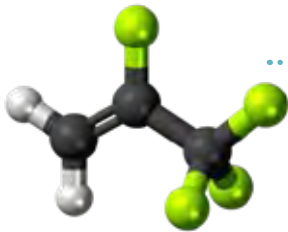




annual report

2015-16

HIGHLIGHTS 2015-16



SRF Board approved an investment proposal for setting up of a pilot plant to manufacture next generation refrigerant gas, HFO 1234yf, making the company the **first technology developer outside US and EUROPE** to do so

SRF filed **27 process patents** during 2015-16, taking the total number of patents filed to 81 till date



Fluorochemicals Business made a **foray in the South East Asia** market for HFC 134a

Engineering Plastics Business **introduced PET Compounded Resins** as a new range in its product portfolio under the brand name ENGOPET



SRF for the first time bagged a prestigious order from the Board of Control for Cricket in India (BCCI) to **supply coated fabrics as ground covers for 7 cricket stadia in India** (Earlier, SRF only supplied pitch covers to BCCI)

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MESSAGE FROM THE CHAIRMAN

“ A multi business entity like ours has the ability to withstand business specific downturns and can develop individual strategies for each segment. ”

Dear shareholders,

I am delighted to present before you the overall performance and the strategic directions of your company. As you all know, 2015-16 was an excellent year for your company. A growth of 40% in consolidated PAT in such a weak global economic scenario only reaffirms our belief in our strategy and execution capabilities.

As an organisation, we stuck to the basics of driving a high performance culture through people involvement. On our part, as always we tried to foster an environment where everyone felt highly motivated and empowered to deliver outstanding results. I take this opportunity of expressing my gratitude to all my colleagues in SRF who worked tirelessly to generate high value for all our stakeholders.

A multi business entity like ours has the ability to withstand business specific downturns and can develop individual strategies for each segment. This time, the turnaround of our global operations especially the plants under the packaging films business contributed significantly to the overall performance. In our Chemical Business, the transition of the *Dymel* acquisition went ahead smoothly. Using our distribution strength in the domestic market, we launched new products as well. As a countermeasure to the slowdown in the agrochemical segment, we diligently worked and succeeded in enhancing our presence in the pharma segment for our specialty chemicals business.

Our plants for packaging films ran at full capacity utilisation despite over supply in the market. The nylon tyre cord fabrics (NTCF) business continued to retain market leadership in the domestic market even as the demand remained subdued. The performance of NTCF assumed a special significance as one of the major plants at Manali remained inoperative for almost three months due to floods in Chennai during December 2015.

What is more reassuring about your company's sustainable growth prospect is that its balance sheet looks healthy and financial ratios indicate steady business performance. In sync with our strategy to transform SRF into a technology & innovation oriented company, we made investments of around ₹ 3200 crores across all business segments in the last five years and more than 50% of these investments were made in the chemicals business alone. Our future plans also reiterate our commitment to continue to grow in the space of chemicals. We have a plan to spend around ₹ 3500 crores in the next four years and around 70% of the investments are earmarked for the chemicals business.

Our unrelenting focus on enhancing our competencies and capabilities in the space of chemicals has manifested in many ways. Recently, your company announced its plan to set up a pilot plant to manufacture the next generation refrigerant, HFO

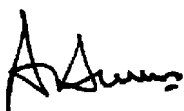
1234yf with indigenous technology, a move that will make SRF the first technology developer outside US and Europe to do so. Your company has also introduced several new processes and technologies which are new to the world, thereby becoming a critical supplier of intermediates for the innovators in the field of pharma and agro chemicals. And, our R&D efforts has helped your company file more than 80 process patents so far. The list goes on.

It's indeed a matter of pride that SRF is today recognised as a world class chemical company driven by its cutting edge R&D capabilities. That being said, we will also continue to explore opportunities for growth and expansion in the packaging films business, which despite being a cyclical business, makes a significant contribution to the top line and the bottom line besides de-risking our businesses. What gives your company an edge over other players in the space of packaging films is its persistent focus on maximising value-added products along with a relentless focus on cost efficiencies, which makes SRF a preferred supplier for customers in the organised segment. While NTCF will remain a significant product in SRF for the next few years, we will continue to enlarge the portfolio of other product segments such as coated fabrics and laminated fabrics under the technical textiles business.

I am sure our colleagues in SRF will not leave any stone unturned to make SRF a world class organisation. But I am also aware that such goals in isolation mean nothing unless we create value for the society and ensure our reputation of impeccable governance. Building on our founders' legacy of social consciousness, we, through SRF Foundation, implemented several programmes to enrich the lives of thousands of poor students under our educational and skill development initiatives and improved the livelihood of more than 6000 families under our Natural Resource Management programmes. We are duty bound to contribute to the community at large.

Let me assure you that we will continue to build, protect and strengthen a value system in your company that you will remain proud of and which will deliver results that meet your expectations.

With kind regards,



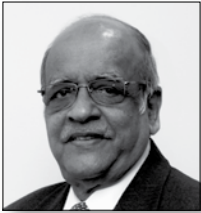
Arun Bharat Ram





COMPANY INFORMATION

Board of Directors



Arun Bharat Ram
Chairman



Ashish Bharat Ram
Managing Director



Kartik Bharat Ram
Dy Managing Director



Dr Meenakshi Gopinath
Director – CSR



K Ravichandra
Director
(Safety & Environment)



Vellayan Subbiah



Vinayak Chatterjee



L Lakshman



Tejpreet S Chopra



Pramod Bhasin

Auditors

M/s Deloitte Haskins & Sells, Chartered Accountants

CFO & Company Secretary

Anoop K Joshi

Bankers

- ICICI Bank • State Bank of India • Standard Chartered Bank
- Citibank NA • Yes Bank • HDFC Bank • The Royal Bank of Scotland • Kotak Mahindra Bank • HSBC • Bank of Tokyo Mitsubishi UFJ Ltd. • The Bank of Nova Scotia Asia Ltd.

Registered Office

(CIN: L18101DL1970PLC005197)

C-8, Commercial Complex, Safdarjung Development Area
New Delhi -110016, India

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

Corporate Office

Block - C, Sector - 45, Gurgaon - 122003, Haryana, India



Chemicals and Polymers Business: plants

Village & P.O. Jhiwana, Tehsil Tijara, Distt. Alwar - 301018
Rajasthan

Manali Industrial Area, Manali, Chennai - 600068, **Tamil Nadu**

Plot No. 14 C, Sector 9, IIE Pantnagar
Distt. Udham Singh Nagar - 263153, **Uttarakhand**

D III/ GIDC, PCPIR, GIDC, Phase II, Tal Vagra, Village Dahej
Distt. Bharuch - 392130, **Gujarat**

Technical Textiles Business: plants

Manali Industrial Area, Manali, Chennai - 600068, **Tamil Nadu**

Plot No. 1, SIPCOT Industrial Area Complex, Gummidipoondi
Distt. Thiruvallur - 601201, **Tamil Nadu**

Viralimalai, Distt. Pudukottai - 621316, **Tamil Nadu**

Industrial Area, Malanpur, Distt. Bhind - 477116
Madhya Pradesh

Plot No. 12, Rampura, Ramnagar Road, Kashipur
Distt. Udham Singh Nagar - 244713, **Uttarakhand**



Packaging Films Business: plants

Plot No. 12, Rampura, Ramnagar Road, Kashipur,
Distt. Udham Singh Nagar - 244713, **Uttarakhand**

Plot No. C 1-8, C 21-30, Sector 3, Indore Special Economic
Zone, Pithampur, Distt. Dhar - 454775, 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, (+91-124) 4354400

Fax: (+91-11) 26510428, (+91-124) 4354500

NOTICE

Notice is hereby given that the 45th Annual General Meeting of SRF Limited will be held on Monday, the August 8, 2016 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 March 31, 2016 along with the Reports of the Auditors' and Board of Directors' thereon.
2. To appoint a Director in place of **Dr Meenakshi Gopinath** (DIN 00295656), who retires by rotation and being eligible, offers herself 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 August 4, 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 from the conclusion of this meeting till the conclusion of 46th Annual General Meeting.”

Special Business

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

Re-appointment of **Mr Kartik Bharat Ram** (DIN-00008557) as Deputy 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 be and is hereby accorded for the reappointment of Mr Kartik Bharat Ram as Deputy Managing Director of the company on the terms, conditions and remuneration, including minimum remuneration as are hereinafter specifically given:-

Tenure

Five years with effect from June 1, 2016.

Functions

Mr Kartik Bharat Ram shall be responsible for Human Resources, Information Technology, Total Quality Management, Corporate Communication functions and other responsibilities as may be entrusted to him by the Chairman 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 Kartik 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 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 Kartik Bharat Ram shall be as decided by the Board/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 Kartik Bharat Ram as Deputy 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 Kartik 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 Kartik 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/Board be and is hereby authorised to recommend/decide from time to time the salary, perquisites and commission payable to Mr Kartik Bharat Ram during his tenure with effect from June 1, 2016 within the approved ceiling of remuneration, in accordance with the Nomination and Remuneration Policy.”

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

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

Ratification of Remuneration of Cost Auditors for financial year 2016-17

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, 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 March 31, 2017 as provided below, be and is hereby approved and ratified:

Name of Cost Auditor	Business	Remuneration payable
H Tara & Co. (Membership No. 17321)	Technical Textiles Business and Engineering Plastic Business	₹ 3.60 lakhs plus service tax and reimbursement of actual out of pocket expenses
Sanjay Gupta & Associates (Membership No. 18672)	Chemicals Business and Packaging Film Business	₹ 5.00 lakhs plus service tax and reimbursement of actual out of pocket expenses

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

Commission to Non-Executive Directors

“RESOLVED THAT pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and subject to such permissions as may be necessary, approval be and is hereby accorded to the payment of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of Sections 198 of the Companies Act, 2013, to some or any of the Directors of the Company other than the executive directors if any, in such manner and in all respects as the Nomination and Remuneration Committee and/or the Board of Directors may determine and that such payment be made in respect of profits of the Company for the whole or proportionately for a part of each of its financial years commencing from April 1, 2016.”

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

Offer or invitation to subscribe to Redeemable Non-Convertible Debentures of the Company on private placement

“RESOLVED THAT pursuant to the provisions of Sections 42 and any other applicable provisions, if any, 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 for all matters other than the one relating to the issue of the debentures) be and is hereby authorised to issue, offer or invite subscriptions for secured/unsecured redeemable non-convertible debentures (including commercial papers), 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, 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 including the power to sub-delegate all powers other than the one relating to the issue of debentures, 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)

President, CFO & Company

Secretary

Gurgaon, May 10, 2016

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 Monday, August 1, 2016 to Monday, August 8, 2016 (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 - 500 008, Telangana, the Registrar & Share Transfer Agent (RTA), quoting folio Nos. Members holding shares in electronic form may update such details with their respective Depository Participants.

In terms of Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) pertaining to (i) transfer of physical shares (ii) deletion of name of the deceased shareholder(s) where the

shares are held in the name of two or more shareholders (iii) transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares; and (iv) transposition of shares- when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders, of the listed companies, the transferor(s) and transferee(s) are requested to furnish copies of their Permanent Account Number (PAN) Cards, along with other requisite documents as required by the said regulation.

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 March 31, 2009, 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 August 6, 2015 (date of last Annual General Meeting) on the website of the Company (<http://www.srf.com/investor-relations/investors.html>), 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 dividends declared after April 1, 2009 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 Regulation 44 of the Listing Regulations the Company is pleased to provide remote e-voting facility to the members to exercise their right to vote by electronic means.
 - i) The Company has fixed Friday, July 29, 2016, as a cut-off date to record the entitlement of the shareholders to cast their vote electronically at the 45th Annual General Meeting (AGM) by electronic means under the Companies Act, 2013

and rules thereunder. Consequently the same cut-off date i.e. Friday, July 29, 2016 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 45th AGM on Monday, **August 8, 2016**.

- ii) The remote e-voting period commences on Friday, August 5, 2016 (10.00 AM IST) and ends on Sunday, August 7, 2016 (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, July 29, 2016, may cast their votes electronically. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
- iii) A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- iv) The members who have cast their votes through remote e-voting facility may also attend the general meeting but shall not be entitled to cast their vote again. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- v) The Company has appointed M/s Arvind Kohli & Associates, Company Secretaries to act as the Scrutinizer, for conducting the scrutiny of the votes cast in a fair and transparent manner.
- vi) The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

Procedure for remote e-voting

- (A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participant(s)]:
 - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e., "Name of the Company"
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email arvindkohli@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_Event No."

- (B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:
- i. E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the e-voting letter send along with the annual report.
 - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.
- (C) Voting at AGM: The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.
- A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

Other instructions

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr Kishore BV, (Unit: SRF Limited) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040 – 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
 - b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - c. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. Friday, July 29, 2016.
 - d. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., Friday, July 29, 2016, he/she may obtain the User ID and Password in the manner as mentioned below:
 - i. If the mobile number of the member is registered against Folio No./DP ID Client ID, the member may send SMS: MYEPWD<space>E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
- Example for NSDL**
MYEPWD <SPACE> IN12345612345678
- Example for CDSL**
MYEPWD <SPACE> 1402345612345678
- Example for Physical**
MYEPWD <SPACE> XXXX1234567890
- ii. If e-mail address or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - iii. Member may call Karvy's toll free number **1800-3454-001**
 - iv. Member may send an e-mail request to **evoting@karvy.com**. However, Karvy shall endeavor to send User ID and Password to those new Members whose mail ids are available.
 - e. The Scrutinizer shall after the conclusion of voting at the AGM, count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - f. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company (<http://www.srf.com/investor-relations/investors.html>) 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 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, as required to be provided under Listing Regulations and Secretarial Standard on General Meetings forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
 10. Electronic copy of the Annual Report along with Notice of 45th 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 45th Annual General Meeting and the Annual Report for 2015-16 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 and Sundays, 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:

By a resolution dated 25.07.2006, the shareholders had appointed **Mr Kartik Bharat Ram** as President & Executive Director of the Company for a period of five years with effect from June 1, 2006. Mr Kartik Bharat Ram was re-designated as Deputy Managing Director w.e.f. January 1, 2007.

The existing tenure of Mr Kartik Bharat Ram continues upto May 31, 2016.

At its meeting held on February 8, 2016, the Board of Directors had re-appointed Mr Kartik Bharat Ram as Deputy Managing Director of the company for a further period of 5 years with effect from June 1, 2016. Members' approval is sought to the 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 Regulations and Secretarial Standards on General Meetings is given below:

Mr Kartik Bharat Ram (45) holds a Masters' degree in Business Administration on Corporate Strategy from Cornell University, USA and has 22 years working experience in senior positions including in the Company's international subsidiaries.

Mr Kartik Bharat Ram has no shareholding in the Company. Mr Kartik Bharat Ram is a member of the Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Committee of Directors- Financial Resources.

Directorships in other public companies	Committee Membership
KAMA Holdings Limited	- Committee of Directors – Financial Resources - Stakeholders Relationship 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. 5

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 March 31, 2017 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 for approval by the members.

Item No. 6

By a Special resolution passed on July 28, 2011, the members had authorised the payment of a sum upto 1% of the net profits of the Company, calculated in accordance with Sections 198, 349 and 350 of the Companies Act, 1956 in respect of each of the five financial years commencing from April 1, 2011, to some or any of the Directors other than the Managing or Whole-time Directors as the Board may determine.

Approval of the shareholders is being sought for a fresh authorisation in favour of the Board for payment of commission at the same rate commencing from the financial years beginning April 1, 2016.

The proposed resolution is in accordance with Section 197 of the Companies Act, 2013 and the Articles of Association of the Company. Payment of commission shall be in respect of the whole or part of each of the financial years commencing from April 1, 2016, in proportion to their period of appointment during the year.

Except Non-Executive Directors, 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. 6 of the Notice for approval of the members.

Item No. 7

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. 7 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. 7 of the Notice for approval of the members.

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

Re-appointment of Dr Meenakshi Gopinath (Item No. 2)

Dr Meenakshi Gopinath (66) was appointed as Director (CSR) liable to retire by rotation at the 44th Annual General Meeting on 06.08.2015.

In compliance with Section 152 of the Companies Act, 2013, Dr Meenakshi Gopinath shall, retire at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment. Accordingly, the Board recommends her re-appointment.

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.

Re-appointment of Mr Kartik Bharat Ram as Deputy Managing Director (Item No. 4)

For the details of **Mr Kartik Bharat Ram** please refer to the above explanatory statement in respect of special business set out at Item No. 4.

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.

Route map of the venue of 45th Annual General Meeting of SRF Limited to be held on Monday, August 8, 2016 at 3.30 p.m. at the Laxmi Pat Singhania Auditorium, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110 016





BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 45th Annual Report for the year ended March 31, 2016.

Financial Results

(₹ in crores)

	2015-16	2014-15
Net Revenue from Operations	3646.82	3613.99
Profit Before Interest, Depreciation & Tax (PBIDT)	837.26	701.62
Less: Interest & Finance Charges (Net)	89.04	96.66
Gross Profit	748.22	604.96
Less: Depreciation and amortisation charge	250.77	208.85
Profit Before Tax (PBT)	497.45	396.11
Less: Provision For Taxation including Deferred Tax Charge	136.58	88.38
Profit After Taxation (PAT)	360.87	307.73
Add: Profit Brought Forward	1557.28	1323.75
Surplus available for appropriation	1918.15	1631.48

Appropriation

(₹ in crores)

	2015-16	2014-15
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	11.69	10.62
Amount transfer to General Reserve	-	-
Amount transferred to Debenture Redemption Reserve	50.00	-
Profit carried to Balance Sheet	1799.04	1557.28
Total	1918.15	1631.48

Equity Dividend

During the year, your Company has paid two interim dividends of ₹ 5 per share each aggregating to ₹ 10 per share, amounting to ₹ 69.11 crores (inclusive of taxes). The Board of Directors of the Company has not recommended any final dividend.

Operations Review

Net revenue from operations of the Company on standalone basis increased marginally by 0.91 per cent from ₹ 3613.99 crores in 2014-15 to ₹ 3646.82 crores in 2015-16. Mainly due to decrease in cost of materials consumed, Profit before interest, depreciation and tax (PBIDT) including 'other income' on a standalone basis increased from ₹ 701.62 crores in 2014-15 to ₹ 837.26 crores in 2015-16.

Profit before tax (PBT) on a standalone basis increased by 25.58 per cent from ₹ 396.11 crores in 2014-15 to ₹ 497.45 crores in 2015-16. After accounting for the provision for taxation of ₹ 136.58 crores, Profit after tax (PAT) on a standalone basis increased by 17.27 per cent from ₹ 307.73 crores in 2014-15 to ₹ 360.87 crores in 2015-16.

Management Discussion and 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, no subsidiaries were divested and 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/investor-relations/investors.html#governance>.

Directors

Your Directors are seeking re-appointment of **Mr Kartik Bharat Ram**, Deputy Managing Director for a fresh term of 5 years effective from June 1, 2016.

Dr Meenakshi Gopinath, Director (CSR) is retiring at the forthcoming annual general meeting and being eligible offers herself for re-election.

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

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

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria

of independence as prescribed both under the Act and Listing Regulation.

In accordance with the requirements of the Act and the Listing Regulation, the Company has formulated a Nomination, Appointment and Remuneration Policy. A copy of the Policy forms 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 Regulations, fulfilment of its role with respect to guiding corporate strategy, risk policy, business plans, corporate performance, monitoring company's governance practices etc. and number of meetings held during the year and the performance of its Committees on the criteria like fulfilment of role of the Committee with reference to its terms of reference, the Companies Act and the Listing Regulations and the number of committee meetings held during the year.

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/investor-relations/investors.html#governance>.

Key Managerial Personnel

During the year Mr Rajendra Prasad, President & CFO retired from the services of the Company after serving the Company for 10 years. Mr Anoop K Joshi was appointed in his place as President, CFO & Company Secretary w.e.f. April 1, 2016.

Meetings of the Board

During the year 2015-16, four meetings of the Board of Directors were held. For further details, please refer to report on Corporate Governance on page no. 58 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 referred to in sub-section (1) of Section 188 of the Companies Act, 2013 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 46 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/investor-relations/investors.html#governance>.

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

During the year, the Company has spent ₹ 8.75 crores on CSR activities. The amount of CSR obligation under the Companies Act, 2013 was ₹ 6.50 crores. Annual Report on CSR activities is 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
- policies and procedures adopted for ensuring orderly Financial Reporting
- timely preparation of reliable Financial Information
- accuracy and completeness of the Accounting Records

- ensuring legal and regulatory compliance
- protecting company's assets
- prevention and detection of fraud and error
- validation of IT Security Controls
- Entity Level Controls

Interrelated control systems, covering all financial and operating functions, assure fulfilment 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 CSA comprises Automated and Manual Controls. CSA Assurance Testing completes the control compliance loop. 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 BSE 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 regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Report as Annexure IV.

In compliance with the requirements of the regulation 17(8) of the aforesaid regulations, a certificate from Managing Director and President, CFO & Company Secretary 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

The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") and form part of the Annual Report and Accounts.

Audit Committee

The Audit Committee comprises of Independent Directors namely Mr 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 of provisions of the Companies Act, 2013 and Listing Regulations the company has established a vigil mechanism for directors, employees and other stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct.

The Vigil mechanism of the Company consists of Code of Conduct for employees, Policy against sexual harassment, Whistleblower Policy, Code of Conduct to Regulate, Monitor

and Report Trading by Insiders and Code of Conduct for Directors and Senior 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 Senior Management Personnel can be accessed on the Company's website at the link <http://www.srf.com/investor-relations/investors.html#governance>.

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.

H Tara & Co., Cost Accountant, was appointed to conduct cost audit of the accounts maintained by the Company for the financial year 2016-17 in respect of all the relevant product groups of Technical Textiles Business and Engineering Plastics Business of the Company.

Sanjay Gupta & Associates, Cost Accountant, was appointed to conduct cost audit of the accounts maintained by the Company for the financial year 2016-17 in respect of all the relevant product groups of Chemicals Business and Packaging Films Business of the Company.

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

The remuneration of the cost auditors for 2016-17 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 2014-15, conducted by Mr Harkesh Tara, Cost Accountant (M. No. 17321) and M/s Sanjay Gupta & Associates, Cost Accountants (M. No. 18672), have been filed with the Ministry of Corporate Affairs on September 15, 2015. The due date for filing was September 27, 2015.

Secretarial Auditor

The Board has appointed M/s Sanjay Grover & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 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 August 14, 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 March 31, 2016).

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 to this report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the President, CFO & Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is available on the Company's website "www.srf.com".

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 requirement 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: May 10, 2016

Place: Gurgaon

Arun Bharat Ram

Chairman

(DIN - 00694766)

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 statements of subsidiaries/associate companies/joint ventures

Part A: Indian Subsidiaries

S. No.	Particulars	SRF Holiday Home Limited	SRF Energy Limited	SRF Fluorochemicals Limited
		(₹ in crores)	(₹ in crores)	(₹ in crores)
(a)	Reporting Period	1 April 2015 to 31 March 2016	1 April 2015 to 23 April 2015	1 April 2015 to 23 April 2015
(b)	Reporting Currency	INR	INR	INR
(c)	Exchange Rate as on 31.3.16	-	-	-
(d)	Share Capital	4.00	0.05	0.05
(e)	Reserves and Surplus	(0.07)	(0.05)	(0.05)
(f)	Total Assets	3.93	-	-
(g)	Total Liabilities	-	-	-
(h)	Investment	-	-	-
(i)	Turnover	-	-	-
(j)	Profit/(Loss) Before Taxation	(0.01)	-	-
(k)	Add/(Less): Provision for Taxation	-	-	-
(l)	Profit/(Loss) After Taxation	(0.01)	-	-
(m)	Proposed Dividend	-	-	-
(n)	% of shareholding	100%	-	-

SRF Energy Limited and SRF Fluorochemicals Limited were dissolved during the year.

Foreign Subsidiaries

S. No.	Particulars	SRF Global BV#		SRF Flexipak (South Africa)(Pty) Limited#	
		USD	(₹ in crores)	Rand	(₹ in crores)
				(subsidiary of SRF Global BV)	
(a)	Reporting Period	1 April 2015 to 31 March 2016		1 April 2015 to 31 March 2016	
(b)	Reporting Currency	USD		Rand	
(c)	Exchange Rate as on 31.3.16	66.14		4.489	
(d)	Share Capital	18315664	121.14	100	-
(e)	Reserves and Surplus	(4233000)	(28.00)	(135771735)	(60.95)
(f)	Total Assets	84200000	556.90	840403836	377.26
(g)	Total Liabilities	70118000	463.76	976175471	438.21
(h)	Investment	*	*	-	-
(i)	Turnover	1015000	6.71	727913038	326.76
(j)	Profit/(Loss) Before Taxation	(3078000)	(20.36)	(2794291)	(1.25)
(k)	Add/(Less): Provision for Taxation	-	-	(8488773)	(3.81)
(l)	Profit/(Loss) After Taxation	(3078000)	(20.36)	5694482	2.56
(m)	Proposed Dividend	-	-	-	-
(n)	% of shareholding	100%		100%	

* Investment in subsidiary USD 30091805 (Equivalent to ₹ 199.03 crores)

S. No.	Particulars	SRF Overseas Limited# (subsidiary of SRF Global BV)		SRF Industries (Thailand) Limited# (subsidiary of SRF Global BV)	
		AED	(₹ in crores)	Baht	(₹ in crores)
(a)	Reporting Period	1 April 2015 to 31 March 2016		1 April 2015 to 31 March 2016	
(b)	Reporting Currency	AED		THB	
(c)	Exchange Rate as on 31.3.16	18.012		1.882	
(d)	Share Capital	84049966	151.39	100000000	18.82
(e)	Reserves and Surplus	(48092646)	(86.62)	215138000	40.49
(f)	Total Assets	35957320	64.77	3228686000	607.64
(g)	Total Liabilities	-	-	2913538000	548.33
(h)	Investment	-	-	-	-
(i)	Turnover	1018294	1.83	3091016000	581.73
(j)	Profit/(Loss) Before Taxation	997143	1.80	252279000	47.48
(k)	Add/(Less): Provision for Taxation	-	-	(2309000)	(0.43)
(l)	Profit/(Loss) After Taxation	997143	1.80	254588000	47.91
(m)	Proposed Dividend	-	-	-	-
(n)	% of shareholding	100%		100%	

S. No.	Particulars	SRF Industex Belting (Pty) Limited# (subsidiary of SRF Global BV)	
		Rand	(₹ in crores)
(a)	Reporting Period	1 April 2015 to 31 March 2016	
(b)	Reporting Currency	Rand	
(c)	Exchange Rate as on 31.3.16	4.489	
(d)	Share Capital	13320202	5.98
(e)	Reserves and Surplus	2530904	1.14
(f)	Total Assets	91041090	40.87
(g)	Total Liabilities	75189984	33.75
(h)	Investment	-	-
(i)	Turnover	139345723	62.55
(j)	Profit/(Loss) Before Taxation	(26167482)	(11.75)
(k)	Add/(Less): Provision for Taxation	(1351920)	(0.61)
(l)	Profit/(Loss) After Taxation	(24815563)	(11.14)
(m)	Proposed Dividend	-	-
(n)	% of shareholding	100%	

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

(i) 1 AED = ₹ 18.012

(ii) 1 USD = ₹ 66.140

(iii) 1 Baht = ₹ 1.882

(iv) 1 Rand = ₹ 4.489

Part B: Associate and Joint Ventures

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

(₹ in crores)

Name of Associate Companies/Joint Ventures	Malanpur Captive Power Ltd.	Vaayu Renewable Energy (Tapti) Pvt. Ltd.
1. Latest audited Balance Sheet Date	31.3.2015	31.3.2015
2. Shares of Associate Companies held by the Company on the year end	4.22	0.05
Number of shares	4221535	50000
Amount of Investment in Associate Companies	4.22	0.05
Extent of Holding (%)	22.60%	26.32%
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 company is not consolidated	*	*
5. Net worth attributable to Shareholding as per the latest audited Balance Sheet	4.88	5.83
6. Profit/Loss for the year		
i) Considered in Consolidation	Nil	Nil
ii) Not considered in Consolidation	(0.89)	3.23

The Company has no Joint Venture.

* 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 above associate companies are engaged in operations. No associate company 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)

Anoop K Joshi
President, CFO & Company
Secretary

Place: **Gurgaon**

Date: **10 May 2016**

Annexure II to BOARD'S REPORT

NOMINATION, APPOINTMENT AND REMUNERATION POLICY

A. Introduction

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

B. Definitions

Directors:	Directors (other than 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.
Other Employees	Employees other than Key Managerial Personnel, Senior Management Personnel and Functional Heads.

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 9th May, 2014 reconstituted the existing Remuneration Committee of Directors as "Nomination and Remuneration Committee" of Directors (the Committee). The terms of reference the Committee are as follows:-

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

- Formulation of criteria for making payment to non-executive Directors

D. Criteria for recommending a person to become Director

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

1. Qualification & Experience

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

2. Attributes/Qualities

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

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

- Effective review and challenge to the performance of management
3. In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as Independent Director as per the provisions of the Act, Listing Regulations and other applicable laws and regulations.
 4. The incumbent should not be disqualified for appointment as a Director pursuant to the provisions of the Act or other applicable laws & regulations.

E. Directors' Remuneration

The Committee will approve the fixed remuneration to Executive Directors subject to the provisions of the Act, Listing Regulations 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. The Committee/Board shall inter alia, consider level of remuneration/ commission payable by other comparable companies, time devoted, experience, providing guidance on strategic matters and such other factors as it may deem fit.

F. Evaluation

The Committee will review the performance of Directors as per the structure of performance evaluation. (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 Functional Heads and Other Employees

The eligibility criteria for appointment of Key Managerial Personnel, Senior Management Personnel, Functional Heads and Other Employees 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.

Remuneration Structure

i) Key Managerial Personnel, Senior Management Personnel, Functional Heads

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.

ii) Other Employees

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

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

The annual increments to the remuneration paid to the employees shall be determined based on the appraisal carried out by the respective reporting managers/HODs of various departments as ratified by Business Leadership Teams/Corporate Leadership Team (as applicable). Decision on Annual Increments shall be made on the basis of this appraisal. The remuneration would be benchmarked intermittently with a basket of identified companies comparable to SRF.

At the same time, the increments are largely fixed for Bands. In case, a specific correction is to be brought about for a particular employee or group of employees, rationalization on a one time basis may also be carried out.

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

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

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

Annexure - I

Performance Evaluation of Executive Directors

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)
1.	Attendance and participation in meetings of the Board of Directors and of the Board Committees	
2.	Advices 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 (Remarks)	

Name of Director :

Signature :

Date & Place :

Annexure - II

Performance Evaluation of Independent Directors/Non-Executive Directors

Name of Director :

Type of Directorship : Independent Director/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)
1.	Attendance and participation in meetings of the Board of Directors and of the Board Committees	
2.	Advices on implementation of good corporate governance practices	
3.	Independent in judgement and actions	
4.	Exercised his/her duties with due & reasonable care, skill and diligence	
5.	Acted in good faith and in the best interests of the Company towards promotion of interest of the stakeholders	
6.	Conduct in compliance with the policies of the Company viz. Code of Conduct, Code of Conduct for Prevention of Insider Trading, Whistleblower Policy etc.)	
	Overall Performance (Remarks)	

Name of Director:

Signature:

Date & Place:

Annual Report on CSR for the financial year ended March 31, 2016

- 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 are posted on Company's website at <http://www.srf.com/investor-relations/investors.html#governance>.

