Independent Auditor's Report

To the Members of SRF Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of SRF Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2025, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2025, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Accounting for derivatives	
See Note 39 to consolidated financial statements	
Key audit matter	**How the matter was addressed in our audit**
The Group uses derivative financial instruments to mitigate foreign currency risk primarily through foreign currency forward exchange contracts. Further, the Group uses hedge relationship designation as per criteria set out in relevant Indian accounting standards. Accounting thereof, including assessment of hedge effectiveness, and related presentation and disclosures of these transactions require significant judgement. Given the significant level of judgement and estimation involved and the quantitative significance, we have determined this to be a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: a. Tested the design, implementation and operating effectiveness of controls over the Group's treasury and other related functions which directly impact the relevant account balances and transactions, including hedge accounting. b. For selected samples via statistical sampling, obtained external confirmations from counterparties of the year end positions as well as agreed to original agreements analyzing critical terms, such as nominal amount, maturity, and underlying, of the hedging instrument and the hedged item to assess they are closely aligned. c. Performed sample tests of valuation and accounting of these transactions. In doing so we have involved valuation specialists to assist us in carrying out aforesaid procedure, as considered necessary. d. Assessed the adequacy of disclosures in the financial statements in respect of both non-derivative and derivative financial instruments.

2. Assessment of uncertain tax position on taxability of income from sale of Carbon emission reduction ("CER") certificates	
See Note 30 to consolidated financial statements	
Key audit matter	**How the matter was addressed in our audit**
The Holding Company has an uncertain tax position with regard to taxability of income from sale of Carbon Emission Reduction (CER) certificates related to certain past years. Assessment of such positions involves significant judgement based on a number of factors, including, interpretation of tax laws, status of assessment of each year by income-tax authorities, evaluation of company- specific orders, and judicial precedents. As explained in note 30 of the consolidated financial statements, in the previous year, the Holding Company had decided to reverse a significant amount of provision for tax recognized in earlier years, in respect of two	In view of the significance of the matter, we applied the following audit procedures, among others, to obtain sufficient appropriate audit evidence: a. Tested the design, implementation and operating effectiveness of controls over analysis of uncertain tax position and measuring tax benefits. b. Obtained status of litigations for relevant assessment years where this uncertain tax position has been identified and management assessment on such tax positions. c. Evaluated, with the assistance of specialists, Holding Company's uncertain tax position by performing the following:

2. Assessment of uncertain tax position on taxability of income from sale of Carbon emission reduction ("CER") certificates	
See Note 30 to consolidated financial statements	
Key audit matter	**How the matter was addressed in our audit**
assessment years. Pending judicial finality on the matter, taxability of CER involves uncertainties and is a matter of continuous assessment, including those pertaining to outcome for other assessment years and related interest income. Considering the significant level of continuing judgement and amounts involved, we have determined this to be a key audit matter.	(i) Identifying key judgements underlying uncertain tax position (ii) Evaluating relevant factors taken into consideration by the Holding Company in its assessment of uncertain tax position, including status of different assessment years, position taken by tax authorities in company-specific tax assessments and industry precedents d. Based on the above, evaluating whether Holding Company's assessment of tax uncertainties and resulting conclusions are consistent with our assessment, after taking into consideration current facts and circumstances.

Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income/loss, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies/ entity included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies/entity included in the Group are responsible for overseeing the financial reporting process of each company/entity.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

a. We did not audit the financial statements of eight subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 4,091.62 crores as at 31 March 2025, total revenues (before consolidation adjustments) of ₹ 2,941.08 crores and net cash outflows (before consolidation adjustments) amounting to ₹ 18.92 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in "Other Matter" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company between 1 April 2025 to 25 April 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matter" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group. Refer Note 32 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 39 to the consolidated financial statements in respect of such items as it relates to the Group.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2025. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by subsidiary companies incorporated in India during the year ended 31 March 2025.

d (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company that, to the best of its knowledge and belief, as disclosed in the Note 44(g)(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company that, to the best of its knowledge and belief, as disclosed in the Note 44(g)(ii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

f. Based on our examination which included test checks and that performed by the respective auditor of a subsidiary company which is a Company incorporated in India whose financial statements have been audited under the Act by other auditor, the Holding Company and its Indian subsidiary companies have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and, except for the instances mentioned below in respect of accounting softwares used for maintaining general ledger and related records, the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

(a) for certain tables of (i) goods and service tax (GST) rate master, and (ii) approval records for changes to vendors and inventory masters, the feature of audit trail (edit log) facility was not enabled throughout the year.

(b) for (i) inventory tables and certain master tables, for the period from 1 April 2024 to 2 April 2024, and (ii) certain purchase and payables tables for different periods between 1 April 2024 to 15 January 2025, the feature of recording audit trail (edit log) facility was not enabled.

(c) for edit logs generated by these accounting softwares, only an authorized privileged user had rights to make direct changes to the edit log. However, the feature of audit trail (edit log) facility for recording any such changes was not enabled throughout the year, and hence, we are unable to determine whether any direct changes to the edit logs were made during the year.

For the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across, subject to our comment in sub-paragraph (c) above, any instance of the audit trail feature being tampered with.

Additionally, except to the extent audit trail was not enabled for the previous year, the audit trail has been preserved by the Holding Company and its Indian subsidiary companies as per the statutory requirements for record retention.

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

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashish Bansal
Partner
Membership No.: 077569
ICAI UDIN:25077569BMOVUX9288

Place: Gurugram
Date: 12 May 2025

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of SRF Limited for the year ended 31 March 2025

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

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashish Bansal
Partner
Membership No.: 077569
ICAI UDIN:25077569BMOVUX9288

Place: Gurugram
Date: 12 May 2025

Annexure B to the Independent Auditor's Report on the consolidated financial statements of SRF Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

In conjunction with our audit of the consolidated financial statements of SRF Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial statements of subsidiary company, as was audited by the other auditor, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant subsidiary company in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of above matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ashish Bansal
Partner
Membership No.: 077569
ICAI UDIN:25077569BMOVUX9288

Place: Gurugram
Date: 12 May 2025

Consolidated Balance Sheet

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	13,358.36	12,845.46
Right-of-use assets	41	248.98	276.64
Capital work-in-progress	4.1	811.02	805.33
Other intangible assets	5	112.45	119.52
Financial assets			
(i) Investments	6	122.76	121.12
(ii) Loans	7	52.40	50.04
(iii) Other financial assets	9	283.78	197.60
Deferred tax assets (net)	8	35.73	27.56
Other tax assets (net)	21	203.60	210.96
Other non-current assets	10	198.49	178.42
Total non-current assets		**15,427.57**	**14,832.65**
Current assets			
Inventories	11	2,348.97	2,326.47
Financial assets			
(i) Investments	6	704.53	405.58
(ii) Trade receivables	12	2,169.46	1,942.82
(iii) Cash and cash equivalents	13	333.99	399.33
(iv) Bank balances other than above	14	19.76	8.21
(v) Loans	7	17.13	13.09
(vi) Other financial assets	9	168.14	198.03
Other current assets	10	367.57	355.76
Total current assets		**6,129.55**	**5,649.29**
TOTAL ASSETS		**21,557.12**	**20,481.94**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	297.44	297.44
Other equity	16	12,328.76	11,181.58
Total equity		**12,626.20**	**11,479.02**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17	1,981.33	2,251.14
(ii) Lease liabilities	41	56.05	82.79
(iii) Other financial liabilities	20	18.45	0.80
Provisions	18	82.60	71.39
Deferred tax liabilities (net)	8	1,055.29	938.72
Other non-current liabilities	22	307.27	177.31
Total non-current liabilities		**3,500.99**	**3,522.15**

Consolidated Balance Sheet (Contd.)

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Current liabilities			
Financial liabilities			
(i) Borrowings	17	2,659.91	2,669.10
(ii) Lease liabilities	41	28.74	27.51
(iii) Trade payables	19		
(a) Total outstanding dues of micro enterprises and small enterprises		94.86	84.57
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,236.73	2,113.19
(iv) Other financial liabilities	20	284.44	467.42
Other current liabilities	22	98.73	93.61
Provisions	18	9.81	8.77
Current tax liabilities (net)	21	16.71	16.60
Total current liabilities		**5,429.93**	**5,480.77**
Total Liabilities		**8,930.92**	**9,002.92**
TOTAL EQUITY AND LIABILITIES		**21,557.12**	**20,481.94**
Summary of material accounting policies	2-3		
See accompanying notes to the consolidated financial statements	4 to 44		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration no: 101248W/W-100022

Ashish Bansal
Partner
Membership No.: 077569

Place: Gurugram
Date : May 12, 2025

For and on behalf of the Board of Directors

Ashish Bharat Ram
Chairman and Managing Director
DIN - 00671567

Kartik Bharat Ram
Joint Managing Director
DIN - 00008557

Raj Kumar Jain
Director
DIN - 01741527

Rahul Jain
President & CFO

Rajat Lakhanpal
Senior Vice President
(Corporate Compliance)
and Company Secretary

Place: Gurugram
Date : May 12, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
I	Revenue from operations	23	14,693.07	13,138.52
II	Other income	24	132.72	83.02
III	**Total Income (I + II)**		**14,825.79**	**13,221.54**
IV	**Expenses**			
	Cost of materials consumed	25.1	7,574.20	6,695.60
	Purchases of stock-in-trade	25.2	124.86	118.56
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	25.3	0.10	(105.38)
	Employee benefits expense	26	1,042.47	935.03
	Finance costs	27	375.96	302.29
	Depreciation and amortisation expense	28	771.50	672.62
	Other expenses	29	3,233.00	2,910.60
	Total Expenses (IV)		**13,122.09**	**11,529.32**
V	**Profit before tax (III - IV)**		**1,703.70**	**1,692.22**
VI	**Tax expense**	30		
	Current tax		344.16	265.58
	Deferred tax		108.76	90.93
	Total tax expense		**452.92**	**356.51**
VII	**Profit for the year (V - VI)**		**1,250.78**	**1,335.71**
VIII	**Other comprehensive income**			
A	Items that will not be reclassified to profit or loss			
	(i) Gain /(loss) on remeasurements of the defined benefit obligation	16.2, 35.2	(0.73)	(5.92)
	Income tax on item (i) above	16.2, 31	0.07	1.19
B	Items that will be reclassified to profit or loss			
	(i) Exchange differences on translating financial statements of foreign operations	16.8	111.07	(69.08)
	(ii) Effective portion of gains / (losses) on designated portion of hedging instruments in a cash flow hedge	16.3	(7.16)	128.47
	Income tax on item (ii) above	31	1.53	(32.19)
	(iii) Cost of hedging reserve	16.4	(4.54)	(1.77)
	Income tax on item (iii) above	31	1.14	0.43
	Total other comprehensive income / (loss) for the year, net of taxes (A)+(B)		**101.38**	**21.13**

Consolidated Statement of Profit and Loss (Contd.)

