In accordance with the requirements of Section 197 of the Companies Act, 2013 her appointment and remuneration are being placed before the shareholders for their approval.

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

Dr Meenakshi Gopinath is an eminent educationist having vast experience in the field of education and woman empowerment. She was the Principal of Lady Shri Ram College for Women, New Delhi.

Dr Meenakshi Gopinath is currently Founder and Director of WISCOMP (Women in Security, Conflict Management and Peace), an initiative that seeks to promote the leadership of South Asian women in the areas of peace, security and regional

cooperation. She is also Mentor of Lady Shri Ram College for Women, New Delhi. She was the first woman to serve as member of the National Security Advisory Board (NSAB) of India. After graduating with Honours in Political Science from Lady Shri Ram College for Women, New Delhi, she took her Masters degree from the University of Massachusetts, USA and her doctorate from the University of Delhi. Her post-doctoral work, as a Fulbright scholar was at Georgetown University, USA.

In recognition of her contribution to the field of women's education and empowerment, she has received several awards including the Padma Shri Award, Indira Priyadarshini Gandhi Award, the Rajiv Gandhi Award for Excellence in Education, Mahila Shiromani Award, Delhi Citizen Forum Award, Qimpro Platinum Standard Award for Education and Celebrating Womanhood, South Asian Recognition Award for Social Harmony and International Lifetime Achievement Award – 2009 for outstanding work in the field of Justice, Equity, Peace and Progress and various others.

Dr Meenakshi Gopinath has no shareholding in the Company.

Dr Meenakshi Gopinath is Chairperson of CSR Committee of the Board. She is also Director in Mediaart Films Pvt. Ltd.

Except Dr Meenakshi Gopinath, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financial or otherwise, in the Resolution. The Board of Directors recommends the resolution for approval of the members.

Item No. 6

By an ordinary resolution dated 27 July 2005, the shareholders had appointed **Mr Ashish Bharat Ram** as President & Executive Director of the Company for a period of five years with effect from 23 May 2005. Mr Ashish Bharat Ram was re-designated as Managing Director w.e.f 20 January 2007.

The existing tenure of Mr Ashish Bharat Ram was upto 22 May 2015.

At its meeting held on 11 May 2015, the Board of Directors subject to Members' approval had re-appointed Mr Ashish Bharat Ram as Managing Director of the Company for a further period of 5 years with effect from 23 May 2015. Members' approval is sought for his re-appointment.

The terms of his re-appointment and remuneration including minimum remuneration are set out in the resolution.

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

Mr Ashish Bharat Ram (46) has done his schooling from Doon School and graduation in Economics from the Hindu College, Delhi University with an emphasis on mathematics. He holds a Masters' degree in Business Administration on Corporate Strategy with an emphasis on finance and strategy from The Johnson Graduate School of Management, Cornell University, Ithaca, NY, USA and has a 20 years' working experience in senior positions including in the Company's international subsidiaries.

Mr Ashish Bharat Ram has no shareholding in the Company. Mr Ashish Bharat Ram is a member of Stakeholders Relationship Committee and Committee of Directors – Financial Resources of the Company.

Directorships in other Companies	Committee Membership
Transport Corporation of India Ltd.	Compensation/Nomination & Remuneration Committee* Corporate Social Responsibility Committee Corporate & Restructuring Committee
SRF Holiday Home Ltd.	-
SRF Fluorochemicals Ltd.	-
Shri Educare Ltd.	Remuneration Committee
Orange Farms Pvt. Ltd.	-
Lotus Estates Pvt. Ltd.	-
SRF Industex Belting (Pty) Ltd.	-
SRF Overseas Ltd.	-
SRF Industries (Thailand) Ltd.	-
SRF Global B.V.	-
SRF Flexipak (South Africa) (Pty.) Ltd	-

*Chairman of the Committee.

Except Mr Arun Bharat Ram, Mr Ashish Bharat Ram and Mr Kartik Bharat Ram, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financial or otherwise, in the Resolution. The Board of Directors recommends the resolution for approval by the members.

Item No. 7

Section 196 of the Act, inter alia, provides that no Company shall continue the employment of a person who has attained the age of seventy years, as managing director, whole-time director or manager unless it is approved by the members by passing a special resolution. Part I of Schedule V to the Act contains a similar relaxation.

The members in 41st AGM held on 25 July 2012 had re-appointed **Mr Ravichandra Kambhampaty** as Director (Safety & Environment) with effect from 1 October 2012 for a period of 3 years valid upto 30 September 2015 and being eligible offers himself for reappointment. He was initially appointed as Director on 6 August 1997.

Mr Ravichandra Kambhampaty is eighty one years of age and hence his re-appointment as Director (Safety & Environment) requires the approval of members by a special resolution.

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

Mr Ravichandra is a Chemical Engineer from Madras University. He has been associated with various Government Companies including Fertilizers and Chemicals Travancore Ltd. and

Hindustan Petroleum Chemicals Ltd. He has been consultant to GAIL for Safety studies at their petrochemical complex.

He has been associated with SRF Limited as Director (Safety and Environment) since 1997 and is responsible for compliances with the laws relating to safety, health and environment at the factories of the Company besides his responsibilities as Occupier under the Factories Act.

Keeping in view that Mr Ravichandra Kambhampaty has rich and varied experience in the industry, health and safety matters and has been involved in the operations of the Company since long, it would be in the interest of the Company to continue his employment as a Whole-time director designated as Director (Safety and Environment).

Mr Ravichandra is presently holding 1200 equity shares of the Company. He does not hold directorships and memberships/ chairmanships of Board Committees in any other Company.

Approval of the members is sought to the re-appointment of Mr Ravichandra Kambhampaty as Director (Safety & Environment) in terms of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013. The terms of appointment and remuneration including minimum remuneration proposed for Mr Ravichandra Kambhampaty are fully set out in the resolution.

Except Mr Ravichandra, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financial or otherwise, in the Resolution. The Board of Directors recommends the Special Resolution set out at Item No. 7 of the Notice for approval of the members.

Item No. 8

The Board, on the recommendation of the Audit Committee, has approved the appointment of the Cost Auditors to conduct audit of the cost records of the Company for the financial year ending 31 March 2016 at the remuneration as provided in the resolution.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

The Board of Directors recommends the Resolution set out at Item No. 8 of the Notice for approval of the members.

Item No. 9

As per the provisions of Section 42 of the Companies Act, 2013 read with Companies (Prospectus and allotment of Securities) Rules, 2014, private placement of redeemable, non-convertible debentures requires approval of shareholders by way of special resolution. However, the Company may pass a special resolution once in a year for all the offers or invitation for such debentures during the year.

In order to supplement resources for financing of capital expenditure and for general corporate purposes, the Company may be required to offer or invite subscription for secured / unsecured redeemable non-convertible debentures, in one or more series/tranches on private placement. To meet the short term funding requirements, the Company may, from time to time, issue commercial paper in accordance with the applicable rules and regulations which would also fall under the definition of debentures as per the Companies Act, 2013.

Pricing of debenture/commercial paper is determined and impacted by general economic and monetary policy, Company specific rating and outlook of investor on the Company.

Approval of the Members by way of a special resolution is sought for the resolution as set out at Item No. 9 of this Notice authorising the Board to issue redeemable, non-convertible Debentures by Private Placement for an aggregate amount not exceeding ₹ 2000 crores during the period of one year from the date of this Annual General Meeting.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution. The Board of Directors recommends the Special Resolution set out at Item No. 9 of the Notice for approval of the members.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE:

Re-appointment of Mr Arun Bharat Ram (Item No. 2)

Mr Arun Bharat Ram (74) liable to retire by rotation, has been appointed at the 42nd AGM on 26 July 2013 as Chairman with Executive powers for a period of five years with effect from 15 June 2013. He was initially appointed as Director on 1 August 1975.

In compliance with Section 152 of the Companies Act, 2013, Mr Arun Bharat Ram shall, retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. Accordingly, the Board recommends his re-appointment.

Mr Arun Bharat Ram, Chairman of SRF Limited is an alumnus of the University of Michigan, U.S.A. He set up SRF in 1970 as a manufacturer of nylon tyre cord, which over the years has not only diversified but has also acquired global leadership in most of its businesses. His strong support for initiatives of corporate governance, Total Quality Management and professionalisation of

management led to SRF's Industrial Synthetics Business winning the coveted global Deming Award in 2004. He started his career in 1967 with the Delhi Cloth & General Mills Co. Ltd., the flagship Company of the Shri Ram Group of Companies.

Mr Arun Bharat Ram has been President of CII during 2000-2001, currently Chairman of CII Education Council, and the Indian Co-Chairman of the Indo German Consultative Group.

It is under the stewardship of Mr Arun Bharat Ram that the Company has achieved all round growth and made for itself a reputation in the core areas of its business.

Mr Arun Bharat Ram has no shareholding in the Company. Mr Arun Bharat Ram is a member of Stakeholders Relationship Committee and Committee of Directors – Financial Resources of the Company.

Directorships in other Companies	Committee Membership
DCM Shri Ram Ltd.	Audit Committee
J K Paper Ltd.	Audit Committee Stakeholders Relationship Committee Nomination & Remuneration Committee*
SRF Holiday Home Ltd.	-
SRF Fluorochemicals Ltd.	-
SRF Energy Ltd	-
Shri Educare Ltd.	-
Essilor India Pvt. Ltd.	-
SRF Overseas Ltd.	-
SRF Industex Belting (Pty) Ltd.	-
SRF Industries (Thailand) Ltd.	-
SRF Flexipak (South Africa) (Pty.) Ltd.	-

*Chairman of the Committee.

Mr Arun Bharat Ram is interested in the resolution. Mr Ashish Bharat Ram and Mr Kartik Bharat Ram, who are relatives of Mr Arun Bharat Ram, may be deemed to be interested in the resolution.

Appointment of other Directors (Item No. 4, 5, 6 and 7)

For the details of Dr Meenakshi Gopinath, Mr Ashish Bharat Ram and Mr Ravichandra Kambhampaty, please refer to the above explanatory statement in respect of special business set out at Item No. 4, 5, 6 and 7 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

Important communication to members

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

BOARD'S REPORT



Dear members,

Your Directors are pleased to present the 44th Annual Report for the year ended 31 March 2015.

Financial Results

(₹ in crores)

	2014-15	2013-14
Net Sales	3570.21	3402.10
Profit Before Interest, Depreciation & Tax (PBIDT)	701.62	526.39
Less: Interest & Finance Charges (Net)	96.66	65.07
Gross Profit	604.96	461.32
Less: Depreciation and amortisation charge	208.85	190.46
Profit Before Tax (PBT)	396.11	270.86
Less: Provision For Taxation including Deferred Tax Charge	88.38	54.32
Profit After Taxation (PAT)	307.73	216.54
Add: Profit Brought Forward	1323.75	1195.87
Surplus available for appropriation	1631.48	1412.41

Appropriation

(₹ in crores)

	2014-15	2013-14
Depreciation on transition to Schedule II of the 2013 Act on tangible fixed assets with Nil remaining useful life (Net of deferred tax)	6.16	-
Interim dividend on Equity Shares	57.42	57.42
Corporate Tax on Dividend	10.62	9.59
Amount transferred to General Reserve	-	21.65
Profit carried to Balance Sheet	1557.28	1323.75
Total	1631.48	1412.41

Equity Dividend

During the year, your Company has paid two interim dividends of ₹ 5 per share each aggregating to ₹ 10 per share, amounting to ₹ 68.04 crores (inclusive of taxes). The Board of Directors of the Company has not recommended any final dividend.

Operations Review

Net sales of the Company increased marginally by 4.94 per cent from ₹ 3402.10 crores in 2013-14 to ₹ 3570.21 crores in 2014-15. Mainly due to decrease in cost of materials consumed, Profit before interest, depreciation and tax (PBITD) including 'other income' increased from ₹ 526.39 crores in 2013-14 to ₹ 701.62 crores in 2014-15.

Profit before tax (PBT) increased by 46.24 per cent from ₹ 270.86 crores in 2013-14 to ₹ 396.11 crores in 2014-15. After accounting for the provision for taxation of ₹ 88.38 crores, profit after tax (PAT) increased by 42.11 per cent from ₹ 216.54 crores in 2013-14 to ₹ 307.73 crores in 2014-15.

Management Discussion & Analysis

A detailed section of the Management Discussion and Analysis forms part of the Annual Report. A review of the Businesses is also given in that section.

Subsidiaries, Joint Ventures and Associate Companies

During the year, the equity investment in SRF Transnational Holdings Ltd. and SRF Properties Ltd. was divested and SRF Fluor Pvt. Ltd. (Mauritius) was wound up by the Company. No new subsidiaries were incorporated. No Company has become/ceased to be a joint venture or associate during the year. A report on the performance and financial position of the subsidiaries is provided as Annexure I to this Report. The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: http://www.srf.com/Inv/Subsidiary_SRF2014.pdf

Directors

Your Directors are seeking re-appointment of Mr Ashish Bharat Ram, Managing Director for a fresh term of 5 years effective from 23 May 2015 and of Mr Ravichandra Kambhampaty, Director (Safety & Environment) for a fresh term of 3 years effective from 1 October 2015.

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

Mr Arun Bharat Ram, Chairman is a relative of Mr Ashish Bharat Ram, Managing Director and Mr Kartik Bharat Ram, Deputy Managing Director.

In compliance with the requirements of the Companies Act, 2013 and Listing Agreement pertaining to appointment of a woman director, Dr Meenakshi Gopinath was appointed as an additional Director on 28 October 2014 and designated as Director (CSR) not in whole-time employment of the Company. A proposal has been received from a shareholder to appoint her as a regular director liable to retire by rotation as her co-option as additional director would come to an end at the date of the ensuing general meeting. She has also been appointed as the Chairperson of the CSR Committee. The directors recommend her appointment.

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

During the year under review, the members approved the appointments of Mr Vinayak Chatterjee, Mr L Lakshman, Mr Pramod Bhasin, Mr Vellayan Subbiah and Mr Tejpreet Singh Chopra as Independent Directors who are not liable to retire by rotation.

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

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

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

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link <http://www.srf.com/inv/Familiarization2015.pdf>.



Meetings of the Board

During the year 2014-15, five meetings of the Board of Directors were held. For further details, please refer to report on Corporate Governance on page no. 60 of this Annual Report.

Directors' Responsibility Statement

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

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

Contracts and Arrangements with Related Parties

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arms' length basis and in accordance with the Transfer Pricing Policy/basis approved

by the Audit Committee. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Policy on materiality of related party transactions.

Your Directors draw attention of the members to Note 35 to the notes to accounts forming part of the financial statements which sets out related party transaction disclosures.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

Particulars of loans given, investments made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security was proposed to be utilised by the recipient are provided in the standalone financial statement (Please refer to Note 50 to the standalone financial statement).

Corporate Social Responsibility (CSR)

As per the requirements of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility Committee comprising of Dr Meenakshi Gopinath, Director (CSR) (Chairperson of the Committee), Mr Kartik Bharat Ram, Deputy Managing Director and Mr L Lakshman, Independent Director as other members.

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the projects to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link: http://www.srf.com/Inv/SRF-CSR_Policy-v2.pdf.

The Company would also undertake other need- based initiatives in compliance with Schedule VII to the Act.

During the year, the Company has spent ₹ 4.42 crores out of the CSR budget of ₹ 7.71 crores. The reasons for not being able to spend the full amount are given in the Annual Report on CSR activities annexed herewith as Annexure III.

Risk Management

Enterprise Risk Management is a risk based approach to manage an enterprise, identifying events that may affect the entity and manage risks to provide reasonable assurance regarding achievement of entity's objective.

The risks identified by the Company broadly fall into the following categories viz. strategic risks, operational risks, regulatory risks, financial and accounting risks, foreign currency and other treasury related risks and information systems risks. The risk management process consists of risk identification, risk assessment, risk prioritization, risk treatment or mitigation, risk



monitoring and documenting the new risks.

Your Board has laid down a risk management framework and policy to address the above risks. The objective of the policy is to identify existing & emerging challenges that may adversely affect the Company and manage risks in order to provide reasonable assurance to the various stakeholders. In the opinion of your Board, none of the risks which have been identified may threaten the existence of the Company.

Internal Financial Controls

The Company believes that Internal Control is a necessary concomitant of the principle of Governance. It remains committed to ensuring an effective Internal Control environment that provides assurance to the Board of Directors, Audit Committee and the management that there is a structured system for:

- close and active supervision by the Audit Committee
- business planning and review of goals achieved
- evaluating & managing risks
- Well documented Financial policies and Accounting Manual
- ensuring reliability of financial and operational reporting
- ensuring legal and regulatory compliance
- protecting Company's assets
- prevention and detection of fraud and errors
- validation of IT Security Controls

Interrelated control systems, covering all financial and operating functions, assure fulfillment of these objectives. Significant features of these control systems include:

- the planning system that ensures drawing up of challenging goals and formulation of detailed strategies and action plans for achieving these goals.
- the risk assessment system that accounts for all likely threats to the achievement of the plans and draws up contingency plans to mitigate them.

- the review systems track the progress of the plan and ensure that timely remedial measures are taken to minimise deviations from the plan.

The Company uses Enterprise Resource Planning (ERP) supported by in-built controls that ensures reliable and timely financial reporting. Well-established & robust internal audit processes, both at the Corporate and the Business levels, continuously monitor the adequacy and effectiveness of the Internal Controls and status of compliance with operating systems, internal policies and regulatory requirements. All Internal Audit findings and control systems are periodically reviewed by the Audit Committee of the Board of Directors, which provides strategic guidance on Internal Controls.

The Company also has a robust & comprehensive framework of Control Self-Assessment (CSA) which continuously verifies compliance with laid down policies & procedures and help plug control gaps. In addition to this, Compliance Manager (CM) a facilitating tool sends pre-emptive alert to meet specific calendared regulatory deadlines in the Company.

Listing of Equity Shares

SRF's equity shares are listed at the Bombay Stock Exchange Ltd. and the National Stock Exchange of India Ltd.

Corporate Governance

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

In compliance with the requirements of Clause 49(V), a certificate from Managing Director and the President & Chief Financial Officer was placed before the Board.

All Board members and Corporate Leadership Team (CLT) have affirmed compliance with the Code of Conduct for Board and Senior Management Personnel. A declaration to this effect duly signed by the Managing Director is enclosed as a part of the Corporate Governance Report. A copy of the Code is also placed at the website of the Company (www.srf.com).

Consolidated Financial Statement

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

Audit Committee

The Audit Committee comprises of Independent Directors namely Mr Vinayak Chatterjee (Chairman of the Committee), Mr L Lakshman and Mr Vellayan Subbiah as other members.



All the recommendations made by the Audit Committee were accepted by the Board.

Accounts and Audit

As per the requirements of the Companies Act, 2013, the Statutory Auditors M/s. Deloitte Haskins & Sells, were appointed to hold office until the conclusion of 47th annual general meeting. Their appointment as per the provisions of the Companies Act, 2013 was subject to ratification by the members at every annual general meeting. They have submitted their certificate to the effect that they fulfill the requirements of Section 141 of the Companies Act, 2013. The observations of the auditors are explained wherever necessary in appropriate notes to the accounts.

Vigil Mechanism

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

The Vigil mechanism of the Company consists of Code of Conduct for employees, Policy against sexual harassment, Whistleblower Policy, Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Conduct for Directors and Sr. Management Personnel. These taken together constitute the vigil mechanism through which Directors, employees and other stakeholders can voice their concerns. The Whistleblower Policy, Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Conduct for Directors and Sr. Management Personnel can be accessed on the Company's website at the link <http://www.srf.com/InvDisclosures.aspx>.

Cost Audit

Pursuant to the various circulars issued by Ministry of Corporate Affairs, the Company is required to maintain cost records for all

the products being manufactured by it and get the same audited by a cost auditor.

M/s. H Tara & Co., Cost Accountant (M. No. 17321), was appointed to conduct cost audit of the accounts maintained by the Company for the financial year 2015-16 in respect of all the relevant product groups of Technical Textiles Business and Engineering Plastics Business of the Company.

M/s Sanjay Gupta & Associates, Cost Accountant (M. No. 18672), was appointed to conduct cost audit of the accounts maintained by the Company for the financial year 2015-16 in respect of all the relevant product groups of Chemicals Business and Packaging Films Business of the Company.

M/s H Tara & Co., Cost Accountant, was nominated as the Company's Lead Cost Auditor.

The remuneration of the cost auditors for 2015-16 is subject to ratification by the shareholders. Accordingly a suitable item has been included in the notice of the ensuing annual general meeting.

The Cost Audit reports for audit of the said' products for the year 2013-14, conducted by M/s. H Tara & Co., Cost Accountant and M/s Sanjay Gupta & Associates, Cost Accountants, have been filed with the Ministry of Corporate Affairs on 5 September 2014. The due date for filing was 27 September 2014.

Secretarial Auditor

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

Fixed Deposits

Your Company discontinued accepting/renewing fixed deposits since 14 August 2004. Deposits accepted from Public, which have matured and are unclaimed are being reflected under "Unclaimed fixed deposits (including interest)" in other current liabilities (Note no. 9 forming part of the financial statements for the year ended 31 March 2015).

Personnel

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in Annexure VI.

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

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo

The details as required under the Companies (Accounts) Rules, 2014 are given as Annexure VIII.

Extract of Annual Return

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

Industrial Relations

The Company continued to generally maintain harmonious and cordial relations with its workers in all its businesses.

General

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

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Neither the Chairman, Managing/Deputy Managing Director nor Whole-time Director received any remuneration or commission from any of the Company's subsidiaries.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

As per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees (ICC). During the year, no complaints with allegations of sexual harassment were filed with the Company.

Acknowledgements

Your Directors acknowledge with gratitude the co-operation and assistance received from various agencies of the Central Government and the Governments of Madhya Pradesh, Rajasthan, Tamil Nadu, Gujarat and Uttarakhand, financial institutions and banks. Your Directors thank the shareholders for their continued support. Your Directors also place on record their appreciation of the contribution made by employees at all levels.

For and on Behalf of the Board

Date: **11 May 2015**

Place: **Gurgaon**

Arun Bharat Ram

Chairman



FORM AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/ associate Companies/ joint ventures
Part "A" : Indian Subsidiaries

S. No.	Particulars	SRF Holiday Home Limited	SRF Energy Limited	SRF Fluorochemicals Limited
		(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)
(a)	Reporting Period	1 April 2014 to 31 March 2015	1 April 2014 to 31 March 2015	1 April 2014 to 31 March 2015
(b)	Reporting Currency	₹	₹	₹
(c)	Exchange Rate as on 31.3.15	-	-	-
(d)	Share Capital	400.00	5.00	5.00
(e)	Reserves and Surplus	(5.52)	(5.00)	(5.00)
(f)	Total Assets	395.44	0.08	0.08
(g)	Total Liabilities	1.01	0.08	0.08
(h)	Investment	-	-	-
(i)	Turnover	0.11	0.24	0.24
(j)	Profit/(Loss) Before Taxation	(0.33)	(4.25)	(4.25)
(k)	Add/(Less): Provision for Taxation	-	-	-
(l)	Profit/(Loss) After Taxation	(0.33)	(4.25)	(4.25)
(m)	Proposed Dividend	-	-	-
(n)	% of shareholding	100%	100%	100%

Foreign Subsidiaries

S. No.	Particulars	SRF Global BV#		SRF Flexipak (South Africa) (Pty) Limited# (subsidiary of SRF Global BV)	
		USD	₹ in lakhs	Rand	₹ in lakhs
		(a)	Reporting Period	1 April 2014 to 31 March 2015	
(b)	Reporting Currency	USD		Rand	
(c)	Exchange Rate as on 31.3.15	62.47		5.118	
(d)	Share Capital	18315664	11441.80	100	0.01
(e)	Reserves and Surplus	(1155002)	(721.53)	(141480460)	(7240.97)
(f)	Total Assets	86878933	54273.27	822062890	42073.18
(g)	Total Liabilities	69718271	43553.00	963543250	49314.14
(h)	Investment	*	*	-	-
(i)	Turnover	1729333	1080.31	532338607	27245.09
(j)	Profit/(Loss) Before Taxation	(554400)	(346.33)	(106641922)	(5457.93)
(k)	Add/(Less): Provision for Taxation	-	-	(28967088)	(17561.01)
(l)	Profit/(Loss) After Taxation	(554400)	(346.33)	(77674834)	12103.07
(m)	Proposed Dividend	-	-	-	-
(n)	% of shareholding	100%		100%	

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

S. No.	Particulars	SRF Overseas Limited# (subsidiary of SRF Global BV)		SRF Industries (Thailand) Limited# (subsidiary of SRF Global BV)	
		AED	₹ in lakhs	Baht	₹ in lakhs
(a)	Reporting Period	1 April 2014 to 31 March 2015		1 April 2014 to 31 March 2015	
(b)	Reporting Currency	AED		THB	
(c)	Exchange Rate as on 31 March 2015	17.008		1.92	
(d)	Share Capital	84049966	14295.22	100000000	1479.15
(e)	Reserves and Surplus	(49089787)	(8349.19)	16488541.67	316.58
(f)	Total Assets	34970402	5947.77	3097024479.17	59462.87
(g)	Total Liabilities	10223	1.74	3380084234	58300.30

S. No.	Particulars	SRF Overseas Limited# (subsidiary of SRF Global BV)		SRF Industries (Thailand) Limited# (subsidiary of SRF Global BV)	
		AED	₹ in lakhs	Baht	₹ in lakhs
(h)	Investment	-	-	-	-
(i)	Turnover	17091833	2906.98	3142881770.83	60343.33
(j)	Profit/(Loss) Before Taxation	13325180	2266.35	(18077604.17)	(347.09)
(k)	Add/(Less): Provision for Taxation	-	-	(42963020.83)	(824.89)
(l)	Profit/(Loss) After Taxation	13325180	2266.35	(61040625.00)	(1171.98)
(m)	Proposed Dividend	-	-	-	-
(n)	% of shareholding		100%		100%

S. No.	Particulars	SRF Industex Belting (Pty) Limited# (subsidiary of SRF Global BV)		SRF Fluor Private Limited#	
		Rand	₹ in lakhs	USD	₹ in lakhs
(a)	Reporting Period	1 April 2014 to 31 March 2015		1 April 2014 to 30 June 2014	
(b)	Reporting Currency	Rand		USD	
(c)	Exchange Rate as on 31 March 2015	5.118		62.47	
(d)	Share Capital	13320202	681.73	45002	28.11
(e)	Reserves and Surplus	(4000765)	(204.76)	(47924)	(29.94)
(f)	Total Assets	106118754	5431.16	19	0.01
(g)	Total Liabilities	96799316	4954.19	2941	1.84
(h)	Investment	-	-	-	-
(i)	Turnover	185211208	9479.11	18437	11.52
(j)	Profit/(Loss) Before Taxation	(4392335)	(224.80)	9129	5.70
(k)	Add/(Less): Provision for Taxation	42081	2.15	-	-
(l)	Profit/(Loss) After Taxation	(4350254)	(222.65)	9129	5.70
(m)	Proposed Dividend	-	-	-	-
(n)	% of shareholding		100%		100%

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

- (i) 1 AED = ₹ 17.008
- (ii) 1 USD = ₹ 62.47
- (iii) 1 Baht = ₹ 1.92
- (iv) 1 Rand = ₹ 5.118

Notes :-

1. Two wholly owned subsidiaries viz. SRF Properties Limited and SRF Transnational Holdings Limited were divested during 2014-15.
2. SRF Fluorochemicals Ltd. and SRF Energy Ltd. are yet to commence operations. SRF Fluor Pvt. Ltd. has been wound up during the year.

Part 'B' : Associate and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	(₹ in lakhs)	
	Malanpur Captive Power Ltd.	Vaayu Renewable Energy (Tapti) Pvt. Ltd.
1. Latest audited Balance Sheet Date	31 March 2014	31 March 2014
2. Shares of Associate/Joint Ventures held by the Company on the year end	422.15	5.00
Number of shares	4221535	50000
Amount of Investment in Associates/Joint Venture	422.15	5.00
Extent of Holding (%)	22.60%	26.32%



Name of Associates/Joint Ventures	Malanpur Captive Power Ltd.	Vaayu Renewable Energy (Tapti) Pvt. Ltd.
3. Description of how there is significant influence	Due to control of at least 20% of total share capital as envisaged in Sec. 2(6) of the Companies Act, 2013	Due to control of at least 20% of total share capital as envisaged in Sec. 2(6) of the Companies Act, 2013
4. Reason why the associate/joint venture is not consolidated	*	*
5. Net worth attributable to Shareholding as per the latest audited Balance Sheet	2555.34	987.03
6. Profit/Loss for the year		
i) Considered in Consolidation	Nil	Nil
ii) Not considered in Consolidation	(154.09)	968.66

* Investments in both these group captive power Companies are held by the Company as a consumer in accordance with the requirements of the Electricity Act, 2005. The Company does not exercise significant influence as defined under AS 23 over these Companies and therefore their annual accounts are not consolidated with the annual accounts of the Company.

Both the associates above are engaged in operations. No associate or joint venture has been liquidated or sold during the year.

For and on behalf of the Board of Directors

Arun Bharat Ram

Chairman
(DIN – 00694766)

Ashish Bharat Ram

Managing Director
(DIN – 00671567)

Kartik Bharat Ram

Deputy Managing Director
(DIN – 00008557)

Vinayak Chatterjee

Director
(DIN – 00008933)

Rajendra Prasad

President & Chief Financial Officer

Anoop K Joshi

President & Company Secretary

Place : **Gurgaon**

Date : **11 May 2015**



NOMINATION, APPOINTMENT AND REMUNERATION POLICY

A. Introduction

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

B. Definitions

Directors :	Directors (other than Managing Director(s) and Whole-time Director(s)) appointed under the provisions of the Companies Act, 2013 and rules made thereunder.
Key Managerial Personnel	Managing Director(s), Whole-time Director(s), Chief Executive Officers of the businesses of the Company reporting to the Managing Director, Chief Financial Officer and Company Secretary.
Senior Management Personnel	Members of the Corporate Leadership Team of the Company except Key Managerial Personnel.
Functional Heads	Chief Information Officer and Head- Corporate Communications.

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

C. Terms of Reference

The Board of Directors of the Company at its meeting held on 9 May 2014 reconstituted the existing Remuneration Committee of Directors as "Nomination and Remuneration Committee" of Directors (the Committee). Its terms of reference are as follows:-

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

D. Criteria for recommending a person to become Director

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

1. Qualification & Experience

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

2. Attributes/Qualities

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

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



3. In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as Independent Director as per the provisions of the Act, Listing Agreement with Stock Exchanges and other applicable laws and regulations.
4. The incumbent should not be disqualified for appointment as a Director pursuant to the provisions of the Act or other applicable laws & regulations.

E. Directors' Remuneration

The Committee will approve the fixed remuneration to Executive Directors subject to the provisions of the Act, Listing Agreement with Stock Exchanges and other applicable laws & regulations. Commission to the Executive Directors, if any, will be recommended by the Committee to the Board for approval. The Committee/Board shall periodically review the remuneration of such Directors in relation to other comparable Companies and other factors like performance of the Company etc. as deemed appropriate.

The Committee will recommend to the Board appropriate fees/ commission to the non-executive directors for its approval.

F. Evaluation

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

G. Board Diversity

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

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

The eligibility criteria for appointment of key managerial personnel, senior management personnel and functional heads shall be in accordance with the job description of the relevant position.

In particular, the position of Key Managerial Personnel should be filled by senior personnel having relevant qualifications and experience.

The remuneration structure for Key Managerial Personnel, Senior Management Personnel and Functional Heads shall be as per the Company's remuneration structure taking into account factors such as level of experience, qualification, performance and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be benchmarked with a basket of identified Companies comparable to SRF.

The remuneration may consist of fixed and incentive pay/retention bonus reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The aforesaid employees may also be provided any facility, perquisites, commission, accommodation, interest free loans or loans at concessional rate in accordance with the policies framed for the employees or any category thereof.

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

Performance Evaluation of Executive Directors**Name of Director** :**Type of Directorship** : **Executive Director**

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

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

Name of Director :

Signature :

Date & Place :

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

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

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

Name of Director :

Signature :

Date & Place :

Annual Report on CSR for the financial year ended 31 March, 2015

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

As per the requirement of Section 135, Companies Act, 2013, the Company had laid down a CSR Policy which has identified projects as per the Schedule VII of The Act in the following areas :-

- Promotion of Education: Improving Quality of Education and Developing School infrastructure of Govt. Schools;
- Employment enhancing vocational skills : Focusing on imparting appropriate skills as per the market and industry needs and providing a platform to the youth trained to be gainfully self-employed or linking them with potential employers to increase their employability and livelihood;
- Promoting gender equality and empowering women :Focusing on providing special skill trainings and confidence building so as to make them self-reliant and improve their employability and income;
- Preventive Healthcare: Regular check-ups and diagnosis for prevalent ailments in the community present in and around plant locations of SRF;
- Ensuring Environment Sustainability: Conversion of barren undulated lands into cultivable lands, promoting alternative plantation, building check dams, rainwater harvesting and water conservation to prevent depletion of underground and surface water sources; and
- Promoting Rural Sports: Coaching for sports such as Kho-Kho, Kabadi etc. and to provide a platform where athletes can compete at various level and proceed to state and national level.

The Details of the CSR Policy and projects or programs is posted on: http://www.srf.com/Inv/SRF-CSR_Policy-v2.pdf.

- 2) The Composition of the CSR Committee

Dr Meenakshi Gopinath, Chairperson

Mr Kartik Bharat Ram, Deputy Managing Director

Mr L Lakshman, Independent Director

- 3) Average Net Profit of SRF Ltd for last three financial years

2013-14 : ₹ 272.22 crores

2012-13 : ₹ 329.62 crores

2011-12 : ₹ 554.74 crores

Average Net Profit : ₹ 385.53 crores

2% of Avg. Net Profit : ₹ 771 lakh

- 4) Prescribed CSR Expenditure - ₹ 771 lakh

- 5) Details of CSR Spent during the Financial Year

a. Total Amount to be spent for the financial year - ₹ 771 lakh

b. Amount Unspent - ₹ 329.05 lakh

c. Manner in which the amount spent during the financial year:

							(₹ in lakhs)
S. No.	CSR Project Activity Identified	Sector in which the project is covered (Clause no. of Schedule VII to the Companies Act, 2013 as amended)	Project/ Program 1. Local/other areas 2. Specify the state/ district	Amount outlay (budget) project/ program wise	Amount spent on the program / project 1. Direct expenditure on the project 2. Overheads	Cumulative spend upto the reporting period i.e. FY 2014-15	Amount spent Direct or through implementing agency
1.	School Education	Cl. (ii) Promoting Education	Local Area Mewat (Haryana); Udham Singh Nagar, Rudrapur (Uttarakhand); Dhar, Gwalior (Madhya Pradesh); Bhiwadi (Rajasthan); Bharuch (Gujarat); Pudukottai, Chennai and Thiruvallur (Tamil Nadu)	466.25	192.83	192.83	Implementing Agency – SRF Foundation
2.	Vocational Skills & Livelihoods	Cl. (ii) Employment Enhancing Vocational Skills Cl. (iii) Promoting gender equality and empowering Women	Local Area Mewat Haryana	65.64	41.33	41.33	Implementing Agency – SRF Foundation
3.	Sports Promotion	Cl. (vii) Training to promote rural and nationally recognized sports	Local Area Chennai (Tamil Nadu)	11.50	5.76	5.76	Implementing Agency – SRF Foundation
4.	General Healthcare	Cl. (i) Promoting Preventive Healthcare	Local Area Mewat (Haryana), Rudrapur (Uttarakhand) Bhiwadi (Rajasthan), Bharuch (Gujarat), Pudukottai & Chennai (Tamil Nadu)	12.61	2.10	2.10	Implementing Agency – SRF Foundation
5.	Natural Resource Management	Cl. (iv) Ensuring Environmental Sustainability	Local Area Bhiwadi (Rajasthan)	100.27	103.15	103.15	Implementing Agency – SRF Foundation
6.	Natural Resource Management	Cl. (iv) Ensuring Environmental Sustainability	Local Area Bhiwadi (Rajasthan)	53.14	53.14	53.14	Direct
7.	School Education	Cl. (ii) Promoting Education	Local Area Bhiwadi (Rajasthan) Dahej (Gujarat)	22.59	22.59	22.59	Direct
8	CSR Capacity Building & Overheads			39.00	21.05	21.05	
Total				771.00	441.95	441.95	

Details of Implementing Agency

SRF Foundation

Year of Establishment – 1982

Founder – SRF Ltd.