- 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

Net profit for the year:

- 2014-15: ₹ 373.55 crores
- 2013-14: ₹ 272.22 crores
- 2012-13: ₹ 329.62 crores

Average Net Profit for last three financial years: ₹ 325.13 crores

2% of Average Net Profit: ₹ 6.50 crores

- 4) Prescribed CSR Expenditure: ₹ 6.50 crores
- 5) Details of CSR Spent during the Financial Year
- a. Total Amount to be spent for the financial year: ₹ 6.50 crores
 - b. Amount spent: ₹ 8.75 crores

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

(₹ in crores)

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 2015-16	Amount spent Direct or through implementing agency
1.	School Education	Cl. (ii) Promoting Education	Local Area Mewat (Haryana); Udham Singh Nagar, (Uttarakhand); Dhar, Gwalior (Madhya Pradesh); Bhiwadi (Rajasthan); Bharuch (Gujarat); Pudukottai, Chennai and Thiruvallur (Tamil Nadu)	7.46	7.47	7.47	Implementation Agency – SRF Foundation
2.	Natural Resource Management	Cl. (iv) Ensuring Environmental Sustainability	Local Area Bhiwadi (Rajasthan)	1.19	1.17	1.17	Implementation Agency – SRF Foundation
3.	CSR Capacity Building & Overheads			0.10	0.11	0.11	
Total				8.75	8.75	8.75	

Details of Implementing Agency

SRF Foundation

Year of Establishment: 1982

Founder: SRF Ltd.

Director: Dr Y Suresh Reddy

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)

Place: **Gurgaon**

Date: **10 May 2016**

Independent Auditor's Certificate on Corporate Governance**To the Members of SRF LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by **SRF Limited** ("the Company"), for the year ended on March 31, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm's Registration No. 015125N)

Vijay Agarwal

(Partner)
(Membership No. 094468)

GURGAON, MAY 10, 2016

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016****[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) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

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

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (applicable up to 14th May, 2015)/The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective w.e.f. 15th May, 2015)
- (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- (d) *The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014
- (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and
- (i) The Securities and Exchange Board of India (Listing obligations and Disclosures requirements) Regulations, 2015 (applicable w.e.f. 1st December, 2015)

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

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

- (i) Secretarial Standard on Meetings of the Board of Directors and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India and made effective w.e.f. 1st July, 2015
- (ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited (applicable upto November 30, 2015)

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

(vi) The Company is engaged in manufacturing of:

- **Chemicals and Polymers** plants located at Alwar, Rajasthan; Manali, Tamil Nadu; 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 Singh Nagar, 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 Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors of 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, shareholders of the Company in their Annual General Meeting held on 6 August 2015 approved the issue of redeemable unsecured non- convertible debentures on private placement basis upto the amount of ₹ 2,000 crores.

For **Sanjay Grover & Associates**

Company Secretaries

Firm Registration No.: P2001DE052900

Managing Partner

CP No. 3850

Date: **10 May 2016**

Place: **New Delhi**

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	Age	Designation	Remu. (₹ in crores)	Qualification	Exp. (In Years)	DOJ - SRF Ltd.	Last Employment
1	Arun Bharat Ram	75	Chairman	4.63	B.Sc (Incl Engg)	49	1-Apr-71	DCM Ltd
2	Ashish Bharat Ram	47	Managing Director	4.10	MBA	25	2-Sep-02	SRF Overseas Ltd
3	Kartik Bharat Ram	44	Deputy Managing Director	3.91	MBA	22	5-Jul-93	NA
4	Rajdeep Anand	64	President, Chemicals Technology Group	2.37	B.Tech	44	29-Mar-93	Chem Aides
5	Sushil Kapoor	56	President & CEO (TTB)	2.34	B.Tech	33	1-Jul-82	NA
6	Rajendra Prasad	58	President & CFO	1.78	CA, DISA, CISA (USA)	34	20-Mar-06	American Express Bank
7	Prashant Yadav	46	President & CEO (EP & FCB)	1.50	PGCBM/MBA & B.Tech	24	21-Mar-94	Sytherics & Chemicals Ltd.
8	Prashant Mehra	44	President & CEO (PFB)	1.50	B.E. & MBA	20	7-Mar-96	NA
9	Anurag Jain	44	President & CEO (SCB)	1.50	B. Tech & EPBM/ MBA	23	16-Sep-94	NA
10	Sekar Venkataraman	58	Senior Vice President, Operations	1.25	B. Sc., B.Tech	35	18-Jan-96	TyreCORD Fabric Limited
11	Anoop K Joshi	56	President & Company Secretary	1.13	FCA, FCS	32	10-Feb-86	Dass Gupta & Co.
12	Sanjay Chatrath	52	President and CEO (TCF)	1.10	B.Tech	30	7-Jun-85	NA
13	Ajay Chowdhury	49	President & CHRO	0.95	PGDM/MBA	29	8-Feb-10	Benifys HR Solutions
14	Deb Bhattacharya	51	Senior Vice President & Business Head, IYB & BF (India Operations)	0.86	B.Tech	29	18-Sep-95	Ceat Limited
15	Sanjay Rao	45	Senior Vice President, Corporate IT	0.82	B. Tech	22	27-Mar-95	Shriram Fertilizers & Chemicals Limited
16	Rajeev Marwah	57	Senior Vice President & Head of Works	0.77	B.Tech	35	2-Aug-06	Siel Chemical Complex
17	Rahul Jain	41	Senior Vice President, Corporate Controller and Treasurer	0.74	CA	17	1-Dec-08	Jubilant Organosys Limited

S. No.	Name	Age	Designation	Remu. (₹ in crores)	Qualification	Exp. (In Years)	DOJ - SRF Ltd.	Last Employment
18	Hari Kishore Singh	45	Senior Vice President, Works & Projects	0.73	B.Tech, MBA	22	7-Apr-94	NA
19	Dr Rahul Saxena	52	Chief Scientific Officer	0.73	Phd/Doctorate	27	27-Dec-07	Ind-Swift Laboratories Ltd.
20	Sanjiv Suresh Tipnis	57	Senior Vice President, Operations	0.72	B.Tech	35	1-Jul-13	General Blade Technology Pvt. Ltd.
21	Viney K Dua	59	Head - Special Projects	0.68	B.Com	38	1-Sep-80	D.S.I.D.C. Limited
22	Kapil Kumar	45	Chief Scientific Officer	0.62	M.Tech	20	12-Feb-96	NA
23	Sanjay N Mathur	52	Senior Vice President, Sales and Marketing, Fluorochemicals	0.61	PGDM / MBA	29	5-Jun-95	STC of India Ltd.
24	Sarathy Iyengar	58	Head Exploratory Research	0.60	MSc, PhD	33	17-Mar-90	Britannia India Limited

Notes: 1. Remuneration comprises salary, bonus, allowances, perquisites, commission paid and Company's contribution to Provident Fund, Superannuation Fund and gratuity 2. All appointments are contractual in nature 3. There are no employees in the services of the Company within the category covered by Section 197(12) 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 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2015-16 (₹ in crores)	% increase in Remuneration in the Financial Year 2015-16	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	4.63	3.3%	152.20	Profit after tax increased by 17.27% in the financial year 2015-16.
2.	Mr Ashish Bharat Ram Managing Director	4.10	9.0%	135.00	
3.	Mr Kartik Bharat Ram Deputy Managing Director	3.91	8.9%	128.80	
4.	Mr K Ravichandra Director (Safety & Environment)	0.10	4.1%	3.30	
5.	Dr Meenakshi Gopinath Director (CSR)	0.15	127.0%*	5.00	
6.	Mr Vinayak Chatterjee Non-Executive Director	0.12	29.2%	4.10	
7.	Mr Tejpreet S Chopra Non-Executive Director	0.11	21.8%	3.50	
8.	Mr L Lakshman Non-Executive Director	0.11	21.3%	3.60	
9.	Mr Vellayan Subbiah Non-Executive Director	0.11	26.4%	3.60	
10.	Mr Pramod Bhasin Non-Executive Director	0.09	13.2%	2.80	

S. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2015-16 (₹ in crores)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
11.	Mr Sushil Kapoor President & CEO (Technical Textiles Business)	2.33	9.7%	Not Applicable	Profit after tax increased by 17.27% in the financial year 2015-16.
12.	Mr Prashant Mehra President & CEO (Packaging Films Business)	1.50	26.9%	Not Applicable	
13.	Mr Prashant Yadav President & CEO (Fluorochemicals and Engineering Plastics Business)	1.50	29.8%	Not Applicable	
14.	Mr Anurag Jain President & CEO (Speciality Chemicals Business)	1.50	27.3%	Not Applicable	
15.	Mr Rajendra Prasad President & CFO#	1.78	11.9%	Not Applicable	
16.	Mr Anoop Joshi President, CFO & Company Secretary	1.12	25.0%	Not Applicable	

* Dr Meenakshi Gopinath, Director (CSR) was appointed w.e.f October 28, 2014. The %age increase in her remuneration is due to remuneration paid for full year for 2015-16 as compared to the period from October 28, 2014 to March 31, 2015 during 2014-15.

Mr Rajendra Prasad superannuated from the services of the Company on 31st March, 2016.

- (ii) The median remuneration of employees of the Company as on 31st March, 2016 was ₹ 0.030 crores as compared to ₹ 0.028 crores. The increase in median remuneration was 5.43% as compared to 2014-15.
- (iii) There were 5,346 permanent employees on the rolls of the Company as on March 31, 2016.
- (iv) Relationship between average increase in remuneration and company performance:
Average increase in remuneration of employees was 7% as compared to the increase in profit after tax by 17.27%.
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 11.9% as compared to the increase in profit after tax by 17.27%.
- (vi) a) Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2016 was ₹ 7511 crores as against the market capitalisation of ₹ 5685 crores as on March 31, 2015.
- b) Price Earnings Ratio of the Company was ₹ 20.82 as at March 31, 2016 and was ₹ 18.47 as at March 31, 2015.
- 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 March 31, 2016 was ₹ 1308.45 and ₹ 1305.85 respectively, representing a 12985% (NSE) increase over the IPO price not considering the bonuses, rights and shares issued pursuant to amalgamation/demerger schemes.

(viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was as follows:

Category	Average Increase
Employees' remuneration (other than Directors)	6.92%
Managerial remuneration (Directors)	8.00%

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

- (ix) Key parameters for any variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Nomination, Appointment and Remuneration Policy of the Company
- (x) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the financial year 2015-16- Not applicable and
- (xi) It is hereby affirmed that the remuneration paid is as per the Nomination, Appointment and Remuneration Policy of the Company

Annexure VIII to the Board's Report

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy

a) Technical Textiles Business, Kashipur

- Saving of 30 Tons of FO/annum by installing oxygen gas analyzer to optimize combustion in thermic fluid heater & centrifugal FO cleaning system to minimize interruption & clinker formation.
- Saving of 30650 Kwh/annum by installing VFD in chilled water circulation pump. VFD eliminates throttling losses & necessity to operate additional pump during peak loads.
- Saving of 25920 Kwh/annum by replacing damper controlled excess air with VFD controlled FD fan in thermic fluid heater modulation system.
- Saving of 112320 Kwh/annum through 40 KW heat load eradication from the fuel heating for TFH by replacing electric heating with thermic fluid heating.

b) Technical Textiles Business, Manali

- Revamping of biomass boiler bag filter assembly to improve biomass boiler performance and to reduce furnace oil consumption by 105MT in 3 months.
- Installation of efficiency monitoring and control system in biomass boiler to improve evaporation ratio of boiler – Husk consumption reduction by 206MT in 2 months.
- Saving of 30000 Kwh/month by introduction of close circuit for 3B air washer system by installing heat exchanger.
- Saving of 6250 Kwh/annum by installing auto doors in textile hall.
- Saving of 57684 Kwh/annum by installing improved efficiency motors (IE3) in DYT in MTP:1.
- Saving of 25450 Kwh/annum by installing variable speed drive in process water pump with closed loop pressure feedback.
- Saving of 11052 Kwh/annum by replacement of TL 8 fluorescent lamp fitting into LED lights in textile and AQ labs.
- Saving of 6200 Kwh/annum by installing presence detector in automatic doors in dipping section.

c) Technical Textiles Business, Viralimalai

- Savings of 648 units/month by replacing the existing fluorescent type light fitting with energy efficient LED light fitting which resulted in cost savings of ₹ 0.0051 crores per annum.

- b) Savings of 950 units/month by installation of auto switching-off for the PGW loom main motor during machine idle condition which resulted in cost savings of ₹ 0.0075 crores per annum.
- c) Savings of 580 units/month by optimization of Dornier loom main motor capacity from 6KW to 3.7 KW which resulted in cost savings of ₹ 0.0045 crores per annum.

d) Technical Textiles Business, Gwalior

- a) Saving in consumption of coal of 547 MT/annum due to improved coal boiler efficiency (coal consumption/kg of steam generation was reduced from 0.217 to 0.209 kg/kg steam).
- b) Saving in consumption of furnace oil of 263 KL/annum by reduction in furnace oil consumption during peak loading at oil fired boiler.
- c) Power conservation
 - Saving of 58000 Kwh/annum by reduction in refrigeration through reducing air conditioning losses
 - Saving of 16000 Kwh/annum by replacement of air handling units(AHU) with energy efficient blower/AHU
 - Saving of 54000 Kwh/annum by installation of inverter at cooling tower fans.
 - Saving of 50000 Kwh/annum through providing agitator and blower at water treatment plant replacing the compressed air usage
 - Saving of ₹ 0.81 crores/annum through power trading from IEX.
 - Saving of ₹ 0.172 crores kwh/annum by modernization of textile process

e) Technical Textiles Business, Gummidipoondi

- a) Saving of 81000 Kwh/annum of power through optimization of LT air compressors operation resulting in saving of ₹ 0.053 crores.
- b) Saving of 72219 Kwh/annum of power through optimization of chiller operation resulting in saving of ₹ 0.0473 crores.
- c) Saving of 28944 Kwh/annum by replacing the DM water pump with lower capacity energy efficient pump resulting in saving of ₹ 0.019 crores.
- d) Saving of 69767 Kwh/annum by stopping one no T/UP return air fan resulting in saving of ₹ 0.0456 crores.
- e) Saving of ₹ 0.0332 crores by utilizing the furnace oil sludge in boiler.
- f) Saving of ₹ 2.052 crores by operating the DG sets for power generation by use of furnace oil during the period of drop in the price of furnace oil.
- g) Saving of 151000 Kwh/annum from implementation of LED lights resulting in saving of ₹ 0.0986 crores.

f) Packaging Films Business, Indore

- a) Saving of 588000 Kwh/annum by converting oil tempering units (3 Nos) from electrical heating to thermic fluid heating.
- b) Saving of 168000 Kwh/annum by replacing of cutter motor of 200 KW with 160 KW.
- c) Saving of 92330 Kwh/annum by modification in holography machine embossing sections.
- d) Saving of 16352 Kwh/annum by replacing compact fluorescent light (CFL) with light emitting diode (LED) in different sections of plant.

g) Packaging Films Business, Kashipur

- a) Saving of 432000 Kwh/annum by optimizing of chiller and air handling unit in winter season.
- b) Saving of 109728 Kwh/annum by stopping transverse direction orientor exhaust blower.
- c) Saving of 35424 Kwh/annum by replacing secondary slitter trim blower motor from 7.5 KW to 4.2 KW.
- d) Saving of 25920 Kwh/annum by optimizing of dryer and crystallizer blower at 45-48 Hz from 50 Hz.
- e) Saving of 18000 Kwh/annum by providing individual switches of plant lighting.

- f) Saving of 17280 Kwh/annum by providing level switch at feeding hopper.
- g) Saving of 10368 Kwh/annum by replacing motor of Trim cutter from 18 KW to 15 KW.

h) Chemicals Business, Bhiwadi

- a) Saving of 75 kL HSD by installing FO burners in HOG-2&3 of P2-P3 plants.
- b) Saving of 26000 Kwh/month by installing Variable frequency drives.
- c) Saving of 460000 Kwh/annum by Screw compressor installation in CMS Plant.
- d) Saving of 69000 Kwh/annum by installing LED lights.
- e) Saving of 165000 Kwh/annum by changing designs of equipment in P10 Plant.
- f) Saving of 775 MT/annum by recovering steam trap condensate.

i) Chemicals Business, Dahej

- a) Saving of 143000 units/annum due to change in conventional lights to low energy LED lights.
- b) Saving of 42000 units/annum due to cooling tower fan automation:

j) Engineering Plastics Business, Pantnagar

- a) Savings of 5,38,915 Kwh/annum by replacing old conventional compressor of 600 CFM.

ii) the steps taken by the company for utilizing alternate sources of energy

a) Technical Textiles Business, Gummidipoondi

- a) During FY 15-16, 19340000 Kwh was purchased from the windmills owned by Vaayu Renewable Energy (Tapti) Pvt. Ltd.

iii) the capital investment on energy conservation equipment

a) Technical Textiles Business, Manali

Description of Asset	Amount (₹ in crores)
Energy efficient Motors - DYT	0.06
Speed Variation Cheese Winder - MTP	0.06
Efficiency improvement of biomass boiler - efficiency monitor	0.17
Automatic sliding doors - Textile	0.06
Total	0.35

b) Technical Textiles Business, Gwalior

Description of Asset	Amount (₹ in crores)
VFD for Process cooling tower fan	0.023
Replacement of air handling units(AHU) with energy efficient blower/AHU	0.075
Total	0.098

c) Technical Textiles Business, Gummidipoondi

Description of Asset	Amount (₹ in crores)
Automatic door for PIY corridor	0.0185
Total	0.0185

d) Packaging Films Business, Indore & Kashipur

Description of Asset	Amount (₹ in crores)
Replacing 445 TR Vapour Compressor with Vapour Absorption Machine	0.49
Cooling Tower for 1500 KVA DG	0.05
Conversion of 3 oil tempering units from electric heating to thermic fluid heating	0.05
Modification in Holography machine embossing sections (motor can be stopped during PVDC run)	0.003
Replacement of CFL lights with LED lights	0.006
Replacement of cutter motor from 200 KW to 160 KW	0.02
Total	0.619

e) Chemicals Business, Bhiwadi

Description of Asset	Amount (₹ in crores)
Installation of FO Burners for HOG2 and HOG3	0.33
Installation of variable frequency drive	0.084
Installation of screw compressor	0.25
Total	0.664

f) Engineering Plastics Business, Pantnagar

Description of Asset	Amount (₹ in crores)
Energy saver air compressor introduced (134CFM) (with 1 spare)	0.08
Total	0.08

(B) Technology Absorption

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

The R&D team of Chemicals Business is engaged in the development of new products and process technologies for the Specialty Chemicals Businesses. The key focus has been on development of intermediates for new Active Ingredients in Pharmaceutical & Agrochemical industries.

Utilizing synergetic efforts of chemists and engineers in the R&D facilities at Bhiwadi and Dahej and a state-of-the-art Pilot Plant facility, the endeavour is to continuously improve SRF's capabilities for process development, scale-up and commercialization of new chemistries. The technology team caters to increasingly complex customer requirements and shrinking timelines by continually improving people capability and in-depth understanding of chemical technologies, focusing on innovation, quality and productivity as the key drivers of success.

In order to develop new products and have a robust product funnel, the business will continue to invest in people and processes that drive R&D, and in production assets that help commercialise technology that drives its growth. SRF is now a trusted and preferred supplier to major pharmaceutical and agrochemical companies in India and abroad, and is recognized as a developer of quality processes based on patented technology.

The R&D centre of Technical Textiles Business is located at Manali, Chennai. Equipped with state-of-the-art Pilot facilities and sophisticated testing laboratories for evaluating Polymers, Fibers and Coated fabrics, R&D centre aims at maximising competitiveness of Technical Textiles Business through market oriented new product/technology development.

Many products have been developed by the R&D centre last year, out of which 4 Coated fabric variants have been commercialized along with 1 new Nylon-6 Polymer variant for Engineering Plastics application and a Polyester fabric for Tyre cords.

Apart from this, the R&D centre is also engaged with leading Academic and Research Institutes in India and abroad for various research projects.

Located in Manali, Chennai, the Research and Development Centre of Engineering Plastics Business has enabled the business to grow successfully by developing niche new products and leveraging our in-house technology and expertise. The Company is committed to strengthening our development and continue to invest in enhancing capabilities keeping the future market requirements in mind and strengthening the relationship with large Indian and global companies. The Company has also engaged global consultants towards this and developing new special products which will help the Company to grow faster in future.

- (ii) During 2014-15, the Company had acquired global DuPont HFC 134a Pharma Business with Brand name DYMELE from E. I. du Pont de Nemours and Company and received the technology and knowhow for setting up its own 'current Good Manufacturing Practices' (cGMP) facility for manufacturing HFC 134a Pharma grade in Dahej (Gujarat). The process of technology absorption is currently underway.
- (iii) the expenditure incurred on Research & Development

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Capital Expenditure	22.30	12.45
Revenue Expenditure	56.60	43.98
Total	78.90	56.43

C) Foreign Exchange Earnings and Outgo

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Foreign Exchange Earnings	1197.97	960.34
Foreign Exchange Outgo	1047.70	1055.82
Net Foreign Exchange Earnings	150.27	(95.48)



Annexure IX to the Board's Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[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
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 500 008 Tel No.: +91 040 6716 2222 Toll Free: 1800-345-4001 Fax No.: +91 2300 1153 E-mail: einward.ris@karvy.com
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY		
	All the business activities contributing 10% or more of the total turnover of the Company	As per Attachment A
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES		
		As per Attachment B
IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)		
i)	Category-wise Share Holding	As per Attachment C
ii)	Shareholding of Promoters	As per Attachment D
iii)	Change in Promoter's Shareholding	As per Attachment E
iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment G
V. INDEBTEDNESS		
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment H
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL		
i)	Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment I
ii)	Remuneration to other Directors	As per Attachment J
iii)	Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Attachment K
VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES		
		As per Attachment L

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	39.29%
2.	Chemicals and Polymers Business	201, 210	42.63%
3.	Packaging Films	222	18.08%

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name of Company	Address of Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	KAMA Holdings Ltd.	C-8, Commercial Complex, Safdarjung Development Area, New Delhi – 110 016	L92199DL2000PLC104779	Holding	52.33	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.	Malanpur Captive Power Ltd.	Thapar House, 124, Janpath, New Delhi – 110 001	U74909DL2005PLC131985	Associate	22.60	2(6)
9.	Vaayu Renewable Energy (Tapti) Private Limited	Harekrishna Presidency Society, North South Road No. 8, Vile Parle (West), Mumbai- 400 053	U40300MH2011PTC219995	Associate	26.32	2(6)

ATTACHMENT C

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i. Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the Year 01/04/2015				No. of Shares held at the end of the Year 31/03/2016				% Change during the Year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A) Promoter and Promoter Group										
(1) INDIAN										
(a)	Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Govt/State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	30075500	0	30075500	52.38	30076500	0	30076500	52.38	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total A(1)		30075500	0	30075500	52.38	30076500	0	30076500	52.38	0.00
(2) Foreign										
(a)	Individuals (NRIs/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	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
Total A = A(1)+A(2)		30075500	0	30075500	52.38	30076500	0	30076500	52.38	0.00
(B) Public Shareholding										
(1) Institutions										
(a)	Mutual Funds/UTI	6419492	4403	6423895	11.19	6408494	0	6408494	11.16	0.03
(b)	Financial Institutions/ Banks	67013	6126	73139	0.13	30715	10529	41244	0.07	0.06
(c)	Central Govt/State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	646272	200	646472	1.13	464710	200	464910	0.81	0.32
(f)	Foreign Institutional Investors	8149780	0	8149780	14.19	9278800	0	9278800	16.16	(1.97)
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	27	0	27	0.00	0.00
Sub-Total B(1)		15282557	10729	15293286	26.63	16182746	10729	16193475	28.20	(1.57)

Category of Shareholder	No. of Shares held at the beginning of the Year 01/04/2015				No. of Shares held at the end of the Year 31/03/2016				% Change during the Year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2) Non-Institutions										
(a)	Bodies Corporate	2645816	31226	2677042	4.66	2150283	31184	2181467	3.80	0.86
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹1 lakh	6317480	1741548	8059028	14.04	6362033	1653019	8015052	13.96	0.08
	(ii) Individuals holding nominal share capital in excess of ₹1 lakh	899619	0	899619	1.57	541938	0	541938	0.94	0.62
(c)	Others									0.00
	Clearing Members	70199	0	70199	0.12	44337	0	44337	0.08	0.05
	Non Resident Indians	289459	9147	298606	0.52	356961	8972	365933	0.64	(0.12)
	Overseas Corporate Bodies	0	50	50	0.00	0	50	50	0.00	0.00
	Trusts	47170	0	47170	0.08	1748	0	1748	0.00	0.08
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total B(2)		10269743	1781971	12051714	20.99	9457300	1693225	11150525	19.42	1.57
Total B=B(1)+B(2):		25552300	1792700	27345000	47.62	25640046	1703954	27344000	47.62	0.00
Total (A+B):		55627800	1792700	57420500	100.00	55716546	1703954	57420500	100.00	0.00
(C) Shares held by custodian for GDRs & ADRs										
Depository Receipts have been issued										
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0.00	0.00	0.00
Grand Total (A+B+C)		55627800	1792700	57420500	100.00	55716546	1703954	57420500	100.00	0.00

ATTACHMENT D

ii. Shareholding of Promoters

S No	Shareholder's Name	Shareholding at the beginning of the Year (01/04/2015)			Shareholding at the end of the Year (31/03/2016)			% change in share holding during the Year
		No. of Shares	% of Total Shares of the co.	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of Total Shares of the co.	% of Shares Pledged/ encumbered to Total Shares	
1.	KAMA Holdings Limited	3,00,00,000	52.25	0.00	3,00,49,000	52.33	0.00	0.00
2.	Karmav Real Estate Holdings LLP	75,500	0.13	0.00	27,500	0.05	0.00	0.00
Total		3,00,75,500	52.38	0.00	3,00,76,500	52.38	0.00	0.00

ATTACHMENT E

iii. Change in Promoters' Shareholding

S No	Shareholder's Name	Shareholding			Date	Increase/ Decrease in Shareholding	Reason	Cumulative Holding during the Year (01/04/2015 to 31/03/2016)	
		No. of Shares at the beginning (01/04/2015)/ end of the Year (31/03/2016)	% of total Shares of the Company	No. of Shares				% of total Shares of the Company	
1	KAMA Holdings Limited	3,00,00,000	52.25	01-Apr-15					
				11-Aug-15	45,000	Market Purchase	3,00,45,000	52.32	
				12-Aug-15	4000	Market Purchase	3,00,49,000	52.33	
		3,00,49,000	52.33	31-Mar-16			3,00,49,000	52.33	
2	Karmav Real Estate Holdings LLP	75,500	0.13	01-Apr-15					
				11-Aug-15 & 12-Aug-15	(48,000)	Market Sale	27,500	0.05	
		27,500	0.05	31-Mar-16			27,500	0.05	

ATTACHMENT F

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S No	Shareholder's Name	Shareholding			Date	Increase/ Decrease in Shareholding	Reason	Cumulative Holding during the Year (01/04/2015 to 31/03/2016)	
		No. of Shares at the beginning (01/04/2015)/ end of the Year (31/03/2016)	% of total Shares of the Company	No. of Shares				% of total Shares of the Company	
1	Amansa Holdings Private Limited	2,370,228	4.13	01-Apr-15					
				08-May-15	52,000	Transfer	2,422,228	4.22	
				15-May-15	459,078	Transfer	2,881,306	5.02	
				11-Sep-15	69,576	Transfer	2,950,882	5.14	
				26-Feb-16	48,751	Transfer	2,999,633	5.22	
				04-Mar-16	184,147	Transfer	3,183,780	5.54	
		3,183,780	5.54	31-Mar-16			3,183,780	5.54	
2	Sundaram Mutual Fund A/C Sundaram Select Midcap	1,729,350	3.01	01-Apr-15					
				24-Apr-15	(26,584)	Transfer	1,702,766	2.97	
				05-Jun-15	(8,443)	Transfer	1,694,323	2.95	
				26-Jun-15	(8,406)	Transfer	1,685,917	2.94	
				30-Jun-15	(34,900)	Transfer	1,651,017	2.88	
				03-Jul-15	(5,101)	Transfer	1,645,916	2.87	

S No	Shareholder's Name	Shareholding			Date	Increase/ Decrease in Shareholding	Reason	Cumulative Holding during the Year (01/04/2015 to 31/03/2016)	
		No. of Shares at the beginning (01/04/2015)/ end of the Year (31/03/2016)	% of total Shares of the Company	No. of Shares				% of total Shares of the Company	
				10-Jul-15	(1,941)	Transfer	1,643,975	2.86	
				24-Jul-15	(20,206)	Transfer	1,623,769	2.83	
				31-Jul-15	(9,272)	Transfer	1,614,497	2.81	
				07-Aug-15	(46,768)	Transfer	1,567,729	2.73	
				14-Aug-15	(23,757)	Transfer	1,543,972	2.69	
				21-Aug-15	(25,335)	Transfer	1,518,637	2.64	
				28-Aug-15	(2)	Transfer	1,518,635	2.64	
				30-Sep-15	(47)	Transfer	1,518,588	2.64	
				09-Oct-15	(42,014)	Transfer	1,476,574	2.57	
				16-Oct-15	(20,683)	Transfer	1,455,891	2.54	
				13-Nov-15	(11,387)	Transfer	1,444,504	2.52	
				20-Nov-15	(7,258)	Transfer	1,437,246	2.50	
				27-Nov-15	(1,708)	Transfer	1,435,538	2.50	
				31-Dec-15	(1,179)	Transfer	1,434,359	2.50	
				01-Jan-16	(25,000)	Transfer	1,409,359	2.45	
				08-Jan-16	(54,398)	Transfer	1,354,961	2.36	
				11-Mar-16	(69,392)	Transfer	1,285,569	2.24	
				18-Mar-16	(25,556)	Transfer	1,260,013	2.19	
				25-Mar-16	(9,097)	Transfer	1,250,916	2.18	
		1,250,916	2.18	31-Mar-16	-	-	1,250,916	2.18	
3	Goldman Sachs India Fund Limited	1,100,027	1.92	01-Apr-15					
				24-Apr-15	70,982	Transfer	1,171,009	2.04	
				05-Jun-15	51,787	Transfer	1,222,796	2.13	
				26-Jun-15	30,018	Transfer	1,252,814	2.18	
				31-Jul-15	65,941	Transfer	1,318,755	2.30	
				04-Sep-15	(124,512)	Transfer	1,194,243	2.08	
		1,194,243	2.08	31-Mar-16			1,194,243	2.08	
4	UTI-Mid Cap Fund	711,951	1.24	01-Apr-15					
				24-Jul-15	(38,600)	Transfer	673,351	1.17	
				07-Aug-15	(2,679)	Transfer	670,672	1.17	
				18-Mar-16	41,792	Transfer	712,464	1.24	
		712,464	1.24	31-Mar-16	-	-	712,464	1.24	
5	DSP Blackrock Small And Mid Cap Fund	586,482	1.02	01-Apr-15			-		
				17-Apr-15	(5,191)	Transfer	581,291	1.01	
				29-May-15	123,000	Transfer	704,291	1.23	
		704,291	1.23	31-Mar-16			704,291	1.23	

