



KAMA Holdings Limited
(Formerly SRF Polymers Limited)

Annual Report
2009-10

BOARD OF DIRECTORS

Mr. Kartikeya Bharat Ram, Chairman
Mr. Ashish Bharat Ram
Mr. S.P. Agarwala
Mr. Rajat Lakhanpal, Whole-time Director & Company Secretary
Mr. Mukul Khandelwal
Mr. Amitav Virmani
Mr. Dharendra Datta

Auditors

Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, New Delhi

Bankers

HDFC Bank Ltd.
ICICI Bank Ltd.

Registered Office

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

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NOTICE

NOTICE is hereby given that the 10th Annual General Meeting of KAMA Holdings Limited will be held on Friday, the 10th September, 2010 at 10 A.M. at Modi Hall, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110 016 to transact the following businesses:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. S.P. Agarwala, who retires by rotation, and being eligible, offers himself for re-election.
3. To appoint a Director in place of Mr. Amitav Virmani, who retires by rotation, and being eligible, offers himself for re-election.
4. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED that M/s. Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, New Delhi be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual general meeting at a remuneration to be fixed by the Board of Directors/Audit Committee and service tax thereon and re-imbusement of travelling and other incidental expenses, if any, incurred in connection with the audit.”

By Order of the Board
for **KAMA HOLDINGS LIMITED**

Place: New Delhi
Date: 27th May, 2010

Rajat Lakhanpal
Whole-time Director &
Company Secretary

NOTES:

1. Explanatory Statement as required under section 173(2) of the Companies Act, 1956 is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ATTACHED HEREWITH.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 1st September, 2010 to Wednesday, 8th September, 2010 (both days inclusive).
4. Members seeking any information regarding accounts to be given at the meeting should write to the Company at its Corporate Office at Block C, Sector – 45, Gurgaon, 122 003 (Haryana) at least seven days before the meeting so as to enable the management to keep the information ready.
5. Shareholders are advised that those who have not encashed their dividend warrant(s) so far for the financial years ended

31st March 2003 and thereafter may send their outdated dividend warrants to M/s Karvy Computershare Private Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad- 500 081 for issue of ‘payable at par’ cheques/ demand drafts in lieu thereof.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 2 & 3

Mr. S.P. Agarwala and Mr. Amitav Virmani shall retire by rotation and being eligible, offer themselves for re-appointment.

Brief resume of the Directors being re-appointed are as under:

Mr. S.P. Agarwala

Mr. S.P. Agarwala (69) is well-known in the business circles of Delhi. He is a Director of the Company since 2002.

Mr. S.P. Agarwala is Chairman of the Remuneration Committee and a member of the Shareholders/Investors Grievance Committee, Audit Committee and Committee of Directors – Financial Resources of the Board and has no shareholding in the Company.

Directorships in other public companies	Committee Chairmanship/ Membership
SRF Limited	- Shareholders/Investors Grievance Committee* - Audit Committee - Remuneration Committee - Financial Resources Committee

*Chairman of the Committee

No Director other than Mr. S.P. Agarwala is concerned or interested in the Resolution.

Mr. Amitav Virmani

Mr. Amitav Virmani (37) holds a Master’s degree in Business Administration in Marketing & General Management from University of North Carolina at Chapel Hill, NC and has 16 years of work experience. He is Director of the Company since 2008.

Mr. Amitav Virmani is the Chairman of the Audit Committee and a member of Shareholders/Investors Grievance Committee and Remuneration Committee of the Board and has no shareholding in the Company.

Directorships in other Public Companies

Okara Flour & General Mills Ltd.

No Director other than Mr. Amitav Virmani is concerned or interested in the resolution.

INSPECTION

The documents referred to in the Notice and Explanatory Statement shall be open for inspection at the Corporate Office of the Company on all working days between 11.00 A.M. and 1.00 P.M. upto the date of AGM and shall also be available at the AGM.

Stock Exchange where Company’s securities are listed: -

The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai 400 001

Annual Listing fee for the year 2010-11 has been paid to the Stock Exchange.

DIRECTORS REPORT

To the Members,

The Directors are pleased to present the tenth Annual Report on the business and operations of the Company and the statement of accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

	(Rs. Crores)	
	2009-10	2008-09
Sales and Other Income	13.20	176.96
Profit Before Interest, Depreciation & Tax (EBIDTA)	12.91	52.16
Less: Interest & Finance Charges	2.91	15.21
Profit before Depreciation and Tax (PBDT)	10.00	36.95
Less: Depreciation	-	4.70
Profit before Tax (PBT)	10.00	32.25
Less: Provision For Taxes (including provision for deferred tax)	0.26	11.84
Net Profit after Tax (PAT)	9.74	20.41
Add: Profit brought forward from previous year	27.25	6.84
Profit available for appropriation	36.99	27.25
Appropriations		
Dividend on Equity shares	-	-
Corporate tax on dividend	-	-
Amount transferred to General Reserve	-	-
Profit carried to Balance Sheet	36.99	27.25
Total Appropriation	36.99	27.25

Equity Dividend

No dividend is recommended by the Board of Directors.

Operations Review

Gross Income decreased by 93% to Rs. 13.20 crores from Rs 176.96 crores in the previous year. Operating profit (EBIDTA) decreased by 75% to Rs 12.91 crores from Rs 52.16 crores. Profit before tax decreased by 69 % to Rs 10 crores from Rs 32.25 crores. Profit after Tax decreased by 52% to Rs 9.74 crores from Rs 20.41 crores. This was due to divestment of Engineering Plastics Business and Industrial Yarn Business with effect from 1.1.2009 whereafter there was no income from manufacturing activities.

Subsidiary Companies

SRF Polymers Investments Limited

SRF Polymers Investments Ltd., the wholly-owned subsidiary of the Company made a profit of Rs. 16.48 crores during the year 2009-10 mainly on account of dividend and rental income. During the year, SRF Polymers Investments Ltd. had subscribed to 50,000 fully paid up equity shares of Rs. 10 each of KAMA Realty (Delhi) Ltd.

KAMA Realty (Delhi) Limited

KAMA Realty (Delhi) Ltd. , the wholly-owned subsidiary of the Company made a loss of Rs. 0.02 Crores mainly on account of administrative expenses. This subsidiary shall engage in

activities relating to acquisition and renting of commercial properties.

Shri Educare Limited

During the year your Company had invested a sum of Rs. 2.06 crores in the equity capital of Shri Educare Ltd. and made it a wholly-owned subsidiary. This company is engaged in the field of education. It had made a loss of Rs. 1.15 crores mainly on account of personnel and administrative expenses. During the year, Shri Educare Limited had set up a wholly-owned subsidiary by the name of Shri Educare Maldives Private Limited in Maldives for engaging in providing education in that country. It had subscribed to 46,66,550 fully paid up equity shares of Rufiyaa(MRF) 1 each of Shri Educare Maldives Private Limited.

Shri Educare Maldives Private Limited

Shri Educare Maldives Private Limited made a loss of MRF 0.49 crores mainly on account of personnel and administrative expenses.

Necessary application seeking approval of Central Government under Section 212(8) of the Companies Act,1956 shall be made by your Company for not attaching a copy of balance sheet, profit and loss account, auditors' report and directors' report of the subsidiary companies and other documents required to be attached under Section 212(1) of the Act to the balance sheet of the Company.

Directors

Mr. S.P. Agarwala and Mr. Amitav Virmani, Directors retire by rotation and being eligible, offer themselves for re-appointment.

Mr. K.Ravichandra, Director has resigned from the Board with effect from 09.10.2009. The Board places on record its gratitude and appreciation for the services rendered by him.

Mr. Kartikeya Bharat Ram has been re-designated as Chairman with effect from 05.03.2010.

Directors' Responsibility Statement

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, it is hereby confirmed:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgements 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 or loss of the Company for the period under review;
- (iii) that the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

- (iv) that the Directors have prepared the annual accounts for the year ended 31.03.10 on a 'going concern' basis.

The Company is controlled by Arun Bharat Ram Group ("Promoter Group") being a group as defined under the Monopolies and Restrictive Trade Practices Act, 1969. The Promoter Group consists of various individuals and corporate bodies who are in a position to and who jointly exercise control over the Company.

a) Mr. Arun Bharat Ram; b) Mr. Ashish Bharat Ram; c) Mr. Kartikeya Bharat Ram; d) Mrs Shiela Bharat Ram; e) Mrs. Manju Bharat Ram; f) Mrs. Vasvi Bharat Ram; g) Mrs. Radhika Bharat Ram; h) SRF Ltd; i) SRF Transnational Holdings Ltd.; j) Skylark Investments & Trading Pvt. Ltd.; k) Narmada Farms Pvt. Ltd; l) Bhairav Farms Pvt. Ltd.; m) Karm Farms Pvt. Ltd.; and n) Srishti Westend Greens Farms Pvt. Ltd.

Scheme of Arrangement

Your Board had approved a Scheme of Arrangement between the Company, Narmada Farms Pvt. Ltd., Bhairav Farms Pvt. Ltd., SRF Polymers Investments Ltd., Srishti Westend Greens Farms Pvt. Ltd., Karm Farms Pvt. Ltd. and KAMA Realty (Delhi) Ltd. and their respective shareholders. The Scheme envisages ; a) demerger of the real estate businesses of Narmada Farms Pvt. Ltd., Bhairav Farms Pvt. Ltd. and SRF Polymers Investments Ltd. into Srishti Westend Greens Farms Pvt. Ltd., Karm Farms Pvt. Ltd. and KAMA Realty (Delhi) Ltd. respectively; and b) amalgamation of the investment businesses of Narmada Farms Pvt. Ltd., Bhairav Farms Pvt. Ltd. and SRF Polymers Investments Ltd comprising mainly of investment holding in shares of SRF Ltd. into your Company.

Your Board is of the view that the proposed Scheme of Arrangement would create enhanced value for shareholders and allow a focused strategy in operations, which would be in best interest of the companies, its shareholders, creditors, and all the person connected with the companies. The reorganization proposed by the scheme will enable investors to separately hold investment in businesses with different investment characteristics, thereby enabling them to select investments which best suit their investment strategies and risk profiles.

Subject to the approval of Hon'ble High Court of Delhi at New Delhi, a copy of the aforesaid Scheme of Arrangement alongwith Notice and explanatory statement under Section 393 of the Companies Act,1956 shall be sent in due course to the shareholders and creditors for seeking their approval.

Listing of Shares

Your Company's shares are listed at the Bombay Stock Exchange Ltd.

Corporate Governance

Certificate of the auditors of your Company regarding compliance with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement with the stock exchanges is attached to the report as annexure 1.

In compliance with the requirements of Clause 49(V), a certificate from Whole-time Director & Company Secretary was placed before the Board.

All Board members and senior management personnel had affirmed compliance with the Code of Conduct for Board and Senior Management Personnel. A declaration to this effect duly signed by the Whole-time Director & Company Secretary is enclosed as a part of the Corporate Governance Report.

Consolidated Financial Statement

In accordance with the Accounting Standard AS-21 & AS-23 on Consolidated Financial Statements, your Directors have pleasure in attaching the Consolidated Financial Statements, which form part of the Annual Report and Accounts.

Accounts and Audit

The Auditors, M/s Thakur, Vaidyanath, Aiyar & Company, retire at the conclusion of the 10th Annual General Meeting and being eligible, offer themselves for re-appointment. The observations of the Auditors are explained wherever necessary in appropriate notes to the Accounts.

Management Discussion and Analysis

Management discussion and analysis on matters relating to the business performance, as stipulated in clause 49 of the listing agreement with the stock exchanges, is given as a separate statement in the Annual report.

Fixed Deposits

Your Company had discontinued to accept/renew fixed deposits w.e.f. 1st April, 2009. All the existing Deposits will be repaid as and when will be due.

Deposits (including interest) amounting to Rs. 0.22 crores due for repayment on or before 31st March, 2010 remained unclaimed by 59 depositors. There have been no defaults in repayment of fixed deposits during the year.

Particulars of Employees

No employee was drawing remuneration equal to or exceeding the limits under Section 217(2A) of the Companies Act,1956 read with Companies (Particulars of Employees), Rules, 1975.

Acknowledgements

Your Directors acknowledge with gratitude the co-operation and assistance received from various agencies of the Central Government and the Lenders. Your Directors thank the shareholders for their 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 of Directors

Place: New Delhi
Date: 27th May, 2010

Kartikeya Bharat Ram
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year, the Company had earned income by way of dividend, interest and other income amounting to Rs. 13.20 crores. After payment of interest on loans and other expenses, net profit for the year amounted to Rs. 9.74 crores as compared to Rs. 20.40 crores in the previous year. The share capital of the company as on 31st March, 2010 stood at Rs. 6.45 crores and Reserves and Surplus at Rs. 85.83 crores. As on 31st March, 2010, the Company had public deposits amounting to Rs. 0.98 crores.

OUTLOOK

Your Company had applied for obtaining registration as a Non Banking Finance Company (NBFC) under the provisions of Section 45 IA of the Reserve Bank of India Act, 1934. As per the directions of RBI, the Company shall apply for registration as NBFC after repayment of public deposits. The Company as a Promoter holds investments in the shares of SRF Ltd. engaged in businesses relating to Technical Textiles, fluorochemicals, packaging films etc. and two wholly-owned subsidiaries of the Company viz. SRF Polymers Investments Ltd. which is an investment company and Shri Educare Ltd. which is engaged in the field of education.

OPPORTUNITIES AND THREATS

The Company alongwith SRF Polymers Investments Ltd. (WoS of the Company) holds significant investment in shares of SRF Ltd. The value of these investments is dependent on the performance of the investee company.

RISKS AND CONCERNS

The Company is mainly exposed to the risk of reduction in value of investments in shares of SRF Ltd. due to fall in the share price and investee company's performance.

ADEQUACY OF INTERNAL CONTROL SYSTEM

Your Company's internal control systems and procedures are commensurate with the size of operations and adequate enough to meet the objectives of efficient use and safeguarding of assets, compliance with statutes, policies and procedures and proper recording of transactions.