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
IX	**Total comprehensive income for the year (VII + VIII)**		**1,352.16**	**1,356.84**
	Basic and Diluted earning per equity share (in ₹)	38	42.20	45.06

Summary of material accounting policies	2-3
See accompanying notes to the consolidated financial statements	4 to 44

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration no: 101248W/W-100022

Ashish Bansal
Partner
Membership No.: 077569

Place: Gurugram
Date : May 12, 2025

For and on behalf of the Board of Directors

Ashish Bharat Ram
Chairman and Managing Director
DIN - 00671567

Kartik Bharat Ram
Joint Managing Director
DIN - 00008557

Raj Kumar Jain
Director
DIN - 01741527

Rahul Jain
President & CFO

Rajat Lakhanpal
Senior Vice President (Corporate Compliance) and Company Secretary

Place: Gurugram
Date : May 12, 2025

Consolidated Statement of Cash Flows

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	1,703.70	1,692.22
	Adjustments for:		
	Finance costs	375.96	302.29
	Interest income	(44.44)	(26.24)
	Net gain on sale of property, plant and equipment	(1.51)	(4.74)
	Net gain on financial assets measured at fair value through profit and loss	(32.44)	(22.88)
	Credit impaired assets provided / (written back)	1.60	4.22
	Amortisation of grant income	(16.54)	(20.49)
	Depreciation and amortisation expense	771.50	672.62
	Property, plant and equipment /inventory and other assets provided / written off /(written back)	8.52	12.01
	Provision / liabilities no longer required written back	(11.74)	(12.54)
	Net exchange currency fluctuations (gain) / loss	108.97	(14.25)
	Employee share based payment expense	8.45	8.54
	Stamp duty on purchase of investments	0.10	0.13
	Insurance income against Property, plant and equipment	(33.11)	-
	Changes in working capital :		
	Adjustments for (increase) / decrease in operating assets :-		
	Trade receivables	(204.26)	(168.71)
	Inventories	5.92	(74.18)
	Loans	(6.39)	(7.28)
	Other assets	67.61	56.78
	Adjustments for increase / (decrease) in operating liabilities :-		
	Trade payables	109.48	(14.24)
	Provisions	10.63	10.70
	Other liabilities	(0.62)	82.46
	Cash generated from operations	**2,821.39**	**2,476.42**
	Income taxes paid (net of refunds)	(333.90)	(382.56)
	Net cash generated from operating activities	**2,487.49**	**2,093.86**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of non-current investments	(1.99)	(135.27)
	Sale of non-current investments	-	4.11
	Net (purchase) / sale of mutual funds	(267.11)	107.34
	Stamp duty on purchase of investments	(0.10)	(0.13)
	Interest received	35.49	26.51
	Bank balances not considered as cash and cash equivalents	(13.59)	(3.15)
	Payment for purchase of property, plant, equipment, capital work-in-progress and intangible assets	(1,231.45)	(2,216.93)
	Deposits made with Non Banking Financial Company	(50.00)	(25.00)
	Government grant received	35.59	-
	Proceeds from disposal of property, plant and equipment	9.20	15.19
	Net cash used in investing activities	**(1,483.96)**	**(2,227.33)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from long term borrowings	455.74	1,002.67
	Repayment of long term borrowings	(1,109.27)	(497.16)
	Net proceeds of short term borrowings	224.45	34.92
	Dividends on equity share capital paid	(213.18)	(213.71)
	Payment towards lease liability	(35.16)	(37.18)
	Finance costs paid	(393.10)	(361.24)
	Net cash generated from / (used in) financing activities	**(1,070.52)**	**(71.70)**
D	**EFFECT OF EXCHANGE RATE MOVEMENTS**	**1.65**	**(3.48)**
	Net increase / (decrease) in cash and cash equivalents	**(65.34)**	**(208.65)**
	Cash and cash equivalents at the beginning of the year	399.33	607.98
	Cash and cash equivalents at the end of the year (Refer to note 13)	**333.99**	**399.33**

Consolidated Statement of Cash Flows (Contd.)

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Notes:

(i) The statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 on "Statement of Cash Flows".

(ii) During the year, the Company paid ₹ 28.49 crores (Previous year: ₹31.51 crores) towards corporate social responsibility (CSR) expenditure.

(iii) The following table discloses changes in liabilities arising from historical activities including both cash and non cash changes.

Particulars	As at April 1, 2024	Cash flow from financing activities	Non-cash changes						As at March 31, 2025
			Upfront fees amortised	Exchange fluctuation changes #	Finance cost #	Interim dividend declared	Recognised on vesting of shares	Lease liability recognised	
Non-current borrowings^	3,327.67	(653.53)	3.84	110.70	-	-	-	-	2,788.68
Current borrowings*	1,592.57	224.45	-	35.54	-	-	-	-	1,852.56
Interest accrued	23.41	(393.10)	-	(7.82)	397.93	-	-	-	20.42
Lease liability	110.30	(35.16)	-	-	7.57	-	-	2.08	84.79
Dividend	6.55	(213.18)	-	-	-	213.43	-	-	6.80
Total	**5,060.50**	**(1,070.52)**	**3.84**	**138.42**	**405.50**	**213.43**	**-**	**2.08**	**4,753.25**

Particulars	As at April 1, 2023	Cash flow from financing activities	Non-cash changes						As at March 31, 2024
			Upfront fees amortised	Exchange fluctuation changes #	Finance cost #	Interim dividend declared	Recognised on vesting of shares	Lease liability recognised	
Non-current borrowings^	2,802.78	505.51	3.72	15.66	-	-	-	-	3,327.67
Current borrowings*	1,551.28	34.92	-	6.37	-	-	-	-	1,592.57
Interest accrued	14.80	(361.24)	-	(2.59)	372.44	-	-	-	23.41
Lease liability	123.47	(37.18)	-	-	9.07	-	-	14.94	110.30
Dividend	6.83	(213.71)	-	-	-	213.43	-	-	6.55
Total	**4,499.17**	**(71.70)**	**3.72**	**19.44**	**381.51**	**213.43**	**-**	**14.94**	**5,060.50**

* including current maturities of long term borrowings

^ excluding current maturities of long term borrowings

including amount capitalized

Summary of material accounting policies	2-3
See accompanying notes to the consolidated financial statements	4 to 44

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration no: 101248W/W-100022

Ashish Bansal
Partner
Membership No.: 077569

Place: Gurugram
Date : May 12, 2025

For and on behalf of the Board of Directors

Ashish Bharat Ram
Chairman and Managing Director
DIN - 00671567

Kartik Bharat Ram
Joint Managing Director
DIN - 00008557

Raj Kumar Jain
Director
DIN - 01741527

Rahul Jain
President & CFO

Rajat Lakhanpal
Senior Vice President (Corporate Compliance) and Company Secretary

Place: Gurugram
Date : May 12, 2025

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(a) Equity share capital

	Amount
Balance at April 1, 2023	**297.44**
Changes in equity share capital during the year	-
Balance at March 31, 2024	297.44
Changes in equity share capital during the year	-
Balance at March 31, 2025	**297.44**

(b) Other Equity

Particulars	Reserves and Surplus#						Items of other comprehensive income#				Total equity
	Capital reserve	General reserve	Capital redemption reserve	Securities premium	Employee share based payment reserve	Retained earnings	Exchange differences on translating financial statements of foreign operations	Equity instrument through other comprehensive income*	Effective portion of cash flow hedge	Cost of hedging reserve	
Balance at April 1, 2023	193.77	711.27	10.48	509.56	11.63	8,726.97	15.75	(4.22)	(150.34)	4.74	10,029.61
Profit for the year	-	-	-	-	-	1,335.71	-	-	-		1,335.71
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(4.73)	(69.08)	-	96.28	(1.34)	21.13
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**1,330.98**	**(69.08)**	**-**	**96.28**	**(1.34)**	**1,356.84**
Dividend ^	-	-	-	-	-	(213.43)	-	-	-	-	(213.43)
Employee share based payment expense	-	-	-	-	8.56	-	-	-	-	-	8.56
Balance at March 31, 2024	**193.77**	**711.27**	**10.48**	**509.56**	**20.19**	**9,844.52**	**(53.33)**	**(4.22)**	**(54.06)**	**3.40**	**11,181.58**
Profit for the year	-	-	-		-	1,250.78	-	-	-		1,250.78
Other comprehensive income / (loss) for the year, net of income tax	-	-	-		-	(0.66)	111.07	-	(5.63)	(3.40)	101.38
Total comprehensive income for the year	**-**	**-**	**-**	**-**		**1,250.12**	**111.07**	**-**	**(5.63)**	**(3.40)**	**1,352.16**
Dividend ^	-	-	-	-	-	(213.43)	-	-	-	-	(213.43)
Employee share based payment expense	-	-	-	-	8.45	-	-	-	-	-	8.45
Recognised / (released) on vesting of shares issued under employee share purchase scheme	-		-	0.53	(0.53)	-	-	-	-	-	-
Balance at March 31, 2025	**193.77**	**711.27**	**10.48**	**510.09**	**28.11**	**10,881.21**	**57.74**	**(4.22)**	**(59.69)**	**-**	**12,328.76**

Refer note 16

^ Refer note 15.1

Summary of material accounting policies	2-3
See accompanying notes to the consolidated financial statements	4 to 44

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration no: 101248W/W-100022

Ashish Bansal
Partner
Membership No.: 077569

Place: Gurugram
Date : May 12, 2025

For and on behalf of the Board of Directors

Ashish Bharat Ram
Chairman and Managing Director
DIN - 00671567

Kartik Bharat Ram
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DIN - 00008557

Raj Kumar Jain
Director
DIN - 01741527

Rahul Jain
President & CFO

Rajat Lakhanpal
Senior Vice President (Corporate Compliance) and Company Secretary

Place: Gurugram
Date : May 12, 2025

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

1 CORPORATE INFORMATION

SRF Limited ("the Company") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's equity shares are listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office of the Company is situated at The Galleria, DLF Mayur Vihar, Unit No. 236 and 237, Second Floor, Mayur Vihar Place, Noida Link Road, Mayur Vihar Phase I Extn, Delhi - 110091. The Company's parent company is KAMA Holdings Limited.