S No	Shareholder's Name	Shareholding				Cumulative Holding during the Year (01/04/2015 to 31/03/2016)		
		No. of Shares at the beginning (01/04/2015)/ end of the Year (31/03/2016)	% of total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company
6	DSP Blackrock Micro Cap Fund	669,161	1.17	01-Apr-15				
				10-Apr-15	6,072	Transfer	675,233	1.18
		675,233	1.18	31-Mar-16			675,233	1.18
7	DSP Blackrock Equity Fund	634,450	1.10	01-Apr-14	-	-		
				17-Apr-15	(14,843)	Transfer	619,607	1.08
				08-May-15	(12,774)	Transfer	606,833	1.06
				28-Aug-15	(6,829)	Transfer	600,004	1.04
		600,004	1.04	31-Mar-16			600,004	1.04
8	Dimensional Emerging Markets Value Fund	351,743	0.61	01-Apr-15				
				20-Mar-15	6,615	Transfer	358,358	0.62
				27-Mar-15	1,325	Transfer	359,683	0.63
				10-Apr-15	1,525	Transfer	361,208	0.63
				22-May-15	1,394	Transfer	362,602	0.63
				29-May-15	1,893	Transfer	364,495	0.63
				19-Jun-15	2,888	Transfer	367,383	0.64
				30-Jun-15	399	Transfer	367,782	0.64
				03-Jul-15	6,646	Transfer	374,428	0.65
				10-Jul-15	6,001	Transfer	380,429	0.66
				28-Aug-15	8,628	Transfer	389,057	0.68
				04-Sep-15	26,919	Transfer	415,976	0.72
				11-Sep-15	27,935	Transfer	443,911	0.77
				13-Nov-15	1,673	Transfer	445,584	0.78
				20-Nov-15	2,867	Transfer	448,451	0.78
				27-Nov-15	3,151	Transfer	451,602	0.79
				25-Dec-15	11,998	Transfer	463,600	0.81
		31-Dec-15	4,348	Transfer	467,948	0.81		
		08-Jan-16	1,793	Transfer	469,741	0.82		
		15-Jan-16	4,109	Transfer	473,850	0.83		
		05-Feb-16	2,011	Transfer	475,861	0.83		
		12-Feb-16	1,142	Transfer	477,003	0.83		
		19-Feb-16	1,845	Transfer	478,848	0.83		
		478,848	0.83	31-Mar-16			478,848	0.83
9	Abu Dhabi Investment Authority - Behave	0	0.00	01-Apr-15				
				17-Jul-15	77,072	Transfer	77,072	0.13
				24-Jul-15	133,928	Transfer	211,000	0.37
				31-Jul-15	47,029	Transfer	258,029	0.45
				07-Aug-15	419	Transfer	258,448	0.45
				06-Nov-15	119,900	Transfer	378,348	0.66
		378,348	0.66	31-Mar-16			378,348	0.66

S No	Shareholder's Name	Shareholding					Cumulative Holding during the Year (01/04/2015 to 31/03/2016)	
		No. of Shares at the beginning (01/04/2015)/ end of the Year (31/03/2016)	% of total Shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company
10	Kuwait Investment Authority Fund 224	341,312	0.59	01-Apr-15				0.00
				25-Dec-15	34,275	Transfer	375,587	0.65
		375,587	0.65	31-Mar-16			375,587	0.65
11	Government Pension Fund Gopal*	1,044,848	1.82	01-Apr-15				
				17-Apr-15	(14,561)	Transfer	1,030,287	1.79
				01-May-15	(20,103)	Transfer	1,010,184	1.76
				08-May-15	(30,879)	Transfer	979,305	1.71
				29-May-15	(163,549)	Transfer	815,756	1.42
				10-Jul-15	(98,027)	Transfer	717,729	1.25
				17-Jul-15	(59,000)	Transfer	658,729	1.15
				31-Jul-15	(50,000)	Transfer	608,729	1.06
				14-Aug-15	(34,000)	Transfer	574,729	1.00
				22-Jan-16	(121,529)	Transfer	453,200	0.79
				29-Jan-16	(81,739)	Transfer	371,461	0.65
		05-Feb-16	(10,000)	Transfer	361,461	0.63		
		361,461	0.63	31-Mar-16		361,461	0.63	
12	The New India Assurance Company Limited#	374,633	0.65	01-Apr-15				
				29-May-15	(10,427)	Transfer	364,206	0.63
				05-Jun-15	(4,790)	Transfer	359,416	0.63
				12-Jun-15	(22,024)	Transfer	337,392	0.59
				19-Jun-15	(2,556)	Transfer	334,836	0.58
				09-Oct-15	(16,839)	Transfer	317,997	0.55
				16-Oct-15	(29,359)	Transfer	288,638	0.50
				23-Oct-15	(3,802)	Transfer	284,836	0.50
		284,836	0.50	31-Mar-16	0	284,836	0.50	
13	Swiss Finance Corporation (Mauritius) Limited#	73,871	0.13	01-Apr-15	0			
				10-Apr-15	70,715	Transfer	144,586	0.25
				01-May-15	16,336	Transfer	160,922	0.28
				08-May-15	88,346	Transfer	249,268	0.43
				22-May-15	19,482	Transfer	268,750	0.47
				29-May-15	57,647	Transfer	326,397	0.57
				05-Jun-15	17,957	Transfer	344,354	0.60
				12-Jun-15	5,557	Transfer	349,911	0.61
				19-Jun-15	3,750	Transfer	353,661	0.62
				26-Jun-15	17,000	Transfer	370,661	0.65
		30-Jun-15	(10,435)	Transfer	360,226	0.63		
		10-Jul-15	(34,456)	Transfer	325,770	0.57		

S No	Shareholder's Name	Shareholding			Date	Increase/Decrease in Shareholding	Reason	Cumulative Holding during the Year (01/04/2015 to 31/03/2016)	
		No. of Shares at the beginning (01/04/2015)/ end of the Year (31/03/2016)	% of total Shares of the Company	No. of Shares				% of total Shares of the Company	
				17-Jul-15	(20,513)	Transfer	305,257	0.53	
				24-Jul-15	(1,429)	Transfer	303,828	0.53	
				31-Jul-15	1,250	Transfer	305,078	0.53	
				07-Aug-15	(11,000)	Transfer	294,078	0.51	
				14-Aug-15	38,000	Transfer	332,078	0.58	
				21-Aug-15	27,750	Transfer	359,828	0.63	
				28-Aug-15	(28,843)	Transfer	330,985	0.58	
				04-Sep-15	(10,000)	Transfer	320,985	0.56	
				11-Sep-15	2,183	Transfer	323,168	0.56	
				18-Sep-15	500	Transfer	323,668	0.56	
				25-Sep-15	11,750	Transfer	335,418	0.58	
				30-Sep-15	750	Transfer	336,168	0.59	
				09-Oct-15	19,542	Transfer	355,710	0.62	
				16-Oct-15	(863)	Transfer	354,847	0.62	
				30-Oct-15	(1,250)	Transfer	353,597	0.62	
				06-Nov-15	800	Transfer	354,397	0.62	
				13-Nov-15	(5,518)	Transfer	348,879	0.61	
				27-Nov-15	1,600	Transfer	350,479	0.61	
				04-Dec-15	10,800	Transfer	361,279	0.63	
				11-Dec-15	16,985	Transfer	378,264	0.66	
				18-Dec-15	5,970	Transfer	384,234	0.67	
				25-Dec-15	400	Transfer	384,634	0.67	
				31-Dec-15	(1,710)	Transfer	382,924	0.67	
				01-Jan-16	(5,200)	Transfer	377,724	0.66	
				08-Jan-16	(55,168)	Transfer	322,556	0.56	
				15-Jan-16	15,175	Transfer	337,731	0.59	
				22-Jan-16	(8,800)	Transfer	328,931	0.57	
				29-Jan-16	(53,200)	Transfer	275,731	0.48	
				05-Feb-16	2,400	Transfer	278,131	0.48	
				12-Feb-16	(8,800)	Transfer	269,331	0.47	
				19-Feb-16	(38,400)	Transfer	230,931	0.40	
				26-Feb-16	(20,387)	Transfer	210,544	0.37	
				04-Mar-16	(14,400)	Transfer	196,144	0.34	
				11-Mar-16	11,200	Transfer	207,344	0.36	
				25-Mar-16	13,600	Transfer	220,944	0.38	
		213,744	0.37	31-Mar-16	(7,200)	Transfer	213,744	0.37	

S No	Shareholder's Name	Shareholding			Date	Increase/ Decrease in Shareholding	Reason	Cumulative Holding during the Year (01/04/2015 to 31/03/2016)	
		No. of Shares at the beginning (01/04/2015)/ end of the Year (31/03/2016)	% of total Shares of the Company	No. of Shares				% of total Shares of the Company	
14	FIL Investments (Mauritius) Ltd *	614,885	1.07	01-Apr-15					
				04-Sep-15	(108,072)	Transfer	506,813	0.88	
				11-Sep-15	(74,561)	Transfer	432,252	0.75	
				18-Sep-15	(159,805)	Transfer	272,447	0.47	
				25-Sep-15	(187,322)	Transfer	85,125	0.15	
				30-Sep-15	(36,007)	Transfer	49,118	0.09	
				02-Oct-15	(387)	Transfer	48,731	0.08	
				09-Oct-15	(48,731)	Transfer	-	0.00	
		0	0.00	31-Mar-16		-	0.00		
15	Bengal Finance & Investment Pvt. Ltd*	487,010	0.85	01-Apr-15					
				08-May-15	(288,125)	Transfer	198,885	0.35	
				15-May-15	(198,885)	Transfer	-	0.00	
		0	0.00	31-Mar-16		-	0.00		

Note:

* Ceased to be in the list of top 10 shareholders as on 31-03-2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2015.

Not in the list of Top 10 shareholders as on 01-04-2015 or 31-03-2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders during the year 2015-16.

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

ATTACHMENT G**v. Shareholding of Directors and Key Managerial Personnel**

S No	Shareholder's Name	Shareholding			Date	Increase/ Decrease in Shareholding No. of Shares	Reason % of total Shares of the company	Cumulative Holding during the Year (01/04/2015 to 31/03/2016)	
		No. of Shares at the beginning (01/04/2015)/ end of the Year (31/03/2016)	% of total Shares of the Company	No. of Shares				% of total Shares of the Company	
1	Vellayan Subbiah (Independent Director)	5,507	0.01	01-Apr-15	0	Nil movement during the year	5,507	0.01	
		5,507	0.01	31-Mar-16					
2	Ravichandra Kambhampaty (Whole Time Director – Safety & Environment)	1,200	0.00	01-Apr-15	0	Nil movement during the year	1,200	0.00	
		1,200	0.00	31-Mar-16					

S No	Shareholder's Name	Shareholding		Date	Increase/ Decrease in Shareholding No. of Shares	Reason % of total Shares of the company	Cumulative Holding during the Year (01/04/2015 to 31/03/2016)	
		No. of Shares at the beginning (01/04/2015)/ end of the Year (31/03/2016)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
3	Anoop K Joshi KMP-President, CFO & Company Secretary	2,500	0.00	01-Apr-15	0	Nil movement during the year	2,500	0.00
		2,500	0.00	31-Mar-16				
4	Sushil Kapoor KMP-President & CEO-Technical Textiles Business	46,200	0.08	01-Apr-15	0	Nil movement during the year	46,200	0.08
		46,200	0.08	31-Mar-16				
5	Prashant Mehra KMP-President & CEO-Packaging Film Business	100	0.00	01-Apr-15	0	Nil movement during the year	100	0.00
		100	0.00	31-Mar-16				
6	Prashant Yadav KMP-President & CEO- Engineering Plastics Business & Fluro Chemicals Business	200	0.00	01-Apr-15	0	Nil movement during the year	200	0.00
		200	0.00	31-Mar-16				

ATTACHMENT H

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31 March 2016

(₹ in crores)

	Secured Loan excluding Deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness as at the beginning of the financial year (1.4.2015)				
i) Principal Amount	1,384.80	108.55	0.01	1,493.36
ii) Interest Due but not paid	-	-	-	-
iii) Interest Accrued but not due	2.61	0.10	-	2.71
Total (i+ii+iii)	1,387.41	108.65	0.01	1,496.07
Change in indebtedness during the financial year				
Addition	779.42	1,333.48	-	2,112.90
Reduction	(553.52)	(1,375.89)	-	(1,929.41)
Change in Interest Accrued	(0.77)	(0.10)	-	(0.87)
Net Change	225.13	(42.51)	-	182.62
Indebtedness as at the end of the financial year (31.3.2016)				
i) Principal Amount	1,610.70	66.14	0.01	1,676.85
ii) Interest Due but not paid	-	-	-	-
iii) Interest Accrued but not due	1.84	-	-	1.84
Total (i+ii+iii)	1,612.54	66.14	0.01	1,678.69

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in crores)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Arun Bharat Ram Chairman	Ashish Bharat Ram Managing Director	Kartik Bharat Ram Deputy Managing Director	K Ravichandra Director (Safety & Environment)	
1.	Gross Salary					
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1.86	1.20	1.20	0.07	4.33
	b) Value of perquisites u/s 17(2) of the Income – tax Act, 1961	0.01	1.27	1.14	0.02	2.44
	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	2.25	1.25	1.25	-	4.75
	- Others	-	-	-	-	-
5.	Others	0.32	0.20	0.20	-	0.72
	Total (A)	4.44	3.92	3.79	0.09	12.24
	Ceiling as per the Act	₹ 49.10 crores (being 10% of the net profits of the Company calculated as per Section 197 of the Companies Act, 2013).				

ATTACHMENT J

B. Remuneration to other Directors

(₹ in crores)

S. No.	Particulars of Remuneration	Vinayak Chatterjee	L Lakshman	Vellayan Subbiah	Pramod Bhasin	Tejpreet Singh Chopra	Dr Meenakshi Gopinath	Total
1	Independent Directors							
	- Fee for attending Board/committee meetings	0.05	0.04	0.04	0.02	0.04	-	0.19
	- Commission	0.07	0.07	0.07	0.07	0.07	-	0.35
	- Others	-	-	-	-	-	-	-
2	Other Non-Executive Directors							
	- Fee for attending Board/committee meetings	-	-	-	-	-	0.01	0.01
	- Commission	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	0.13	0.13
	Total (B) = (1+2)	0.12	0.11	0.11	0.09	0.11	0.14	0.68
	Ceiling as per the Act	₹ 4.91 crores (being 1% of the net profits of the Company calculated as per Section 197 of the Companies Act, 2013)						
	Total Managerial Remuneration*	₹ 12.92 crores						
	Overall Ceiling as per the Act	₹ 54.01 crores (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 crores)

S. No.	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, CFO & CS*
1.	Gross Salary							
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2.14	1.44	1.37	1.45	2.04	0.99	9.43
	b) Value of perquisites u/s 17(2) of the Income – tax Act, 1961	0.01	0.03	0.04	0.03	-	0.03	0.14
	c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-	-
4.	Commission							
	- As % of profit	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	-	-
5.	Others	0.16	0.10	0.10	0.10	0.06	0.04	0.56
	Total (A)	2.31	1.57	1.51	1.58	2.10	1.06	10.13

* Rajendra Prasad, President & CFO superannuated from the service on 31st March, 2016 and Anoop K Joshi, President, CFO & Company Secretary was appointed in his place w.e.f. 1st April, 2016

ATTACHMENT L

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 AND ANALYSIS

SRF management in the following pages provides its own perspective on the operating and financial performance of the company during 2015-16 and an outlook of the business performance in the coming years.

Businesses

A multi-business entity SRF is today well recognised and respected for its R&D capabilities globally, especially in the niche domain of Chemicals. Building on the strength of its diversified business portfolio, SRF is well on its way to transforming itself into a technology & innovation oriented company. It remains the market leader for most of its products domestically 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. The company 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 soft demand situation across all segments of Technical Textiles Business (TTB) and continuing volatility in commodity prices the business as a whole performed reasonably well in a dynamic competitive environment.

Tyre Cord Fabrics

The Nylon Tyre Cord segment managed to retain its leading market position with a stable market share despite the demand remaining soft and the radialisation in the bus & truck segment reaching around 35% during 2015-16. Competition landscape

has changed significantly with the domestic competition increasing on account of settling down of a new entrant. Flooding of the Manali Plant in December 2015 affected the fortunes of the business significantly for three months. With various countermeasures, the company prevented major production loss for fully dependent customers. The business is back on track with the plant running at full capacity.

The Polyester Yarn & Fabrics segment turned around with its new focus on the yarn business for diversified industrial applications. The market situation remained extremely competitive with Chinese aggression reaching its nadir. It appears that the bottom has been reached and the value chain may stabilise soon.

Belting Fabrics

In the current global economic situation, the company changed its strategy for this business segment by targeting domestic markets and expanding its range of value-added products. This, coupled with a reduction in turnaround time for orders, enabled it to sustain its performance in India. However, fewer projects and soft commodity prices led to severe underutilisation of capacities in the end use segment, thereby leading to a softness in demand.

The performance of the South African subsidiary was adversely affected during the year primarily due to weak domestic and Latin American market and extremely aggressive competition from China. As a result, the overall belt industry operated below 50% level capacity utilisation.

Coated & Laminated Fabrics

The Laminated Fabrics segment performed satisfactorily in a tough competitive environment. Movement towards static covers and fabricated articles would help keep ahead of the industry.

The Coated Fabrics segment also turned around during the year and kept its head above water in the off season as well. Its ongoing focus on becoming a 'Solution Provider' along with the branding initiatives is aimed at positioning the business as a 'value-added entity' thus enhancing the prospect of greater profitability.

Industrial Yarn

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

Outlook

Nylon Tyre Cord Fabrics (NTCF) consumption in India is likely to remain flat in 2016-17 in spite of increasing radialisation. Entry of a new player may lead to a reduction in margins. The company, however, expects to maintain its share.

The fortunes of the Laminated Fabrics segment are likely to be similar in 2016-17 with aggressive marketing of hot lamination products. In the Coated Fabrics segment, the domestic market share is expected to improve through appointment of new channel partners and reduced turnaround time for fabricated articles.

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 potential demand growth through additional sales.

Chemicals and 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 commissioning of HFC 134a Pharma facility in Dahej and HFC 32 manufacturing facility in Bhiwadi will provide greater momentum to the growth. The company successfully transitioned *Dymel* business (HFC 134a pharma) in the first year post acquisition from **DuPont**. With the recent announcement to set up a pilot plant to manufacture next generation refrigerant, HFO 1234yf, SRF has demonstrated its capability as a refrigerant player at the world stage. The path breaking initiative will make SRF the first company outside US and Europe to develop and manufacture new generation HFO 1234yf using indigenous technology.

Refrigerants

SRF is the domestic market leader in the fluorinated refrigerant space. Exports to more than 60 countries worldwide account for a significant portion of the overall revenue.

The refrigerant product range includes HCFC 22, HFC 134a, HFC 32 and 4'Series blends (HFC 404A, HFC 407C and HFC 410A). The business serves reputed OEMs manufacturing air-conditioners, refrigerators, chillers and automobiles with the strategic intent of leveraging on our distribution strength.

Cheap exports from China continued to affect the international markets. The demand for refrigerants continued on the growth path during 2015-16 on the back of strong sales of air-conditioners and growth in automobiles with key indicators signalling continued economic growth 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 chloromethanes space are Methylene Chloride and Chloroform. During the year, the company emerged as the market leader for its newly launched Trichloroethylene and Perchloroethylene solvents in India which are manufactured at the Dahej site. The products have been well accepted in more than 20 countries.



Outlook

In 2016-17, with overall sentiments in the market remaining positive, the business is expected to improve its performance through renewed focus on capacity utilisation, cost improvement and brand building. The business will focus on increasing its share of HFC 32 and HFC 134a globally apart from its ongoing efforts to pursue growth in the solvents business.

Specialty Chemicals

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

The strength of R&D and Process Engineering has been substantially augmented, permitting simultaneous design and execution of multiple projects, with challenging timelines. The business is engaged with reputed domestic as well as global innovators for developing new products in its chosen markets.

Outlook

The business is expanding its horizons and the range of products offered. The business also continues to build on its reputation and credibility with global agrochemical and pharmaceutical majors and move towards higher value-added products. Sales growth in the agrochemicals market is likely to be muted in line with global trends. With new manufacturers from low cost countries entering a few of the more mature product lines, price erosion is being experienced. However, tightening of environmental norms may provide an upward cost pressure for such competition in the medium-term.

During the year the business capitalised two new production facilities for specialty intermediate products at Dahej. These will contribute to the revenue stream and business growth, going forward. The business continues to work on developing new products and it 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

Overall market growth was under pressure during 2015-16 but the business posted improved performance amidst growing pressure on price. SRF continued to maintain its leadership in critical segments of automotive and electrical through persistent focus on key customers and applications, leveraging existing OEM relationships.

The business adopted a coherent strategy of enhancing the current product portfolio by developing new products for the new segments in close co-ordination with key OEMs, fostering long term relationships with customers and driving cost competitiveness to maintain market share 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 by entering into new applications by expanding its capacity and enhancing new product development infrastructure. Besides, the business continued 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 products and process technologies for the Fluorochemicals and Specialty Chemicals businesses. Its key focus has been on development of intermediates for new Active Ingredients in Pharmaceutical & Agrochemical industries and new generation refrigerants.

Utilising synergetic efforts of chemists and engineers; two dedicated R&D facilities; state-of-the-art engineering lab and pilot plant facility; CTG is persistently working towards improving SRF's capabilities of process development, scale-up and commercialisation of new chemistries.

In order to cater to rising customer demands and shrinking timelines, CTG is expanding its focus on enhancing efficiencies of its resources. With a clear vision and keeping innovation, quality and productivity as the key drivers of success, CTG remains dedicated towards sustainable growth of SRF.

CTG made capital investments of about ₹ 31.5 crores during the year 2015-16 for Research & Development (R&D) labs and pilot plant expansion.

CTG filed 27 process patents during the year 2015-16 taking the tally to 81 patents filed so far.

Packaging Films Business

Flexible packaging industry continued to face the prolonged down cycle with global capacity utilisation at the level of around 70%, thus creating pressure on margins in all the markets. In addition, the continuous fall in crude prices led to a price fall in the entire value chain impacting the profitability. However, as a respite, the demand for flexible films continued to grow at a healthy pace of 6-7% during 2015-16.

In line with the company's strategy, all the units under



the Packaging Films Business were able to improve their cost structures and capabilities. Both the overseas units achieved 100% capacity utilisation on a sustainable basis. The value-added products (VAPs) remained a continuous focus area and the business posted a growth of around 30% in VAP sales during 2015-16 over the previous year. Overall, the business performed well even in a tough scenario, helping the company protect its reputation as a credible supplier of films with various Global majors across regions.

Outlook

Globally, demand for flexible films is expected to grow at nearly 6% per annum. In view of new capacities coming up, supply will continue to far exceed the demand and put further pressure on margins. Demand of flexible films in India is expected to grow by 10% per annum.

In view of the demand supply imbalance and global uncertainty, SRF's strategy would evolve around sustaining and continuously improving business performance, further enhancing its capabilities and successfully starting up the new BOPET film plant in India on time.

Human Resources

SRF attained some significant milestones in the year with respect to various organisation-wide HR initiatives. As part of key learning initiatives of the organisation, over 12000 man-hours of training was completed for 2015-16, a 25% increase over the previous year. With a special focus on **Capability Development**, a special project was undertaken defining Business Specific Capability Indicators which shall help organisation to measure and assess capability of the organisation in the years to come. The company also initiated a specific developmental intervention

for the various senior leadership team members during the year. Among other key HR initiatives taken during the year included a project to improve the **Quality of New Hires**, designing and deploying an **Early Warning System** that shall help the organisation predict a possible attrition, **Engagement Survey** for Management Cadre employees and an organisation wide **Employee Acknowledgement and Recognition System**.

Information Technology

SRF executed a wide range of IT Application projects, IT infrastructure upgrade projects and Information visibility projects this year. Specialty Chemicals deployed the **Project Portfolio Management** solution to help keep track of its various plant implementation projects and also meet customer commitments in supplying new products. **Customer Portal Solution** for some of the businesses, **Customer Complaint Management Solution** for Technical Textiles Business and Packaging Films Business **and Vehicle Tracking System** at the Dahej plant were some of the initiatives that the company deployed during the year in its effort to improve the operational efficiency, logistics and customer satisfaction. The company also revamped its website during the year with several new features and product related relevant information for different stakeholders.

SRF launched internal **Shared Services** this year which provides financial services to all business units in India. The IT document and workflow system which is the backbone for such initiatives was designed internally to enable the key processes. This initiative will provide productivity and quality benefits by standardising back office operations for the group.

The company upgraded its **Datacenter Network** with state-of-the-art equipment. This has eliminated all the single point of failure risks in the SRF network infrastructure apart from improving the speed for users significantly.





Community Partnerships

Continuing with its commitment to improve the quality of life of the communities, SRF, through its social wing SRF Foundation, took a wide spectrum of initiatives during 2015-16 in the identified areas of education, vocational skills, natural resource management and affirmative actions. The company also strengthened its public-private-community partnership (PPCP) model to positively impact the lives of the people.

The Foundation expanded its **Education Programme** to 1150 government schools in 1150 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 130,000 students by working with more than 1600 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, 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 for the communities in its plant locations. As part of its initiatives under **Natural Resource Management (NRM) Programme**, an initiative that aims at improving the livelihood of the poor people in the community around SRF's Bhiwadi plant, the Foundation has so far impacted more than 6,500 farmer families and improved their livelihood. During its 10 years of the NRM project intervention, the company has extensively worked for the soil and water conservation in the 38 project villages. Among other things, the company has constructed and revived more than 200 rainwater harvesting structures (earthen check dams, ponds etc.) for ground water recharge and has reclaimed 1751 hectares privately owned waste land till 2015-16 in its effort to support the sustainable livelihood of the rural poor and contribute towards the food security of the country.

Internal Control Systems & 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 & 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.

Regulatory Risks

The company has a robust & comprehensive framework of Compliance Manager (CM) which continuously verifies compliance with respect to various applicable laws and help to monitor the compliances across the company.

Financial and Accounting Risks

The company has well defined Accounting Manual and Financial & Accounting Policies in place. The company is ensuring the smooth transition to New Accounting Standards (Ind-As) to comply with the applicable rules and regulations.





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 March 31, 2016, 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 2015-16.

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 Committees where Chairperson or Member (including SRF Limited)	
			Chairperson	Member
Mr Arun Bharat Ram	Executive Chairman, Promoter	4	1	5
Mr Ashish Bharat Ram	Executive, Promoter	4		3
Mr Kartik Bharat Ram	Executive, Promoter	2	-	5
Mr Ravichandra Kambhampaty	Executive	-	-	-
Mr Vinayak Chatterjee	Non-Executive, Independent	4	2	4
Mr Tejpreet S Chopra	Non-Executive, Independent	1	1	3
Mr L Lakshman	Non-Executive, Independent	6	5	7
Mr Vellayan Subbiah	Non-Executive, Independent	2	2	7
Mr Pramod Bhasin	Non-Executive, Independent	2	-	2
Dr Meenakshi Gopinath	Non-Executive, Non-Independent	-	1	-

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.

Independent Directors on the Board are Non-Executive Directors.

Our definition of 'Independence' of Directors is derived from Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Section 149(6) of the Companies Act, 2013. Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors other than Dr Meenakshi Gopinath are Independent in terms of Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013.

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

Independent Directors' Meeting

In accordance with the applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a meeting of the Independent Directors of the Company was held on February 8, 2016, 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 at the link: <http://www.srf.com/investor-relations/investors.html#governance>.

Number of Board Meetings

During 2015-16, the Board of Directors met four times on the dates as referred below in Table 2. The gap between any two Board Meetings did not exceed four months.

Table 2: Attendance of Directors in Board Meetings and Annual General Meeting (AGM) held during the year in 2015-16

Name of the Director	Date of Board Meeting and Attendance of Directors				Date of AGM and Attendance of Directors
	May 11, 2015	August 6, 2015	November 6, 2015	February 8, 2016	August 6, 2015
Mr Arun Bharat Ram	Yes	Yes	Yes	Yes	Yes
Mr Ashish Bharat Ram	Yes	Yes	Yes	Yes	Yes
Mr Kartik Bharat Ram	Yes	Yes	Yes	Yes	Yes
Mr Ravichandra Kambhampaty	Yes	Yes	Yes	No	Yes
Mr Vinayak Chatterjee	Yes	Yes	Yes	Yes	Yes
Mr Tejpreet S Chopra	Yes	Yes	Yes	Yes	Yes
Mr L Lakshman	Yes	Yes	Yes	Yes	Yes
Mr Vellayan Subbiah	Yes	Yes	Yes	Yes	Yes
Mr Pramod Bhasin	Yes	Yes	Yes	Yes	Yes
Dr Meenakshi Gopinath	Yes	Yes	Yes	Yes	Yes

Remuneration of Directors

Table 3 gives the remuneration paid or payable to the Directors of SRF Limited for financial year 2015-16 and table 4 gives details of Service Contracts

Table 3: Remuneration Paid or Payable

(₹ in crores)

Name of Director	Salary & Allowances	Sitting Fees	Perquisites	Provident Fund and Superannuation Fund @	Commission (Provided)	Total
Mr Arun Bharat Ram	1.86	-	0.20	0.32	2.25	4.63
Mr Ashish Bharat Ram	1.20	-	1.45	0.20	1.25	4.10
Mr Kartik Bharat Ram	1.20	-	1.26	0.20	1.25	3.91
Mr Ravichandra Kambhampaty	0.10	-	-	-	-	0.10
Mr Vinayak Chatterjee	-	0.05	-	-	0.07	0.12
Mr Tejpreet S Chopra	-	0.04	-	-	0.07	0.11
Mr L Lakshman	-	0.04	-	-	0.07	0.11
Mr Vellayan Subbiah	-	0.04	-	-	0.07	0.11
Mr Pramod Bhasin	-	0.02	-	-	0.07	0.09
Dr Meenakshi Gopinath	0.12	0.01	0.01	-	-	0.14
Total	4.48	0.20	2.92	0.72	5.10	13.42

@ As there is 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 above. 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

The Nomination and Remuneration Committee has laid down criteria for making payments to non-executive directors, which inter alia, includes level of remuneration/commission payable by other comparable companies, time devoted, experience, providing guidance on strategic matters and such other factors as it may deem fit.

The non-executive directors are entitled to remuneration up to an aggregate limit of one percent per annum of the net profits of the Company. Within the aforesaid limit, the commission payable is determined by the Board and equal amount of commission is payable to Independent Non-Executive Directors on a pro-rata basis. During the year under review, remuneration of non-executive directors was approved by the Board of Directors with the interested non-executive directors, not participating or voting.

Table 4: Details of Service Contracts

Name of Director	Tenure	Notice Period	Severance Fee
Mr Arun Bharat Ram	5 years w.e.f. June 15, 2013	6 months by either party	Nil
Mr Ashish Bharat Ram	5 years w.e.f. May 23, 2015	3 months by either party	Nil
Mr Kartik Bharat Ram	5 years w.e.f. June 1, 2016*	3 months by either party	Nil
Mr Ravichandra Kambhampaty	3 years w.e.f. October 1, 2015	3 months by either party	Nil

*Subject to shareholders approval in 45th Annual General Meeting

Shareholding of Non-Executive Directors

Table 5 gives details of the shares held by the non-executive Directors as on March 31, 2016.