CAUTIONARY STATEMENT

The Statement in this Management Discussion and Analysis Report describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

ANNEXURE-1 TO DIRECTORS' REPORT

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
KAMA Holdings Limited
(Formerly known as SRF Polymers Limited)

We have examined the compliance of conditions of Corporate Governance by KAMA Holdings Limited, for the year ended March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us:

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that there are no investor grievance(s) pending for a period exceeding one month against the company as per the records maintained by the Shareholders/Investors Grievance Committee.

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

For **THAKUR, VAIDYANATH AIYAR & CO.**
Chartered Accountants
(Registration No. 000038N)

Place: New Delhi
Date: 27th May, 2010

V. Rajaraman
Partner
(Membership No. 2705)

REPORT ON CORPORATE GOVERNANCE

Philosophy of the Company on Corporate Governance

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

Board of Directors

Composition of the Board

As on 31 March 2010, KAMAs' Board consisted of seven Directors. One Director is executive of the Company, four are non-executive and independent and two are non-executive promoter. Table 1 gives the details of the Board during the year 2009-10

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

Sl. No.	Name of Director	Category of Director	No. of other Directorships#	No. of Board-level Committees where chairperson or member	
				Chairperson	Member
1	Mr. Ashish Bharat Ram	Non- Executive, promoter	6	1	1
2	Mr. Kartikeya Bharat Ram	Non-Executive, promoter	4	-	1
3	Mr. S. P. Agarwala	Independent	1	1	3
4	Mr. Rajat Lakhanpal	Executive	1	-	1
5	Mr. Mukul Khandelwal	Independent	-	-	1
6	Mr. Amitav Virmani	Independent	1	1	1
7	Mr. Dharendra Datta	Independent	1	-	1

#Directorship in Foreign Companies and the Indian Pvt. Ltd. companies is not included.

Independent Directors on the Board of KAMA Holdings Ltd. are non-executive directors who:

- Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the company, its promoters, its Directors, its senior management or its holding company, its subsidiaries and associates which may affect the independence of the Director
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board
- Have not been an executive of the company in the immediately preceding three financial years
- Are not partner or executive or were not partner or an executive during the preceding three years of any of the following:-
 - Statutory audit firm or the internal audit firm that is associated with the company;
 - Legal firm(s) and consulting firm(s) that have a material association with the company;

- Are not material supplier, service provider or customer or lessor or lessee of the company, which may affect independence of the Director; and
- Are not a substantial shareholder of the company i.e. do not own two percent or more of the block of voting shares.
- Are not less than 21 years of age

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

Number of Board Meetings

During 2009-10, the Board of Directors met 6 times — on 18th June, 2009, 30th July, 2009, 9th October, 2009, 24th December, 2009, 29th January, 2010 and 5th March, 2010. The gap between any two Board meetings did not exceed four months. Table 2 gives the details.

Table 2: Board Meeting Attendance Record of the Directors in 2009-10

Name of the Director	Number of meetings attended	Attended last AGM?
Mr. Rajat Lakhanpal	6	Yes
Mr. S.P. Agarwala	3	Yes
Mr. K. Ravichandra	0	No
Mr. Mukul Khandelwal	3	No
Mr. Ashish Bharat Ram	5	Yes
Mr. Kartikeya Bharat Ram	6	Yes
Mr. Amitav Virmani*	6	Yes
Mr. Dharendra Datta	6	Yes

*Mr. Amitav Virmani is the Chairman of Company's Audit Committee

Remuneration of Directors

Table 3 gives the remuneration paid or payable to the Directors.

Table 3: Remuneration Paid or Payable to Directors during 2009-10

Name of Director	Salary	Sitting fees for Board and Committee meetings*	Perquisites#	Deferred Benefits (PF and superannuation)@	Terminal Benefits	Total
Mr. S.P. Agarwala	-	12,000	-	-	-	12,000
Mr. Rajat Lakhanpal	8,36,078	-	1,85,974	83,203	-	11,05,255
Mr. K. Ravichandra**	-	-	-	-	-	-
Mr. Mukul Khandelwal	-	6,000	-	-	-	6,000
Mr. Ashish Bharat Ram	-	15,000	-	-	-	15,000
Mr. Kartikeya Bharat Ram	-	14,000	-	-	-	14,000
Mr. Amitav Virmani	-	13,000	-	-	-	13,000
Mr. Dharendra Datta	-	10,000	-	-	-	10,000
Total	8,36,078	70,000	1,85,974	83,203	-	11,75,255

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

**Mr. K.Ravichandra ceased to be Director w.e.f. 09.10.2009 due to resignation.

#Value of perquisites on actual basis.

@Having regard to the fact that there is a global contribution to gratuity fund, the amount applicable to an individual is not ascertainable.

None of the employees is related to any of the Directors.

Shareholding of non-executive Directors

As on 31 March 2010, none of the non-executive Directors hold any shares of the Company. 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 & budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results for the Company and operating divisions and business segments.
- Minutes of the meetings of the audit committee and other committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Materially important show cause, demand, prosecution notices and penalty notices.
- 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 revised Clause 49, the minutes of the Board meetings of your company's unlisted subsidiary company and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company 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. All Board members and designated senior management personnel have affirmed compliance with the code of conduct. A declaration signed by the Whole-time Director & Company Secretary to this effect is given at the end of this report.

Risk Management

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

Committees of the Board

a) Audit Committee

As on 31 March 2010, the Audit Committee of KAMA Holdings Limited comprises of four Directors all of whom are independent. The constitution of the Committee meets the requirements of Section 292A of the Companies Act, 1956, as well as Clause 49 of the Listing Agreement.

During 2009-10, the Audit Committee of KAMA Holdings Limited met on four occasions — namely, on 18th June, 2009, 30th July, 2009, 9th October, 2009 and 29th January, 2010. Table 4 gives the attendance record of Directors who are members of the Audit Committee.

Table 4: Attendance Record of Audit Committee Meetings during 2009-10

Name of Director	Category	Number of meetings held under tenure	Number of meetings attended
Mr. S.P. Agarwala	Independent	4	1
Mr. Mukul Khandelwal	Independent	4	2
Mr. Amitav Virmani (Chairman)	Independent	4	4
Mr. Dharendra Datta	Independent	4	4

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

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956. These broadly include approval of annual internal audit plan, review of financial reporting systems, ensuring compliance

with regulatory guidelines, discussions on quarterly, half yearly and annual financial results, interaction with statutory and internal auditors, recommendation for appointment of statutory auditors and their remuneration.

In addition, the Committee also reviews:

- Management's Discussion and Analysis of Company's operations,
- Periodical internal audit reports
- Letters of statutory auditors to management on internal control weakness, if any,
- Statement of significant related party transactions,
- Financial statements, in particular, investments made by the subsidiary companies,
- Risk framework.

b) Remuneration Committee

As on 31 March 2010, Remuneration Committee comprised of four members' three of whom were independent and one is non-executive promoter Director.

During 2009-10, the Remuneration Committee met once on 20th May, 2009. Table 5 gives the attendance record of Directors who are members of the Remuneration Committee.

Table 5: Attendance Record of Remuneration Committee Meetings during 2009-10

Name of Director	Category	Number of meetings held under tenure	Number of meetings attended
Mr. S.P. Agarwala (Chairman)	Independent	1	1
Mr. Ashish Bharat Ram	Non-executive, promoter	1	1
Mr. Mukul Khandelwal	Independent	1	1
Mr. Amitav Virmani	Independent	1	1

The terms of reference of Remuneration Committee is to recommend to the Board the amount of salary, perquisites and commission to be paid to the Directors (within the overall ceiling fixed by the shareholders).

c) Shareholders'/Investors' Grievance Committee

As on 31 March 2010, KAMA Holdings' Shareholders'/Investors' Grievance Committee comprised of three members — one non-executive promoter Director and two non-executive Directors both of whom are independent Directors. Mr. Ashish Bharat Ram, Chairman of the Committee is a non-executive promoter Director. Mr. S.P. Agarwala and Mr. Amitav Virmani, members of the Committee are non-executive and independent Directors.

The terms of reference of the Committee are:

- To deal with and decide all matters relating to the registration of transfer and transmission of shares and debentures, issue of duplicate share certificates or allotment letters and certificates for debentures in lieu of those lost/misplaced.
- To redress shareholder and investors complaints, relating to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.
- To monitor the compliance of Code of Conduct for Prevention of Insider Trading framed by the Company.

Mr. Rajat Lakhanpal, Whole-time Director & Company Secretary, is the Compliance Officer. To expedite the process of transfer, Mr. Rajat Lakhanpal, Whole-time Director & Company Secretary was authorised by the Board on 31 January, 2005 to consider and approve the registration of transfer and transmission of shares upto a limit of 500 shares in any one case.

As on 31 March 2010, no investor complaint was pending with the Registrar and Share Transfer Agent. Table 6 gives data on the shareholder/investor complaints received, and redressed, during the year 2009-10.

Table 6: Shareholder and Investor Complaints Received and Redressed during 2009-10

Pending Complains as on 01.04.2009	Total Complaints received	Total complaints redressed	Pending as on 31.03.2010
Nil	29	29	Nil

Management

Management Discussion and Analysis

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

Disclosure Requirements

- Disclosures on materially significant related party transactions are given in point no. 8 in the Notes to Accounts.

Table 7: Last three AGMs of the Company

Year	Location	Date	Time	No. of Special Resolutions passed
2007	Shriram Hall, PHD House, 4/2, Siri Institutional Area August Kranti Marg, New Delhi 110 016	31.07.2007	3.30 P.M.	None
2008	Modi Hall, PHD House 4/2, Siri Institutional Area August Kranti Marg, New Delhi 110 016	29.08.2008	11.00 A.M.	One
2009	Modi Hall, PHD House 4/2, Siri Institutional Area August Kranti Marg, New Delhi 110 016	25.09.2009	11.00 A.M.	One

Postal Ballot

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

Compliance

Mandatory Requirements

The company is fully compliant with the applicable mandatory requirements of the revised Clause 49.

- The Company has followed the Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.
- The Company has complied with the regulations issued by SEBI and terms and conditions of Listing Agreement with the Stock Exchanges. At the time of delisting of the shares of the Company from Delhi Stock Exchange, a condonation fee of Rs. 5,000/- was paid for delayed submission of documents under Listing Agreement.
- In compliance with the SEBI regulations on prevention of insider trading, the Company has laid down a comprehensive code of conduct for its management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company, and cautioning them of the consequences of violations.

Shareholders

Reappointment/Appointment of Directors

Mr. S.P. Agarwala and Mr. Amitav Virmani, Directors are retiring by rotation and being eligible, offer themselves for re-appointment. Brief resumes of these Directors are given in the Notice of the 10th Annual General Meeting.

Means of Communication with Shareholders

Quarterly and annual results of KAMA Holdings Ltd are published in two national dailies, generally The Pioneer (in English) and Veer Arjun (in Hindi).

During 2009-10, KAMA Holdings has not made any formal presentations to institutional investors or analysts. As and when it does, the presentations will also be posted on the Company's website.

Further, the Company has also been complying with SEBI regulations for filing of its financial results under the EDIFAR system. These are available on the SEBI web-site www.sebidifar.nic.in.

Last three Annual General Body Meetings

The details of the last three AGMs are given in Table 7.

Adoption of Non-Mandatory Requirements

A Remuneration Committee has been constituted in accordance with the requirements of the Listing Agreement. The Committee decides the amount of salary, perquisites and commission to be paid to the Directors (within the overall ceiling fixed by the shareholders).

Additional Shareholder Information

10th Annual General Meeting

Date 10th September, 2010
 Time 10.00 A.M.
 Venue Modi Hall, PHD House
 4/2, Siri Institutional Area
 August Kranti Marg, New Delhi 110 016

Tentative Financial Calendar for Results, 2010-11

First Quarter Fourth week of July 2010
 Second Quarter Fourth week of October 2010
 Third Quarter Fourth week of January 2011
 Fourth Quarter and Annual Fourth week of May 2011

Book Closure Date

The Share Transfer Register of KAMA Holdings will remain closed from Wednesday, the 1st day of September, 2010 to Wednesday, the 8th day of September, 2010 (both days inclusive).

Listing on Stock Exchanges in India

The shares of KAMA Holdings Ltd are listed on Bombay Stock Exchange Ltd. (Stock Code: 532468). The Company has paid the listing fees to Bombay Stock Exchange for the year 2010-11.

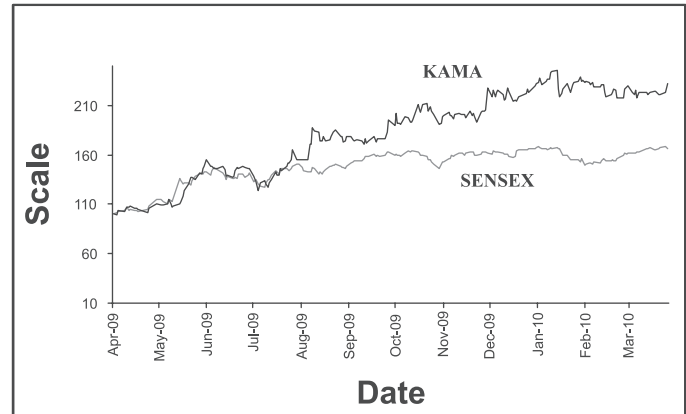
Stock Market Data

Table 8 gives the monthly high and low quotations as well as the volume of shares traded at BSE during 2009-10.

Table 8: Monthly Highs and Lows and Volumes Traded at the BSE, 2009-10

Month	BSE		
	High(Rs.)	Low (Rs.)	Volume (Nos.)
April	132.50	110.05	8785
May	168.00	122.20	13042
June	188.00	153.35	13489
July	200.15	140.60	14238
August	221.10	179.00	21248
September	219.90	200.35	33690
October	253.00	212.00	115102
November	243.30	221.00	14759
December	288.95	234.50	19796
January	303.75	253.00	34825
February	290.00	255.10	16284
March	299.60	255.00	127503

Chart 1: Share prices of KAMA Holdings Ltd. versus BSE Sensex for the year ended 31 March 2010



Note: Both Sensex and KAMA Holdings Ltd share prices are indexed to 100 as on 1 April 2009

Registrar and Share Transfer Agents

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

Share Transfer System in Physical Mode

Share certificates sent for transfer are received at the Registered Office of the Company or the office of Karvy Computershare Pvt. Ltd. All valid transfer requests are processed. To expedite the process of share transfer, Mr. Rajat Lakhanpal, Whole-time Director & Company Secretary has been authorised to consider and approve the registration of transfer and transmission of shares/debentures upto a limit of 500 shares/debentures in any one case. For the shares above 500 cases, the Shareholders'/ Investors' Grievances Committee meets to approve valid transfer requests. After transfer, the physical shares are sent to the shareholders.