Director – Dr Y Suresh Reddy

6) Reason for not spending the two percent of the average net profit of the last three financial years or any part thereof

The Company and SRF Foundation (the implementation agency) were unable to fully incur the CSR expenditure due to the fact that this was the first year of CSR implementation and this required considerable time in identification and detailing of relevant projects, conducting baseline surveys, planning the implementation and mobilization of resources which led to the shortfall.

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company, is reproduced below :-

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and Policy of the Company.'

SD/-

Ashish Bharat Ram
Managing Director

SD/-

Dr Meenakshi Gopinath
Director (CSR)

Annexure IV to the Board's Report

Auditors' Certificate on Corporate Governance

To the Members of SRF Limited

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

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement(s).

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

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm Registration No. 015125N)

Manjula Banerji

Partner
(Membership No. 086423)

Gurgaon, 11 MAY 2015

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 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,

SRF Limited

(CIN: L18101DL1970PLC005197)

C-8, Safdarjung Development Area,

New Delhi - 110 016

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

We report that

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Where ever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

(vi) The Company is engaged in manufacturing of -

- **Chemicals and Polymers** plants located at Alwar, Rajasthan; Udham Singh Nagar, Uttarakhand and Bharuch, Gujarat;
- **Technical Textiles** plants at Chennai, Tamil Nadu; Bhind, Madhya Pradesh; Thiruvallur, Tamil Nadu; Pudukottai, Tamil Nadu and Udham SinghNagar, Uttarakhand;
- **Packaging Films** plants at Udham SinghNagar, Uttarakhand and Indore, Madhya Pradesh;

Following are some of the laws specifically applicable to the Company:-

- Narcotics Drugs and Psychotropic substance Act, 1985;
- Legal Metrology Act, 2009;
- SEZ Act, 2005 and SEZ Rules, 2006;
- The chemical weapons convention Act, 2000;

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive 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.

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

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

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

We further report that during the audit period, the shareholders of the Company in their Annual General Meeting held on 4 August 2014 approved-

- the issue of debentures on private placement basis upto the amount of ₹ 500 crores in their Annual General Meeting held on 4 August 2014 (out of which, the Board of Directors issued & allotted non-convertible debentures of total amount of ₹ 200 crores and Commercial Papers of total amount of ₹ 150 crores).
- creation of mortgage, charge and hypothecation, and creation of securities in such form and manner and on such terms and at such time(s) as the Board may deem fit, over the assets of the Company under section 180(1)(a) of the Act; and

- the borrowing limits of the Company for an amount not exceeding ₹ 3000/- crores (Rupees Three Thousand crores only) under section 180(1)(c) of the Act.

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

- Public/Rights/Preferential issue of shares/sweat equity.
- Redemption/Buy Back of securities.
- Merger/Amalgamation/Reconstruction.
- Foreign technical collaborations.

For **Sanjay Grover & Associates**

Companies Secretaries

Sanjay Grover

FCS No.: 4223

Date : **11 May 2015**

Place: **New Delhi**

CP No.: 3850

Annexure VI to the Board's Report

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

S. No.	Name	Band	Business	Age	Designation	Remu. (₹ in lakhs)	Qualification	Exp. (In Years)	DOJ - SRF Ltd.	Last Employment
1	Arun Bharat Ram	F	HO	74	Chairman	447.8	B.Sc (Incl Engg)	48	1-Apr-71	DCM Ltd
2	Ashish Bharat Ram	E	HO	46	Managing Director	376.4	MBA	24	2-Sep-02	SRF Overseas Ltd
3	Kartik Bharat Ram	E	HO	43	Deputy Managing Director	359.5	MBA	21	5-Jul-93	NA
4	Sushil Kapoor	E	TTB	55	President & CEO (TTB)	212.8	B.Tech	32	1-Jul-82	NA
5	Prashant Yadav	E	EP & FCB	45	President & CEO (EP & FCB)	115.6	PGCBM/MBA & B.Tech	23	21-Mar-94	Synthetics & Chemicals Ltd.
6	Prashant Mehra	E	PFB	43	President & CEO (PFB)	118.2	B.E. & MBA	19	7-Mar-96	NA
7	Anurag Jain	E	SCB	43	President & CEO (SCB)	117.8	B. Tech & EPBM/MBA	21	16-Sep-94	NA
8	Suresh Kannan*	E	TTB	46	President & CEO (BF, CF & LF)	103.8	B.Tech	26	5-Jun-89	NA
9	Sanjay Chatrath	E	TTB	51	President and CEO (TCF)	106.8	B.Tech	29	7-Jun-85	NA
10	Rajdeep Anand	E	CTG	63	President Chemicals Technology Group	214.3	B.Tech	43	29-Mar-93	Chem Aides
11	Rajendra Prasad	E	HO	57	President & CFO	159.0	CA, DISA, CISA (USA)	33	20-Mar-06	American Express Bank
12	Anoop K Joshi	E	HO	55	President (Legal, Taxation and Secretarial)	90.0	FCA, FCS	31	10-Feb-86	Dass Gupta & Co.
13	Ajay Chowdhury	E	HO	48	President & CHRO	78.0	PGDM/MBA	28	8-Feb-10	Benifys HR Solutions
14	Rajeev Marwah	D	FCB & SCB	56	Senior Vice President & Head of Works	75.4	B.Tech	34	2-Aug-06	Siel Chemical Complex
15	Sekar Venkataraman	D	TTB	57	Senior Vice President - Operations	73.8	B. Sc., B.Tech	34	18-Jan-96	TyreCORD Fabric Ltd.

S. No.	Name	Band	Business	Age	Designation	Remu. (₹ in lakhs)	Qualification	Exp. (In Years)	DOJ - SRF Ltd.	Last Employment
16	Dr Rahul Saxena	D	CTG	51	Chief Scientific Officer	66.0	Phd/ Doctorate	26	27-Dec-07	Ind-Swift Laboratories Ltd.
17	Hari Kishore Singh	D	PFB	44	Senior Vice President - Works & Projects	72.6	B.Tech	21	7-Apr-94	NA
18	Sanjiv Suresh Tipnis	D	TTB	56	Senior Vice President - Operations	65.0	B.Tech	34	1-Jul-13	General Blade Technology Pvt. Ltd.
19	Sanjay Rao	D	HO	44	Senior Vice President - Corporate IT	69.0	B. Tech	21	27-Mar-95	Shriram Fertilizers & Chemicals Ltd.
20	Viney K Dua	Supernumerary Band	HO	58	Head- Special Projects	61.7	B.Com	37	1-Sep-80	D.S.I.D.C. Ltd.
21	Rahul Jain	D	HO	40	Senior Vice President - Corporate Controller and Treasurer	63.1	CA	16	1-Dec-08	Jubilant Organosys Ltd.
22	Deb Bhattacharya	D	TTB	50	Senior Vice President & Business Head - IYB & BF (India Operations)	74.8	B.Tech	28	18-Sep-95	Ceat Ltd.

*Employment for the part of the year

Notes: 1. Remuneration comprises salary, bonus, allowances, perquisites, commission paid and Company's contribution to Provident Fund and Superannuation Fund, 2.

All appointments are contractual in nature, 3. There are no employees in the services of the Company within the category covered by Section 197(12) and rule 5(2)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. 4. None of the above employees, other than Mr Arun Bharat Ram, Mr Ashish Bharat Ram and Mr Kartik Bharat Ram, is a relative of any director of the Company.

Annexure VII to the Board's Report

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

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

(₹ in lakhs)

S. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2014-15 (₹ in lakhs)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr Arun Bharat Ram Chairman	447.75	(2.0%)	155.3	Sales of the Company increased by 4.93% and Profit after tax increased by 42.11% in the financial year 2014-15.
2.	Mr Ashish Bharat Ram Managing Director	376.40	10.2%	130.5	
3.	Mr Kartik Bharat Ram Deputy Managing Director	359.47	8.5%	124.7	
4.	Mr Ravichandra Kambhampaty Director (Safety & Environment)	9.57	0%	3.3	

S. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2014-15 (₹ in lakhs)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
5.	Dr Meenakshi Gopinath Director (CSR)*	7.24	*	**	
6.	Mr Vinayak Chatterjee Non-Executive Director	9.60	24.7%	3.3	
7.	Mr Tejpreet S Chopra Non-Executive Director	8.70	40.3%	3.0	
8.	Mr L Lakshman Non-Executive Director	8.90	34.8%	3.1	
9.	Mr Vellayan Subbiah Non-Executive Director	8.70	31.8%	3.0	
10.	Mr Pramod Bhasin Non-Executive Director	7.60	35.7%	2.6	
11.	Mr Sushil Kapoor President & CEO (Technical Textiles Business)	212.81	7.5%	Not Applicable	
12.	Mr Prashant Mehra President & CEO (Packaging Films Business)	118.20	19.2%	Not Applicable	
13.	Mr Prashant Yadav President & CEO (Fluorochemicals and Engineering Plastics Business)	115.56	22.1%	Not Applicable	Sales of the Company increased by 4.93% and Profit after tax increased by 42.11% in the financial year 2014-15.
14.	Mr Anurag Jain President & CEO (Speciality Chemicals Business)	117.82	20.2%	Not Applicable	
15.	Mr Rajendra Prasad President & CFO	159.00	9.7%	Not Applicable	
16.	Mr Anoop Joshi President & Company Secretary	90.00	15.0%	Not Applicable	

*Details not given as Dr Meenakshi Gopinath was not a Director in the financial year 2013-14.

**Details not given as Dr Meenakshi Gopinath was a Director only for part of the financial year 2014-15 i.e. w.e.f. 28 October 2014.

(ii) The median remuneration as on 31 March 2015 was ₹ 2.88 lakhs as compared to ₹ 2.64 lakhs as on 31 March, 2014. The increase in median remuneration was 9.3% as compared to 2013-14.

(iii) There were 5,114 permanent employees on the rolls of the Company as on 31 March 2015.

(iv) Relationship between average increase in remuneration and Company performance :

Average increase in remuneration of employees was 11.9% as compared to the increase in sales of the Company by 4.93% and profit after tax by 42.11%.

Increase in remuneration is impacted by Company performance, compensation philosophy, market competitiveness, local agreements with the unions and the total number of employees.

(v) Comparison of Remuneration of Key Managerial Personnel(s) against the performance of the Company:

Average increase in remuneration of Key Managerial Personnel was 8.3% as compared to the increase in sales of the Company by 4.93% and profit after tax by 42.11%.

(vi) a) Variations in the market capitalisation of the Company : The market capitalisation as on 31 March 2015 was ₹ 5685 crores as against the market capitalisation of ₹ 2068 as on 31 March 2014.

- b) Price Earnings Ratio of the Company was 18.47 as at 31 March 2015 and was 9.55 as at 31 March 2014.
- c) Percent increase over/decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer : The Company had come out with the initial public offer (IPO) in 1973. The closing price of the Company's equity shares on the NSE and BSE as of 31 March 2015 was ₹ 992 and ₹ 990 respectively, representing a 9820% (NSE) increase over the IPO price not considering the bonuses, rights and shares issued pursuant to amalgamation/demerger schemes.
- (vii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was as follows :-

Category	Average increase
Employees' remuneration (other than Directors)	12.29%
Managerial remuneration (Directors)	6.06%

The increase in managerial remuneration and remuneration of other employees is a function of many factors as mentioned above in point (iv) above. There were no exceptional circumstances for increase in the managerial remuneration.

- viii) Key parameters for any variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Nomination, Appointment and Remuneration Policy of the Company.
- ix) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the financial year 2014-15 - Not applicable; and
- x) It is hereby affirmed that the remuneration paid is as per the Nomination, Appointment and Remuneration Policy of the Company

Annexure VIII to the Board's Report

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy

a) Technical Textile Business, Kashipur

- Saving of 30,456 kWh/annum by replacing Metallic Fan Blades with light weight FRP blades in cooling tower.
- Saving of 26,784 kWh/annum by replacing different conventional plant lighting sources with LED based Lights.
- Saving of 71,239 kWh/annum by reducing usage of 1 of the 2 chilled water circulating pumps.
- Saving of 70,308 kWh/annum by replacing 8 TR AHU of dosing control panel room with 5 TR AHU.
- Saving of 11,160 kWh/annum by reducing domestic water consumption from 16 to 12 kl/Day.

b) Technical Textile Business, Manali

- Saving of 16344 kWh/month by providing antifriction coating to pumps to reduce frictional impact on energy.
- Saving of 64800 kWh/month by providing automatic doors in textile hall to reduce conditioned air loss.
- Saving of 10800 KWh/month by providing energy efficient pumps in WTP & boiler.
- Saving of 60 MT/month of boiler fuel (rice husk) by providing water preheater in thermic fluid heating system.
- Saving of 6.7 MT/month of furnace oil consumption by providing SS nitride ferrules in boiler to reduce biomass boiler shutdown frequency.
- Saving of 5040 kWh/month by providing inverter control for process cooling water pump.

c) Technical Textile Business, Viralimalai

- Achieved savings of 1339 units/month by replacing the existing fluorescent type light fitting with energy efficient induction type light fitting which resulted in cost savings of ₹ 0.50 lakhs (savings for 5 months from the installed period).
- Achieved savings of 496 units/month by installation of auto switching-off for the DC motor cooling blowers in NDM and CTC dipping machine during machine idle condition which resulted in cost savings of ₹ 0.21 lakhs (savings for 7 months from the installed period).

- c. Achieved savings of 7.89 units/MT by providing auto suction control with variable frequency drive for the de-webber motor, which resulted in cost savings of ₹ 0.13 lakhs (savings for 4 months from the installed period).

d) Technical Textile Business, Gwalior

- a. Fuel (coal) conservation : Coal boiler efficiency improved (coal consumption/kg of steam generation was reduced from 0.227 to 0.220 kg/kg steam) which resulted in coal saving 345 MT/annum.
- b. Power conservation
 - 3.02 lakhs kWh/annum saving through installation of two nos. new generation chillers.
 - IEX power-cheaper source.
 - 1.95 lakhs kWh/annum energy conserved through installation of LED lights.
 - 1.0 lakhs kWh/annum saving attained from various energy conservation projects i.e installation of inverters and lower capacity pumps installation.

e) Technical Textile Business, Gummidipoondi

- a. Achieved saving of 71587 kWh/annum of power through optimization of HT & LT air compressors operation.
- b. Achieved saving of 72000 kWh/annum by installing the soft starter for booster air compressor & by reducing the suction gun air pressure from 14kg/cm² to 12 kg/cm².
- c. Achieved saving of 8826m³/annum of raw water by recovering the booster compressors drain & avoiding other wastages.
- d. Achieved power saving of 161158 kWh/annum by anti-friction coating in higher capacity chilled water & cooling water pumps.
- e. Achieved power saving of 69120 kWh/annum by installing lower capacity energy efficient pump for process cooling water.
- f. Achieved power saving of 60278 kWh/annum by installing VFD for Take up # 2 – SAF.
- g. Trials taken on Power saving in plant Lighting by installation of LED lighting in place of conventional lighting, thereby achieving 50% energy reduction.
- h. Trials taken on up for upgradation of Twister motors to energy efficient IE3 motors.
- i. CF plant - Installation of VFD of textile AHU – 1 no. Saving of 60000 kWh/annum.
- j. CF plant - Auto cutoff of 70 Kw DOP blower motor. Saving of 48000 kWh/annum

f) Packaging Films Business, Indore

- a. Saving of 192150 kWh/annum by installing variable frequency drives for line I air handling unit and resin plant cooling tower.
- b. Saving of 174650 kWh/annum by reducing frequency of line II de-humidifier (reduced from 50 Hz to 44.0 Hz).
- c. Saving of 31150 kWh/annum by stopping 3.7KW motor after modification in line I gravure roll cooling circuit.
- d. Saving of 16352 kWh/annum by implementing different energy saving jobs in plant lighting (LED lights, occupancy sensors, timer in lighting circuit etc.)

g) Packaging Films Business, Kashipur

- a. Saving of 18,000 kWh/annum by modifying automatic power factor control panel.
- b. Saving of 2,630 kWh/annum by replacing 90 KW motor with 55 KW motor in cooling tower pump.
- c. Saving of 925 kWh/annum by stopping clip cooling inlet exhaust fan in winter season.
- d. Saving of 180 KWh/annum by lighting control & installation of LED lights.

h) CB Bhiwadi

- a. Saving of 3.80 lakh kWh/annum by installing Variable frequency drives.
- b. Saving of 1.43 lakh kWh/annum by process modification in P10 Plant.
- c. Saving of 0.22 lakh kWh/annum by installing LED lights.
- d. Saving of 0.26 lakh kWh/annum by replacing cooling tower pump of DG from 18.5 kW to 11KW.
- e. Saving of 2.51 lakh kWh/annum by optimising power plant operations.
- f. Saving of 13.69 lakh kWh/annum by optimising R23 distillation column.

i) CB Dahej

- a. Saving of 1.67 lakh kWh/annum by use of LED lights.
- b. Saving of 0.73 lakh kWh/annum by changing refluxing philosophy.

- c. Saving of 0.24 lakh kWh/annum by eliminating gypsum screw and pumps in AHF plant
- d. Saving of 1.45 lakhs kWh/annum by improving power factor

j) EP Manali

- a. Improved Power Consumption efficiency by installation of State of the Art One Metric Ton Extruder which is low in Power Consumption and replacing the Old 3 Extruders. Expected saving of 333800 kWh/annum for year 2015-16.

k) EP Pantnagar

- a. Achieved fuel Consumption Efficiency by replacing the Old DG of 650 KVA by two DGs of Capacity 500 KVA & 125 KVA resulting in improvement in output from 2.5 to 3.4 kWh/Litre by sequencing the same according the Load Requirement. The Annual Saving is ₹ 6 lakhs.
- b. Revamped the Compressor Cooling tower to avoid excess wastage of Power which has resulted in a Saving of ₹ 12 lakhs/annum.

(ii) the steps taken by the Company for utilising alternate sources of energy

a) Technical Textile Business, Kashipur

- a. Started power procurement through open access from the month of January, 2015.

b) Technical Textile Business, Gwalior

- a. Increase quantum of power purchased from IEX.
- b. Bilateral power taken as trial and evaluated operation in the month of Feb'15.

c) Technical Textile Business, Gummidipoondi

- a. SRF Windmill power generation & utilization in FY 14-15 was 52.30 lakh kWh.
- b. Purchase of power from the windmills owned by Vaayu Renewable Energy (Tapti) Pvt. Ltd. during FY 14-15 was 247.57 lakh kWh.

d) CB Dahej

- a. Procured Solar panel for C ETP office lighting.

(iii) the capital investment on energy conservation equipment

a) Technical Textile Business, Gummidipoondi

Description of Asset	₹ in lakhs
Soft starter for Booster compressors	10.00
Lower capacity energy efficient pump installation in process cooling water	3.50
Auto door installation	6.50
VFD for take up AHU supply air fan	4.25
TOTAL	24.25

b) Technical Textile Business, Manali

Description of Asset	₹ in lakhs
Distillation Vacuum Booster Pump	12.69
Automatic Door for Textile to FGD and TOYODA Textile to Boiler Area	6.01
Biogas Plant	4.04
Energy Efficient Motors-Extruders-6 Nos	4.86
TOTAL	27.60

c) Packaging Films Business, Indore

Description of Asset	₹ in lakhs
Installation of Vapour Absorption Machine (Chiller)	48.50
Installation of Close loop cooling tower	107.00
Introduction of Energy Saver (ES-6) for Air- compressor	3.00
Dedicated air compressor with Variable Frequency Drive for Nitrogen plant & Pet Coke TFH	11.00
Cooling Tower modification with Fibre Reinforced Plastic fan blades direct driven Motor	6.00
Drive for line-1 Air Handling Unit	4.00
TOTAL	179.50

These investments had resulted/expected to result in total energy savings of 8090 kWh/day.

d) CB Bhiwadi

- a. Variable frequency drives - ₹ 14.27 lakh
- b. LED lights - ₹ 3.20 lakh
- c. Energy efficient pumps - ₹ 2.2 lakh
- d. Total - ₹ 19.67 lakh

e) Chemicals Business Dahej

- a. Solar panel for C ETP office - ₹ 1.90 lakh
- b. Procurement of LED light in place of CFL - ₹ 24.50 lakh

(B) Technology Absorption

- (i) the efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution.

SRF's process research & development work for Specialty Chemicals is driven by two state-of-the-art R&D centres located at Bhiwadi and Chennai. Both the R&D centres focus on product and process development, developing futuristic new processes and chemistry platforms. New synthetic and analytical equipment are being continually added to enhance the capabilities of the system. Also people capabilities are being upgraded through in-house and external trainings, seminars, symposia and exhibitions both in India and abroad. The products and processes developed are validated at the Pilot plant which carries out scale up studies, before being commercialised. Many products have been commercialised and supplied to customers and many others are in the process of commercialisation at the two manufacturing sites, Bhiwadi and Dahej. With leading global agrochemical and pharmaceutical majors featuring in its customer list, SRF continues to leverage strategic partnerships to gain access to new molecules in development, thereby propelling growth.

The Company remains committed to its vision of becoming preferred partner to its customers in the field of Specialty Chemicals.

The R&D Centre of TTB is located at Manali, Tamil Nadu. It is equipped with state-of-the-art pilot plants and sophisticated testing laboratories for testing of Polymers and Fibres. These facilities are being used for development of new products in the field of Polymers, Fibres and Technical Textiles. Five new products have been developed by R&D in the coated fabrics segment during the year, out of which one product has been commercialized. In addition to this, also a new polyester fabric for application in tyres has been developed by R&D. Besides several research projects are in progress with leading Indian and Overseas academic and research institutes.

Located in Manali, Chennai, the Research and Development Centre of Engineering Plastics Business has been the key growth driver for the business, successfully developing and launching a number of specialty and niche product and applications for automotive and electrical industry by leveraging its in-house technology and expertise to foster strategic partnerships with leading Indian and Global Companies. The R&D team is focussed towards improving product development capabilities to launch high-end polymers and applications to help the business scale new heights.

- (ii) the expenditure incurred on Research and Development

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Capital Expenditure	1244.78	782.92
Revenue Expenditure	4398.38	3054.10
Total	5643.16	3837.02

(C) Foreign exchange earnings and Outgo

Particulars	2014-15 (₹ in lakhs)	2013-14 (₹ in lakhs)
Foreign Exchange Earnings	96034.25	97535.35
Foreign Exchange Outgo	105582.46	128599.75
Net Foreign Exchange Earning	(9548.21)	(31,064.4)

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31 March 2015

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

I. REGISTRATION AND OTHER DETAILS		
i) CIN		L18101DL1970PLC005197
ii) Registration Date		9 th January, 1970
iii) Name of the Company		SRF Limited
iv) Category/Sub-category of the Company		Public Company/Limited by shares
v) Address of the Registered Office and contact details		C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016 Tel : +91 11 26857141 Fax : +91 11 26510428
vi) Whether listed Company		Yes/No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any.		Karvy Computershare Private Limited Karvy Selenium Tower-B Plot No. 31 & 32, Financial District, Gachibowli Nanakramguda, Serilingampally Hyderabad 500 032 Tel No.: +91 040 6716 2222 Toll Free: 1800-345-4001 Fax No.: +91 2300 1153
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY		
All the business activities contributing 10% or more of the total turnover of the Company		As per Attachment A
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES		
		As per Attachment B
IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)		
i) Category-wise Share Holding		As per Attachment C
ii) Shareholding of Promoters		As per Attachment D
iii) Change in Promoter's Shareholding		As per Attachment E
iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)		As per Attachment F
v) Shareholding of Directors and Key Managerial Personnel		As per Attachment G
V. INDEBTEDNESS		
Indebtedness of the Company including interest outstanding/accrued but not due for payment		As per Attachment H
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL		
i) i) Remuneration to Managing Director, Whole-time Directors and/or Manager		As per Attachment I
ii) ii) Remuneration to other Directors		As per Attachment J
iii) iii) Remuneration to Key Managerial Personnel other than MD/MANAGER/ WTD		As per Attachment K
VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES		
		As per Attachment L

ATTACHMENT A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the product/ service *	% to total turnover of the Company
1.	Technical Textiles	139	47.00%
2.	Chemicals and Polymers Business	201, 210	34.87%
3.	Packaging Films	222	18.13%

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

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name of Company	Address of Company	CIN/GLN	Holding /Subsidiary /Associate	% of shares held	Applicable Section
1.	KAMA Holdings Ltd.	C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016	L92199DL2000PLC104779	Holding	52.25	2(46)
2.	SRF Global B.V.	Schiphol Boulevard 231, B Tower 5th Floor, 1118BH, Schiphol, The Netherlands	N.A.	Subsidiary	100.00	2(87)(ii)
3.	SRF Industries (Thailand) Ltd.	3, Map to Phut Industrial Estate, I -1 Road, Amphur Muang, P.O. Box – 61, Rayong Province, Thailand	N.A.	Subsidiary	100.00	2(87)(ii)
4.	SRF Flexipak (South Africa) (Pty) Ltd.	5, Eddie Hagan Drive, Cato Ridge, KwaZulu-Natal, South Africa	N.A.	Subsidiary	100.00	2(87)(ii)
5.	SRF Industex Belting (Pty) Ltd.	PO Box 4038, Korsten, Port Elizabeth-6014, Republic of South Africa	N.A.	Subsidiary	100.00	2(87)(ii)
6.	SRF Holiday Home Ltd.	C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016	U45200DL2006PLC156147	Subsidiary	100.00	2(87)(ii)
7.	SRF Overseas Ltd.	P.O. Box 61101, Jebel Ali Free Zone, Dubai, U.A.E.	N.A.	Subsidiary	100.00	2(87)(ii)
8.	SRF Fluorochemicals Ltd.	C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016	U24232DL2007PLC169852	Subsidiary	100.00	2(87)(ii)
9.	SRF Energy Ltd.	C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016	U11200DL2007PLC169973	Subsidiary	100.00	2(87)(ii)
10.	Malanpur Captive Power Ltd.	Thapar House, 124, Janpath, New Delhi – 110 001	U74909DL2005PLC131985	Associate	22.60	2(6)
11.	Vaayu Renewable Energy (Tapti) Private Ltd.	Harekrishna Presidency Society, North South Road No. 8, Vile Parle (West), Mumbai- 400 053	U40300MH2011PTC219995	Associate	26.32	2(6)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)
i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp	30075500	0	30075500	52.38	30075500	0	30075500	52.38	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total(A)(1):-	30075500	0	30075500	52.38	30075500	0	30075500	52.38	0.00
2) Foreign									
g) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
h) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
j) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
k) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2):-	0	0	0	0.00	0	0	0	0.00	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	6725249	4403	6729652	11.72	6419492	4403	6423895	11.19	0.53
b) Banks/FI	53758	6126	59884	0.10	67013	6126	73139	0.13	-0.02
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	863151	200	863351	1.50	646272	200	646472	1.13	0.38
g) FIs	4612490	0	4612490	8.03	8149780	0	8149780	14.19	-6.16
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	12254648	10729	12265377	21.36	15282557	10729	15293286	26.63	-5.27
2. Non Institutions									
a) Bodies Corp.									
(i) Indian									
(ii) Overseas									
	2166260	31266	2197526	3.83	2645816	31226	2677042	4.66	-0.84
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh									
	8525601	1836732	10362333	18.05	6317480	1741548	8059028	14.04	4.01
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh									
	1733680	0	1733680	3.02	899619	0	899619	1.57	1.45
c) Others(Specify)									
(i) Clearing Members									
	438277	0	438277	0.76	70199	0	70199	0.12	0.64
(ii) Non-Resident Indians									
	311482	17515	328997	0.57	289459	9147	298606	0.52	0.05

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(iii) Overseas Corporate Bodies	0	50	50	0.00	0	50	50	0.00	0.00
(iv) Trusts	18760	0	18760	0.03	47170	0	47170	0.08	-0.05
Sub-Total (B)(2)	13194060	1885563	15079623	26.26	10269743	1781971	12051714	20.99	5.27
Total Public Shareholding (B)=(B)(1)+ (B)(2)	25448708	1896292	27345000	47.62	25552300	1792700	27345000	47.62	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	55524208	1896292	57420500	100.00	55627800	1792700	57420500	100.00	0.00

ATTACHMENT D

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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.	KAMA Holdings Private Ltd.	3,00,00,000	52.25	0.00	3,00,00,000	52.25	0.00	0.00
2.	KARMAV Holdings Private Ltd.	75,500	0.13	0.00	75,500	0.13	0.00	0.00
	Total	3,00,75,500	52.58	0.00	3,00,75,500	52.58	0.00	0.00

ATTACHMENT E

iii. Change in Promoters' Shareholding - no change during the year

ATTACHMENT F

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

Sr. No	Shareholder's Name	Shareholding			Date	Increase/ Decrease in Shareholding	Reason	Cumulative Holding during the year (01/04/2014 to 31/03/2015)	
		No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015)	% of total Shares of the Company	No. of Shares				% of total Shares of the Company	
1	Amansa Holdings Private Ltd.	0	0.00	01-Apr-14	-				
				19-Dec-14	2,353,246	Transfer	2,353,246	4.10	
				31-Dec-14	200	Transfer	2,353,446	4.10	
		2,370,228	4.13	31-Mar-15	16,782	Transfer	2,370,228	4.13	

Sr. No	Shareholder's Name	Shareholding				Cumulative Holding during the year (01/04/2014 to 31/03/2015)		
		No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015)	% of total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company
2	Sundaram Mutual Fund A/C Sundaram Select Midcap	1,930,000	3.36	01-Apr-14				
				18-Apr-14	(31,622)	Transfer	1,898,378	3.31
				31-Oct-14	(159,028)	Transfer	1,739,350	3.03
				07-Nov-14	(10,000)	Transfer	1,729,350	3.01
				31-Mar-15	-	-	1,729,350	3.01
		1729350	3.01					
3	Goldman Sachs India Fund Ltd.	0	0.00	01-Apr-14				
				18-Jul-14	203,569	Transfer	203,569	0.35
				25-Jul-14	66,537	Transfer	270,106	0.47
				01-Aug-14	63,972	Transfer	334,078	0.58
				08-Aug-14	17,111	Transfer	351,189	0.61
				05-Sep-14	18,771	Transfer	369,960	0.64
				19-Sep-14	213,318	Transfer	583,278	1.02
				30-Sep-14	100	Transfer	583,378	1.02
				14-Nov-14	22,883	Transfer	606,261	1.06
				21-Nov-14	36,171	Transfer	642,432	1.12
				12-Dec-14	32,097	Transfer	674,529	1.17
				30-Jan-15	64,979	Transfer	739,508	1.29
				06-Feb-15	34,270	Transfer	773,778	1.35
				13-Feb-15	62,845	Transfer	836,623	1.46
				27-Feb-15	82,482	Transfer	919,105	1.60
06-Mar-15	117,692	Transfer	1,036,797	1.81				
27-Mar-15	63,230	Transfer	1,100,027	1.92				
		1,100,027	1.92	31-Mar-15			1,100,027	1.92
4	Government Pension Fund Gopal	1,507,745	2.63	01-Apr-14				
				23-May-14	(21,315)	Transfer	1,486,430	2.59
				13-Jun-14	(10,056)	Transfer	1,476,374	2.57
				20-Jun-14	(25,379)	Transfer	1,450,995	2.53
				08-Aug-14	(72,511)	Transfer	1,378,484	2.40
				05-Sep-14	(82,680)	Transfer	1,295,804	2.26
				30-Sep-14	(145,044)	Transfer	1,150,760	2.00
				24-Oct-14	(52,355)	Transfer	1,098,405	1.91
				14-Nov-14	(21,150)	Transfer	1,077,255	1.88
				28-Nov-14	(5,942)	Transfer	1,071,313	1.87
				05-Dec-14	(8,019)	Transfer	1,063,294	1.85
				20-Mar-15	(6,596)	Transfer	1,056,698	1.84
27-Mar-15	(7,174)	Transfer	1,049,524	1.83				
		1,044,848	1.82	31-Mar-15	(4,676)	Transfer	1,044,848	1.82

Sr. No	Shareholder's Name	Shareholding					Cumulative Holding during the year (01/04/2014 to 31/03/2015)	
		No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015)	% of total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company
5	UTI-MID Cap Fund	679,959	1.18	01-Apr-14				
				15-Aug-14	425	Transfer	680,384	1.18
				22-Aug-14	3,129	Transfer	683,513	1.19
				31-Oct-14	34,744	Transfer	718,257	1.25
				07-Nov-14	(13,893)	Transfer	704,364	1.23
				31-Dec-14	7,587	Transfer	711,951	1.24
				31-Mar-15	-	-	711,951	1.24
		711,951	1.24					
6	DSP Blackrock Micro Cap Fund	304800	0.53	01-Apr-14				
				06-Jun-14	38568	Transfer	343368	0.60
				13-Jun-14	167512	Transfer	510880	0.89
				11-Jul-14	1326	Transfer	512206	0.89
				18-Jul-14	24659	Transfer	536865	0.93
				01-Aug-14	27334	Transfer	564199	0.98
				08-Aug-14	27498	Transfer	591697	1.03
				05-Sep-14	-35502	Transfer	556195	0.97
				20-Feb-15	19300	Transfer	575495	1.00
				06-Mar-15	19661	Transfer	595156	1.04
		27-Mar-15	74005	Transfer	669161	1.17		
669161	1.17							
7	DSP Blackrock Equity Fund	941,971	1.64	01-Apr-14	-	-	941,971	1.64
				23-May-14	(18,856)	Transfer	923,115	1.61
				20-Jun-14	(21,900)	Transfer	901,215	1.57
				08-Aug-14	(45,060)	Transfer	856,155	1.49
				22-Aug-14	(13,801)	Transfer	842,354	1.47
				05-Sep-14	(50,541)	Transfer	791,813	1.38
				30-Sep-14	(9,608)	Transfer	782,205	1.36
				24-Oct-14	(60,847)	Transfer	721,358	1.26
				07-Nov-14	(4,262)	Transfer	717,096	1.25
				14-Nov-14	(17,484)	Transfer	699,612	1.22
				28-Nov-14	(13,529)	Transfer	686,083	1.19
				20-Feb-15	(6,357)	Transfer	679,726	1.18
				13-Mar-15	(20,864)	Transfer	658,862	1.15
				20-Mar-15	(8,641)	Transfer	650,221	1.13
		27-Mar-15	(9,951)	Transfer	640,270	1.12		
634,450	1.10							

Sr. No	Shareholder's Name	Shareholding					Cumulative Holding during the year (01/04/2014 to 31/03/2015)	
		No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015)	% of total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company
8	Fil Investments (Mauritius) Ltd.	0	0.00	01-Apr-14				
				09-Jan-15	70,925	Transfer	70,925	0.12
				16-Jan-15	248,972	Transfer	319,897	0.56
				23-Jan-15	133,342	Transfer	453,239	0.79
				30-Jan-15	76,979	Transfer	530,218	0.92
				06-Feb-15	1,273	Transfer	531,491	0.93
				13-Feb-15	62,285	Transfer	593,776	1.03
				20-Feb-15	21,109	Transfer	614,885	1.07
				31-Mar-15	614,885	1.07	614,885	1.07
9	DSP Blackrock Small and Mid Cap Fund	742320	1.29	01-Apr-14				
				23-May-14	(10,074)	Transfer	732246	1.28
				20-Jun-14	(12,721)	Transfer	719525	1.25
				08-Aug-14	-35976	Transfer	683549	1.19
				05-Sep-14	-41013	Transfer	642536	1.12
				30-Sep-14	-6240	Transfer	636296	1.11
				24-Oct-14	-28774	Transfer	607522	1.06
				14-Nov-14	-11528	Transfer	595994	1.04
				27-Mar-15	-9512	Transfer	586482	1.02
31-Mar-15	586482	1.02	586482	1.02				
10	Bengal Finance & Investment Pvt. Ltd.	0	0.00	01-Apr-14				
				04-Apr-14	167,000	Transfer	167,000	0.29
				18-Apr-14	59510	Transfer	226,510	0.39
				25-Apr-14	48000	Transfer	274,510	0.48
				02-May-14	75000	Transfer	349,510	0.61
				31-Oct-14	122154	Transfer	471,664	0.82
				07-Nov-14	15346	Transfer	487,010	0.85
				31-Mar-15	487010	0.85	487010	0.85
11	LSV Emerging Markets Equity Fund LP	726,700	1.27	01-Apr-14	-	-	-	-
				11-Jul-14	(52,970)	Transfer	673,730	1.17
				18-Jul-14	(19,222)	Transfer	654,508	1.14
				25-Jul-14	(33,567)	Transfer	620,941	1.08
				01-Aug-14	(4,011)	Transfer	616,930	1.07
				08-Aug-14	(23,330)	Transfer	593,600	1.03
				30-Sep-14	(5,987)	Transfer	587,613	1.02
				03-Oct-14	(20,420)	Transfer	567,193	0.99
				10-Oct-14	(19,269)	Transfer	547,924	0.95
17-Oct-14	(15,573)	Transfer	532,351	0.93				