Table 5: Equity Shares Held by Non-Executive Directors as on March 31, 2016

Name of Director	Category	Number of Equity Shares Held
Mr Vinayak Chatterjee	Independent	-
Mr Tejpreet S Chopra	Independent	-
Mr L Lakshman	Independent	-

Name of Director	Category	Number of Equity Shares Held
Mr Vellayan Subbiah	Independent	5507
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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 (<http://www.srf.com/investor-relations/investors.html#governance>). 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.

Statutory Committees of the Board

a) Audit Committee

i) Terms of Reference

The terms of reference of the Audit Committee are wide enough covering the matters as per the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 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
- Statement of deviations
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

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

As on March 31, 2016, 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 Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Table 6 provides details of the Audit Committee meetings held during the year 2015-16 and attendance of its members.



Table 6: Attendance Record of Audit Committee Meetings during 2015-16

Name of Members	Category	Date of Audit Committee Meeting and Attendance of Members			
		May 11, 2015	August 6, 2015	November 6, 2015	February 8, 2016
Mr Vinayak Chatterjee (Chairman)	Independent, Non-Executive	Yes	Yes	Yes	Yes
Mr L Lakshman	Independent, Non-Executive	Yes	Yes	Yes	Yes
Mr Vellayan Subbiah	Independent, Non-Executive	Yes	Yes	Yes	Yes

All the members of the Audit Committee are financially literate. Chairman, Managing Director, Deputy Managing Director, Internal Auditors and Statutory Auditors are invitees to the Committee. Mr Anoop K Joshi, President, CFO & Company Secretary acts as Secretary to the Committee.

b) Nomination and Remuneration Committee

i) Terms of Reference

The terms of reference of the Committee are wide enough covering the matters specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and Terms of reference of the Committee briefly are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director
- Formulation of criteria for evaluation of Independent Directors and the Board
- Devising a policy on Board diversity
- Formulation of policies for remuneration to Directors, Key Managerial Personnel, Senior Management Personnel and 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
- Evaluation of the performance of Key Management Personnel, Senior management personnel and functional heads as a team

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

As on March 31, 2016, 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.

Table 7 provides details of the Nomination and Remuneration Committee meetings held during the year 2015-16 and attendance of its members.

Table 7: Attendance Record of Nomination and Remuneration Committee Meetings during 2015-16

Name of Members	Category	Date of NRC Meeting and Attendance of Members	
		May 11, 2015	February 8, 2016
Mr Vinayak Chatterjee (Chairman)	Independent, Non-Executive	Yes	Yes
Mr Tejpreet Singh Chopra	Independent, Non-Executive	Yes	Yes
Mr Vellayan Subbiah	Independent, Non-Executive	Yes	Yes

iii) Annual Evaluation of Board, Committees and Individual Directors

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

Performance evaluation of independent directors is done by the Nomination and Remuneration Committee and the Board on criteria like attendance and participation in Board and committee meetings, advises on implementation of good corporate governance practices, diligence and independence in judgement and actions, good faith and interest of the stakeholders, etc.

iv) Nomination, Appointment and Remuneration Policy

The Company’s Nomination, Appointment and Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and Functional Heads is accessible on the Company’s website www.srf.com.

c) Stakeholders Relationship Committee

As on March 31, 2016, 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 Sanjiv Kumar Sharma, Deputy General Manager is designated as Compliance Officer under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To expedite the process of transfer, Mr Anoop K Joshi, President, CFO & 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 March 31, 2016, 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 2015-16.

Table 8: Shareholder and Investor Complaints received and redressed during 2015-16

Total Complaints Received	Total Complaints Redressed	Complaints not solved to the satisfaction of Shareholders	Pending as on March 31, 2016
256	256	Nil	Nil

d) Corporate Social Responsibility Committee

As on March 31, 2016, this Committee comprised of three Directors — Dr Meenakshi Gopinath (Chairperson), Mr Kartik Bharat Ram and Mr L Lakshman. The constitution of the Committee meets the requirements of Section 135 of the Companies Act, 2013.

The terms of reference of the Committee in line with the requirements of the of Section 135 of the Companies Act, 2013 and the rules framed thereunder.

Table 9 provides details of the CSR Committee meetings held during the year 2015-16 and attendance of its members.

Table 9: Attendance Record of CSR Committee Meetings during 2015-16

Name of Members	Category	Date of meeting and Attendance of Director	
		May 11, 2015	August 6, 2015
Dr Meenakshi Gopinath (Chairperson)	Non-Independent, Non-Executive	Yes	Yes
Mr L Lakshman	Independent, Non-Executive	Yes	Yes
Mr Kartik Bharat Ram	Executive, Promoter	Yes	Yes

Management

Management Discussion and Analysis

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

Disclosure Requirements

- During the year 2015-16, the Company had no materially significant related party transaction, which is considered to have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note No. 35 to the Financial Statements. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The said policies are available on the website of the Company at the <http://www.srf.com/investor-relations/investors.html#governance>. Policy of determining 'material subsidiaries' is available on the website of the Company at the link <http://www.srf.com/investor-relations/investors.html#governance>.
- The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited, Mumbai and the Company has complied with all the applicable requirements of capital markets and no penalties or strictures have been imposed on the Company by Stock Exchange, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.
- Vigil Mechanism Policy: Section 177 (9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires that a Company shall have a vigil mechanism for directors and employees for reporting concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Company is following such a policy and crux of which is disclosed by the Company on its website at the <http://www.srf.com/investor-relations/investors.html#governance>. No personnel has been denied access to the Audit Committee for raising his/her concern under this policy during financial year 2015-16.
- The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.
- This Corporate Governance Report of the Company for the year 2015-16 is in compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

Non-Mandatory Requirement

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

(a) The Board: The Chairman of the Company is Executive Chairman; (b) Shareholder Rights: Half-yearly and other quarterly financial statements are published in newspapers, uploaded on Company's website www.srf.com (c) Modified opinion(s) in audit report: The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements; (d) Separate posts of Chairperson and CEO: Mr Arun Bharat Ram is the Chairman and Mr Ashish Bharat Ram is the Managing Director of the Company; and (e) Reporting of Internal Auditor: The Internal Auditor of the Company reports to the President, CFO & Company Secretary of the Company and has direct access to the Audit Committee.

CEO/CFO Certification

The Certificate in compliance with Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was placed before the Board of Directors.

Shareholders

Reappointment/Appointment of Directors

Dr Meenakshi Gopinath, (Director CSR) is retiring by rotation and being eligible, offer herself for re-appointment.

The present tenure of service of contract of Mr Kartik Bharat Ram, Deputy Managing Director is upto May 31, 2016. Mr Kartik Bharat Ram has been re-appointed as Deputy Managing Director for a period of 5 years w.e.f. June 1, 2016 subject to approval by shareholders at the ensuing Annual General Meeting.

Brief resume of these Directors' is given in the Notice of the 45th 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 fund managers is posted on the Company's website.

General Body Meetings

Last three Annual General Body Meetings

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

Table 10: Last three AGMs of the Company

Year	Location	Date	Time	No. of Special Resolutions Passed
2012-13	Laxmipat Singhania Auditorium, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016	July 26, 2013	3.30 P.M.	1
2013-14	Laxmipat Singhania Auditorium, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016	August 4, 2014	3.30 P.M.	5
2014-15	Laxmipat Singhania Auditorium, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016	August 6, 2015	3.30 P.M.	2

Postal Ballot

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

Additional Shareholder Information

45th Annual General Meeting

Day: Monday

Date: August 8, 2016

Time: 3.30 P.M.

Venue: Laxmipat Singhania Auditorium, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016

Financial Year

April 1 to March 31

Tentative Financial Calendar for Results, 2016-17

First Quarter	First week of August 2016
Second Quarter	First week of November 2016
Third Quarter	First week of February 2017
Fourth Quarter and Annual	Second week of May 2017

Book Closure Date

The Share Transfer Register of SRF will remain closed from Friday, July 29, 2016 to Monday, August 1, 2016 (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 ₹ 69.11 crores approx. (inclusive of tax) were paid on September 4, 2015 and February 23, 2016 respectively.

Listing on Stock Exchanges in India

SRF's shares are listed on the BSE Ltd. and the National Stock Exchange of India Ltd. The Company has paid the listing fee to both BSE and NSE for the year 2016-17. The Stock Codes are:

Stock Exchanges	Equity Shares	Debentures
BSE Limited	503806	-
National Stock Exchange	SRF	INE647A07025

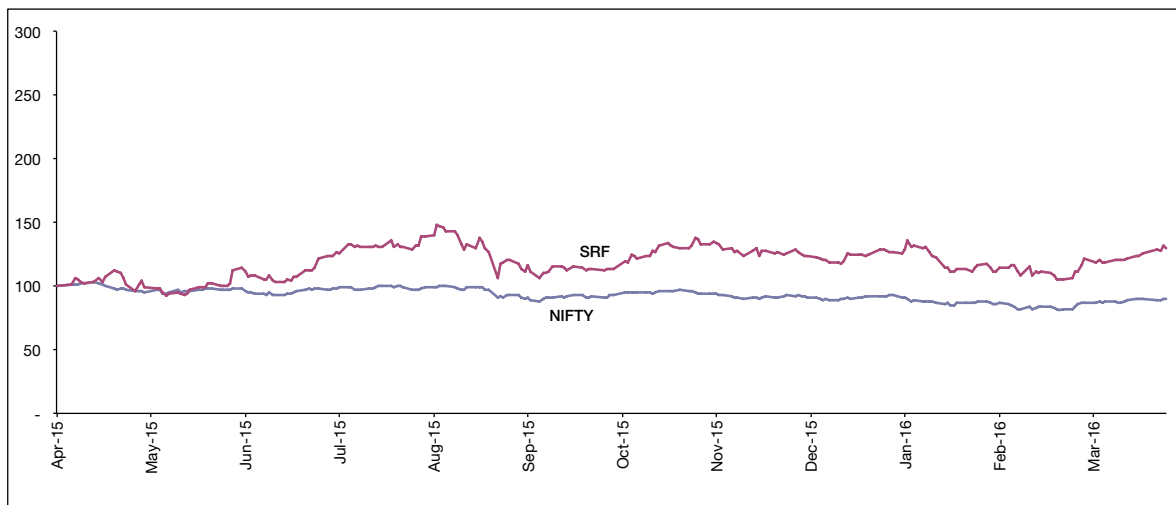
Stock Market Data

Table 11 gives the monthly high and low quotations as well as the volume of shares traded at BSE and NSE during 2015-16.

Table 11: Monthly Highs and Lows and Volumes Traded at the BSE and NSE during 2015-16

Month	BSE			NSE		
	Highest Price (₹)	Lowest Price (₹)	Volume (Nos)	Highest Price (₹)	Lowest Price (₹)	Volume (Nos)
Apr-15	1,126.95	931.65	6,32,705	1,127.00	931.70	2,897,290
May-15	1,134.90	899.05	4,15,749	1,137.70	899.00	2,391,662
Jun-15	1,250.10	1,002.40	7,25,330	1,251.00	1,002.00	4,439,268
Jul-15	1,423.90	1,228.80	5,48,972	1,423.50	1,225.00	5,126,559
Aug-15	1,495.55	1,019.00	7,31,075	1,498.85	1,017.85	4,646,246
Sep-15	1,198.00	1,048.00	4,27,983	1,198.00	1,045.55	3,895,407
Oct-15	1,393.00	1,118.00	4,15,257	1,392.20	1,119.55	3,492,683
Nov-15	1,349.65	1,160.15	3,28,356	1,348.70	1,156.65	2,067,329
Dec-15	1,297.65	1,147.00	2,83,295	1,294.75	1,145.95	2,404,234
Jan-16	1,360.10	1,085.40	2,94,456	1,362.00	1,085.10	3,808,528
Feb-16	1,186.30	1,022.00	2,91,526	1,185.55	1,023.00	2,993,801
Mar-16	1,331.70	1,048.00	3,50,422	1,333.85	1,050.75	3,194,491

Chart 1: Share prices of Nifty versus SRF Limited for the year ended March 31, 2016



Note: Both Nifty and SRF share prices are indexed to 100 as on April 1, 2015

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 April 1, 2015 to March 31, 2016 was 10734.

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.

De-materialisation of Shares & Liquidity

As on March 31, 2016 there were 32485 shareholders holding 55716546 shares in electronic form. This constitutes 97.03 per cent of the total paid-up share capital of the Company.

Distribution of Shareholding as on March 31, 2016@

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 March 31, 2016

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
Upto 500	49,230	94.14	44,680,620	7.78
501-1000	1,750	3.35	12,862,520	2.24
1001-2000	637	1.22	9,420,120	1.64
2001-3000	199	0.38	5,148,280	0.90
3001-4000	85	0.16	3,031,030	0.53
4001-5000	79	0.15	3,690,160	0.64
5001-10000	139	0.26	9,692,010	1.69
10001 and above	178	0.34	485,680,260	84.58
Total	52,297	100.00	574,205,000	100.00

Table 13: Pattern of Shareholding by Ownership as on March 31, 2016

Category	Shareholding	
	Number of Shares Held	Shareholding %
Promoters	30,076,500	52.38
Mutual Funds & UTI	6,412,897	11.17
Banks, Financial Institutions, Insurance Companies	501,751	0.87
Foreign Institutional Investors/Foreign Portfolio Investors/Foreign Nationals	9,278,827	16.16
Private Corporate Bodies	2,004,511	3.49
Indian Public	8,128,024	14.16
NRIs/OCBs	365,983	0.63
Others (including shares in transit)	652,007	1.14
Total	57,420,500	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 March 31, 2016, there were no outstanding GDRs/ADRs/Warrants or any convertible instruments

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

During the year 2015-16, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in the Note No. 39 to the Financial Statements.

Plant Locations

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, 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
Chemicals and 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/I GIDC. PCPIR, GIDC Phase II, Tal Vagra, Vill. Dahej Distt. Bharuch-392 130, Gujarat
Packaging Films Business	<ul style="list-style-type: none"> 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, Pitam Pur Distt. Dhar-454 775, Indore, Madhya Pradesh

Address for Correspondence

Registered Office	Corporate Office	Registrar & Share Transfer Agent	Debenture Trustee
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	Karys Computershare Private Limited Karys Selenium Tower B Plot No 31 & 32 Gachibowli, Financial District Nanakramguda, Serilingampally Hyderabad – 500 008 Tel No: (+91- 40) 67162222 Fax: (+91- 40) 2300 1153 E-mail: einward.ris@karys.com	IL&FS Trust Company Limited The IL&FS Financial Centre Plot C-22, G Block Bandra Kurla Complex Bandra East Mumbai 400 051 Tel: (011-46577591 E-mail: Neelu.Subramanian@iflindia.com Website: http://www.itclindia.com Contact Person Neelu Subramanian, Asstt. Vice President

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 March 31, 2016.

Ashish Bharat Ram
Managing Director

Date: **10 May 2016**

Place: **Gurgaon**

FINANCIALS

Independent Auditor's 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 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. This responsibility also includes maintenance of adequate accounting 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.

Auditor's Responsibility

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

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

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under

Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the 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 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to Note 30(b) to the accompanying statement, which sets out the position of the demand for Central Sales Tax (CST), VAT and Entry Tax aggregating to ₹ 121.06 crores, including interest and penalty of ₹ 34.38 crores for the period from 2005 to 2013. The Company had filed writ petitions against such demand, on which, Hon'ble High Court of Madhya Pradesh ("Court") has granted stay. The Management is of the view which is also confirmed by legal opinion that Company has a good case on merits and is confident of getting relief from the Court and, accordingly, no provision has been created.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 prescribed under Section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Registration No. 015125N)

Vijay Agarwal

Partner
(Membership No. 094468)

Gurgaon, May 10, 2016

Annexure "A" to the Independent Auditors' Report

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

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

We have audited the internal financial controls over financial reporting of SRF Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the

Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Registration No. 015125N)

Vijay Agarwal

Partner
(Membership No. 094468)

Gurgaon, May 10, 2016

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of 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.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement except the following:

Particulars of the Immovable Properties	Gross Block (₹ in crores) 31.03.2016	Net Block (₹ in crores) 31.03.2016	Remarks
Leasehold land located at Dahej, Gujarat admeasuring 911336 square meters	71.80	71.80	Execution of lease deed in respect of leasehold land allotted to the Company by Gujarat Industrial Development Corporation at Dahej, Gujarat is pending (Refer Note 11 (v))
Leasehold land admeasuring 272109.50 square meters and building located at Malanpur, Madhya Pradesh	59.67	34.05	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(a))

- (ii) 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.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships 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, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (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) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. 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 made and 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, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Works Contract Tax, Cess and other material statutory dues applicable to it to 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 31st March, 2016 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Value Added Tax, Service Tax, Excise Duty, Customs Duty and Cess which have not been deposited as on 31st March, 2016 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 crores)
Central Excise Laws	Excise Duty	High Court	1996-1997	2.14
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	1992-2013	58.88
		Upto Commissioner (Appeals)	1993-2010	4.98
Service Tax Laws	Service Tax	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2005-2010	0.54
		Upto Commissioner (Appeals)	2006-2015	1.45
Customs Laws	Customs Duty	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2004-2013	1.75
		Upto Commissioner (Appeals)	2002	0.17
Sales Tax Laws	Sales Tax	High Court	2005-2013	103.30
		Sales Tax Appellate Tribunal	1987-2014	2.82
		Upto Commissioner (Appeals)	1988-2015	0.28
Income Tax Laws	Income Tax	Supreme Court	1988-1989	1.13
		Income Tax Appellate Tribunal (ITAT)	2009-2011	1.69
Others	Electricity Cess	High Court	2007-2014	0.09

* 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 crores)
Central Excise Laws	Excise Duty	Supreme Court	1994-1996	0.21
		High Court	1994-2002	1.22
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	1989-1995	2.24
Income Tax Laws	Income Tax	Income Tax Appellate Tribunal (ITAT)	1994-1995	3.44

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

(ix) 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 raised, other than temporary deployment pending application of proceeds. The Company has not raised any money by way of initial public offer/further public offer (including debt instruments) during the year.

- (x) 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 by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Registration No. 015125N)

Vijay Agarwal

Partner
(Membership No. 094468)

Gurgaon, May 10, 2016

Balance Sheet as at March 31, 2016

Particulars	Note No.	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	58.44	58.44
Reserves and surplus	3	2631.85	2339.48
		2690.29	2397.92
Non-current liabilities			
Long-term borrowings	4	1309.03	1093.64
Deferred tax liabilities (Net)	5	394.14	344.30
Other long term liabilities	6	39.68	49.98
Long-term provisions	7	18.57	16.68
		1761.42	1504.60
Current liabilities			
Short-term borrowings	4	184.27	183.08
Trade payables	8		
- Outstanding dues to Micro and Small enterprises		5.32	3.06
- Outstanding dues to parties other than Micro and Small enterprises		503.01	418.31
Other current liabilities	9	294.61	350.06
Short-term provisions	10	8.36	10.87
		995.57	965.38
TOTAL EQUITY AND LIABILITIES		5447.28	4867.90
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible assets		3211.70	3031.79
Intangible assets		95.30	103.04
Capital work-in-progress		130.22	118.15
Non-current investments	12	87.93	83.65
Long-term loans and advances	13	203.31	127.17
Other non-current assets	14	5.94	5.58
		3734.40	3469.38
Current assets			
Current investments	12	157.57	94.22
Inventories	15	613.90	637.59
Trade receivables	16	371.68	478.55
Cash and cash equivalents	17	329.68	65.16
Short-term loans and advances	18	238.24	120.30
Other current assets	19	1.81	2.70
		1712.88	1398.52
TOTAL ASSETS		5447.28	4867.90
Accompanying notes forming part of the financial statements	1 to 48		

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

Vijay Agarwal
 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: **10 May 2016**

Vinayak Chatterjee
 Director
 (DIN – 00008933)

Anoop K Joshi
 President, CFO & Company
 Secretary

For and on behalf of the Board of Directors

Statement of Profit & Loss for the year ended March 31, 2016

Particulars	Note No.	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
REVENUE FROM OPERATIONS			
Sale of products (gross)	20	3886.86	3896.94
Less: excise duty		305.55	326.73
Sale of products (net)		3581.31	3570.21
Other operating revenues	21	65.51	43.78
		3646.82	3613.99
Other income	22	36.04	47.35
TOTAL REVENUE		3682.86	3661.34
EXPENSES			
Cost of materials consumed	23	1749.61	1962.06
Purchases of traded goods	24	35.04	36.12
(Increase)/Decrease in Inventories of finished goods, stock-in-process and traded goods	25	10.52	(39.51)
Employee benefits expenses	26	303.54	265.28
Finance costs	27	93.53	99.56
Depreciation and amortisation expenses	28	250.77	208.85
Other expenses	29	742.40	732.87
TOTAL EXPENSES		3185.41	3265.23
Profit before tax		497.45	396.11
Tax expense			
Current tax		105.92	82.50
MAT credit		(19.27)	(42.13)
Current tax/MAT credit relating to prior years		0.50	(8.99)
Deferred tax charge		49.43	57.00
		136.58	88.38
Profit after tax		360.87	307.73
Earnings per share	36		
Basic (₹)		62.85	53.59
Diluted (₹)		62.85	53.59
Accompanying notes forming part of the financial statements	1 to 48		

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Vijay Agarwal

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: **10 May 2016****Vinayak Chatterjee**

Director

(DIN – 00008933)

Anoop K Joshi

President, CFO & Company

Secretary

For and on behalf of the Board of Directors

Cash Flow Statement for the year ended March 31, 2016

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	497.45	396.11
Adjustments for		
Depreciation and amortisation	250.77	208.85
Finance costs	93.53	99.56
Net unrealised exchange (gain)/loss	(2.70)	0.52
Provision for investments	-	0.10
Provision for doubtful trade and other receivables, loans and advances	0.52	1.52
Provision for long term investments no longer required	-	(11.44)
Fixed assets discarded	0.18	0.11
Loss/(profit) on sale of fixed assets	(4.94)	0.04
Interest income	(4.49)	(2.89)
Dividend on current investments	(0.18)	(3.12)
Profit on sale of investment in subsidiaries	-	(15.10)
Net (gain)/loss on sale of current investments	(9.91)	(1.79)
Operating profit before working capital changes	820.23	672.47
Changes in Working Capital:		
Adjustments for (increase)/decrease in operating assets		
Trade receivables	106.42	65.91
Inventories	23.69	(6.43)
Short-term loans and advances	(118.01)	10.67
Long-term loans and advances	4.44	3.02
Other current assets	0.89	(1.27)
Other non-current assets	(0.36)	(1.71)
Adjustments for increase/(decrease) in operating liabilities		
Trade payables	86.96	(161.30)
Other current liabilities	2.06	6.29
Short-term provisions	(0.21)	1.80
Long-term provisions	1.89	3.16
Cash generated from operations	928.00	592.61
Net income tax paid	(108.73)	(84.94)
Net cash from operating activities (A)	819.27	507.67
B CASH FLOW FROM INVESTING ACTIVITIES:		
Capital expenditure on fixed assets, including capital advances	(492.16)	(528.08)
Proceeds from sale of fixed assets	8.27	2.74
Bank balances not considered as cash and cash equivalents	(41.23)	(0.26)
Current investments not considered as cash and cash equivalents		
- Purchased	(510.00)	(691.42)
- Proceeds from sales	452.49	628.24
Investments in subsidiary company	-	(0.68)
Purchase of non current investment	(0.06)	-
Proceeds from sale of long term investments in subsidiaries	-	32.44
Interest income	4.49	3.54
Dividend on current investments	0.03	3.12
Net cash used in investing activities (B)	(578.17)	(550.36)

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from long term borrowings	466.68	636.25
Repayment of long term borrowings	(322.82)	(333.58)
Net proceeds/(repayment) from short term borrowings	3.55	(101.05)
Dividends on equity share capital paid	(57.46)	(57.18)
Corporate dividend tax paid	(11.69)	(10.62)
Finance costs paid	(96.07)	(100.88)
Net cash (used in)/from financing activities (C)	(17.81)	32.94
Net increase/(decrease) in Cash and cash equivalents D=(A+B+C)	223.29	(9.75)
Cash and cash equivalents at the beginning of the year (E)	57.05	66.80
Cash and cash equivalents at the close of the year F =(D+E)	280.34	57.05
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	329.68	65.16
Less: Bank balances not considered as Cash and cash equivalents	(49.34)	(8.11)
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	280.34	57.05
Cash and cash equivalents at the end of the year comprises:		
(a) Cash on hand	0.46	0.36
(b) Balances with banks		
(i) In current accounts	180.75	5.06
(ii) In Exchange Earners' Foreign Currency (EEFC) accounts	6.53	1.63
(iii) In deposit accounts	92.60	50.00
Cash and cash equivalents as per AS - 3 - Cash Flow Statements	280.34	57.05

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Vijay Agarwal

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: **10 May 2016**

Vinayak Chatterjee

Director
(DIN – 00008933)

Anoop K Joshi

President, CFO & Company
Secretary

For and on behalf of the Board of Directors

Notes Forming Part of the Financial Statements

for the year ended March 31, 2016

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”) 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.

The Ministry of Corporate Affairs has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification, i.e., April 01, 2016.

(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 March 31, 2014.

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

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

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

(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 the 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	-	4.75 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. In case of perpetual leases, no write off is made in respect of leasehold land and in other nature of leases, leasehold land is amortised over the period of the 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 & 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

- 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 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, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
AUTHORISED		
12,00,00,000 (Previous Year – 12,00,00,000) Equity shares of ₹ 10 each	120.00	120.00
10,00,000 (Previous Year – 10,00,000) Preference Shares of ₹ 100 each	10.00	10.00
12,00,000 (Previous Year – 12,00,000) Cumulative Convertible Preference Shares of ₹ 50 each	6.00	6.00
2,00,00,000 (Previous Year – 2,00,00,000) Cumulative Preference Shares of ₹ 100 each	200.00	200.00
	336.00	336.00
ISSUED		
6,14,77,255 (Previous Year – 6,14,77,255) Equity Shares of ₹ 10 each	61.48	61.48
SUBSCRIBED AND PAID UP		
5,74,20,500* (Previous Year – 5,74,20,500) Equity Shares of ₹ 10 each fully paid up	57.42	57.42
Add: Forfeited shares - Amount originally paid up	1.02	1.02
	58.44	58.44

*3,00,49,000 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 crores)
As at April 1, 2014	57420500	57.42
Add/Less: Movement during the year	-	-
As at March 31, 2015	57420500	57.42
Add/Less: Movement during the year	-	-
As at March 31, 2016	57420500	57.42

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

Name of the shareholder	As at March 31, 2016	As at March 31, 2015
KAMA Holdings Limited		
No. of Shares	3,00,49,000	3,00,00,000
Percentage of Shareholding	52.33%	52.25%

Name of the shareholder	As at March 31, 2016	As at March 31, 2015
Amansa Holding Private Limited		
No. of Shares	31,83,780	23,70,228
Percentage of Shareholding	5.54%	4.13%

d) The Company has bought back 30,83,080 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 March 31, 2016, 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, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Capital reserve	219.19	219.19
Revaluation reserve	28.98	29.20
Capital redemption reserve	10.48	10.48
Debenture redemption reserve	50.00	-
Cash flow hedge reserve	0.58	(0.21)
General reserve	523.58	523.54
Surplus in statement of profit and loss	1799.04	1557.28
Total Reserves and Surplus	2631.85	2339.48

a) **Capital reserve**

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	219.19	219.19
Add/Less: Movement during the year	-	-
As at the end of the year	219.19	219.19

b) **Revaluation reserve**

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	29.20	29.20
Less: Utilised for set off on deletion of revalued assets	0.18	-
Less: Depreciation on revalued amount of fixed assets transferred to General Reserve	0.04	-
As at the end of the year	28.98	29.20

c) Capital redemption reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	10.48	10.48
Add/Less: Movement during the year	-	-
As at the end of the year	10.48	10.48

d) Debenture redemption reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	-	-
Add: Transferred from surplus in statement of profit and loss	50.00	-
As at the end of the year	50.00	-

e) Cash flow hedge reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	(0.21)	(1.09)
Add: Gain/(loss) on mark to market of foreign currency derivatives	0.79	0.88
As at the end of the year*	0.58	(0.21)

* net of deferred tax liability of ₹ 0.30 crores (Previous Year deferred tax asset - ₹ 0.11 crores)

f) General reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	523.54	523.54
Add: Transferred from Revaluation Reserve	0.04	-
As at the end of the year	523.58	523.54

g) Surplus in statement of profit and loss

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	1557.28	1323.75
Add: Profit after tax for the year	360.87	307.73
Less: 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
Less: Interim dividend	57.42	57.42
Less: Corporate dividend tax	11.69	10.62
Less: Transfer to debenture redemption reserve	50.00	-
As at the end of the year	1799.04	1557.28

4. Borrowings

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
LONG TERM BORROWINGS		
Secured		
2,000 (Previous Year – 2,000), 9.80%, listed, secured Redeemable Non-convertible Debentures of ₹ 10 Lakhs each {1}	200.00	200.00
Term loans from banks {2}	1028.01	1110.26
From others {3}	264.56	-
Less: Current maturities of long term borrowings (Refer note 9)		
Term loans from banks	(183.54)	(216.62)
Net secured long term borrowings	1309.03	1093.64
Total long term borrowings (a)	1309.03	1093.64
SHORT TERM BORROWINGS		
Secured		
Cash credits from banks {4(i)}	18.92	27.68
Term loans from banks {4(ii)}	99.21	46.85
	118.13	74.53
Unsecured		
Term loans from banks*	66.14	108.55
	66.14	108.55
Total short term borrowings (b)	184.27	183.08
Total borrowings (c = a + b)	1493.30	1276.72

* Includes Nil (Previous Year – ₹ 50.00 crores) for Commercial Paper issued by the Company
The maximum amount due during the year is ₹ 150.00 crores (Previous Year – ₹ 125.00 crores)

Details of security of the above secured loans:

Loan	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)	Security
1. 2,000 (Previous Year – 2,000), 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 25th March and 25th September every year.	200.00	200.00	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 Special Economic Zone, 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 and Kashipur in the State of Uttarakhand.