The total number of shares transferred in physical form during the period from 1 April 2009 to 31 March 2010 was 977.

Depository System

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

- Shareholder submits the shares certificate along with Dematerialisation Request Form (DRF) to Depository Participant (DP).
- DP processes the DRF and generates a unique Dematerialisation Request No.
- DP forwards the DRF and share certificates to the Registrar and Share Transfer Agent (RTA).
- RTA after processing the DRF confirms or rejects the request to Depositories
- If confirmed by the RTA, depositories give the credit to shareholder in his account maintained with DP.

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

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

Dematerialisation of shares as on 31 March 2010

There were 4,515 shareholders holding 63,27,277 shares in electronic form. This constitutes 98.06% of the total paid-up share capital of the Company.

Distribution of shareholding as on 31 March 2010*

Table 9 gives the distribution of shares according to shareholding class, while Table 10 gives the distribution of shareholding by ownership.

Table 9: Pattern of shareholding by share class as on 31 March, 2010

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
Upto 500	7053	97.73	4,06,125	6.29
501 – 1000	72	1.00	54,344	0.85
1001-2000	41	0.57	63,373	0.98
2001-3000	14	0.19	36,168	0.56
3001-4000	5	0.07	17,487	0.27
4001-5000	11	0.15	51,741	0.80
5001-10000	11	0.15	76,296	1.18
10000 and above	10	0.14	57,47,081	89.07
Total	7217	100.00	64,52,615	100.00

*including holdings by NSDL and CDSL

Table 10: Pattern of shareholding by ownership as on 31 March, 2010

Category	Shareholding	
	Number of shares held	Shareholding %
Promoters	48,38,256	74.98
Mutual Funds & UTI	-	-
Banks, Financial Institutions, Insurance Companies	19,863	0.31
Central Government/State Government(s)	-	-
Foreign Institutional Investors	-	-
Private Corporate Bodies	3,24,952	5.04
Indian Public	7,65,655	11.87
NRIs / OCBs	5,02,976	7.79
Other (including shares in transit)	913	0.01
Total	64,52,615	100.00

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, their conversion dates and likely impact on equity

The Company has not issued any GDRs/ ADRs/ Warrants or other instruments, which are pending for conversion.

Address for Correspondence
Registered Office

C-8, Commercial Complex
Safdarjung Development Area,
New Delhi – 110 016
Tel: +91-11-26857141
Fax: +91-11-2651 0428

Corporate Office

Block C, Sector 45, Gurgaon
Haryana – 122 003
Tel: +91-0124-4354400
Fax: +91-0124-4354500
Email: rlakhanpal@srf.com

Registrar & Share Transfer Agent

Karvy Computershare Pvt. Ltd.
Plot No. 17 to 24, Vittalrao Nagar
Madhapur, Hyderabad -500 081
Tel: +91-40-44655000
Fax: +91-40-23420814
Email: einward.ris@karvy.com

Declaration regarding Code of Conduct

I, Rajat Lakhanpal, Whole Time Director & Company Secretary of KAMA Holdings 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 31st March, 2010.

For and on behalf of the Board of Directors

Place: New Delhi
Date: 27th May, 2010

Rajat Lakhanpal
Whole Time Director & Company Secretary

AUDITORS' REPORT

To The Members of KAMA HOLDINGS LIMITED (Formerly known as SRF Polymers Limited)

We have audited the attached balance sheet of KAMA Holdings Ltd., as at 31st March 2010, and also the profit and loss account and the cash flow statement for the year ended on that date annexed thereto.

Responsibilities of Management

These financial statements are the responsibility of the company's management.

Responsibility of auditors

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

Basis of opinion

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being

appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

- (vi) We understand that pursuant to repayment of all public deposits, the company intends to apply for exemption from registration u/s 45-IA of the Reserve Bank of India Act, 1934.
- (vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the accounting policies and notes thereon give the information required by the Companies Act, 1956, in the manner so required give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the balance sheet, of the state of affairs of the company as at 31st March 2010;
 - (b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

For THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants
Reg. No. 000038N

Place: New Delhi
Date: 27th May, 2010

V. Rajaraman
Partner
M.No.2705

The Annexure referred to in the main Auditors' Report of even date:

The company is not carrying on the business of chit fund, nidhi, or mutual benefit, or dealing or trading in shares/securities, hence the clauses applicable to these businesses have not been considered below.

Fixed Assets

1. a. The company has maintained proper record showing full particulars including quantitative details and situation of its fixed assets. However in respect of office equipment record in terms of values are only kept.
- b. The company has a regular program of verifying all the assets over a period of three years which in our opinion is reasonable having regard to the size of the company and the nature of the assets.

Transactions with parties u/s 301 of the Companies Act, 1956

2. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act.
3. The company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act.

4. There are no contracts or arrangements that were required to be entered into the register in pursuance of section 301 of the Act.

Loans, Advances and Guarantees

5. a. The company has taken loans from banks and others. The terms and conditions on which these have been taken are not prima facie prejudicial to the interest of the company.
- b. The payment of principal and interest are regular in respect of all such loans taken.

In view of what is stated in (a) & (b) above, there are no overdue amounts.

6. The company has not issued any debenture.
7. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. However,
8. The company has stood guarantee for loans taken by SRF Polymers Investments Ltd, it's wholly owned subsidiary, from banks or financial institutions.
9. The term loans taken by the company have been applied for the purpose for which they were obtained.
10. The funds raised on short-term basis from the banks have not been used for long-term investment and vice-versa.

Internal Control

11. a. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business.
- b. There are no continuing failures to correct matters in respect of lack of adequacy of internal controls brought to notice.
12. The company has an adequate internal audit system commensurate with its size and nature of its business.

Fixed Deposit

13. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 58A and 58 AA or any other relevant provisions of the Companies Act 1956, the Companies (Acceptance of Deposits) Rules, 1975 and

directives issued by Reserve Bank of India with regard to the deposits accepted from the public.

Statutory Dues

14. a. According to the records of the company, undisputed dues including provident fund, Investors Education and Protection Fund, Employees State Insurance, Income Tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and any other statutory dues have generally been regularly deposited with the concerned authorities.
- b. Details of dues of disputed income tax after adjusting refunds due is given below:

Name of Statute	Forum where case is pending	Nature of dues	Period of dispute	Amount (in Rs. Lacs)
Income Tax Act, 1961	ITAT	Income Tax	AY 2006-07	14.70
Income Tax Act, 1961	CIT (Appeals)	Income Tax	AY 2007-08	65.92
Total				80.62

OTHERS

15. The company has no accumulated losses at the end of the financial year. The company has neither incurred cash losses in the current financial year nor in the immediately preceding financial year.
16. The company has not issued any fresh share capital and hence the question of neither the preferential allotment nor the end use thereof arises.
17. No fraud on or by the company has been noticed or reported during the year.

For THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants
Reg. No. 000038N

Place: New Delhi
Dated: 27th May, 2010

V. Rajaraman
Partner
M.No.2705

BALANCE SHEET

AS AT 31ST MARCH 2010

Particulars	Schedule	Amount (Rupees in lakhs)	
		As at 31.03.2010	As at 31.03.2009
Sources of Funds			
Shareholders' Fund			
Share Capital	1	645.26	645.26
Reserves & Surplus	2	<u>8,583.36</u>	<u>7,609.75</u>
		<u>9,228.62</u>	<u>8,255.01</u>
Loan Funds			
Secured Loan	3	1,278.05	1,105.00
Unsecured Loan	4	<u>1,047.98</u>	<u>1,746.49</u>
		<u>2,326.03</u>	<u>2,851.49</u>
		<u>11,554.65</u>	<u>11,106.50</u>
Application of Funds			
Fixed Assets			
Gross Block	5	4.60	19.84
Less: Depreciation		<u>4.24</u>	<u>18.26</u>
Net Block		<u>0.36</u>	<u>1.58</u>
Investments	6	8,075.10	7,869.10
Current Assets, Loans & Advances			
Cash and Bank balances	7	199.29	258.06
Loans and Advances	8	<u>3,774.17</u>	<u>3,585.40</u>
		<u>3,973.46</u>	<u>3,843.46</u>
Less: Current Liabilities & Provisions			
Current Liabilities	9	52.86	166.23
Provisions	10	<u>441.41</u>	<u>441.41</u>
		<u>494.27</u>	<u>607.64</u>
Net Current Assets		<u>3,479.19</u>	<u>3,235.82</u>
		<u>11,554.65</u>	<u>11,106.50</u>
Significant Accounting Policies & Notes	16		
Schedule 1 to 10 and 16 form an integral part of Accounts			

As per our Report of even date
For THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants

V. Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
WHOLE TIME DIRECTOR
& COMPANY SECRETARY

Kartikeya Bharat Ram
CHAIRMAN

S P Agarwala
DIRECTOR

Mukul Khandelwal
DIRECTOR

Place: New Delhi
Date: 27th May, 2010

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED ON 31ST MARCH 2010

Particulars	Schedule	Amount (Rupees in lakhs)	
		Year ended 31.03.2010	Year ended 31.03.2009
Income			
Gross Sales		-	11,856.42
Less: Excise Duty		-	528.88
<i>Net Sales</i>		-	11,327.54
Other Income	11	<u>1,319.73</u>	6,368.97
Total Income		<u>1,319.73</u>	<u>17,696.51</u>
Expenditures			
Raw material consumed	12	-	8,271.24
(Increase)/Decrease in Stock (Sold)	13	-	411.11
Manufacturing & Other Expenses	14	28.95	3,797.86
Interest and Finance Charges	15	290.50	1,521.49
Depreciation	5	0.20	470.23
Total Expenditure		<u>319.65</u>	<u>14,471.93</u>
Profit before Taxation		<u>1,000.08</u>	3,224.58
Less: Provision for Taxation		-	395.16
Less: Net Deferred Tax Assets Written Off		-	813.68
Less: Taxes Paid for earlier years	31.94	(Pr Yr Nil)	
Add: Provision for earlier years written back	5.48	(Pr Yr 24.64)	
Profit after Taxation		<u>973.60</u>	2,040.38
Add: Profit Brought Forward		2,724.77	684.39
PROFIT CARRIED TO BALANCE SHEET		<u>3,698.37</u>	2,724.77
Basic EPS (in Rupees) (Ref Note No. 9)		15.09	31.62
Diluted EPS (in Rupees) (Ref Note No. 9)		15.09	31.62
Significant Accounting Policies & Notes	16		
Schedules 5, 11 to 16 form an integral part of P&L Account			

As per our Report of even date
For THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants

V. Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
WHOLE TIME DIRECTOR
& COMPANY SECRETARY

Kartikeya Bharat Ram
CHAIRMAN

S P Agarwala
DIRECTOR

Mukul Khandelwal
DIRECTOR

Place: New Delhi
Date: 27th May, 2010

SCHEDULES TO THE BALANCE SHEET

AS AT 31ST MARCH 2010

	As at	Amount (Rupees in lakhs)	
		As at 31.03.2010	31.03.2009
Schedule 1: Share Capital			
Authorised Capital			
10,000,000 (Pr.Yr. 10,000,000) Equity Shares of Rs.10 each		1,000.00	1,000.00
5,000,000 (Pr.Yr. 5,000,000) Preference Shares of Rs.10 each		500.00	500.00
		<u>1,500.00</u>	<u>1,500.00</u>
Issued, Subscribed and Paid-up Capital			
6,452,615 (Pr.Yr. 6,452,615) Equity Shares of Rs.10 each fully paid-up		645.26	645.26
		<u>645.26</u>	<u>645.26</u>
Schedule 2: Reserves & Surplus			
General Reserve			
Opening Balance:		4,884.98	4,884.98
Add: addition during the year		-	-
Less: withdrawals during the year		-	-
		<u>4,884.98</u>	<u>4,884.98</u>
Surplus			
Profit & Loss Account		3,698.37	2,724.77
(Transfer from Profit & Loss Account)		8,583.36	7,609.75
		<u>8,583.36</u>	<u>7,609.75</u>
Schedule 3: Secured Loan			
Short Term from Other than banks		1,255.00	1,105.00
Interest accrued & due		23.05	-
		<u>1,278.05</u>	<u>1,105.00</u>
Schedule 4: Unsecured Loan			
Short Term from Other than banks		926.00	380.00
Interest accrued & due		23.55	-
Fixed Deposits		98.43	1,366.49
		<u>1,047.98</u>	<u>1,746.49</u>

Schedule 5: Fixed Assets Amount (Rupees in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2009	Additions	Deletions/ Transfers	As at 31.03.2010	upto 31.03.2009	for the year	Withdrawal/ Transfers	upto 31.03.2010	As at 31.03.2009	As at 31.03.2010
Office Equip., etc.	14.66	-	12.99	1.68	13.77	0.09	12.39	1.46	0.90	0.21
Vehicles	5.18	-	2.25	2.93	4.49	0.11	1.83	2.78	0.68	0.15
Total	19.84	-	15.24	4.60	18.26	0.20	14.22	4.24	1.58	0.36
Previous Year	10,256.82	28.12	10,265.10	19.84	1,993.69	470.23	2,445.66	18.26	8,263.13	1.58

Schedule 6: Investments

Long Term Non-trade (at cost)

-Quoted*

10,783,886 (Pr Yr 10,783,886) Equity Shares of Rs.10 each fully paid up in SRF Ltd.# 3,665.09 3,665.09

Unquoted

4,205,002 (Pr Yr 4,205,002) Equity Shares of Rs.100 each fully paid up in SRF Polymers Investments Ltd. (wholly owned subsidiary)## 4,204.01 4,204.01

2,060,000 (Pr Yr Nil) Equity Shares of Rs.10 each fully paid up in Shri Educare Ltd. (wholly owned subsidiary) 206.00 -

*[Market value of quoted investments Rs.21,303.57 (Rs.7,947.72 lakhs)] 8,075.10 7,869.10

#out of above, 7 lakhs shares pledged for loan taken from Aditya Birla Finance Ltd.