Sr. No	Shareholder's Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Holding during the year (01/04/2014 to 31/03/2015)	
		No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				24-Oct-14	(14,439)	Transfer	517,912	0.90
				31-Oct-14	(33,427)	Transfer	484,485	0.84
				31-Dec-14	(105,023)	Transfer	379,462	0.66
				02-Jan-15	(23,818)	Transfer	355,644	0.62
				09-Jan-15	(223,699)	Transfer	131,945	0.23
				16-Jan-15	(131,945)	Transfer	-	0.00
		0	0.00	31-Mar-15	-	-	0	0.00
12	UTI- Balanced Fund	408,243	0.71	01-Apr-14			408,243	0.71
				02-May-14	(25,000)	Transfer	383,243	0.67
				23-May-14	(15,000)	Transfer	368,243	0.64
				13-Jun-14	(15,000)	Transfer	353,243	0.62
				20-Jun-14	(14,000)	Transfer	339,243	0.59
				04-Jul-14	(2,428)	Transfer	336,815	0.59
				18-Jul-14	(10,000)	Transfer	326,815	0.57
				31-Dec-14	(13,516)	Transfer	313,299	0.55
				09-Jan-15	(11,000)	Transfer	302,299	0.53
				16-Jan-15	(10,000)	Transfer	292,299	0.51
				06-Feb-15	(15,000)	Transfer	277,299	0.48
				20-Mar-15	(20,000)	Transfer	257,299	0.45
				27-Mar-15	(22,000)	Transfer	235,299	0.41
				31-Mar-15	-		235,299	0.41
13	Stichting Pensioenfond ABP	407639	0.71	01-Apr-14			407,639	0.71
				07-Nov-14	(168,348)	-	239,291	0.42
				13-Feb-15	(24,103)	-	215,188	0.37
		215188	0.37	31-Mar-15	-	-	215,188	0.37
14	UTI - Retirement Benefit Pension Fund	406,117	0.71	01-Apr-14	-			
				11-Apr-14	(15,000)	Transfer	391,117	0.68
				25-Apr-14	(15,000)	Transfer	376,117	0.66
				02-May-14	(25,000)	Transfer	351,117	0.61
				16-May-14	(25,000)	Transfer	326,117	0.57
				06-Jun-14	(11,000)	Transfer	315,117	0.55
				13-Jun-14	(12,000)	Transfer	303,117	0.53
				04-Jul-14	(1,010)	Transfer	302,107	0.53
				11-Jul-14	(10,000)	Transfer	292,107	0.51
				22-Aug-14	(8,500)	Transfer	283,607	0.49
				05-Sep-14	(10,000)	Transfer	273,607	0.48
				12-Sep-14	(15,000)	Transfer	258,607	0.45

Sr. No	Shareholder's Name	Shareholding					Cumulative Holding during the year (01/04/2014 to 31/03/2015)	
		No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015)	% of total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company
				21-Nov-14	(20,000)	Transfer	238,607	0.42
				31-Dec-14	(15,000)	Transfer	223,607	0.39
				02-Jan-15	(10,000)	Transfer	213,607	0.37
				09-Jan-15	(12,000)	Transfer	201,607	0.35
				30-Jan-15	(14,814)	Transfer	186,793	0.33
				06-Feb-15	(15,000)	Transfer	171,793	0.30
				27-Feb-15	(9,574)	Transfer	162,219	0.28
				06-Mar-15	(12,633)	Transfer	149,586	0.26
				20-Mar-15	(10,000)	Transfer	139,586	0.24
		139,586	0.24	31-Mar-15	-		139,586	0.24
15	The New India Assurance Company Ltd.	374,633	0.65	01-Apr-14	374,633	Nil movement during the year		
		374,633	0.65	31-Mar-15	374,633		374,633	0.65
16	Max Life Insurance Company Ltd.	0	0.00	01-Apr-14				
				23-May-14	116513	Transfer	116,513	0.20
				30-May-14	77524	Transfer	194,037	0.34
				06-Jun-14	21,787	Transfer	215,824	0.38
				20-Jun-14	61535	Transfer	277,359	0.48
				27-Jun-14	31,924	Transfer	309,283	0.54
				30-Jun-14	42,557	Transfer	351,840	0.61
				04-Jul-14	15,103	Transfer	366,943	0.64
				11-Jul-14	(50,000)	Transfer	316,943	0.55
				18-Jul-14	18000	Transfer	334,943	0.58
				25-Jul-14	22537	Transfer	357,480	0.62
				08-Aug-14	597	Transfer	358,077	0.62
				29-Aug-14	13297	Transfer	371,374	0.65
				05-Sep-14	14000	Transfer	385,374	0.67
				19-Sep-14	(25,000)	Transfer	360,374	0.63
				30-Sep-14	91428	Transfer	451,802	0.79
				03-Oct-14	6500	Transfer	458,302	0.80
				21-Nov-14	(13,000)	Transfer	445,302	0.78
				30-Jan-15	(26,239)	Transfer	419,063	0.73
				20-Mar-15	(30,000)	Transfer	389,063	0.68
				27-Mar-15	(50,000)	Transfer	339,063	0.59
		339,063	0.59	31-Mar-15			339,063	0.59

Sr. No	Shareholder's Name	Shareholding			Cumulative Holding during the year (01/04/2014 to 31/03/2015)			
		No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015)	% of total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company
17	Manulife Global Fund Asian Small Cap Equity Fund	22300	0.04	01-Apr-14				
				18-Apr-14	322501	Transfer	344801	0.60
				25-Apr-14	20	Transfer	344821	0.60
				13-Jun-14	65,946	Transfer	410767	0.72
				18-Jul-14	(30,000)	Transfer	380767	0.66
				15-Aug-14	50,000	Transfer	430767	0.75
				30-Sep-14	(268,000)	Transfer	162,767	0.28
				07-Nov-14	150,000	Transfer	312767	0.54
				16-Jan-15	36,000	Transfer	348,767	0.61
				31-Mar-15	348,767	0.61	348,767	0.61
18	Amansa Capital PTE Ltd. A/C Amansa Holdings PRI	0	0.00	01-Apr-14				
				16-May-14	187100	Transfer	187100	0.33
				23-May-14	360729	Transfer	547829	0.95
				30-May-14	34,665	Transfer	582494	1.01
				06-Jun-14	18400	Transfer	600894	1.05
				20-Jun-14	66,234	Transfer	667128	1.16
				27-Jun-14	12,558	Transfer	679686	1.18
				11-Jul-14	45,581	Transfer	725267	1.26
				18-Jul-14	36,198	Transfer	761465	1.33
				08-Aug-14	12110	Transfer	773575	1.35
				15-Aug-14	42890	Transfer	816465	1.42
				05-Sep-14	64400	Transfer	880865	1.53
				12-Sep-14	134279	Transfer	1015144	1.77
				19-Sep-14	88312	Transfer	1103456	1.92
				30-Sep-14	468309	Transfer	1571765	2.74
03-Oct-14	926	Transfer	1572691	2.74				
10-Oct-14	170039	Transfer	1742730	3.04				
17-Oct-14	14681	Transfer	1757411	3.06				
24-Oct-14	140000	Transfer	1897411	3.30				
31-Oct-14	11430	Transfer	1908841	3.32				
21-Nov-14	106300	Transfer	2015141	3.51				
19-Dec-14	(2,015,141)	Transfer	0	0.00				

Note: Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to the Company.

v. Shareholding of Directors and Key Managerial Personnel

Sr. No	Shareholder's Name	Shareholding		Date	Increase/ Decrease in No. of Shares	Reason % of total Shares of the Company	Cumulative Holding during the year (01/04/2014 to 31/03/2015)			
		No. of Shares at the beginning (01/04/2014) / end of the year (31/03/2015)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company		
1	Vellayan Subbiah (Independent Director)	5507	0.01	01-Apr-14	0	Nil movement during the year	5507	0.01		
		5507	0.01	31-Mar-15						
2	Ravichandra Kambhampaty Director – (Safety & Environment)	1200	0.00	01-Apr-14	0	Nil movement during the year	1200	0.00		
		1200	0.00	31-Mar-15						
3	Anoop K Joshi President & Company Secretary	4200	0.01	01-Apr-14			3700	0.01		
				14-May-14	(500)				3500	0.01
				15-May-14	(200)				3200	0.01
				19-May-14	(300)				2800	0.00
				12-Aug-14	(400)				2750	0.00
				14-Aug-14	(50)				2500	0.00
				20-Aug-14	(250)					
2500	0.00	31-Mar-15								
4	Sushil Kapoor President & CEO- Technical Textile Business	46200	0.08	01-Apr-14	0	Nil movement during the year	46200	0.08		
		46200	0.08	31-Mar-15						
5	Prashant Mehra President & CEO- Packaging Film Business	100	0.00	01-Apr-14	0	Nil movement during the year	100	00.0		
		100	0.00	31-Mar-15						
6	Prashant Yadav President & CEO- Engineering Plastics Business & Fluoro Chemicals Business	200	0.00	01-Apr-14	0	Nil movement during the year	200	00.0		
		200	0.00	31-Mar-15						

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31 March 2015
(₹ in lakhs)

	Secured Loan excluding Deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness as at the beginning of the financial year (1.4.2014)				
i) Principal Amount	105,720.29	21,379.29	0.74	127,100.32
ii) Interest Due but not paid	-	-	-	-
iii) Interest Accrued but not due	375.90	42.09	-	417.99
Total (i+ii+iii)	1,06,096.19	21,421.38	0.74	127,518.31
Change in indebtedness during the financial year				
Addition	147,386.84	72,796.86	-	2,20,183.70

	Secured Loan excluding Deposits	Unsecured Loan	Deposits	Total Indebtness
Reduction	(114,627.45)	(83,321.45)	-	(1,97,948.91)
Change in Interest Accrued	(114.53)	(32.51)	-	(147.04)
Net Change	32,644.86	(10,557.11)	-	22,087.75
Indebtedness as at the end of the financial year (31.3.2015)				
i) Principal Amount	138,479.68	10,854.69	0.74	149,335.11
ii) Interest Due but not paid	-	-	-	-
iii) Interest Accrued but not due	261.37	9.58	-	270.95
Total (i+ii+iii)	1,38,741.05	10,864.27	0.74	149,606.06

ATTACHMENT I

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakhs)

S.N.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mr Arun Bharat Ram Chairman*	Mr Ashish Bharat Ram Managing Director*	Mr Kartik Bharat Ram Deputy Managing Director*	Mr Ravichandra Kambhampaty Director (Safety & Environment)	
1.	Gross Salary					
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	591.96	255.37	236.37	7.01	1090.71
	b) Value of perquisites u/s 17(2) of the Income – tax Act, 1961	2.27	96.50	87.07	1.72	187.56
	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	225.00	125.00	125.00	-	475.00
	- Others	-	-	-	-	-
5.	Others	-	-	-	-	-
	TOTAL (A)	819.23	476.87	448.44	8.73	1753.27
	Ceiling as per the Act	₹ 3735.48 lakhs (being 10% of the net profits of the Company calculated as per Section 197 of the Companies Act, 2013).				

* During the year, Mr Arun Bharat Ram, Mr Ashish Bharat Ram and Mr Kartik Bharat Ram opted out of the Superannuation Scheme of the Company and therefore a sum of ₹ 417.96 lakhs, ₹ 137.78 lakhs and ₹ 118.78 lakhs was paid respectively to them as ex-gratia amount which forms part of their salary above.

ATTACHMENT J

B. Remuneration to other Directors

(₹ in lakhs)

S. No.	Particulars of Remuneration	Vinayak Chatterjee	L Lakshman	Vellayan Subbiah	Pramod Bhasin	Tejpreet Singh Chopra	Dr Meenakshi Gopinath (Appointed w.e.f. 28.10.2014)	Total
1.	Independent Directors							
	-Fee for attending Board/ committee meetings	2.60	1.90	1.70	0.60	1.70	-	8.50
	-Commission	7.00	7.00	7.00	7.00	7.00	-	35.00
	-Others	-	-	-	-	-	-	-

S. No.	Particulars of Remuneration	Vinayak Chatterjee	L Lakshman	Vellayan Subbiah	Pramod Bhasin	Tejpreet Singh Chopra	Dr Meenakshi Gopinath (Appointed w.e.f. 28.10.2014)	Total
2.	Other Non-Executive Directors							
	-Fee for attending Board / committee meetings	-	-	-	-	-	0.60	0.60
	-Commission	-	-	-	-	-	-	-
	-Others	-	-	-	-	-	6.64	6.64
	TOTAL (B)=(1+2)	9.60	8.90	8.70	7.60	8.70	7.24	50.74
	Ceiling as per the Act	₹ 373.55 lakhs (being 1% of the net profits of the Company calculated as per Section 197 of the Companies Act, 2013)						
	TOTAL MANAGERIAL REMUNERATION*	1804.01						
	Overall Ceiling as per the Act	₹ 4109.03 lakhs (being 11% of the net profits of the Company calculated as per Section 197 of the Companies Act, 2013)						

* Total remuneration to Chairman, Managing Director(s), Whole-time Director and other Directors.

ATTACHMENT K

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

(₹ in lakhs)

S.N.	Particulars of Remuneration	Key Managerial Personnel					Total	
		Sushil Kapoor President & CEO (TTB)	Prashant Mehra President & CEO (PFB)	Prashant Yadav President & CEO (FCB & EP)	Anurag Jain President & CEO (SCB)	Rajendra Prasad President & CFO		Anoop K Joshi President & CS
1.	Gross Salary							
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	187.39	130.91	128.86	133.50	131.05	75.99	787.70
	b) Value of perquisites u/s 17(2) of the Income – tax Act, 1961	3.30	3.25	1.86	1.49	2.50	1.59	13.99
	c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-	-
4.	Commission							
	- As % of profit	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	-	-
5.	Others	-	-	-	-	-	-	-
	TOTAL (A)	190.69	134.16	130.72	134.99	133.55	77.58	801.69

Note: During the year, Mr Prashant Mehra, Mr Prashant Yadav and Mr Anurag Jain opted out of the Superannuation Scheme of the Company and therefore a sum of ₹ 22.92 lakhs, ₹ 25.91 lakhs and ₹ 25.76 lakhs was paid respectively to them as ex-gratia amount which forms part of their salary above.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

MANAGEMENT DISCUSSION & ANALYSIS



SRF maintained its momentum of growth during 2014-15 in spite of a global economy that remained sluggish. The year saw the Company reporting marginal increase in its revenue from ₹ 3402.10 crores in 2013-14 to ₹ 3570.21 crores in 2014-15. The increase in revenue numbers must be seen in the context of softening crude oil prices which resulted in lower realisations for most of SRF products.

Similarly, the reduction in the prices of commodities towards the end of the year not only led to mark down of inventories, but to lower margins as well in the short term. But building on its overall operational efficiency across businesses, renewed focus on value-added products and success in penetrating new markets overseas, the Company improved its Profit After Tax (PAT) by 42.11% from ₹ 216.54 crores in 2013-14 to ₹ 307.73 crores in 2014-15.

SRF management in the following pages provides its own perspective on the operating and financial performance of the Company during 2014-15 and an outlook of the business performance in the coming years.

BUSINESSES

As a multi-business entity SRF remains committed to its strategic focus of continuous improvement and achieving excellence in meeting the diverse requirements of customers across multiple segments, globally. The Company remains the market leader in most of its products and continues to enjoy significant global presence in some of its businesses, with operations in three countries namely India, Thailand and South Africa and commercial interests in more than 75 countries. It classifies its main businesses as Technical Textiles Business (TTB), Chemicals & Polymers Business (CPB) and Packaging Films Business (PFB).

TECHNICAL TEXTILES BUSINESS

In spite of the prevailing economic slowdown coupled with low growth or even de-growth in some of the segments of Technical Textiles Business (TTB), the business as a whole and nylon tyre cord fabric (NTCF) segment in particular performed reasonably well. Whilst the competitive pressures remained in most of the segments of TTB, similar to earlier years, the softness in demand across all sectors was a key factor in limiting financial performance.

Tyre Cord Fabrics

The Nylon Tyre Cord segment managed to retain its leading market position with a stable market share despite the demand remaining flat, the radialisation in the Commercial Vehicle Segment reaching around 32% and the economic growth remaining weak.

As a major step towards improving the competitiveness of the business, SRF closed the operations of its plant at the Jebel Ali Free Zone, U.A.E. which had become unviable due to its high cost of production and global economic slowdown.

The Polyester Yarn & Fabrics segment also showed a turnaround with its new focus on the yarn business for diversified industrial applications.

Belting Fabrics

In the current global economic situation, the Company has changed its strategy in this business segment by focusing on domestic markets and expanding its range of value-added products. This, coupled with a reduction in turnaround time of orders, has enabled it to improve its performance in India.

The performance of the South African subsidiary was adversely affected during the year due to the following reasons:

- Labour unrest for 21 days, disrupting supplies to customers during Aug'14 and affecting future orders as well



- Shift by one of the local customers to purchasing from overseas to gain competitive advantage
- Continued slowdown in the mining industry, plagued further by protests and strikes locally

Coated & Laminated Fabrics

The Laminated Fabrics segment saw entry of several new players during the year, with a struggle to gain market share. This led to significant margin erosion in a highly competitive industry, which saw flat growth this year. The Company believes that greater balance would eventually return, albeit slowly to market dynamics.

In the Coated Fabrics segment, many new products introduced by the Company have settled down with better prospects in the coming year.

While this business segment struggled during the year particularly due to the slowdown in the transport, construction and automobile sectors, the prospect looks better as the market is expected to improve.

Industrial Yarn

SRF continues to hold its position in different applications of Industrial Yarns with stable performance.

Outlook

NTCF consumption in India is likely to remain flat in 2015-16 in spite of increasing radialisation on account of growth expected in the Infrastructure & Mining sector. Besides the competition from low priced Chinese raw materials, the entry of a new player is likely to lead to a reduction in margins. The Company, however, expects to hold its share as the economy improves.

The fortunes of the Laminated Fabrics segment are likely to gain some traction as the demand picks up in the second half of 2015-16. In the Coated Fabrics segment, the recovery of the transport sector and new product launches would spur an improved performance.

The prospect of a resolution of the long pending issues with regard to mining & infrastructure projects, in particular, augurs well for Belting Fabrics which are essentially used as reinforcement in conveyor belts. The Company hopes to be in a position to leverage the demand through sales growth.

CHEMICALS & POLYMERS BUSINESS

The Chemicals & Polymers Business comprises three different product lines namely Fluorochemicals, Specialty Chemicals and Engineering Plastics.

Fluorochemicals

The Fluorochemicals Business (FCB) derives its revenue from the sale of fluorine based refrigerants/propellants and solvents. With strategically located manufacturing operations at Bhiwadi in Rajasthan and at Dahej in Gujarat, the business is all set to continue on the growth path. The acquisition of the Dymel® HFC134a-Pharma business globally from DuPont is a critical step for the Company to make its entry into the high-end pharmaceutical segment.

Refrigerants

SRF continues to be one of the largest and credible players in the industry globally. It is the domestic market leader in the fluorinated refrigerant market. Exports business is spread across 60 countries worldwide, and accounts for a significant portion of the overall revenue.

The refrigerant product range includes HCFC 22, HFC 134a and 4'Series blends (R404A, R407C and R410A). The business serves respected OEMs manufacturing air-conditioners, refrigerator, chillers and automobiles.

Although the pressure from cheap exports from China continued to affect the export markets, the demand for refrigerants drastically returned to the growth path during 2014-15 on the back of strong sales of air-conditioners and moderate growth in automobiles with key indicators signalling economic recovery to continue into the next year. Thus the medium-term outlook for refrigerants looks positive, especially for consumer durables like air-conditioners and refrigerators, as well as automobiles.

Solvents

SRF's main products in the chloromethane space are methylene chloride and chloroform. During the

year, the Company emerged as the market leader for its newly launched Trichloroethylene and Perchloroethylene in India, which are manufactured at the Dahej site. The products have been well accepted in more than 20 countries.

Outlook

Having bought the Dymel® HFC134a-Pharma business from DuPont (now Chemours), SRF is making all-out efforts to ensure completion of the transition in the current year.

In 2015-16, with overall sentiments in the market remaining positive, the business is expected to improve its performance by leveraging the higher production capacities of HFC-134a and AHF. The capacities shall support the ramp-up of HFC-134a sales in the domestic and export markets. The business shall also continue to pursue growth in the solvents business globally.

Specialty Chemicals

Building on its expertise in fluorine based products used in the agrochemical and pharmaceutical industries, SRF is also developing non-fluorinated chemistries, to bolster its growth. New specialty products are also being identified for commercialisation.

The strength of R&D and process engineering has been substantially augmented by building the capability to design and execute multiple projects simultaneously meeting challenging timelines. The business is engaged with reputed domestic as well as global innovators for developing new products in our chosen markets.

Outlook

The business is expanding its horizons and the range of specialty products it produces. The business also continues to build on its reputation and

credibility with global agrochemical and pharmaceutical majors and move towards higher value-added products. With Chinese manufacturers entering few of the older product lines being manufactured by the business, some price erosion is being experienced in some of its older product lines. This is expected to continue in the next financial year as well.

During the year the business capitalised a dedicated intermediate products plant and a multi-purpose plant at Dahej. These will add to the revenue stream and growth going forward.

The business continues to work on developing new products and it thus maintains a robust product funnel. To this end, the business will continue to invest in people and processes that drive R&D, as well as in production assets that commercialise technology and result in growth.

The Company continues to remain optimistic about the future potential and prospects of the Specialty Chemicals Business.

ENGINEERING PLASTICS

In spite of moderate growth in automotive sector during 2014-15, the business posted improved performance amidst growing pressure on price in the market. SRF also achieved industry leadership in critical segments in automotive and electrical segments by persistently focusing on improving market share through leveraging existing OEM relationships and key approvals.

The business adopted a coherent strategy of enhancing the current product portfolio by developing new products in close co-ordination with key OEMs, fostering long term relationships



with customers and focusing on cost competitiveness to maintain growth during volatility.

Outlook

In spite of a moderate outlook in the automotive segment, the business plans to leverage its long term relationship with key customers to gain market share. Besides, the business continues to have a strong focus on gaining a foothold in international markets and maintaining domestic leadership.

Chemicals Technology Group

The Chemicals Technology Group (CTG) is actively engaged in the development of new process technologies for the Chemicals and Polymers Business. Its key focus has been on the niche area of the fluorinated molecules.

CTG has continuously been working on enhancing SRF's technology development capabilities. Capexes of about ₹ 36.33 crores were taken up in the year 2014-15 for Research & Development (R&D) labs and pilot plant expansion. In all, the R&D team worked on 40 molecules and 9 scale-up campaigns were carried out by the pilot plant.

CTG filed 15 process patents during the year 2014-15 taking the tally to 54 patents filed thus far, of which 4 patents have been granted.

PACKAGING FILMS BUSINESS

The down cycle in flexible packaging industry continued resulting in unutilised capacities. The sharp fall in crude prices further impacted the business profitability causing prices to fall in the entire value chain of the business. Stock losses were thus incurred on account of sharp reduction in raw material prices.

At a group level, SRF's new green-field units at Thailand (BOPET plant) and South Africa (BOPP plant) have been operating well. Thailand unit reached full capacity utilisation and achieved PBT positive level during its first full year of

operations whilst in the BOPP segment, SRF has been established as a credible supplier both in South Africa as well as in chosen International markets. The business also captured significant market share in BOPET sales in South East Asia and Europe.

Value-added products (VAPs) have been a continuous focus area and the business posted a growth of 36% in VAPs sales over the previous year. Overall, the Packaging Films Business performed better than the previous year.

Outlook

Globally, demand for thin BOPET films is expected to grow at around 6% per annum. Supply will, however, continue to far exceed the demand and put pressure on margins. While in 2014, 28 new BOPET lines were added globally, capacity utilisation will remain under pressure for the foreseeable future.

Driven by the robust FMCG growth and fast urbanisation, domestic market in India is expected to grow by 10% year-on-year.

In view of the demand supply imbalance and global uncertainty, SRF's strategy would evolve around stepping up the business profitability from existing assets by having efficient cost structures, enhanced capabilities and adding more of value added products in the portfolio for maximising business returns.

HUMAN RESOURCES

In the year 2014-15 HR achieved some significant milestones with respect to organisation-wide HR initiatives. Some of the important initiatives that were undertaken during the year included measuring and reporting employee engagement on a more real time basis. This was achieved by redesigning the employee engagement measurement process and launch of SRF Pulse. An organisation wide internal benchmarking of HR processes for officers was also carried out to understand the employee experience and best practices across locations in India.

The HR team reviewed and strengthened officers' framework for Training Need Identification (TNI) process across locations. The training man-hours increased by 38% y-o-y and training coverage improved by 17% y-o-y.

Among other initiatives, a structured development intervention was designed and implemented to develop potential leaders to meet current and future manpower requirements.

TOTAL QUALITY MANAGEMENT

SRF continues to expand on its capabilities to deliver niche products and differentiated solutions for its newer markets. Using sound product development methodologies together with the usage of TQM tools upstream, the Company strengthened its abilities to set up new units, commission new plants and acquire new customers during the year.

The Company's internal PSP Silver level programme, which is the equivalent of a Six Sigma Black Belt in the external world, continues to progress. As a result, there has been improvement in quality and reduction in cycle time for customers, improvement in waste and efficiency and overall improvement in morale. In addition, 12 of SRF's teams received top most accolades in national level QC circle conventions and in similar events. Accumulated Kaizens (improvements) now number over 500,000 since its inception, at a current rate of over 15 per person annually.

INFORMATION TECHNOLOGY

The ERP system at SRF now integrates all the SRF entities globally and provides a consolidated view for management and financial reporting. The integration of transaction systems with shop floor machines and lab operations has helped

streamline operations and reduce the time and efforts of operations team. The HR systems are now being extended globally to have standardised HR processes and to give a common view of manpower resources.

The IT solutions now cover the core area of SRF, which is manufacturing, through process manufacturing modules. Apart from improving key operations ratios, the quality control process now integrated in the ERP has reduced the risk of poor quality ingredients entering the shop floor. Incorporation of Bar Coding at the manufacturing stages has reduced the manual effort on the shop floor.

Business Activity Management Dashboards, Automation of Internal Compliance & Audit Activities and IT Enablement for Data Security especially in the R&D wing were some of the other IT related initiatives taken during the year.

COMMUNITY PARTNERSHIPS

Building on its long-term commitment of the sustainable and inclusive growth of the community, SRF through its social wing, SRF Foundation, expanded its scope of work and took some concrete steps in compliance with the Section 135 of the Companies Act 2013 during the year. As always, the Foundation continued to focus in the identified areas of education, vocational skills, promotion of rural support, natural resource management, preventive health care and affirmative actions on a sustainable basis. The Company further strengthened its public-private-community partnership (PPCP) model to positively impact the lives of the people.

The year 2014-15 witnessed expansion of Foundation's Education Programme to 415 schools in 415 villages across 10 locations in Six States. The programme, with a motto of **Quality Education for All**, strives to provide quality



education to more than 100,000 students by working with more than 1000 teachers in all these Government Schools. The Foundation continued with its work towards improving infrastructure facilities under **School Education Programme**, promoting computer aided learning through **KidSmart Centres** and enrolling girls for residential learning under **Udaan Programme**.

Similarly, the SRF Foundation took several new initiatives to improve the employability of people especially the younger generation from the disadvantaged communities by way of providing vocational skills and organised various health awareness programmes especially in the area of HIV/ AIDS for the communities in its plant locations. As part of its initiatives under **Natural Resource Management Programme**, the Foundation has so far impacted 6,259 farmer families and improved their livelihood.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company believes that Internal Control is a necessary concomitant of the principle of Governance. It remains committed to ensuring an effective Internal Control environment that provides assurance to the Board of Directors, Audit Committee and the management that there is a structured system for:

- Close and active supervision by the Audit Committee
- Business planning and review of goals achieved
- Evaluating & managing risks
- Ensuring reliability of financial and operational reporting
- Ensuring legal and regulatory compliance
- Protecting Company's assets
- Prevention and detection of fraud and error
- Validation of IT Security Controls

Interrelated control systems, covering all financial and operating functions, assure fulfilment of these objectives.

The Company uses Enterprise Resource Planning (ERP) supported by in-built controls that ensures reliable and timely financial reporting.

The Company also has a robust & comprehensive framework of Control Self-Assessment (CSA) which continuously verifies compliance with laid down policies & procedures and help plug control gaps.

In the Indian business environment many laws and regulations have either undergone a change in the recent past, or are likely to change in the coming future. These changes are expected to have a far reaching impact on most Companies in the way the Companies conduct their businesses and are administered and account for various transactions. Companies Act 2013, the new Accounting Standards, Direct Taxes Code, proposed Goods & Services Tax are some such regulatory changes which will require Companies to re-assess at their processes and practices. The Company has taken the required steps and is well prepared to meet these challenges in a smooth and timely manner.

Risk Management

The objective of SRF's risk management framework is to identify events that may adversely affect the Company, and manage risks in order to provide reasonable assurance for achieving the Company's objectives. The Board of Directors is apprised of the developments in risk management in the Company on a periodic basis.

Strategic Risks

Strategic plans for the Company's businesses take into account likely risks in the industrial environment

from competition, changing customer needs, obsolescence and technological changes. Annual plans that are drawn up consider the risks that are likely to impact the Company's objectives in that year, and the counter-measures put in place.

Operational Risks

SRF has a combination of well documented centrally issued policies and divisionally evolved procedures to manage operational risks. The Company has a well-defined delegation of power and relies on a TQM system of control points, comprehensive budgetary controls and review systems to monitor its operations. In addition, internal audits verify compliance to defined policies and procedures.

Financial Risks

With a diverse business portfolio, SRF is exposed to numerous financial risks. These primarily emanate from foreign currency exchange risk from exports of its products, imports of raw material and capital goods and servicing of foreign currency debt.

SRF follows a conservative foreign exchange risk management policy to minimise or eliminate the risks associated with operating activities.

The Company has laid down detailed policy guidelines to deal with all aspects of financial risks viz. liquidity risks, credit risks and market risks.

Information Technology Risks

The Company has set up adequate redundancy at the hardware and software levels in the mission critical information systems like the ERP to keep business going in the event of any disruption. As an additional precaution, regular backup of data is taken to prevent any data loss in these critical applications.

CORPORATE GOVERNANCE REPORT



Philosophy of the Company on Corporate Governance

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

Board of Directors

Composition of the Board

As on 31 March 2015, SRF's Board consisted of 10 Directors, of which four are executives of the Company (including the Chairman, who is an Executive Chairman), one is non-executive & non-independent and five are independent. Table 1 gives the details of the Board during the year 2014-15.

Table 1: Composition of the Board of Directors of SRF

Name of Director	Category of Director	No. of other Directorships* (other than SRF Limited)	No. of Board-Level Committees where Chairperson or Member** (including SRF Limited)	
			Chairperson	Member
Mr Arun Bharat Ram	Executive Chairman, Promoter	6	-	4
Mr Ashish Bharat Ram	Executive, Promoter	4	-	1

Name of Director	Category of Director	No. of other Directorships* (other than SRF Limited)	No. of Board-Level Committees where Chairperson or Member** (including SRF Limited)	
			Chairperson	Member
Mr Kartik Bharat Ram	Executive, Promoter	3	-	2
Mr Ravichandra Kambhampaty	Executive	-	-	-
Mr Vinayak Chatterjee	Non-Executive, Independent	3	1	1
Mr Tejpreet Singh Chopra	Non-Executive, Independent	1	1	1
Mr L Lakshman	Non-Executive, Independent	6	1	4
Mr Vellayan Subbiah	Non-Executive, Independent	3	-	4
Mr Pramod Bhasin	Non-Executive, Independent	2	-	2
Dr Meenakshi Gopinath (Appointed w.e.f. 28 October 2014)	Non-Executive, Non-Independent	-	-	-

Mr Arun Bharat Ram is the father of Mr Ashish Bharat Ram and Mr Kartik Bharat Ram.

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

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

Independent Directors on the Board are Non-Executive Directors.

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

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

Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a meeting of the Independent Directors of the Company was held on 10 February 2015, without the attendance of Non-Independent Directors and members of the management.

Familiarisation Programme

Your Company has put in place familiarisation programme for all its Directors including the Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc. and the familiarisation programme for the Independent Directors is available on the website of the Company (<http://www.srf.com/inv/Familiarization2015.pdf>)

Number of Board Meetings

During 2014-15, the Board of Directors met five times on 9 May 2014, 4 August 2014, 28 October 2014, 8 December 2014 and 10 February 2015. The gap between any two Board Meetings did not exceed four months. Table 2 gives the details.

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

Name of the Director	Number of Board Meetings Held Under Tenure	Number of Meetings Attended	Attended Last AGM?
Mr Arun Bharat Ram	5	5	Yes
Mr Ashish Bharat Ram	5	5	Yes

Name of the Director	Number of Board Meetings Held Under Tenure	Number of Meetings Attended	Attended Last AGM?
Mr Kartik Bharat Ram	5	5	Yes
Mr Ravichandra Kambhampaty	5	4	Yes
Mr Vinayak Chatterjee	5	5	Yes
Mr Tejpreet Singh Chopra	5	4	No
Mr L Lakshman	5	5	Yes
Mr Vellayan Subbiah	5	4	Yes
Mr Pramod Bhasin	5	3	Yes
Dr Meenakshi Gopinath (Appointed w.e.f. 28 October 2014)	3	3	Not Applicable

Remuneration of Directors

Table 3 gives the remuneration paid or payable to the Directors of SRF Limited for financial year 2014-15 and table 4 gives details of Service Contracts

Table 3: Remuneration Paid or Payable

(₹ in lakhs)

Name of Director	Salary & Allowances	Sitting Fees+	Perquisites	Provident Fund and Superannuation Fund @	Commission (Provided)	Total
Mr Arun Bharat Ram	174.00	-	19.17	20.88	225.00	439.05
Mr Ashish Bharat Ram	117.45	-	108.84	19.71	125.00	371.00
Mr Kartik Bharat Ram	117.45	-	91.91	19.71	125.00	354.07
Mr Ravichandra Kambhampaty	6.28	-	3.29	-	-	9.57
Mr Vinayak Chatterjee	-	2.60	-	-	7.00	9.60
Mr Tejpreet Singh Chopra	-	1.70	-	-	7.00	8.70
Mr L Lakshman	-	1.90	-	-	7.00	8.90
Mr Vellayan Subbiah	-	1.70	-	-	7.00	8.70
Mr Pramod Bhasin	-	0.60	-	-	7.00	7.60
Dr Meenakshi Gopinath	5.13	0.60	1.51	-	-	7.24
Total	420.31	9.10	224.72	60.30	510.00	1224.43

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

@ Having regard to the fact that there is global valuation for Company as a whole for compensated absences and for contribution to gratuity fund, the amount applicable to an individual is not ascertainable and hence not included above.

Table 4: Details of Service Contracts

Name of Director	Tenure	Notice Period	Severance Fee
Mr Arun Bharat Ram	5 years w.e.f. 15 June 2013	6 months by either party	Nil
Mr Ashish Bharat Ram	5 years w.e.f. 23 May 2015*	3 months by either party	Nil
Mr Kartik Bharat Ram	5 years w.e.f. 1 June 2011	3 months by either party	Nil
Mr Ravichandra Kambhampaty	3 years w.e.f. 1 October 2012	3 months by either party	Nil

* Subject to shareholders approval in 44th Annual General Meeting.

Shareholding of Non-Executive Directors

Table 5 gives details of the shares held by the non-executive Directors as on 31 March 2015.