Loan	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)	Security
2. (i) Term loan from banks	915.57	985.32	<p>(a)(i) Out of the loans as at 2(i), loans aggregating to ₹ 480.52 crores (Previous Year – ₹ 704.21 crores) 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 Special Economic Zone, Indore in the State of Madhya Pradesh and Kashipur and Pantnagar in the State of Uttarakhand.</p> <p>Out of the loans as at 2(i)(a)(i), loans aggregating to ₹ 50.00 crores (Previous Year – Nil) are additionally secured by hypothecation of Company's moveable properties both present and future, at Dahej in the State of Gujarat (save and except certain assets).</p> <p>Out of the loans as at 2(i)(a)(i), loans aggregating to ₹ 430.52 crores (Previous Year – ₹ 538.03 crores) are to be additionally secured by hypothecation of Company's moveable properties both present and future, at Dahej in the State of Gujarat (save and except certain assets).</p> <p>(a)(ii) Out of the loans as at 2(i)(a)(i) loans aggregating to ₹ 265.17 crores (Previous Year – ₹ 538.03 crores) are secured by 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 and Malanpur in the State of Madhya Pradesh (save and except superstructures).</p> <p>Out of the loans as at 2(i)(a)(i) loans aggregating to Nil (Previous Year – ₹ 10.00 crores) are secured by 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 and Kashipur in the State of Uttarakhand</p> <p>Out of the loans as at 2(i)(a)(ii), loans aggregating to Nil (Previous Year – ₹ 538.03 crores) are additionally secured by equitable mortgage of Company's immovable properties, both present and future, situated at Manali in the State of Tamil Nadu.</p>

Loan	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)	Security
(ii) Term loans from banks	112.44	124.94	<p>Out of the loans as at 2(i)(a)(ii), the term loans aggregating to:</p> <p>a) ₹ 150.99 crores (Previous Year – ₹ 223.60 crores) are to be further secured by equitable mortgage of Company's immovable properties, both present and future, situated at Gummidipoondi (leasehold land) in the State of Tamil Nadu, Special Economic Zone, Indore in the State of Madhya Pradesh and at Pantnagar in the state of Uttarakhand.</p> <p>b) ₹ 165.35 crores (Previous Year – ₹ 166.17 crores) 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>c) Nil (Previous Year – ₹ 10.00 crores) 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>(b) Out of the loans as at 2(i), loans aggregating to ₹ 435.05 crores (Previous Year – 281.11 crores) are to be secured by hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralmalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Special Economic Zone, Indore in the State of Madhya Pradesh, Kashipur and Pantnagar in the State of Uttarakhand and Dahej in the State of Gujarat (save and except certain assets) and equitable mortgage of Company's immovable properties, both present and future, situated at Viralmalai and Gummidipoondi (freehold) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, and Kashipur in the State of Uttarakhand.</p> <p>(c) Out of the loans as at 2(i), loans aggregating to ₹ 282.93 crores (Previous Year – ₹ 281.12 crores) are to be additionally 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>Term loans from banks aggregating to ₹ 112.44 crores (Previous Year – ₹ 124.94 crores) are secured by hypothecation of Company's certain moveable assets situated at Dahej in the State of Gujarat.</p>

Loan	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)	Security
3. Term Loans from Others	264.56	-	Loan of ₹ 264.56 crores (Previous Year – Nil) is to be secured by the hypothecation and equitable mortgage of Company's moveable and immovable properties at Dhar in the State of Madhya Pradesh.
4. (i) Cash credit/working capital demand loans	18.92	27.68	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	99.21	46.85	
Total	1610.70	1384.79	

Such hypothecation and equitable mortgage rank pari-passu between term loans from banks/other (save and except hypothecation of certain moveable assets at Dahej in the State of Gujarat in favour of a bank as at 2(ii) above and hypothecation and equitable mortgage of certain moveable and immovable assets at Dhar, in the State of Madhya Pradesh in favour of others as at 3 above).

Terms of Repayment of Loans

Long Term Borrowings

Loan Category	Frequency of principal repayments	Interest rate	Amount Repayable (₹ in crores)			
			Up to March 31, 2017	Up to March 31, 2018	Up to March 31, 2019	From 2019 to 2026
Redeemable Non-Convertible Debentures	Redeemable at face value in one Instalment at the end of second year	9.80%	-	200.00	-	-
Rupee term loans	Half yearly Instalments	10.30% to 12.30%	11.56	13.05	9.81	48.46
	Quarterly Instalments	9.10%	50.00	50.00	-	-
Foreign currency term loans	Half Yearly instalments	LIBOR plus interest rate spread ranging from 1.30 % to 2.20%	55.84	55.84	124.18	424.05
	Annual Instalments	LIBOR plus interest rate spread ranging from 1.25% to 1.60%	66.14	33.07	33.07	-
	Payable in one Instalment on maturity	LIBOR plus interest rate spread of 2.25%	-	-	152.12	165.38
Total			183.54	351.96	319.18	637.89

Short Term Borrowings

Short term borrowing are payable in one installment within one year. For foreign currency denominated short term loans taken during the year the interest rates are LIBOR plus interest rate spread, ranging from -0.10% to 0.50%. For rupee denominated short term loans taken during the year interest rate is at 7.40% to 9.70%.

5. Deferred Tax Liabilities and Assets

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Deferred tax liabilities		
Difference between book and tax depreciation	382.82	336.46
Research and development expenditure	23.47	18.55
Others	0.30	-
	406.59	355.01
Deferred tax assets		
Provision for bad and doubtful debts	0.76	1.25
Accrued expenses deductible on payment basis and others	11.69	9.46
	12.45	10.71
Deferred tax liabilities (net)	394.14	344.30

6. Other Long Term Liabilities

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Others:		
Payable for fixed assets	39.68	49.98
Total other long term liabilities	39.68	49.98

7. Long Term Provisions

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Employee benefits	18.57	16.68
Total other long term provisions	18.57	16.68

8. Trade Payables

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Acceptances	251.41	233.24
Trade payables		
- Outstanding dues to Micro and Small enterprises#	5.32	3.06
- Outstanding dues to parties other than Micro and Small enterprises	251.60	185.07
Total trade payables	508.33	421.37

9. Other Current Liabilities

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Current maturities of long term borrowings	183.54	216.62
Interest accrued but not due on borrowings	1.84	2.71
Unclaimed dividend*	6.20	6.24

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Unclaimed fixed deposits* (including interest)	0.01	0.01
Security deposits	5.22	4.70
Acceptances for fixed assets	1.57	-
Payables for fixed assets		
- Outstanding dues to Micro and Small enterprises#	1.11	2.18
- Outstanding dues to parties other than Micro and Small enterprises	28.53	51.34
Gratuity	7.61	3.87
Statutory remittances	26.75	28.26
Other taxes payable	18.09	19.35
Advances from customers	10.87	13.86
Other payables	3.27	0.92
Total other current liabilities	294.61	350.06

* 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 9(a)

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, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year		
- Principal amount	6.03	5.02
- Interest due thereon	0.01	0.22
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	13.41	-
- 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	0.17	-
Interest accrued and remaining unpaid at the end of the year		
- Interest accrued during the year	0.18	0.09
- Interest remaining unpaid as at the end of the year	0.40	0.22
Interest remaining disallowable as deductible expenditure under the Income-tax Act, 1961	0.18	0.09

10. Short Term Provisions

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Employee Benefits	5.24	5.45
Provision for tax (net of payments)	3.12	5.42
Total short term provisions	8.36	10.87

11. Fixed Assets



Description	Gross Block			Depreciation/Amortisation			Net Block		Revaluation Amount As at March 31, 2016
	As at April 1, 2015	Additions (note vi & x)	Deductions March 31, 2016	As at March 31, 2016	Upto March 31, 2015	For the year (note vi & x)	On disposals	Upto March 31, 2016	
Tangible assets									
Land									
- Freehold	74.83	-	0.44	74.39	-	-	-	-	74.83
- Leasehold	104.05	5.71	0.38	109.38	-	0.07	-	0.07	104.05
Roads	39.78	5.72	-	45.50	2.65	0.99	-	3.64	41.86
Buildings	584.68	19.84	-	604.52	130.43	14.94	-	145.37	459.15
Plant and machinery	3883.00	366.88	18.32	4231.56	1561.37	204.98	16.13	1750.22	2481.34
Furniture and fixtures	26.54	2.78	0.44	28.88	13.86	1.48	0.39	14.95	13.93
Office Equipment	36.17	9.01	1.52	43.66	24.19	4.23	1.40	27.02	16.64
Vehicles	27.84	5.59	2.42	31.01	12.60	5.24	1.91	15.93	15.08
Sub-total	4776.89	415.53	23.52	5168.90	1745.10	231.93	19.83	1957.20	3211.70
									3031.79
									28.98
Intangible Assets									
Goodwill	3.69	-	-	3.69	2.28	0.37	-	2.65	1.04
Trade Marks/Brands	79.40	4.03	-	83.43	7.69	4.01	-	11.70	71.73
Technical Knowhow	9.15	-	-	9.15	6.17	1.07	-	7.24	1.91
Software	29.83	5.92	0.17	35.58	20.62	6.43	0.17	26.88	8.70
Others	19.43	1.15	-	20.58	1.70	6.96	-	8.66	11.92
Sub-total	141.50	11.10	0.17	152.43	38.46	18.84	0.17	57.13	95.30
Total	4918.39	426.63	23.69	5321.33	1783.56	250.77	20.00	2014.33	3307.00
Previous year	4341.82	595.92	19.35	4918.39	1581.83	218.19	16.46	1783.56	3134.83
Capital-work-in-progress (Including technical knowhow of ₹ 41.15 crores (Previous Year ₹ 38.80 crores)									130.22
									3437.22
									3252.98

Notes to fixed assets

- (i) Borrowing cost capitalised to capital work in progress during the year ₹ 2.01 crores (Previous Year – Nil)
- (ii) The deed of assignment in respect of free hold land at Manali, Chennai has been executed in respect of 135.02 acres (Previous Year – 135.02 acres). In addition to aforesaid extent, 1.47 acres were handed over to SRF Limited under land delivery receipts. During the year, the company has sold 1.03 acres of land. Thus, the Company is in possession of 135.46 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 Gummidiipoondi, 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 Dajej, Gujarat is pending
- (vi) Capital expenditure incurred during the year includes ₹ 22.30 Crores (Previous Year – ₹ 12.45 crores) 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 ₹ 4.21 crores (Previous Year – ₹ 2.15 crores)
- (viii) The revaluation of fixed assets was carried out in the year ended March 31, 2005
- (ix) Refer Note 30 (e)
- (x) Refer Note 45

11. Fixed Assets (contd.)

Description	Gross Block			Depreciation/Amortisation			Net Block		Revaluation Amount	
	As at April 1, 2014	Additions	Deductions	As at March 31, 2015	Upto March 31, 2014	For the year*	On disposals	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2015
Tangible assets										
Land										
- Freehold	74.83	-	-	74.83	-	-	-	-	74.83	24.58
- Leasehold	102.22	1.83	-	104.05	-	-	-	-	102.22	2.23
Roads	30.58	9.20	-	39.78	1.88	0.77	-	2.65	28.70	0.14
Buildings	549.28	35.40	-	584.68	117.02	13.41	-	130.43	432.26	2.16
Plant and machinery	3455.51	439.10	11.61	3883.00	1388.52	183.50	10.65	1561.37	2066.99	0.09
Furniture and fixtures	24.44	2.22	0.12	26.54	12.52	1.43	0.09	13.86	12.68	-
Office Equipment	33.20	4.32	1.35	36.17	21.13	4.04	0.98	24.19	11.98	-
Vehicles	25.14	8.96	6.26	27.84	12.57	4.76	4.73	12.60	15.24	-
Sub-total	4295.20	501.03	19.34	4776.89	1553.64	207.91	16.45	1745.10	3031.79	29.20
Intangible Assets										
Goodwill	3.69	-	-	3.69	1.91	0.37	-	2.28	1.41	-
Trade Marks/Brands	11.40	68.00	-	79.40	5.98	1.71	-	7.69	71.71	-
Technical Knowhow	9.15	-	-	9.15	5.10	1.07	-	6.17	2.98	-
Software	22.38	7.46	0.01	29.83	15.20	5.43	0.01	20.62	9.21	-
Others	-	19.43	-	19.43	-	1.70	-	1.70	17.73	-
Sub-total	46.62	94.89	0.01	141.50	28.19	10.28	0.01	38.46	103.04	18.43
Total	4341.82	595.92	19.35	4918.39	1581.83	218.19	16.46	1783.56	3134.83	29.20
Previous year	3588.13	773.71	20.02	4341.82	1405.17	190.87	14.21	1581.83	2759.99	29.20
Capital-work-in-progress (Including technical knowhow of ₹ 38.80 crores (Previous Year Nil))									118.15	121.38
									3252.98	2881.37

Notes to fixed assets

* Depreciation for the year is inclusive of ₹ 9.34 crores related to transition to Schedule II of the 2013 Act on tangible fixed assets with Nil remaining useful life. Therefore amount of Rs. 6.16 crores (net of deferred tax) has been charged to opening balance of Retained Earnings

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, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
NON-CURRENT INVESTMENTS		
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	4.22	-
Investment in subsidiaries-unquoted		
Nil (Previous Year – 45,002) equity shares of USD(\$ 1 each fully paid up of SRF Fluor Private Limited (A wholly owned subsidiary)	-	0.24
Less : Provision for diminution in value	-	(0.24)
40,00,000 (Previous Year – 40,00,000) equity shares of ₹ 10 each fully paid up of SRF Holiday Home Limited (A wholly owned subsidiary)	4.00	4.00
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)	79.60	79.60
Nil (Previous Year – 50,000) equity shares of ₹ 10 each fully paid up of SRF Energy Limited (A wholly owned subsidiary)	-	0.05
Less : Provision for diminution in value	-	(0.05)
Nil (Previous Year – 50,000) equity shares of ₹ 10 each fully paid up of SRF Fluorochemicals Limited (A wholly owned subsidiary)	-	0.05
Less : Provision for diminution in value	-	(0.05)
Other investments		
Investments in equity instruments		
Unquoted		
50,000 (Previous Year –50,000) equity Shares of ₹ 10 Each Vaayu Renewable Energy (Tapti) Private Limited	0.05	0.05
4,000 (Previous Year –Nil) equity Shares of ₹ 10 Each Suryadev Alloys & Power Private Limited	0.06	-
6,70,000 (Previous Year – 6,70,000) equity shares of ₹ 10 each fully paid up of Sanghi Spinners India Limited	0.12	0.12
Less : Provision for diminution in value	(0.12)	(0.12)
Total non- current investments (long term investments)	87.93	83.65
Aggregate amount of long term unquoted investments (net of provision)	87.93	83.65
Aggregate provision for diminution in value of long term investments	0.12	0.46

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
CURRENT INVESTMENTS		
CURRENT PORTION OF 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	-	4.22
Investments in mutual funds		
Quoted		
Nil (Previous Year – 50,00,000) Units of ₹ 10 each ICICI Prudential FMP Series 73 - 392 Days Plan F Regular Plan Cumulative	-	5.00
Nil (Previous Year –1,00,00,000) Units of ₹ 10 each SBI Debt Fund Series- A 11 385 Days - Regular - Growth	-	10.00
Nil (Previous Year – 36,14,673.84) Units of ₹ 207.49 each ICICI Prudential Saving Fund-Regular Growth Plan	-	75.00
36,12,365 (Previous Year – Nil) Units of ₹ 220.18 each ICICI Prudential P1543 Saving Fund-Growth Plan	79.54	-
3,12,529 (Previous Year – Nil) Units of ₹ 1696.90 each Religare Invesco Credit Opportunities Fund-Growth Plan	53.03	-
105,16,707 (Previous Year – Nil) Units of ₹ 23.77 each Kotak Treasury Advantage Fund-Growth Plan	25.00	-
Total current investments	157.57	94.22
Aggregate amount of current quoted investments	157.57	90.00
Aggregate amount of current unquoted investments	-	4.22
Market value of current quoted investments	160.60	91.55

13. Long-term Loans and Advances

(Unsecured considered good, unless otherwise stated)

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Capital advances	70.68	9.37
Security deposits*#	24.25	29.60
Loans to employees	7.25	6.31
Prepaid expenses	0.25	0.15
MAT credit entitlement	95.43	76.16
CENVAT/Service tax/VAT recoverable	4.80	4.82
Other loans and advances		
Unsecured - considered good	0.65	0.76
- considered doubtful	0.15	0.10
Less : Provision for doubtful advances	(0.15)	(0.10)
Total long term loans and advances	203.31	127.17

* Security deposits includes ₹ 5.69 crores (Previous Year – ₹ 10.54 crores) as interest free security deposits for accommodation taken on lease for Company's officers/directors and various offices taken on lease by the Company.

Refer note 35

14. Other Non-current Assets

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Unamortised upfront fees on loans	5.94	5.58
Total other non-current assets	5.94	5.58

15. Inventories

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Raw materials	176.59	197.22
Raw materials in transit	103.78	100.24
Stock-in-process	53.37	74.45
Stock-in-process in transit	1.07	2.09
Finished goods	141.00	137.97
Finished goods in transit	18.96	11.06
Stock of traded goods	2.64	1.45
Stock of traded goods in transit	-	0.54
Stores and spares	116.30	112.40
Stores and spares in transit	0.19	0.17
Total inventories	613.90	637.59

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.

16. Trade Receivables

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured – considered good	0.66	0.06
Unsecured – considered doubtful	2.06	2.97
	2.72	3.03
Less : Provision for doubtful receivables	2.06	2.97
	0.66	0.06
Other trade receivables		
Unsecured – considered good	371.02	478.49
Total trade receivables	371.68	478.55

17. Cash and Cash Equivalents

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
A. Cash and cash equivalents		
Cash on hand	0.46	0.36
Balance with banks in		

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Current accounts	180.75	5.06
Exchange Earners Foreign Currency (EEFC) accounts	6.53	1.63
Deposit accounts with maturity of three months or less	92.60	50.00
Total Cash and cash equivalents	280.34	57.05
B. Other bank balances		
i) In Other deposit accounts		
Deposit accounts with maturity beyond three months upto twelve months	39.68	-
ii) In earmarked accounts		
Margin money	3.46	1.87
Unclaimed dividend accounts	6.20	6.24
Total other bank balances	49.34	8.11
	329.68	65.16
Of the above, the balances that meet the definition of cash and cash equivalents as per AS - 3 - Cash Flow Statements is	280.34	57.05

18. Short-term Loans and Advances

(Unsecured considered good, unless otherwise stated)

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Loans to employees	6.48	4.88
Loans and advances to related parties		
Unsecured - considered good	7.54	6.42
- considered doubtful	-	0.07
Less : Provision for doubtful advances	-	(0.07)
	7.54	6.42
Deposits with customs and excise authorities	3.02	1.72
Security deposits	2.78	0.88
Claims recoverable	93.83	16.09
CENVAT/Service tax/VAT recoverable	69.40	61.86
Advance to suppliers		
Unsecured - considered good	41.49	15.83
- considered doubtful	-	0.05
Less : Provision for doubtful advances	-	(0.05)
Prepaid expenses	8.27	8.20
Other loans and advances		
Unsecured - considered good	5.43	4.42
- considered doubtful	2.81	2.97
Less : Provision for doubtful advances	(2.81)	(2.97)
Total short-term loans and advances	238.24	120.30

Loans and advances to related parties includes:

Name of the related party	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
SRF Industries (Thailand) Limited	1.53	1.13
SRF Industex Belting (Pty) Limited	3.00	1.92
SRF Fluor Private Limited		
Unsecured - considered doubtful	-	0.07
Less : Provision for doubtful advances	-	(0.07)
	-	-
SRF Global BV	1.86	0.72
SRF Flexipak (South Africa) (Pty) Limited	1.15	2.65
Total loans and advances to related parties	7.54	6.42

19. Other Current Assets

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Unamortised upfront fees on loans	1.81	2.70
Total other current assets	1.81	2.70

20. Sale of Products*

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2016 (₹ in crores)
Manufactured		
Synthetic Filament Yarn including Industrial Yarn/Tyre Cord/Twine	183.34	201.95
Nylon Tyre Cord Fabric/Polyester tyre cord fabric/Industrial Yarn Fabric	1262.44	1522.64
Laminated Fabric	130.93	120.84
Nylon/PBT/PC Compounding Chips	198.76	202.32
Fluorochemicals, Refrigerant Gases & Allied Products	449.99	362.21
Fluorospecialties Chemicals	743.28	601.22
Chlorinated Solvents	141.87	152.78
Packaging Films	688.09	674.12
Waste/Others	35.26	19.36
	3833.96	3857.44
Traded goods	52.90	39.50
Sale of products (gross)	3886.86	3896.94
Less: Excise Duty	305.55	326.73
Sale of products (net)	3581.31	3570.21

* Net of sales return and damaged stocks, etc

21. Other Operating Revenues

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Claims	1.11	0.52
Export incentives	35.48	16.25
Scrap sales	9.47	10.41
Other operating income	19.45	16.60
Total other operating revenues	65.51	43.78

22. Other Income

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Dividend on current investments	0.18	3.12
Profit on sale of current investments	9.91	1.79
Profit on sale of investment in subsidiaries	-	15.10
Provision/Liabilities no longer required written back	5.46	4.12
Provision for long term investments no longer required	-	11.44
Profit on sale of fixed assets	4.94	-
Exchange currency fluctuation	2.81	1.49
Interest income		
• from customers	0.22	0.20
• on loans and deposits	0.96	0.98
• on others*	3.31	1.71
Other non-operating income	8.25	7.40
Total other income	36.04	47.35

* Includes income tax deducted at source ₹ 0.24 crores (Previous Year – ₹ 0.06 crores)

23. a) Cost of Materials Consumed

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Opening stock of Raw Materials	297.46	371.95
Add : Purchase of Raw Materials	1732.52	1887.57
	2029.98	2259.52
Less : Closing Stock of Raw Materials	280.37	297.46
Cost of materials consumed	1749.61	1962.06

23. b) Raw Material Consumption

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Caprolactam	412.05	552.27
Fluorospar	79.98	71.16
Nylon yarn/fabric	483.85	537.60

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2016 (₹ in crores)
Polyester Chips	220.95	244.71
PTA	202.93	157.22
MEG	88.47	62.90
Fabric	27.77	31.90
Others	233.61	304.30
Total	1749.61	1962.06

24. Purchase of Traded Goods

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2016 (₹ in crores)
Yarn	0.11	15.17
Refrigerant gases	29.87	1.67
Packaging Films	4.57	17.21
Others	0.49	2.07
Total	35.04	36.12

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

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2016 (₹ in crores)
Opening Stock		
Stock-in-Process	76.54	66.59
Finished goods	149.03	120.58
Traded goods	1.99	0.83
Stock of Certified Emission Reductions	-	0.05
	227.56	188.05
Closing Stock		
Stock-in-Process	54.44	76.54
Finished goods	159.96	149.03
Traded goods	2.64	1.99
Stock of Certified Emission Reductions	-	-
	217.04	227.56
(Increase)/Decrease in inventories of finished goods, stock-in-process and traded goods		
Stock-in-Process	22.10	(9.95)
Finished goods	(10.93)	(28.45)
Traded goods	(0.65)	(1.16)
Stock of Certified Emission Reductions	-	0.05
	10.52	(39.51)

25. b) Opening and Closing Stock of Finished Goods

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)	As at March 31, 2014 (₹ in crores)
Synthetic Filament Yarn including Industrial Yarn/Tyre Cord/Twine	13.42	15.87	12.46
Nylon Tyre Cord Fabric/Polyester Tyre cord fabric/ Industrial Yarn Fabric	21.58	28.16	23.26
Laminated Fabric	1.47	1.23	2.25
Nylon/PBT/PC Compounding Chips	5.39	4.12	3.65
Fluorochemicals, Refrigerant Gases & Allied Products	27.56	27.98	19.78
Chlorinated Solvents	5.44	6.70	11.08
Fluorospecialities Chemicals	74.18	54.75	28.26
Packaging Films	10.06	8.77	16.27
Certified Emissions Reductions	-	-	0.05
Others	0.86	1.45	3.57
Total	159.96	149.03	120.63

25. c) Inventory of Stock in Process

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Synthetic Filament Yarn including Industrial Yarn/Tyre Cord/Twine	7.42	14.60
Nylon Tyre Cord Fabric/Polyester tyre cord fabric/Industrial Yarn Fabric	7.81	11.28
Nylon Chips	10.48	9.10
Coated/laminated fabrics	4.28	3.05
Fluorochemicals, Refrigerant Gases & Allied Products	4.23	6.93
Fluorospecialities Chemicals	12.90	21.66
Chlorinated Solvents	0.35	0.02
Packaging films	6.89	9.56
Others	0.08	0.34
Total	54.44	76.54

26. Employee Benefits Expenses

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2016 (₹ in crores)
Salaries, wages, bonus, etc	247.46	215.82
Contribution to provident and other funds	21.28	16.87
Workmen and staff welfare expenses	34.80	32.59
Total employee benefits expenses	303.54	265.28

27. Finance Costs

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2016 (₹ in crores)
Interest expenses		
- On debentures and loans for fixed period	58.43	56.33
- Cash Credit and others	19.82	20.82
Other borrowing costs	10.06	8.22

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2016 (₹ in crores)
Loss on foreign currency transactions and translation (considered as finance cost)	5.22	14.19
Total finance costs	93.53	99.56

28. Depreciation and Amortisation Expenses

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2016 (₹ in crores)
Depreciation on tangible assets (Refer note 11)	231.93	198.57
Amortisation on intangible assets (Refer note 11)	18.84	10.28
Total depreciation and amortisation expense	250.77	208.85

29. Other Expenses

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2016 (₹ in crores)
Stores and Spares consumed (excluding ₹ 73.75 crores (Previous Year – ₹ 73.36 crores) charged to repairs and maintenance)	32.75	22.72
Power and Fuel	331.86	357.79
Rent	15.00	11.79
Repairs and Maintenance		
- Buildings	5.04	2.83
- Plant and machinery	100.30	101.17
- Other Maintenance	25.83	21.43
Insurance	9.94	8.57
Rates and taxes	3.84	3.92
Freight	93.66	83.12
Expenditure on Corporate Social Responsibility	8.75	4.42
Professional and legal charges	20.09	21.92
Contract conversion charges	3.33	3.05
Travel	12.58	12.07
Directors' sitting fees	0.20	0.09
Selling commission	6.90	7.55
Increase/(decrease) in excise duty on closing stock	(0.23)	6.15
Provision for doubtful debts/advances	0.43	0.39
Bad debts/advances written off	0.09	1.13
Loss on sale of fixed assets	-	0.04
Fixed assets/inventories provided/written off	2.22	5.58
Provision for investments	-	0.10
Investments written off		
- Amount written off	0.34	-
Less: Adjusted with the write back of provision for Investments	(0.34)	-
Auditors' Remuneration (net of service tax input credit)		
- Audit Fees	0.50	0.50

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
- For limited review of unaudited financial results	0.33	0.33
- For corporate governance, consolidated financial statements and other certificates	0.16	0.16
- For tax audit	0.10	0.10
Miscellaneous expenses	68.73	55.95
Total other expenses	742.40	732.87

30. Contingent Liabilities Not Provided For

a. Claims against the Company not acknowledged as debts:

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Excise duty, customs duty and service tax* @	61.25	60.95
Sales Tax and entry tax (refer note 'b' below)** @	123.48	112.12
Income Tax****	7.90	11.29
Stamp Duty*****	28.81	28.81
Others ***	12.33	10.89

* Amount deposited ₹ 4.57 crores (Previous Year – ₹ 4.47 crores)

** Amount deposited ₹ 0.02 crores (Previous Year – ₹ 0.16 crores)

*** Amount deposited ₹ 0.08 crores (Previous Year – Nil)

**** Amount deposited ₹ 3.38 crores (Previous Year – ₹ 4.32 crores)

***** In the matter of acquisition of the Tyrecord Division at Malanpur from CEAT Limited the Collector of Stamps, Bhind (Madhya Pradesh) has by his order dated 07.11.2001 assessed the value of the subject matter of the Deed of Conveyance dated 13.06.1996 at ₹ 303.00 crores and levied a stamp duty of ₹ 23.73 crores and imposed a penalty of ₹ 5.09 crores. 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 ₹ 27.76 crores and not the entire undertaking valued at ₹ 303.00 crores 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 29th November 2004. Against the said order, the State of Madhya Pradesh preferred a Special Leave Petition before the Hon'ble Supreme Court which the State of Madhya Pradesh has withdrawn to enable it to approach the Hon'ble High Court of Madhya Pradesh at Gwalior in view of the change in law in the State of Madhya Pradesh relating to Letters Patent Appeal.

@ As per Business Transfer Agreement with KAMA Holdings Limited, the liabilities of ₹ 20.64 crores (Previous Year – ₹ 20.64 crores) and ₹ 0.38 crores (Previous Year – ₹ 0.38 crores) 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 for payment of Central Sales Tax (CST), Value Added Tax (VAT) and Entry Tax aggregating to ₹ 121.06 crores (Previous Year : ₹ 111.38 crores) including interest and penalty of ₹ 34.38 crores (Previous Year : ₹ 34.38 crores) for the period from 2005 to 2013 in respect of sales from its manufacturing facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA). The Company had already paid on the same products ₹ 51.37 crores as Additional Countervailing Duty (ACVD) to the Central Government, based on Company's view that ACVD was payable as per extant policies and Legislations of the Centre and the State.

The Company had filed writ petitions against all such demands, on which Hon'ble High Court of Madhya Pradesh ("Court") has granted stay. The Management is of the view which is also confirmed by legal opinion that Company has a good case on merits and is confident of getting relief from the Court and, accordingly, no provision has been created.