The principal activities of the Company and its subsidiaries (together the Group) are manufacturing, purchase and sale of technical textiles, chemicals, packaging films, aluminium foils and other polymers.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 12, 2025.

2 Material accounting policies

2.1 Basis of Preparation

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act 2013 ("the Act") as amended thereafter and other relevant provisions of the Act.

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

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

The functional currency of the Company is 'INR'. The functional currencies of Group companies are INR, USD, THB, ZAR, AED and EURO. The financial statements are presented in INR and all values are rounded to the nearest crores, except when otherwise indicated.

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

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

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

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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

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

Name of subsidiary	Country of incorporation	Proportion of ownership as at March 31, 2025	Proportion of ownership as at March 31, 2024
Indian Subsidiaries			
SRF Holiday Home Limited	India	100%	100%
SRF Altech Limited	India	100%	100%
SRF Employees Welfare Trust (Controlled Trust)	India	*	*
Foreign Subsidiaries			
SRF Global BV	Netherlands	100%	100%
SRF Europe Kft (100% subsidiary of SRF Global BV)	Hungary	100%	100%
SRF Industries (Thailand) Limited (100% subsidiary of SRF Global BV)	Thailand	100%	100%
SRF Industex Belting (Pty) Limited (100% subsidiary of SRF Global BV)	Republic of South Africa	100%	100%
SRF Middle East LLC (100% subsidiary of SRF Global BV)	Dubai	100%	**
SRF Flexipak (South Africa) (Pty) Limited (100% subsidiary of SRF Global BV)	Republic of South Africa	100%	100%

* By virtue of management control

** SRF Middle East LLC was established on March 12, 2024 as a subsidiary of SRF Global BV. In terms of the Memorandum of Association of SRF Middle East LLC, SRF Global BV shall subscribe to 365 equity shares of AED 1,000 each aggregating to AED 3,65,000, which was under process as at March 31, 2024. These shares have been subcribed during the current financial year.

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

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

The principal accounting policies are set out below.

2.2 Current versus non-current classification

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the group has identified twelve months as its operating cycle for the purpose of current / non current classification of assets and liabilities.

2.3 Property, plant and equipment (PPE)

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

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

All items of property plant and equipment were measured at fair value at the date of transition to Ind AS. The Group had opted such fair valuation as deemed cost at the transition date i.e. April 1, 2015.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Excess of net sale proceeds of items produced during the test run over the cost of testing, if any, are not recognised in the profit or loss but deducted from the directly attributable costs of property, plant, and equipment.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items of property, plant and equipment and depreciated accordingly.

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

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

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

2.4 Depreciation

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

Depreciation has been provided on the cost of assets less their residual values on straight line method on the basis of estimated useful life of assets determined by the Group which are different from the useful life as prescribed in Schedule II of the 2013 Act. The estimated useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. and are as under:

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Management's estimate of useful life	
Roads	40-50 years
Buildings (including temporary structures)	5-60 years
Plant and equipment	2-40 years
Furniture and fixtures	3-20 years
Office equipment	3-20 years
Vehicles	4-5 years

Freehold land is not depreciated.

Depreciation is calculated on a pro rata basis.

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

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

2.5 Other Intangible Assets

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

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

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

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably.

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

Trademarks / Brand	10-30 years
Technical Knowhow	30-40 years
Software	3-5 years
Other intangibles	2.5-12 years

The group has elected to continue with the carrying value of all of its intangibles assets recognised as on April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

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

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.6 Research and development expenditure

Expenditure on research and development of products is included under the natural heads of expenditure in the year in which it is incurred except which relate to development activities whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes.

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

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

2.7 Impairment of tangible and intangible assets other than goodwill

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

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

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

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

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

2.8 Leasing

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesess whether:

– the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

– the Group has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and

– the Group has the right to direct the use of the asset. The Group has this right when it has the decision- making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:

- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The group reassesses whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

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

Group as lessee

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

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

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured at amortised cost using the effective interest method. It is

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remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

2.9 Borrowing costs

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

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs incurred for the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

In case of a specific borrowing taken for the purpose of acquisition, construction or production of a qualifying asset, the borrowing costs capitalised shall be the actual borrowing costs incurred during the period less any interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset.

In case funds are borrowed generally and such funds are used for the purpose of acquisition, construction or production of a qualifying asset, the borrowing costs capitalised are calculated by applying the weighted average capitalisation rate on general borrowings outstanding during the period, to the expenditures incurred on the qualifying asset.

If any specific borrowing remains outstanding after the related asset is ready for its intended use, that borrowing is considered part of the funds that are borrowed generally for calculating the capitalisation rate.

2.10 Foreign Currencies

Transaction and balances

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

(i) Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to

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exchange differences arising from cash flow hedges to the extent that the hedges are effective and those covered below.

(ii) Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2016

Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance useful life of the assets.

(iii) Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2016

The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2016 are treated in accordance with Ind AS 21/ Ind AS 109. Refer point (i) above.

Exchange differences on translating financial statements of foreign operations

On consolidation, the assets and liabilities of foreign operations are translated into Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

2.11 Inventories

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

(a) Raw materials, packing material and stores and spares including fuel - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. The aforesaid items are valued below cost if the finished products in which they are to be incorporated are expected to be sold at a loss.

(b) Traded goods, Stock in progress and finished goods- Direct cost plus appropriate share of overheads based on normal operating capacity.

(c) By products - At estimated realisable value

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases when a decline in the price of materials indicates that the cost of the finished products shall exceed the net realisable value.

The comparison of cost and net realisable value is made on an item by item basis.

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2.12 Provisions, contingent liabilities and contingent assets

Provisions

The group recognised a provision when there is a present obligation (legal or constructive) as a result of past events and it is more likely than not that an outflow of resources would be required to settle the obligation and a reliable estimate can be made.

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

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

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

Contingent liabilities

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

Contingent assets

Contingent assets are not recognised in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.13 Revenue recognition

Revenue from sale of products is recognised upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers as per agreed terms.

Revenues towards satisfaction of a performance obligation are measured based on the transaction price (net of variable consideration), which is the consideration, net of tax collected from customers and remitted to government authorities such as sales tax/value added tax and goods and services tax and applicable discounts and allowances.

Excess of revenue earned over billings on contracts is recognised as unbilled revenue. Unbilled revenue is classified as Trade receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Advance from customers ("contract liability") is recognised when the group has received consideration from the customer before it delivers the goods.

Other operating revenue includes revenue from various ancillary revenue generating activities like Scrap sales and Material handling income which are recognised at a point in time, in accordance with the terms of the relevant agreements, as and when material is shipped, or services are performed.

2.14 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

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a) **Current tax**

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss account i.e. in Other comprehensive income or equity.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

b) **Deferred tax**

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

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the group has a legally enforceable right for such set off.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Deferred tax assets/liabilities are not recognised for below mentioned temporary differences:

(i) At the time of initial recognition of goodwill;

(ii) Initial recognition of assets or liabilities (other than in a business combination) at the time of the transaction, (a) affects neither the accounting profit nor taxable profit or loss and (b) does not give rise to equal taxable and deductible temporary differences;

(iii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The group considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the group concludes that it is probable that the taxation authority will accept an uncertain tax treatment, the group determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. However, if the group concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the group reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates.

2.15 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

A government grant that becomes receivable as compensation for expenses or losses is recognised in profit or loss on a systematic basis over the periods in which the group recognizes as expenses the related costs for which the grants are intended to compensate, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case the grant is recognised when it becomes receivable.

Government grants related to assets are presented in the consolidated balance sheet at fair value as deferred income and are recognised in profit or loss on a systematic basis over the expected useful life of the related assets.

Revenue from export benefits arising from duty drawback scheme, remission of duties and taxes on exported product scheme are recognized on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

The benefit accrued under the above grants is included under the head "Revenue from Operations" under 'Export and other incentives'.

2.16 Employee benefits

Short term employee benefits

Wages and salaries including non monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the related services are rendered are measured at the undiscounted amount expected to be paid. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

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

Defined benefit plans

The group has defined benefit plan such as gratuity, provident fund for certain category of employees administered through a recognised provident fund trust and legal severance plans.

Provision for gratuity, provident fund for certain category of employees administered through a recognised provident fund trust and legal severance plans are determined on an actuarial basis at the end of the year and charged to consolidated statement of profit and loss, other than remeasurements. The cost of providing

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these benefits is determined using the projected unit credit method.

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

Other long term employee benefits

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

Share based payments

Equity settled share based payments to employees under SRF Long Term Share Based Incentive Plan (SRF LTIP) are measured at the fair value (which is the market price less exercise price) of the equity instruments on the grant date. This compensation cost relating to employee stock purchase scheme is amortised over the remaining tenure over which the employees renders their service on a straight line basis.

2.17 Earnings per share

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

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

2.18 Cash and cash equivalents

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

2.19 Financial instruments

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

Initial recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL,transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

A) Financial Assets

Classification and Subsequent measurement

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

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a) At amortised cost

b) At fair value through profit and loss (FVTPL)

c) At fair value through other comprehensive income (FVTOCI)

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Equity investments

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

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

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

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative

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gain or loss is not reclassified to statement of profit and loss on disposal of such instruments.