Table 5: Equity Shares Held by Non-Executive Directors as on 31 March 2015

Name of Director	Category	Number of Equity Shares Held
Mr Vinayak Chatterjee	Independent	-
Mr Tejpreet Singh Chopra	Independent	-
Mr L Lakshman	Independent	-
Mr Vellayan Subbiah	Independent	5507

Name of Director	Category	Number of Equity Shares Held
Mr Pramod Bhasin	Independent	-
Dr Meenakshi Gopinath	Non-Independent	-

The Company has not issued any convertible securities to any Director.

Information Supplied to the Board

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

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

- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc

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

In addition to the above, pursuant to the Clause 49, the minutes of the Board meetings of your Company's subsidiary Companies and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary Companies are also placed before the Board.

Code of Conduct

The Company's Board has laid down a Code of Conduct for all Board members and senior management of the Company. The Code of Conduct is available on the website of the Company, www.srf.com. All Board members and designated senior management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

Risk Management

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

Committees of the Board

a) Audit Committee

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

During 2014-15, the Audit Committee of SRF met four times on 9 May 2014, 4 August 2014, 28 October 2014 and 10 February 2015. Table 6 gives the attendance record of Directors who are members of the Audit Committee.

Table 6: Attendance Record of Audit Committee Meetings during 2014-15

Name of Director	Category	Number of Meetings Held Under Tenure	Number of Meetings Attended
Mr Vinayak Chatterjee (Chairman)	Independent, Non-Executive	4	4
Mr L Lakshman	Independent, Non-Executive	4	4
Mr Vellayan Subbiah	Independent, Non-Executive	4	4

All the members of the Audit Committee are financially literate.

Mr Anoop K Joshi, President & Company Secretary is the Secretary to the Committee.

The terms of reference of the Audit Committee are as per the guidelines set out in the Revised Listing Agreement with the Stock Exchanges read with Section 177 of the Companies Act, 2013. These broadly includes approval of annual internal audit plan, review of financial reporting systems, ensuring compliance with regulatory guidelines, discussions on quarterly, half yearly and annual financial results, interaction with statutory, internal and cost auditors, recommendation for appointment, remuneration and term of auditors, examination of financial statements and auditors' report thereon, review the functioning of the Whistle Blower Mechanism, review and monitor the auditor's independence and performance and effectiveness of audit process, approval or any subsequent modification of transactions of the Company with related parties, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of the Company, wherever it is necessary, evaluation of internal financial controls and risk management systems and reviewing with the management adequacy of internal control system.

In addition, the Committee also mandatorily reviews:

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

b) Nomination and Remuneration Committee

As on 31 March 2015, this Committee comprised three Directors, Mr Vinayak Chatterjee (Chairman), Mr Tejpreet Singh Chopra and Mr Vellayan Subbiah, all of whom are independent. The constitution of the Committee meets the requirements of Section 178 of the Companies Act, 2013.

The Board of Directors at their meeting held on 9 May 2014 also in addition to reconstitution and renaming also amended the

Nomination and Remuneration Committee Charter amending inter-alia the terms of reference of the Committee in line with the requirements of the Companies Act, 2013 and Listing Agreement. Terms of reference of the Committee briefly are as under :

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

During 2014-15, meetings of this Committee were held on 21 April 2014 and 28 October 2014. Table 7 gives the attendance record of Directors who are members of the Nomination and Remuneration Committee.

Table 7: Attendance Record of Nomination and Remuneration Committee Meetings during 2014-15

Name of Director	Category	Number of Meetings Attended
Mr Vinayak Chatterjee (Chairman)	Independent, Non-Executive	2
Mr Tejpreet Singh Chopra	Independent, Non-Executive	2
Mr Vellayan Subbiah	Independent, Non-Executive	1

Nomination, Appointment and Remuneration Policy

The Company's Nomination, Appointment and Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and Functional Heads is annexed as Annexure II to the Board's Report, which is accessible on the Company's website www.srf.com.

c) Stakeholders Relationship Committee

As on 31 March 2015, this Committee comprised of five Directors—three executive Directors and two non-executive Directors. The Chairman of the Committee is Mr Tejpreet Singh Chopra, an Independent & Non-Executive Director.

Mr Anoop K Joshi, President & Company Secretary, is the Compliance Officer. To expedite the process of transfer, Mr Anoop K Joshi, President & Company Secretary has been authorised by the Board to consider and approve the registration of transfer and transmission of shares/debentures upto a limit of 1,000 shares/debentures in any one case.

As on 31 March 2015, no investor complaint was pending with the Registrar and Share Transfer Agent. Table 8 gives data on the shareholder/investor complaints received, and redressed, during the year 2014-15.

Table 8: Shareholder and Investor Complaints Received and Redressed During 2014-15

Total Complaints Received	Total Complaints Redressed	Pending as on 31 March 2015
280	280	Nil

d) Corporate Social Responsibility Committee

The Board at its meeting held on 28 October 2014 constituted "CSR Committee" consisting of Dr Meenakshi Gopinath (Chairperson), Mr Kartik Bharat Ram and Mr L Lakshman. The Board at its meeting held on 4 August 2014, pending constitution of CSR Committee, had approved Terms of Reference of CSR Committee in line with the requirements of Section 135 of the Companies Act, 2013 and the rules framed thereunder and also revised Clause 49 of the Listing Agreement.

During 2014-15, the Committee met on 10 February 2015.

Table 9 gives the attendance record of Directors who are members of the CSR Committee:

Table 9: Attendance Record of Nomination and Remuneration Committee Meetings during 2014-15

Name of Director	Category	Number of Meetings Attended
Dr Meenakshi Gopinath (Chairperson)	Non-Independent, Non-Executive	1

Name of Director	Category	Number of Meetings Attended
Mr Vellayan Subbiah	Independent, Non-Executive	1
Mr Kartik Bharat Ram	Executive, Promoter	1

Management

Management Discussion and Analysis

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

Disclosure Requirements

- Disclosures in respect of materially significant related party transactions are given at note no. 35 in the Notes to the Financial Statements. The Policy on dealing with related party transaction is placed on the Company's Website.
- The Company has followed the Accounting Standards notified under Section 133 of the Companies Act, 2013, readwith rule 7 of the Companies (Account) Rules, 2014 in preparation of its financial statements.
- The Company has complied with the regulations issued by SEBI and terms and conditions of Listing Agreement with the Stock Exchanges.
- In compliance with the revised SEBI regulations on prevention of insider trading, the Company has revised the existing Code of Conduct on prevention of insider trading to meet the requirement of revised regulations. The new code also lays down guidelines, which advises Management, Employees on procedures to be followed and disclosures to be made, while dealing with the shares of the Company, and cautioning them of the consequences of violations.
- Vigil Mechanism Policy : Section 177 (9) of the Companies Act, 2013 and revised Clause 49 II (F) of the Listing Agreement requires that a Company shall establish a vigil mechanism for directors and employees for reporting concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Company was already following such a policy which has now been redefined with the new requirement under the Act and the Listing Agreement crux of which is disclosed by the Company on its website at the link <http://www.srf.com/InvDisclosures.aspx>. No personnel has been denied access to the Audit Committee for raising his/her concern under this policy.

CEO/CFO certification

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

Shareholders

Reappointment/Appointment of Directors

Mr Arun Bharat Ram, Chairman with executive power is retiring by rotation and being eligible, offer himself for re-appointment.

Dr Meenakshi Gopinath, (Director CSR) will be appointed as regular director at the ensuing Annual General Meeting.

The present tenure of service of contract of Mr Ashish Bharat Ram, Managing Director is upto 22 May 2015. Mr Ashish Bharat Ram has been re-appointed as Managing Director for a period of 5 years w.e.f. 23 May 2015 subject to approval by shareholders at the ensuing Annual General Meeting.

The present tenure of Mr Ravichandra Kambhampaty, Director (Safety & Environment) is upto 30 September 2015. A resolution for his re-appointment as Director (Safety & Environment) for a period of three years w.e.f. 1 October 2015 shall be placed at the ensuing Annual General Meeting.

Brief resume of Mr Arun Bharat Ram, Mr Ashish Bharat Ram,

Table 10 : Last three AGMs of the Company

Year	Location	Date	Time	No. of Special Resolutions Passed
2011-12	Laxmipat Singhania Auditorium, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016	25 July 2012	11.30 A.M.	1
2012-13	Laxmipat Singhania Auditorium, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016	26 July 2013	3.30 P.M.	1
2013-14	Laxmipat Singhania Auditorium, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016	4 August 2014	3.30 P.M.	5

Postal Ballot

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

Compliance

Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of the Clause 49 of the Listing Agreement.

Additional Shareholder Information

44th Annual General Meeting

Day: Thursday
 Date: 6 August 2015
 Time: 3.30 P.M.
 Venue: Laxmipat Singhania Auditorium, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016

Financial Year

1 April to 31 March

Tentative Financial Calendar for Results, 2015-16

First Quarter First week of August 2015
 Second Quarter First week of November 2015

Dr Meenakshi Gopinath and Mr Ravichandra Kambhampaty are given in the Notice of the 44th Annual General Meeting.

Means of Communication with Shareholders

Quarterly and annual results of SRF are published in two major national dailies, generally Business Standard/Financial Express (in English) and Jansatta (in Hindi). In addition, these results are posted on the website of the Company, www.srf.com. The website also contains other information regarding SRF available in the public domain.

SRF communicates with its institutional shareholders through analysts briefing and individual discussions between the fund managers and the management team. The presentations made to analysts and funds managers and transcripts of the proceedings are posted on the Company's website.

Last three Annual General Body Meetings

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

Third Quarter First week of February 2016
 Fourth Quarter and Annual Second week of May 2016

Book Closure Date

The Share Transfer Register of SRF will remain closed from Friday, 31 July 2015 to Thursday, 6 August 2015 (both days inclusive) for the purposes of holding the Annual General Meeting.

Interim Dividend Payment Date

Two interim dividends of ₹ 5 per share each (50 per cent) on the paid up capital of the Company absorbing ₹ 68.04 crores approx. (inclusive of tax) were paid on 3 September 2014 and 24 February 2015 respectively.

Listing on Stock Exchanges in India

SRF's shares are listed on the Bombay Stock Exchange Ltd. and the National Stock Exchange of India Ltd. The Company has paid the listing fee to both BSE and NSE for the year 2015-16. The Stock Codes are:

Bombay Stock Exchange 503806
 National Stock Exchange SRF

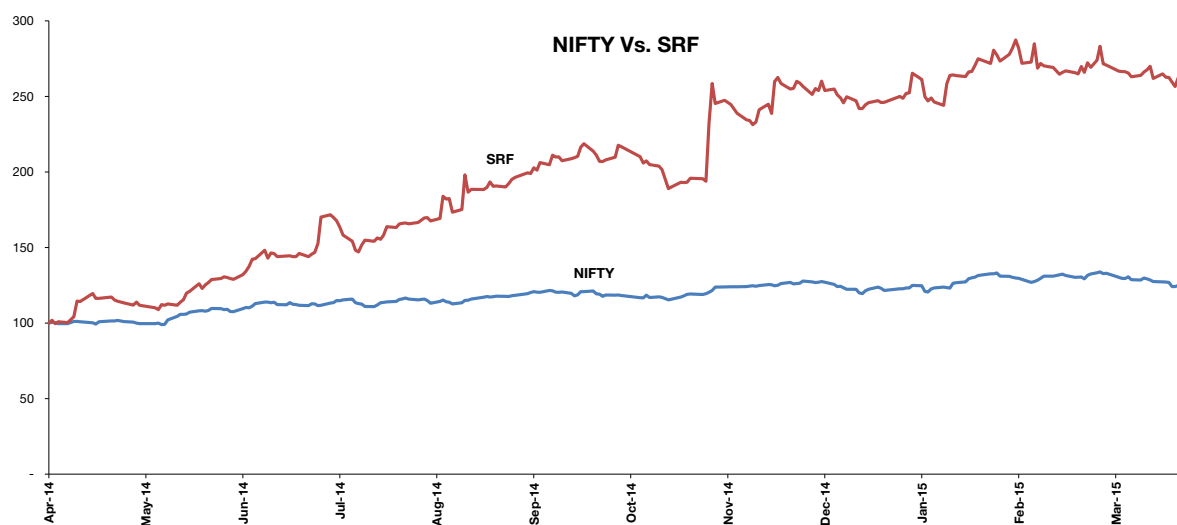
Stock Market Data

Table 11 gives the monthly high and low quotations as well as the volume of shares traded at BSE and NSE during 2014-15.

Table 11: Monthly Highs and Lows and Volumes Traded at the BSE and NSE during 2014-15

Year 2014-15	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos)	High (₹)	Low (₹)	Volume (Nos)
Apr-14	422.90	326.10	2148378	422.90	342.00	6050157
May-14	459.90	368.00	1049742	459.90	372.15	3702461
Jun-14	604.00	443.00	770412	603.80	440.00	3290452
Jul-14	609.90	498.00	594883	608.60	478.85	2539800
Aug-14	702.45	536.00	1269655	705.45	534.10	6547857
Sep-14	775.00	677.00	824277	775.00	677.00	4014887
Oct-14	918.80	651.80	2271548	922.00	645.20	9921829
Nov-14	957.00	802.00	2529377	958.80	799.15	11502133
Dec-14	922.90	830.75	1002807	922.90	829.50	4659063
Jan-15	998.00	843.00	1352050	998.00	842.00	6530413
Feb-15	1024.30	907.30	532912	1025.00	881.70	2653624
Mar-15	1008.00	901.10	180748	1022.00	875.45	1860337

Chart 1: Share prices of Nifty versus SRF Limited for the year ended 31 March 2015



Note: Both Nifty and SRF share prices are indexed to 100 as on 1 April 2014

Registrar and Share Transfer Agents

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

Share Transfer System in Physical Mode

Share certificates sent for transfer are received at the Registered Office/Corporate Office of the Company or the office of Karvy Computershare Private Limited. All valid transfer requests are processed. To expedite the process of share transfer, Mr Anoop K Joshi, Company Secretary has been authorised to consider and approve the registration of transfer and transmission of shares/debentures

upto a limit of 1,000 shares/debentures in any one case. For the cases for shares above 1,000, the Stakeholders Relationship Committee meets to approve valid transfer requests. After transfer, the physical shares are sent to the shareholders.

The total number of shares transferred in physical form during the period from 1 April 2014 to 31 March 2015 was 10865.

Depository System

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

- Shareholder submits the shares certificate along with De-materialisation Request Form (DRF) to Depository Participant (DP)
- DP processes the DRF and generates a unique De-materialisation Request No
- DP forwards the DRF and share certificates to the

Registrar and Share Transfer Agent (RTA)

- RTA after processing the DRF confirms or rejects the request to Depositories
- If confirmed by the RTA, depositories give the credit to shareholder in his/her account maintained with DP

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

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

Dematerialisation of Shares as on 31 March 2015

There were 30754 shareholders holding 55627800 shares in electronic form. This constitutes 96.88 per cent of the total paid-up share capital of the Company.

Distribution of Shareholding as on 31 March 2015[@]

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

Table 12: Pattern of Shareholding by Share Class as on 31 March 2015

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
Upto 500	48074	93.86	4577497	7.97
501 – 1000	1832	3.58	1361844	2.37
1001-2000	663	1.29	979358	1.70
2001-3000	198	0.39	508729	0.89
3001-4000	83	0.16	298794	0.52
4001-5000	69	0.13	325822	0.57
5001-10000	133	0.26	924681	1.61
10001 and above	168	0.33	48443775	84.37
Total	51220	100.00	57420500	100.00

Table 13: Pattern of Shareholding by Ownership as on 31 March 2015

Category	Shareholding	
	Number of Shares Held	Shareholding %
Promoters	30075500	52.38
Mutual Funds & UTI	6423895	11.19
Banks, Financial Institutions, Insurance Companies	719611	1.25
Foreign Institutional Investors/Foreign Portfolio Investors/Foreign Nationals	8149780	14.19
Private Corporate Bodies	2677042	4.66
Indian Public	8958647	15.61

Category	Shareholding	
	Number of Shares Held	Shareholding %
NRIs/OCBs	298656	0.52
Others (including shares in transit)	117369	0.20
Total	57420500	100.00

@ Including holdings by NSDL and CDSL

Outstanding GDRs/ ADRs/ Warrants or Any Convertible Instruments, Their Conversion Dates and Likely Impact on Equity

As on 31 March 2015, there were no outstanding GDRs/ ADRs/ Warrants or any convertible instruments

Business	Plant Locations
Technical Textiles Business	<ul style="list-style-type: none"> Manali Industrial Area, Manali, Chennai-600 068, Tamil Nadu Industrial Area, Malanpur, Distt. Bhind - 477 116, MP Plot No. 1, SIPCOT Industrial Area Complex, Gummidipoondi, Dist. Thiruvallur - 601 201, Tamil Nadu Viralimalai, Distt. Pudukottai - 621 316, Tamil Nadu Plot No. 12, Rampura, Ramnagar Road, Kashipur, Dist. Udham Singh Nagar - 244 713, Uttarakhand
Chemicals & Polymers Business	<ul style="list-style-type: none"> Village & P.O. Jhiwana, Tehsil Tijara, Distt. Alwar - 301 018, Rajasthan Manali Industrial Area, Manali, Chennai - 600 068, Tamil Nadu Plot No. 14 C, Sector 9, IIE Pantnagar, Distt. Udham Singh Nagar - 263 153, Uttarakhand DII/ GIDC. PCPIR, GIDC Phase II, Tal Vagra, Vill. Dahej, Dist Bharuch - 392 130, Gujarat
Packaging Films Business	<ul style="list-style-type: none"> Plot No. 12, Rampura, Ramnagar Road, Kashipur, Dist. Udham Singh Nagar - 244 713, Uttarakhand Plot No. C 1-8, C 21-30, Sector 3, Indore Special Economic Zone, Pitam Pur, Dist. Dhar - 454 775, Indore, MP

Address for Correspondence

Registered Office	Corporate Office	Registrar & Share Transfer Agent
C-8, Commercial Complex Safdarjung Development Area New Delhi 110 016 Tel. No: (+91-11) 26857141 Fax No: (+91-11) 26510428	Block – C, Sector – 45 Gurgaon 122 003 Tel No.: (+ 91-124) 4354400 Fax No.: (+ 91-124) 4354500 E-mail : ajoshi@srf.com	Karvy Computershare Private Ltd. Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 032 Tele No : (+91- 40) 67162222 Fax : (+91- 40) 23001153 E-mail : einward.ris@karvy.com

Declaration Regarding Code of Conduct

I, Ashish Bharat Ram, Managing Director of SRF Limited declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for Board and Senior Management Personnel for the year ended 31 March 2015.

Ashish Bharat Ram
Managing Director

Date: **11 May 2015**

Place: **Gurgaon**



financials

Independent Auditors' Report

TO THE MEMBERS OF SRF LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

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

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

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

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

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

Opinion

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

Emphasis of Matter

Attention is invited to Note 30(b), which sets out the position of the demand for Central Sales Tax (CST), VAT and Entry Tax aggregating to ₹ 11138 lakhs for the period from 2007 to 2013 by the Commercial Tax Department, Government of Madhya Pradesh, in respect of sales from the Company's manufacturing facility in its Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA). The matter is sub-judice and is pending before the Hon'ble High Court of Madhya Pradesh. Basis legal opinion obtained by the Company, the Management of the Company is confident of getting relief in this matter and, accordingly, has not made any provision for the said disputed demands.

Our opinion is not modified in respect of this matter.

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 in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 (a) to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 32 (c) to the financial statements;
- iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company – Refer Note 31 (b) to the financial statements:

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

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm Registration No. 015125N)

Manjula Banerji
Partner
(Membership No. 086423)

GURGAON, 11 MAY 2015

Annexure to the Independent Auditors' Report

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

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The Company has a programme of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable

having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.

- (ii) In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals other than for stock lying with third

parties and/ or goods in transit for which confirmations have been obtained / subsequent receipts have been verified in most of the cases.

- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) 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 Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services and during the course of our audit, we have not observed any major weakness in such internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted from the public which have matured and are being reflected under "Unclaimed fixed deposits (including interest)". According to the information and explanations given to us, no order has been passed

by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Works Contract Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Works Contract Tax, Cess and other material statutory dues in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Excise Duty, Customs Duty and Cess which have not been deposited as on 31 March 2015 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where Dispute is pending	Period to which the amount relates (various years covering the period)	Amount* (₹ in lakhs)
Central Excise Laws	Excise Duty	High Court	1996-1997	213.79
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	1992-2013	5903.05
		Upto Commissioner (Appeals)	1993-2010	499.59
Service Tax Laws	Service Tax	High Court	2006	2.50
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2005-2010	47.97
		Upto Commissioner (Appeals)	2006-2011	29.01
Customs Laws	Customs Duty	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2004-2006	45.43
		Upto Commissioner (Appeals)	2002-2013	147.47
Sales Tax Laws	Sales Tax	High Court	2007-2013	9361.25
		Sales Tax Appellate Tribunal	1987-2008	102.28
		Upto Commissioner (Appeals)	1988-2015	28.21

Name of the Statute	Nature of the Dues	Forum where Dispute is pending	Period to which the amount relates (various years covering the period)	Amount* (₹ in lakhs)
Income Tax Laws	Income Tax	Supreme Court	1988-1989	113.35
		Income Tax Appellate Tribunal (ITAT)	2009-2010	78.58
		Upto Commissioner (Appeals)	2006-2007	273.80
Others	Electricity Cess	High Court	2007-2008	6.00

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

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

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

(d) Details of amounts to be transferred to the Investor Education and Protection Fund during the year in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder, which have not been transferred within time are given below:

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

(viii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.

(x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by wholly owned subsidiaries / others from banks and financial institutions are not, prima-facie, prejudicial to the interests of the Company.

(xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.

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

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm Registration No. 015125N)

Manjula Banerji

Partner

(Membership No. 086423)

GURGAON, 11 MAY 2015

Balance Sheet as at March 31, 2015

Particulars	Note No.	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	5843.56	5843.56
Reserves and surplus	3	233948.17	210507.63
		239791.73	216351.19
Non-current liabilities			
Long-term borrowings	4	109363.83	84457.86
Deferred tax liabilities (Net)	5	34430.13	29002.75
Other long term liabilities	6	4997.60	-
Long-term provisions	7	1668.58	1353.08
		150460.14	114813.69
Current liabilities			
Short-term borrowings	4	18308.22	28361.43
Trade payables	8	42136.85	58266.30
Other current liabilities	9	35005.70	27253.33
Short-term provisions	10	1087.42	1474.00
		96538.19	115355.06
TOTAL EQUITY AND LIABILITIES		486790.06	446519.94
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible assets		303179.17	274156.37
Intangible assets		10304.02	1843.60
Capital work-in-progress		11815.29	12138.00
Non-current investments	12	8364.51	9318.72
Long-term loans and advances	13	12717.06	7754.34
Other non-current assets	14	557.78	386.83
		346937.83	305597.86
Current assets			
Current investments	12	9422.15	2502.76
Inventories	15	63758.78	63116.13
Trade receivables	16	47854.84	54518.30
Cash and cash equivalents	17	6515.79	7463.92
Short-term loans and advances	18	12030.18	13177.15
Other current assets	19	270.49	143.82
		139852.23	140922.08
TOTAL ASSETS		486790.06	446519.94
Accompanying notes forming part of the financial statements		1 to 52	

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Manjula Banerji

Partner

Arun Bharat RamChairman
(DIN – 00694766)**Ashish Bharat Ram**Managing Director
(DIN – 00671567)**Kartik Bharat Ram**Deputy Managing Director
(DIN – 00008557)Place: **Gurgaon**Date: **11 May 2015****Vinayak Chatterjee**Director
(DIN – 00008933)**Rajendra Prasad**
President & Chief Financial Officer**Anoop K Joshi**
President & Company Secretary

Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note No.	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Revenue from operations			
Sale of products (gross)	20	389693.79	370389.82
Less : Excise Duty		32672.99	30179.56
Sale of products (net)		357020.80	340210.26
Other operating revenues	21	4378.07	1504.42
		361398.87	341714.68
Other Income	22	4735.64	2471.42
TOTAL REVENUE		366134.51	344186.10
EXPENSES			
Cost of materials consumed	23	196206.22	201683.79
Purchases of traded goods	24	3612.40	1601.62
(Increase)\Decrease in inventories of finished goods, stock-in-process and traded goods	25	(3951.50)	(476.35)
Employee benefits expenses	26	26528.02	23272.27
Finance costs	27	9955.51	7002.01
Depreciation and amortisation expenses	28	20885.08	19046.48
Other expenses	29	73288.03	64970.20
TOTAL EXPENSES		326523.76	317100.02
Profit before tax		39610.75	27086.08
Tax expense			
Current tax		8250.00	5490.00
MAT credit		(4213.03)	(2841.22)
Current tax / MAT credit relating to prior years		(899.07)	(635.78)
Deferred tax charge		5699.80	3418.54
		8837.70	5431.54
Profit after tax		30773.05	21654.54
Earnings per share	36		
Basic (₹)		53.59	37.71
Diluted (₹)		53.59	37.71
Accompanying notes forming part of the financial statements	1 to 52		

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Manjula Banerji

Partner

Arun Bharat Ram

Chairman

(DIN – 00694766)

Ashish Bharat Ram

Managing Director

(DIN – 00671567)

Kartik Bharat Ram

Deputy Managing Director

(DIN – 00008557)

Place: **Gurgaon**

Date: **11 May 2015**

Vinayak Chatterjee

Director

(DIN – 00008933)

Rajendra Prasad

President & Chief Financial Officer

Anoop K Joshi

President & Company Secretary

Cash Flow Statement for the year ended March 31, 2015

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	39610.75	27086.08
Adjustments for		
Depreciation and amortisation	20885.08	19087.41
Withdrawal from revaluation reserve	-	(40.93)
Finance costs	9955.51	7002.01
Net unrealised exchange (gain) / loss	52.19	(800.00)
Provision for investments	10.00	15.20
Provision for doubtful trade and other receivables, loans and advances	151.73	97.79
Provision for long term investments no longer required	(1144.31)	-
Fixed assets discarded	10.80	134.67
Loss/(profit) on sale of fixed assets	3.96	(31.00)
Interest income	(289.66)	(494.96)
Dividend on current investments	(311.90)	(901.72)
Dividend on non current investments	-	(100.00)
Profit on sale of investment in subsidiaries	(1510.00)	-
Net (gain)/ loss on sale of current investments	(179.01)	(91.70)
Operating profit before working capital changes	67245.14	50962.85
Changes in working capital		
Adjustments for (increase) / decrease in operating assets		
Trade receivables	6591.22	(9293.42)
Inventories	(642.65)	(13525.15)
Short-term loans and advances	1067.48	(5270.57)
Long-term loans and advances	302.36	3023.50
Other current assets	(126.67)	(66.97)
Other non-current assets	(170.95)	(156.68)
Adjustments for increase / (decrease) in operating liabilities		
Trade payables	(16129.45)	15167.13
Other current liabilities	629.20	1199.28
Short-term provisions	180.31	(60.90)
Long-term provisions	315.50	164.14
Cash generated from operations	59261.49	42143.21
Net income tax paid	(8493.73)	(4054.73)
Net Cash from operating activities (A)	50767.76	38088.48
B CASH FLOW FROM INVESTING ACTIVITIES:		
Capital expenditure on fixed assets, including capital advances	(52808.14)	(53261.07)
Proceeds from sale of fixed assets	274.26	477.71
Bank balances not considered as cash and cash equivalents	(26.19)	(56.04)
Current investments not considered as cash and cash equivalents		
- Purchased	(69142.20)	(84167.19)
- Proceeds from sales	62823.97	95269.19
Investments in subsidiary companies	(67.50)	(72.70)
Proceeds from sale of long term investments in subsidiaries	3243.87	-
Interest income	354.11	467.62
Dividend on current investments	311.90	901.72
Dividend on non current investments	-	100.00
Net cash used in investing activities (B)	(55035.92)	(40340.76)

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from long term borrowings	63624.85	47007.00
Repayment of long term borrowings	(33357.25)	(34650.09)
Net proceeds / (repayment) from short term borrowings	(10105.40)	5146.63
Dividends on equity share capital paid	(5718.27)	(5696.89)
Corporate dividend tax paid	(1061.97)	(958.87)
Repayment of fixed deposits	-	(1.01)
Finance costs paid	(10088.12)	(8883.03)
Net cash used in / from financing activities (C)	3293.84	1963.74
Net increase / (decrease) in cash and cash equivalents D = (A+B+C)	(974.32)	(288.54)
Cash and Cash equivalents at the beginning of the year (E)	6679.66	6968.20
Cash and Cash equivalents at the close of the year G = (D+E)	5705.34	6679.66
Reconciliation of cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	6515.79	7463.92
Less: Bank balances not considered as Cash and cash equivalents	(810.45)	(784.26)
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	5705.34	6679.66
Cash and cash equivalents at the end of the year comprises:		
(a) Cash on hand	35.64	30.61
(b) Balances with banks		
(i) In current accounts	669.70	6649.05
(ii) In deposit accounts	5000.00	-
Cash and cash equivalents as per AS - 3 - Cash Flow Statements	5705.34	6679.66

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Manjula Banerji
Partner

Arun Bharat Ram
Chairman
(DIN – 00694766)

Ashish Bharat Ram
Managing Director
(DIN – 00671567)

Kartik Bharat Ram
Deputy Managing Director
(DIN – 00008557)

Place: **Gurgaon**
Date: **11 May 2015**

Vinayak Chatterjee
Director
(DIN – 00008933)

Rajendra Prasad
President & Chief Financial Officer

Anoop K Joshi
President & Company Secretary

Notes Forming Part of the Financial Statements

for the year ended March 31, 2015

1. Significant Accounting Policies

(i) BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for certain fixed assets that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(ii) USE OF ESTIMATES

The preparation of financial statements in conformity with the Indian GAAP requires the management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(iii) FIXED ASSETS

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

The Company has adopted the provisions of para 46A of AS 11 "The Effect of Changes in Foreign Exchange Rates", accordingly exchange differences arising on restatement /settlement of long term foreign currency monetary items related to acquisition of depreciable

fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

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

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

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

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

(iv) DEPRECIATION AND AMORTISATION

- a. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.
- b. Depreciation on tangible fixed assets has been provided on the straight line method on the basis of useful life of assets determined by the Company which are different from the useful life as prescribed in Schedule II of 2013 Act. The useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement,

anticipated technological changes, manufacturers warranties and maintenance support, etc and are as under:

Roads	-	40–50 years
Buildings	-	30–60 years
Plant & Machinery	-	2–30 years
Furniture & Fixtures	-	15 years
Office Equipment	-	3–20 years
Vehicles	-	4 years

- c. Depreciation is calculated on a pro rata basis except that, assets costing upto ₹ 5,000 each are fully depreciated in the year of purchase.
- d. On assets sold, discarded, etc. during the year, depreciation is provided upto the date of sale / discard.
- e. No write-off is made in respect of leasehold land as the lease is a perpetual lease.
- f. Intangible assets are amortised over their estimated useful life considering the terms of the business purchase agreements on straight line method as follows:-

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

(v) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

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

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

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

item translation difference account" net of the tax effect thereon, where applicable.

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

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

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

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

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

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

(vi) RESEARCH & DEVELOPMENT

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

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

(vii) INVENTORIES

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

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

(viii) INVESTMENTS

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

(ix) EMPLOYEE BENEFITS

Company's contributions paid / payable during the year to provident fund administered through Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are recognised in the Statement of Profit and Loss.

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

(x) BORROWING COSTS

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated

to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

(xi) PROVISIONS AND CONTINGENT LIABILITIES

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

(xii) REVENUE RECOGNITION

Sale of goods is recognised, net of returns and trade discounts on the transfer of significant risks and rewards of ownership to the buyer which generally coincides with the dispatch of goods to customers. Gross sales are inclusive of excise duty and net of value added tax / sales tax.

Other income includes interest income which is accounted on accrual basis, dividend income is accounted for when the right to receive is established.

(xiii) RESERVES

- a. Revaluation reserve represents the difference between the revalued amount of the assets and the written down value of the assets on the date of revaluation net of withdrawals therefrom.
- b. Capital receipts are credited to capital reserve.
- c. Cash flow hedge reserve represents the gain or loss arising out of adjusting the hedging instruments to mark to market net of applicable deferred income taxes.

(xiv) TAXATION

- a. The income tax liability is provided in accordance with the provisions of the Income-tax Act, 1961.
- b. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay

normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

- c. Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2. Share Capital

a) Details of share capital

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
AUTHORISED		
12,00,00,000 (Previous Year - 12,00,00,000) Equity shares of ₹ 10 each	12000.00	12000.00
10,00,000 (Previous Year - 10,00,000) Preference Shares of ₹ 100 each	1000.00	1000.00
12,00,000 (Previous Year - 12,00,000) Cumulative Convertible Preference Shares of ₹ 50 each	600.00	600.00
2,00,00,000 (Previous Year - 2,00,00,000) Cumulative Preference Shares of ₹ 100 each	20000.00	20000.00
	33600.00	33600.00
ISSUED		
6,14,77,255 (Previous Year - 6,14,77,255) Equity Shares of ₹ 10 each	6147.73	6147.73
SUBSCRIBED AND PAID UP		
5,74,20,500* (Previous Year - 5,74,20,500) Equity Shares of ₹ 10 each fully paid up	5742.05	5742.05
Add: Forfeited shares - Amount originally paid up	101.51	101.51
	5843.56	5843.56

* 3,00,00,000 equity shares (Previous year - 3,00,00,000 equity shares) held by KAMA Holdings Limited, the holding Company.

b) Reconciliation of equity shares

	Number of shares	Value (₹ in lakhs)
As at 1 April 2013	57420500	5742.05
Add / Less: Movement during the year	-	-
As at 31 March 2014	57420500	5742.05
Add / Less: Movement during the year	-	-
As at 31 March 2015	57420500	5742.05

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

Name of the shareholder	As at March 31, 2015	As at March 31, 2014
KAMA Holdings Limited		
No. of Shares	3,00,00,000	3,00,00,000
Percentage of Shareholding	52.25%	52.25%

d) The Company has bought back 32,64,505 equity shares in aggregate in the last five financial years.

e) **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

During the year ended 31 March 2015, the amount of interim dividend recognised as distributions to equity shareholders was ₹ 10 per share (Previous Year - ₹ 10 per share).

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

3. Reserves and Surplus

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Capital reserve	21919.19	21919.19
Revaluation reserve	2920.43	2920.43
Capital redemption reserve	1048.06	1048.06
Debenture redemption reserve	-	-
Special economic zone reinvestment allowance reserve	-	-
Cash flow hedge reserve	(20.78)	(108.56)
General reserve	52353.59	52353.59
Surplus in statement of profit and loss	155727.68	132374.92
Total Reserves and Surplus	233948.17	210507.63

a) **Capital Reserve**

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	21919.19	21919.19
Add / Less: Movement during the year	-	-
As at the end of the year	21919.19	21919.19

b) **Revaluation Reserve**

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	2920.43	2961.36
Less: Transferred to statement of profit and loss on account of depreciation	-	40.93
As at the end of the year	2920.43	2920.43

c) **Capital Redemption Reserve**

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	1048.06	1048.06
Add / Less: Movement during the year	-	-
As at the end of the year	1048.06	1048.06

d) Debenture Redemption Reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	-	15000.00
Add: Transferred from surplus in statement of profit and loss	-	-
Less: Transferred to general reserve		15000.00
As at the end of the year	-	-

e) Special Economic Zone Reinvestment Allowance Reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	-	200.21
Less: Transferred to general reserve		200.21
As at the end of the year	-	-

f) Cash Flow Hedge Reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	(108.56)	(295.82)
Add: Gain / (loss) on mark to market of foreign currency derivatives	87.78	187.26
As at the end of the year*	(20.78)	(108.56)

* net of deferred tax assets of ₹ 10.99 lakhs (Previous Year - ₹ 55.91 lakhs)

g) General Reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	52353.59	34987.93
Add: Transferred from surplus in statement of profit and loss	-	2165.45
Add: Transferred from debenture redemption reserve	-	15000.00
Add: Transferred from Special Economic Zone reinvestment allowance reserve	-	200.21
As at the end of the year	52353.59	52353.59

h) Surplus in Statement of Profit & Loss

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	132374.92	119586.75
Add: Profit after tax for the year	30773.05	21654.54
Less: Depreciation on transition to Schedule II of the 2013 Act on tangible fixed assets with Nil remaining useful life (Net of deferred tax)*	616.27	-
Less: Interim dividend	5742.05	5742.05
Less: Corporate dividend tax	1061.97	958.87
Less: Transfer to general reserve	-	2165.45
As at the end of the year	155727.68	132374.92

* Refer note 48

4. Borrowings

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
LONG TERM BORROWINGS		
Secured		
2,000 (Previous year - Nil), 9.80%, listed, secured Redeemable Non-convertible Debentures of ₹ 10 lakhs each {1}	20000.00	-
Term loans from banks {2}	111026.15	97161.19
Less: Current maturities of long term borrowings (Refer note 9)		
Term loans from banks	(21662.32)	(14280.29)
Net secured long term borrowings (a)	109363.83	82880.90
Unsecured		
Term loans from banks	-	1576.96
Net unsecured long term borrowings (b)	-	1576.96
Total long term borrowings (c = a + b)	109363.83	84457.86
SHORT TERM BORROWINGS		
Secured		
Cash credits from banks {3(i)}	2768.28	10.78
Term loans from banks {3(ii)}	4685.25	8548.32
	7453.53	8559.10
Unsecured		
Term loans from banks*	10854.69	19802.33
	10854.69	19802.33
Total short term borrowings (d)	18308.22	28361.43
Total borrowings (e = c + d)	127672.05	112819.29

* Includes ₹ 5000 lakhs (Previous Year - Nil) for Commercial Paper issued by the Company. The maximum amount due during the year is ₹ 12500 lakhs (Previous Year - Nil)

Details of security of the above secured loans:

Loan	As at March 31, 2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)	Security
1. 2,000 (Previous Year - Nil), 9.80%, Listed, Secured Redeemable Non-Convertible Debentures of ₹ 10 lakhs each Terms and conditions a) Redeemable at face value in one single installment at the end of 3rd year from the date of allotment. b) Coupon is payable Semi-annually on 25 March and 25 September every year.	20000.00	-	Debentures are secured by legal mortgage in English form on certain immovable properties of the Company situated in Gujarat. In addition, these debentures are secured by hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh, Pantnagar and Kashipur in the State of Uttarakhand and an equitable mortgage of Company's immovable properties, both present and future, situated at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Kashipur in the State of Uttarakhand.