##out of above, 21 lakhs shares pledged for loan taken from SRF Employees Welfare Company Ltd.

	Amount (Rupees in lakhs)	
	As at 31.03.2010	As at 31.03.2009
Schedule 7: Cash and Bank Balances		
Cash in hand	0.07	0.15
Balances with Scheduled Banks		
Current Accounts	6.07	14.38
Unclaimed Dividend	1.72	2.38
Fixed Deposit*	<u>191.43</u>	<u>241.15</u>
	<u>199.29</u>	<u>258.06</u>
*Also includes deposits earmarked Under Rule 3A of the Companies (Acceptance of Deposits) Rules, 1975 amounting to Rs 190 lakhs (Pr Yr Rs 239.81 lakhs)		
Schedule 8: Loans & Advances		
Unsecured considered good for recovery by the management (unless otherwise stated)		
Loans to Subsidiaries (Interest Free)	3,402.00	2,920.00
Advances recoverable in cash or in kind or for value to be received		
Considered good	<u>155.13</u>	<u>428.74</u>
	<u>3,557.13</u>	<u>3,348.74</u>
Income-tax recoverable	759.67	(Pr Yr 762.76)
Less: Provision for tax	<u>542.63</u>	(Pr Yr 526.10)
	<u>217.04</u>	<u>236.66</u>
	<u>3,774.17</u>	<u>3,585.40</u>
Schedule 9: Current Liabilities		
Sundry Creditors	6.78	41.74
Unclaimed Dividends*	1.72	2.38
Unclaimed Fixed Deposits (Including Interest net of TDS)*	22.50	23.63
Interest accrued but not due on loans & deposits	<u>21.86</u>	<u>98.48</u>
	<u>52.86</u>	<u>166.23</u>
*Will be credited to Investor Education and Protection Fund if not claimed within seven years from the issue of dividend/interest warrant/maturity of Fixed Deposits. No interest have accrued on them.		
Schedule 10: Provisions		
Provision for contingencies	<u>441.41</u>	<u>441.41</u>
	<u>441.41</u>	<u>441.41</u>
Schedule 11: Other Income		
Claims	-	32.66
Dividend on shares/Units (Non-Trade)	1,295.35	754.87
Provision no longer required*	-	1,584.08
Scrap sales	-	83.13
Profit on Slump Sale of Businesses (Net)	-	3,834.85
Interest		
On Loans & Deposits**	18.72	23.87
Others***	1.92	16.57
Others	<u>3.74</u>	<u>38.94</u>
	<u>1,319.73</u>	<u>6,368.97</u>
*Includes write back of Rs Nil (Pr Yr Rs 1,583.63 lakhs) pertaining to excise duty liability		
**Includes Income-tax deducted at source Rs 2.93 lakhs (Pr Yr Rs 6.41 lakhs)		
***Includes interest on refund of income tax Rs 1.92 lakhs (Pr Yr Rs 15.77 lakhs)		
Schedule 12: Raw Materials Consumed		
Opening stock of Raw Material	-	1,357.34
Add: Purchases of Raw Materials	-	8,512.68
Sub Total	<u>-</u>	<u>9,870.02</u>
Less: Transfer of Raw Material pursuant to Sale of Businesses	-	1,598.78
Closing Stock of Raw Material	<u>-</u>	<u>-</u>
	<u>-</u>	<u>8,271.24</u>

	Amount (Rupees in lakhs)	
	As at 31.03.2010	As at 31.03.2009
Schedule 13: (Increase)/Decrease in Stock		
Opening Stock:		
Work in progress	-	425.57
Finished goods	-	1,182.58
	<u>-</u>	<u>1,608.15</u>
Less: Transfer of Raw Material pursuant to Sale of Businesses		
Work in progress	-	310.18
Finished goods	-	886.86
Sub Total	<u>-</u>	<u>1,197.04</u>
Closing Stock: Work in progress	-	-
Finished goods	-	-
Total	<u>-</u>	<u>-</u>
(Increase)/Decrease in Stock	<u>-</u>	<u>411.11</u>

Schedule 14: Manufacturing & Other Expenses

Stores & Spares Consumed	-	87.66
Power & Fuel	-	644.35
Rent	-	81.81
Repairs & Maintenance		
Buildings	-	0.42
Plant & Machinery	-	107.09
Other Maintenance	-	95.00
Freight	-	271.05
Directors Remuneration	11.05	9.97
Salaries, Wages, Bonus, etc.	-	389.08
Contribution to PF and other funds	-	33.74
Workmen & Staff Welfare Expenses	-	43.23
Insurance	-	14.23
Rates & Taxes	3.56	43.77
Contract Conversion Charges	-	876.07
Travel	0.20	56.35
Telephone	0.21	28.79
Legal and professional charges	2.72	33.52
Auditors Remuneration & Expenses		
Audit Fee	1.00	3.50
Interim audit fee	1.50	2.25
Tax Matters	1.50	1.50
Certification Work	1.13	1.33
Other	0.18	-
Directors Sitting Fees	0.70	0.86
Selling Commission	-	25.82
Exchange currency fluctuation	-	314.39
Management Expenses Reimbursed to SRF	-	15.00
Miscellaneous Expenses* [@]	5.20	617.08
	<u>28.95</u>	<u>3,797.86</u>

*Includes Provision for Doubtful Debts and Advances Rs Nil (Pr Yr Rs 60.93 lakhs)

@Includes Prior period expenditure Rs Nil (Pr Yr Rs 388.11 lakhs)

Schedule 15: Interest & Finance Charges

Interest Cost		
Term Loans & Fixed Deposit#	290.45	499.69
Cash Credit & Others	-	861.00
Financial Charges	<u>0.05</u>	<u>160.80</u>
	<u>290.50</u>	<u>1,521.49</u>

#Includes Prior period expenditure Rs 13.39 lakhs (Pr Yr Nil)

SCHEDULE 16: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**A) SIGNIFICANT ACCOUNTING POLICIES****1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared on the historical cost convention basis. The generally accepted accounting principles and the Accounting Standards referred under section 211(3C) of the Companies Act, 1956 have been adopted by the Company and disclosures made in accordance with the requirements of Schedule VI to the Companies Act, 1956 and the Indian Accounting Standards.

2. FIXED ASSETS

Gross block of fixed assets have been stated at their original cost. Cost includes interest on borrowings upto the date of putting the assets to use.

3. DEPRECIATION

3.1 Depreciation is provided on Fixed assets with reference to their historical cost.

3.2 Depreciation is provided on Straight-line method at rates based upon life determined by the management which are lower than the life determined based on the rates specified in Schedule XIV to the Companies Act, 1956. The depreciation rates based on useful life as estimated by the management are 19% for Vehicles, 19% for Mobiles (office equipment) and 31.33% for Computers (office equipment).

4. INVESTMENTS

4.1 Long term quoted investments are valued at cost unless there is a permanent fall in their value as at the date of Balance Sheet.

4.2 Unquoted investment in subsidiaries being of long term nature are valued at cost and no loss is recognized in the fall in their net worth, if any, unless there is permanent fall in their value.

5. CONTINGENT LIABILITY

Liabilities, though contingent, are provided for if there are reasonable prospects of such liabilities maturing. Other contingent liabilities, barring frivolous claims not acknowledged as debt, are disclosed by way of note.

6. REVENUE RECOGNITION

6.1 Sales are inclusive of excise duty and net of trade discounts. Export sales include goods invoiced against confirmed orders and cleared from excise and customs authorities.

6.2 Other items of revenue are recognized in accordance with the Accounting Standard (AS-9). Accordingly, wherever there are uncertainties in the ascertainment-realisation of income such as interest from customers (including the financial condition of the person from whom the same is to be realized), the same is not accounted for.

6.3 Interim dividend income from investments is recognized in the Profit and Loss Account on cash basis.

7. TAXATION

7.1 Tax provision is made, in accordance with the Income Tax Act, 1961 including the provisions regarding Minimum Alternate Tax and the contentions of the Company and also the fact that certain expenditure becoming allowable on payment being made before filing of the return of income.

7.2 Deferred tax assets and liabilities are accounted for on the basis of Accounting Standard AS-22. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

8. BORROWING COST

Borrowing cost (including difference in exchange rate on the principal to the extent it represents interest cost) attributable to the acquisition or construction of qualifying assets is capitalized as a part of the cost of those assets. Other borrowing costs are recognized as an expense in the period to which they relate.

9. EARNING PER SHARE

The earnings considered in ascertaining the Company's Earnings Per Share ('EPS') comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares.

B) NOTES
1. Details for Securities (refer Schedule No. 3 "Secured Loans to the financials):

The borrowings of the company are secured against the assets of the company as indicated below:

Sl. No.	Loan	Outstanding Amount (Rs Lakhs)	Security
Short Term From Others			
1.	SRF Employees Welfare Co. Ltd.	655.00	Pledge of 21,00,000 fully paid up equity shares of Rs 100 each of SRF Polymers Investments Ltd, held by the company, which is wholly owned subsidiary of the Company.
2.	Aditya Birla Finance Ltd.	600.00	Pledge of 7,00,000 fully paid up equity shares of Rs 10 each of SRF Ltd. held by the company.
	Total	1,255.00	

2. Contingent Liabilities

2.1 Claims against the Company not acknowledged as debts on account of: Rs/lakhs

	31-Mar-2010	31-Mar-2009
Income Tax	277.03	279.98

2.2 As per Business Transfer Agreement (BTA) with SRF Ltd, the Company has given representations and warranties for the liabilities of Rs 1,813.21 lakhs (Pr Yr Rs 1,821.93 lakhs) and Rs 28.10 lakhs (Pr Yr Rs 28.10 lakhs) respectively towards Excise Duty and Sales Tax.

2.3 Guarantees provided on behalf of wholly-owned subsidiary SRF Polymers Investment Ltd for repayment of loans and interest thereon amount to Rs 6,220 lakhs (Pr Yr Rs 8,401 lakhs). The Company has also pledged Nil (Pr Yr 66,70,795 shares) of SRF Ltd for loan facilities provided to the said wholly-owned subsidiary.

2.4 The Company has given a surety of Rs 5.00 lakhs (Pr Yr Rs 5.00 lakhs) on behalf of SRF Ltd to Delhi Sales Tax Authorities.

3. The Company had entered into Non-Compete Agreements whereby the Company had inter-alia agreed not to engage, directly or indirectly, in the manufacturing and selling thereof as would compete with SRF Ltd in respect of Engineering Plastics and Industrial Yarn, in any country of the world for a period of 5 years from the date of the Business Transfer Agreement, i.e., 1st January 2009.

Also refer to the note no. 2.2 regarding contingent liabilities.

4. The Company intends to apply for exemption from registration under section 45-IA of the Reserve Bank of India Act, 1934 after repayment of all public deposits.

5. No provision for taxation is made during the current year as no tax is payable either under the normal provisions of the Act or under provisions of Minimum Alternate Tax.

6. Prior Period Item

The current year profit and loss account includes prior period expenditure of Rs 13.39 lakhs (Pr Yr Rs 388.11 lakhs).

7. Directors' Remuneration*

	31-Mar-2010	31-Mar-2009
Whole Time Director		
Salary including allowances	10.22	9.22
Contribution to provident and superannuation funds	0.83	0.75
Total	11.05	9.97

Having regard to the fact that there is a global contribution to gratuity fund and towards leave encashment the amount applicable to an individual employee is not ascertainable and accordingly contribution to gratuity fund and leave encashment have not been considered in above computation.

*The director is entitled to a fixed remuneration irrespective of the profits or losses in accordance with Schedule XIII to the Companies Act, 1956.

8. Related Party Transactions

As per AS-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions with them are disclosed as under:

(a)	(b)	(c)	(d)	(e)
Enterprises that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the reporting enterprise	Associates	Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual	Key Management Personnel	Enterprises over which any person described in (c) or (d) is able to exercise significant influence.
SRF Polymers Investments Ltd (SRFPIL) Shri Educare Ltd (SEL)	SRF Limited (SRF) SRF Transnational Holdings Ltd (SRFT) SRF Properties Ltd (SRFP) SRF Technical Textiles (Thailand) Ltd (SRFTTT) SRF Overseas Ltd (SRFO)	Arun Bharat Ram Ashish Bharat Ram Kartikeya Bharat Ram Manju Bharat Ram Vasvi Bharat Ram Radhika Bharat Ram	Rajat Lakhanpal, Whole Time Director	Narmada Farms Pvt Ltd (NFPL) Bhairav Farms Pvt Ltd (BFPL) Bharat Ram Associates Pvt Ltd (BRAPL)

Nature of Transaction	(a)		(b)		(c)		(d)		(e)	
	31-Mar 2010	31-Mar 2009	31-Mar 2010	31-Mar 2009	31-Mar 2010	31-Mar 2009	31-Mar 2010	31-Mar 2009	31-Mar 2010	31-Mar 2009
	Amount in Rs Lakhs									
Sale of Business SRF	-	-	-	15,031.26	-	-	-	-	-	-
Rental paid SRF	-	-	-	4.26	-	-	-	-	-	-
Purchase of goods/ services										
SRF	-	-	-	2,036.48	-	-	-	-	-	-
SRFTTT	-	-	-	30.35	-	-	-	-	-	-
SRFO	-	-	-	13.81	-	-	-	-	-	-
Sale of goods SRF	-	-	-	14.15	-	-	-	-	-	-
Loan/ICD received										
SRFT	-	-	-	130.00	-	-	-	-	-	-
SRFP	-	-	-	-	-	-	-	-	25.00	-
NFPL	-	-	-	-	-	-	-	-	370.00	-
BFPL	-	-	-	-	-	-	-	-	319.00	-
BRAPL	-	-	-	-	-	-	-	-	507.00	-
Loan/ICD refunded										
NFPL	-	-	-	-	-	-	-	-	90.00	-
BFPL	-	-	-	-	-	-	-	-	90.00	-
BRAPL	-	-	-	-	-	-	-	-	115.00	-
Interest paid on ICD/ Loan										
SRF	-	-	-	39.11	-	-	-	-	-	-
SRFT	-	-	-	4.44	-	-	-	-	-	-
SRFPIL	-	225.35	-	-	-	-	-	-	-	-
NFPL	-	-	-	-	-	-	-	-	10.07	-
BFPL	-	-	-	-	-	-	-	-	12.69	-
BRAPL	-	-	-	-	-	-	-	-	29.29	-