- c. Liability on account of Bank Guarantees ₹ 7.85 crores (Previous Year – ₹ 5.47 crores)
- d. Guarantees given to banks and others 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	
		31.03.2016	31.03.2015	31.03.2016	31.03.2015
		In Millions	In Millions	In Millions	In Millions
SRF Flexipak (South Africa) (Pty) Limited	Euro	0.60	-	0.27	-
	USD	46.00	46.00	35.00	40.00
	USD	19.49	19.49	2.39	4.43
	USD	14.95	14.95	0.46	4.86
	ZAR	80.00	60.00	44.51	30.16
SRF Global BV	USD	22.00	10.00	-	-
	USD	-	23.00	-	20.00
	USD	-	23.00	-	20.00
	USD	23.00	23.00	20.00	20.00
SRF Industries (Thailand) Limited	USD	52.00	52.00	27.00	42.00
	THB	-	403.24	-	-
SRF Industex Belting (Pty) Limited	USD	1.44	-	0.72	-

- e. The Company has during the year issued a Counter Indemnity to HSBC Limited, India for an amount of USD 40.50 Millions to secure the Standby Documentary Credit Facility (SBDC) of the same amount issued by the bank in favour of HSBC Bank (Mauritius) Limited. This SBDC would be further secured by a charge by way of an equitable mortgage on the immoveable properties of the Company at Manali, Tamil Nadu. Basis of this SBDC, HSBC Bank (Mauritius) Limited has entered into a loan Agreement for a term loan of USD 40 Millions with SRF Global BV, the wholly owned subsidiary of the Company, which has been disbursed during the year to the subsidiary from HSBC Bank (Mauritius) Limited.
- f. Guarantees given to banks for repayment of financial facilities availed by others – ₹ 2.50 crores (Previous Year – ₹ 2.50 crores). Outstanding amount as at the year-end is Nil (Previous Year – ₹ 0.87 crores).
- g. The Company has been served with show cause notices regarding certain transactions as to why additional customs/excise duty/service tax amounting to ₹ 38.87 crores (Previous Year – ₹ 29.11 crores) 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.
- h. The Company has entered into agreements with banks for assignment of trade receivables to them for value upto a maximum limit of ₹ 329.18 crores. The assigned receivables as at the year end is ₹ 160.35 crores (Previous Year – ₹ 95.24 crores)

31. The details of dues of Income-tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2016 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 crores)
Central Excise Laws	Excise duty	High Court	1996-1997	2.14
		Custom Excise & Service Tax Appellate Tribunal (CESTAT)	1992-2013	58.88
		Upto Commissioner (Appeals)	1993-2010	4.98
Service Tax Laws	Service Tax	Custom Excise & Service Tax Appellate Tribunal (CESTAT)	2005-2010	0.54
		Upto Commissioner (Appeals)	2006-2015	1.45
Customs Laws	Customs Duty	Custom Excise & Service Tax Appellate Tribunal (CESTAT)	2004-2013	1.75
		Upto Commissioner (Appeals)	2002	0.17
Sales Tax Laws	Sales Tax	High Court	2005-2013	103.30
		Sales Tax Appellate Tribunal	1987-2014	2.82
		Upto Commissioner (Appeals)	1988-2015	0.28
Income Tax Laws	Income Tax	Supreme Court	1988-1989	1.13
		Income Tax Appellate Tribunal (ITAT)	2009-2011	1.69
Others	Electricity Cess	High Court	2007-2014	0.09

* 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 crores)
Central Excise Laws	Excise Duty	Supreme Court	1994-1996	0.21
		High Court	1994-2002	1.22
		Custom Excise & Service Tax Appellate Tribunal (CESTAT)	1989-1995	2.24
Income Tax Laws	Income Tax	Income Tax Appellate Tribunal (ITAT)	1994-1995	3.44

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 ₹ 263.91 crores (Previous Year – ₹ 87.53 crores).
- b. Further, the Company is to make the following investments:
 - i. SRF Holiday Home Limited – ₹ 0.05 crores (Previous Year – ₹ 0.05 crores)
- 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 & Development Expenses

The details of research and development expenditure of ₹ 78.90 crores (Previous Year – ₹ 56.43 crores) included in notes 11 and 23 to 29 above are as under:-

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Capital Expenditure	22.30	12.45
Revenue Expenditure	56.60	43.98
Total	78.90	56.43

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

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Cost of materials consumed	1.46	1.27
Salaries, wages, bonus, etc.	21.95	17.64
Contribution to provident and other funds	1.41	1.14
Workmen and staff welfare expenses	1.83	1.72
Stores and Spares consumed	4.10	3.19
Power and Fuel	2.31	1.65
Rent	1.07	0.42
Repairs and Maintenance		
- Buildings	0.73	0.64
- Plant and machinery	5.47	3.76
- Other Maintenance	1.38	1.27
Insurance	0.24	0.16
Rates and taxes	0.05	0.04
Travel	1.42	1.06
Professional and legal charges	2.41	1.95
Depreciation and amortisation expenses	8.06	5.99
Miscellaneous expenses	2.71	2.08
	56.60	43.98

34. Managerial Remuneration

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

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Salary and allowances	4.36	4.15
Contribution to Provident and Superannuation Funds	0.72	0.60
Value of Perquisites	2.91	2.23
Commission (Provided)	4.75	4.75
Sub-total	12.74	11.73

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
(b) Non-Executive Directors		
Commission (Provided)	0.35	0.35
Other Fees	0.13	0.07
Directors' Sitting Fees	0.20	0.09
Sub-total	0.68	0.51
Total	13.42	12.24

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, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Profit before taxation	497.45	396.11
Add		
Wealth tax	-	0.13
Managerial Remuneration including commission	13.42	12.24
Loss on sale/write off of fixed assets as per accounts	0.18	0.15
Provision for Doubtful Debts/Advances/investments	0.43	0.49
Sub Total	14.03	13.01
Less		
Profit on sale of fixed assets as per accounts	4.94	-
Dividend on current investments	0.18	3.12
Profit on sale of current investments	9.91	1.79
Profit on sale of investments in subsidiaries	-	15.10
Excess Provision written back	5.46	15.56
Sub Total	20.49	35.57
Profit as per section 197 of the Companies Act, 2013	490.99	373.55
Maximum remuneration as commission and/or salary including perquisites @ 10% of net profit of ₹ 490.99 crores (Previous Year – ₹ 373.55 crores) which can be paid to Managing Directors/Whole time Directors under section 197 of the 2013 Act	49.10	37.36
Remuneration paid/payable to Managing Directors/Whole Time Directors	12.74	11.73
Maximum remuneration payable to Non-Executive Directors @ 1% of net profit of ₹ 490.99 crores (Previous Year ₹ 373.55 crores) under section 197 of the 2013 Act	4.91	3.74
Remuneration paid/payable to Non-Executive Directors	0.68	0.51

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 · 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 LLP (formerly Karm Farms Private Limited) · Srishti Westend Greens Farms LLP (formerly Srishti Westend Greens Farms Private Limited) · SRF Welfare Trust
Subsidiaries <ul style="list-style-type: none"> · SRF Overseas 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 			

#Liquidated during the year

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

(₹ in crores)

Nature of Transactions	(a)		(b)		(c)		(d)	
	Year ended		Year ended		Year ended		Year ended	
	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015
Purchase of goods from								
- SRF Industries (Thailand) Limited	5.85	1.46						
- SRF Industex Belting (Pty) Limited	0.44	0.02						
Sale of goods to								
- SRF Industries (Thailand) Limited	14.15	27.10						
- SRF Industex Belting (Pty) Limited	14.53	42.57						
- SRF Flexipak (South Africa) (Pty) Limited	-	0.15						
Purchase of fixed assets from								
- SRF Overseas Limited	-	3.02						
- SRF Industries (Thailand) Limited	-	0.0043						
- SRF Industex Belting (Pty) Limited	0.0002	-						
Sale of fixed assets to								
- SRF Industries (Thailand) Limited	0.04	-						
- SRF Foundation							6.30	-

(₹ in crores)

Nature of Transactions	(a)		(b)		(c)		(d)	
	Year ended		Year ended		Year ended		Year ended	
	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015
Rendering of services to								
- SRF Global BV	1.06	0.93						
- SRF Flexipak (South Africa) (Pty) Limited	2.01	1.79						
- SRF Industries (Thailand) Limited	4.04	3.56						
- SRF Industex Belting (Pty) Limited	0.77	0.73						
Rent paid to								
- Kama Realty (Delhi) Limited	6.50	6.48						
- Karm Farms LLP							0.60	0.30
- Srishti Westend Greens Farms LLP							0.60	0.30
- Mr Arun Bharat Ram					0.24	0.24		
- Mr Ashish Bharat Ram					0.02	0.02		
- Mr Kartik Bharat Ram					0.02	0.02		
- SRF Welfare Trust							0.16	-
Managerial remuneration paid to								
- Mr Arun Bharat Ram					4.63	4.39		
- Mr Ashish Bharat Ram					4.10	3.71		
- Mr Kartik Bharat Ram					3.91	3.54		
- Mr K Ravichandra					0.10	0.09		
Interest income on ICDs/loans/receivable from								
- SRF Global BV	-	0.07						
- SRF Overseas Limited	-	0.0041						
- SRF Industex Belting (Pty) Limited	0.12	0.25						
Reimbursement of expenses from								
- SRF Industries (Thailand) Limited	0.95	1.16						
- SRF Industex Belting (Pty) Limited	0.29	0.43						
- SRF Global BV	0.02	0.02						
- SRF Flexipak (South Africa) (Pty) Limited	0.42	0.76						
- KAMA Holdings Limited			0.0043	0.0011				
- Shri Educare Limited	0.03	0.03						
- SRF Holiday Home Limited	0.0012	-						
Reimbursement of expenses paid								
- SRF Industries (Thailand) Limited	0.10	0.24						
- SRF Industex Belting (Pty) Limited	0.04	0.0071						
- SRF Overseas Limited	-	0.0084						
- SRF Flexipak (South Africa) (Pty) Limited	-	0.05						
- SRF Holiday Home Limited	0.06	-						
Loans/deposits given to (including exchange fluctuation)								
- KAMA Realty (Delhi) Limited	0.04	-					0.14	-
- SRF Welfare Trust								
Loans/deposits received back from								
- SRF Global BV	-	8.99						
- Karm Farms LLP							2.50	-
- Srishti Westend Greens Farms LLP							2.50	-

(₹ in crores)

Nature of Transactions	(a)		(b)		(c)		(d)	
	Year ended		Year ended		Year ended		Year ended	
	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015
Donations to								
- SRF Foundation							8.75	3.50
Investments made in								
- SRF Holiday Home Limited	-	0.67						
Investments provided for								
- SRF Energy Limited	-	0.05						
- SRF Flurochemicals Limited	-	0.05						
Investment sold to								
- KAMA Holdings Limited			-	11.44				
Guarantees given								
- SRF Global B.V. In Million USD	12.00	-						
- SRF Flexipak (South Africa) (Pty) Limited In Million ZAR	20.00	60.00						
In Million EURO	0.60	-						
- SRF Industex Belting (Pty) Limited In Million USD	1.44	-						

Balances outstanding as at the year-end:-

(₹ in crores)

Nature of Transactions	(a)		(b)		(c)		(d)	
	As at		As at		As at		As at	
	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015
Receivables								
- SRF Industries (Thailand) Limited	2.63	2.05						
- SRF Industex Belting (Pty) Limited	6.23	21.34						
- SRF Flexipak (South Africa) (Pty) Limited	1.15	2.79						
- SRF Global BV	1.86	0.72						
- SRF Holiday Home Limited	0.0002	-						
- SRF Fluor Private Limited	-	0.07						
Less: Provision for receivables	-	(0.07)						
Payables								
- SRF Industries (Thailand) Limited	0.78	1.57						
- SRF Industex Belting (Pty) Limited	0.21	0.02						
Commission payable								
- Mr Arun Bharat Ram					2.25	2.25		
- Mr Ashish Bharat Ram					1.25	1.25		
- Mr Kartik Bharat Ram					1.25	1.25		
Security deposits outstanding								
- KAMA Realty (Delhi) Limited	3.34	3.30						
- Karm Farms Private Limited							0.60	3.10
- Srishti Westend Greens Farms LLP							0.60	3.10

(₹ in crores)

Nature of Transactions	(a) As at		(b) As at		(c) As at		(d) As at	
	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015
	- SRF Welfare Trust							0.14
- Mr Arun Bharat Ram					0.12	0.12		
- Mr Ashish Bharat Ram					0.0060	0.0060		
- Mr Kartik Bharat Ram					0.0060	0.0060		
Equity Investment outstanding								
- SRF Holiday Home Limited	4.00	4.00						
- SRF Energy Limited	-	0.05						
Less: Provision for investment	-	(0.05)						
- SRF Flurochemicals Limited	-	0.05						
Less: Provision for investment	-	(0.05)						
- SRF Global BV	79.60	79.60						
- SRF Fluor Private Limited	-	0.24						
Less: Provision for investment	-	(0.24)						
Guarantees outstanding								
- SRF Industries (Thailand) Limited								
In Million USD	52.00	52.00						
In Million THB	-	403.24						
- SRF Global B.V.								
In Millions USD	45.00	79.00						
- SRF Flexipak (South Africa) (Pty) Limited								
In Million Euro	0.60	-						
In Million USD	80.44	80.44						
In Million ZAR	80.00	60.00						
- SRF Industex Belting (Pty) Limited								
In Million USD	1.44	-						

36. Earnings Per Share

	Year ended March 31, 2016	Year ended March 31, 2015
Profit after tax (₹ in crores)	360.87	307.73
Weighted average number of equity shares outstanding (Nos.)	57420500	57420500
Basic and diluted earnings per share in rupees (₹) (face value – ₹ 10 per share)	62.85	53.59

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

- a) Gratuity
- b) Compensated absences – earned leaves
- c) 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, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Discount rate (per annum)	8.00%	7.75%	8.00%	7.75%
Future salary increase	7.50%	7.50%	7.50%	7.50%
Expected rate of return on plan assets	8.25%	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				
- 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 crores)

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Present value of obligation as at the beginning of the year	42.52	35.37	18.80	15.05
Current service cost	4.15	3.67	2.59	2.34
Interest cost	3.30	3.01	1.45	1.28
Benefits paid	(4.02)	(2.92)	(2.30)	(1.90)
Actuarial loss/(gain)	2.58	3.39	0.21	2.03
Present value of obligation as at the end of the year	48.53	42.52	20.75	18.80

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

(₹ in crores)

	Gratuity (Funded)	
	Year ended March 31, 2016	Year ended March 31, 2015
Fair value of plan assets at the beginning of the year	38.65	30.85
Estimated return on plan assets	3.19	2.47
Employers' contribution	3.87	4.52
Benefits paid	(4.02)	(2.92)
Actuarial gain/(loss) on plan assets	(0.77)	3.73
Plan assets at the end of the year	40.92	38.65

(₹ in crores)

	Gratuity (Funded)	
	Year ended March 31, 2016	Year ended March 31, 2015
Composition of plan assets		
HDFC Group unit linked plan fund	99.45%	99.42%
Others including bank balances	0.12%	0.49%
Government of India Securities	0.43%	0.09%
Total	100.00%	100.00%

Reconciliation of fair value of assets and obligations

(₹ in crores)

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Present value of obligation as at the year end	48.53	42.52	20.75	18.80
Fair value of plan assets	40.92	38.65	-	-
Net assets/(liability) recognised in the balance sheet	(7.61)	(3.87)	(20.75)	(18.80)
- Current	(7.61)	(3.87)	(3.58)	(3.53)
- Non Current	-	-	(17.17)	(15.27)

Expenses recognised in the statement of profit and loss.

(₹ in crores)

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Current service cost	4.15	3.67	2.59	2.34
Interest cost	3.30	3.01	1.45	1.28
Expected return on planned assets	(3.19)	(2.47)	-	-
Actuarial loss/(gain)	3.35	(0.34)	0.21	2.03
Total expense	7.61	3.87	4.25	5.65

Gratuity**Net assets/(liabilities) recognised in the balance sheet**

(₹ in crores)

As on	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Present value of obligation	48.53	42.52	35.36	32.42	28.00
Fair Value of Plan Assets	40.92	38.65	30.84	30.19	25.44
Net Assets/(Liability)	(7.61)	(3.87)	(4.52)	(2.23)	(2.56)

Experience on actuarial gain/(loss) for benefit obligation and plan assets

(₹ in crores)

Year ended	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
On Plan Present value of obligation	(3.53)	(1.01)	0.36	(0.62)	(2.83)
On Plan Assets	(0.66)	3.73	(0.48)	0.58	0.02

Compensated absences – earned leaves

Net Liabilities recognised in the Balance Sheet

(₹ in crores)

As on	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Present value of obligation	20.75	18.80	15.05	13.70	11.68
Plan Assets	-	-	-	-	-
Net Assets/(Liability)	(20.75)	(18.80)	(15.05)	(13.70)	(11.68)

Experience on actuarial gain/(loss) for benefit obligation

(₹ in crores)

Year ended	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
On Plan Present value of obligation	(0.21)	(0.85)	(0.37)	(0.66)	(0.77)
On Plan Assets	-	-	-	-	-

The Company's best estimate of the contribution expected to be paid in the next year is ₹ 6.50 crores (Previous Year – ₹ 5.58 crores) for gratuity and ₹ 4.91 crores (Previous Year – ₹ 4.34 crores) 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 ₹ 3.06 crores (Previous Year – ₹ 3.33 crores) towards these plans till March 31, 2016.

(₹ in crores)

	As at March 31, 2016	As at March 31, 2015
Current	1.66	1.92
Non Current	1.40	1.41
Total	3.06	3.33

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 1st 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, 2016	Year ended March 31, 2015
Discount rate (per annum)	8.00%	7.75%
In service mortality	IALM (2006 -08)	IALM (2006 -08)
Retirement age	58 years	58 years

Reconciliation of projected benefit obligation	March 31, 2016 (₹ in crores)	March 31, 2015 (₹ in crores)
Projected benefit obligation at beginning of year	68.38	61.62
Current service cost	5.33	3.42
Interest cost	5.47	4.78
Contributions by plan participants/employees	3.37	4.87
Actuarial (gain)/loss due to interest guarantee	0.65	0.02
Benefits paid	(3.31)	(6.65)
Settlements	1.03	0.32
Projected benefit obligation at end of year	80.92	68.38

Reconciliation of plan assets	March 31, 2016 (₹ in crores)	March 31, 2015 (₹ in crores)
Plan asset at beginning of year	68.55	61.64
Expected return on plan asset	6.00	5.39
Employer contribution	5.33	3.42
Plan participants/employee contribution	3.37	4.87
Benefit payments	(3.31)	(6.65)
Asset gain/(loss)	0.66	(0.44)
Settlements	1.03	0.32
Ending asset at fair value	81.63	68.55

Amounts recognised in the balance sheet	March 31, 2016 (₹ in crores)	March 31, 2015 (₹ in crores)
Projected benefit obligation at end of year	80.92	68.38
Fair value of assets as at end of year	81.63	68.55
Funded status asset/(liability)	0.71	0.17
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, 2016 (₹ in crores)	March 31, 2015 (₹ in crores)
Company Contribution to the Provident Fund	5.33	3.42
Total	5.33	3.42

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, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Segment Revenue		
a) Technical Textiles Business (TTB)		
- External sales	1432.83	1695.32
- Inter-segment sales	5.91	7.62
Total	1438.74	1702.94
b) Chemicals and Polymers Business (CPB)		
- External sales	1554.82	1263.40
- Inter-segment sales	-	0.01
Total	1554.82	1263.41
c) Packaging Films Business (PFB)		
- External sales	659.17	655.27
- Inter-segment sales	1.20	1.49
Total	660.37	656.76
Total Segment revenue	3653.93	3623.11
Less: Inter Segment revenue	7.11	9.12
Net Sales/Income from Operations	3646.82	3613.99
Add: Unallocable Income	36.04	47.35
Total revenue	3682.86	3661.34

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Segment Results		
(Profit/(Loss) before finance costs and tax from each segment)		
a) Technical Textiles Business (TTB)	155.83	175.03
b) Chemicals and Polymers Business (CPB)	388.76	298.26
c) Packaging Films Business (PFB)	102.05	38.69
Total segment results	646.64	511.98
Less: i) Finance Costs	93.53	99.56
Less: ii) Other Unallocable expenses net of income	55.66	16.31
Profit before tax	497.45	396.11
Less: Provision for taxation	136.58	88.38
Profit after tax	360.87	307.73
Capital Expenditure (other than capital advances)		
a) Technical Textiles Business (TTB)	66.35	39.44
b) Chemicals and Polymers Business (CPB)	314.78	498.81
c) Packaging Films Business (PFB)	47.16	37.24
d) Unallocated	10.41	17.20
Total	438.70	592.69
Depreciation		
a) Technical Textiles Business (TTB)	58.16	59.10
b) Chemicals and Polymers Business (CPB)	163.01	123.62
c) Packaging Films Business (PFB)	18.64	16.60
d) Unallocated	10.96	9.53
Total	250.77	208.85

Other information

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Segment Assets		
a) Technical Textiles Business (TTB)	1232.61	1310.59
b) Chemicals and Polymers Business (CPB)	2749.51	2559.88
c) Packaging Films Business (PFB)	660.06	557.65
Total	4642.18	4428.12
Add: Unallocable Assets	776.12	410.58
Total Assets	5418.30	4838.70
Segment Liabilities		
a) Technical Textiles Business (TTB)	245.29	244.76
b) Chemicals and Polymers Business (CPB)	266.74	253.10
c) Packaging Films Business (PFB)	133.53	97.22
Total	645.56	595.08
Add: Unallocable Liabilities	40.45	37.26
Total liabilities	686.01	632.34

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Segment Capital Employed (Segment assets less segment liabilities)		
a) Technical Textiles Business (TTB)	987.32	1065.83
b) Chemicals and Polymers Business (CPB)	2482.77	2306.78
c) Packaging Films Business (PFB)	526.53	460.43
Total	3996.62	3833.04
Add : Unallocable assets less liabilities	735.67	373.32
Total capital employed	4732.29	4206.36

B. Geographical Segments

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Revenue		
- Within India	2476.89	2693.66
- Outside India	1205.97	967.68
Total revenue	3682.86	3661.34

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 March 31, 2016 are as under:

Nature of Derivative	No. of Deals As at		Purpose As at		Foreign Currency (In Millions) As at		Amount (₹ in crores) As at	
	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015
USD/INR buy forward	3	-	Forward Buy contract	-	5.24	-	34.66	-
USD/INR Sell forward	10	24	Forward Sell contract	Forward Sell contract	24.00	17.00	158.74	106.20
EUR/INR sell forward	-	5	-	Forward Sell contract	-	2.88	-	19.34
EUR/USD sell forward	7	-	Forward Sell contract	-	3.46	-	26.06	-
EUR/INR Buy forward	-	4	-	Forward Buy contract	-	1.64	-	11.02
Interest Rate Swap	4	4	Conversion of Floating LIBOR to Fixed Rate	Conversion of Floating LIBOR to Fixed Rate	37.78	60.00	249.88	374.82

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

Particulars	As at March 31, 2016		As at March 31, 2015	
	Foreign Currency (in millions)	Amount (₹ in crores)	Foreign Currency (in millions)	Amount (₹ in crores)
Term Loans – USD	167.78	1109.69	145.00	905.81
PCFC - USD	25.00	165.35	14.00	87.46
Buyer's Credits - USD	-	-	2.87	17.94

40. Operating Leases

The Company has entered into operating lease agreements for various premises taken for accommodation of Company's officers/directors, various offices of the Company and equipment's for the manufacturing facilities. These arrangements are both cancellable and non-cancellable in nature and range between two to ten years. As at March 31, 2016, the future minimum lease payments under non-cancellable operating leases as set out below: -

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Total of future minimum lease payments under non-cancellable operating leases for each of the following periods		
- Not later than one year	7.45	6.06
- Later than one year and not later than five years	15.32	15.64
- Later than five years	4.48	-
Lease rent recognised in the statement of profit and loss as per Note 29.	15.00	11.79

41. Value of Imports on CIF Basis

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Raw materials	843.16	875.78
Stores and spares	21.89	24.07
Capital goods	74.33	38.21
Traded goods	33.14	3.16

42. Expenditure in Foreign Currency

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Interest	26.56	15.47
Technical know-how and technician's fees	0.33	0.35
Travel and conveyance	2.96	2.06
Selling commission	3.49	2.88
Lease rental	2.35	1.70
Legal and professional	1.27	2.07
Sales promotion/market research	-	0.20
Purchase of raw materials in foreign currency*	33.22	86.92
Others	5.00	2.93

* Pertains only with respect to purchases in foreign currency by Special Economic Zone (SEZ) unit from Domestic Tariff Area

43. Value of Imported/Indigenous Raw Materials, Stores and Spares Consumed

	Year ended March 31, 2016		Year ended March 31, 2015	
	%	(₹ in crores)	%	(₹ in crores)
Raw materials				
Imported	56.83	994.26	53.59	1051.41
Indigenous	43.17	755.35	46.41	910.65
	100.00	1749.61	100.00	1962.06
Stores and spares				
Imported	15.77	16.80	22.91	22.01
Indigenous	84.23	89.70	77.09	74.07
	100.00	106.50	100.00	96.08

44. Earnings in Foreign Exchange

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Export of goods calculated on FOB Value	1197.97	960.34
Interest	0.12	0.32
Service fee	7.88	7.01

45. 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 April 1, 2013. Accordingly, exchange difference of ₹ 56.27 crores (Previous Year ₹ 22.00 crores), arising on all long term monetary items relating to acquisition of depreciable assets are added to the cost of fixed assets/capital work in progress and will be depreciated over the balance useful life of assets. The unamortised portion carried forward as at March 31, 2016 is ₹ 110.73 crores (Previous Year – ₹ 62.65 crores). As a result of such change, the net profit after tax for the year is higher by ₹ 34.88 crores (Previous Year – ₹ 11.45 crores).

46. 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.

47. 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 March 31, 2016 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.

48. 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)

Anoop K Joshi
President, CFO & Company
Secretary

Place : **Gurgaon**

Date : **10 May 2016**

Independent Auditor's 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 31st March, 2016, 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 requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are

required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016 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) to the accompanying statement, which sets out the position of the demand for Central Sales Tax (CST), VAT and Entry Tax aggregating to ₹ 121.06 crores, including interest and penalty of ₹ 34.38 crores for the period from 2005 to 2013. The Company had filed writ petitions against

such demand, on which, Hon'ble High Court of Madhya Pradesh ("Court") has granted stay. The Management is of the view which is also confirmed by legal opinion that Company has a good case on merits and is confident of getting relief from the Court and, accordingly, no provision has been created.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of subsidiaries viz., SRF Overseas Limited, SRF Industries (Thailand) Limited, SRF Industex Belting (Pty) Limited, SRF Flexipak (South Africa) (Pty) Limited, SRF Holiday Home Limited, SRF Global BV, SRF Energy Limited and SRF Fluorochemicals Limited whose financial statements reflect total assets of ₹ 1087.86 crores as at 31st March, 2016, total revenues of ₹ 947.33 crores and net cash inflows amounting to ₹ 17.53 crores 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 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 certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
- e. On basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's and its subsidiary companies' incorporated in India internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of 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. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Registration No. 015125N)

Vijay Agarwal

Partner

(Membership No. 094468)

Gurgaon, May 10, 2016

Annexure “A” to the Independent Auditor’s Report

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

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of SRF Limited (hereinafter referred to as “the Holding Company”) and its subsidiary company incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial

reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

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

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Registration No. 015125N)

Vijay Agarwal

Partner
(Membership No. 094468)

Gurgaon, May 10, 2016

Consolidated Balance Sheet as at March 31, 2016

Particulars	Note No.	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	58.44	58.44
Reserves and surplus	3	2611.01	2237.90
		2669.45	2296.34
Non-current liabilities			
Long-term borrowings	4	1911.95	1788.19
Deferred tax liabilities	5	477.65	409.41
Other long-term liabilities	6	39.68	49.98
Long-term provisions	7	18.62	16.71
		2447.90	2264.29
Current liabilities			
Short-term borrowings	4	189.26	236.23
Trade payables	8		
- Outstanding dues to Micro and Small enterprises		5.32	3.06
- Outstanding dues to parties other than Micro and Small enterprises		709.23	578.38
Other current liabilities	9	517.28	564.09
Short-term provisions	10	9.15	11.57
		1430.24	1393.33
TOTAL EQUITY AND LIABILITIES		6547.59	5953.96
ASSETS			
Non-current assets			
Fixed assets	11(A)		
Tangible assets		4015.10	3815.79
Intangible assets		95.30	103.04
Capital work-in-progress		117.38	104.12
Goodwill on consolidation	11(B)	3.50	3.50
Non-current investments	12	4.33	0.05
Deferred tax assets	13	77.93	70.83
Long-term loans and advances	14	208.00	131.11
Other non-current assets	15	10.51	9.20
		4532.05	4237.64
Current assets			
Current investments	12	157.57	94.22
Inventories	16	704.98	763.50
Trade receivables	17	514.49	610.66
Cash and cash equivalents	18	389.23	107.30
Short-term loans and advances	19	245.79	136.74
Other current assets	20	3.48	3.90
		2015.54	1716.32
TOTAL ASSETS		6547.59	5953.96
Accompanying notes forming part of the consolidated financial statements	1 to 44		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
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: **10 May 2016**

Vinayak Chatterjee
Director
(DIN – 00008933)

Anoop K Joshi
President, CFO & Company
Secretary

For and on behalf of the Board of Directors

Consolidated Statement of Profit and Loss

for the year ended March 31, 2016

Particulars	Note No.	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
REVENUE FROM OPERATIONS			
Sale of products (gross)		4836.37	4819.09
Less: excise duty		305.55	326.73
Sale of products (net)		4530.82	4492.36
Other operating revenues	21	69.30	47.49
		4600.12	4539.85
Other income	22	27.26	64.58
TOTAL REVENUE		4627.38	4604.43
EXPENSES			
Cost of materials consumed	23	2278.48	2538.59
Purchases of traded goods	24	35.04	36.12
(Increase)/Decrease in inventories of finished goods, stock-in-process and traded goods	25	17.05	(32.75)
Employee benefits expenses	26	389.03	356.13
Finance costs	27	128.31	137.58
Depreciation and amortisation expenses	28	289.15	245.03
Other expenses	29	919.57	924.30
TOTAL EXPENSES		4056.63	4205.00
Profit before tax		570.75	399.43
Tax expense			
Current tax		105.92	82.50
MAT Credit		(19.27)	(42.13)
Current tax/MAT credit relating to prior years		0.50	(8.99)
Deferred tax charge		60.66	65.24
		147.81	96.62
Profit after tax		422.94	302.81
Earnings per share	35		
Basic (₹)		73.66	52.74
Diluted (₹)		73.66	52.74
Accompanying notes forming part of the consolidated financial statements	1 to 44		

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

For and on behalf of the Board of Directors

Vijay Agarwal
 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: **10 May 2016**

Vinayak Chatterjee
 Director
 (DIN – 00008933)

Anoop K Joshi
 President, CFO & Company
 Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2016

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	570.75	399.43
Adjustments for		
Depreciation and amortisation	289.15	245.03
Finance costs	128.31	137.58
Net unrealised exchange (gain)/loss	(2.70)	0.52
Provision for doubtful trade and other receivables, loans and advances	9.45	3.20
Provision for long term investments no longer required	-	(11.44)
Fixed assets discarded	0.18	0.11
Loss/(Profit) on sale of fixed assets	(4.97)	(23.11)
Dividend on current investment	(0.18)	(3.12)
Interest income	(4.74)	(2.95)
Loss/(Profit) on sale of investment in subsidiaries	0.24	(15.10)
Net (gain)/loss on sale of current investments	(9.91)	(1.79)
Operating profit before working capital changes	975.58	728.36
Changes in working capital		
Adjustments for (increase)/decrease in operating assets		
Trade receivables	86.80	78.43
Inventories	58.52	(17.10)
Short-term loans and advances	(109.13)	23.74
Long-term loans and advances	4.15	(5.31)
Other current assets	0.42	3.89
Other non-current assets	(1.31)	(0.57)
Adjustments for increase/(decrease) in operating liabilities		
Trade Payables	133.11	(207.16)
Other current liabilities	48.86	23.35
Short-term provisions	(0.14)	0.12
Long-term provisions	1.91	(0.46)
Cash generated from operations	1198.77	627.29
Net income tax (paid)/refund	(108.73)	(84.94)
Net cash from operating activities (A)	1090.04	542.35
B CASH FLOW FROM INVESTING ACTIVITIES:		
Capital expenditure on fixed assets, including capital advances	(587.61)	(511.81)
Proceeds from sale of fixed assets	8.72	27.34
Bank balances not considered as cash and cash equivalents	(41.11)	(0.38)
Current investments not considered as cash and cash equivalents		
- Purchased	(510.00)	(691.42)
- Proceeds from sales	452.49	628.24
Purchase of Non Current investments	(0.06)	-
Proceeds from sale of subsidiaries	-	32.44
Grant received from the Government of Republic of South Africa	6.06	9.73
Interest income	4.74	2.95
Dividend on current investments	0.03	3.12
Net cash used in investing activities (B)	(666.74)	(499.79)

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	731.24	636.25
Repayment of long term borrowings	(667.53)	(363.13)
Net proceeds/(repayment) from short term borrowings	(44.61)	(84.19)
Dividends on equity share capital paid	(57.46)	(57.18)
Corporate dividend tax paid	(11.69)	(10.63)
Finance costs paid	(132.43)	(139.22)
Net cash used in/from financing activities (C)	(182.48)	(18.10)
Net increase in Cash and cash equivalents D=(A+B+C)	240.82	24.46
Cash and cash equivalents at the beginning of the year (E)	99.07	74.61
Cash and cash equivalents at the close of the year F=(D+E)	339.89	99.07
Reconciliation of Cash and cash equivalents with the Balance Sheet		
Cash and cash equivalents as per balance sheet	389.23	107.30
Less: Bank balances not considered as Cash and cash equivalents	(49.34)	(8.23)
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	339.89	99.07
Cash and cash equivalents at the end of the year comprises:-		
(a) Cash on hand	0.49	0.44
(b) Balances with banks		
(i) In current accounts	216.59	43.53
(ii) In Exchange Earners Foreign Currency (EEFC) accounts	6.53	1.63
(iii) In saving accounts	23.68	3.29
(iv) In deposit accounts	92.60	50.18
Cash and cash equivalents as per AS - 3 - Cash Flow Statements	339.89	99.07

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

Vijay Agarwal
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: **10 May 2016**

Vinayak Chatterjee
Director
(DIN – 00008933)

Anoop K Joshi
President, CFO & 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, 2016

1. Significant Accounting Policies

(i) BASIS OF ACCOUNTING AND PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

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

The Ministry of Corporate Affairs has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification, i.e., April 01, 2016.

a) Principles of consolidation:

The consolidated financial statements relate to SRF Limited ('the Company') and its subsidiary companies.