Loan	As at March 31, 2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)	Security
2. (i) Term loan from banks	98532.15	85178.19	<p>Term loans from banks are secured by:-</p> <p>a) Hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh and Kashipur in the State of Uttarakhand.</p> <p>Out of the loans as at 2(i), term loans aggregating to ₹ 70420.65 lakhs (Previous Year – ₹ 57757.69 lakhs) are additionally secured by hypothecation of Company's moveable properties both present and future, at Pantnagar in the State of Uttarakhand.</p> <p>Out of the loans as at 2(i), term loans aggregating to ₹ 28111.50 lakhs (Previous Year – 26983.00 lakhs) are to be further secured by hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh, Kashipur and Pantnagar in the State of Uttarakhand.</p> <p>b) Equitable Mortgage of Company's immoveable properties, both present and future, situated at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan and Kashipur in the State of Uttarakhand.</p> <p>Term Loans aggregating to ₹ Nil lakhs (Previous Year – ₹ 437.50 lakhs) are additionally secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Indore in the State of Madhya Pradesh.</p> <p>Term Loan of ₹ 53803.15 lakhs (Previous Year – 35995.19 lakhs) is additionally secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Malanpur (save and except superstructure) in the State of Madhya Pradesh and Manali in the State of Tamil Nadu.</p> <p>Out of the loans as at 2(i), the term loans aggregating to:</p> <p>a) ₹ 22360.52 lakhs (Previous Year – ₹ 29971.45 lakhs) are to be further secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Gummidipoondi (leasehold land) in the State of Tamil Nadu.</p>

Loan	As at March 31, 2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)	Security
			<p>b) ₹ 22360.52 lakhs (Previous Year – ₹ 29533.95 lakhs) are to be further secured by equitable mortgage of Company's immovable properties, both present and future, situated at Indore in the State of Madhya Pradesh.</p> <p>c) ₹ 44729.00 lakhs (Previous Year – ₹ 2200.00 lakhs) are to be further secured by equitable mortgage of Company's immovable properties, both present and future, situated at Malanpur in the State of Madhya Pradesh (save and except superstructures).</p> <p>d) ₹ 1000 lakhs (Previous Year – ₹ 2200.00 lakhs) is to be further secured by equitable mortgage of Company's immovable properties, both present and future, situated at Manali in the State of Tamil Nadu.</p> <p>e) ₹ 22360.52 lakhs (Previous Year – ₹ 29971.45 lakhs) are to be further secured by equitable mortgage of Company's immovable properties, both present and future, situated at Pantnagar in the State of Uttarakhand.</p>
(ii) Term loans from banks	12494.00	11983.00	Out of the loans as at 2(i), term loan of ₹ 43729.00 lakhs (Previous Year – ₹ 46983.00 lakhs) are to be further secured by equitable mortgage of Company's immovable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi (freehold) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur in the State of Madhya Pradesh (save and except superstructures) and Kashipur in the State of Uttarakhand. Term loans from banks aggregating to ₹ 12494.00 lakhs (Previous Year – ₹ 11983.00 lakhs) are secured by hypothecation of Company's moveable properties, both present and future, situated at Dahej in the State of Gujarat.
3. (i) Cash credit / working capital demand loans	2768.28	10.78	Secured by hypothecation of stocks, stores and book debts (current assets), both present and future at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh, Kashipur and Pantnagar in the State of Uttarakhand.
(ii) Term loan from banks	4685.25	8548.32	
Total	138479.68	105720.29	

Such hypothecation and equitable mortgage rank pari-passu between term loans from banks / other (save and except hypothecation of movable assets at Dahej in the State of Gujarat in favour of a bank as at 2(ii) above.)

TERMS OF REPAYMENT OF LOANS
LONG TERM BORROWINGS

Loan Category	Frequency of principal repayments	Interest rate	Amount Repayable (₹ in lakhs)			
			Up to March 31, 2016	Up to March 31, 2017	Up to March 31, 2018	From 2018 to 2021
Redeemable Non-Convertible Debentures	Redeemable at face value in one Instalment at the end of third year	9.80%	-	-	20000.00	-
Rupee term loans	Half yearly payments	10.50% to 13.00%	2155.54	1155.54	1155.54	978.03
	Quarterly Payments	9.60%	5000.00	5000.00	5000.00	-
Foreign currency term loans	Quarterly instalments	LIBOR plus interest rate spread of 1.70 %	1874.10	3748.20	6871.70	-
	Half Yearly instalments	LIBOR plus interest rate spread ranging from 1.93 % to 2.20%	6385.68	5274.97	5274.97	26793.38
	One instalment a year	LIBOR plus interest rate spread ranging from 1.25% to 1.60%	6247.00	6247.00	3123.50	3123.50
	Payable in one Instalment at the end of fifth year	LIBOR plus interest rate spread of 2.25%	-	-	-	15617.50
Total			21662.32	21425.71	41425.71	46512.41

SHORT TERM BORROWINGS

Short term borrowing are payable in one installment within one year. For foreign currency denominated short term loans the interest rates are LIBOR plus interest rate spread ranging from 0.45% to 0.69%. For rupee denominated short term loan the interest rate is at 8.75%.

5. Deferred Tax Liabilities and Assets

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Deferred tax liabilities		
Difference between book and tax depreciation	33646.71	28350.97
Research and development expenditure	1854.74	1604.35
	35501.45	29955.32
Deferred tax assets		
Provision for bad and doubtful debts	125.00	112.60
Accrued expenses deductible on payment basis and others	946.32	839.97
	1071.32	952.57
Deferred tax liabilities (net)	34430.13	29002.75

6. Other Long Term Liabilities

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Others:		
Payable for fixed assets*	4997.60	-
Total other long term liabilities	4997.60	-

* Refer Note 49

7. Long Term Provisions

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Employee benefits	1668.58	1353.08
Total long term provisions	1668.58	1353.08

8. Trade Payables

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Acceptances	23323.74	39005.54
Trade payables		
- Outstanding dues to Micro and Small enterprises	306.33	213.48
- Outstanding dues to parties other than Micro and Small enterprises	18506.78	19047.28
Total trade payables	42136.85	58266.30

9. Other Current Liabilities

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Current maturities of long term borrowings	21662.32	14280.29
Interest accrued but not due on borrowings	270.95	417.99
Unclaimed dividend*	623.83	600.05
Unclaimed fixed deposits* (including interest)	0.74	0.74
Security deposits	469.77	447.54
Acceptances for fixed assets	-	175.28
Payables for fixed assets		
- Outstanding dues to Micro and Small enterprises	217.80	465.01
- Outstanding dues to parties other than Micro and Small enterprises#	5133.76	4714.16
Gratuity	386.99	451.73
Statutory remittances	2826.31	2173.98
Other taxes payable	1935.18	1935.18
Advances from customers	1385.70	945.76
Other payables	92.35	645.62
Total other current liabilities	35005.70	27253.33

* Will be credited to investor education and protection fund if not claimed within seven years from the date of issue of dividend/interest warrant and the date the fixed deposits have matured.

Refer Note 49

9. a) Dues to Micro, Small and Medium Enterprises

Sundry Creditors include the following dues to micro and small enterprises covered under “The Micro, Small and Medium Enterprises Development Act, 2006” (MSMED) to the extent such parties have been identified from the available information.

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year		
- Principal amount	502.09	642.81
- Interest due thereon	22.04	35.68
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	-	-
- Interest actually paid under section 16 of MSMED	-	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED	-	-
Interest accrued and remaining unpaid at the end of the year		
- Interest accrued during the year	9.36	31.23
- Interest remaining unpaid as at the end of the year	22.04	35.68
Interest remaining disallowable as deductible expenditure under the Income-tax Act, 1961	9.36	31.23

10. Short Term Provisions

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Employee Benefits	545.22	364.91
Provision for tax (net of payments)	542.20	1109.09
	1087.42	1474.00

11. Fixed Assets

Description	Gross Block				Depreciation/Amortisation			Net Block		Re-valuation Amount
	As at April 1, 2014	Additions (note vi, ix & xi)	Deductions	As at March 31, 2015	Upto March 31, 2014	For the year (note vi, ix & x)	On disposals	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015
Tangible assets										
Land										
- Freehold	7483.10	-	-	7483.10	-	-	-	7483.10	7483.10	2458.00
- Leasehold	10222.24	182.61	-	10404.85	-	-	-	10404.85	10222.24	223.51
Roads	3058.28	778.67	-	3836.95	188.35	77.06	-	3571.54	2869.93	13.72
Buildings	54927.92	3551.93	-	58479.85	11701.58	1340.51	-	45437.76	43226.34	216.14
Plant and machinery	345550.94	44060.54	1161.25	388450.23	138852.00	18350.26	1065.16	232813.13	206698.94	9.06
Furniture and fixtures	2443.86	221.79	11.63	2654.02	1251.49	142.97	8.90	1268.46	1192.37	-
Office Equipment	3320.13	410.81	135.08	3595.86	2112.92	404.07	97.86	1176.73	1207.21	-
Vehicles	2513.51	896.47	625.96	2784.02	1257.27	476.13	472.98	1523.60	1256.24	-
Sub-total	429519.98	50102.82	1933.92	477688.88	155363.61	20791.00	1644.90	303179.17	274156.37	2920.43
Intangible Assets										
Goodwill	368.94	-	-	368.94	191.04	36.89	-	141.01	177.90	-
Trade Marks/Brands	1139.70	6799.72	-	7939.42	597.95	170.62	-	7170.85	541.75	-
Technical Knowhow	914.81	-	-	914.81	510.02	106.98	-	297.81	404.79	-
Software	2238.47	745.61	0.50	2983.58	1519.31	543.26	0.50	921.51	719.16	-
Others	-	1942.78	-	1942.78	-	169.94	-	1772.84	-	-
Sub-total	4661.92	9488.11	0.50	14149.53	2818.32	1027.69	0.50	10304.02	1843.60	-
Total	434181.90	59590.93	1934.42	491838.41	158181.93	21818.69	1645.40	313483.19	275999.97	2920.43
Previous year	358813.08	77370.91	2002.09	434181.90	140515.23	19087.41	1420.71	11815.29	12138.00	2920.43
Capital-work-in-progress (Including technical knowhow of ₹ 3880 lakhs (Previous Year ₹ Nil) (Refer Note xi)								325298.48	288137.97	

Notes to fixed assets

- (i) Borrowing cost capitalised to fixed assets / capital work in progress during the year ₹ Nil (Previous Year - ₹ 1983.54 lakhs).
- (ii) The deed of assignment in respect of free hold land at Mansali, Chennai has been executed in respect of 135.70 acres (Previous Year - 135.70 acres). In addition to aforesaid extent, 0.79 acres were handed over to SRF Limited under a land delivery receipt. Thus, the Company is in possession of 136.49 acres of industrial land at Mansali, Chennai.
- (iii) Conveyancing of buildings and other superstructures located at Company's plant at Malanpur in the state of Madhya Pradesh including immovable machinery is linked to the Stamp Duty matter (Refer note 30 below).
- (iv) Out of the Industrial Free hold land measuring 32.41 acres at the Company's plant in Gurnimidiipondi, the Company does not have clear title to 2.43 acres.
- (v) The execution of lease deed of land in respect of 911336 sq. mtrs. (Previous Year 904910 sq. mtrs.) of leasehold land allotted to the Company by Gujarat Industrial Development Corporation at Dahej, Gujarat is pending.
- (vi) Capital expenditure incurred during the year includes ₹ 1244.78 lakhs (Previous Year - ₹ 782.92 lakhs) on account of research and development. Depreciation for the year includes depreciation on assets deployed in research and development as per note 33 below.
- (vii) Capital work in progress includes pre-operative expenses ₹ 214.54 lakhs (Previous Year - ₹ 161.05 lakhs).
- (viii) The revaluation of fixed assets was carried out in the year ended 31 March 2005
- (ix) Refer Note 47
- (x) Refer Note 48, depreciation for the year is inclusive of ₹ 933.61 lakhs related to transition to Schedule II of the 2013 Act on tangible fixed assets with Nil remaining useful life.
- (xi) Refer Note 49

11. Fixed Assets (contd.)

Description	Gross Block			Depreciation/Amortisation			Net Block		Re-valuation Amount	
	As at April 1, 2013	Additions	Deductions	As at March 31, 2014	Upto March 31, 2013	For the year	On disposals	Upto March 31, 2014	As at March 31, 2014	
Tangible assets										
Land										
- Freehold	7483.10	-	-	7483.10	-	-	-	-	7483.10	2458.00
- Leasehold	10022.05	200.19	-	10222.24	-	-	-	-	10222.24	223.51
Roads	1574.02	1487.11	2.85	3058.28	161.41	27.90	0.96	188.35	2869.93	13.72
Buildings	46396.63	8817.39	286.10	54927.92	10040.92	1695.35	34.69	11701.58	43226.34	216.14
Plant and machinery	281870.23	64813.12	1132.41	345550.94	123964.64	15838.61	951.25	138852.00	206698.94	9.06
Furniture and fixtures	2308.93	265.84	130.91	2443.86	1201.23	129.36	79.10	1251.49	1192.37	-
Office Equipment	2909.37	548.23	137.47	3320.13	1956.56	285.19	128.83	2112.92	1207.21	-
Vehicles	2379.53	446.33	312.35	2513.51	1046.72	436.43	225.88	1257.27	1256.24	-
Sub-total	354943.86	76578.21	2002.09	429519.98	138371.48	18412.84	1420.71	155363.61	274156.37	2920.43
Intangible Assets										
Goodwill	368.94	-	-	368.94	147.59	43.45	-	191.04	177.90	-
Trade Marks/Brands	1139.70	-	-	1139.70	484.37	113.58	-	597.95	541.75	-
Technical Knowhow	914.81	-	-	914.81	403.20	106.82	-	510.02	404.79	-
Software	1445.77	792.70	-	2238.47	1108.59	410.72	-	1519.31	719.16	-
Sub-total	3869.22	792.70	-	4661.92	2143.75	674.57	-	2818.32	1843.60	-
Total	358813.08	77370.91	2002.09	434181.90	140515.23	19087.41	1420.71	158181.93	275999.97	2920.43
Previous year	309430.58	53624.99	4242.49	358813.08	123362.42	18474.92	1312.11	140515.23	218297.85	2961.36
Capital-work-in-progress									12138.00	
									288137.97	240267.14

12. Investments

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

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
NON-CURRENT INVESTMENTS		
LONG TERM INVESTMENTS		
Trade investments		
Investments in equity instruments		
Unquoted		
Nil (Previous Year - 42,21,535) Equity shares of ₹ 10 each fully paid up of Malanpur Captive Power Limited	-	422.15
Investments in subsidiaries – unquoted		
Nil (Previous Year - 32,54,184) Equity shares of ₹ 100 each fully paid up of SRF Transnational Holdings Limited (A wholly owned subsidiary)	-	1472.57
Less : Amount written off	-	(1472.57)
32,54,184 Equity shares sold during the year	-	-
Nil (Previous Year - 8,000) Equity shares of ₹ 100 each fully paid up of SRF Properties Limited (A wholly owned subsidiary)	-	589.56
8,000 Equity shares sold during the year		
45,002 (Previous Year - 45,002) Equity shares of USD(\$ 1 each fully paid up of SRF Fluor Private Limited (A wholly owned subsidiary)	24.28	24.28
Less : Provision for diminution in value*	(24.28)	(24.28)
	-	-
* Application for dissolution of the Company has been filed, the same is pending approval of RBI		
40,00,000 (Previous Year - 33,25,000) Equity shares of ₹ 10 each fully paid up of SRF Holiday Home Limited (A wholly owned subsidiary)	400.00	332.50
6,75,000 Equity shares allotted during the year		
1,28,920 (Previous Year - 1,28,920) Equity shares of Euro 100 each fully paid up of SRF Global BV (A wholly owned subsidiary)	7959.51	7959.51
50,000 (Previous Year - 50,000) equity shares of ₹ 10 each fully paid up of SRF Energy Limited (A wholly owned subsidiary)	5.00	5.00
Less : Provision for diminution in value	(5.00)	-
	-	5.00
50,000 (Previous Year - 50,000) equity shares of ₹ 10 each fully paid up of SRF Fluorochemicals Limited (A wholly owned subsidiary)	5.00	5.00
Less : Provision for diminution in value	(5.00)	-
	-	5.00

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Other investments		
Investments in equity instruments		
Unquoted		
50,000 (Previous Year -50,000) Equity Share of ₹ 10 Each Vaayu Renewable Energy (Tapti) Private Limited	5.00	5.00
6,70,000 (Previous Year - 6,70,000) Equity shares of ₹ 10 each fully paid up of Sanghi Spinners India Limited	11.69	11.69
Less : Provision for diminution in value	(11.69)	(11.69)
	-	-
Total Non- current investments (long term investments)	8364.51	9318.72
Aggregate amount of long term unquoted investments (net of provision)	8364.51	9318.72
Aggregate provision for diminution in value of long term investments	45.97	1508.54
CURRENT INVESTMENTS		
CURRENT PORTION OF LONG TERM INVESTMENTS		
Trade investments		
Investments in equity instruments		
Unquoted		
42,21,535 (Previous Year - Nil) Equity shares of ₹ 10 each fully paid up of Malanpur Captive Power Limited	422.15	-
INVESTMENTS IN MUTUAL FUNDS		
Quoted		
50,00,000 Units (Previous Year - 50,00,000 Units) of ₹ 10 each ICICI Prudential FMP Series 73 - 392 Days Plan F Regular Plan Cumulative	500.00	500.00
1,00,00,000 Units (Previous Year -1,00,00,000 Units) of ₹ 10 each SBI Debt Fund Series- A 11 385 Days - Regular - Growth	1000.00	1000.00
Nil (Previous year - 68,304 Units) of ₹ 1468.06 each of Baroda Pioneer Liquid Fund - Plan A - Growth	-	1002.76
36,14,674 Units (Previous Year - Nil) of ₹ 207.49 each ICICI Prudential Savings Fund-Regular Plan-Growth	7500.00	-
Total current investments	9422.15	2502.76
Aggregate amount of current quoted investments	9000.00	2502.76
Aggregate amount of current unquoted investments	422.15	-
Market value of current quoted investments	9155.48	2514.25

13. Long Term Loans and Advances

(Unsecured considered good, unless otherwise stated)

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Capital advances	937.09	382.08
Security deposits*#	2960.07	2375.52
Loans and advances to related parties	-	963.18
Loans to employees	631.09	472.34
Prepaid expenses	14.46	15.96
MAT credit entitlement	7615.74	2841.22
CENVAT/Service tax/VAT recoverable	482.44	528.65
Other loans and advances		
Unsecured - considered good	76.17	175.39
- considered doubtful	9.95	9.95
Less : Provision for doubtful advances	(9.95)	(9.95)
Total long term loans and advances	12717.06	7754.34

* Security deposits includes ₹ 1054.53 lakhs (Previous year - ₹ 1043.14 lakhs) as interest free security deposits for accommodation taken on lease for Company's officers / directors and various offices taken on lease by the Company.

Refer note 35

Loans and advances to related parties include:

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Loan to SRF Global BV	-	898.73
Interest receivable from SRF Global BV	-	64.45
	-	963.18

14. Other Non-Current Assets

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Unamortised upfront fees on loans	557.78	386.83
Total other non-current assets	557.78	386.83

15. Inventories

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Raw materials	19721.31	24616.87
Raw materials in transit	10024.41	12578.31
Stock-in-process	7444.86	6524.79
Stock-in-process in transit	209.29	134.28
Finished goods	13796.55	10663.14
Finished goods in transit	1106.93	1395.00

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Stock of traded goods	144.89	83.36
Stock of traded goods in transit	54.06	-
Stores and spares	11239.51	7097.88
Stores and spares in transit	16.97	17.99
Stock of Certified Emission Reductions	-	4.51
Total inventories	63758.78	63116.13

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

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

16. Trade Receivables

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured – considered good	5.81	-
Unsecured – considered doubtful	296.84	309.39
	302.65	309.39
Less : Provision for doubtful receivables	296.84	309.39
	5.81	-
Other trade receivables		
Unsecured – considered good	47849.03	54518.30
Total trade receivables	47854.84	54518.30

17. Cash and Cash Equivalents

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Cash in hand	35.64	30.61
Balance with banks on		
Current accounts	669.70	6649.05
Deposit accounts	5000.00	-
Total cash and cash equivalents	5705.34	6679.66
In earmarked accounts		
Margin money	186.62	184.21
Unclaimed dividend accounts	623.83	600.05
Total other bank balances	810.45	784.26
	6515.79	7463.92
Of the above, the balances that meet the definition of cash and cash equivalents as per AS - 3 - Cash Flow Statements is	5705.34	6679.66

18. Short-Term Loans and Advances

(Unsecured considered good, unless otherwise stated)

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Loans to employees	488.37	434.60
Loans and advances to related parties		
Unsecured - considered good	641.78	1190.30
- considered doubtful	6.56	6.56
Less : Provision for doubtful advances	(6.56)	(6.56)
	641.78	1190.30
Deposits with customs and excise authorities	172.03	304.03
Security deposits	87.87	64.18
Claims recoverable	2848.48	1757.31
CENVAT/Service tax/VAT recoverable	4946.72	7611.78
Advance to suppliers		
Unsecured - considered good	1583.48	973.39
- considered doubtful	5.36	-
Less: Provision for doubtful advances	(5.36)	-
Prepaid expenses	819.82	692.51
Other loans and advances		
Unsecured - considered good	441.63	149.05
- considered doubtful	297.16	293.68
Less: Provision for doubtful advances	(297.16)	(293.68)
Total short-term loans and advances	12030.18	13177.15

Loans and advances to related parties includes:

Name of the Related Party	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
SRF Overseas Limited	-	12.42
SRF Industries (Thailand) Limited	113.27	405.75
SRF Industex Belting (Pty) Limited	191.59	171.14
SRF Fluor Private Limited		
Unsecured - considered doubtful	6.56	6.56
Less : Provision for doubtful advances	(6.56)	(6.56)
	-	-
SRF Global BV	72.47	116.22
SRF Flexipak (South Africa) (Pty) Limited	264.45	483.91
Shri Educare Limited	-	0.86
Total loans and advances to related parties	641.78	1190.30



19. Other Current Assets

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Unamortised upfront fees on loans	270.49	143.82
Total other current assets	270.49	143.82

20. Sale of Products*

	Year ended March 31, 2015		Year ended March 31, 2014	
	Quantity (MT)	Value (₹ in lakhs)	Quantity (MT)	Value (₹ in lakhs)
Manufactured				
Synthetic Filament Yarn including Industrial Yarn/Tyre Cord/ Twine	10946.82	20194.79	12024.29	23543.50
Nylon Tyre Cord Fabric/ Polyester tyre cord fabric / Industrial Yarn Fabric	49577.02	152263.67	49880.15	157421.39
Laminated Fabric#	414.88	12084.03	496.62	15011.25
Nylon / PBT / PC Compounding Chips	10696.50	20232.32	9340.32	17604.44
Fluorochemicals & Allied Products	15703.74	23352.41	12056.46	18610.65
HFC 134a	4247.82	16345.94	3281.42	11292.24
Gypsum (By Product)	52426.86	469.08	37236.80	393.04
Hydrochloric Acid (By Product)	126209.53	837.64	66712.57	926.73
Chloromethanes	24367.46	10548.96	23403.03	6700.32
Fluorospecialities Chemicals	4032.28	59796.57	2873.94	44345.21
Packaging Films	53268.83	67412.09	50910.08	70481.34
Waste/Others		2206.48		2434.17
		385743.98		368764.28
Traded goods		3949.81		1625.54
Sale of products (gross)		389693.79		370389.82
Less: Excise Duty		32672.99		30179.56
Sale of products (net)		357020.80		340210.26

* Net of sales returns and damaged stocks, etc

quantity in lakhs SQM

21. Other Operating Revenues

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Claims	52.38	40.87
Export incentives	1624.57	126.70
Scrap sales	1040.77	746.91
Other operating income	1660.35	589.94
Total other operating revenues	4378.07	1504.42

22. Other Income

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Dividend on current investments	311.90	901.72
Profit on sale of current investments	179.01	91.70
Profit on sale of investment in subsidiaries	1510.00	-
Dividend on non current investments	-	100.00
Provision / Liabilities no longer required written back	411.68	171.83
Provision for long term investments no longer required	1144.31	-
Profit on sale of fixed assets	-	31.00
Exchange currency fluctuation	149.44	-
Interest income		
• from customers	20.07	15.32
• on loans and deposits	98.23	101.41
• on others*	171.36	378.23
Other non-operating income	739.64	680.21
Total other income	4735.64	2471.42

* Includes income tax deducted at source ₹ 6.30 lakhs (Previous Year - ₹ 14.95 lakhs)

23. a) Cost of Materials Consumed

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Opening stock of Raw Materials	37195.18	25143.84
Add : Purchase of Raw Materials	188756.76	213735.13
	225951.94	238878.97
Less : Closing Stock of Raw Materials	29745.72	37195.18
Cost of materials consumed	196206.22	201683.79

23. b) Raw Material Consumption

	Year ended March 31, 2015		Year ended March 31, 2014	
	Quantity (MT)	Value (₹ in lakhs)	Quantity (MT)	Value (₹ in lakhs)
Caprolactam	38125.15	55226.91	39615.98	61065.04
Fluorospar	31170.80	7115.81	23462.65	5559.08
Sulphuric Acid	21912.80	1125.77	26604.34	1062.37
Chlorine	63585.72	1217.56	54251.48	2044.92
Methanol	14169.09	3406.76	12903.27	3642.07
Caustic Soda	2199.76	312.55	2089.50	294.22
Trichloro Ethylene	1233.83	765.07	4532.84	2340.92
Nylon yarn/fabric		53759.60		58748.14
Polyester Chips	35385.20	24470.80	28195.84	24135.37
PTA	27133.79	15722.18	20322.85	14052.03
MEG	10714.83	6290.34	8050.45	5434.99
Fabric *	452.76	3189.80	551.14	4000.23
Others		23603.07		19304.41
Total		196206.22		201683.79

* quantity in lakhs SQM

24. Purchase of Traded Goods

	Year ended March 31, 2015		Year ended March 31, 2014	
	Quantity (MT)	Value (₹ in lakhs)	Quantity (MT)	Value (₹ in lakhs)
Yarn	1021.89	1516.63	490.00	1065.25
Refrigerant gases	55.07	167.41	32.71	100.90
Packaging Films	1565.00	1721.29	160.56	200.33
Others		207.07		235.14
Total		3612.40		1601.62

25. a) (Increase)\Decrease in Inventories of Finished Goods, Stock-in-Process and Traded Goods

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Opening Stock		
Stock-in-Process	6659.07	8087.45
Finished goods	12058.14	10208.41
Traded goods	83.36	19.58
Stock of Certified Emission Reductions	4.51	13.29
	18805.08	18328.73
Closing Stock		
Stock-in-Process	7654.15	6659.07
Finished goods	14903.48	12058.14
Traded goods	198.95	83.36
Stock of Certified Emission Reductions	-	4.51
	22756.58	18805.08
(Increase) \ Decrease in inventories of finished goods, stock-in-process and traded goods		
Stock-in-Process	(995.08)	1428.38
Finished goods	(2845.34)	(1849.73)
Traded goods	(115.59)	(63.78)
Stock of Certified Emission Reductions	4.51	8.78
	(3951.50)	(476.35)

25. b) Opening and Closing Stock of Finished Goods

	As at March 31, 2015		As at March 31, 2014		As at March 31, 2014	
	Closing Quantity (MT)	Stock Value (₹ in lakhs)	Closing Quantity (MT)	Stock Value (₹ in lakhs)	Opening Quantity (MT)	Stock Value (₹ in lakhs)
Synthetic Filament Yarn including Industrial Yarn/ Tyre Cord / Twine	992.02	1587.41	625.53	1246.33	632.43	1116.45
Nylon Tyre Cord Fabric/ Polyester Tyre cord fabric / Industrial Yarn Fabric*	1283.46	2815.52	882.99	2325.85	1315.56	2947.29
Laminated Fabric#	4.79	122.55	6.45	224.69	4.57	161.64
Nylon / PBT / PC Compounding Chips	243.48	412.06	221.02	364.79	294.41	441.98
Fluorochemicals & Allied Products	1230.11	967.39	2208.07	1792.95	1292.48	1448.12

	As at March 31, 2015		As at March 31, 2014		As at March 31, 2014	
	Closing Quantity (MT)	Stock Value (₹ in lakhs)	Closing Quantity (MT)	Stock Value (₹ in lakhs)	Opening Quantity (MT)	Stock Value (₹ in lakhs)
HFC 134a	636.13	1833.89	276.15	720.59	292.75	814.65
Chloromethanes**	1401.69	251.30	1165.42	275.63	2087.90	299.01
Fluorospecialities Chemicals	731.31	5031.65	592.18	2764.59	312.61	1695.21
Packaging Films	1064.98	877.37	1550.93	1627.32	1094.93	1182.10
Certified Emission Reductions##	30449.00	-	30449.00	4.51	30449.00	13.29
Others		1004.34		715.40		101.96
Total		14903.48		12062.65		10221.70

* includes yarn in process of conversion into fabric

** includes chloromethanes in process of conversion into refrigerant gases

quantity in lakhs SQM

quantity in Nos.

25. c) Inventory of Stock in Process

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Synthetic Filament Yarn including Industrial Yarn/Tyre Cord/Twine	1460.49	1681.47
Nylon Tyre Cord Fabric/ Polyester tyre cord fabric /Industrial Yarn Fabric	1127.80	1476.75
Nylon Chips	910.42	981.33
Coated / laminated fabrics	304.97	321.05
Refrigerant gases	233.37	15.37
Fluorospecialities and allied products	2628.36	805.13
Packaging Films	956.16	1289.19
Others	32.58	88.78
Total	7654.15	6659.07

26. Employee Benefits Expenses

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Salaries, wages, bonus, etc	21581.97	18518.53
Contribution to provident and other funds	1687.34	1724.74
Workmen and staff welfare expenses	3258.71	3029.00
Total employee benefits expenses	26528.02	23272.27

27. Finance Costs

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Interest expenses		
- On debentures and loans for fixed period	5632.10	2425.90
- Cash Credit and others	2082.12	1745.92

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Other borrowing costs	822.26	865.68
Net (gain)/loss on foreign currency transactions and translation (considered as finance cost)	1419.03	1964.51
Total finance costs	9955.51	7002.01

28. Depreciation and Amortisation Expenses

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Depreciation on tangible assets (Refer note 11)	19857.39	18412.84
Amortisation on intangible assets (Refer note 11)	1027.69	674.57
Less : Transfer from revaluation reserve (Refer note 3(b))	-	(40.93)
Net depreciation and amortisation expense	20885.08	19046.48

29. Other Expenses

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Stores and Spares consumed (excluding ₹ 7336.46 lakhs (Previous Year - ₹ 5019.44 lakhs) charged to repairs and maintenance)	2272.19	2820.81
Power and Fuel	35778.64	34940.13
Rent	1179.19	999.77
Repairs and Maintenance		
- Buildings	282.73	258.51
- Plant and machinery	10117.34	6781.00
- Other Maintenance	2143.49	1791.75
Insurance	856.57	796.71
Rates and taxes	391.70	370.97
Freight	8312.30	6826.41
Expenditure on Corporate Social Responsibility	441.95	-
Professional and legal charges	2192.08	1395.34
Contract conversion charges	305.39	355.25
Travel	1207.01	1152.20
Directors' sitting fees	9.10	7.70
Selling commission	754.52	739.51
Increase / (decrease) in excise duty on closing stock	614.73	(240.85)
Provision for doubtful debts / advances	38.82	42.23
Bad debts / advances written off	112.91	55.56
Loss on sale of fixed assets	3.96	-
Fixed assets / inventories provided / written off	558.07	134.67
Provision for investments	10.00	15.20
Auditors' Remuneration (net of service tax input credit)		

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
- Audit Fees	50.00	45.00
- For limited review of unaudited financial results	33.00	30.00
- For corporate governance, consolidated financial statements and other certificates	15.85	15.80
- For tax audit	10.00	8.50
Exchange currency fluctuation	-	581.61
Miscellaneous expenses*	5596.49	5046.42
Total other expenses	73288.03	64970.20

* Includes Nil (Previous Year - ₹ 50 lakhs) donation paid to a political party 'Bharatiya Janata Party'

30. Contingent Liabilities Not Provided For

a. Claims against the Company not acknowledged as debts:

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Excise duty, customs duty and service tax* @	6095.19	6182.32
Sales Tax and entry tax (refer note 'b' below)** @	11212.89	9615.65
Income Tax****	1128.63	676.63
Stamp Duty*****	2881.55	2881.55
Others ***	1089.06	940.73

* Amount deposited ₹ 447.29 lakhs (Previous year - ₹ 455.85 lakhs)

** Amount deposited ₹ 16.25 lakhs (Previous Year - ₹ 16.60 lakhs)

*** Amount deposited ₹ Nil (Previous Year - ₹ 8.00 lakhs)

**** Amount deposited ₹ 432.55 lakhs (Previous year - ₹ 162.41 lakhs)

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

@ As per Business Transfer Agreement with KAMA Holdings Limited, the liabilities of ₹ 2064.30 lakhs (Previous Year - ₹ 2064.30 lakhs) and ₹ 38.00 lakhs (Previous Year - ₹ 38.00 lakhs) respectively towards Excise Duty and Sales tax are covered under Representations and Warranties.

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

- b. The Company had received demand notices from the Commercial Tax Department, Government of Madhya Pradesh (“State Government”) for payment of Central Sales Tax (CST), Value Added Tax (VAT) and Entry Tax aggregating to ₹ 11138 lakhs (including interest and penalty) (Previous Year – ₹ 9491 lakhs) for the period from 2007 to 2013 in respect of sales from its manufacturing facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA).

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

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

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

The matter is sub judice and shall be listed for further proceedings in due course. The Management of the Company, based on the facts of the case and opinion received by the Company from legal experts, is confident of getting a relief in the matter from the Court and, accordingly, has not made any provision for the said disputed demands.