Derecognition

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

a) The rights to receive cash flows from the asset have expired, or

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

When the group has retained substantially all the risks and rewards of ownership of the transferred asset, the group continue to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received.

Impairment of financial assets

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

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group considers a financial asset to be in default when the asset is unlikely to be realised in full.

Credit-impaired financial assets: At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default ;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECL in the balance sheet:

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. However financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

B) Financial liabilities and Equity instruments

Initial recognition and measurement

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

The group's financial liabilities includes borrowings and trade and other payables including derivative financial instruments.

Subsequent measurement

(i). Borrowings

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

(ii). Trade and other payables

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

Offsetting of financial instruments

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

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Derecognition

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

Equity Instruments

Equity Instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Debt or equity instruments issued by the group are classified as either financial liability or as equity in accordance with the substance of contractual arrangements and the definitions of a financial liabilities and an equity instruments.

2.20 Derivative and Non Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The group uses derivative financial instruments (such as forward currency contracts, interest rate swaps and full currency swaps) or non derivative financial assets/liabilities to hedge its foreign currency risks and interest rate risks. The group has opted for "Hedge Accounting" for all its derivative as well as non-derivative financial instrument used for hedging. Accordingly, at the inception of the hedge the group formally designates a hedge relationship between the 'hedging instrument' and 'hedged item' which determine the initial recognition of the financial instrument as Fair Value Hedge or Cashflow hedge. The documentation includes the group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency/reference interest rates, contract amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method. In these hedge relationships, the main expected sources of ineffectiveness are :

a) the effect of the counterparties' and the Group's own credit risk on the fair value of the forward foreign exchange contracts or swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates or interest rates and

b) changes in the timing of the hedged transactions.

Hedges entered into by group are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. These financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit and loss when the hedge item affects profit and loss.

For the purpose of hedge accounting, hedges are classified as:

a) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.

b) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the consolidated statement of profit and loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in consolidated profit and loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in the consolidated statement of profit and loss. In some cases, the group separates the premium element and the spot element of a forward contract and designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. In such cases, the changes in the fair value of the premium element of the forward contract or the foreign currency basis spread of the financial instrument is accumulated in a separate component of equity as 'cost of hedging'. The changes in the fair value of such premium element or foreign currency basis spread are reclassified to profit or loss as a reclassification adjustment on a straight-line basis over the period of the forward contract or the financial instrument.

The Group also designates certain non derivative financial liabilities, such as foreign currency borrowings from banks, as hedging instruments for the hedge of foreign currency risk associated with highly

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probable transactions and, accordingly, applies cash flow hedge accounting for such relationships.

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast transaction occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, the hedge accounting will be discontinued prospectively. Any cumulative gain or loss previously recognised in other comprehensive income remains separately in other equity if the forecast transaction or the foreign currency firm commitment is expected to occur else the amount shall be immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment.

2.21 Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

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

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

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

b) Level 2 — inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

c) Level 3 — inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the consolidated financial statements on a

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

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

2.22 Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

2.23 Dividend

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

2.24 Interest and dividend income

Interest income is recognised when it is probable that the economic benefits will flow to the group using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset; or the amortised cost of the financial liability. Interest income is accrued on time basis, by reference to the principal outstanding.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established(provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

2.25 Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On May 7, 2025, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2025, which made certain amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates, effective from 1 April 2025. These amendments define currency exchangeability, provide guidance on estimating spot exchange rates when a currency is not exchangeable and include related disclosure requirements. The Company does not expect this amendment to have any significant impact in its financial statements.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

A) Judgements:

- Derecognition of trade receivables and hedge effectiveness- Note 2.19 and Note 2.20
- Classification and lease term determination of leasing arrangement – Note 2.8
- Reverse factoring: presentation of amounts related to supply chain financing arrangements in the balance sheet and in the statement of cash flows Note- 19
- Investments accounted for using the equity method: whether the Group has significant influence over an investee. Note- 2.1
- Consolidation: whether the Group has de facto control over an investee. Note- 2.1
- Assesment of uncertain tax treatments. Note- 2.14
- Assesment of classification and recognition of government grants- Note 2.15

B) Assumptions and estimation uncertainties:

- Fair value measurement of derivative instruments – Note 2.21
- Assessment of useful life of property, plant and equipment and intangible asset – Note 2.4 and Note 2.5
- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions) – Note 2.16
- Assessment of impairment of financial assets and non-financial assets – Note 2.19 and Note 2.7.
- Recognition and measurement of contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – Note 2.12
- Recognition and estimation of tax expense including determination of applicable tax rate for measuring deferred tax balances– Note 2.14

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Roads	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Total
Cost								
Balance at April 1,2023	418.26	118.36	1,501.27	10,271.24	38.94	93.85	68.90	12,510.82
Additions/adjustments	6.25	40.86	213.63	3,580.66	10.31	40.03	29.03	3,920.77
Disposals/adjustments	(2.01)	(0.99)	(1.99)	(19.98)	(0.87)	(3.68)	(14.15)	(43.67)
Effect of foreign currency exchange differences	(3.16)	(0.66)	(15.80)	(76.94)	(0.29)	(0.41)	(0.05)	(97.31)
Balance at March 31,2024	**419.34**	**157.57**	**1,697.11**	**13,754.98**	**48.09**	**129.79**	**83.73**	**16,290.61**
Additions/adjustments	0.47	2.24	35.36	1,010.80	1.39	24.94	22.83	1,098.03
Disposals/adjustments	-	-	(1.18)	(25.74)	(0.48)	(6.25)	(13.19)	(46.84)
Effect of foreign currency exchange differences	6.79	1.62	37.21	165.05	0.55	0.79	0.30	212.31
Balance at March 31,2025	**426.60**	**161.43**	**1,768.50**	**14,905.09**	**49.55**	**149.27**	**93.67**	**17,554.11**
Accumulated depreciation								
Balance at April 1,2023	**-**	**15.24**	**208.71**	**2,535.01**	**18.38**	**54.08**	**31.54**	**2,862.96**
Depreciation expenses	-	3.27	42.59	557.20	3.93	11.56	12.74	631.29
Disposals/adjustments	-	(0.21)	(0.23)	(12.99)	(0.55)	(3.21)	(11.46)	(28.65)
Effect of foreign currency exchange differences	-	(0.13)	(2.16)	(17.60)	(0.18)	(0.34)	(0.04)	(20.45)
Balance at March 31, 2024	**-**	**18.17**	**248.91**	**3,061.62**	**21.58**	**62.09**	**32.78**	**3,445.15**
Depreciation expenses	-	3.90	46.32	645.47	4.45	15.54	16.75	732.43
Disposals/adjustments	-	-	(0.19)	(12.93)	(0.33)	(5.97)	(9.07)	(28.49)
Effect of foreign currency exchange differences	-	0.31	5.20	40.00	0.38	0.67	0.10	46.66
Balance at March 31, 2025	**-**	**22.38**	**300.24**	**3,734.16**	**26.08**	**72.33**	**40.56**	**4,195.75**
Net block								
Balance at March 31, 2024	419.34	139.40	1,448.20	10,693.36	26.51	67.70	50.95	12,845.46
Balance at March 31,2025	**426.60**	**139.05**	**1,468.26**	**11,170.93**	**23.47**	**76.94**	**53.11**	**13,358.36**

Notes:

(i) Borrowing cost capitalised during the year (net of interest income) is ₹ 33.39 crores (Previous year: ₹84.57 crores) with a capitalisation rate ranging from 4.33% to 6.39% (Previous year:3.09% to 8.12 %).

(ii) The industrial freehold land measuring 32.41 acres at the group's plant in Gummudipoondi, Tamil Nadu had been acquired by the Company w.e.f. January 1, 2001 pursuant to a scheme of amalgamation sanctioned by the Hon'ble High court of Judicature at Madras and the Hon'ble High court of Delhi. Out of the said land, there is a dispute on a land parcel of 2.74 acres. Based on the legal documentation available, the management is of the view that it has an acceptable title, and the said dispute is not tenable.

(iii) Capital expenditure incurred during the year includes ₹19.68 crores (Previous year: ₹ 20.46 crores) on account of research and development. Depreciation for the year includes depreciation of ₹17.06 crores (previous year : ₹ 14.56 crores) on assets deployed in research and development as per note 44 (a) below.

(iv) Refer to note 44 (c) for additions/adjustments on account of exchange differences during the year .

(v) During the previous year, certain items of property, plant and equipment with written down value of ₹ 1.34 crores have been charged to the consolidated statement of profit and loss on account of damages due to cyclone / flood in the state of Tamil Nadu. Refer to note 44 (f)

(vi) Refer to note 17.1 for information on PPE pledged as security by the group.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(vii) Capital work-in-progress

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	805.33	2,405.54
Additions during the year *	1,103.72	2,320.56
Less : Amount capitalised during the year	1,098.03	3,920.77
Closing balance	**811.02**	**805.33**

* The group accounts for all capitalizations of property, plant and equipment through capital work in progress, and, therefore, the movement in capital work in progress is the difference between closing and opening balance of capital work in progress as adjusted by additions in property, plant and equipment.

4.1 CAPITAL WORK-IN-PROGRESS (CWIP)

(i) Ageing of capital work-in-progress :

	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress					
As at March 31, 2025	698.71	81.08	22.60	8.63	**811.02**
As at March 31, 2024	642.59	148.04	8.16	6.54	**805.33**

(ii) CWIP completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan :

	As at March 31, 2025			
	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress				
New facility to produce agrochemical intermediate product	48.06	-	-	-
Project for electrical Line Connection	19.09			
Aluminium Foil Slitter	21.84			
Others *	65.98	-	-	-
	154.97	**-**	**-**	**-**

	As at March 31, 2024			
	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress				
Backward Integration plant for fluorocarbon refrigerant gases	341.19	-	-	-
Project for electrical Line Connection	36.00	-	-	-
Others *	131.54	-	-	-
	508.73	**-**	**-**	**-**

* Comprise projects not considered material at an individual level.