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

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 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 recognised 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, 2016	Proportion of Ownership as at March 31, 2015
Parent			
Indian Subsidiaries			
SRF Properties Limited	India	-	*
SRF Transnational Limited	India	-	**
SRF Holiday Home Limited	India	100%	100%
SRF Energy Limited	India	#	100%
SRF Fluorochemicals Limited	India	#	100%

Name of Subsidiary	Country of Incorporation	Proportion of Ownership as at March 31, 2016	Proportion of Ownership as at March 31, 2015
Foreign Subsidiaries			
SRF Fluor Private Limited	Mauritius	-	100%
SRF Global BV	Netherlands	100%	100%
SRF Overseas Limited (100% subsidiary of SRF Global BV)	British Virgin Islands	100%	100%
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%

* Upto June 10, 2014

** Subsidiary upto April 1, 2014, now fellow subsidiary

Upto November 04, 2015

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) Private Limited.

(ii) USE OF ESTIMATES

The preparation of Consolidated 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 March 31, 2014.

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

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

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

(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	-	4.75 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. In case of perpetual leases, no write off is made in respect of leasehold land and in other nature of leases, leasehold land is amortised over the period of the 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 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

- 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, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
AUTHORISED		
12,00,00,000 (Previous Year – 12,00,00,000) Equity shares of ₹ 10 each	120.00	120.00
10,00,00,000 (Previous Year – 10,00,00,000) Preference Shares of ₹ 100 each	10.00	10.00
12,00,00,000 (Previous Year – 12,00,00,000) Cumulative Convertible Preference Shares of ₹ 50 each	6.00	6.00
2,00,00,000 (Previous Year – 2,00,00,000) Cumulative Preference Shares of ₹ 100 each	200.00	200.00
	336.00	336.00
ISSUED		
6,14,77,255 (Previous Year – 6,14,77,255) Equity Shares of ₹ 10 each	61.48	61.48
SUBSCRIBED AND PAID UP		
5,74,20,500* (Previous Year – 5,74,20,500) Equity Shares of ₹ 10 each fully paid up	57.42	57.42
Add: Forfeited shares - Amount originally paid up	1.02	1.02
	58.44	58.44

* 3,00,49,000 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 crores)
As at April 1, 2014	57420500	57.42
Add/(Less): Movement during the year	-	-
As at March 31, 2015	57420500	57.42
Add/(Less): Movement during the year	-	-
As at March 31, 2016	57420500	57.42

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

Name of the shareholder	As at March 31, 2016	As at March 31, 2015
KAMA Holdings Limited		
No. of shares	3,00,49,000	3,00,00,000
Percentage of shareholding	52.33%	52.25%
Amansa Holding Private Limited		
No. of shares	3,183,780	2,370,228
Percentage of shareholding	5.54%	4.13%

d) The Company has bought back 30,83,080 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 March 31, 2016, 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, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Capital reserve	193.77	193.77
Revaluation reserve	42.80	29.20
Capital redemption reserve	10.48	10.48
Debenture redemption reserve	50.00	-
Cash flow hedge reserve	0.58	(0.21)
Foreign currency translation reserve	19.65	19.51
General reserve	523.78	523.54
Surplus in statement of profit and loss	1755.77	1451.94
Deferred government grant	14.18	9.67
Total reserves and surplus	2611.01	2237.90

a) Capital reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	193.77	229.80
Less: Adjustment on account of sale of investment in subsidiary	-	36.03
As at the end of the year	193.77	193.77

b) Revaluation reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	29.20	29.20
Add: Additions on Revaluations during the year*	13.82	-
Less: Utilised for Set off on deletion of revalued assets	0.18	-
Less: Depreciation on revalued amount of fixed assets transferred to General Reserve	0.04	-
As at the end of the year	42.80	29.20

* represents additions due to revaluation of fixed assets in SRF Industex Belting (Pty) Limited

c) Capital redemption reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	10.48	10.48
Less: Adjustment on account of sale of investment in subsidiary	-	*
As at the end of the year	10.48	10.48

* Amount ₹ 0.07 lakhs

d) Debenture redemption reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	-	-
Add: Transferred from surplus in statement of profit and loss	50.00	-
As at the end of the year	50.00	-

e) Cash flow hedge reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	(0.21)	(1.09)
Add: Gain/(loss) on mark to market of foreign currency derivatives	0.79	0.88
As at the end of the year *	0.58	(0.21)

* net of deferred tax liability of ₹ 0.30 crores (Previous year deferred tax asset - ₹ 0.11 crores)

f) Foreign currency translation reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	19.51	17.25
Add: Effect of foreign exchange rate variations during the year	0.14	2.26
As at the end of the year	19.65	19.51

g) General reserve

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	523.54	523.56
Add: Transferred from Revaluation Reserve	0.04	-
Add/(Less): Adjustment pursuant to sale of investment in subsidiary	0.20	(0.02)
As at the end of the year	523.78	523.54

h) Surplus in statement of profit and loss

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	1451.94	1199.01
Add: Profit after tax for the year	422.94	302.81
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)	-	6.16
Add: Adjustment on account of sale of investment in subsidiaries	-	24.32
Less: Interim dividend	57.42	57.42
Less: Corporate dividend tax	11.69	10.62
Less: Transfer to debenture redemption reserve	50.00	-
As at the end of the year	1755.77	1451.94

i) Deferred government grant

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
As at the beginning of the year	9.67	-
Add: Grant received from the Government of Republic of South Africa	6.06	9.73
Less: Recognised in the Statement of profit and loss	0.38	0.06
Less: Effect of exchange currency fluctuation on translation	1.17	-
As at the end of the year	14.18	9.67

4. Borrowings

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
LONG TERM BORROWINGS		
Secured		
2,000 (Previous Year – 2000), 9.80%, listed, secured Redeemable Non-convertible debentures of ₹ 10 Lakhs each{1}	200.00	200.00
Term loans		
- from banks {2}	1292.57	1110.26
- from others {3}	675.97	513.58
	2168.54	1823.84
Less: Current maturities of long term borrowings (Refer Note 9)		
Term loans		
- from banks	(183.54)	(216.62)
- from others	(73.05)	(68.91)
Net secured long term borrowings (a)	1911.95	1538.31
Unsecured		
Term loans from banks	132.28	374.82
Less: Current maturities of long term borrowings (Refer Note 9)		
Term loans		
- from banks	(132.28)	(124.94)
Net unsecured long term borrowings (b)	-	249.88
Net long term borrowings (c=a+b)	1911.95	1788.19

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
SHORT TERM BORROWINGS		
Secured		
Cash credits from banks {4(i), 4(iii) & 4(iv)}	23.91	34.62
Term loans from banks {4(ii)}	99.21	46.85
	123.12	81.47
Unsecured		
Term loans		
- from banks *	66.14	154.14
- from others	-	0.62
	66.14	154.76
Total short term borrowings (d)	189.26	236.23
Total borrowings (e=c+d)	2101.21	2024.42

* Includes Nil (Previous Year – ₹ 50.00 crores) for Commercial Paper issued by the Company.
The maximum amount due during the year is ₹ 150.00 crores (Previous Year – ₹ 125.00 crores)

Details of security of the above secured loans:

Loan	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)	Security
1. 2,000 (Previous Year – 2,000), 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 3 rd year from the date of allotment. b) Coupon is payable Semi-annually on 25 th March and 25 th September every year.	200.00	200.00	Debentures are secured by legal mortgage in English form on certain immoveable 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 Special Economic Zone, Indore in the State of Madhya Pradesh, Pantnagar and Kashipur in the State of Uttarakhand and an 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.
2. (i) Term loan from banks	915.57	985.32	(a) (i) Out of the loans as at 2(i), loans aggregating to ₹ 480.52 crores (Previous Year – ₹ 704.21 crores) 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 Special Economic Zone, Indore in the State of Madhya Pradesh and Kashipur and Pantnagar in the State of Uttarakhand. Out of the loans as at 2(i)(a)(i), loans aggregating to ₹ 50.00 crores (Previous Year – Nil) are additionally secured by hypothecation of Company's moveable properties both present and future, at Dahej in the State of Gujarat (save and except certain assets).

Loan	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)	Security
			<p>Out of the loans as at 2(i)(a)(i), loans aggregating to ₹ 430.52 crores (Previous Year – ₹ 538.03 crores) are to be additionally secured by hypothecation of Company's moveable properties both present and future, at Dahej in the State of Gujarat (save and except certain assets).</p> <p>(a) (ii) Out of the loans as at 2(i)(a)(i) loans aggregating to ₹ 265.17 crores (Previous Year – ₹ 538.03 crores) are secured by equitable Mortgage of Company's immoveable properties, both present and future, situated at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Kashipur in the State of Uttarakhand and Malanpur in the State of Madhya Pradesh (save and except superstructures).</p> <p>Out of the loans as at 2(i)(a)(i) loans aggregating to Nil (Previous Year – ₹ 10.00 crores) are secured by equitable Mortgage of Company's immoveable properties, both present and future, situated at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan and Kashipur in the State of Uttarakhand.</p> <p>Out of the loans as at 2(i)(a)(ii), loans aggregating to Nil (Previous Year – ₹ 538.03 crores) are additionally secured by equitable mortgage of Company's immoveable properties, both present and future, situated at Manali in the State of Tamil Nadu.</p> <p>Out of the loans as at 2(i)(a)(ii), the term loans aggregating to:</p> <p>a) ₹ 150.99 crores (Previous Year – ₹ 223.60 crores) 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, Special Economic Zone, Indore in the State of Madhya Pradesh and at Pantnagar in the state of Utarakhand.</p> <p>b) ₹ 165.35 crores (Previous Year – ₹ 166.17 crores) 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> <p>c) Nil (Previous Year – ₹ 10.00 crores) 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>(b) Out of the loans as at 2(i), loans aggregating to ₹ 435.05 crores (Previous Year – 281.11 crores) are to be 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 Special Economic Zone,</p>

Loan	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)	Security
			Indore in the State of Madhya Pradesh, Kashipur and Pantnagar in the State of Uttarakhand and Dahej in the State of Gujarat (save and except certain assets) and equitable mortgage of Company's immovable properties, both present and future, situated at Viralimalai and Gummidipoondi (freehold) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, and Kashipur in the State of Uttarakhand.
			(c) Out of the loans as at 2(i), loans aggregating to ₹ 282.93 crores (Previous Year – ₹ 281.12 crores) are to be additionally 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).
(ii) Term loans from banks	264.56	-	Term loan in SRF Global BV of USD 40 million (Previous Year – Nil) from HSBC Bank (Mauritius) Ltd. is secured by a Stand by Documentary Credit of USD 40.50 million issued by The HongKong & Shanghai Banking Corporation Limited, India which is to be secured by equitable mortgage of the immovable properties of SRF Limited in Manali, Tamil Nadu.
(iii) Term loans from banks	112.44	124.94	Term loans from banks aggregating to ₹ 112.44 crores (Previous Year – ₹ 124.94 crores) are secured by hypothecation of Company's certain moveable assets situated at Dahej in the State of Gujarat.
3. (i) Term loan from others	179.92	263.72	Term loan in SRF Industries (Thailand) Limited of USD 27.00 million (Previous Year – USD 42.00 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.
(li) Term loan from others	231.49	249.86	Term loan in SRF Flexipak (South Africa) (Pty) Ltd. of USD 35 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 Company.
(lii) Term loan from others	264.56	-	Loan of ₹ 264.56 crores (Previous Year – Nil) is to be secured by the hypothecation and equitable mortgage of Company's moveable and immovable properties at Dhar in the State of Madhya Pradesh.
4 (i) Cash credit/working capital demand loans	23.91	27.68	i) Cash Credit/working capital loans of ₹ 18.92 crores (Previous year – ₹ 27.68 crores) is 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) Cash Credit/working capital loans of ₹ 4.99 crores (Previous year – Nil) is secured by cessation of the Borrower of its Debtors of SRF Industex Belting Pty Limited.

Loan	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)	Security
(ii) Term loan from banks	99.21	46.85	Secured by hypothecation of stocks, stores and book debts (current assets), both present and future at Manali, Viralmalai 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
(iii) Cash credit/working capital demand loans	-	1.76	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 Company's leasehold rights.
(iv) Trust receipt payable	-	5.18	
Total	2291.67	1905.30	

In respect of SRF Limited, the hypothecation and equitable mortgage rank pari-passu between term loans from banks/other (save and except hypothecation of certain movable assets at Dahej in the State of Gujarat in favour of a bank as at 2(iii) above and hypothecation and equitable mortgage of certain moveable assets and Immoveable assets at Dhar in the State of Madhya Pradesh in favour of others as at 3 (iii) above.)

TERM OF REPAYMENT OF LOANS

LONG TERM BORROWINGS

Loan Category	Frequency of Principal Repayments	Interest Rate	Amount Repayable (₹ in crores)			
			Upto March 31, 2017	Upto March 31, 2018	Upto March 31, 2019	From 2019 to 2026
Redeemable Non-Convertible Debentures	Redeemable at face value in one Instalment at the end of second year	9.80%	-	200.00	-	-
Rupee term loans	Half yearly instalments	10.30% to 12.30%	11.56	13.05	9.81	48.46
	Quarterly instalments	9.10%	50.00	50.00	-	-
Foreign Currency Term loans	Half yearly instalments	Libor plus interest rate spread ranging from 1.30 % to 2.20%	128.89	128.89	197.24	616.31
	Annual installment	Libor plus interest rate spread ranging from 1.25% to 1.60%	66.14	33.07	33.07	-
	Payable in one installment on maturity	Libor plus interest rate spread ranging from 0.85 % to 2.75%	132.28	-	416.67	165.38
Total			388.87	425.01	656.79	830.15

SHORT TERM BORROWINGS

Short term borrowings are payable in one installment within one year. For short term loans taken during the year in foreign currency, interest rates ranges from LIBOR (-) 0.10% to LIBOR (+) 1.80%. For local currency denominated short term loans taken during the year the interest rate ranges from 7.40% to 11.50%

5. Deferred Tax Liabilities

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Deferred tax liabilities		
Difference between book and tax depreciation	453.88	390.86
Research and development expenditure and others	23.77	18.55
Total deferred tax liabilities	477.65	409.41

6. Other Long Term Liabilities

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Others:		
Payable for fixed assets	39.68	49.98
Total other long term liabilities	39.68	49.98

7. Long Term Provisions

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Employee benefits	18.62	16.71
Total long term provisions	18.62	16.71

8. Trade Payables

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Acceptances	302.12	292.96
Trade payables		
- Outstanding dues to Micro and Small enterprises	5.32	3.06
- Outstanding dues to parties other than Micro and Small enterprises	407.11	285.42
Total trade payables	714.55	581.44

9. Other Current Liabilities

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Current maturities of long term borrowings	388.87	410.47
Interest accrued but not due on borrowings	6.12	8.58
Unclaimed dividend*	6.20	6.24
Unclaimed fixed deposits* (including interest)	0.01	0.01
Security deposits	5.23	4.71
Acceptances for fixed assets	1.57	-
Payables for fixed assets		
- Outstanding dues to Micro and Small enterprises	1.11	2.18
- Outstanding dues to parties other than Micro and Small enterprises	28.55	51.33
Gratuity	11.68	7.21
Statutory remittances	34.53	36.81
Other taxes payable	18.09	19.35
Advances from customers	11.35	16.10
Other payables	3.97	1.10
Total other current liabilities	517.28	564.09

* 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.

10. Short Term Provisions

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Employee benefits	6.03	6.17
Provision for tax (net of payments)	3.12	5.40
Total short term provisions	9.15	11.57

11(A). Fixed Assets

Description	Gross Block					
	As at April 1, 2015	Additions (note viii)	Translation Adjustment/ Net Revaluation	Disposals	Net Revaluations	As at March 31, 2016
Tangible assets						
Land						
- Freehold	112.01	-	(2.11)	0.44	-	109.46
- Leasehold	104.05	5.71	-	0.38	-	109.38
Roads	51.99	7.07	(0.97)	-	-	58.09
Buildings	866.10	38.29	(13.12)	-	-	891.27
Plant and machinery	5292.87	439.30	(54.78)	18.72	13.82	5672.49
Furniture and fixtures	32.78	3.24	(0.27)	0.44	-	35.31
Office Equipment	46.67	9.95	(0.48)	1.76	-	54.38
Vehicles	29.33	5.80	(0.05)	3.01	-	32.07
Sub-total	6535.80	509.36	(71.78)	24.75	13.82	6962.45
Intangible Assets						
Goodwill	3.69	-	-	-	-	3.69
Trade Marks/Brands	79.40	4.03	-	-	-	83.43
Technical Knowhow	9.15	-	-	-	-	9.15
Software	29.83	5.92	-	0.17	-	35.58
Others	19.43	1.15	-	-	-	20.58
Sub-total	141.50	11.10	-	0.17	-	152.43
Grand total	6677.30	520.46	(71.78)	24.92	13.82	7114.88
Previous year	6107.15	649.48	27.49	106.82	-	6677.30

Capital-work-in-progress (Including technical knowhow of ₹ 41.15 crores (Previous Year ₹ 38.80 crores))

Notes to fixed assets

- (i) Borrowing cost capitalised to capital work in progress during the year ₹ 2.01 crores (Previous Year – Nil).
- (ii) The deed of assignment in respect of free hold land at Manali, Chennai has been executed in respect of 135.02 acres (Previous Year – 135.02 acres). In addition to aforesaid extent, 1.47 acres were handed over to SRF Limited under a land delivery receipt. During the year Company has sold 1.03 acres of land. Thus, the Company is in possession of 135.46 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.

(₹ in crores)

Depreciation/Amortisation					Net Block		Revaluation Amount
Upto March 31, 2015	For the year (note viii)	Translation adjustment	On disposals	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016
-	-	-	-	-	109.46	112.01	24.40
-	0.07	-	-	0.07	109.31	104.05	2.23
9.60	1.30	(0.16)	-	10.74	47.35	42.39	0.13
218.21	20.31	(2.07)	-	236.45	654.82	647.89	2.14
2429.90	235.77	(19.68)	16.14	2629.85	3042.64	2862.97	13.90
16.48	1.88	(0.07)	0.39	17.90	17.41	16.30	-
31.84	5.69	(0.31)	1.63	35.59	18.79	14.83	-
13.98	5.29	(0.04)	2.48	16.75	15.32	15.35	-
2720.01	270.31	(22.33)	20.64	2947.35	4015.10	3815.79	42.80
2.28	0.37	-	-	2.65	1.04	1.41	-
7.69	4.01	-	-	11.70	71.73	71.71	-
6.17	1.07	-	-	7.24	1.91	2.98	-
20.62	6.43	-	0.17	26.88	8.70	9.21	-
1.70	6.96	-	-	8.66	11.92	17.73	-
38.46	18.84	-	0.17	57.13	95.30	103.04	-
2758.47	289.15	(22.33)	20.81	3004.48	4110.40		42.80
2565.72	254.37	40.86	102.48	2758.47		3918.83	29.20
					117.38	104.12	
					4227.78	4022.95	

- (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 ₹ 4.21 crores (Previous Year – ₹ 2.15 crores).
- (vii) The revaluation of fixed assets was carried out in the year ended March 31, 2005 for SRF Limited, in the year ended March 31, 2011 for SRF Industries (Thailand) Limited and, in the current financial year for SRF Industex Belting Pty Limited.
- (viii) Refer Note 40

11(A). Fixed Assets (continued)

(₹ in crores)

Description	Gross Block						Upto March 31, 2014
	As at April 1, 2014	Additions	Translation Adjustment/ Net Revaluation	Disposals	Asset Held for Sale	As at March 31, 2015	
Tangible assets							
Land							
- Freehold	112.48	-	(0.47)	-	-	112.01	-
- Leasehold	102.22	1.83	-	-	-	104.05	-
Roads	43.68	10.04	(0.04)	1.69	-	51.99	9.65
Buildings	819.03	46.78	0.29	-	-	866.10	195.25
Plant and machinery	4881.71	479.09	27.51	95.44	-	5292.87	2274.71
Furniture and fixtures	30.82	2.45	0.02	0.51	-	32.78	15.06
Office Equipment	43.99	5.44	0.15	2.91	-	46.67	28.96
Vehicles	26.60	8.96	0.03	6.26	-	29.33	13.90
Sub-total	6060.53	554.59	27.49	106.81	-	6535.80	2537.53
Intangible Assets							
Goodwill	3.69	-	-	-	-	3.69	1.91
Trade Marks	11.40	68.00	-	-	-	79.40	5.98
Technical Knowhow	9.15	-	-	-	-	9.15	5.10
Software	22.38	7.46	-	0.01	-	29.83	15.20
Others	-	19.43	-	-	-	19.43	-
Sub-total	46.62	94.89	-	0.01	-	141.50	28.19
Grand total	6107.15	649.48	27.49	106.82	-	6677.30	2565.72
Previous year	4750.23	1456.84	3.70	72.25	31.37	6107.15	2419.72
Capital-work-in-progress (Including technical knowhow of ₹ 38.80 crores (Previous Year – Nil))							

* Depreciation for the year is inclusive of ₹ 9.34 crores related to transition to Schedule II of the 2013 Act on tangible fixed assets with Nil remaining useful life. Therefore amount of ₹ 6.16 crores (net of deferred tax) has been charged to opening balance of Retained Earnings

(₹ in crores)

Depreciation/Amortisation						Net Block		Revaluation Amount
For the year*	Translation adjustment	On disposals	Impairment losses recognised in Consolidated Statement of Profit and Loss	Asset Held for Sale	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015
-	-	-	-	-	-	112.01	112.48	24.58
-	-	-	-	-	-	104.05	102.22	2.23
1.06	0.31	1.42	-	-	9.60	42.39	34.03	0.14
18.59	4.37	-	-	-	218.21	647.89	623.78	2.16
212.66	35.84	93.31	-	-	2429.90	2862.97	2607.00	0.09
1.80	0.10	0.48	-	-	16.48	16.30	15.76	-
5.20	0.21	2.53	-	-	31.84	14.83	15.03	-
4.78	0.03	4.73	-	-	13.98	15.35	12.70	-
244.09	40.86	102.47	-	-	2720.01	3815.79	3523.00	29.20
0.37	-	-	-	-	2.28	1.41	1.78	-
1.71	-	-	-	-	7.69	71.71	5.42	-
1.07	-	-	-	-	6.17	2.98	4.05	-
5.43	-	0.01	-	-	20.62	9.21	7.18	-
1.70	-	-	-	-	1.70	17.73	-	-
10.28	-	0.01	-	-	38.46	103.04	18.43	-
254.37	40.86	102.48	-	-	2758.47	3918.83		29.20
225.16	8.10	61.85	0.92	26.33	2565.72		3541.43	29.20
						104.12	112.12	
						4022.95	3653.55	

11(B). Goodwill on Consolidation

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Opening balance	3.50	9.32
Less: On disposal of subsidiaries during the year	-	5.82
Closing balance	3.50	3.50

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, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
NON-CURRENT INVESTMENTS		
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	4.22	-
Other investments		
Investments in equity instruments		
Unquoted		
50,000 (Previous Year – 50,000) equity Shares of ₹ 10 Each Vaayu Renewable Energy (Tapti) Private Limited	0.05	0.05
4,000 (Previous Year – Nil) equity Shares of ₹ 10 Each Suryadev Alloys & Power Private Limited	0.06	-
6,70,000 (Previous Year – 6,70,000) equity shares of ₹ 10 each fully paid up of Sanghi Spinners India Limited	0.12	0.12
Less : Provision for diminution in value	(0.12)	(0.12)
Total Non- current investments (long term investments)	4.33	0.05
Aggregate amount of long term unquoted investments (net of provision)	4.33	0.05
Aggregate provision for diminution in value of long term investments	0.12	0.12
CURRENT INVESTMENTS		
CURRENT PORTION OF 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	-	4.22
Investments in mutual funds		
Quoted		
Nil (Previous Year – 50,00,000) Units of ₹ 10 each ICICI Prudential FMP Series 73 - 392 Days Plan F Regular Plan Cumulative	-	5.00

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Nil (Previous Year – 1,00,00,000) Units of ₹ 10 each SBI Debt Fund Series- A 11 385 Days - Regular - Growth	-	10.00
Nil (Previous Year – 36,14,673.84) Units of ₹ 207.49 each ICICI Prudential Saving Fund-Regular Growth Plan	-	75.00
36,12,365 (Previous Year – Nil) Units of ₹ 220.18 each ICICI Prudential P1543 Saving Fund-Growth Plan	79.54	-
3,12,529 (Previous Year – Nil) Units of ₹ 1696.90 each Religare Invesco Credit Opportunities Fund-Growth Plan	53.03	-
105,16,707 (Previous Year – Nil) Units of ₹ 23.77 each Kotak Treasury Advantage Fund-Growth Plan	25.00	-
Total current investments	157.57	94.22
Aggregate amount of current quoted investments	157.57	90.00
Aggregate amount of current unquoted investments	-	4.22
Market value of current quoted investments	160.60	91.55

13. Deferred Tax Assets

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Deferred tax assets		
Provision for bad and doubtful debts	0.76	1.67
Accrued expenses deductible on payment and others	35.19	25.60
Brought forward business losses *	41.98	43.56
Total deferred tax assets	77.93	70.83

* 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 good, unless otherwise stated)

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Capital advances	74.90	13.13
Security deposits*#	24.25	29.60
Loans to employees	7.72	6.55
Prepaid expenses	0.25	0.14
MAT credit entitlement	95.43	76.16
Cenvat/Service tax/VAT recoverable	4.80	4.82
Other loans and advances		
Unsecured - considered good	0.65	0.71
- considered doubtful	0.15	0.10
Less : Provision for doubtful advances	(0.15)	(0.10)
Total long term loans and advances	208.00	131.11

* Security deposits includes ₹ 5.69 crores (Previous Year – ₹ 10.54 crores) as interest free security deposits for accommodation taken on lease for Company's officers/directors and various offices taken on lease by the Company.

Refer note 34

15. Other Non-current Assets

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Unamortised upfront fees on loans	10.51	9.20
Total other non-current assets	10.51	9.20

16. Inventories

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Raw materials	209.73	257.03
Raw materials in transit	113.76	110.31
Stock-in-process	76.01	100.78
Stock-in-process in transit	1.07	2.09
Finished goods	159.63	158.03
Finished goods in transit	22.00	19.42
Stock of traded goods	2.64	1.45
Stock of traded goods in transit	-	0.54
Stores and spares	119.83	113.65
Stores and spares in transit	0.31	0.20
Total inventories	704.98	763.50

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, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured – considered good	0.66	0.06
Unsecured – considered doubtful	17.15	10.26
	17.81	10.32
Less : Provision for doubtful debts	17.15	10.26
	0.66	0.06
Other trade receivables		
Unsecured – considered good	513.83	610.60
Total trade receivables	514.49	610.66

18. Cash and Cash Equivalents

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
A. Cash and cash equivalents		
Cash in hand	0.49	0.44
Balance with banks in		
Current accounts	216.59	43.53
Exchange Earners Foreign Currency (EEFC) accounts	6.53	1.63
Savings accounts	23.68	3.29
Deposit accounts with maturity of three months or less	92.60	50.18
Total Cash and cash equivalents	339.89	99.07

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
B. Other Bank Balances		
i) In Other Deposit accounts		
Deposit accounts with maturity beyond three months upto twelve months	39.68	-
ii) In earmarked accounts		
Margin money	3.46	1.99
Unclaimed dividend accounts	6.20	6.24
Total other bank balances	49.34	8.23
	389.23	107.30
Of the above, the balances that meet the definition of cash and cash equivalents as per AS - 3 - Cash Flow Statements is	339.89	99.07

19. Short-term Loans and Advances

(Unsecured considered good, unless otherwise stated)

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Loans to employees	7.02	5.23
Deposits with customs and excise authorities	3.11	1.97
Security deposits *	4.64	2.84
Claims recoverable	93.83	16.09
CENVAT/Service tax/VAT recoverable	74.57	68.50
Advance to suppliers		
Unsecured - considered good	46.30	24.81
- considered doubtful	-	0.05
Less: Provision for doubtful advances	-	(0.05)
Prepaid expenses	10.64	10.99
Other loans and advances		
Unsecured - considered good	5.68	6.31
- considered doubtful	2.81	2.97
Less: Provision for doubtful advances	(2.81)	(2.97)
Total short-term loans and advances	245.79	136.74

* Security deposits includes ₹ 0.05 crores (Previous Year – ₹ 1.95 crores) as interest free security deposits for accommodation taken on lease for Company's officers/directors and various offices taken on lease by the Company.