- c. Liability on account of Bank Guarantees ₹ 547.94 lakhs (Previous Year – ₹ 445.74 lakhs)
- d. Guarantees given to banks for repayment of financial facilities availed by wholly owned subsidiaries are as below:

Name of the subsidiary	Currency	Guarantee amount as at		Loan/Payable outstanding against the guarantee as at	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
		In Millions	In Millions	In Millions	In Millions
SRF Flexipak (South Africa) (Pty) Limited	Euro	-	3.50	-	-
	USD	46.00	46.00	40.00	40.00
	USD	19.49	19.49	4.43	2.79
	USD	14.95	14.95	4.86	3.95
	ZAR	60.00	-	30.16	-
SRF Global BV	USD	-	16.50	-	3.50
	USD	10.00	10.00	-	-
	USD	23.00	23.00	20.00	20.00
	USD	23.00	23.00	20.00	20.00
	USD	23.00	23.00	20.00	20.00
SRF Industries (Thailand) Limited	USD	52.00	52.00	42.00	45.00
	THB	403.24	403.24	-	310.13

- e. Guarantees given to banks for repayment of financial facilities availed by others – ₹ 250.00 lakhs (Previous Year – ₹ 250.00 lakhs). Outstanding amount as at the year-end is ₹ 87.95 lakhs (Previous Year – ₹ 99.99 lakhs).
- f. The Company has been served with show cause notices regarding certain transactions as to why additional customs / excise duty / service tax amounting to ₹ 2911.29 lakhs (Previous year - ₹ 2451.03 lakhs) should not be levied. The Company has been advised that the contention of the department is not tenable and hence the show cause notice may not be sustainable.
- g. The Company has entered into agreements with banks for assignment of trade receivables to them for value upto a maximum limit of ₹ 27618 lakhs. The assigned receivables as at the year end is ₹ 9524 lakhs (Previous Year – Nil)

31.

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

Name of the Statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount* (₹ in lakhs)
Central Excise Laws	Excise Duty	High Court	1996-1997	213.79
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	1992-2013	5903.05
		Upto Commissioner (Appeals)	1993-2010	499.59
Service Tax Laws	Service Tax	High Court	2006	2.50
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2005-2010	47.97
		Upto Commissioner (Appeals)	2006-2011	29.01
Customs Laws	Customs Duty	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2004-2006	45.43
		Upto Commissioner (Appeals)	2002-2013	147.47
Sales Tax Laws	Sales Tax	High Court	2007-2013	9361.25
		Sales Tax Appellate Tribunal	1987-2008	102.28
		Upto Commissioner (Appeals)	1988-2015	28.21
Income Tax Laws	Income Tax	Supreme Court	1988-1989	113.35
		Income Tax Appellate Tribunal (ITAT)	2009-2010	78.58
		Upto Commissioner (Appeals)	2006-2007	273.80
Others	Electricity Cess	High Court	2007-2008	6.00

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

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

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

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

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

32. Capital and Other Commitments

- a. The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to ₹ 8753.07 lakhs (Previous Year - ₹ 5283.16 lakhs).
- b. Further, the Company is to make the following investments:
 - i. SRF Holiday Home Limited – ₹ 5 lakhs (Previous Year – ₹ 72.50 lakhs)
- c. The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreements in normal course of business. The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.

33. Research and Development Expenses

The details of research and development expenditure of ₹ 5643.16 lakhs (Previous Year - ₹ 3837.02 lakhs) included in notes 11 and 23 to 29 above are as under:-

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Capital Expenditure	1244.78	782.92
Revenue Expenditure	4398.38	3054.10
Total	5643.16	3837.02

The details of revenue expenditure incurred on research and development is as below:

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Cost of materials consumed	126.70	128.82
Salaries, wages, bonus, etc.	1763.98	1072.00
Contribution to provident and other funds	113.52	86.19
Workmen and staff welfare expenses	171.73	119.13
Stores and Spares consumed	319.47	340.33
Power and Fuel	165.25	191.48
Rent	41.94	39.09
Repairs and Maintenance		
- Buildings	63.51	53.33
- Plant and machinery	375.92	224.83
- Other Maintenance	126.61	81.46
Insurance	16.11	13.09
Rates and taxes	3.68	2.85
Travel	105.94	74.88
Professional and legal charges	195.20	78.51
Depreciation and amortisation expenses	598.95	502.93
Miscellaneous expenses	209.87	45.18
	4398.38	3054.10

34. Managerial Remuneration

(i) (a) Chairman / Managing Director / Deputy Managing Director / Whole time Director

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Salary and allowances	415.18	360.28
Contribution to Provident and Superannuation Funds	60.30	95.58

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Value of Perquisites	223.21	208.39
Commission (Provided)	475.00	475.00
SUB-TOTAL	1173.69	1139.25
(b) Non-Executive Directors		
Commission (Provided)	35.00	25.00
Other Fees	6.64	-
Directors' Sitting Fees	9.10	7.70
SUB-TOTAL	50.74	32.70
TOTAL	1224.43	1171.95

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

(ii) Computation of managerial remuneration in accordance with section 197 of the Companies Act, 2013

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Profit before taxation	39610.75	27086.08
Add		
Wealth tax	13.00	12.83
Managerial Remuneration including commission	1224.43	1171.95
Loss on sale / write off of fixed assets as per accounts	14.75	190.23
Provision for Doubtful Debts / Advances / investments	48.82	57.43
Sub Total	1301.00	1432.44
Less		
Profit on sale of fixed assets as per accounts	-	31.00
Dividend on non - current investments	-	100.00
Dividend on current investments	311.90	901.72
Profit on sale of current investments	179.01	91.70
Profit on sale of investments in subsidiaries	1510.00	-
Excess Provision written back	1555.99	171.83
Sub Total	3556.90	1296.25
Profit as per section 197 of the Companies Act, 2013	37354.85	27222.27
Maximum remuneration as commission and/or salary including perquisites @ 10% of net profit of ₹ 37354.85 lakhs (Previous Year - ₹ 27222.27 lakhs) which can be paid to Managing Directors / Whole time Directors under section 197 of the 2013 Act	3735.48	
Remuneration paid / payable to Managing Directors / Whole Time Directors	1173.69	1139.25
Maximum remuneration payable to Non-Executive Directors @ 1% of net profit of ₹ 37354.85 lakhs (Previous Year ₹ 27222.27 lakhs) under section 197 of the 2013 Act	373.55	272.22
Remuneration paid / payable to Non-Executive Directors	50.74	32.70

35. Related party disclosures under AS-18 “Related Party Disclosures”

As per Accounting standard AS –18 “Related Party Disclosures” the Company’s related parties and transactions with them are disclosed below:

A NAME OF RELATED PARTY AND NATURE OF RELATED PARTY RELATIONSHIP

By virtue of control (Subsidiaries and fellow subsidiaries) (a)	By virtue of control (Holding Company) (b)	Key Management Personnel and their relatives (c)	Enterprises over which (c) have significant influence (d)
Fellow Subsidiaries			
<ul style="list-style-type: none"> • KAMA Realty (Delhi) Limited • Shri Educare Limited • Shri Educare Maldives Private Limited • KHL Investments Limited^ • SRF Transnational Holdings Limited* 	<ul style="list-style-type: none"> • KAMA Holdings Limited 	<ul style="list-style-type: none"> • Mr Arun Bharat Ram, Chairman • Mr Ashish Bharat Ram, Managing Director • Mr Kartik Bharat Ram, Deputy Managing Director • Mr K Ravichandra, Whole Time Director 	<ul style="list-style-type: none"> • SRF Foundation • Karm Farms Private Limited • Srishti Westend Greens Farms Private Limited
Subsidiaries			
<ul style="list-style-type: none"> • SRF Overseas Limited • SRF Properties Limited** • SRF Holiday Home Limited • SRF Energy Limited# • SRF Fluorochemicals Limited# • SRF Fluor Private Limited# • SRF Global BV • SRF Industries (Thailand) Limited • SRF Industex Belting (Pty) Limited • SRF Flexipak (South Africa) (Pty) Limited 			

^ Up to 2 August 2014

* Subsidiary up to 1 April 2014, now fellow subsidiary

** Up to 10 June 2014

Under Liquidation

B TRANSACTIONS WITH RELATED PARTIES REFERRED TO IN NOTE 35A ABOVE

Nature of Transactions	(₹ in lakhs)							
	(a) Year ended		(b) Year ended		(c) Year ended		(d) Year ended	
	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014
Purchase of goods from								
- SRF Overseas Limited	-	23.69						
- SRF Industries (Thailand) Limited	146.36	58.75						
- SRF Industex Belting (Pty) Limited	2.05	1.46						
Sale of goods to								
- SRF Overseas Limited	-	2603.04						
- SRF Industries (Thailand) Limited	2709.85	3112.72						
- SRF Industex Belting (Pty) Limited	4256.85	4722.54						
- SRF Flexipak (South Africa) (Pty) Limited	14.80	-						
Purchase of fixed assets from								
- SRF Overseas Limited	302.30	1560.63						
- SRF Industries (Thailand) Limited	0.43	-						
Sale of fixed assets to								
- SRF Industries (Thailand) Limited	-	3.43						
Rendering of services to								
- SRF Overseas Limited	-	30.19						
- SRF Global BV	93.14	93.21						

(₹ in lakhs)

Nature of Transactions	(a)		(b)		(c)		(d)	
	Year ended		Year ended		Year ended		Year ended	
	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014
- SRF Flexipak (South Africa) (Pty) Limited	178.82	136.84						
- SRF Industries (Thailand) Limited	356.45	261.29						
- SRF Industex Belting (Pty) Limited	73.52	72.03						
Rent paid to								
- SRF Properties Limited	-	19.80						
- Kama Realty (Delhi) Limited	647.94	645.30						
- Karm Farms Private Limited							30.00	30.00
- Srishti Westend Greens Farms Private Limited							30.00	30.00
- Mr Arun Bharat Ram					24.00	24.00		
- Mr Ashish Bharat Ram					2.40	2.40		
- Mr Kartik Bharat Ram					2.40	2.40		
Managerial Remuneration paid to								
- Mr Arun Bharat Ram					439.05	456.76		
- Mr Ashish Bharat Ram					371.00	341.56		
- Mr Kartik Bharat Ram					354.07	331.36		
- Mr K Ravichandra					9.57	9.57		
Interest income on ICDs /loans/receivable from								
- SRF Global BV	7.30	23.79						
- SRF Overseas Limited	0.41	-						
- SRF Industex Belting (Pty) Limited	24.72	-						
Reimbursement of expenses from								
- SRF Overseas Limited	-	3.41						
- SRF Industries (Thailand) Limited	116.37	164.12						
- SRF Industex Belting (Pty) Limited	42.60	55.15						
- SRF Global BV	2.12	2.36						
- SRF Flexipak (South Africa) (Pty) Limited	76.33	129.90						
- KAMA Holdings Limited			0.11	0.07				
- Shri Educare Limited	2.59	0.86						
Reimbursement of expenses paid								
- SRF Industries (Thailand) Limited	23.71	13.51						
- SRF Industex Belting (Pty) Limited	0.71	-						
- SRF Overseas Limited	0.84	18.68						
- SRF Flexipak (South Africa) (Pty) Limited	4.71							
Loans / deposits given to (including exchange fluctuation)								
- SRF Global BV	-	84.53						
Loans/deposits received back from								
- SRF Global BV	898.73	-						
Donations to								
- SRF Foundation							350.00	-
Dividend received								
- SRF Properties Limited	-	100.00						
Investments made in								
- SRF Holiday Home Limited	67.50	52.20						
- SRF Fluor Private Limited	-	15.20						
Investments provided for								
- SRF Fluor Private Limited	-	15.20						
- SRF Energy Limited	5.00	-						
- SRF Fluorochemicals Limited	5.00	-						
Investment Sold to								
- KAMA Holdings Limited			1144.31	-				
Guarantees given								
- SRF Industries (Thailand) Limited In Millions THB	-	403.24						

(₹ in lakhs)

Nature of Transactions	(a)		(b)		(c)		(d)	
	Year ended		Year ended		Year ended		Year ended	
	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014
- SRF Global B.V. In Million USD	-	23.00						
- SRF Flexipak (South Africa) (Pty) Limited In Million ZAR	60.00	-						

Balances outstanding as at the year-end:-

(₹ in lakhs)

Nature of Transactions	(a)		(b)		(c)		(d)	
	As at		As at		As at		As at	
	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014
Receivables								
- SRF Overseas Limited	-	12.42						
- SRF Industries (Thailand) Limited	204.68	933.72						
- SRF Industex Belting (Pty) Limited	2134.38	1385.57						
- SRF Flexipak (South Africa) (Pty) Limited	279.21	483.91						
- Shri Educare Limited	-	0.86						
- SRF Global BV	72.47	116.22						
- SRF Fluor Private Limited	6.56	6.56						
Less: Provision for receivables	(6.56)	(6.56)						
Payables								
- SRF Overseas Limited	-	1574.88						
- SRF Industries (Thailand) Limited	157.43	13.51						
- SRF Industex Belting (Pty) Limited	2.76	3.51						
Commission Payable								
- Mr Arun Bharat Ram					225.00	225.00		
- Mr Ashish Bharat Ram					125.00	125.00		
- Mr Kartik Bharat Ram					125.00	125.00		
Loans given outstanding								
- SRF Global BV	-	898.73						
Interest outstanding								
- SRF Global BV	-	64.45						
Security Deposits outstanding								
- KAMA Realty (Delhi) Limited	330.00	330.00						
- Karm Farms Private Limited							310.00	310.00
- Srishti Westend Greens Farms Private Limited							310.00	310.00
- Mr Arun Bharat Ram					12.00	12.00		
- Mr Ashish Bharat Ram					0.60	0.60		
- Mr Kartik Bharat Ram					0.60	0.60		
Equity Investment outstanding								
- SRF Transnational Holdings Limited	-	1472.57						
Less : Amount written off		(1472.57)						
- SRF Properties Limited	-	589.56						
- SRF Holiday Home Limited	400.00	332.50						
- SRF Energy Limited	5.00	5.00						
Less: Provision for investment	(5.00)	-						
- SRF Fluorochemicals Limited	5.00	5.00						
Less: Provision for investment	(5.00)	-						
- SRF Global BV	7959.51	7959.51						
- SRF Fluor Private Limited	24.28	24.28						
Less: Provision for investment	(24.28)	(24.28)						

Nature of Transactions	(₹ in lakhs)							
	(a)		(b)		(c)		(d)	
	As at		As at		As at		As at	
	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014
Guarantees outstanding								
- SRF Industries (Thailand) Limited								
In Million USD	52.00	52.00						
In Million THB	403.24	403.24						
- SRF Global B.V.								
In Millions USD	79.00	95.50						
- SRF Flexipak (South Africa) (Pty) Limited								
In Million Euro	-	3.50						
In Million USD	80.44	80.44						
In ZAR	60.00	-						

36. Earnings Per Share

	Year ended March 31, 2015	Year ended March 31, 2014
Profit after tax (₹ in lakhs)	30773.05	21654.54
Weighted average number of equity shares outstanding (Nos.)	57420500	57420500
Basic and diluted earnings per share in rupees (₹) (face value – ₹ 10 per share)	53.59	37.71

37. Employee Benefits

The Company has classified various benefits provided to employees as under:

i) Defined contribution plans

- Superannuation fund
- Provident fund administered through Regional Provident Fund Commissioner
- Employees' State Insurance Corporation

The expenses incurred on account of the above benefits have been included in Note 26 "Employee Benefits Expenses" under the head "Contribution to provident and other funds"

ii) Defined benefit plans

- Gratuity
- Compensated absences – earned leaves
- Provident fund for certain category of employees administered through a recognised provident fund trust

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

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2014
Discount rate (per annum)	7.75%	8.50%	7.75%	8.50%
Future salary increase	7.50%	7.50%	7.50%	7.50%
Expected rate of return on plan assets	8.00%	8.00%	-	-
In service mortality	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Retirement age	58 years	58 years	58 years	58 years
Withdrawal rates				

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2014
- up to 30 years	10.00	10.00	10.00	10.00
- up to 44 years	5.00	5.00	5.00	5.00
- above 44 years	2.00	2.00	2.00	2.00

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.

Reconciliation of opening and closing balances of Defined Benefit Obligations

(₹ in lakhs)

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2014
Present value of obligation as at the beginning of the year	3536.58	3242.03	1505.20	1370.04
Current service cost	367.50	289.57	233.70	189.87
Interest cost	300.61	259.36	127.94	109.60
Benefits paid	(291.64)	(236.40)	(190.22)	(227.12)
Actuarial loss/(gain)	339.38	(17.98)	203.30	62.81
Present value of obligation as at the end of the year	4252.43	3536.58	1879.92	1505.20

Reconciliation of opening and closing balances of fair value of plan assets

(₹ in lakhs)

	Gratuity (Funded)	
	Year ended March 31, 2015	Year ended March 31, 2014
Fair value of plan assets at the beginning of the year	3084.85	3019.47
Estimated return on plan assets	246.79	236.52
Employers' contribution	451.73	113.51
Benefits paid	(291.64)	(236.40)
Actuarial gain/(loss) on plan assets	373.71	(48.25)
Plan assets at the end of the year	3865.44	3084.85

	Gratuity (Funded)	
	Year ended March 31, 2015	Year ended March 31, 2014
Composition of Plan Assets:		
HDFC Group unit linked plan fund	99.42%	99.32%
Others including bank balances	0.49%	0.02%
Government of India Securities	0.09%	0.66%
Total	100.00%	100.00%

Reconciliation of fair value of assets and obligations

(₹ in lakhs)

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Present value of obligation as at the year end	4252.43	3536.58	1879.92	1505.20
Fair value of plan assets	3865.44	3084.85	-	-
Net assets /(liability) recognized in the balance sheet	(386.99)	(451.73)	(1879.92)	(1505.20)
- Current	(386.99)	(451.73)	(353.19)	(286.42)
- Non Current	-	-	(1526.73)	(1218.78)

Expenses recognised in the statement of profit and loss.

(₹ in lakhs)

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2014
Current service cost	367.50	289.57	233.70	189.87
Interest cost	300.61	259.36	127.94	109.60
Expected return on planned assets	(246.79)	(236.52)	-	-
Actuarial loss/(gain)	(34.33)	30.27	203.30	62.81
Total expense	386.99	342.68	564.94	362.28

Gratuity**Net Assets / (Liabilities) recognised in the Balance Sheet**

(₹ in lakhs)

As on	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Present value of obligation	4252.43	3536.58	3242.03	2799.81	2449.43
Fair Value of Plan Assets	3865.44	3084.85	3019.47	2543.90	1987.32
Net Assets / (Liability)	(386.99)	(451.73)	(222.56)	(255.91)	(462.11)

Experience on actuarial Gain / (Loss) for Benefit Obligation and Plan Assets

(₹ in lakhs)

Year ended	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
On Plan Present value of obligation	(101.07)	36.18	(62.28)	(283.00)	658.67
On Plan Assets	373.71	(48.25)	58.32	2.70	(34.96)

Compensated absences – earned leaves**Net Liabilities recognised in the Balance Sheet**

(₹ in lakhs)

As on	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Present value of obligation	1879.92	1505.20	1370.04	1168.29	1021.92
Plan Assets	-	-	-	-	-
Net Assets / (Liability)	(1879.92)	(1505.20)	(1370.04)	(1168.29)	(1021.92)

Experience on actuarial gain / (loss) for Benefit Obligation

(₹ in lakhs)

Year ended	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
On Plan Present value of obligation	(85.07)	(37.97)	(65.98)	(77.43)	(149.82)
On Plan Assets	-	-	-	-	-

The Company's best estimate of the contribution expected to be paid in the next year is ₹ 558.17 lakhs (Previous Year – ₹ 474.37 lakhs) for gratuity and ₹ 434.31 lakhs (Previous Year - ₹ 344.93 lakhs) for leave encashment.

Long Term Retention Pay

The Company has a Long Term Retention Pay Plan. The plan covers employees selected on the basis of their current band and their long term value to the Company. The incentive is payable in three year blocks which commenced from financial year 2010-11 subject to achievement of certain performance ratings. The Company also has a scheme for talent retention of certain identified employees under which an incentive is payable over a period of three years. Based on actuarial valuation, the Company has accrued ₹ 333.88 lakhs (Previous Year – ₹ 212.79 lakhs) towards these plans till 31 March 2015.

	As at March 31, 2015	As at March 31, 2014
Current	192.03	78.49
Non Current	141.85	134.30
Total	333.88	212.79

Superannuation - Defined Contribution Plan where contributions are made to a Trust which in turn contributes to ICICI Prudential Life Insurance Company Limited

Apart from being covered under the Gratuity Plan described above, the employees of the Company also participate in a defined contribution superannuation plan maintained by the Company. The Company has no further obligations under the plan except making annual contributions based on a specified percentage of each covered employee's salary. From 1 November 2006, the Company provided an option to the employees to receive the said benefit as cash compensation along with salary in lieu of the superannuation benefit. Thus, no contribution is required to be made for the category of employees who opted to receive the benefit in cash.

Provident Fund

In addition to the above benefits, all employees are entitled to Provident Fund benefits as per the law. For certain category of employees the Company administers the benefits through a recognised Provident Fund Trust. For other employees contributions are made to the Regional Provident Fund Commissioners as per law. The Government mandates the annual yield to be provided to the employees on their corpus. This plan is considered as a Defined Contribution Plan. For the first category of employees (covered by the Trust), the Company has an obligation to make good the shortfall, if any, between the yield on the investments of the trust and the yield mandated by the Government and these are considered as Defined Benefit Plans accounted for on the basis of an actuarial valuation. The details of the valuation are as below:

Actuarial assumptions – Provident Fund

	Year ended March 31, 2015	Year ended March 31, 2014
Discount rate (per annum)	7.75%	8.75%
In service mortality	IALM (2006 -08)	IALM (2006 -08)
Retirement age	58 years	58 years

Reconciliation of Projected Benefit Obligation	March 31, 2015 (₹ in lakhs)	March 31, 2014 (₹ in lakhs)
Projected benefit obligation at beginning of year	6161.66	5168.71
Current service cost	342.44	333.28
Interest cost	477.55	452.26
Contributions by plan participants / employees	487.33	452.24
Actuarial (gain) / loss due to interest guarantee	2.21	160.07
Benefits paid	(664.59)	(404.90)
Settlements	31.65	-
Projected benefit obligation at end of year	6838.25	6161.66

Reconciliation of Plan Assets	March 31, 2015 (₹ in lakhs)	March 31, 2014 (₹ in lakhs)
Plan asset at beginning of year	6163.64	5169.64
Expected return on plan asset	539.32	452.34
Employer contribution	342.44	333.27
Plan participants / employee contribution	487.33	452.24
Benefit payments	(664.59)	(404.90)
Asset gain / (loss)	(44.45)	161.05
Settlements	31.65	-
Ending asset at fair value	6855.34	6163.64

Amounts Recognised in the Balance Sheet	March 31, 2015 (₹ in lakhs)	March 31, 2014 (₹ in lakhs)
Projected benefit obligation at end of year	6838.25	6161.66
Fair value of assets as at end of year	6855.34	6163.64
Funded status asset / (liability)	17.09	1.98
Liability recognised in balance sheet	- *	- *

* there is surplus in the fund, so the value is taken as zero.

Expense to be recognised in the statement of profit and loss of the Company	March 31, 2015 (₹ in lakhs)	March 31, 2014 (₹ in lakhs)
Company Contribution to the Provident Fund	342.44	333.28
Total	342.44	333.28

38. Segment Reporting

A. Business Segments

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

- Technical Textiles business: includes nylon tyre cord fabric, belting fabric, coated fabric, laminated fabric, polyester tyre cord fabric and industrial yarns and its research and development
- Chemicals and Polymers business: includes refrigerant gases, chloromethanes, pharmaceuticals, fluorochemicals & Allied products, Engineering Plastics business and its research and development.
- Packaging Film Business includes Polyester Films.

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

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

a) Segment revenue and expenses

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

b) Segment assets and liabilities

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

Information about Business Segments
Segment Revenue, Results, Assets, Liabilities and Capital Employed

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Segment Revenue		
a) Technical Textiles Business (TTB)		
- External sales	169531.83	180473.80
- Inter-segment sales	762.46	548.92
- Total	170294.29	181022.72
b) Chemicals and Polymers Business (CPB)		
- External sales	126340.58	95612.61
- Inter-segment sales	0.38	14.13
- Total	126340.96	95626.74
c) Packaging Films Business (PFB)		
- External sales	65526.46	65628.27
- Inter-segment sales	149.13	126.46
- Total	65675.59	65754.73
Total segment revenue	362310.84	342404.19
Less: Inter Segment revenue	911.97	689.51
Net Sales / Income from Operations	361398.87	341714.68
Add: Unallocable Income	4735.64	2471.42
Total revenue	366134.51	344186.10
Segment Results		
(Profit / (Loss) before finance costs and tax from each segment)		
a) Technical Textiles Business (TTB)	17502.56	16745.56
b) Chemicals and Polymers Business (CPB)	29825.93	19129.59
c) Packaging Films Business (PFB)	3868.50	2414.62
Total segment results	51196.99	38289.77
Less: i) Finance Costs	9955.51	7002.01
Less: ii) Other Unallocable expenses net of income	1630.73	4201.68
Profit before tax	39610.75	27086.08
Less: Provision for taxation	8837.70	5431.54
Profit after tax	30773.05	21654.54
Capital Expenditure (other than capital advances)		
a) Technical Textiles Business (TTB)	3943.68	3442.69
b) Chemicals and Polymers Business (CPB)	49880.71	61177.31
c) Packaging Films Business (PFB)	3723.64	797.17
d) Unallocated	1720.19	2122.45
Total	59268.22	67539.62
Depreciation		
a) Technical Textiles Business (TTB)	5909.70	8214.64
b) Chemicals and Polymers Business (CPB)	12361.86	7221.94
c) Packaging Films Business (PFB)	1660.05	2837.71
d) Unallocated	953.47	772.19
Total	20885.08	19046.48

Other Information

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Segment Assets		
a) Technical Textiles Business (TTB)	131058.77	148236.97
b) Chemicals and Polymers Business (CPB)	255988.16	209042.38
c) Packaging Films Business (PFB)	55765.10	56462.18
Total	442812.03	413741.53
Add: Unallocable Assets	41057.60	29857.98
Total assets	483869.63	443599.51

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Segment Liabilities		
a) Technical Textiles Business (TTB)	24476.27	34835.00
b) Chemicals and Polymers Business (CPB)	25309.88	17626.10
c) Packaging Films Business (PFB)	9721.61	16736.64
Total	59507.76	69197.74
Add: Unallocable Liabilities	3726.07	4868.68
Total liabilities	63233.83	74066.42
Segment Capital Employed (Segment assets less segment liabilities)		
a) Technical Textiles Business (TTB)	106582.50	113401.97
b) Chemicals and Polymers Business (CPB)	230678.28	191416.28
c) Packaging Films Business (PFB)	46043.49	39725.54
Total	383304.27	344543.79
Add : Unallocable assets less liabilities	37331.53	24989.30
Total capital employed	420635.80	369533.09

B. Geographical Segments

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Revenue		
- Within India	269365.90	245764.40
- Outside India	96768.61	98421.70
Total revenue	366134.51	344186.10

39. Foreign Currency Exposure

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

The details of category-wise quantitative data about derivative instruments as at 31 March 2015 are as under:

Nature of Derivative	No. of Deals As at		Purpose As at		Foreign Currency (In Millions) As at		Amount (₹ in lakhs) As at	
	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014
USD / INR buy forward	-	1	-	-	-	10	-	5992
USD/INR Sell forward	24	-	-	-	17	-	10620	-
EUR/INR sell forward	5	-	-	-	2.88	-	1934	-
EUR/INR Buy forward	4	-	-	-	1.64	-	1102	-
Interest Rate Swap	4	3	-	-	60	40	37482	23966

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

Particulars	As at March 31, 2015		As at March 31, 2014	
	Foreign Currency	Amount	Foreign Currency	Amount
	(in millions)	(₹ in lakhs)	(in millions)	(₹ in lakhs)
Term Loans – USD	145.00	90581.50	92.63	55500.46
PCFC - USD	14.00	8745.80	24.00	14379.60
Buyer's Credits - USD	2.87	1794.14	13.32	7979.55
Loan given including interest- USD	-	-	1.61	963.18

40. Operating Leases

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

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Total of future minimum lease payments under non-cancellable operating leases for each of the following periods		
- Not later than one year	605.70	605.70
- Later than one year and not later than five years	1564.73	2170.43
- Later than five years	-	-
Lease rent recognised in the statement of profit and loss.	1179.19	999.77

41. Installed Capacity Per Annum*

	UNIT	As at March 31, 2015	As at March 31, 2014
Synthetic Filament Yarn including Industrial Yarn/ Tyre Cord/Twine	MT	68040	68040
Nylon Tyre Cord Fabric/Industrial Yarn Fabric / Polyester Tyre Cord Fabric	MT	64210	64210
Laminated Fabric	lakhs SQM	900	900
Nylon / PBT / PC Compounding Chips	MT	20000	14500
Fluorochemicals & Allied Products	MT	57500	57500
HFC 134a	MT	17500	17500
Gypsum (By product)	MT	44550	44550
Hydrochloric Acid (By Product)	MT	77220	77220
Chloromethanes	MT	40000	40000
Fluorospecialties Chemicals	MT	15275	12625
Packaging Films	MT	71623	71623

* Installed capacity is as certified by the management

42. Actual production*

	UNIT	Year ended March 31, 2015	Year ended March 31, 2014
Synthetic Filament Yarn including Industrial Yarn/ Tyre Cord/Twine	MT	11313.31	12017.39
Nylon Tyre Cord Fabric/Industrial Yarn Fabric / Polyester Tyre Cord Fabric	MT	49977.49	49447.58
Laminated Fabric	lakhs SQM	413.22	498.50
Nylon / PBT / PC Compounding Chips	MT	10718.96	9266.93
Fluorochemicals & Allied Products	MT	14725.78	12972.05
HFC 134a	MT	4607.80	3264.82

	UNIT	Year ended March 31, 2015	Year ended March 31, 2014
Gypsum (By Product)	MT	31351.44	37307.89
Hydrochloric Acid (By Product)	MT	65495.51	66723.15
Chloromethanes	MT	24603.73	22480.55
Fluorospecialities Chemicals	MT	4171.41	3153.51
Packaging Films	MT	52782.88	51366.08

* Excludes captive consumption

43. Value of Imports on CIF basis

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Raw Materials	87578.32	102843.30
Stores and Spares	2407.56	1363.91
Capital Goods	3821.92	3690.96
Traded Goods	316.18	-

44. Expenditure in Foreign Currency

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Interest	1547.05	1423.62
Technical know-how and Technician's fees	35.09	96.05
Travel and Conveyance	206.38	216.98
Selling Commission	287.64	242.00
Lease rental	169.55	146.57
Legal and Professional	207.48	172.25
Sales Promotion / Market Research	20.61	28.53
Investments Provided / Written Off	-	15.20
Purchase of raw materials in foreign currency*	8691.93	17882.71
Others	292.75	477.67

* Pertains only with respect to purchases in foreign currency by SEZ unit from Domestic Tariff Area

45. Value of Imported/Indigenous Raw Materials, Stores and Spares Consumed

	Year ended March 31, 2015		Year ended March 31, 2014	
	%	(₹ in lakhs)	%	(₹ in lakhs)
Raw Materials				
Imported	53.59	105141.41	51.09	103043.80
Indigenous	46.41	91064.81	48.91	98639.99
	100.00	196206.22	100.00	201683.79
Stores and Spares				
Imported	22.91	2201.00	12.52	981.68
Indigenous	77.09	7407.65	87.48	6858.57
	100.00	9608.65	100.00	7840.25

46. Earnings in Foreign Exchange

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Export of goods calculated on FOB Value	96034.25	97535.35
Interest	32.43	27.34
Service fee including recovery of actual expenses incurred	701.93	859.01

- 47.** The Company had opted to apply the provisions under paragraph 46A of Accounting Standard (AS) - 11 “The Effects of Changes in Foreign Exchange Rates” with effect from 1 April 2013. Accordingly, exchange difference of ₹ 2200.14 lakhs (Previous Year ₹ 4872.23 lakhs), arising on all long term monetary items relating to acquisition of depreciable assets are added to the cost of fixed assets/capital work in progress and will be depreciated over the balance useful life of assets. The unamortised portion carried forward as at 31 March 2015 is ₹ 6265.46 lakhs (Previous Year – ₹ 4514.50 lakhs). As a result of such change, the net profit after tax for the year is higher by ₹ 1144.99 lakhs (Previous Year – ₹ 2297.53 lakhs).
- 48.** Pursuant to the requirements of Schedule II of the Companies Act, 2013, the Company has, effective 1 April 2014, reviewed and revised the estimated useful lives of its fixed assets. Consequent thereto, the depreciation charge for the year is lower by ₹ 2992.90 lakhs and amount of ₹ 616.27 lakhs (net of deferred tax) on account of fixed assets with Nil remaining useful life as on 1 April 2014, has been charged to opening balance of retained earnings.
- 49.** Pursuant to an agreement between E.I. Dupont De Nemours, USA and the Company on 31 December 2014, the Company acquired Global DuPont™ Dymel® HFC 134a Pharma Business and will own Du Pont’s ‘Dymel’ brand and also receive the technology and know how from DuPont™ for setting up its own ‘current Good Manufacturing Practices’ (cGMP) facility for manufacturing HFC 134a Pharma grade at an aggregate consideration of USD 20 million (₹ 126 crores) of which USD 10 Million to be paid in five equal annual installments of USD 2 Million each commencing 31 December 2015.
- Pursuant to the acquisition, the Company acquired certain intangible assets, i.e, trademarks/brands, technical know how and other intangibles, which will be amortised over their estimated useful life ranging from 2.5 years to 30 years on straight line method. The life of the intangible assets is arrived at based on the management’s best estimates of useful lives of such assets after due consideration regarding their expected usage, the products life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to the Company.
- 50.** Details of loans, investments and guarantees given on behalf of other companies are as under: -

Entity	Nature of Investment / Guarantee	Purpose
Investment	Refer note 12 above	Trade investments
Guarantee Details	Refer note 30 above	Financial facilities sanctioned to subsidiaries by banks and other companies.

- 51.** The Company has established a comprehensive system of maintenance of information and documents as required by transfer pricing legislation under section 92D for its international transactions as well as specified domestic transactions. Based on the transfer pricing regulations/policy, the transfer pricing study for the year ended 31 March 2015 is to be conducted on or before due date of the filing of return and the Company will further update above information and records based on the same and expects these to be in existence latest by that date. Management believes that all the above transactions are at arm’s length price and the aforesaid legislations will not have impact on the financial statement, particularly on the amount of tax expense and provision for taxation.
- 52.** Previous year’s figures have been regrouped / reclassified, wherever necessary, to correspond with the current year’s classification / disclosure.

For and on behalf of the Board of Directors

Arun Bharat Ram
Chairman
(DIN – 00694766)

Ashish Bharat Ram
Managing Director
(DIN – 00671567)

Kartik Bharat Ram
Deputy Managing Director
(DIN – 00008557)

Vinayak Chatterjee
Director
(DIN – 00008933)

Rajendra Prasad
President & Chief Financial Officer

Anoop K Joshi
President & Company Secretary

Place : **Gurgaon**

Date : **11 May 2015**

Independent Auditors' Report

TO THE MEMBERS OF SRF LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SRF LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31 March 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirement of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those

Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has 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 the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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

Emphasis of Matter

Attention is invited to Note 30(b), which sets out the position of the demand for Central Sales Tax (CST), VAT and Entry Tax aggregating to ₹ 11138 lakhs for the period from 2007 to 2013 by the Commercial Tax Department, Government of Madhya Pradesh, in respect of sales from the Company's manufacturing facility in its Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA). The matter is sub-judice and is pending before the Hon'ble High Court of Madhya Pradesh. Basis legal opinion obtained by the Company, the Management of the Company is confident of getting relief in this matter and, accordingly, has not made any provision for the said disputed demands.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements / financial information of subsidiaries viz., SRF Overseas Limited, SRF Industries (Thailand) Limited, SRF Industex Belting (Pty) Limited, SRF Flexipak (South Africa) (Pty) Limited, SRF Properties Limited, SRF Fluor Private Limited, SRF Holiday Home Limited, SRF Global BV, SRF Energy Limited and SRF Fluorochemicals Limited whose financial statements / financial information reflect total assets (net) of ₹ 113493 lakhs as at 31 March 2015, total revenues of ₹ 99196 lakhs and net cash inflows amounting to ₹ 3432 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it related to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' report of the Holding Company and subsidiary companies incorporated in India, we 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, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7

of the Companies (Accounts) Rules, 2014.