Also refer note no 4 (vii)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

5 OTHER INTANGIBLE ASSETS

Particulars	Trade Marks/ Brands	Technical Knowhow	Software	Others	Total
Cost					
Balance at April 1,2023	73.25	55.19	39.29	28.09	195.82
Additions / adjustments	-	5.38	9.18	-	14.56
Effect of foreign currency exchange difference	-	-	(0.07)	(0.45)	(0.52)
Disposals/adjustments	-	-	(2.37)	-	(2.37)
Balance at March 31, 2024	**73.25**	**60.57**	**46.03**	**27.64**	**207.49**
Additions / adjustments	-	-	1.71	-	1.71
Effect of foreign currency exchange difference	-	-	0.22	0.63	0.85
Disposals/adjustments	-	-	(0.03)	-	(0.03)
Balance at March 31, 2025	**73.25**	**60.57**	**47.93**	**28.27**	**210.02**
Accumulated amortisation					
Balance at April 1,2023	**19.83**	**11.05**	**30.76**	**19.45**	**81.09**
Amortisation expenses	2.45	1.76	4.38	0.74	9.33
Effect of foreign currency exchange differences	-	-	(0.03)	(0.05)	(0.08)
Disposals/adjustments	-	-	(2.37)	-	(2.37)
Balance at March 31, 2024	**22.28**	**12.81**	**32.74**	**20.14**	**87.97**
Amortisation expenses	2.27	1.73	4.61	0.73	9.34
Effect of foreign currency exchange differences	-	-	0.16	0.12	0.28
Disposals/adjustments	-	-	(0.02)	-	(0.02)
Balance at March 31, 2025	**24.55**	**14.54**	**37.49**	**20.99**	**97.57**
Net Block					
Balance at March 31, 2024	**50.97**	**47.76**	**13.29**	**7.50**	**119.52**
Balance at March 31, 2025	**48.70**	**46.03**	**10.44**	**7.28**	**112.45**

6 INVESTMENTS

	As at March 31, 2025	As at March 31, 2024
Non-current		
Investment designated at fair value through other comprehensive income		
(i) Investment in equity instruments	0.05	0.05
Investments at amortised cost		
(i) Investment in equity instruments	6.09	2.50
(ii) Investment in optionally convertible debentures	-	2.56
(iii) Investment in bonds	50.12	50.12
Investment mandatory at fair value through profit and loss		
(i) Investment in bonds	66.50	65.89
	122.76	**121.12**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
Aggregate book value of unquoted investments	6.14	5.11
Aggregate amount of impairment in value of investments	4.34	4.34
Aggregate book value of quoted investments	116.62	116.01
Aggregate market value of quoted investments	117.29	116.18
Current		
Investment mandatory at fair value through profit and loss		
(i) Investment in mutual funds	704.53	321.14
(ii) Investment in bonds	-	84.44
	704.53	**405.58**
Aggregate book value and market value of quoted investments	-	84.44
Aggregate book value and market value of unquoted investments	704.53	321.14

A Non-current investments

6.1 Investment designated at fair value through other comprehensive income

Investments in equity instruments

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Unquoted investments				
Equity shares of ₹ 10 each fully paid up of Malanpur Captive Power Limited	42,21,535	4.22	42,21,535	4.22
Less: impairment in value of investments		(4.22)		(4.22)
Equity share of ₹ 10 each fully paid of Vaayu Renewable Energy (Tapti) Private Limited	50,000	0.05	50,000	0.05
Equity shares of ₹ 10 each fully paid up of Sanghi Spinners India Limited	6,70,000	0.12	6,70,000	0.12
Less: impairment in value of investment	-	(0.12)	-	(0.12)
		0.05		**0.05**

6.2 Investments at amortised cost

(i) Investment in equity instruments*

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Unquoted investments				
Equity shares of ₹ 10 each fully paid up of Watsun Infrabuild Private Limited #	6,00,000	0.17	6,00,000	0.16
Equity shares of ₹ 10 each fully paid up of Dalavaipuram Renewables Private Limited #	68,09,261	1.94	55,15,661	1.44
Equity shares of ₹ 10 each fully paid up of Continuum MP Windfarm Development Private Limited #	1,39,15,200	3.98	34,37,917	0.90
		6.09		**2.50**

* Based on terms of the arrangement, investments in these parties have been considered as debt instruments and measured at amortised cost

Measured at fair value on intial transaction date with interest being accreted at each reporting date.

(ii) Investment in optionally convertible debentures

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Unquoted investments				
0% Optionally Convertible Debentures of ₹ 10 each fully paid up of Continuum MP Windfarm Development Private Limited #	-	-	97,80,283	2.56
		-		**2.56**

Measured at fair value on initial transaction date. The debentures have been converted to equity shares during the current year.

(iii) Investment in bonds

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Quoted investments				
8.40% HDB Financial Services Limited 2033 of ₹ 1,00,000 each	3,500	35.08	3,500	35.08
8.60% Cholamandalam Investment and Finance Company Limited 2029 of ₹ 1,000 each	1,50,000	15.04	1,50,000	15.04
		50.12		**50.12**

6.3 Investment mandatory at fair value through profit and loss

(i) Investment in bonds

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Quoted investments				
8.34% State Bank of India Perpetual Bonds of ₹ 10,000,000 each	46	47.22	46	46.83
8.55% Punjab National Bank Perpetual Bonds of ₹ 10,000,000 each	19	19.28	19	19.06
		66.50		**65.89**

B Current investments

6.4 Investment mandatory at fair value through profit and loss

(i) Investment in mutual funds

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Unquoted investments				
ICICI Prudential P1543 Floating Interest Fund-Growth Plan	36,12,365	149.97	36,12,365	138.95
Axis Liquid Fund- Regular Growth Plan	7,03,510	201.20	4,57,111	121.79
UTI Liquid Fund - Regular Growth Plan	3,57,101	150.48	25,664	10.08
HDFC Liquid Fund - Regular Growth Plan	-	-	1,07,121	50.32
ICICI Prudential Liquid Fund- Growth Plan	15,80,334	60.10	-	-

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for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
HDFC Gilt Fund - Growth Plan	20,05,085	10.96	-	-
Kotak Dynamic Bond - Regular Growth Plan	73,79,008	27.21	-	-
Kotak Liquid Fund - Regular Growth Plan	96,490	50.09	-	-
SBI Magnum Gilt Fund - Regular Growth Plan	41,87,964	27.36	-	-
SBI Dynamic Bond Fund - Regular Growth Plan	77,30,791	27.16	-	-
		704.53		321.14

(ii) Investment in bonds

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Quoted investments				
8.99% Bank of Baroda Perpetual Bonds 2024 of ₹ 10,00,000 each	-	-	550	54.83
8.50% State Bank of India Perpetual Bonds 2024 of ₹ 10,00,000 each	-	-	248	24.65
8.50% State Bank of India Perpetual Bonds 2025 of ₹ 10,00,000 each	-	-	50	4.96
		-		84.44

7 LOANS

(unsecured and considered good, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
Non- current		
Loans to officers *	29.34	29.61
Loans to employees	23.06	20.43
	52.40	50.04
Current		
Loans to officers *	0.84	1.08
Loans to employees	14.08	12.01
Others (other than related party)		
Unsecured, considered good	2.21	-
Unsecured, credit impaired		
- Credit impaired	2.74	2.74
Less : Loss allowance	(2.74)	(2.74)
	17.13	13.09

* Officers as defined under Section 2(59) of the Companies Act 2013.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

8 DEFERRED TAX (NET)

The following is the analysis of deferred tax assets / (liabilities) presented in balance sheet.

	As at March 31, 2025	As at March 31, 2024
Deferred tax assets	111.46	88.47
Deferred tax liabilities	(1,131.02)	(999.63)
Deferred tax liabilities, net	**(1,019.56)**	**(911.16)**
Net Deferred tax assets after set off	**35.73**	**27.56**
Net Deferred tax liabilities after set off	**1,055.29**	**938.72**

The major components of deferred tax assets / (liabilities) arising on account of temporary differences are as follows:

2024-25	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Foreign currency translation reserve for the year	Closing Balance
Deferred tax assets					
Expenses deductible in future years	22.61	(1.81)	-	0.01	20.81
Provision for credit impaired loans / receivables	0.86	0.13	-	(0.01)	0.98
Cash flow hedges / Cost of hedging reserve	17.28	-	2.67	-	19.95
Unabsorbed depreciation and carried forward losses	39.52	15.26	-	2.96	57.74
Others	8.20	3.78	-	-	11.98
	88.47	**17.36**	**2.67**	**2.96**	**111.46**
Deferred tax liabilities					
Property plant and equipment and intangible assets	(978.16)	(126.48)	-	(5.27)	(1,109.91)
Investment in mutual funds	(15.68)	(5.43)	-	-	(21.11)
Others	(5.79)	5.79	-	-	-
	(999.63)	**(126.12)**	**-**	**(5.27)**	**(1,131.02)**
Total	**(911.16)**	**(108.76)**	**2.67**	**(2.31)**	**(1,019.56)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

2023-24	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Foreign currency translation reserve for the year	Closing Balance
Deferred tax assets					
Expenses deductible in future years	15.37	7.27	-	(0.03)	22.61
Provision for credit impaired loans / receivables	0.88	(0.01)	-	(0.01)	0.86
Cash flow hedges / Cost of hedging reserve	49.04	-	(31.76)	-	17.28
Unabsorbed depreciation and carried forward losses	26.05	14.90	-	(1.43)	39.52
Others	9.66	(1.49)	0.03	-	8.20
	101.00	**20.67**	**(31.73)**	**(1.47)**	**88.47**
Deferred tax liabilities					
Property plant and equipment and intangible assets	(869.50)	(112.20)	-	3.54	(978.16)
Investment in mutual funds	(12.90)	(2.78)	-	-	(15.68)
Others	(9.17)	3.38	-	-	(5.79)
	(891.57)	**(111.60)**	**-**	**3.54**	**(999.63)**
Total	**(790.57)**	**(90.93)**	**(31.73)**	**2.07**	**(911.16)**

Notes:

(i) At March 31, 2025, there are no recognised deferred tax liability (Previous year : Nil) for taxes that would be payable on the unremitted earnings of certain of the Company's subsidiaries. This liability was not recognised because the Company controls the dividend policy of its subsidiaries i.e., the Company controls the timing of reversal of the related taxable temporary differences and it is probable that they will not reverse in the near future.