Nature of Transaction	(a)		(b)		(c)		(d)		(e)	
	31-Mar 2010	31-Mar 2009	31-Mar 2010	31-Mar 2009	31-Mar 2010	31-Mar 2009	31-Mar 2010	31-Mar 2009	31-Mar 2010	31-Mar 2009
	Amount in Rs Lakhs									
Management Contracts#										
SRF	-	-	-	2.81	-	-	-	-	-	-
SRFPIL	-	3.31	-	-	-	-	-	-	-	-
Reimbursement (payment) of expenses										
SRF	-	-	-	103.13	-	-	-	-	-	-
Loan/ICD given										
SRFPIL	1,558.00	3,070.00	-	-	-	-	-	-	-	-
SEL	199.00	-	-	-	-	-	-	-	-	-
Loan/ICD refund received										
SRFPIL	1,105.00	2,320.00	-	-	-	-	-	-	-	-
SEL	170.00	-	-	-	-	-	-	-	-	-
Remuneration	-	-	-	-	-	-	11.05	9.97	-	-
Directors Sitting Fee	-	-	-	-	0.29	0.35	-	-	-	-
Investment during the year										
SEL	206.00	-	-	-	-	-	-	-	-	-
Expenses incurred on behalf of										
SEL	4.87	-	-	-	-	-	-	-	-	-
Reimbursement (receipt) of expenses										
SRFPIL	3.31	-	-	-	-	-	-	-	-	-
SEL	4.87	-	-	-	-	-	-	-	-	-
Year end receivable										
SRF (debtor)	-	-	75.02	83.58	-	-	-	-	-	-
SRFPIL (loan)	3,373.00	2,923.31	-	-	-	-	-	-	-	-
SEL (loan)	29.00	-	-	-	-	-	-	-	-	-
Year end payable										
SRFT	-	-	-	130.00	-	-	-	-	-	-
SRFP	-	-	25.61	-	-	-	-	-	-	-
NFPL	-	-	-	-	-	-	-	-	287.36	-
BFPL	-	-	-	-	-	-	-	-	234.31	-
BRAPL	-	-	-	-	-	-	-	-	402.27	-

including deputation of employees

9. Earning Per Equity Share

Annualised earnings per equity share have been calculated based on the net profit after taxation of Rs 973.61 lakhs (Pr Yr Rs 2,040.38 lakhs) and the average number of equity shares of 6452615 (Pr Yr 6452615).

Basic and diluted earning per share for the year is Rs 15.09 (Pr Yr Rs 31.62).

10. The Company has no forex exposure as on 31st March 2010.

11. The Board has approved a Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 to segregate real estate division and residual undertaking comprising of investment division in different companies resulting in, inter-alia, better investor focus, realize the growth and profitability of these businesses and provide better value to the shareholders of the companies concerned. The Scheme involves: -

- Demerger of real estate division of SRF Polymers Investments Limited, a wholly owned subsidiary of the Company, to KAMA Realty (Delhi) Limited, another wholly owned subsidiary of the Company.
- Merger of residual SRF Polymers Investments Limited, a wholly owned subsidiary of the Company into the Company.
- Demerger of real estate division of Narmada Farms Private Limited and Bhairav Farms Private Limited into Srishti Westend Greens Farms Private Limited and Karm Farms Private Limited respectively.
- Merger of residual Narmada Farms Private Limited and residual Bhairav Farms Private Limited into the Company.

12. Statement of Additional Information (Refer to note no. 13 as regards figures for 2010)

- Registered & Installed capacity per annum:

	Unit	2010	2009
Nylon Chips	MT	-	6600
Nylon Compounding Chips	MT	-	14500
Nylon Twine	MT	-	1440

- Actual Production:

	Unit	2010	2009@
Synthetic filament yarn/Industrial Yarn/Nylon Chips*	MT	-	172.00
Nylon Compounding Chips	MT	-	4392.62
Nylon Twine	MT	-	714.77

@The production is for the period 01-Apr-2008 to 31-Dec-2008.

*Includes Nil (Pr Yr 382.05 MT) manufactured through contract manufacturers.

- Opening & Closing Stock of Finished Goods (manufactured):

		Closing Qty (MT)	Stock Value (Rs/Lakhs)	Opening Qty (MT)	Stock Value (Rs/Lakhs)
Synthetic Filament Yar/Industrial Yarn/Nylon Chips/Twine	2010	-	-	-	-
	2009	-	-	639.50	1186.13
Nylon Compounding Chips	2010	-	-	-	-
	2009	-	-	211.42	327.87
Ryton	2010	-	-	-	-
	2009	-	-	4.73	26.03
Total	2010	-	-	-	-
	2009	-	-	-	1540.03

- Turnover*:

	2010		2009	
	Qty (MT)	Value (Rs/Lakhs)	Qty (MT)	Value (Rs/Lakhs)
Synthetic Filament Yar/Industrial Yarn/Nylon Chips/Twine**	-	-	2533.27	4670.97
Nylon Compounding Chips	-	-	4330.39	6555.83
Waste & Others (Traded Goods)	-	-	-	708.62
Gross Sales	-	-	-	11935.42
Less: Excise Duty	-	-	-	607.88
Net Sales	-	-	-	11327.54

*Net of sales returns and damaged stocks, etc.

**Includes goods bought out Nil (Pr Yr 412.88 MT)

e. Raw Material Consumption (net of Modvat):

	2010		2009	
	Qty (MT)	Value (Rs/Lakhs)	Qty (MT)	Value (Rs/Lakhs)
Polyester-Nylon Chips	-	-	4878.98	5557.90
Caprolactum	-	-	1229.00	1558.21
Others	-	-	-	1155.13
Total	-	-	-	8271.24

f. Traded Goods:

Quantitative particulars have not been given as the goods traded are assorted.

g. Value of Imported-Indigenous Raw Materials, Stores and Spares Consumed:

	2010		2009	
	%	Value (Rs/Lakhs)	%	Value (Rs/Lakhs)
Raw Materials				
Imported	-	-	37.35	3089.41
Indigenous	-	-	62.65	5181.83
Total	-	-	100.00	8271.24
Stores and Spares				
Imported	-	-	1.66	1.50
Indigenous	-	-	98.34	88.50
Total	-	-	100.00	90.00

h. Value of Imports on CIF basis:

	2010 (Rs/Lakhs)	2009 (Rs/Lakhs)
Raw Materials	-	3093.37
Stores and Spares	-	1.58

i. Expenditure in Foreign Currency:

	2010 (Rs/Lakhs)	2009 (Rs/Lakhs)
Exchange Fluctuation Difference	-	142.07
Travel	-	3.28

j. Earnings in Foreign Exchange:

	2010 (Rs/Lakhs)	2009 (Rs/Lakhs)
Export of goods calculated on FOB value	-	317.64

13. Previous year figures have been regrouped/recast/rearranged, wherever necessary, to conform to current year classifications. The figures for the previous year includes operations of the company in Engineering Plastics and Industrial Yarn Businesses from 01-Apr-2008 to 31-Dec-2008 since these businesses were sold off to SRF Ltd with effect from 01-Jan-2009.

As per our Report of even date
For THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants

V. Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
WHOLE TIME DIRECTOR
& COMPANY SECRETARY

Kartikeya Bharat Ram
CHAIRMAN

S P Agarwala
DIRECTOR

Mukul Khandelwal
DIRECTOR

Place: New Delhi
Date: 27th May, 2010

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Amount in Rs/Lakhs

Sr. No.	Name of the Subsidiary Company	Country of Incorporation	Financial Year of the Subsidiary	Number of Equity Shares held by KAMA Holdings Limited and/or its nominees in subsidiary as at the end of accounting year	Extent of interest of KAMA Holdings Limited and/or its nominees in the capital of the subsidiary	Net aggregate amount of profits/(losses) of the subsidiary so far as it concerns the members of KAMA Holdings Limited for the financial year ended 31-Mar-2010	
						Dealt with in the accounts of KAMA Holdings Limited	Not dealt with in the accounts of KAMA Holdings Limited
1	SRF Polymers Investments Limited	India	31-Mar-2010	4205002 equity shares of Rs 100 each fully paid	100%	-	1,672.16
			31-Mar-2009	4205002 equity shares of Rs 100 each fully paid	100%	-	54.28
2	Shri Educare Limited	India	31-Mar-2010	2060000 equity shares of Rs 10 each fully paid	100%	-	(111.95)
			31-Mar-2009	Nil	Nil	-	-
3	KAMA Realty (Delhi) Limited@	India	31-Mar-2010	50000 equity shares of Rs 10 each fully paid	100%	-	(2.46)
			31-Mar-2009	Nil	Nil	-	-
4	Shri Educare Maldives Private Limited#	Maldives	31-Mar-2010	4666550 equity shares of MRF 1 each fully paid	100%	-	(184.10)
			31-Mar-2009	Nil	Nil	-	-

@ Becomes subsidiary of the Company by virtue of wholly owned subsidiary of SRF Polymers Investments Limited.

Becomes subsidiary of the Company by virtue of wholly owned subsidiary of Shri Educare Limited.

CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH 2010

	Amount (Rupees)	
	Year Ended 31.03.2010	Year Ended 31.03.2009
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax and extra-ordinary items	1,000.08	3,224.58
Adjustments for		
Depreciation	0.20	470.23
Interest Paid	290.50	1,423.01
Exchange Fluctuation (Net)	-	314.39
Income from Dividend on Shares	(1,295.35)	(754.87)
Provision for Doubtful Debts/Advances (Net of Written Off)	-	60.93
Profit on sale of businesses	-	(3,834.85)
Interest Income	(20.64)	(40.43)
(Profit)/Loss on Sale of Investments	(0.07)	-
(Profit)/Loss on Sale of Fixed Assets	(0.25)	(0.35)
Operating Profit before working capital changes	(25.52)	862.64
Adjustments for		
Trade and Other Receivables	(188.77)	(3,806.56)
Inventories	-	270.36
Trade Payables and Provisions	(113.37)	(720.03)
Cash Generated from operations before tax	(327.66)	(3,393.59)
Exchange Fluctuation (Net)	-	(314.39)
Taxation	(26.47)	(370.52)
Net Cash from operating activities (A)	(354.13)	(4,078.50)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-	(28.12)
Purchase of Investments	(757.28)	-
Sale of Investments	551.35	-
Deletion to fixed assets pursuant to Sale of Business	-	4.52
Deletion to fixed assets pursuant to Sale/write off	1.02	-
Profit/(Loss) on Sale of Fixed Assets	0.25	-
Interest Income	20.64	40.43
Proceeds from sale of businesses (Net)	-	6,075.97
Income from Dividend on Shares	1,295.35	754.87
Net Cash used in Investing Activities (B)	1,111.32	6,847.67
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(Repayment) of long term borrowings (net)	-	(410.00)
Proceeds/(Repayment) of Short term borrowings (net)	(525.46)	1,298.98
Proceeds from unsecured loans	-	(2,167.88)
Interest Paid	(290.50)	(1,423.01)
Net cash used in/ from financing activities (C)	(815.96)	(2,701.91)
Net increase in Cash and Cash Equivalents D=(A+B+C)	(58.77)	67.26
Cash & Cash Equivalent transferred to SRF Ltd (E)	-	(118.75)
Cash & Cash equivalents at the beginning of the year (F)	258.06	309.55
Cash & Cash equivalents at the close of the year G=(D+E+F)	199.29	258.06

Rajat Lakhanpal
WHOLE TIME DIRECTOR
& COMPANY SECRETARY

S P Agarwala
DIRECTOR

Mukul Khandelwal
DIRECTOR

Kartikeya Bharat Ram
CHAIRMAN

We have certified the above cash flow statement of KAMA Holdings Limited derived from the audited financial statements for the year ended 31-Mar-2010 and other records and found the same to be drawn in accordance there with and also with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

for THAKUR VAIDYANATH AIYAR & CO
Chartered Accountants

Place: New Delhi
Date: 27th May, 2010

V Rajaraman
Partner
M.No. 2705

ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956
I. Registration details

Registration No.	104779
State Code	55
Balance Sheet date	31-3-2010

II. Capital raised during the year (Rs.000s)

Public issue	NIL
Rights issue	NIL
Bonus issue	NIL
Private placement	NIL

III. Position of mobilisation of and deployment of funds (Rs.000s)

Total liabilities	1155465
Total assets	1155465
Sources of funds	
Paid-up Capital	64526
Reserves and Surplus	858336
Secured Loans	127805
Unsecured Loans	104798
Application of funds	
Net fixed assets	36
Investments	807510
Net current assets	347918
Miscellaneous expenditure	NIL
Accumulated losses	NIL

IV. Performance of the company (Rs.000s)

Turnover	131973
Total expenditure	31965
Profit before tax	100008
Profit after tax	97360
Earnings per share (Rs.)	15.09
Dividend rate (%)	NIL

V. Generic names of three principal products/services of the company

(as per monetary terms)	
Item code no. (ITC Code)	N/A
Product description	N/A

As per our Report of even date
For THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants

V. Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
WHOLE TIME DIRECTOR
& COMPANY SECRETARY

Kartikeya Bharat Ram
CHAIRMAN

S P Agarwala
DIRECTOR

Mukul Khandelwal
DIRECTOR

Place: New Delhi
Date: 27th May, 2010

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF KAMA HOLDINGS LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KAMA HOLDINGS LIMITED, IT'S SUBSIDIARY AND ASSOCIATE

We have examined the attached Consolidated Balance Sheet of KAMA Holdings Limited, its wholly owned subsidiaries SRF Polymers Investment Ltd. and Shri Educare Ltd. and its associate SRF Ltd., as at 31st March 2010, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended.

Responsibilities of management

These financial statements are the responsibility of the company's management.

Responsibilities of auditors

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

Basis of opinion

We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework generally accepted in India and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 23, Accounting for Investment in Associates in Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of KAMA Holdings Limited, its wholly owned subsidiaries and its associate included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the company, it's subsidiary and it's associate and we are of the opinion that :

- (a) the Consolidated Balance Sheet, gives a true and fair view of the consolidated state of affairs of the company, it's subsidiary and it's associate as at 31st March 2010;
- (b) the Consolidated Profit and Loss Account, gives a true and fair view of the consolidated results of operations of the company, it's subsidiary and it's associate for the year then ended; and
- (c) the Consolidated Cash Flow Statement, gives a true and fair view of the consolidated cash flows of the company, it's subsidiary and it's associate for the year then ended.

For THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants
Regn. No. 000038N

Place: New Delhi
Date: 27th May, 2010

V. Rajaraman
Partner
M.No.2705

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2010

Particulars	Schedule	Amount (Rupees in lakhs)	
		As at 31.03.2010	As at 31.03.2009
Sources of Funds			
Shareholders' Fund			
Share Capital	1	645.26	645.26
Reserves & Surplus	2	42,656.06	29,590.23
		<u>43,301.33</u>	<u>30,235.49</u>
Loan Funds			
Secured Loan	3	7,498.30	9,505.83
Unsecured Loan	4	1,303.47	1,746.49
		<u>8,801.77</u>	<u>11,252.32</u>
		<u>52,103.10</u>	<u>41,487.81</u>
Application of Funds			
Fixed Assets	5		
Gross Block		2,619.74	2,422.42
Less: Depreciation		178.66	151.93
Net Block		<u>2,441.08</u>	<u>2,270.49</u>
Capital Work-in-progress		13.52	-
		<u>2,454.60</u>	<u>2,270.49</u>
Investments	6	49,354.04	38,892.39
Deferred Tax Assets		44.28	66.96
Current Assets, Loans & Advances			
Cash and Bank balances	7	305.26	468.70
Loans and Advances	8	849.60	761.25
		<u>1,154.86</u>	<u>1,229.95</u>
Less: Current Liabilities & Provisions			
Current Liabilities	9	461.07	530.57
Provisions	10	443.91	441.41
		<u>904.98</u>	<u>971.98</u>
Net Current Assets		<u>249.88</u>	<u>257.97</u>
Miscellaneous Expenditure (to the extent not written off)			
Preliminary Expenses		0.24	-
Pre-operative Expenses		0.06	-
		<u>52,103.10</u>	<u>41,487.81</u>
Significant Accounting Policies & Notes	16		
Schedule 1 to 10 and 16 form an integral part of Accounts			

As per our Report of even date
For THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants

V.Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
WHOLE TIME DIRECTOR
& COMPANY SECRETARY

Kartikeya Bharat Ram
CHAIRMAN

S P Agarwala
DIRECTOR

Mukul Khandelwal
DIRECTOR

Place: New Delhi
Date: 27th May, 2010

CONSOLIDATED PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED ON 31ST MARCH 2010

Particulars	Schedule	Amount (Rupees in lakhs)	
		Year ended 31.03.2010	Year ended 31.03.2009
Income			
Gross Sales		-	11,856.42
Less: Excise Duty		-	528.88
Net Sales		-	11,327.54
Other Income	11	767.84	6,028.71
Total Income		<u>767.84</u>	<u>17,356.25</u>
Expenditures			
Raw material consumed	12	-	8,271.24
(Increase)/Decrease in Stock (Sold)	13	-	411.10
Manufacturing & Other Expenses	14	467.54	3,817.93
Interest and Finance Charges	15	1,209.63	3,073.83
Depreciation	5	42.23	509.39
Total Expenditure		<u>1,719.39</u>	<u>16,083.49</u>
Profit before Taxation		(951.55)	1,272.78
Less: Provision for Taxation		66.08	395.16
Less: Net Deferred Tax Assets Written Off		22.68	821.98
Less: Taxes Paid for earlier years		31.94	-
Add: Provision for earlier years written back		5.48	24.37
Add: MAT credit available		58.32	-
Profit after Taxation		(1,008.45)	80.01
Loss of the wholly owned subsidiary made during the year		(0.26)	-
Share in Profit of SRF Ltd. (Associate company)		14,069.42	6,831.03
Profit after share in Associate		13,060.71	6,911.04
Add: Profit Brought Forward (Net of Loss of Subsidiaries)		24,704.24	17,793.20
PROFIT CARRIED TO BALANCE SHEET		37,764.95	24,704.24
Basic EPS (in Rupees) (Ref Note No. 9)		202.41	107.10
Diluted EPS (in Rupees) (Ref Note No. 9)		202.41	107.10
Significant Accounting Policies & Notes	16		
Schedules 5, 11 to 16 form an integral part of P&L Account			

As per our Report of even date
For THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants

V.Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
WHOLE TIME DIRECTOR
& COMPANY SECRETARY

Kartikeya Bharat Ram
CHAIRMAN

S P Agarwala
DIRECTOR

Mukul Khandelwal
DIRECTOR

Place: New Delhi
Date: 27th May, 2010

SCHEDULES

	Amount (Rupees in lakhs)	
	As at 31.03.2010	As at 31.03.2009
Schedule 1: Share Capital		
Authorised Capital		
10,000,000 (Pr.Yr. 10,000,000) Equity Shares of Rs.10 each	1,000.00	1,000.00
5,000,000 (Pr.Yr. 5,000,000) Preference Shares of Rs.10 each	500.00	500.00
	<u>1,500.00</u>	<u>1,500.00</u>
Issued, Subscribed and Paid-up Capital		
6,452,615 (Pr.Yr. 6,452,615) Equity Shares of Rs.10 each fully paid-up	645.26	645.26
	<u>645.26</u>	<u>645.26</u>
Schedule 2: Reserves & Surplus		
Capital Reserve	0.99	0.99
Capital Redemption Reserve	0.02	0.02
Translation Reserve	5.12	-
General Reserve		
Opening Balance:	4,884.98	4,884.98
Add: addition during the year	-	-
Less: withdrawals during the year	-	-
	<u>4,884.98</u>	<u>4,884.98</u>
Surplus		
Profit & Loss Account	37,764.95	24,704.24
(Transfer from Profit & Loss Account)	<u>42,656.06</u>	<u>29,590.23</u>
Schedule 3: Secured Loan		
Long Term Loans from Other than banks	-	3,500.00
Short Term from banks	2,720.24	2,900.83
Short Term from Other than banks	4,755.00	3,105.00
Interest accrued & due	23.05	-
	<u>7,498.29</u>	<u>9,505.83</u>
Schedule 4: Unsecured Loan		
Short Term from Other than banks	1,176.00	380.00
Interest accrued & due	29.04	-
Fixed Deposits	98.43	1,366.49
	<u>1,303.47</u>	<u>1,746.49</u>

Particulars	Amount (Rupees in lakhs)									
	Gross Block				Depreciation				Net Block	
	As at 01.04.2009	Addi- tions	Deletions/ Transfers	As at 31.03.2010	upto 31.03.2009	for the year	Withdrawal/ Transfers	upto 31.03.2010	As at 31.03.2009	As at 31.03.2010
Leasehold Land	-	147.88	-	147.88	-	-	-	-	-	147.88
Buildings	2,402.61	-	-	2,402.61	133.69	39.16	-	172.85	2,268.92	2,229.76
Furniture & Fixtures	-	1.65	-	1.65	-	0.10	-	0.10	-	1.55
Data Processing	-	10.73	-	10.73	-	0.54	-	0.54	-	10.18
Office Equipments	14.66	2.04	12.99	3.72	13.77	0.33	12.39	1.71	0.90	2.01
Vehicles	5.18	8.64	10.89	2.93	4.49	1.41	3.12	2.78	0.68	0.15
Intangibles:										
Software	-	0.98	-	0.98	-	0.13	-	0.13	-	0.86
Trademarks & Copyrights	-	49.25	-	49.25	-	0.55	-	0.55	-	48.70
Total	2,422.45	221.16	23.88	2,619.74	151.95	42.23	15.52	178.66	2,270.50	2,441.08
Previous Year	12,659.40	28.12	10,265.10	2,422.42	2,088.20	509.39	2,445.66	151.93	10,571.20	2,270.49

	Amount (Rupees in lakhs)	
	As at 31.03.2010	As at 31.03.2009
Schedule 6: Investments		
Long Term Non-trade (at cost)		
-Quoted*		
27,511,962 (Pr Yr 27,511,962) Equity Shares of Rs.10 each fully paid up in SRF Ltd.#@	49,354.04	38,892.39
*[Market value of quoted investments Rs 54349.88 lakhs (Rs 20276.32 lakhs)]	49,354.04	38,892.39
#out of above, 20.50 lakhs shares pledged for loan taken from Aditya Birla Finance Ltd. and 31.50 lakhs shares pledged for loan taken from Kotak Mahindra Prime Ltd.		
@Net of Capital Reserve of Rs 3,620.92 lakhs (Pr Yr Rs 3,620.92 lakhs) and Dividend Received Rs 3301.44 lakhs (Pr Yr Rs 1,925.84 lakhs)		
Schedule 7: Cash and Bank Balances		
Cash in hand	0.77	0.19
Cheques in hand	31.66	-
Balances with Scheduled Banks		
Current Accounts	79.68	224.98
Unclaimed Dividend	1.72	2.38
Fixed Deposit*	191.43	241.15
	305.26	468.70
*Also includes deposits earmarked Under Rule 3A of the Companies (Acceptance of Deposits) Rules, 1975 amounting to Rs 190 lakhs (Pr Yr Rs 239.81 lakhs)		
Schedule 8: Loans & Advances		
Unsecured considered good for recovery by the management (unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Considered good	551.83	429.45
	429.45	
Income-tax recoverable	906.53	(Pr Yr 857.95)
Less: Provision for tax	608.76	(Pr Yr 526.15)
	297.77	331.80
	849.60	761.25
Schedule 9: Current Liabilities		
Sundry Creditors	6.78	46.44
Security Deposits	300.00	300.00
Unclaimed Dividends*	1.72	2.38
Unclaimed Fixed Deposits (Including Interest net of TDS)*	22.50	23.63
Other Liabilities	81.46	-
Interest accrued but not due on loans & deposits	48.61	158.12
	461.07	530.57
*Will be credited to Investor Education and Protection Fund if not claimed within seven years from the issue of dividend/interest warrant/maturity of Fixed Deposits. No interest have accrued on them.		
Schedule 10: Provisions		
Provision for contingencies	441.41	441.41
Provision for Gratuity	1.71	-
Provision for Leave Encashment	0.78	-
	443.91	441.41
Schedule 11: Other Income		
Claims	-	32.66
Dividend on shares/Units (Non-Trade)	4.88	5.23
Provision no longer required*	-	1,584.08
Scrap sales	-	83.13

	Amount (Rupees in lakhs)	
	As at	As at
	31.03.2010	31.03.2009
Profit on Slump Sale of Businesses (Net)	-	3,834.85
Rent Income	605.70	376.63
Fees	128.88	-
Interest		
On Loans & Deposits**	18.77	54.24
Others***	5.31	18.95
Others	4.30	38.94
	<u>767.84</u>	<u>6,028.71</u>

*Includes write back of Rs Nil (Pr Yr Rs 1,583.63 lakhs) pertaining to excise duty liability

**Includes Income-tax deducted at source Rs 82.87 lakhs (Pr Yr Rs 12.35 lakhs)

***Includes interest on refund of income tax Rs 5.31 lakhs (Pr Yr Rs 15.77 lakhs)

Schedule 12: Raw Materials Consumed

Opening stock of Raw Material	-	1,357.34
Add: Purchases of Raw Materials	-	8,512.68
Sub Total	-	9,870.02
Less: Transfer of Raw Material pursuant to Sale of Businesses	-	1,598.78
Closing Stock of Raw Material	-	-
Raw Materials Consumed	-	<u>8,271.24</u>

Schedule 13: (Increase)/Decrease in Stock

Opening Stock:		
Work in progress	-	425.57
Finished goods	-	1,182.58
	-	<u>1,608.15</u>
Less: Transfer of Raw Material pursuant to Sale of Businesses		
Work in progress	-	310.18
Finished goods	-	886.86
Sub Total	-	<u>1,197.04</u>
Closing Stock: Work in progress	-	-
Finished goods	-	-
Total	-	-
(Increase)/Decrease in Stock	-	<u>411.11</u>

Schedule 14: Manufacturing & Other Expenses

Stores & Spares Consumed	-	87.66
Power & Fuel	-	644.35
Rent	3.53	81.81
Repairs & Maintenance		
Buildings	109.29	0.42
Plant & Machinery	-	107.09
Other Maintenance	3.51	95.00
Curriculum development	7.87	-
Office Expenses	8.23	-
Water & Electricity	8.95	-
Freight	-	271.05
Printing & Stationery	4.62	-
Directors Remuneration	14.73	13.28
Marketing and Advertisement	41.31	-
Salaries, Wages, Bonus, etc.	184.22	389.08
Contribution to PF and other funds	-	33.74
Workmen & Staff Welfare Expenses	-	43.23
Insurance	0.67	14.86
Rates & Taxes	20.11	43.79
Contract Conversion Charges	-	876.07

Amount (Rupees in lakhs)

	As at 31.03.2010	As at 31.03.2009
Travel	8.10	56.35
Telephone	3.84	28.79
Legal and professional charges	12.39	33.52
Auditors Remuneration & Expenses		
Audit Fee	2.15	3.90
Interim audit fee	1.50	2.25
Tax Matters	1.50	1.50
Certification Work	1.13	1.33
Other	0.18	-
Directors Sitting Fees	0.70	0.86
Selling Commission	-	25.82
Exchange currency fluctuation	-	314.39
Loss on sale of Fixed Assets	0.53	-
Management Expenses Reimbursed to SRF	-	15.00
Miscellaneous Expenses*@	28.49	632.79
	<u>467.54</u>	<u>3,817.93</u>

*Includes Provision for Doubtful Debts and Advances Rs Nil (Pr Yr Rs 60.93 lakhs)

@Includes Prior period expenditure Rs Nil (Pr Yr Rs 393.62 lakhs)

Schedule 15: Interest & Finance Charges

Interest Cost		
Term Loans & Fixed Deposit#	1,209.53	1,388.39
Cash Credit & Others	-	1,523.44
Financial Charges	0.10	162.00
	<u>1,209.63</u>	<u>3,073.83</u>

#Includes Prior period expenditure Rs 13.39 lakhs (Pr Yr Nil)

SCHEDULE 16: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

A) SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on the historical cost convention basis. The generally accepted accounting principles and the Accounting Standards referred under section 211(3C) of the Companies Act, 1956 have been adopted by the Company and disclosures made in accordance with the requirements of Schedule VI to the Companies Act, 1956 and the Indian Accounting Standards.