- (e) On basis of the written representations received from the directors of the Holding Company as on 31 March 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31 March 2015 from being appointed as director in terms of Section 164(2) of the Act.
- (f) With respect of the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 30 (a) to the consolidated financial statements.
 - ii. The group did not have any material foreseeable losses on long-term contracts including derivative contracts – Refer Note 32 (b) to the consolidated financial statements.
 - iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India– Refer Note 31 (b) to the consolidated financial statements:

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

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm Registration No. 015125N)

Manjula Banerji
Partner
(Membership No. 086423)

GURGAON, 11 MAY 2015

Annexure to the Independent Auditors' Report on the Consolidated Financial Statements

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

Our reporting on the Order includes three subsidiary companies incorporated in India, to which the Order is applicable, which have been audited by other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- (i) In respect of its fixed assets of the Holding Company and subsidiary companies incorporated in India:
 - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The Holding Company and subsidiary companies incorporated in India have a programme of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion and the opinion of the other auditors, is reasonable having regard to the size of the respective entities and the nature of their assets. Pursuant to the programme, certain fixed assets were physically verified by the Management of the respective entities during the year. According to the information and explanations given to us and the other auditors, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories of the Holding Company and subsidiary companies incorporated in India:
 - (a) As explained to us and the other auditors, the inventories were physically verified during the year by the Management of the respective entities at reasonable intervals other than for stock lying with third parties and / or goods in transit for which confirmations have been obtained / subsequent receipts have been verified in most of the cases.
 - (b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
- (c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
- (iii) The Holding Company and the subsidiary companies incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.
- (iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the Holding Company and subsidiary companies incorporated in India, commensurate with the size of the respective entities and the nature of their business for the purchases of inventory and fixed assets and for the sale of goods and services and during the course of our and the other auditors audit, no major weakness in such internal control system has been observed.
- (v) In our opinion and according to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India have complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted from the public which have matured and are being reflected under "Unclaimed fixed deposits (including interest)". According to the information and explanations given to us and other auditors, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vi) According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company and subsidiary companies incorporated in India have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Neither we nor the other auditors have, however, made a

detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) According to the information and explanations given to us, in respect of statutory dues of the Holding Company and subsidiary companies incorporated in India:
- (a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Works Contract Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.
- (b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Works Contract Tax, Cess and other material statutory dues in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Excise Duty, Customs Duty and Cess which have not been deposited as on 31 March 2015 on account of disputes by the aforesaid entities are given below:

Name of the Statute	Nature of the Dues	Forum where Dispute is pending	Period to which the amount relates (various years covering the period)	Amount* (₹ in lakhs)
Central Excise Laws	Excise Duty	High Court	1996-1997	213.79
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	1992-2013	5903.05
		Upto Commissioner (Appeals)	1993-2010	499.59
Service Tax Laws	Service Tax	High Court	2006	2.50
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2005-2010	47.97
		Upto Commissioner (Appeals)	2006-2011	29.01
Customs Laws	Customs Duty	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2004-2006	45.43
		Upto Commissioner (Appeals)	2002-2013	147.47
Sales Tax Laws	Sales Tax	High Court	2007-2013	9361.25
		Sales Tax Appellate Tribunal	1987-2008	102.28
		Upto Commissioner (Appeals)	1988-2015	28.21
Income Tax Laws	Income Tax	Supreme Court	1988-1989	113.35
		Income Tax Appellate Tribunal (ITAT)	2009-2010	78.58
		Upto Commissioner (Appeals)	2006-2007	273.80
Others	Electricity Cess	High Court	2007-2008	6.00

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

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

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

- (d) Details of amounts to be transferred to the Investor Education and Protection Fund during the year by the Holding Company and subsidiary companies incorporated in India in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder, which have not been transferred within time are given below for the aforesaid:

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

- (viii) The Group does not have consolidated accumulated losses at the end of the financial year and the Group have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the terms and conditions of the guarantees given by the Holding Company and subsidiary companies incorporated in India for loans taken by others outside the Group from banks and financial institutions are not, prima-facie, prejudicial to the interests of the Group.
- (xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the Holding Company and subsidiary Companies incorporated in India during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Holding Company and subsidiary companies incorporated in India and no material fraud on the Holding Company and subsidiary companies incorporated in India has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm Registration No. 015125N)

Manjula Banerji

Partner

(Membership No. 086423)

GURGAON, 11 MAY 2015

Consolidated Balance Sheet as at March 31, 2015

Particulars	Note No.	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	5843.56	5843.56
Reserves and surplus	3	223790.26	200821.78
		229633.82	206665.34
Non-current liabilities			
Long-term borrowings	4	178818.82	171261.64
Deferred tax liabilities	5	40940.71	32498.43
Other long-term liabilities	6	4997.60	-
Long-term provisions	7	1671.36	1717.73
		226428.49	205477.80
Current liabilities			
Short-term borrowings	4	23623.28	31990.40
Trade payables	8	58144.58	78860.68
Other current liabilities	9	56408.67	27147.72
Short-term provisions	10	1157.39	1713.51
		139333.92	139712.31
TOTAL EQUITY AND LIABILITIES		595396.23	551855.45
ASSETS			
Non-current assets			
Fixed assets	11(A)		
Tangible assets		381580.07	352300.47
Intangible assets		10303.78	1843.59
Capital work-in-progress		10411.61	11211.68
Goodwill on consolidation	11(B)	349.94	931.50
Non-current investments	12	5.00	1011.54
Deferred tax assets	13	7082.53	4980.88
Long-term loans and advances	14	13111.00	7201.38
Other non-current assets	15	920.21	863.40
		423764.14	380344.44
Current assets			
Current investments	12	9422.15	2648.02
Inventories	16	76350.26	74640.29
Trade receivables	17	61065.42	69149.11
Cash and cash equivalents	18	10729.85	8245.87
Short-term loans and advances	19	13674.31	16048.50
Other current assets	20	390.10	779.22
		171632.09	171511.01
TOTAL ASSETS		595396.23	551855.45
Accompanying notes forming part of the consolidated financial statements	1 to 43		

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Manjula Banerji
Partner

Arun Bharat Ram
Chairman
(DIN – 00694766)

Ashish Bharat Ram
Managing Director
(DIN – 00671567)

Kartik Bharat Ram
Deputy Managing Director
(DIN – 00008557)

Place: **Gurgaon**
Date: **11 May 2015**

Vinayak Chatterjee
Director
(DIN – 00008933)

Rajendra Prasad
President & Chief Financial Officer

Anoop K Joshi
President & Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2015

Particulars	Note No.	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
REVENUE FROM OPERATIONS			
Sale of products (gross)		481908.64	429447.74
Less : Excise Duty		32672.99	30179.56
Sale of products (net)		449235.65	399268.18
Other operating revenues	21	4749.30	2537.85
		453984.95	401806.03
Other income	22	6458.18	2354.64
TOTAL REVENUE		460443.13	404160.67
EXPENSES			
Cost of materials consumed	23	253858.52	242088.64
Purchases of traded goods	24	3612.40	1601.62
(Increase)/Decrease in inventories of finished goods, stock-in-process and traded goods	25	(3275.25)	(3966.01)
Employee benefits expenses	26	35612.58	31101.16
Finance costs	27	13757.81	9611.82
Depreciation and amortisation expenses	28	24503.35	22474.62
Other expenses	29	92430.65	80451.54
TOTAL EXPENSES		420500.06	383363.39
Profit before tax		39943.07	20797.28
Tax expense			
Current tax		8250.00	5512.03
MAT Credit		(4213.03)	(2841.22)
Current tax / MAT credit relating to prior years		(899.07)	(586.87)
Deferred tax charge		6524.46	2467.48
		9662.36	4551.42
Profit after tax		30280.71	16245.86
Earnings per share	34		
Basic (₹)		52.74	28.29
Diluted (₹)		52.74	28.29
Accompanying notes forming part of the consolidated financial statements	1 to 43		

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Manjula Banerji

Partner

Arun Bharat RamChairman
(DIN – 00694766)**Ashish Bharat Ram**Managing Director
(DIN – 00671567)**Kartik Bharat Ram**Deputy Managing Director
(DIN – 00008557)Place: **Gurgaon**Date: **11 May 2015****Vinayak Chatterjee**Director
(DIN – 00008933)**Rajendra Prasad**
President & Chief Financial Officer**Anoop K Joshi**
President & Company Secretary

For and on behalf of the Board of Directors

Consolidated Cash Flow Statement

for the year ended March 31, 2015

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	39943.07	20797.28
Adjustments for		
Depreciation and amortisation	24503.35	22515.55
Impairment of fixed assets	-	91.62
Withdrawal from Revaluation Reserve	-	(40.93)
Finance Costs	13757.81	9611.82
Net unrealised exchange (gain) / loss	52.19	(800.00)
Provision for doubtful trade and other receivables, loans and advances	320.26	97.79
Provision for long term investments no longer required	(1144.31)	-
Fixed assets discarded	10.80	134.67
Loss/(Profit) on sale of fixed assets	(2311.13)	(78.40)
Dividend on current investment	(311.90)	(912.38)
Interest income	(294.61)	(526.03)
Profit on sale of investment in subsidiaries	(1510.00)	-
Net (gain)/loss on sale of current investments	(179.01)	(91.70)
Operating profit before working capital changes	72836.52	50799.29
Changes in working capital		
Adjustments for (increase) / decrease in operating assets		
Trade receivables	7842.92	(18312.07)
Inventories	(1709.97)	(18317.74)
Short-term loans and advances	2374.19	(6647.44)
Long-term loans and advances	(531.40)	3407.69
Other current assets	389.12	(56.99)
Other non-current assets	(56.81)	(30.46)
Adjustments for increase / (decrease) in operating liabilities		
Trade Payables	(20716.10)	27042.71
Other current liabilities	2334.81	1016.76
Short-term provisions	12.46	(110.10)
Long-term provisions	(46.37)	14.96
Cash generated from operations	62729.37	38806.61
Net income tax (paid) / refund	(8495.37)	(4134.47)
Net cash from operating activities (A)	54234.00	34672.14
B CASH FLOW FROM INVESTING ACTIVITIES:		
Capital expenditure on fixed assets, including capital advances	(51180.87)	(79953.00)
Proceeds from sale of fixed assets	2734.24	984.55
Bank balances not considered as cash and cash equivalents	(38.20)	276.26
Current investments not considered as cash and cash equivalents		
- Purchased	(69142.20)	(84216.13)
- Proceeds from sales	62823.98	95806.14
Purchase of long term investments	-	(35.01)
Proceeds from sale of subsidiaries	3243.87	-
Grant received from the Government of Republic of South Africa	972.88	-
Interest income	294.61	526.03
Dividend on current investments	311.90	912.38
Net cash used in investing activities (B)	(49979.79)	(65698.78)

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	63624.85	78761.95
Repayment of long term borrowings	(36312.74)	(48339.42)
Net Proceeds / (repayment) from short term borrowings	(8419.31)	8683.86
Dividends on equity share capital paid	(5718.27)	(5696.89)
Corporate dividend tax paid	(1061.97)	(975.86)
Repayment of fixed deposits	-	(1.01)
Finance costs paid	(13920.99)	(11981.32)
Net cash used in / from financing activities (C)	(1808.43)	20451.31
Net increase in cash and cash equivalents D = (A+B+C)	2445.78	(10575.33)
Cash and cash equivalents at the beginning of the year (E)	7461.61	18036.94
Cash and cash equivalents at the close of the year F = (D+E)	9907.39	7461.61
Reconciliation of cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	10729.85	8245.87
Less: Bank balances not considered as Cash and cash equivalents	(822.46)	(784.26)
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	9907.39	7461.61
Cash and cash equivalents at the end of the year comprises:-		
(a) Cash on hand	43.76	44.41
(b) Balances with banks		
(i) In current accounts	4516.81	7417.20
(ii) In saving accounts	328.82	-
(iii) In deposit accounts	5018.00	-
Cash and cash equivalents as per AS - 3 - Cash Flow Statements	9907.39	7461.61

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Manjula Banerji
Partner

Arun Bharat Ram
Chairman
(DIN – 00694766)

Ashish Bharat Ram
Managing Director
(DIN – 00671567)

Kartik Bharat Ram
Deputy Managing Director
(DIN – 00008557)

Place: **Gurgaon**
Date: **11 May 2015**

Vinayak Chatterjee
Director
(DIN – 00008933)

Rajendra Prasad
President & Chief Financial Officer

Anoop K Joshi
President & Company Secretary

For and on behalf of the Board of Directors

Notes Forming Part of the Consolidated Financial Statements for the year ended March 31, 2015

1. Significant Accounting Policies

(i) BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries (together the Group) have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain fixed assets acquired that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

a) Principles of consolidation:

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

- The financial statements of the Company and its subsidiary companies have been combined on a line

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

by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra-group transactions resulting in unrealized profit or losses.

- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- The excess of cost to the Company of its investment in a subsidiary Company over the Company's portion of the equity of the subsidiary at the date on which investment in subsidiary is made is recognized in the financial statements as goodwill.
- Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.
- Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

Name of Subsidiary	Country of incorporation	Proportion of ownership as at March 31, 2015	Proportion of ownership as at March 31, 2014
Parent			
Indian Subsidiaries			
SRF Transnational Holdings Limited	India	*	100%
SRF Properties Limited	India	#	100%
SRF Holiday Home Limited	India	100%	100%
SRF Energy Limited	India	100%	100%
SRF Fluorochemicals Limited	India	100%	100%
Foreign Subsidiaries			
SRF Fluor Private Limited [^]	Mauritius	100%	100%
SRF Global BV	Netherlands	100%	100%
SRF Overseas Limited ('SRFO') (100% subsidiary of SRF Global BV)	British Virgin Islands	100%	100%

Name of Subsidiary	Country of incorporation	Proportion of ownership as at March 31, 2015	Proportion of ownership as at March 31, 2014
SRF Industries (Thailand) Limited (100% subsidiary of SRF Global BV)	Thailand	100%	100%
SRF Industex Belting (Pty) Limited (100% subsidiary of SRF Global BV)	Republic of South Africa	100%	100%
SRF Flexipak (South Africa) (Pty) Limited (100% subsidiary of SRF Global BV)	Republic of South Africa	100%	100%

* Subsidiary up to 1 April 2014, now fellow subsidiary

Upto 10 June 2014

^ Application for dissolution of the Company has been filed, the same is pending for approval with RBI.

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

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

(ii) USE OF ESTIMATES

The preparation of financial statements in conformity with the Indian GAAP requires the management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(iii) FIXED ASSETS

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

The Company has adopted the provisions of para 46A of AS 11 "The Effect of Changes in Foreign Exchange Rates", accordingly exchange differences arising on

restatement /settlement of long term foreign currency monetary items related to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

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

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

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

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

(iv) DEPRECIATION AND AMORTISATION

- Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its

estimated residual value.

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

Roads	-	40–50 years
Buildings	-	30–60 years
Plant & Machinery	-	2–30 years
Furniture & Fixtures	-	15 years
Office Equipment	-	3–20 years
Vehicles	-	4 years

- c. Depreciation is calculated on a pro rata basis except that, assets costing upto ₹ 5,000 each are fully depreciated in the year of purchase.
- d. On assets sold, discarded, etc. during the year, depreciation is provided upto the date of sale / discard.
- e. No write-off is made in respect of leasehold land as the lease is a perpetual lease.
- f. Intangible assets are amortised over their estimated useful life considering the terms of the business purchase agreements on straight line method as follows:-

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

(v) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

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

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

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

translation reserve".

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

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

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

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

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

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

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

(vi) RESEARCH & DEVELOPMENT

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

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

(vii) INVENTORIES

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

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

(viii) INVESTMENTS

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

(ix) EMPLOYEE BENEFITS

Company's contributions paid / payable during the year for provident fund administered through Regional Provident Fund Commissioner, Superannuation Fund

and Employees' State Insurance Corporation are recognised in the Statement of Profit and Loss.

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

(x) BORROWING COSTS

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

(xi) PROVISIONS AND CONTINGENT LIABILITIES

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

(xii) REVENUE RECOGNITION

Sale of goods is recognised, net of returns and trade discounts on the transfer of significant risks and rewards of ownership to the buyer which generally coincides with the dispatch of goods to customers. Gross sales are inclusive of excise duty and net of value added tax / sales tax.

Other income includes interest income which is accounted on accrual basis, dividend income is accounted for when the right to receive is established.

(xiii) RESERVES

- Revaluation reserve represents the difference between the revalued amount of the assets and the written down value of the assets on the date of revaluation net of withdrawals therefrom.
- Capital receipts are credited to capital reserve.
- Cash flow hedge reserve represents the gain or loss arising out of adjusting the hedging instruments to mark to market net of applicable deferred income taxes.

(xiv) TAXATION

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

2. Share Capital

a) Details of share capital

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
AUTHORISED		
12,00,00,000 (Previous Year - 12,00,00,000) Equity shares of ₹ 10 each	12000.00	12000.00
10,00,000 (Previous Year - 10,00,000) Preference Shares of ₹ 100 each	1000.00	1000.00
12,00,000 (Previous Year - 12,00,000) Cumulative Convertible Preference Shares of ₹ 50 each	600.00	600.00
2,00,00,000 (Previous Year - 2,00,00,000) Cumulative Preference Shares of ₹ 100 each	20000.00	20000.00
	33600.00	33600.00
ISSUED		
6,14,77,255 (Previous Year - 6,14,77,255) Equity Shares of ₹ 10 each	6147.73	6147.73
SUBSCRIBED AND PAID UP		
5,74,20,500* (Previous Year - 5,74,20,500) Equity Shares of ₹ 10 each fully paid up	5742.05	5742.05
Add: Forfeited shares - Amount originally paid up	101.51	101.51
	5843.56	5843.56

* 3,00,00,000 equity shares (Previous year - 3,00,00,000 equity shares) held by KAMA Holdings Limited, the holding Company.

b) Reconciliation of equity shares

	Number of shares	Value (₹ in lakhs)
As at 1 April 2013	57420500	5742.05
Add: Movement during the year	-	-
As at 31 March 2014	57420500	5742.05
Add: Movement during the year	-	-
As at 31 March 2015	57420500	5742.05

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

Name of the shareholder	As at March 31, 2015	As at March 31, 2014
KAMA Holdings Limited		
No. of shares	3,00,00,000	3,00,00,000
Percentage of shareholding	52.25%	52.25%

d) The Company has bought back 32,64,505 equity shares in aggregate in the last five financial years.

e) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

During the year ended 31 March 2015, the amount of interim dividend recognized as distributions to equity shareholders was ₹ 10 per share (Previous Year – ₹ 10 per share).

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

3. Reserves and Surplus

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Capital reserve	19377.14	22979.64
Revaluation reserve	2920.43	2920.43
Capital redemption reserve	1048.01	1048.08
Debenture redemption reserve	-	-
Special economic zone reinvestment allowance reserve	-	-
Cash flow hedge reserve	(21.51)	(108.56)
Foreign currency translation reserve	1952.38	1725.41
General reserve	52353.61	52355.65
Surplus in statement of profit and loss	145193.70	119901.13
Deferred government grant	966.50	-
Total Reserves and Surplus	223790.26	200821.78

a) Capital reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	22979.64	22979.64
Less: Adjustment on account of sale of investment in subsidiary	3602.50	-
As at the end of the year	19377.14	22979.64

b) Revaluation reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	2920.43	2961.36
Less: Transferred to statement of profit and loss on account of depreciation / other movements	-	40.93
As at the end of the year	2920.43	2920.43

c) Capital redemption reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	1048.08	1048.08
Less: Adjustment on account of sale of investment in subsidiary	0.07	-
As at the end of the year	1048.01	1048.08

d) Debenture redemption reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	-	15000.00
Less: Transferred to general reserve	-	15000.00
As at the end of the year	-	-

e) Special economic zone reinvestment allowance reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	-	200.21
Less: Transferred to general reserve	-	200.21
As at the end of the year	-	-

f) Cash flow hedge reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	(108.56)	(367.09)
Add: Gain / (loss) on mark to market of foreign currency derivatives	87.05	258.53
As at the end of the year *	(21.51)	(108.56)

* net of deferred tax assets of ₹ 10.99 lakhs (Previous year – ₹ 55.91 lakhs)

g) Foreign Currency Translation Reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	1725.41	1698.34
Add: Effect of foreign exchange rate variations during the year	226.97	27.07
As at the end of the year	1952.38	1725.41

h) General reserve

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	52355.65	35052.93
Add: Transferred from surplus in statement of profit and loss		2102.51
Add: Transferred from debenture redemption reserve	-	15000.00
Less: Transferred from Speccial Economic Zone reinvestment allowance reserve	-	200.21
Less: Adjustment pursuant to sale of investment in subsidiary	2.04	-
As at the end of the year	52353.61	52355.65

i) Surplus in statement of profit & loss

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	119901.13	112475.69
Add: Profit after tax for the year	30280.71	16245.86
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax)*	616.27	-
Add: Adjustment on account of sale of investment in subsidiaries	2432.15	-
Less: Interim dividend	5742.05	5742.05
Less: Corporate dividend tax	1061.97	975.86
Less: Transfer to general reserve		2102.51
As at the end of the year	145193.70	119901.13

* Refer Note 40

j) Deferred government grant

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
As at the beginning of the year	-	-
Add: Grant received from the Government of Republic of South Africa	972.88	-
Less: Recognised in the Statement of profit and loss	6.38	-
As at the end of the year	966.50	-

4. Borrowings

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
LONG TERM BORROWINGS		
Secured		
2,000 (Previous year - Nil), 9.80%, listed, secured Redeemable Non-convertible debentures of ₹ 10 lakhs each{1}	20000.00	-
Term loans		
- from banks {2}	111026.15	97161.19
- from others {3}	51357.61	50854.78
	182383.76	148015.97

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Less: Current maturities of long term borrowings (Refer Note 9)		
Term loans		
- from banks	(21662.32)	(14280.29)
- from others	(6890.62)	-
Net secured long term borrowings (a)	153830.82	133735.68
Unsecured		
Term loans from banks	37482.00	37525.96
Less: Current maturities of long term borrowings (Refer Note 9)		
Term loans		
- from banks	(12494.00)	-
Net unsecured long term borrowings (b)	24988.00	37525.96
Net long term borrowings (c=a+b)	178818.82	171261.64
SHORT TERM BORROWINGS		
Secured		
Cash credits from banks {4(i), 4(iii) & 4(iv)}	3461.37	449.24
Term loans from banks {4(ii)}	4685.25	8548.32
	8146.62	8997.56
Unsecured		
Term loans		
- from banks *	15414.21	22482.68
- from others	62.45	510.16
	15476.66	22992.84
Total short term borrowings (d)	23623.28	31990.40
Total borrowings (e=c+d)	202442.10	203252.04

* Includes ₹ 5000 lakhs (Previous Year - Nil) for Commercial Paper issued by the Company.
The maximum amount due during the year is ₹ 12500 lakhs (Previous Year - Nil)

Details of security of the above secured loans:

Loan	As at March 31, 2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)	Security
1. 2,000 (Previous Year - Nil), 9.80%, Listed, Secured Redeemable Non-Convertible Debentures of ₹ 10 lakhs each Terms and conditions a) Redeemable at face value in one single installment at the end of 3rd year from the date of allotment. b) Coupon is payable Semi-annually on 25 March and 25 September every year.	20000.00	-	Debentures are secured by legal mortgage in English form on certain immovable properties of the Company situated in Gujarat. In addition, these debentures are secured by hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh, Pantnagar and Kashipur in the State of Uttarakhand and an equitable mortgage of Company's immovable properties, both present and future, situated at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Kashipur in the State of Uttarakhand.

Loan	As at March 31, 2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)	Security
2. (i) Term loan from banks	98532.15	85178.19	<p>Term loans from banks are secured by:-</p> <p>a) Hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh and Kashipur in the State of Uttarakhand.</p> <p>Out of the loans as at 2(i), term loans aggregating to ₹ 70420.65 lakhs (Previous Year – ₹ 57757.69 lakhs) are additionally secured by hypothecation of Company's moveable properties both present and future, at Pantnagar in the State of Uttarakhand.</p> <p>Out of the loans as at 2(i), term loans aggregating to ₹ 28111.50 lakhs (Previous Year – 26983.00 lakhs) are to be further secured by hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh, Kashipur and Pantnagar in the State of Uttarakhand.</p> <p>b) Equitable Mortgage of Company's immoveable properties, both present and future, situated at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan and Kashipur in the State of Uttarakhand.</p> <p>Term Loans aggregating to ₹ Nil lakhs (Previous Year – ₹ 437.50 lakhs) are additionally secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Indore in the State of Madhya Pradesh.</p> <p>Term Loan of ₹ 53803.15 lakhs (Previous Year – 35995.19 lakhs) is additionally secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Malanpur (save and except superstructure) in the State of Madhya Pradesh and Manali in the State of Tamil Nadu.</p> <p>Out of the loans as at 2(i), the term loans aggregating to:</p> <p>a) ₹ 22360.52 lakhs (Previous Year – ₹ 29971.45 lakhs) are to be further secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Gummidipoondi (leasehold land) in the State of Tamil Nadu.</p> <p>b) ₹ 22360.52 lakhs (Previous Year – ₹ 29533.95 lakhs) are to be further secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Indore in the State of Madhya Pradesh.</p> <p>c) ₹ 44729.00 lakhs (Previous Year – ₹ 2200 lakhs) are to be further secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Malanpur in the State of Madhya Pradesh (save and except superstructures).</p>

Loan	As at March 31, 2015 (₹ in lakhs)	As at 31.03.2014 (₹ in lakhs)	Security
			<p>d) ₹ 1000.00 lakhs (Previous Year – ₹ 2200.00 lakhs) is to be further secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Manali in the State of Tamil Nadu.</p> <p>e) ₹ 22360.52 lakhs (Previous Year – ₹ 29971.45 lakhs) are to be further secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Pantnagar in the State of Uttarakhand.</p> <p>Out of the loans as at 2(i), term loan of ₹ 43729.00 lakhs (Previous Year – ₹ 46983.00 lakhs) are to be further secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi (freehold) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur in the State of Madhya Pradesh (save and except superstructures) and Kashipur in the State of Uttarakhand.</p>
(ii) Term loans from banks	12494.00	11983.00	Term loans from banks aggregating to ₹ 12494.00 lakhs (Previous Year – ₹ 11983.00 lakhs) are secured by hypothecation of Company's moveable properties, both present and future, situated at Dahej in the State of Gujarat.
3. (i) Term Loan from others	26371.54	27036.04	Term loan in SRF Industries (Thailand) Limited of USD 42.00 million (Previous Year – USD 45.00 million) from International Finance Corporation, Washington is secured by mortgage on the land, building and machineries and pledge of leasehold rights of SRF Industries (Thailand) Limited.
(ii) Term Loan from Others	24986.07	23818.74	Term loan in SRF Flexipak (South Africa) (Pty) Ltd. of USD 40 million (Previous Year- USD 40.00 million) from International Financial Corporation, Washington is secured by continuing covering mortgage bond over the land and general notarial bond over the property of the SRF Flexipak (South Africa) (Pty) Limited.
4. (i) Cash credit / working capital demand loans	2768.28	10.78	Secured by hypothecation of stocks, stores and book debts (current assets), both present and future at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Indore in the State of Madhya Pradesh, Kashipur and Pantnagar in the State of Uttarakhand.
(i) Term loan from banks	4685.25	8548.32	
(iii) Cash credit / working capital demand loans	175.44	117.15	Bank overdraft and trust receipt payable in SRF Industries (Thailand) Limited are secured by the mortgage of buildings and machineries and the pledge of the leasehold rights of SRF Industries (Thailand) Limited.
(iv) Trust receipt payable	517.65	321.31	
Total	190530.38	157013.53	

In respect of SRF Limited, the hypothecation and equitable mortgage rank pari-passu between term loans from banks / other (save and except hypothecation of movable assets at Dahej in the State of Gujarat in favour of a bank as at 2(ii) above.)

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

Loan Category	Frequency of principal repayments	Interest rate	Amount Repayable (₹ in lakhs)			
			Up to March 31, 2016	Up to March 31, 2017	Up to March 31, 2018	From 2018 to 2023
Redeemable Non-Convertible Debentures	Redeemable at face value in one instalment at the end of third year	9.80%	-	-	20000.00	-
Rupee term loans	Half yearly payments	10.50% to 13.00%	2155.54	1155.54	1155.54	978.03
	Quarterly Payments	9.60%	5000.00	5000.00	5000.00	-
Foreign currency term loans	Quarterly instalments	Libor plus interest rate spread ranging from 1.70%	1874.10	3748.20	6871.70	-
	Half Yearly instalments	Libor plus interest rate spread ranging from 1.93 % to 2.70%	25770.31	12165.59	12165.59	57479.13
	One instalment a year	Libor plus interest rate spread ranging from 1.25% to 1.60%	6247.00	6247.00	3123.50	3123.50
	Payable in one Instalment at the end of fifth year	Libor plus interest rate spread ranging from 2.25% to 2.43%	-	24988.00	-	15617.49
Total			41046.95	53304.33	48316.33	77198.15

SHORT TERM BORROWINGS

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

5. Deferred Tax Liabilities

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Deferred tax liabilities		
Difference between book and tax depreciation	39085.97	30894.08
Research and development expenditure and others	1854.74	1604.35
Total deferred tax liabilities	40940.71	32498.43

6. Other Long Term Liabilities

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Others:		
Payable for fixed assets*	4997.60	-
Total other long term liabilities	4997.60	-

* Refer Note 41

7. Long Term Provisions

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Employee benefits	1671.36	1717.73
Total long term provisions	1671.36	1717.73

8. Trade Payables

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Acceptances	29295.53	46317.97
Trade payables		
- Outstanding dues to Micro and Small enterprises	306.33	213.48
- Outstanding dues to parties other than Micro and Small enterprises	28542.72	32329.23
Total trade payables	58144.58	78860.68

9. Other Current Liabilities

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Current maturities of long term borrowings	41046.94	14280.29
Interest accrued but not due on borrowings	857.99	1035.62
Unclaimed dividend*	623.83	600.05
Unclaimed fixed deposits* (including interest)	0.74	0.74
Security deposits	470.83	476.69
Acceptances for fixed assets	-	175.28
Payables for fixed assets		
- Outstanding dues to Micro and Small enterprises	217.80	465.01
- Outstanding dues to parties other than Micro and Small enterprises #	5133.76	3150.11
Gratuity	720.92	451.73
Statutory remittances	3681.26	3180.81
Other taxes payable	1935.18	1935.18
Advances from customers	1609.92	1393.52
Other payables	109.50	2.69
Total other current liabilities	56408.67	27147.72

* Will be credited to investor education and protection fund if not claimed within seven years from the date of issue of dividend/ interest warrant and the date the fixed deposits have matured.

Refer Note 41

10. Short Term Provisions

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Employee Benefits	616.82	604.36
Provision for tax (net of payments)	540.57	1109.15
Total short term provisions	1157.39	1713.51

11(A). Fixed Assets

Description	Gross Block					As at March 31, 2015	Upto March 31, 2014
	As at April 1, 2014	Additions (note xi and xii)	Translation Adjustment / Net Revaluation	Disposals	Asset Held for Sale (note x)		
TANGIBLE ASSETS							
Land							
- Freehold	11248.19	-	(47.11)	-	-	11201.08	-
- Leasehold	10222.24	182.61	29.25	-	-	10434.10	628.03
Roads	4368.35	862.83	(32.97)	168.88	-	5029.33	336.50
Buildings	81902.46	4689.89	28.61	-	-	86620.96	19524.54
Plant and machinery	488171.18	48059.27	2751.15	9543.84	-	529437.76	227471.50
Furniture and fixtures	3080.99	245.32	2.46	51.01	-	3277.76	1505.59
Office Equipment	4399.48	523.21	14.62	290.64	-	4646.67	2895.95
Vehicles	2660.14	896.47	3.49	625.96	-	2934.14	1390.45
Sub-total	606053.03	55459.60	2749.50	10680.33	-	653581.80	253752.56
INTANGIBLE ASSETS							
Goodwill	368.94	-	-	-	-	368.94	191.04
Trade Marks/Brands	1139.70	6799.72	-	-	-	7939.42	597.95
Technical Knowhow	914.81	-	-	-	-	914.81	510.02
Software	2238.48	745.61	-	0.60	-	2983.49	1519.33
Others	-	1942.78	-	0.00	-	1942.78	-
Sub-total	4661.93	9488.11	-	0.60	-	14149.44	2818.34
Grand Total	610714.96	64947.71	2749.50	10680.93	-	667731.24	256570.90
Previous year	475023.15	145683.78	370.01	7225.48	3136.50	610714.96	241971.36
Capital-work-in-progress (Including technical knowhow of ₹ 3880 lakhs (Previous Year ₹ Nil) (Refer Note xii)							

Notes to fixed assets

- (i) Borrowing cost capitalised to fixed assets / capital work in progress during the year ₹ Nil (Previous Year – ₹ 2812.02 lakhs).
- (ii) The deed of assignment in respect of free hold land at Manali, Chennai has been executed in respect of 135.70 acres (Previous Year - 135.70 acres). In addition to aforesaid extent, 0.79 acres were handed over to SRF Limited under a land delivery receipt. Thus, the Company is in possession of 136.49 acres of industrial land at Manali, Chennai.
- (iii) Conveyancing of buildings and other superstructures located at Company's plant at Malanpur in the state of Madhya Pradesh including immovable machinery is linked to the Stamp Duty matter (Refer note 30 below).
- (iv) Out of the Industrial Free hold land measuring 32.41 acres at the Company's plant in Gummidipoondi, the Company does not have clear title to 2.43 acres.
- (v) The execution of lease deed of land in respect of 911336 sq. mtrs. (Previous Year 904910 sq. mtrs.) of leasehold land allotted to the Company by Gujarat Industrial Development Corporation at Dahej, Gujarat is pending.
- (vi) Capital work in progress includes pre-operative expenses ₹ 214.54 lakhs (Previous Year – ₹ 161.05 lakhs).
- (vii) The revaluation of fixed assets was carried out in the year ended 31 March 2005 and for SRF Industries (Thailand) Limited has been done in financial year ended 31 March 2011.

(₹ in lakhs)

Depreciation/ Amortisation						Net Block		Re-valuation Amount
For the year (note ix and xi)	Translation adjustment	On disposals	Impairment losses recognised in Consolidated Statement of Profit and Loss	Asset Held for Sale (note x)	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015
-	-	-	-	-	-	11201.08	11248.19	2458.00
5.46	25.99	0.00	-	-	659.48	9774.62	9594.21	223.51
100.57	5.24	141.77	-	-	300.54	4728.79	4031.85	13.72
1859.01	436.91	-	-	-	21820.46	64800.50	62377.92	216.14
21266.00	3583.93	9330.88	-	-	242990.55	286447.21	260699.68	9.06
180.02	9.78	48.28	-	-	1647.11	1630.65	1575.40	-
520.15	21.49	252.61	-	-	3184.98	1461.69	1503.53	-
478.06	3.08	472.98	-	-	1398.61	1535.53	1269.69	-
24409.27	4086.42	10246.52	-	-	272001.73	381580.07	352300.47	2920.43
36.89	-	-	-	-	227.93	141.01	177.90	-
170.62	-	-	-	-	768.57	7170.85	541.75	-
106.98	0.13	-	-	-	617.13	297.68	404.79	-
543.26	-	0.50	-	-	2,062.09	921.40	719.15	-
169.94	-	-	-	-	169.94	1772.84	-	-
1027.69	0.13	0.50	-	-	3845.66	10303.78	1843.59	-
25436.96	4086.55	10247.02	0.00	0.00	275847.39	391883.85		2920.43
22515.55	809.88	6184.66	91.62	2632.85	256570.90		354144.06	2920.43
						10411.61	11211.68	
						402295.46	365355.74	

(viii) SRF Overseas Limited has charged an impairment of ₹ Nil (Previous Year – ₹ 91.62 lakhs) on fixed assets. The same is based on the estimated value in use.

(ix) Refer Note 40, depreciation for the year is inclusive of ₹ 933.61 lakhs related to transition to Schedule II of the 2013 Act on tangible fixed assets with Nil remaining useful life.

(x) Assets retired from active use and held for sale aggregating to ₹ Nil (previous year ₹ 503.65 lakhs [gross block ₹ 3136.50 lakhs less accumulated depreciation ₹ 2632.85 lakhs]) has been reclassified in note no. 19 under the head "Other current assets".

(xi) Refer Note 39

(xii) Refer Note 41

11(A). Fixed Assets (contd.)