(ii) Deferred tax asset has been recognised on unabsorbed carried forward losses of subsidiaries to the extent to which management considered it probable that future taxable profits would be available against which such losses can be used.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

9 OTHER FINANCIAL ASSETS

(unsecured and considered good, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
Non Current		
Derivatives carried at fair value through other comprehensive income		
- Forward exchange contracts used for hedging	5.17	27.74
Other financial assets carried at amortised cost		
- Security deposits		
Related parties (Refer note 34)	4.56	4.47
Other than related parties	43.92	49.05
- Government grant recoverable *	221.77	110.02
- Deposit accounts with maturity beyond twelve months	0.04	0.20
- Earmarked bank deposits -Margin money	8.32	6.12
	283.78	**197.60**
Current		
Derivatives carried at fair value through profit and loss		
- Forward exchange contracts used for hedging	1.64	0.25
Derivatives carried at fair value through other comprehensive income		
- Forward exchange contracts used for hedging	6.13	20.74
Other financial assets carried at amortised cost		
- Security deposits	2.59	2.41
- Government grant and duty rebate recoverable *	37.16	104.09
- Claim recoverable		
Insurance claim recoverable	20.15	27.66
Vendor claim recoverable	17.66	9.41
- Deposit with Non Banking Financial Company (NBFC)	75.00	25.00
- Others	7.81	8.47
	168.14	**198.03**

* Also refer footnote to note no 22

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

10 OTHER ASSETS

(unsecured and considered good, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Capital advances		
(a) Unsecured, considered good	145.07	122.51
(b) Doubtful	1.23	1.23
Less: Allowance for doubtful advances	(1.23)	(1.23)
Prepaid expenses	14.63	17.10
Goods and services tax and other taxes/duties paid under protest	38.67	38.50
Others	0.12	0.31
Total other non-current assets	**198.49**	**178.42**
Current		
Prepaid expenses	37.04	31.45
Value added tax / Goods and services tax recoverable	171.99	154.90
Export incentives recoverable	25.32	19.56
Deposits with customs and excise authorities	21.44	22.36
Advance to suppliers	110.43	110.77
Others	1.35	16.72
Total other current assets	**367.57**	**355.76**

11 INVENTORIES

(Valued at lower of cost and net realisable value)

	As at March 31, 2025	As at March 31, 2024
Raw materials (including packing material)	1,045.84	1,067.59
Stock in progress	332.61	269.36
Finished goods	513.71	575.43
Stores and spares (including fuel)	403.48	373.23
Traded goods	53.33	40.86
	2,348.97	**2,326.47**
Goods-in-transit, included above :		
Raw material (including packing material)	303.34	349.63
Finished goods	117.22	105.34
Stores and spares (including fuel)	2.68	2.02
Stock in progress	2.44	-
Traded goods	21.05	6.45
	446.72	**463.44**

Notes

(i) The cost of inventories recognised as an expense includes ₹8.24 crores (Previous year : ₹ 25.72 crores) in respect of write-downs of inventory to net realisable value. The write downs is included in "Changes in inventories of finished goods, work-in-progress and stock-in-trade".

(ii) Refer Note 17.1 for information on inventories pledged as security by the group.

(iii) The method of valuation of inventory has been stated in note 2.11

(iv) Inventories amounting to ₹ 2.48 crores (previous year: ₹ 37.50 crores) have been charged to the consolidated statement of profit and loss on account of damage due to cyclone / flood in the state of Tamil Nadu. Refer to note 44 (f)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

12 TRADE RECEIVABLES

Current	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good	2,169.46	1,942.82
Unsecured, credit impaired	4.62	7.56
Less: Loss allowance	(4.62)	(7.56)
	2,169.46	**1,942.82**

(i) The credit period generally allowed on sales varies, on a case to case basis, business to business and based on market conditions. Generally credit period allowed is upto 120 days.

(ii) Ageing of receivables :

Outstanding for following periods from due date of payment	As at March 31, 2025						
	Undisputed Trade Receivables- considered good	Undisputed Trade Receivables- credit impaired	Undisputed Trade Receivables- having significant increase in credit risk	Disputed Trade Receivables- considered good	Disputed Trade Receivables- credit impaired	Disputed Trade Receivables- having significant increase in credit risk	Total
Unbilled revenue	17.60	-	-	-	-	-	17.60
Not due	1,855.66	-	-	-	-	-	1,855.66
Less than 6 months	289.89	-	-	-	-	-	289.89
6 months- 1 year	4.65	0.42	-	-	-	-	5.07
1-2 Years	0.07	0.95	-	-	-	-	1.02
2-3 Years	1.59	0.62	-	-	-	-	2.21
More than 3 years	-	2.63	-	-	-	-	2.63
	2,169.46	**4.62**	**-**	**-**	**-**	**-**	**2,174.08**

Outstanding for following periods from due date of payment	As at March 31, 2024						
	Undisputed Trade Receivables- considered good	Undisputed Trade Receivables- credit impaired	Undisputed Trade Receivables- having significant increase in credit risk	Disputed Trade Receivables- considered good	Disputed Trade Receivables- credit impaired	Disputed Trade Receivables- having significant increase in credit risk	Total
Not due	1,727.00	-	-	-	-	-	1,727.00
Less than 6 months	212.24	0.90	-	-	-	-	213.14
6 months- 1 year	0.97	1.93	-	-	-	-	2.90
1-2 Years	2.61	0.63	-	-	-	-	3.24
2-3 Years	-	1.75	-	-	-	-	1.75
More than 3 years	-	1.72	-	-	0.63	-	2.35
	1,942.82	**6.93**	**-**	**-**	**0.63**	**-**	**1,950.38**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(iii) The group has entered into receivables purchase agreements with banks to unconditionally and irrevocably sell, transfer, assign and convey all the rights, titles and interest of the group in the receivables as identified. Receivables sold as on March 31, 2025 are of ₹1,274.67 crores (Previous year: ₹ 883.65 crores). The group has derecognized these receivables as it has transferred its contractual rights to the banks with substantially all the risks and rewards of ownership and retains no control over these receivables as the banks have the right to further sell and transfer these receivables with notice to the group.

(iv) At March 31, 2025, the carrying amount of the receivable from the Group's most significant customer is ₹104.96 crores (Previous year: ₹124.92 crores)

(v) Refer Note 17.1 for information on trade receivables pledged as security by the group.

(vi) Refer Note 34.3 for trade receivables from related parties.

13 CASH AND CASH EQUIVALENTS

	As at March 31,2025	As at March 31, 2024
Balances with Banks		
Current accounts	240.91	198.28
Exchange earners foreign currency (EEFC) accounts	31.91	37.25
Deposit accounts with original maturity of three months or less ^	60.50	163.14
Cash in hand	0.67	0.66
	333.99	**399.33**

^ Refer note 17

14 BANK BALANCES OTHER THAN ABOVE

	As at March 31, 2025	As at March 31, 2024
Earmarked balances		
- Margin money	5.52	1.44
- Unclaimed dividend accounts	6.80	6.55
- Unspent CSR account {refer note 44 (d)}	7.01	-
Other deposit accounts		
- Deposit accounts with original maturity beyond three months upto twelve months	0.43	0.22
	19.76	**8.21**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

15 SHARE CAPITAL

	As at March 31, 2025	As at March 31, 2024
Authorised share capital:		
32,00,00,000 (Previous Year - 32,00,00,000) Equity shares of ₹ 10 each	320.00	320.00
10,00,000 (Previous Year - 10,00,000) Preference shares of ₹ 100 each	10.00	10.00
12,00,000 (Previous Year - 12,00,000) Cumulative Preference shares of ₹ 50 each	6.00	6.00
	336.00	**336.00**
Issued share capital:		
30,04,81,580 (Previous Year - 30,04,81,580) Equity Shares of ₹ 10 each	**300.48**	**300.48**
Subscribed capital:		
29,64,24,825 (Previous Year - 29,64,24,825) Equity Shares of ₹ 10 each fully paid up	296.42	296.42
Add: Forfeited shares - Amount originally paid up	1.02	1.02
	297.44	**297.44**

15.1 Fully paid equity shares

	Number of shares	Amount
Balance at April 1, 2023	29,64,24,825	296.42
Add : Movement during the year	-	-
Balance at March 31, 2024	29,64,24,825	296.42
Add : Movement during the year	-	-
Balance at March 31, 2025	**29,64,24,825**	**296.42**

There are no buy back of equity shares during the period of five years immediately preceding the reporting date.

Bonus shares issued during the five years preceding the reporting date

During the financial year ended March 31, 2022, the Company had issued and allotted 23,69,80,820 fully paid up Bonus Equity shares of ₹ 10 each in the ratio of 4:1 (i.e. 4 Bonus Equity shares for every 1 existing equity share of the Company).

Terms/ rights attached to equity shares :

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

During the year ended March 31, 2025, first interim dividend of ₹ 3.60 per share and second interim dividend of ₹ 3.60 per share were recognised as distributions to equity shareholders, aggregating ₹ 213.43 crores (Previous year: first interim dividend of ₹ 3.60 per share and second interim dividend of ₹ 3.60 per share were recognised as distributions to equity shareholders, aggregating ₹ 213.43 crores).