2. FIXED ASSETS

Gross block of fixed assets have been stated at their original cost. Cost includes interest on borrowings and other incidental expenses up to the date of putting the assets to use.

3. DEPRECIATION

3.1 Depreciation is provided on Fixed assets with reference to their historical cost.

3.2 Depreciation is provided on Straight-line method at rates based upon life determined by the management which are lower than the life determined based on the rates specified in Schedule XIV to the Companies Act, 1956.

The depreciation rates based on useful life as estimated by the management varies between 1.63%% to 31.67%%.

The depreciation rate for Vehicles is 19% and 20% in KAMA Holdings Ltd. (formerly known as SRF Polymers Ltd.) and Shri Educare Ltd. respectively.

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

3.4 Intangible assets are being amortized over their useful life:

3.4.1 Software	3 years
3.4.2 Trademark and copyrights	10 years

4. INVESTMENTS

Long term quoted investments are valued at cost unless there is a permanent fall in their value as at the date of Balance Sheet.

5. CONTINGENT LIABILITY

Liabilities, though contingent, are provided for if there are reasonable prospects of such liabilities maturing. Other contingent liabilities, barring frivolous claims not acknowledged as debt, are disclosed by way of note.

6. REVENUE RECOGNITION

- 6.1 Sales are inclusive of excise duty and net of trade discounts. Export sales include goods invoiced against confirmed orders and cleared from excise and customs authorities.
- 6.2 Other items of revenue are recognized in accordance with the Accounting Standard (AS-9). Accordingly, wherever there are uncertainties in the ascertainment-realisation of income such as interest from customers (including the financial condition of the person from whom the same is to be realized), the same is not accounted for.
- 6.3 Interim dividend income from investments is recognized in the Profit and Loss Account on cash basis.

7. TAXATION

- 7.1 Tax provision is made, in accordance with the Income Tax Act, 1961 including the provisions regarding Minimum Alternate Tax and the contentions of the Company and also the fact that certain expenditure becoming allowable on payment being made before filing of the return of income.
- 7.2 Deferred tax assets and liabilities are accounted for on the basis of Accounting Standard AS-22. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

8. BORROWING COST

Borrowing cost (including difference in exchange rate on the principal to the extent it represents interest cost) attributable to the acquisition or construction of qualifying assets is capitalized as a part of the cost of those assets. Other borrowing costs are recognized as an expense in the period to which they relate.

9. EARNING PER SHARE

The earnings considered in ascertaining the Company's Earnings Per Share ('EPS') comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares.

B) NOTES

1. Basis of Preparation

- (a) The Consolidated Financial Statements (CFS) are prepared in accordance with Accounting Standard (AS-21) - "Consolidated Financial Statements" and Accounting Standard (AS-23) - "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India. The Consolidated Financial Statements comprise the financial statements of KAMA Holdings Limited, its subsidiaries and associate.

The list of subsidiary and associates included in the Consolidated Financial Statements are as under:

Name of the subsidiary	Country of Incorporations	Proportion of ownership as on 31st March 2010	Proportion of ownership as on 31st March 2009
SRF Polymers Investments Ltd.	India	100.00%	100.00%
Shri Educare Ltd.@	India	100.00%	-
KAMA Realty (Delhi) Ltd.#	India	100.00%	-
Shri Educare Maldives Pvt. Ltd.##	Maldives	100.00%	-

Name of the associate	Country of Incorporations	Proportion of ownership as on 31st March 2010	Proportion of ownership as on 31st March 2009
SRF Ltd.*	India	45.47%	45.34%

@Became subsidiary on 29th September 2009.

#through SRF Polymers Investments Ltd. as it became wholly owned subsidiary of SRF Polymers Investments Ltd. on 30th November 2009.

##through Shri Educare Ltd. as it became wholly owned subsidiary of Shri Educare Ltd. on 16th December 2009, i.e., its date of incorporation.

*Became an associate on 16th September 2004.

- (b) The financial statements of the Company and its subsidiary companies are 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 profits or losses in accordance with Accounting Standard (AS-21) – “Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India.
- (c) The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its profit and loss account to the extent such change is attributable to the associate profit and loss account and through its reserves for the balance, based on available information.
- (d) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve, as the case may be and included in the cost of investment in the associate.
- (e) As far as possible, the Consolidated Financial Statements are 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.
2. Shri Educare Limited has made an agreement with the Government of Maldives to run a school jointly in Maldives. For this, Shri Educare Limited has incorporated a wholly owned subsidiary in Maldives namely Shri Educare Maldives Private Limited.
3. **Details for Securities (refer Schedule No. 3 “Secured Loans to the financials”):**

The borrowings of the company are secured against the assets of the company as indicated below:

Secured Loan	Outstanding Amount (Rs/Lakhs)	Security
Short Term Loans from Bank		
Citibank N.A.	2,720	- First charge by way of an equitable mortgage by deposit of title deeds of the immovable property of the company situated at Gurgaon, Haryana; and
		- Corporate Guarantee executed by M/s KAMA Holdings Ltd., holding company.
Total	2,720	

Sl. No.	Loan	Outstanding Amount (Rs Lakhs)	Security
Short Term From Others			
1.	SRF Employees Welfare Co. Ltd.	655.00	Pledge of 21,00,000 fully paid up equity shares of Rs 100 each of SRF Polymers Investments Ltd, held by the company, which is wholly owned subsidiary of the Company.
2.	Kotak Mahindra Prime Ltd.	2,500.00	- Pledge of 3,150,000 fully paid up equity shares of Rs.10 each of SRF Ltd. held by the company; and - Corporate Guarantee executed by M/s KAMA Holdings Ltd., holding company.
3.	Aditya Birla Finance Ltd.	1,600.00	- Pledge of 2,050,000 fully paid up equity shares of Rs.10 each of SRF Ltd. held by the company; and - Corporate Guarantee executed by M/s KAMA Holdings Ltd., holding company for Rs 1,000 lakhs.
	Total	4,755.00	

4. **Capital Commitments**

KAMA Holdings Limited (KHL) share of capital commitment of SRF Limited Rs 1,947.80 lakhs (Pr Yr Rs 7,530.46 lakhs).
KHL’s share of capital commitment for SRF Limited’s investment in:

- i) the joint venture Jingde Yangtze-Ganga Fluorine Chemical Co Limited upto USD 1.20 million (Pr Yr USD 1.18 million); and
- ii) SRF Cord GmbH Euro 44561 (Pr Yr Euro 89121).

5. Contingent Liabilities

5.1 Claims against the Company not acknowledged as debts on account of:

Rs/lakhs

	31-Mar-2010	31-Mar-2009
Income Tax	313.73	279.98

5.2 As per Business Transfer Agreement (BTA) with SRF Ltd, the Company has given representations and warranties for the liabilities of Rs 1,813.21 lakhs (Pr Yr Rs 1,821.93 lakhs) and Rs 28.10 lakhs (Pr Yr Rs 28.10 lakhs) respectively towards Excise Duty and Sales Tax.

5.3 Guarantees provided on behalf of wholly-owned subsidiary SRF Polymers Investment Ltd for repayment of loans and interest thereon amount to Rs 6,220 lakhs (Pr Yr Rs 8,401 lakhs). The Company has also pledged Nil (Pr Yr 66,70,795 shares) of SRF Ltd for loan facilities provided to the said wholly-owned subsidiary.

5.4 The Company has given a surety of Rs 5.00 lakhs (Pr Yr Rs 5.00 lakhs) on behalf of SRF Ltd to Delhi Sales Tax Authorities.

5.5 KHL's share of contingent liabilities of SRF Limited on account of claims Rs 4497.36 lakhs (Pr Yr Rs 4384.29 lakhs).

6. Security Deposit

Security deposit includes Rs 300 lakhs (Pr Yr Rs 300 lakhs) of interest free deposit from SRF Limited for leasing of office premises.

7. The Company had entered into Non-Compete Agreements whereby the Company had inter-alia agreed not to engage, directly or indirectly, in the manufacturing and selling thereof as would compete with SRF Ltd in respect of Engineering Plastics and Industrial Yarn, in any country of the world for a period of 5 years from the date of the Business Transfer Agreement, i.e., 1st January 2009.

Also refer to the note no. 5.2 regarding contingent liabilities.

8. Related Party Transactions

As per AS-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions with them are disclosed as under:

(a)	(b)	(c)	(d)	(e)
Enterprises that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the reporting enterprise	Associates	Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual	Key Management Personnel	Enterprises over which any person described in (c) or (d) is able to exercise significant influence.
SRF Polymers Investments Ltd (SRFPIL) Shri Educare Ltd (SEL)	SRF Limited (SRF) SRF Transnational Holdings Ltd (SRFT) SRF Properties Ltd (SRFP) SRF Technical Textiles (Thailand) Ltd (SRFTTT) SRF Overseas Ltd (SRFO)	Arun Bharat Ram Ashish Bharat Ram Kartikya Bharat Ram Manju Bharat Ram Vasvi Bharat Ram Radhika Bharat Ram	Rajat Lakhanpal, Whole Time Director	Narmada Farms Pvt Ltd (NFPL) Bhairav Farms Pvt Ltd (BFPL) Bharat Ram Associates Pvt Ltd (BRAPL)

Nature of Transaction	(a)		(b)		(c)		(d)		(e)	
	31-Mar 2010	31-Mar 2009	31-Mar 2010	31 - M a r 2009	31-Mar 2010	31-Mar 2009	31-Mar 2010	31-Mar 2009	31 - M a r 2010	31-Mar 2009
	Amount in Rs Lakhs									
Sale of Business SRF	-	-	-	15,031.26	-	-	-	-	-	-
Rental paid SRF	-	-	-	4.26	-	-	-	-	-	-
Purchase of goods/ services SRF	-	-	-	2,036.48	-	-	-	-	-	-
SRFTTT	-	-	-	30.35	-	-	-	-	-	-
SRFO	-	-	-	13.81	-	-	-	-	-	-
Sale of goods SRF	-	-	-	14.15	-	-	-	-	-	-
Loan/ICD received SRF	-	-	-	130.00	-	-	-	-	-	-
SRFP	-	-	-	-	-	-	-	-	25.00	-
NFPL	-	-	-	-	-	-	-	-	370.00	-
BFPL	-	-	-	-	-	-	-	-	319.00	-
BRAPL	-	-	-	-	-	-	-	-	507.00	-
Loan/ICD refunded NFPL	-	-	-	-	-	-	-	-	90.00	-
BFPL	-	-	-	-	-	-	-	-	90.00	-
BRAPL	-	-	-	-	-	-	-	-	115.00	-
Interest paid on ICD/Loan SRF	-	-	-	39.11	-	-	-	-	-	-
SRFT	-	-	-	4.44	-	-	-	-	-	-
NFPL	-	-	-	-	-	-	-	-	10.07	-
BFPL	-	-	-	-	-	-	-	-	12.69	-
BRAPL	-	-	-	-	-	-	-	-	29.29	-
Management Contracts# SRF	-	-	-	2.81	-	-	-	-	-	-
Reimbursement (payment) of expenses SRF	-	-	-	103.13	-	-	-	-	-	-
Remuneration	-	-	-	-	-	-	11.05	9.97	-	-
Directors Sitting Fee	-	-	-	-	0.29	0.35	-	-	-	-
Year end receivable SRF (debtor)	-	-	75.02	83.58	-	-	-	-	-	-
Year end payable SRF	-	-	-	130.00	-	-	-	-	-	-
SRFP	-	-	25.61	-	-	-	-	-	-	-
NFPL	-	-	-	-	-	-	-	-	287.36	-
BFPL	-	-	-	-	-	-	-	-	234.31	-
BRAPL	-	-	-	-	-	-	-	-	402.27	-

including deputation of employees

9. Employee Benefits:

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

9.1 Defined contribution plans:

- 9.1.1 Superannuation Fund
- 9.1.2 Provident Fund
- 9.1.3 Employee's State Insurance Corporation

9.2 Defined benefit plans:

- 9.2.1 Gratuity
- 9.2.2 Compensated absences – earned leaves

Gratuity:

Rs/Lakhs

	Assets/Liability	31.03.2010	30.06.2009
a.	Present Value of obligation	1.71	1.45
b.	Fair value of plan assets	-	-
c.	Net assets/(liability) recognized in the balance sheet as provision	(1.71)	(1.45)
d.	Enterprise best estimate of contribution during next year is Rs 0.50 lakh.		

Valuation assumptions are as follows which have been agreed by the Company:

		31.03.2010	31.03.2010
a.	Discounting rate	8	8
b.	Future salary increase	7	7
c.	Expected rate of return on plan assets	-	-

Demographic Assumption:

		31.03.2010	30.06.2009
a.	Retirement Age (Years)	58	58
b.	Mortality Table	LIC (1994-96)	
c.	Withdrawal rate in % for		
	Up to 30 years	3	3
	31 years to 44 years	2	2
	Above 44 years	1	1

Change in present value of obligation:

Rs/Lakhs

		31.03.2010
a.	Present value of obligation as at the beginning of the period (30-Jun-2009)	1.45
b.	Acquisition adjustment	-
c.	Interest cost	0.08
d.	Past service cost	-
e.	Current service cost	0.25
f.	Curtailement cost/(credit)	-
g.	Settlement cost/(credit)	-
h.	Benefits paid	-
i.	Actuarial (gain)/loss on obligation	(0.07)
j.	Present value of obligation as at the end of the period (31-Mar-2010)	1.71

Leave Encashment:

Rs/Lakhs

	Assets/Liability	31.03.2010	30.06.2009
a.	Present Value of obligation	0.78	0.76
b.	Fair value of plan assets	-	-
c.	Net assets/(liability) recognized in the balance sheet as provision	(0.78)	(0.76)
d.	Enterprise best estimate of contribution during next year is Rs 0.24 lakh.		