Description	Gross Block					As at March 31, 2014	Upto March 31, 2013
	As at April 1, 2013	Additions	Translation Adjustment / Net Revaluation	Disposals	Asset Held for Sale (note ix)		
TANGIBLE ASSETS							
Land							
- Freehold	11320.16	-	(71.97)	-	-	11248.19	-
- Leasehold	10022.05	200.19	-	-	-	10222.24	-
Roads	2287.53	2087.52	(3.85)	2.85	-	4368.35	916.00
Buildings	59854.73	25232.64	237.69	286.10	3136.50	81902.46	18227.17
Plant and machinery	378836.82	115488.11	198.65	6352.40	-	488171.18	215365.37
Furniture and fixtures	2599.41	610.41	2.08	130.91	-	3080.99	1466.14
Office equipment	3703.82	825.88	8.93	139.15	-	4399.48	2676.34
Vehicles	2529.40	446.33	(1.52)	314.07	-	2660.14	1176.57
Sub-total	471153.92	144891.08	370.01	7225.48	3136.50	606053.03	239827.59
INTANGIBLE ASSETS							
Goodwill	368.94	-	-	-	-	368.94	147.59
Trade marks	1139.70	-	-	-	-	1139.70	484.37
Technical knowhow	914.81	-	-	-	-	914.81	403.20
Software	1445.78	792.70	-	-	-	2238.48	1108.61
Sub-total	3869.23	792.70	-	-	-	4661.93	2143.77
Grand Total	475023.15	145683.78	370.01	7225.48	3136.50	610714.96	241971.36
Previous year	413995.78	54420.41	11371.34	4764.38	-	475023.15	207129.20
Capital-work-in-progress							

(₹ in lakhs)

Depreciation/ Amortisation						Net Block		Re-valuation Amount
For the year	Translation Adjustment	On Disposals	Impairment losses recognised in Consolidated Statement of Profit and Loss	Asset Held for Sale (note ix)	Upto March 31, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014
-	-	-	-	-	-	11248.19	11320.16	2458.00
-	-	-	-	-	-	10222.24	10022.05	223.51
52.64	(4.23)	0.96	-	-	963.45	3404.90	1371.53	13.72
2335.86	181.78	34.69	-	2632.85	18077.27	63825.19	41627.56	216.14
18530.08	626.17	5713.93	76.27	-	228883.96	259287.22	163471.45	9.06
140.27	1.89	79.10	6.39	-	1535.59	1545.40	1133.27	-
340.20	5.71	128.83	8.96	-	2902.38	1497.10	1027.48	-
441.93	(1.44)	227.15	-	-	1389.91	1270.23	1352.83	-
21840.98	809.88	6184.66	91.62	2632.85	253752.56	352300.47	231326.33	2920.43
43.45	-	-	-	-	191.04	177.90	221.35	-
113.58	-	-	-	-	597.95	541.75	655.33	-
106.82	-	-	-	-	510.02	404.79	511.61	-
410.72	-	-	-	-	1519.33	719.15	337.17	-
674.57	-	0.00	-	-	2818.34	1843.59	1725.46	-
22515.55	809.88	6184.66	91.62	2632.85	256570.90	354144.06		2920.43
26050.92	9461.02	1387.86	718.08	-	241971.36		233051.79	2961.36
						11211.68	56537.81	
						365355.74	289589.60	

11(B). Goodwill on Consolidation

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Opening Balance	931.50	931.50
Add: On acquisition of subsidiaries during the year	-	-
Less: On disposal of subsidiaries during the year	581.56	-
Closing Balance	349.94	931.50

12. Investments

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

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
NON-CURRENT INVESTMENTS		
LONG TERM INVESTMENTS		
Trade investments		
Investments in equity instruments		
Unquoted		
Nil (Previous Year - 42,21,535) Equity shares of ₹ 10 each fully paid up of Malanpur Captive Power Limited	-	422.15
Other investments		
Investments in equity instruments		
Quoted		
Nil (Previous Year - 2,901) shares of ₹ 10 each fully paid up of Mawana Sugars Limited*	-	0.48
Unquoted		
50,000 (Previous Year 50000) Equity Share of ₹ 10 Each Vaayu Renewable Energy (Tapti) Private Limited	5.00	5.00
6,70,000 (Previous Year - 6,70,000) Equity shares of ₹ 10 each fully paid up of Sanghi Spinners India Limited	11.69	11.69
Less : Provision for diminution in value	(11.69)	(11.69)
	-	-
Nil (Previous Year - 1,19,000) Equity shares of ₹ 10 each fully paid up of SB Packaging Limited*	-	49.98
Less : Provision for diminution in value	-	(49.98)
	-	-
Investments in debt instruments		
Quoted		
Nil (Previous Year - 17,500) bonds of ₹ 1136.59 each fully paid up of HUDCO 8.20% Tax Free Bonds, 2027*	-	198.90
Investments in mutual funds		
Quoted		
Nil (Previous Year - 3,90,665) Units of ₹ 12.80 each of DWS Gilt Fund- Growth*	-	50.00
Nil (Previous Year - 1,87,571) Units of ₹ 26.66 each of HDFC Income Fund- Growth*	-	50.00
Nil (Previous Year - 3,62,500) Units of ₹ 13.80 each of IDFC Dynamic Bond Fund- Growth*	-	50.00
Nil (Previous Year - 1,48,993) Units of ₹ 33.56 each of Kotak Bond Scheme Plan A- Growth*	-	50.00

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Investment in Private Equity Fund		
Fully paid investments		
Unquoted		
Nil (Previous Year - 6,250) Units of ₹ 1000 each of TVS Shriram Growth Fund Scheme 1B*	-	62.50
Partly paid investments		
Unquoted		
Nil (Previous Year - 2,50,000) Units of ₹ 100 each, partly paid up to the extent of ₹ 25 each (Previous Year – ₹ 25 each) of Asian Healthcare Fund*	-	62.50
Nil (Previous Year - 10,00,100 Units of ₹ 10 each (partly paid up to the extent of ₹ 6 each) of ICICI Prudential Venture Capital Fund*	-	60.01
Total Non- current investments	5.00	1011.54
Aggregate amount of long term quoted investments	-	399.38
Aggregate amount of long term unquoted investments (net of provision)	5.00	612.16
Aggregate provision for diminution in value of long term investments	11.69	61.67
Market value of long term quoted investments	-	381.88
CURRENT INVESTMENTS		
CURRENT PORTION OF LONG TERM INVESTMENTS		
Trade investments		
Investments in equity instruments		
Unquoted		
42,21,535 (Previous Year - Nil) Equity shares of ₹ 10 each fully paid up of Malanpur Captive Power Limited	422.15	-
INVESTMENTS IN MUTUAL FUNDS		
Quoted		
50,00,000 Units (Previous Year - 50,00,000 Units) of ₹ 10 each ICICI Prudential FMP Series 73 - 392 Days Plan F Regular Plan Cumulative	500.00	500.00
1,00,00,000 Units (Previous Year -1,00,00,000 Units) of ₹ 10 each SBI Debt Fund Series- A 11 385 Days - Regular - Growth	1000.00	1000.00
Nil (Previous year - 68,304 Units) of ₹ 1468.06 each of Baroda Pioneer Liquid Fund - Plan A - Growth	-	1002.76
Nil (Previous Year - 4,891) Units of ₹ 1000 each of DSP Blackrock Liquidity Fund-Weekly Dividend*	-	48.95
Nil (Previous Year - 13,22,929) Units of ₹ 40.60 each of Kotak Gilt Investment*	-	96.31
36,14,674 Units (Previous Year - Nil) of ₹ 207.49 each ICICI Prudential Savings Fund-Regular Plan-Growth	7500.00	-
Total current investments	9422.15	2648.02
Aggregate amount of current quoted investments	9000.00	2648.02
Aggregate amount of current unquoted investments	422.15	
Market value of current quoted investments	9155.48	2659.54

* Deletion on account of sale of investment in subsidiary

13. Deferred Tax Assets

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Deferred tax assets		
Provision for bad and doubtful debts	166.78	278.94
Accrued expenses deductible on payment	2559.91	3435.97
Brought forward business losses *	4355.84	1,265.97
Total deferred tax assets	7082.53	4980.88

* The deferred tax assets have been recognised keeping in view the concept of prudence and on the basis of virtual certainty that sufficient future taxable income will be available against which deferred tax assets will be realised.

14. Long Term Loans and Advances

(Unsecured considered goods, unless otherwise stated)

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Capital advances	1312.13	708.43
Security deposits*#	2960.07	2445.85
Loans to employees	655.35	478.08
Prepaid expenses	14.46	15.96
MAT credit entitlement	7615.74	2841.22
Cenvat/Service tax/VAT recoverable	482.44	528.65
Other loans and advances		
Unsecured - considered good	70.81	183.19
- considered doubtful	9.95	9.95
Less : Provision for doubtful advances	(9.95)	(9.95)
Total long term loans and advances	13111.00	7201.38

* Security deposits includes ₹ 1054.53 lakhs (Previous year – ₹ 1128.61 lakhs) as interest free security deposits for accommodation taken on lease for Company's officers / directors and various offices taken on.

Refer note 34

15. Other Non-Current Assets

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Unamortised upfront fees on loans	920.21	863.40
Total other non-current assets	920.21	863.40

16. Inventories

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Raw materials	25703.26	26787.29
Raw materials in transit	11031.02	14351.26
Stock-in-process	10078.13	10566.61
Stock-in-process in transit	209.29	134.28
Finished goods	15802.99	12757.05
Finished goods in transit	1942.36	1554.05
Stock of traded goods	144.89	83.36
Stock of traded goods in transit	54.06	-
Stores and spares	11364.99	8383.89
Stores and spares in transit	19.27	17.99

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Stock of Certified Emission Reductions	-	4.51
Total inventories	76350.26	74640.29

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

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

17. Trade Receivables

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured – considered good	5.81	-
Unsecured – considered doubtful	1025.98	309.39
	1031.79	309.39
Less : Provision for doubtful debts	1025.98	309.39
	5.81	-
Other trade receivables		
Unsecured – considered good	61059.61	69149.11
Total trade receivables	61065.42	69149.11

18. Cash and Cash Equivalents

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Cash in hand	43.76	44.41
Balance with banks on		
Current accounts	4516.81	7417.20
Savings accounts	328.82	-
Deposit accounts	5018.00	-
Total cash and bank equivalents	9907.39	7461.61
In earmarked accounts		
Margin money	198.63	184.21
Unclaimed dividend accounts	623.83	600.05
Total Other bank balances	822.46	784.26
	10729.85	8245.87
Of the above, the balances that meet the definition of cash and cash equivalents as per AS - 3 - Cash Flow Statements is	9907.39	7461.61

19. Short-Term Loans and Advances

(Unsecured considered goods, unless otherwise stated)

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Loans to employees	522.61	548.84
Loans and advances to related parties	-	0.86
Deposits with customs and excise authorities	197.19	311.90

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Security deposits *	283.51	420.20
Advance Income tax	-	40.73
Claims recoverable	2848.53	2566.58
CENVAT/Service tax/VAT recoverable	5610.25	8331.33
Advance to suppliers		
Unsecured - considered good	2480.92	1077.90
- considered doubtful	5.36	-
Less : Provision for doubtful advances	(5.36)	-
Prepaid expenses	1099.86	847.42
Other loans and advances		
Unsecured - considered good	631.44	1902.74
- considered doubtful	297.16	293.68
Less : Provision for doubtful advances	(297.16)	(293.68)
Total short-term loans and advances	13674.31	16048.50

* Security deposits includes ₹ 195.64 lakhs (Previous year – ₹ Nil) as interest free security deposits for accommodation taken on lease for Company's officers / directors and various offices taken on lease by the Company.

Loans and advances to related parties includes:

Name of related parties	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Shri Educare Limited	-	0.86
Total loans and advances to related parties	-	0.86

20. Other Current Assets

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Unamortised upfront fees on loans	390.10	275.57
Assets Held for Sale	-	503.65
Total other current assets	390.10	779.22

21. Other Operating Revenues

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Claims	66.43	40.87
Export incentives	1632.43	126.70
Scrap sales	1238.56	1666.46
Other operating income	1811.88	703.82
Total other operating revenues	4749.30	2537.85

22. Other Income

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Dividend on current investments	311.90	912.38
Profit on sale of current investments	179.01	91.70
Profit on sale of investment in subsidiaries	1510.00	-

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Provision / Liabilities no longer required written back	444.03	231.48
Provision for long term investments no longer required	1144.31	-
Profit on sale of fixed assets	2311.13	78.40
Interest income		
• from customers	23.27	15.32
• on loans and deposits	67.81	80.05
• on others*	203.53	430.66
Other non-operating income	263.19	514.65
Total other operating income	6458.18	2354.64

* includes income-tax deducted at source ₹ 6.40 lakhs (previous year ₹ 19.52 lakhs)

23. Cost of Materials Consumed

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Opening stock of Raw Materials	41138.55	27928.24
Add : Purchase of Raw Materials	249454.25	255298.95
	290592.80	283227.19
Less : Closing Stock of Raw Materials	36734.28	41138.55
Cost of materials consumed	253858.52	242088.64

24. Purchase of Traded Goods

	Year ended March 31, 2015		Year ended March 31, 2014	
	Quantity (MT)	Value (₹ in lakhs)	Quantity (MT)	Value (₹ in lakhs)
Yarn	1021.89	1516.63	490.00	1065.25
Refrigerant gases	55.07	167.41	32.71	100.90
Packaging Films	1565.00	1721.29	160.56	200.33
Others	-	207.07		235.14
Total		3612.40		1601.62

25. (Increase)\Decrease in inventories of finished goods, stock-in-process and traded goods

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Opening Stock		
Stock-in-Process	10700.89	10014.87
Finished goods	14311.10	11086.11
Traded goods	83.36	19.58
Stock of Certified Emission Reductions	4.51	13.29
	25099.86	21133.85
Effect of changes in exchange currency rates		
Stock-in-Process	(23.94)	-
Finished goods	(119.45)	-
	(143.39)	-
Closing Stock		
Stock-in-Process	10287.42	10700.89
Finished goods	17745.35	14311.10
Traded goods	198.95	83.36
Stock of Certified Emission Reductions	-	4.51
	28231.72	25099.86

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
(Increase) \ Decrease in inventories of finished goods, stock-in-process and traded goods		
Stock-in-Process	389.53	(686.02)
Finished goods	(3553.70)	(3224.99)
Traded goods	(115.59)	(63.78)
Stock of Certified Emission Reductions	4.51	8.78
	(3275.25)	(3966.01)

26. Employee Benefits Expenses

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Salaries, wages, bonus, etc	29362.90	25323.11
Contribution to provident and other funds	2428.53	2371.21
Workmen and staff welfare expenses	3821.15	3406.84
Total employee benefit expenses	35612.58	31101.16

27. Finance Costs

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Interest expenses		
On debentures and loans for fixed period	7815.55	3877.99
Cash Credit and others	2908.36	2474.44
Other borrowing costs	1614.41	1294.88
Net (gain)/loss on foreign currency transactions and translation (considered as finance cost)	1419.49	1964.51
Total finance costs	13757.81	9611.82

28. Depreciation and Amortisation Expenses

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Depreciation on tangible assets (Refer note 11 (A))	23473.90	21840.98
Amortisation on intangible assets (Refer note 11 (A))	1029.45	674.57
Less : Transfer from revaluation reserve (Refer note 3(b))	-	(40.93)
Net Depreciation and amortisation expenses	24503.35	22474.62

29. Other Expenses

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Stores and Spares consumed	3354.99	4222.72
Power and Fuel	43414.94	41885.24
Rent	1965.65	1926.16
Repairs and Maintenance		
- Buildings	311.81	268.04
- Plant and machinery	11843.71	6879.86
- Other Maintenance	2839.44	2495.13
Insurance	1497.38	1169.10
Rates and taxes	519.74	484.08
Freight	11087.26	8581.50
Expenditure on Corporate Social Responsibility	441.95	-
Professional and legal charges	2504.43	1830.98
Contract conversion charges	305.39	355.25
Travel	1502.48	1439.19
Directors' sitting fees	18.52	17.30
Selling commission	1262.04	893.41
Increase / (decrease) in excise duty on closing stock	614.73	(240.85)
Provision for doubtful debts / advances	207.35	42.23
Bad debts / advances written off	112.91	55.56
Fixed assets / inventories provided / written off	558.08	134.67
Impairment of fixed assets	-	91.62
Auditors' Remuneration (net of service tax input credit)#		
- Audit Fees	103.00	92.88
- For limited review of unaudited financial results	76.07	30.00
- For corporate governance, consolidated financial statements and other certificates	15.85	19.93
- For tax audit	10.00	8.50
Exchange currency fluctuation	943.66	1718.21
Miscellaneous expenses*	6919.27	6050.83
Total other expenses	92430.65	80451.54

* Includes ₹ Nil (Previous Year - 50 Lakhs) donation paid to a political party 'Bharatiya Janata Party'

Including fees paid to auditors of subsidiary companies

30. Contingent Liabilities Not Provided For

a. Claims against the Company not acknowledged as debts:

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Excise duty, customs duty and service tax * @	6095.19	6182.32
Sales Tax and entry tax (refer note 'b' below)** @	11212.89	9615.65
Income Tax****	1128.63	676.63
Stamp Duty*****	2881.55	2881.55
Others ***	1089.06	940.73

* Amount deposited ₹ 447.29 lakhs (Previous year – ₹ 455.85 lakhs)

** Amount deposited ₹ 16.25 lakhs (Previous Year – ₹ 16.60 lakhs)

*** Amount deposited ₹ Nil (Previous Year – ₹ 8.00 lakhs)

**** Amount deposited ₹ 432.55 lakhs (Previous year – ₹ 162.41 lakhs)

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

@ As per Business Transfer Agreement with KAMA Holdings Limited, the liabilities of ₹ 2064.30 lakhs (Previous Year – ₹ 2064.30 lakhs) and ₹ 38.00 lakhs (Previous Year – ₹ 38.00 lakhs) respectively towards Excise Duty and Sales tax are covered under Representations and Warranties.

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

- b. The Company had received demand notices from the Commercial Tax Department, Government of Madhya Pradesh ("State Government") for payment of Central Sales Tax (CST), Value Added Tax (VAT) and Entry Tax aggregating to ₹ 11138 lakhs (including interest and penalty) (Previous Year – ₹ 9491 lakhs) for the period from 2007 to 2013 in respect of sales from its manufacturing facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA).

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

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

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

The matter is sub judice and shall be listed for further proceedings in due course. The Management of the Company, based on the facts of the case and opinion received by the Company from legal experts, is confident of getting a relief in the matter from the Court and, accordingly, has not made any provision for the said disputed demands.

- c. Liability on account of Bank Guarantees ₹ 1098.63 lakhs (Previous Year – ₹ 869.44 lakhs)
- d. Guarantees given to banks for repayment of financial facilities availed by others ₹ 250.00 lakhs (Previous Year – 250.00 lakhs). Outstanding amount as at the year-end is ₹ 87.95 lakhs (Previous Year – ₹ 99.99 lakhs).
- e. The Company has been served with show cause notices regarding certain transactions as to why additional customs / excise duty and service tax amounting to ₹ 2911.29 lakhs (Previous year – ₹ 2451.03 lakhs) should not be levied. The Company has been advised that the contention of the department is not tenable and hence the show cause notice may not be sustainable.
- f. The Company has entered into agreements with banks for assignment of trade receivables to them for value upto a maximum limit of ₹ 27618 lakhs. The assigned receivables as at the year end is ₹ 9524 lakhs (Previous Year – Nil)

31.

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

Name of the Statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount* (₹ in lakhs)
Central Excise Laws	Excise Duty	High Court	1996-1997	213.79
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	1992-2013	5903.05
		Upto Commissioner (Appeals)	1993-2010	499.59
Service Tax Laws	Service Tax	High Court	2006	2.50
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2005-2010	47.97
		Upto Commissioner (Appeals)	2006-2011	29.01
Customs Laws	Customs Duty	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2004-2006	45.43
		Upto Commissioner (Appeals)	2002-2013	147.47
Sales Tax Laws	Sales Tax	High Court	2007-2013	9361.25
		Sales Tax Appellate Tribunal	1987-2008	102.28
		Upto Commissioner (Appeals)	1988-2015	28.21
Income Tax Laws	Income Tax	Supreme Court	1988-1989	113.35
		Income Tax Appellate Tribunal (ITAT)	2009-2010	78.58
		Upto Commissioner (Appeals)	2006-2007	273.80
Others	Electricity Cess	High Court	2007-2008	6.00

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

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

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

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

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

32. Capital and Other Commitments

- The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to ₹ 8753.07 lakhs (Previous Year – ₹ 5283.16 lakhs).
- The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreements in normal course of business. The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.

33. Managerial Remuneration

(a) Chairman / Managing Director / Deputy Managing Director / Whole time Director

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Salary and Allowances	415.18	361.48
Contribution to Provident and Superannuation Funds	60.30	95.58
Value of Perquisites	223.21	208.39
Commission (Provided)	475.00	475.00
SUB-TOTAL	1173.69	1140.45
(b) Non-Executive Directors		
Commission (Provided)	35.00	25.00
Other Fees	6.64	-
Professional Consultancy	4.79	7.48
Directors' Sitting Fees	18.70	17.30
SUB-TOTAL	65.13	49.78
TOTAL	1238.82	1190.23

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

34. Related Party Disclosures Under As-18 “Related Party Disclosures”

As per Accounting standard AS –18 “Related Party Disclosures” the Company’s related parties and transactions with them are disclosed below:

A NAME OF RELATED PARTY AND NATURE OF RELATED PARTY RELATIONSHIP

By virtue of control (Fellow subsidiaries)	By virtue of control (Holding Company)	Key Management Personnel and their relatives	Enterprises over which (c) have significant influence
(a)	(b)	(c)	(d)
Fellow subsidiaries <ul style="list-style-type: none"> KAMA Realty (Delhi) Limited Shri Educare Limited Shri Educare Maldives Private Limited KHL Investments Limited[^] SRF Transnational Holdings Limited* 	<ul style="list-style-type: none"> KAMA Holdings Limited 	<ul style="list-style-type: none"> Mr Arun Bharat Ram, Chairman Mr Ashish Bharat Ram, Managing Director Mr Kartik Bharat Ram, Deputy Managing Director Mr K Ravichandra, Whole Time Director Mr T L Raman, (Whole Time Director of SRF Transnational which ceased to be WOS of the Company with effect from 1 April 2014) 	<ul style="list-style-type: none"> SRF Foundation Karm Farms Private Limited Srishti Westend Greens Farms Private Limited

[^] Up to 2 August 2014

* Subsidiary up to 1 April 2014, now fellow subsidiary

B TRANSACTIONS WITH RELATED PARTIES REFERRED TO IN NOTE 34A ABOVE

Nature of Transactions	(₹ in lakhs)							
	(a)		(b)		(c)		(d)	
	Year ended		Year ended		Year ended		Year ended	
	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014
Rent paid to								
- Kama Realty (Delhi) Limited	647.94	645.30						
- Karm Farms Private Limited							30.00	30.00
- Srishti Westend Greens Farms Private Limited							30.00	30.00
- Mr Arun Bharat Ram					24.00	24.00		
- Mr Ashish Bharat Ram					2.40	2.40		
- Mr Kartik Bharat Ram					2.40	2.40		
Managerial Remuneration paid to								
- Mr Arun Bharat Ram					439.05	456.76		
- Mr Ashish Bharat Ram					371.00	341.56		
- Mr Kartik Bharat Ram					354.07	331.36		
- Mr K Ravichandra					9.57	9.57		
- Mr T L Raman					-	1.20		
Reimbursement of expenses from								
- KAMA Holdings Limited			0.11	0.07				
- Shri Educare Limited	2.59	0.86						
Donations to								
- SRF Foundation							350.00	-
Investment Sold to								
- KAMA Holdings Limited			1144.31					

Balances outstanding as at the year end:-

Nature of Transactions	(a)		(b)		(c)		(d)	
	As at		As at		As at		As at	
	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014
Receivables								
- Shri Educare Limited	-	0.86						
Commission Payable								
- Mr Arun Bharat Ram					225.00	225.00		
- Mr Ashish Bharat Ram					125.00	125.00		
- Mr Kartik Bharat Ram					125.00	125.00		
Security Deposits outstanding								
- KAMA Realty (Delhi) Limited	330.00	330.00						
- Karm Farms Private Limited							310.00	310.00
- Srishti Westend Greens Farms Private Limited							310.00	310.00
- Mr Arun Bharat Ram					12.00	12.00		
- Mr Ashish Bharat Ram					0.60	0.60		
- Mr Kartik Bharat Ram					0.60	0.60		

35. Earnings Per Share

	Year ended March 31, 2015	Year ended March 31, 2014
Profit after tax (₹ in lakhs)	30280.71	16245.86
Weighted average number of equity shares outstanding (Nos.)	57420500	57420500
Basic and diluted earnings per share in rupees (₹) (face value – ₹ 10 per share)	52.74	28.29

36. Segment Reporting

A. Business Segments

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

- Technical Textiles business: includes nylon tyre cord fabric, belting fabric, coated fabric, laminated fabric, polyester tyre cord fabric and industrial yarns and its research and development
- Chemicals & Polymers business: includes refrigerant gases, chloromethanes, pharmaceuticals, fluorochemicals & Allied products, Engineering Plastics business and its research and development.
- Packaging Film Business includes Polyester Films.

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

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

a) Segment revenue and expenses

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

b) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes. While most of

the assets / liabilities can be directly attributed to individual segments, the carrying amount of certain assets / liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

Information about Business Segments

Segment Revenue, Results, Assets, Liabilities and Capital Employed

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Segment Revenue		
a) Technical Textiles Business (TTB)		
- External sales	203193.35	218019.19
- Inter-segment sales	762.46	548.92
Total	203955.81	218568.11
b) Chemicals & Polymers Business (CPB)		
- External sales	126340.58	95612.61
- Inter-segment sales	0.38	14.13
Total	126340.96	95626.74
c) Packaging Films Business (PFB)		
- External sales	124451.04	88174.23
- Inter-segment sales	149.13	126.46
Total	124600.17	88300.69
Total segment revenue	454896.94	402495.54
Less: Inter Segment revenue	911.97	689.51
Net Sales / Income from Operations	453984.97	401806.03
Add: Unallocable Income	6458.16	2354.64
Total revenue	460443.13	404160.67
Segment Results		
(Profit/(Loss) before finance costs and tax from each segment)		
a) Technical Textiles Business (TTB)	19572.53	16305.51
b) Chemicals & Polymers Business (CPB)	29825.93	19129.59
c) Packaging Films Business (PFB)	6361.80	(496.88)
Total Segment results	55760.26	34938.22
Less: i) Finance Costs	13757.81	9611.82
Less: ii) Other Unallocable expenses net of income	2059.38	4529.12
Total Profit before tax	39943.07	20797.28
Less: Provision for taxation	9662.36	4551.42
Profit after tax	30280.71	16245.86
Capital Expenditure (other than capital advances)		
a) Technical Textiles Business (TTB)	3856.17	2662.11
b) Chemicals & Polymers Business (CPB)	49868.20	61177.31
c) Packaging Films Business (PFB)	8708.09	34527.79
d) Unallocated	1720.26	1990.44
Total	64152.72	100357.65

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Depreciation		
a) Technical Textiles Business (TTB)	6458.15	9101.18
b) Chemicals & Polymers Business (CPB)	12361.56	7221.94
c) Packaging Films Business (PFB)	4729.54	5378.77
d) Unallocated	954.10	772.73
Total	24503.35	22474.62

Other Information:

	As at March 31, 2015 (₹ in lakhs)	As at March 31, 2014 (₹ in lakhs)
Segment Assets		
a) Technical Textiles Business (TTB)	148452.98	173979.68
b) Chemicals & Polymers Business (CPB)	255988.16	209042.38
c) Packaging Films Business (PFB)	146958.07	144418.31
Total	551399.21	527440.37
Add: Unallocable assets	33644.15	16513.77
Total assets	585043.36	543954.14
Segment Liabilities		
a) Technical Textiles Business (TTB)	33297.26	44562.12
b) Chemicals & Polymers Business (CPB)	25309.88	17626.10
c) Packaging Films Business (PFB)	18891.94	30272.66
Total	77499.08	92460.88
Add: Unallocable liabilities	3833.59	2698.47
Total liabilities	81332.67	95159.35
Segment Capital Employed (Segment assets less segment liabilities)		
a) Technical Textiles Business (TTB)	115155.72	129417.56
b) Chemicals & Polymers Business (CPB)	230678.28	191416.28
c) Packaging Films Business (PFB)	128066.13	114145.65
Total	473900.13	434979.49
Add : Unallocable assets less liabilities	29810.56	13815.30
Total capital employed	503710.69	448794.79

B. Geographical Segments

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Revenue		
-Within India	286277.10	265468.82
-Outside India	174166.03	138691.85
Total	460443.13	404160.67

	Year ended March 31,2015 (₹ in lakhs)	Year ended March 31,2014 (₹ in lakhs)
Carrying Amount of Segment Assets		
Within India	471537.30	429863.57
Outside India	113506.06	114090.57
Total	585043.36	543954.14
Addition to Fixed Assets and Intangible Assets		
Within India	59255.79	66384.58
Outside India	4896.93	33973.07
Total	64152.72	100357.65

37. Foreign Currency Exposure

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

The details of category-wise quantitative data about derivative instruments as at 31 March 2015 are as under:

Nature of Derivative	No. of Deals As at		Purpose As at		Foreign Currency (In Million) As at		Amount (₹ in lakhs) As at	
	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014	31.03. 2015	31.03. 2014
USD/INR Buy	-	1	-	-	-	10.00	-	5992.00
			Forward Buy contract					
USD/INR Sell forward	24	-	Forward Sell contract	-	17.00	-	10620.00	-
EUR/INR sell forward	5	-	Forward Sell contract	-	2.88	-	1934.00	-
EUR/INR Buy forward	4	-	Forward Buy contract	-	1.64	-	1102.00	-
EUR/ZAR Sell forward	1	-	Conversion of Floating LIBOR to Fixed Rate	-	0.40	-	269.00	-
USD/THB Sell forward	1	-	Forward Sell contract	-	1.00	-	625.00	-
Interest Rate Swap	4	3	Conversion of Floating LIBOR to Fixed Rate	Conversion of Floating LIBOR to Fixed Rate	60.00	40.00	37482.00	23966.00
Interest Rate Options	1	1	Capping the floating interest rate	Capping the floating interest rate	20.00	20.00	12494.00	11983.00

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

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

38. Operating Leases

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

	Year ended March 31, 2015 (₹ in lakhs)	Year ended March 31, 2014 (₹ in lakhs)
Total of future minimum lease payments under non-cancellable operating leases for each of the following periods		
- Not later than one year	1244.55	1946.24
- Later than one year and not later than five years	3327.86	7268.82
- Later than five years	125.83	1044.47
Lease rent recognized in the statement of profit and loss	1965.65	1926.16

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

40. Pursuant to the requirements of Schedule II of the Companies Act, 2013, the Company has, effective 1 April 2014, reviewed and revised the estimated useful lives of its fixed assets. Consequent thereto, the depreciation charge for the year is lower by ₹ 3581.91 lakhs and amount of ₹ 616.27 lakhs (net of deferred tax) on account of fixed assets with Nil remaining useful life as on 1 April 2014, has been charged to opening balance of retained earnings.

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

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

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

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013				
Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or loss	Amount (₹ in lakhs)
I. Parent – SRF Limited	101%	231334	101%	30468
II. Subsidiaries				
A. Indian				
SRF Properties Limited	-	-	-	(5)
SRF Transnational Holdings Limited	-	-	-	-
SRF Holiday Home Limited	-	394	-	-
SRF Energy Limited	-	-	-	(4)
SRF Fluorochemicals Limited	-	-	-	(4)
B. Foreign				
SRF Global BV	(1%)	(2093)	(1%)	(179)
SRF Fluor Private Limited	0%	(2)	0%	5
Total	100%	229633	100%	30281
Minority Interests in all subsidiaries	-	-	-	-

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

Indian Subsidiaries

S. No.	Name of the subsidiary	SRF Holiday Home Limited (₹ in lakhs)	SRF Energy Limited (₹ in lakhs)	SRF Fluorochemicals Limited (₹ in lakhs)
(a)	Reporting Period	1 April 2014 to 31 March 2015	1 April 2014 to 31 March 2015	1 April 2014 to 31 March 2015
(b)	Reporting Currency	INR	INR	INR
(c)	Exchange Rate	-	-	-
(d)	Share Capital	400.00	5.00	5.00
(e)	Reserves and Surplus	(5.52)	(5.00)	(5.00)
(f)	Total Assets	395.44	0.08	0.08
(g)	Total Liabilities	1.01	0.08	0.08
(h)	Investment	-	-	-
(i)	Turnover	0.11	0.24	0.24
(j)	Profit/(Loss) Before Taxation	(0.33)	(4.25)	(4.25)
(k)	Add/(Less): Provision for Taxation	-	-	-
(l)	Profit/(Loss) After Taxation	(0.33)	(4.25)	(4.25)
(m)	Proposed Dividend	-	-	-
(n)	% of shareholding	100%	100%	100%

SRF Properties Limited and SRF Transnational Holdings Limited were sold during the year.

Foreign Subsidiaries

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

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

S. No.	Name of the subsidiary	SRF Overseas Limited# (subsidiary of SRF Global BV)		SRF Industries (Thailand) Limited# (subsidiary of SRF Global BV)	
		AED	(₹ in lakhs)	Baht	(₹ in lakhs)
(a)	Reporting Period	1 April 2014 to 31 March 2015		1 April 2014 to 31 March 2015	
(b)	Reporting Currency	AED		THB	
(c)	Exchange Rate	17.008		1.92	
(d)	Share Capital	84049966	14295.22	100000000	1479.15
(e)	Reserves and Surplus	(49089787)	(8349.19)	16488541.67	316.58
(f)	Total Assets	34970402	5947.77	3097024479.17	59462.87
(g)	Total Liabilities	10223	1.74	3380084234	58300.30
(h)	Investment	-	-	-	-
(i)	Turnover	17091833	2906.98	3142881770.83	60343.33
(j)	Profit/(Loss) Before Taxation	13325180	2266.35	(18077604.17)	(347.09)
(k)	Add/(Less): Provision for Taxation	-	-	(42963020.83)	(824.89)
(l)	Profit/(Loss) After Taxation	13325180	2266.35	(61040625.00)	(1171.98)
(m)	Proposed Dividend	-	-	-	-
(n)	% of shareholding	100%		100%	

S. No.	Name of the subsidiary	SRF Industex Belting (Pty) Limited# (subsidiary of SRF Global BV)		SRF Fluor Private Limited#	
		Rand	(₹ in lakhs)	USD	(₹ in lakhs)
(a)	Reporting Period	1 April 2014 to 31 March 2015		1 April 2014 to 30 June 2014	
(b)	Reporting Currency	Rand		USD	
(c)	Exchange Rate	5.118		62.47	
(d)	Share Capital	13320202	681.73	45002	28.11
(e)	Reserves and Surplus	(4000765)	(204.76)	(47924)	(29.94)
(f)	Total Assets	106118754	5431.16	19.00	0.01
(g)	Total Liabilities	96799316	4954.19	2941	1.84
(h)	Investment	-	-	-	-
(i)	Turnover	185211208	9479.11	18437	11.52
(j)	Profit/(Loss) Before Taxation	(4392335)	(224.80)	9129	5.70
(k)	Add/(Less): Provision for Taxation	42081	2.15	-	-
(l)	Profit/(Less) After Taxation	(4350254)	(222.65)	9129	5.70
(m)	Proposed Dividend	-	-	-	-
(n)	% of shareholding	100%		100%	

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

- (i) 1 AED = ₹ 17.008
- (ii) 1 USD = ₹ 62.47
- (iii) 1 Baht = ₹ 1.92
- (iv) 1 Rand = ₹ 5.118

44. Figures pertaining to subsidiaries have been reclassified wherever considered necessary to bring them in line with the Holding Company's financial statements.

For and on behalf of the Board of Directors

Arun Bharat Ram
Chairman
(DIN – 00694766)

Ashish Bharat Ram
Managing Director
(DIN – 00671567)

Kartik Bharat Ram
Deputy Managing Director
(DIN – 00008557)

Vinayak Chatterjee
Director
(DIN – 00008933)

Rajendra Prasad
President & Chief Financial Officer

Anoop K Joshi
President & Company Secretary

Place : **Gurgaon**

Date : **11 May 2015**



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