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

15.2 Details of equity shares held by the holding company

	Number of fully paid ordinary shares
As at March 31, 2025	
KAMA Holdings Limited, the Holding Company	14,88,45,000
As at March 31, 2024	
KAMA Holdings Limited, the Holding Company	14,88,45,000

15.3 Details of equity shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Fully paid equity shares				
KAMA Holdings Limited	14,88,45,000	50.21%	14,88,45,000	50.21%

15.4 Details of equity shares held by promoters:

Promoter name	Number of fully paid equity shares held	% holding in that class of shares	% change during the year
As at March 31, 2025			
1. KAMA Holdings Limited	14,88,45,000	50.21%	-
2. Mr. Arun Bharat Ram	87,500	0.03%	-
3. Mr. Ashish Bharat Ram	25,000	0.01%	-
4. Mr. Kartik Bharat Ram	25,000	0.01%	-
As at March 31, 2024			
1. KAMA Holdings Limited	14,88,45,000	50.21%	(0.53)%
2. Mr. Arun Bharat Ram	87,500	0.03%	(36.36)%
3. Mr. Ashish Bharat Ram	25,000	0.01%	100.00%
4. Mr. Kartik Bharat Ram	25,000	0.01%	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

16 OTHER EQUITY

	As at March 31, 2025	As at March 31, 2024
General reserve	711.27	711.27
Retained earnings	10,881.21	9,844.52
Cash flow hedging reserve	(59.69)	(54.06)
Cost of hedging reserve	-	3.40
Capital redemption reserve	10.48	10.48
Capital reserve	193.77	193.77
Foreign currency translation reserve	57.74	(53.33)
Reserve for equity instruments through other comprehensive income	(4.22)	(4.22)
Employee share based payment reserve	28.11	20.19
Securities premium	510.09	509.56
	12,328.76	**11,181.58**

16.1 General reserve

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	711.27	711.27
Increase/(decrease) during the year	-	-
Balance at end of year	**711.27**	**711.27**

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

16.2 Retained earnings

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	9,844.52	8,726.97
Profit for the year	1,250.78	1,335.71
Other comprehensive income arising from measurement of defined benefit obligation* (Refer note 35.2 (iv))	(0.66)	(4.73)
Payments of dividend on equity shares	(213.43)	(213.43)
Balance at end of year	**10,881.21**	**9,844.52**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

The amount that can be distributed as dividend by the parent to its equity shareholders is determined based on the financial position of the parent company and also considering the requirements of the Companies Act, 2013.

* net of income tax of ₹ 0.07 crores (Previous year: ₹ 1.19 crore)

16.3 Cash flow hedging reserve

(Refer note 39.3.1 (C))

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	(54.06)	(150.34)
Recognized/(released) during the year	(7.16)	128.47
Income tax related to above	1.53	(32.19)
Balance at end of year	**(59.69)**	**(54.06)**

The Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

16.4 Cost of hedging reserve

(Refer note 39.3.1 (C))

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	3.40	4.74
Recognized/(released) during the year	(4.54)	(1.77)
Income tax related to above	1.14	0.43
Balance at end of year	**-**	**3.40**

The cost of hedging reserve reflects gain or loss on the portion excluded from the designated hedging instrument that relates to the forward element of forward contracts. It is initially recognised in other comprehensive income and accounted for similarly to gains or losses in the cash flow hedging reserve.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

16.5 Capital redemption reserve

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	10.48	10.48
Increase/(decrease) during the year	-	-
Balance at end of year	**10.48**	**10.48**

Capital Redemption Reserve is a statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a Company's own shares. The reserve is utilised in accordance with the provision of the Act.

16.6 Capital reserve

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	193.77	193.77
Increase/(decrease) during the year	-	-
Balance at end of year	**193.77**	**193.77**

Capital reserve represents amounts received pursuant to Montreal Protocol Phase-out Programme of refrigerant gases.

16.7 Reserve for equity instruments through other comprehensive income

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	(4.22)	(4.22)
Increase/(decrease) during the year	-	-
Balance at end of year	**(4.22)**	**(4.22)**

This reserves represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when those assets have been disposed of.

16.8 Exchange differences on translating financial statements of foreign operations

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	(53.33)	15.75
Exchange differences arising on translation of foreign operations	111.07	(69.08)
Balance at end of year	**57.74**	**(53.33)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Exchange differences relating to translation of the results and net assets of the group's foreign operations from their functional currency in to group presentation currency (i.e. ₹) are recognized in Other Comprehensive Income and accumulated in foreign currency translation reserve. Exchange differences previously accumulated in foreign currency translation reserve in respect of foreign operations are reclassified to statement of profit and loss on disposal of foreign operation.

16.9 Employee share based payment reserve

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	20.19	11.63
Increase/(decrease) during the year	8.45	8.56
Recognised on vesting of shares issued under employee share purchase scheme	(0.53)	
Balance at end of year	**28.11**	**20.19**

The Company has allotted equity shares to certain employees and officers under an employee share purchase scheme. The share based payment reserve is used to recognise the value of equity-settled share based payments provided to the such employees and officers as part of their remuneration. Refer note 36 for further details of the scheme.

16.10 Securities premium

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	509.56	509.56
Recognised on vesting of shares issued under employee share purchase scheme	0.53	-
Balance at end of year	**510.09**	**509.56**

Securities premium represents the amount received in excess of the face value upon issue of equity shares. The same may be, inter-alia, utilised for issue of fully paid bonus shares or for buy-back of equity shares by the Company, in accordance with provisions of the Act.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

17 BORROWINGS

	As at March 31, 2025	As at March 31, 2024
Non-current		
Secured		
Term Loans from banks*^ (Refer note 17.1.1)	1,775.14	2,272.89
Term Loans from others *(Refer note 17.1.2)	659.56	686.32
Less: Current maturities of long term borrowings		
Term loan from banks	(565.58)	(940.93)
Term loan from others	(72.85)	(43.05)
	1,796.27	**1,975.23**
Unsecured		
Term Loans from banks	353.98	368.46
Less: Current maturities of long term borrowings	(168.92)	(92.55)
	185.06	**275.91**
	1,981.33	**2,251.14**
Current		
Secured		
Cash credits from banks (Refer note 17.1.3.(iii))	6.63	13.27
Term loan from Banks ^^ (Refer note 17.1.3.(ii))	-	150.00
Loans repayable on demand from banks (Refer note 17.1.3.(i))	854.98	700.03
Current maturities of long term borrowings	638.43	983.98
	1,500.04	**1,847.28**
Unsecured		
Loans repayable on demand from banks	590.95	529.27
Commercial papers from banks and others #	400.00	200.00
Current maturities of long term borrowings	168.92	92.55
	1,159.87	**821.82**
	2,659.91	**2,669.10**

* Above amount of borrowings are net of upfront fees paid ₹7.40 crores (Previous year : ₹ 10.25 crores)

^ Out of a term loan of ₹ 414.51 crores obtained during the current year, unutilised balance of ₹ 60.50 crores as on March 31, 2025 has been temporarily invested in fixed deposit with a bank. (Previous Year: Out of a term loan of ₹ 625.38 crores obtained during the year, unutilised balance of ₹ 50.00 crores as on March 31, 2024 was temporarily invested in fixed deposit with a bank).

^^ Represents long term loan taken from a bank which was repayable in 18 quarterly instalments starting from June 2024. It was entirely classified as current due to certain terms/conditions specified in agreement with the bank allowing pre-closure of the loan at the option of the Company/bank. The loan has been fully repaid during the current year.

The maximum amount due during the year was ₹600 crores (Previous year : ₹ 200.00 crores)

There have been no defaults in repayment of principal and interest on borrowings during the reporting periods.

The quarterly returns or statements of current assets filed by the Company with the banks are in agreement with the books of account of the Company.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

17.1 Details of security against the secured loans:

Details of Loan	As at March 31, 2025#	As at March 31, 2024#	Security
1 (i) Term loan from Banks *	1,455.60	1,886.41	**Moveable property** (a) (i) Out of the loans in 1 (i), loans aggregating to ₹ 1,041.09 crores (Previous Year – ₹ 1,686.41 crores) are secured by hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi (other than moveable assets of Coated Fabrics Business) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur and Special Economic Zone - Indore in the State of Madhya Pradesh and Kashipur (other than moveable assets of Laminated Fabrics Business) in the State of Uttarakhand and Dahej in the State of Gujarat (save and except certain assets). Additionaly, a loan amounting to ₹ 414.51 crores taken during the year is in the process of being secured by hypothication on the same assets. (a) (ii) Out of the loans in 1 (i), loans aggregating to Nil (Previous year - ₹ 200 crores) are secured by hypothecation of Company's plant and machinery which consist of all movable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur, Special Economic Zone - Indore and Pithampur in the State of Madhya Pradesh, Kashipur in the State of Uttarakhand and Dahej in the State of Gujarat. **Immoveable property** (b)(i) Out of the loans in 1(a), loans aggregating to Nil (Previous Year – ₹ 95.60 crores) are secured by equitable Mortgage of Company's immoveable properties, both present and future, situated at Viralimalai, Gummidipoondi (freehold land) in the State of Tamil Nadu, Kashipur in the State of Uttarakhand and Jhiwana in the State of Rajasthan.
(ii) Term loans from banks	300.52	350.91	Term loan is secured by pledge of 85% of the share capital of SRF Europe Kft held by SRF Global BV, mortgage of land and building of SRF Europe Kft and exclusive charge over the fixed assets of SRF Europe Kft.
(iii) Term loans from banks	22.01	39.99	Secured by mortgage of existing plant and machinery, land and building and/or any construction in future of Packaging film Factory (SRF Industries (Thailand) Ltd) and charged against certain specific Plant and machinery of Packaging film Factory (SRF Industries (Thailand) Ltd).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Details of Loan	As at March 31, 2025#	As at March 31, 2024#	Security
2 Term loans from others *	663.97	692.15	**Moveable Property** (a)(i) Out of the loans in 2, loans aggregating to ₹ 641.10 crores (Previous Year – ₹ 625.38 crores) are secured by hypothecation of Company's moveable properties, both present and future, situated at Manali, Viralimalai and Gummidipoondi (other than moveable assets of Coated Fabrics Business) in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur, Special Economic Zone - Indore and at Plot no. 675 at Industrial Area Pithampur in the State of Madhya Pradesh, Kashipur (other than moveable assets of Laminated Fabrics Business) in the State of Uttarakhand and Dahej in the State of Gujarat (save and except certain assets). (a)(ii) Out of loans in 2, loan of ₹ 22.87 crores (Previous Year – ₹ 66.77 crores) is secured by hypothecation of Company's moveable and immovable properties, both present and future, situated at Plot no. 675 at Industrial Area Pithampur in the State of Madhya Pradesh. **Immoveable Properties** (b) Loans in 2(a)(i), is further secured by the mortgage on the Company's all immoveable properties, both present and future, situated at Dahej in the State of Gujarat.
3 (i) Loans repayable on demand from banks	637.68	588.18	Secured by hypothecation of stocks, semi finished and finished goods, stores and spares not relating to plant and machinery, bill receivables, book debts and other Companies' moveable assets, both present and future, at Manali, Viralimalai and Gummidipoondi in the State of Tamil Nadu, Jhiwana in the State of Rajasthan, Malanpur, Special Economic Zone - Indore and Pithampur in the State of Madhya Pradesh, Kashipur in the State of Uttarakhand and Dahej in the State of Gujarat.
	37.68	21.88	Working capital facilities availed by SRF Flexipak (South Africa) (Pty) Ltd. are secured by cession of debtors and limited cession and pledge of credit balances
	179.62	89.97	Working capital facility is secured by pledge of 85% of the share capital of SRF Europe Kft held by SRF Global BV and pledge over receivables arising out of trade agreements
(ii) Term loan from bank	-	150.00	Nil (Previous year : ₹ 150 crores) secured by a first pari passu charge over all the moveable fixed assets both present and future of SRF Altech Limited. Also refer footnote to note no.17.
(iii) Cash credit / Working facilities from banks	6.63	13.27	Working capital facilities availed by SRF Flexipak (South Africa) (Pty) Ltd. are secured by cession of debtors and limited cession and pledge of credit balances