20. Other Current Assets

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Unamortised upfront fees on loans	3.48	3.90
Total other current assets	3.48	3.90

21. Other Operating Revenues

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Claims	1.99	0.66
Export incentives	36.29	16.32
Scrap sales	11.02	12.39
Other operating income	20.00	18.12
Total other operating revenues	69.30	47.49

22. Other Income

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Dividend on current investments	0.18	3.12
Profit on sale of current investments	9.91	1.79
Profit on sale of investment in subsidiaries	-	15.10
Provision/Liabilities no longer required written back	5.46	4.44
Provision for long term investments no longer required	-	11.44
Profit on sale of fixed assets	4.97	23.11
Interest income		
• from customers	0.23	0.23
• on loans and deposits	0.97	0.68
• on others*	3.54	2.04
Other non-operating income	2.00	2.63
Total other income	27.26	64.58

* includes income-tax deducted at source ₹ 0.24 crores (previous year ₹ 0.06 crores)

23. Cost of Materials Consumed

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Opening stock of raw materials	367.34	411.39
Add: Purchase of raw materials	2234.63	2494.54
	2601.97	2905.93
Less: Closing stock of raw materials	323.49	367.34
Cost of materials consumed	2278.48	2538.59

24. Purchase of Traded Goods

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Yarn	0.11	15.17
Refrigerant gases	29.87	1.67
Packaging Films	4.57	17.21
Others	0.49	2.07
Total	35.04	36.12

25. (Increase)/Decrease in Inventories of Finished Goods, Stock-in-process and Traded Goods

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Opening Stock		
Stock-in-Process	102.87	107.01
Finished goods	177.45	143.11
Traded goods	1.99	0.83
Stock of Certified Emission Reductions	-	0.05
	282.31	251.00
Effect of changes in exchange currency rates		
Stock-in-Process	(1.90)	(0.24)
Finished goods	(2.01)	(1.20)
	(3.91)	(1.44)
Closing Stock		
Stock-in-Process	77.08	102.87
Finished goods	181.63	177.45
Traded goods	2.64	1.99
Stock of Certified Emission Reductions	-	-
	261.35	282.31
(Increase)/Decrease in inventories of finished goods, stock-in-process and traded goods		
Stock-in-Process	23.89	3.90
Finished goods	(6.19)	(35.54)
Traded goods	(0.65)	(1.16)
Stock of Certified Emission Reductions	-	0.05
	17.05	(32.75)

26. Employee Benefits Expenses

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Salaries, wages, bonus, etc	320.40	293.63
Contribution to provident and other funds	28.67	24.29
Workmen and staff welfare expenses	39.96	38.21
Total employee benefit expenses	389.03	356.13

27. Finance Costs

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Interest expenses		
• On debentures and loans for fixed period	81.41	78.16
• Cash Credit and others	25.53	29.08
Other borrowing costs	16.15	16.15
Loss on foreign currency transactions and translation (considered as finance cost)	5.22	14.19
Total finance costs	128.31	137.58

28. Depreciation and Amortisation Expenses

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Depreciation on tangible assets (Refer note 11 (A))	270.31	234.75
Amortisation on intangible assets (Refer note 11 (A))	18.84	10.28
Total depreciation and amortisation expenses	289.15	245.03

29. Other Expenses

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Stores and Spares consumed	43.88	33.55
Power and Fuel	398.07	434.15
Rent	21.69	19.66
Repairs and Maintenance		
- Buildings	5.44	3.12
- Plant and machinery	113.17	118.44
- Other Maintenance	31.93	28.39
Insurance	16.00	14.97
Rates and taxes	5.65	5.20
Freight	119.00	110.87
Expenditure on Corporate Social Responsibility	8.75	4.42
Professional and legal charges	20.28	25.04
Contract conversion charges	3.33	3.05
Travel	14.72	15.02
Directors' sitting fees	0.29	0.19
Selling commission	10.61	12.62
Increase/(decrease) in excise duty on closing stock	(0.23)	6.15
Provision for doubtful debts/advances	9.24	2.07
Bad debts/advances written off	0.21	1.13
Fixed assets/inventories provided/written off	2.22	5.58
Loss on winding up of wholly owned subsidiary	0.24	-
Auditors' Remuneration (net of service tax input credit) #		
- Audit Fees	1.38	1.03
- For limited review of unaudited financial results	0.33	0.76
- For corporate governance, consolidated financial statements and other certificates	0.16	0.16
- For tax audit	0.10	0.10
Exchange currency fluctuation	10.58	9.44
Miscellaneous expenses	82.53	69.19
Total other expenses	919.57	924.30

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, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Excise duty, customs duty and service tax* @	61.25	60.95
Sales Tax and entry tax (refer note 'b' below)** @	123.48	112.12
Income Tax****	7.90	11.29
Stamp Duty*****	28.81	28.81
Others ***	12.33	10.89

* Amount deposited ₹ 4.57 crores (Previous Year – ₹ 4.47 crores)

** Amount deposited ₹ 0.02 crores (Previous Year – ₹ 0.16 crores)

*** Amount deposited ₹ 0.08 crores (Previous Year – Nil)

**** Amount deposited ₹ 3.38 crores (Previous year – ₹ 4.32 crores)

***** In the matter of acquisition of the Tyrecord Division at Malanpur from CEAT Limited the Collector of Stamps, Bhind (Madhya Pradesh) has by his order dated 07.11.2001 assessed the value of the subject matter of the Deed of Conveyance dated 13.06.1996 at ₹ 303.00 crores and levied a stamp duty of ₹ 23.73 crores and imposed a penalty of ₹ 5.09 crores. 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 ₹ 27.76 crores and not the entire undertaking valued at ₹ 303.00 crores 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 29th November 2004. Against the said order, the State of Madhya Pradesh preferred a Special Leave Petition before the Hon'ble Supreme Court which the State of Madhya Pradesh has withdrawn to enable it to approach the Hon'ble High Court of Madhya Pradesh at Gwalior in view of the change in law in the State of Madhya Pradesh relating to Letters Patent Appeal.

@ As per Business Transfer Agreement with KAMA Holdings Limited, the liabilities of ₹ 20.64 crores (Previous Year – ₹ 20.64 crores) and ₹ 0.38 crores (Previous Year – ₹ 0.38 crores) 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 for payment of Central Sales Tax (CST), Value Added Tax (VAT) and Entry Tax aggregating to ₹ 121.06 crores (Previous Year : ₹ 111.38 crores) including interest and penalty of ₹ 34.38 crores (Previous Year : ₹ 34.38 crores) for the period from 2005 to 2013 in respect of sales from its manufacturing facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA). The Company had already paid on the same products ₹ 51.37 crores as Additional Countervailing Duty (ACVD) to the Central Government, based on Company's view that ACVD was payable as per extant policies and Legislations of the Centre and the State.

The Company had filed writ petitions against all such demands, on which Hon'ble High Court of Madhya Pradesh ("Court") has granted stay. The Management is of the view which is also confirmed by legal opinion that Company has a good case on merits and is confident of getting relief from the Court and, accordingly, no provision has been created.

c. Liability on account of Bank Guarantees ₹ 13.25 crores (Previous Year – ₹ 10.99 crores)

d. Guarantees given to banks for repayment of financial facilities availed by others – ₹ 2.50 crores (Previous Year – ₹ 2.50 crores). Outstanding amount as at the year-end is Nil (Previous Year – ₹ 0.87 crores).

- e. The Company has been served with show cause notices regarding certain transactions as to why additional customs/excise duty/service tax amounting to ₹ 38.88 crores (Previous Year – ₹ 29.11 crores) 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 ₹ 329.18 crores. The assigned receivables as at the year end is ₹ 160.35 crores (Previous Year – ₹ 95.24 crores)

31. The details of dues of Income-tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2016 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 crores)
Central Excise Laws	Excise duty	High Court	1996-1997	2.14
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	1992-2013	58.88
		Upto Commissioner (Appeals)	1993-2010	4.98
Service Tax Laws	Service Tax	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2005-2010	0.54
		Upto Commissioner (Appeals)	2006-2015	1.45
Customs Laws	Customs Duty	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	2004-2013	1.75
		Upto Commissioner (Appeals)	2002	0.17
Sales Tax Laws	Sales Tax	High Court	2005-2013	103.30
		Sales Tax Appellate Tribunal	1987-2014	2.82
		Upto Commissioner (Appeals)	1988-2015	0.28
Income Tax Laws	Income Tax	Supreme Court	1988-1989	1.13
		Income Tax Appellate Tribunal (ITAT)	2009-2011	1.69
Others	Electricity Cess	High Court	2007-2014	0.09

* 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 crores)
Central Excise Laws	Excise Duty	Supreme Court	1994-1996	0.21
		High Court	1994-2002	1.22
		Customs, Excise & Service Tax Appellate Tribunal (CESTAT)	1989-1995	2.24
Income Tax Laws	Income Tax	Income Tax Appellate Tribunal (ITAT)	1994-1995	3.44

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 ₹ 263.91 crores (Previous Year – ₹ 87.53 crores).
- b. 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, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Salary and Allowances	4.36	4.15
Contribution to Provident and Superannuation Funds	0.72	0.60
Value of Perquisites	2.91	2.23
Commission (Provided)	4.75	4.75
Sub total	12.74	11.73
(b) Non-Executive Directors		
Commission (Provided)	0.35	0.35
Other Fees	0.13	0.07
Professional Consultancy	-	0.05
Directors' Sitting Fees	0.29	0.19
Sub total	0.77	0.66
Total	13.51	12.39

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) (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	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 LLP (formerly known as Karm Farms Private Limited) • Srishti Westend Greens Farms LLP (formerly known as Srishti Westend Greens Farms Private Limited) • SRF Welfare Trust
• KAMA Realty (Delhi) Limited			
• Shri Educare Limited			
• Shri Educare Maldives Private Limited			
• SRF Transnational Holdings Limited			

B TRANSACTIONS WITH RELATED PARTIES REFERRED TO IN NOTE 34A ABOVE

(₹ in crores)

Nature of Transactions	(a)		(b)		(c)		(d)	
	Year ended		Year ended		Year ended		Year ended	
	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015
Sale of fixed assets to								
- SRF Foundation							6.30	-
Rent paid to								
- Kama Realty (Delhi) Limited	6.50	6.48						

(₹ in crores)

Nature of Transactions	(a)		(b)		(c)		(d)	
	Year ended		Year ended		Year ended		Year ended	
	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015
- Karm Farms LLP							0.60	0.30
- Srishti Westend Greens Farms LLP							0.60	0.30
- Mr Arun Bharat Ram					0.24	0.24		
- Mr Ashish Bharat Ram					0.02	0.02		
- Mr Kartik Bharat Ram					0.02	0.02		
- SRF Welfare Trust							0.16	-
Managerial Remuneration paid to								
- Mr Arun Bharat Ram					4.63	4.39		
- Mr Ashish Bharat Ram					4.10	3.71		
- Mr Kartik Bharat Ram					3.91	3.54		
- Mr K Ravichandra					0.10	0.09		
Reimbursement of expenses from								
- KAMA Holdings Limited			0.0043	0.0011				
- Shri Educare Limited	0.03	0.02						
Loans/deposits given to (including exchange fluctuation)								
- KAMA Realty (Delhi) Limited	0.04	-						
- SRF Welfare Trust							0.14	-
Loans/deposits received back from								
- Karm Farms LLP							2.50	-
- Srishti Westend Greens Farms LLP							2.50	-
Donations to								
- SRF Foundation							8.75	3.50
Investment Sold to								
- KAMA Holdings Limited			-	11.44				

Balances outstanding as at the year-end:-

(₹ in crores)

Nature of Transactions	(a)		(b)		(c)		(d)	
	As at		As at		As at		As at	
	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015
Commission Payable								
- Mr Arun Bharat Ram					2.25	2.25		
- Mr Ashish Bharat Ram					1.25	1.25		
- Mr Kartik Bharat Ram					1.25	1.25		
Security Deposits outstanding								
- KAMA Realty (Delhi) Limited	3.34	3.30						
- Karm Farms LLP							0.60	3.10
- Srishti Westend Greens Farms LLP							0.60	3.10
- SRF Welfare Trust							0.14	-
- Mr Arun Bharat Ram					0.12	0.12		
- Mr Ashish Bharat Ram					0.0060	0.0060		
- Mr Kartik Bharat Ram					0.0060	0.0060		

35. Earnings Per Share

	Year ended March 31, 2016	Year ended March 31, 2015
Profit after tax (₹ in crores)	422.94	302.81
Weighted average number of equity shares outstanding (Nos.)	57420500	57420500
Basic and diluted earnings per share in rupees (₹) (face value – ₹ 10 per share)	73.66	52.74

36. 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
- Legal severance pay, unutilized leave benefit and health care benefit as applicable with respect to foreign subsidiaries

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 said demographic assumptions are as follows:-

Indian entities

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Discount rate (per annum)	8.00%	7.75%	8.00%	7.75%
Future salary increase	7.50%	7.50%	7.50%	7.50%
Expected rate of return on plan assets	8.25%	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 (%)				
- up to 30 years	10	10	10	10
- up to 44 years	5	5	5	5
- above 44 years	2	2	2	2

Foreign entities

	Legal Severance Pay & Unutilised Leave Benefits (Unfunded)		Health Care (Unfunded)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Discount rate (per annum)	3.14%/3.17%	3.14%/3.17%	10.40%	8.70%
Future salary increase	5.00%/4.00%-6.00% (Avg-4.63%)	5.00%/4.00%-6.00% (Avg-4.63%)	-	-
In service mortality	TMO 2008	TMO 2008	SA 85-90	SA 85-90
Retirement age (in years)	60/55	60/55	60 - 65	60 - 65
Withdrawal rates (%)				
- up to 20 years	54/25	54/25	15	15
- up to 25 years	54/25	54/25	10	10
- up to 30 years	54/25	54/25	7	7
- up to 35 years	27/14	27/14	4	4
- up to 40 years	27/14	27/14	2	2
- up to 44 years	10/2	10/2	0	0
- up to 50 years	10/2	10/2	0	0
- above 50 years	0	0	0	0

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

Indian entities

(₹ in crores)

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Present value of obligation as at the beginning of the year	42.52	35.37	18.80	15.05
Current service cost	4.15	3.67	2.59	2.34
Interest cost	3.30	3.01	1.45	1.28
Benefits paid	(4.02)	(2.92)	(2.30)	(1.90)
Actuarial loss/(gain)	2.58	3.39	0.21	2.03
Present value of obligation as at the end of the year	48.53	42.52	20.75	18.80

Foreign entities

(₹ in crores)

	Legal Severance Pay & Unutilised Leave Benefits (Unfunded)		Health Care (Unfunded)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Present value of obligation as at the beginning of the year	4.02	3.88	1.98	2.07
Current service cost	1.08	0.91	0.05	0.06
Interest cost	0.12	0.15	0.16	0.19

	Legal Severance Pay & Unutilised Leave Benefits (Unfunded)		Health Care (Unfunded)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Benefits paid	-	(0.01)	(0.05)	(0.06)
Actuarial loss/(gain)	-	(1.06)	(0.37)	(0.07)
Effect of changes in exchange currency rates – loss/(gain)	(0.08)	0.15	(0.23)	(0.21)
Present value of obligation as at the end of the year	5.14	4.02	1.54	1.98

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

Indian entities

(₹ in crores)

	Gratuity (Funded)	
	Year ended March 31, 2016	Year ended March 31, 2015
Fair value of plan assets at the beginning of the year	38.65	30.85
Estimated return on plan assets	3.19	2.47
Employers' contribution	3.87	4.52
Benefits paid	(4.02)	(2.92)
Actuarial gain/(loss) on plan assets	(0.77)	3.73
Plan assets at the end of the year	40.92	38.65
Composition of plan assets		
HDFC Group unit linked plan fund	99.45%	99.42%
Others including bank balances	0.12%	0.49%
Government of India Securities	0.43%	0.09%
Total	100.00%	100.00%

Reconciliation of fair value of assets and obligations

Indian entities

(₹ in crores)

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Present value of obligation as at the year end	48.53	42.52	20.75	18.80
Fair value of plan assets	40.92	38.65	-	-
Net assets/(liability) recognized in the balance sheet	(7.61)	(3.87)	(20.75)	(18.80)
- Current	(7.61)	(3.87)	(3.58)	(3.53)
- Non Current	-	-	(17.17)	(15.27)

Foreign entities

(₹ in crores)

	Legal Severance Pay & Unutilised Leave Benefits (Unfunded)		Health Care (Unfunded)	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Present value of obligation as at the year end	5.14	4.02	1.54	1.98
Fair value of plan assets	-	-	-	-
Net assets/(liability) recognized in the balance sheet	(5.14)	(4.02)	(1.54)	(1.98)

Expenses recognised in the statement of profit and loss.

Indian entities

(₹ in crores)

	Gratuity (Funded)		Compensated Absences – earned leaves (Unfunded)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Current service cost	4.15	3.67	2.59	2.34
Interest cost	3.30	3.01	1.45	1.28
Expected return on planned assets	(3.19)	(2.47)	-	-
Actuarial loss/(gain)	3.35	(0.34)	0.21	2.03
Total expense	7.61	3.87	4.25	5.65

Foreign entities

(₹ in crores)

	Legal Severance Pay & Unutilised Leave Benefits (Unfunded)		Health Care (Unfunded)	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
Current service cost	1.08	0.91	0.05	0.06
Interest cost	0.12	0.15	0.16	0.19
Expected return on planned assets	-	-	-	-
Actuarial loss/(gain)	-	(1.06)	(0.37)	(0.07)
Total expense	1.20	-	(0.16)	0.18

Gratuity

Net assets/(liabilities) recognised in the balance sheet

Indian entities

(₹ in crores)

As on	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Present value of obligation	48.53	42.52	35.36	32.42	28.00
Fair Value of Plan Assets	40.92	38.65	30.84	30.19	25.44
Net assets/(liability)	(7.61)	(3.87)	(4.52)	(2.23)	(2.56)

Experience on actuarial gain/(loss) for benefit obligation and plan assets**Indian entities**

(₹ in crores)

Year ended	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
On Plan Present value of obligation	(3.53)	(1.01)	0.36	(0.62)	(2.83)
On Plan Assets	(0.66)	3.73	(0.48)	0.58	0.02

Net Liabilities recognised in the balance sheet**Indian entities****Compensated absences – earned leaves**

(₹ in crores)

As on	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Present value of obligation	20.75	18.80	15.05	13.70	11.68
Plan Assets	-	-	-	-	-
Net Assets/(Liability)	(20.75)	(18.80)	(15.05)	(13.70)	(11.68)

Foreign entities

(₹ in crores)

As on	Legal Severance Pay & Unutilised Leave Benefits		Health Care	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Present value of obligation	5.14	4.02	1.54	1.98
Plan Assets	-	-	-	-
Net Assets/(Liability)	(5.14)	(4.02)	(1.54)	(1.98)

Experience on actuarial gain/(loss) for benefit obligation**Indian entities**

(₹ in crores)

Year ended	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
On Plan Present value of obligation	(0.21)	(0.85)	(0.37)	(0.65)	(0.77)
On Plan Assets	-	-	-	-	-

The Company's best estimate of the contribution expected to be paid in the next year is ₹ 6.50 crores (Previous Year – ₹ 5.58 crores) for gratuity and ₹ 4.91 crores (Previous Year – ₹ 4.34 crores) for leave encashment.

Foreign entities

(₹ in crores)

As on	Legal Severance Pay & Unutilised Leave Benefits		Health Care	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
On Present value of obligation	-	1.06	0.37	0.07
On Plan Assets	-	-	-	-

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 ₹ 3.06 crores (Previous Year – ₹ 3.33 crores) towards these plans till March 31, 2016.

(₹ in crores)

	As at March 31, 2016	As at March 31, 2015
- Current	1.66	1.92
- Non Current	1.40	1.41
Total	3.06	3.33

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 1st 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, 2016	Year ended March 31, 2015
Discount rate (per annum)	8.00%	7.75%
In service mortality	IALM (2006 -08)	IALM (2006 -08)
Retirement age	58 years	58 years

Reconciliation of Projected Benefit Obligation	March 31, 2016 (₹ in crores)	March 31, 2015 (₹ in crores)
Projected benefit obligation at beginning of year	68.38	61.62
Current service cost	5.33	3.42
Interest cost	5.47	4.78
Contributions by plan participants/employees	3.37	4.87
Actuarial (gain)/loss due to interest guarantee	0.65	0.02
Benefits paid	(3.31)	(6.65)
Settlements	1.03	0.32
Projected benefit obligation at end of year	80.92	68.38

Reconciliation of plan assets	March 31, 2016 (₹ in crores)	March 31, 2015 (₹ in crores)
Plan asset at beginning of year	68.55	61.64
Expected return on plan asset	6.00	5.39
Employer contribution	5.33	3.42
Plan participants/employee contribution	3.37	4.87
Benefit payments	(3.31)	(6.65)
Asset gain/(loss)	0.66	(0.44)
Settlements	1.03	0.32
Ending asset at fair value	81.63	68.55

Amounts recognised in the balance sheet	March 31, 2016 (₹ in crores)	March 31, 2015 (₹ in crores)
Projected benefit obligation at end of year	80.92	68.38
Fair value of assets as at end of year	81.63	68.55
Funded status asset/(liability)	0.71	0.17
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, 2016 (₹ in crores)	March 31, 2015 (₹ in crores)
Company contribution to the Provident Fund	5.33	3.42
Total	5.33	3.42

37. 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, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Segment Revenue		
a) Technical Textiles Business (TTB)		
- External sales	1739.67	2031.94
- Inter-segment sales	5.91	7.62
Total	1745.58	2039.56
b) Chemicals and Polymers Business (CPB)		
- External sales	1554.82	1263.40
- Inter-segment sales	-	0.01
Total	1554.82	1263.41
c) Packaging Films Business (PFB)		
- External sales	1305.63	1244.51
- Inter-segment sales	1.20	1.49
Total	1306.83	1246.00
Total segment revenue	4607.23	4548.97
Less: Inter Segment revenue	7.11	9.12
Net sales/income from operations	4600.12	4539.85
Add: Unallocable Income	27.26	64.58
Total revenue	4627.38	4604.43
Segment Results		
(Profit/Loss) before finance costs and tax from each segment		
a) Technical Textiles Business (TTB)	172.80	195.73
b) Chemicals and Polymers Business (CPB)	388.76	298.26
c) Packaging Films Business (PFB)	192.97	63.61
Total segment results	754.33	557.60
Less: i) Finance Costs	128.31	137.58
Less: ii) Other Unallocable expenses net of income	55.47	20.59
Total profit before tax	570.45	399.43
Less: Provision for taxation	147.81	96.62
Profit after tax	422.94	302.81
Capital Expenditure (other than capital advances)		
a) Technical Textiles Business (TTB)	83.91	38.56
b) Chemicals and Polymers Business (CPB)	314.78	498.68
c) Packaging Films Business (PFB)	138.44	87.08
d) Unallocated	10.41	17.20
Total	547.54	641.52

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Depreciation		
a) Technical Textiles Business (TTB)	63.87	64.58
b) Chemicals and Polymers Business (CPB)	163.01	123.62
c) Packaging Films Business (PFB)	51.31	47.30
d) Unallocated	10.96	9.53
Total	289.15	245.03

Other Information

	As at March 31, 2016 (₹ in crores)	As at March 31, 2015 (₹ in crores)
Segment Assets		
a) Technical Textiles Business (TTB)	1395.23	1484.53
b) Chemicals and Polymers Business (CPB)	2749.51	2559.88
c) Packaging Films Business (PFB)	1586.11	1469.58
Total	5730.85	5513.99
Add: Unallocable Assets	692.51	336.44
Total assets	6423.36	5850.43

Segment Liabilities		
a) Technical Textiles Business (TTB)	321.34	332.97
b) Chemicals and Polymers Business (CPB)	266.74	253.10
c) Packaging Films Business (PFB)	281.67	188.92
Total	869.75	774.99
Add: Unallocable Liabilities	40.66	38.33
Total liabilities	910.41	813.32

Segment Capital Employed (Segment assets less segment liabilities)		
a) Technical Textiles Business (TTB)	1073.89	1151.56
b) Chemicals and Polymers Business (CPB)	2482.77	2306.78
c) Packaging Films Business (PFB)	1304.44	1280.66
Total	4861.10	4739.00
Add : Unallocable assets less liabilities	651.85	298.11
Total capital employed	5512.95	5037.11

B. Geographical Segments

	Year ended March 31,2016 (₹ in crores)	Year ended March 31,2015 (₹ in crores)
Revenue		
Within India	2637.95	2862.77
Outside India	1989.43	1741.66
Total	4627.38	4604.43

	Year ended March 31,2016 (₹ in crores)	Year ended March 31,2015 (₹ in crores)
Carrying Amount of Segment Assets		
Within India	5327.05	4715.37
Outside India	1096.31	1135.06
Total	6423.36	5850.43
Addition to Fixed Assets and Intangible Assets		
Within India	438.70	592.56
Outside India	108.84	48.96
Total	547.54	641.52

38. 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 March 31, 2016 are as under:

Nature of Derivative	No. of Deals As at		Purpose As at		Foreign Currency (In Millions) As at		Amount (₹ in crores) As at	
	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015	31.03. 2016	31.03. 2015
USD/INR buy forward	3	-	Forward Buy contract	-	5.24	-	34.66	-
USD/INR Sell forward	10	24	Forward Sell contract	Forward Sell contract	24.00	17.00	158.74	106.20
EUR/INR sell forward	-	5	-	Forward Sell contract	-	2.88	-	19.34
EUR/USD sell forward	7	-	Forward Sell contract	-	3.46	-	26.06	-
EUR/INR Buy forward	-	4	-	Forward Buy contract	-	1.64	-	11.02
EUR/ZAR Sell Forward	6	1	Forward sell contract	Forward sell contract	2.25	-	16.94	2.69
USD/THB Sell Forward	-	1	-	Forward sell contract	-	1.00	-	6.25
USD/THB Buy Forward	1	-	Forward Buy contract	-	0.50	-	3.31	-
Interest Rate Swap	4	4	Conversion of Floating LIBOR to Fixed Rate	Conversion of Floating LIBOR to Fixed Rate	37.78	60.00	249.88	374.82
Interest Rate Options	1	1	Capping the floating interest rate	Capping the floating interest rate	20.00	20.00	132.28	124.94

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

Particulars	As at March 31, 2016		As at March 31, 2015	
	Foreign Currency (in millions)	Amount (₹ in crores)	Foreign Currency (in millions)	Amount (₹ in crores)
Term Loans – USD	229.78	1519.76	227.00	1418.07
PCFC - USD	25.00	165.35	14.00	87.46
Buyer's Credits - USD	-	-	2.87	17.94

39. Operating Leases

The Company has entered into operating lease agreements for various premises taken for accommodation of Company's officers/ directors, various offices of the Company and Equipment's. These arrangements are both cancellable and non-cancellable in nature and range between two to ten years. As at March 31, 2016, the future minimum lease payments under non-cancellable operating leases as set out below: -

	Year ended March 31, 2016 (₹ in crores)	Year ended March 31, 2015 (₹ in crores)
Total of future minimum lease payments under non-cancellable operating leases for each of the following periods		
- Not later than one year	13.58	12.45
- Later than one year and not later than five years	25.76	33.28
- Later than five years	4.93	1.26
Lease rent recognised in the statement of profit and loss as per Note 29	21.69	19.66

40. 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 April 1, 2013. Accordingly, exchange difference of ₹ 137.46 crores (Previous Year – ₹ 71.91 crores), arising on all long term monetary items relating to acquisition of depreciable assets are added to the cost of fixed assets/capital work in progress and will be depreciated over the balance useful life of assets. The unamortised portion carried forward as at March 31, 2016 is ₹ 276.90 crores (Previous Year – ₹ 154.27 crores). As a result of such change, the net profit after tax for the year is higher by ₹ 90.50 crores (Previous Year – ₹ 40.57 crores).

41. 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 crores)	As % of consolidated profit or loss	Amount (₹ in crores)
I. Parent – SRF Limited	98%	2605.12	85%	360.90
II. Subsidiaries				
A. Indian				
SRF Holiday Home Limited	0%	3.93	0%	(0.01)
B. Foreign				
SRF Global BV	2%	60.40	15%	62.05
Total	100%	2669.45	100%	422.94
Minority Interests in all subsidiaries	-	-	-	-

42. 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	SRF	SRF
		Holiday Home Limited (₹ in crores)	Energy Limited (₹ in crores)	Fluorochemicals Limited (₹ in crores)
(a)	Reporting Period	1 April 2015 to 31 March 2016	1 April 2015 to 23 April 2015	1 April 2015 to 23 April 2015
(b)	Reporting Currency	INR	INR	INR
(c)	Exchange Rate	-	-	-
(d)	Share Capital	4.00	0.05	0.05
(e)	Reserves and Surplus	(0.07)	(0.05)	(0.05)
(f)	Total Assets	3.93	-	-
(g)	Total Liabilities(external liabilities)	-	-	-
(h)	Investment	-	-	-
(i)	Turnover	-	-	-
(j)	Profit/(Loss) Before Taxation	(0.01)	-	-
(k)	Tax expense/(income)	-	-	-
(l)	Profit/(Loss) After Taxation	(0.01)	-	-
(m)	Proposed Dividend	-	-	-
(n)	% of shareholding	100%	-	-

SRF Energy Limited and SRF Fluorochemicals Limited were dissolved 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 crores)	Rand	(₹ in crores)
(a)	Reporting Period	1 April 2015 to 31 March 2016		1 April 2015 to 31 March 2016	
(b)	Reporting Currency	USD		Rand	
(c)	Exchange Rate	66.14		4.489	
(d)	Share Capital	18315664	121.14	100	-
(e)	Reserves and Surplus	(4233000)	(28.00)	(135771735)	(60.95)
(f)	Total Assets	84200000	556.90	840403836	377.26
(g)	Total Liabilities	70118000	463.76	976175471	438.21
(h)	Investment	*	*	-	-
(i)	Turnover	1015000	6.71	727913038	326.76
(j)	Profit/(Loss) Before Taxation	(3078000)	(20.36)	(2794291)	(1.25)
(k)	Tax expense/(income)	-	-	(8488773)	(3.81)
(l)	Profit/(Loss) After Taxation	(3078000)	(20.36)	5694482	2.56
(m)	Proposed Dividend	-	-	-	-
(n)	% of shareholding	100%		100%	

* Investment in subsidiary USD 30091805 (Equivalent to ₹ 199.03 crores)

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 crores)	Baht	(₹ in crores)
(a)	Reporting Period	1 April 2015 to 31 March 2016		1 April 2015 to 31 March 2016	
(b)	Reporting Currency	AED		THB	
(c)	Exchange Rate	18.012		1.882	
(d)	Share Capital	84049966	151.39	100000000	18.82
(e)	Reserves and Surplus	(48092646)	(86.62)	215138000	40.49
(f)	Total Assets	35957320	64.77	3228686000	607.64
(g)	Total Liabilities	-	-	2913538000	548.33
(h)	Investment	-	-	-	-
(i)	Turnover	1018294	1.83	3091016000	581.73
(j)	Profit/(Loss) Before Taxation	997143	1.80	252279000	47.48
(k)	Tax expense/(income)	-	-	(2309000)	(0.43)
(l)	Profit/(Loss) After Taxation	997143	1.80	254588000	47.91
(m)	Proposed Dividend	-	-	-	-
(n)	% of shareholding	100%		100%	

S. No.	Name of the subsidiary	SRF Industex Belting (Pty) Limited# (subsidiary of SRF Global BV)	
		Rand	(₹ in crores)
(a)	Reporting Period	1 April 2015 to 31 March 2016	
(b)	Reporting Currency	Rand	
(c)	Exchange Rate	4.489	
(d)	Share Capital	13320202	5.98
(e)	Reserves and Surplus	2530904	1.14
(f)	Total Assets	91041090	40.87
(g)	Total Liabilities	75189984	33.75
(h)	Investment	-	-
(i)	Turnover	139345723	62.55
(j)	Profit/(Loss) Before Taxation	(26167482)	(11.75)
(k)	Tax expense/(income)	(1351920)	(0.61)
(l)	Profit/(Less) After Taxation	(24815563)	(11.14)
(m)	Proposed Dividend	-	-
(n)	% of shareholding	100%	

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

(i) 1 AED = ₹ 18.012

(ii) 1 USD = ₹ 66.140

(iii) 1 Baht = ₹ 1.882

(iv) 1 Rand = ₹ 4.489

43. Previous year's figures have been regrouped/reclassified, wherever necessary, to correspond with the current year's classification/disclosure
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)

Vinayak Chatterjee

Director

(DIN – 00008933)

Ashish Bharat Ram

Managing Director

(DIN – 00671567)

Anoop K Joshi

President, CFO & Company

Secretary

Kartik Bharat Ram

Deputy Managing Director

(DIN – 00008557)

Place : **Gurgaon**

Date : **10 May 2016**



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