Change in present value of obligation:

Rs/Lakhs

		31.03.2010
a.	Present value of obligation as at the beginning of the period (30-Jun-2009)	0.76
b.	Acquisition adjustment	-
c.	Interest cost	0.05
d.	Past service cost	-
e.	Current service cost	0.13
f.	Curtailement cost/(credit)	-
g.	Settlement cost/(credit)	-
h.	Benefits paid	(0.69)
i.	Actuarial (gain)/loss on obligation	0.53
j.	Present value of obligation as at the end of the period (31-Mar-2010)	0.78

10. The Company intends to apply for exemption from registration under section 45-IA of the Reserve Bank of India Act, 1934 after repayment of all public deposits.

11. Provision for Taxation

11.1 Provision for taxation is made in accordance with the Income Tax Act, 1961, including the provisions regarding Minimum Alternate Tax and the contentions of the Company.

11.2 The deferred tax asset has been recognized in SRF Polymers Investments Limited details of which are given below:

Rs/lakhs

Particulars	31.03.2010	31.03.2009
Deferred tax assets on account of:		
Losses	44.28	58.70
Interest for the Pre-occupation period	Nil	8.26
Total	44.28	66.96

11.3 The Deferred Tax Asset relating to unabsorbed depreciation and carry forward of losses has not been recognized in Shri Educare Limited due to uncertainty in earning of taxable income in coming years. Therefore, the same has not been accounted for.

12. Prior Period Item

The current year profit and loss account includes prior period expenditure of Rs 13.39 lakhs (Pr Yr Rs 388.11 lakhs).

13. Directors' Remuneration*

Whole Time Director	31-Mar-2010	31-Mar-2009
Salary including allowances	10.22	9.22
Contribution to provident and superannuation funds	0.83	0.75
Total	11.05	9.97

Having regard to the fact that there is a global contribution to gratuity fund and towards leave encashment the amount applicable to an individual employee is not ascertainable and accordingly contribution to gratuity fund and leave encashment have not been considered in above computation.

*The director is entitled to a fixed remuneration irrespective of the profits or losses in accordance with Schedule XIII to the Companies Act, 1956.

14. Earning Per Equity Share

Annualised earnings per equity share have been calculated based on the net profit after taxation of Rs 13060.71 lakhs (Pr Yr Rs 6911.04 lakhs) and the average number of equity shares of 6452615 (Pr Yr 6452615).
Basic and diluted earning per share for the year is Rs 202.41 (Pr Yr Rs 107.10).

15. Statement of Additional Information (Refer to note no. 19 as regards figures for 2010)
15.1 Registered & Installed capacity per annum:

	Unit	2010	2009
Nylon Chips	MT	-	6600
Nylon Compounding Chips	MT	-	14500
Nylon Twine	MT	-	1440

15.2 Actual Production:

	Unit	2010	2009@
Synthetic filament yarn/Industrial Yarn/Nylon Chips*	MT	-	172.00
Nylon Compounding Chips	MT	-	4392.62
Nylon Twine	MT	-	714.77

@The production is for the period 01-Apr-2008 to 31-Dec-2008.

*Includes Nil (Pr Yr 382.05 MT) manufactured through contract manufacturers.

15.3 Opening & Closing Stock of Finished Goods (manufactured):

		Closing Qty (MT)	Stock Value (Rs/Lakhs)	Opening Qty (MT)	Stock Value (Rs/Lakhs)
Synthetic Filament Yarn/Industrial Yarn/Nylon Chips/Twine	2010	-	-	-	-
	2009	-	-	639.50	1186.13
Nylon Compounding Chips	2010	-	-	-	-
	2009	-	-	211.42	327.87
Ryton	2010	-	-	-	-
	2009	-	-	4.73	26.03
Total	2010	-	-	-	-
	2009	-	-	-	1540.03

15.4 Turnover*:

	2010		2009	
	Qty (MT)	Value (Rs/Lakhs)	Qty (MT)	Value (Rs/Lakhs)
Synthetic Filament Yarn/Industrial Yarn/Nylon Chips/Twine**	-	-	2533.27	4670.97
Nylon Compounding Chips	-	-	4330.39	6555.83
Waste & Others (Traded Goods)		-		708.62
Gross Sales		-		11935.42
Less: Excise Duty		-		607.88
Net Sales		-		11327.54

*Net of sales returns and damaged stocks, etc.

**Includes goods bought out Nil (Pr Yr 412.88 MT)

15.5 Raw Material Consumption (net of Modvat):

	2010		2009	
	Qty (MT)	Value (Rs/Lakhs)	Qty (MT)	Value (Rs/Lakhs)
Polyester-Nylon Chips	-	-	4878.98	5557.90
Caprolactum	-	-	1229.00	1558.21
Others		-		1155.13
Total		-		8271.24

15.6 Traded Goods:

Quantitative particulars have not been given as the goods traded are assorted.

15.7 Value of Imported-Indigenous Raw Materials, Stores and Spares Consumed:

	2010		2009	
	%	Value (Rs/Lakhs)	%	Value (Rs/Lakhs)
Raw Materials				
Imported	-	-	37.35	3089.41
Indigenous	-	-	62.65	5181.83
Total	-	-	100.00	8271.24
Stores and Spares				
Imported	-	-	1.66	1.50
Indigenous	-	-	98.34	88.50
Total	-	-	100.00	90.00

15.8 Value of Imports on CIF basis:

	2010 (Rs/Lakhs)	2009 (Rs/Lakhs)
Raw Materials	-	3093.37
Stores and Spares	-	1.58

15.9 Expenditure in Foreign Currency:

	2010 (Rs/Lakhs)	2009 (Rs/Lakhs)
Exchange Fluctuation Difference	-	142.07
Travel	-	3.28

15.10 Earnings in Foreign Exchange:

	2010 (Rs/Lakhs)	2009 (Rs/Lakhs)
Export of goods calculated on FOB value	-	317.64

16 The Company has no forex exposure as on 31st March 2010.

17 The Board has approved a Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 to segregate real estate division and residual undertaking comprising of investment division in different companies resulting in, inter-alia, better investor focus, realize the growth and profitability of these businesses and provide better value to the shareholders of the companies concerned. The Scheme involves: -

17.1 Demerger of real estate division of SRF Polymers Investments Limited, a wholly owned subsidiary of the Company, to KAMA Realty (Delhi) Limited, another wholly owned subsidiary of the Company.

17.2 Merger of residual SRF Polymers Investments Limited, a wholly owned subsidiary of the Company into the Company.

17.3 Demerger of real estate division of Narmada Farms Private Limited and Bhairav Farms Private Limited into Srishti Westend Greens Farms Private Limited and Karm Farms Private Limited respectively.

17.4 Merger of residual Narmada Farms Private Limited and residual Bhairav Farms Private Limited into the Company.

18 Operating Lease

SRF Polymers Investments Limited has entered into operating lease agreement with M/s SRF Limited for office premises owned by it. In terms of Accounting Standard 19 (AS-19) on "Leases" issued by the Institute of Chartered Accountants of India, the arrangement is non-cancelable in nature for a period of five years from 01-Nov-2005. The disclosures required by AS-19 are set out below:

- The disclosures relating to gross carrying amount, the accumulated depreciation at the balance sheet date have been made in schedule 5 to the balance sheet. There has been no impairment and hence the question of reversal does not arise.
- the future minimum lease payments under non-cancellable operating leases in the aggregate and for each of the following periods:

(Rs/Lakhs)

	Particulars	As at 31.03.2010	As at 31.03.2009
(i)	not later than one year*	605.70	605.70
(ii)	later than one year and not later than five years**	2,422.80	2,422.80
(iii)	later than five years**	353.33	959.03
Lease Rent recognized in the profit and loss account		605.70	376.63

The present monthly rent is Rs 50.47 lakhs per month. It is assumed that the lease will be renewed for further period of five years on same terms and conditions and at the same rent.

- 19 Previous year figures have been regrouped/recast/rearranged, wherever necessary, to conform to current year classifications. The figures for the previous year includes operations of the company in Engineering Plastics and Industrial Yarn Businesses from 01-Apr-2008 to 31-Dec-2008 since these businesses were sold off to SRF Ltd with effect from 01-Jan-2009.

As per our Report of even date
For THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants

V. Rajaraman
Partner
M.No. 2705

Rajat Lakhanpal
WHOLE TIME DIRECTOR
& COMPANY SECRETARY

Kartikeya Bharat Ram
CHAIRMAN

S P Agarwala
DIRECTOR

Mukul Khandelwal
DIRECTOR

Place: New Delhi
 Date: 27th May, 2010

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH 2010

		Amount (Rupees)	
		Year Ended 31.03.2010	Year Ended 31.03.2009
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before tax and extra-ordinary items	(951.56)	1,272.78
	Adjustments for		
	Depreciation	42.22	509.39
	Interest Paid	1,209.62	3,073.83
	Exchange Fluctuation	-	314.39
	Income from Dividend on Shares	(4.88)	(5.23)
	Interest Income	(24.11)	(73.19)
	Provision for Doubtful Debts/Advances (Net of Written Off)	-	60.93
	(Profit)/Loss on Sale of Investments	(0.07)	-
	(Profit)/Loss on Sale of Fixed Assets	0.28	-
	Profit on sale of businesses	(3,834.85)	-
	Operating Profit before working capital changes	271.51	1,318.05
	Adjustments for		
	Trade and Other Receivables	(126.53)	(846.84)
	Inventories	-	270.36
	Trade Payables and Provisions	(67.47)	(743.49)
	Deferred Revenue Expenditure	0.19	-
	Cash Generated from operations before tax	77.69	(1.92)
	Exchange Fluctuation	-	(314.39)
	Taxation	3.97	(370.79)
	Net Cash from operating activities (A)	<u>81.66</u>	<u>(687.10)</u>
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets	(221.16)	(28.12)
	Increase in Capital work-in-progress	(13.52)	-
	Sale of assets	-	4.19
	Deletion pursuant to sale/write off	8.36	-
	Profit/(Loss) on Sale of Fixed Assets	(0.28)	-
	Profit on sale of business	-	(13.52)
	Purchase of Investments	(2,435.88)	(306.32)
	Sale of Investments	2,741.27	-
	Interest Income	24.11	73.19
	Proceeds from sale of businesses (Net)	-	6,089.49
	Income from Dividend on Shares	4.88	5.23
	Income from Dividend on Shares from SRF Ltd. (Associate Co.)	3,301.44	1,925.84
	Translation Reserve	5.12	-
	Net Cash used in Investing Activities (B)	<u>3,414.33</u>	<u>7,749.98</u>
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds/(Repayment) of long term borrowings	(3,500.00)	(6,560.00)
	Proceeds/(Repayment) of Short term borrowings	793.95	1,878.78
	Proceeds from other unsecured loans	255.50	2.12
	Interest Paid (Net)	(1,209.62)	(3,073.83)
	Net cash used in/ from financing activities (C)	<u>(3,660.18)</u>	<u>(7,752.93)</u>
	Net increase in Cash and Cash Equivalents D=(A+B+C)	(164.19)	(690.05)
	Cash & Cash Equivalent transferred to SRF Ltd (E)	-	(118.75)
	Cash & Cash Equivalent transferred from Shri Educare Ltd (F)	0.74	-
	Cash & Cash equivalents at the beginning of the year (G)	468.70	1,277.50
	Cash & Cash equivalents at the close of the year H=(D+E+F+G)	305.25	468.70

Rajat Lakhanpal
WHOLE TIME DIRECTOR
& COMPANY SECRETARY

S P Agarwala
DIRECTOR

Mukul Khandelwal
DIRECTOR

Kartikeya Bharat Ram
CHAIRMAN

We have certified the above cash flow statement of KAMA Holdings Limited derived from the audited financial statements for the year ended 31-Mar-2010 and other records and found the same to be drawn in accordance there with and also with the requirements of clause 32 of the listing agreement with the Stock Exchanges

for THAKUR VAIDYANATH AIYAR & CO
Chartered Accountants

Place: New Delhi
Date: 27th May, 2010

V RAJARAMAN
Partner
M.No. 2705

DETAILS OF SUBSIDIARY COMPANIES

		SRF Polymers Investments Limited	Shri Educare Limited	KAMA Realty (Delhi) Limited*	Shri Educare Maldives Private Limited **	
		Rs/Lakhs	Rs/Lakhs	Rs/Lakhs	MRF	Rs/Lakhs
a	Financial year of the subsidiary	31st March 2010	31st March 2010	31st March 2010	31st March 2010	31st March 2010
b	Extent of holding	100%	100%	100%	100%	100%
c	Capital	4,205.00	206	5.00	4,666,550.00	175.00
d	Reserves & Surplus (adjusted for debit balance in P&L Account where applicable)	1,672.17	(112.21)	(2.46)	(4,909,216.00)	(184.10)
e	Total Assets (Fixed Assets+Current Assets)	2,761.41	262.49	316.52	833,753.00	31.27
f	Total Liabilities (Debts+Current Liabilities)	9,929.27	338.58	314.28	1,076,419.00	40.37
g	Details of Investment (except in case of investment in subsidiaries)	12,995.75	-	-	-	-
h	Turnover (Including Other Income)	2,620.12	2.84	-	3,375,774.00	126.59
i	Profit Before Taxation	1,648.31	(111.95)	(2.46)	(4,909,216.00)	(184.10)
j	Provision for Taxation	30.43	-	-	-	-
k	Profit After Taxation	1,617.88	(111.95)	(2.46)	(4,909,216.00)	(184.10)
l	Proposed Dividend	-	-	-	-	-

The financial statements of Shri Educare Maldives Pvt. Ltd. have been converted into Indian Rupees on the basis of the following exchange rate :

1 MRF = Rs. 3.75

* Wholly owned subsidiary of SRF Polymers Investments Ltd.

** Wholly owned subsidiary of Shri Educare Ltd.

Note : 1. The Ministry of Corporate Affairs, Government of India vide its letter no. 47/656/2010-CL-III dated 26.7.2010 has granted approval under section 212(8) of the Companies Act,1956 for the financial year ended 31.3.2010 whereby the Balance Sheet, Profit & Loss Account, Directors' Report and Auditors' Report of the subsidiaries and other documents required to be attached u/s 212(1) of the Act are not required to be attached to the Company's Accounts.

2. The Annual Accounts of the subsidiary companies and the related detailed information will be made available to the members of the holding and subsidiary company seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any investor in both the registered offices of the holding as well as the subsidiary companies concerned.



KAMA Holdings Ltd.
(FORMERLY SRF POLYMERS LIMITED)

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