Gross of upfront fees paid ₹ 7.40 crores (Previous year - ₹ 10.25 Crores)

* Such hypothecation and mortgage mentioned in point 1 (a)(i) and 2(a)(i) above, rank pari-passu between term loans from banks and others.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

17.2 Terms of loans

As at March 31, 2025

NON CURRENT BORROWINGS

Loan Category	Frequency of principal repayments	Interest rate	Up to March 31, 2026	For 2026-27	For 2027-28	From 2028-29 to 2030-31
Term loan from banks	Half yearly instalment	Floating rate : Ranging from 3.45 % to 7.50 %	104.43	47.21	12.00	152.00
	Quarterly Instalment	Ranging from 3.09% to 5.75%	631.88	876.00	137.71	170.87
Term loan from others	Half year payments	Floating rate: 5.65 % as at March 31, 2025	22.87	-	-	-
	Quarterly Instalment	Floating rate: 5.25 % as at March 31, 2025	51.29	102.58	102.58	384.66
			810.47	**1,025.79**	**252.29**	**707.53**

Amounts mentioned above are gross of upfront fees paid of ₹ 7.40 crores.

CURRENT BORROWINGS

Short term borrowings are either payable in instalments within one year or repayable on demand. For short term borrowings, interest rates ranges from 3.01% to 8.00 % . Also refer footnote to note no .17

As at March 31, 2024

NON CURRENT BORROWINGS

Loan Category	Frequency of principal repayments	Interest rate	Up to March 31, 2025	For 2025-26	For 2026-27	From 2027-28 to 2029-30
Term loan from banks	Half yearly instalment	Floating rate : Ranging from 3.70 % to 8.10 %	95.97	95.97	43.99	164.00
	Quarterly Instalment	Ranging from 0.94% to 8.02%	424.48	547.82	719.15	39.09
	Monthly Instalment	At 1.12%	265.16	-	-	-
	Bullet payments	Floating rate: 6.22% as at March 31, 2024	250.15	-	-	-
Term loan from others	Half year payments	Floating rate: 6.62 % as at March 31, 2024	44.46	22.31	-	-
	Quarterly Instalment	Floating rate: 6.22 % as at March 31, 2024	-	50.03	100.06	475.28
			1,080.22	**716.13**	**863.20**	**678.37**

Amounts mentioned above are gross of upfront fees paid of ₹ 10.25 crores.

CURRENT BORROWINGS

Short term borrowings are either payable in instalments within one year or repayable on demand. For short term borrowings, interest rates ranges from 2.65% to 11.75% . Also refer footnote to note no .17

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Crores, unless otherwise stated)

Terms of repayment

1. Rupee term loan of ₹ 15.63 crores is repayable in final installment in April 2025 (Previous year: ₹ 78.13 crores are repayable in 5 quarterly instalments from April 2024).
2. Rupee term loan of ₹ 84.60 crores are repayable in 10 half-yearly instalments from September 2025 (Previous year: ₹ 90.00 crores are repayable in 12 half-yearly instalments from September 2024)
3. Rupee term loan of ₹ 103.40 crores are repayable in 10 half-yearly instalments from September 2025 (Previous year: ₹ 110.00 crores are repayable in 12 half-yearly instalments from September 2024)
4. Foreign currency term loan of ₹ 22.87 crores is repayable in final installment in April 2025 (Previous year: ₹ 66.77 crores are repayable in 3 half-yearly instalments from April 2024).
5. Foreign currency term loan of ₹ 120.68 crores are repayable in 8 quarterly instalments from June 2025 (Previous year: ₹ 176.58 crores are repayable in 12 quarterly instalments from June 2024)
6. Foreign currency term loan of ₹ 146.92 crores are repayable in 11 quarterly instalments from May 2025 (Previous year: ₹ 195.43 crores are repayable in 15 quarterly instalments from May 2024)
7. Foreign currency term loan of ₹ 569.87 crores are repayable in 8 quarterly instalments from May 2025 (Previous year: ₹ 625.37 crores are repayable in 9 quarterly instalments from February 2025)
8. Foreign currency term loan of ₹ 641.10 crores are repayable in 21 quarterly instalments from July 2025 (Previous year: ₹ 625.37 crores are repayable in 21 quarterly instalments from July 2025)
9. Foreign currency term loan of ₹ 414.51 crores are repayable in 17 quarterly instalments from October 2025 (Previous year: Nil)
10. Foreign currency term loan from a Bank of ₹ 265.16 crores was repaid in the current year (Previous year: ₹ 265.16 crores are repayable in 12 monthly instalments from April 2024)
11. Foreign currency term loan from a Bank of ₹ 95.60 crores was repaid in the current year (Previous year: ₹ 95.60 Crores are repayable in 4 quarterly instalments from May 2024)
12. Foreign currency term loan from Bank of ₹ 250.15 crores was repaid in the current year (Previous year: ₹ 250.15 crores are repayable in one bullet instalment in March 2025)
13. Foreign currency term loan of ₹ 300.52 crores are repayable in 5 quarterly instalments from June 2025 and final installment in January 2027 (Previous year : ₹ 350.91 crores are repayable in 9 quarterly instalments from June 2024 and final installment in January 2027).
14. Foreign currency term loan of ₹ 22.01 crores is repayable in final installment in September 2025 (Previous year: ₹ 39.99 crores are repayable in 1 half yearly instalment in September 2024 and final installment in September 2025)
15. Foreign currency term loan of ₹ 47.16 crores are repayable in 6 quarterly instalments from April 2025 (Previous year: ₹ 71.41 crores are repayable in 10 quarterly instalments from April 2024)
16. Foreign currency term loan of ₹ 105.63 crores are repayable in 3 half yearly instalments from June 2025 (Previous year : ₹ 159.95 crores are repayable in 5 half yearly instalments from June 2024).
17. Foreign currency term loan of ₹ 201.18 crores are repayable in 6 quarterly instalments from December 2025 (Previous year: ₹ 137.10 crores are repayable in 6 quarterly instalments from December 2025)

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18 PROVISIONS

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Provision for employee benefits *		
Provision for compensated absence	69.94	62.53
Provision for retention pay	0.17	0.17
Other employee benefits	12.49	8.69
	82.60	**71.39**
Current		
Provision for employee benefits *		
Provision for compensated absence	9.78	8.74
Other employee benefits	0.03	0.03
	9.81	**8.77**

* Refer Note no 35

19 TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises#		
- Other than acceptances	94.86	84.57
	94.86	**84.57**
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Acceptances*	697.97	591.27
- Other than acceptances	1,538.76	1,521.92
	2,236.73	**2,113.19**
	2,331.59	**2,197.76**

Refer to note 19.1

* The Group participates in a supply chain financing arrangement (SCF) which is disclosed under trade payables / other financial liabilities enabling suppliers to take early payment by selling their receivables from the group. The Group has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability and the payment terms are modified on entering into the arrangement. The Group therefore discloses such amounts within trade payables / other financial liabilities because the nature and function of the financial liability remains same.

Ageing of trade payables :

Outstanding for following periods from due date of payment	As at March 31, 2025				
	Dues of micro enterprises and small enterprises	Dues of creditors other than micro enterprises and small enterprises	Disputed dues of micro enterprises and small enterprises	Disputed dues of creditors other than micro enterprises and small enterprises	Total
Not due	92.33	1,641.10	-	-	1,733.43
Less than one year	2.48	157.25	-	-	159.73
1-2 Years	0.05	2.05	-	-	2.10
2-3 Years	-	-	-	-	-
More than 3 years	-	-	-	-	-
Unbilled dues	-	436.33	-	-	436.33
	94.86	**2,236.73**	**-**	**-**	**2,331.59**

Notes to the Consolidated Financial Statements
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Outstanding for following periods from due date of payment	As at March 31, 2024				
	Dues of micro enterprises and small enterprises	Dues of creditors other than micro enterprises and small enterprises	Disputed dues of micro enterprises and small enterprises	Disputed dues of creditors other than micro enterprises and small enterprises	Total
Not due	83.17	1,406.07	-	-	1,489.24
Less than one year	1.40	208.60	-	-	210.00
1-2 Years	-	-	-	-	-
2-3 Years	-	-	-	-	-
More than 3 years	-	0.54	-	-	0.54
Unbilled dues	-	497.98	-	-	497.98
	84.57	**2,113.19**	**-**	**-**	**2,197.76**

19.1 Total outstanding dues of micro enterprises and small enterprises

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

	As at March 31, 2025	As at March 31, 2024
Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year		
- Principal amount**	112.70	124.77
- Interest due thereon	0.02	0.04
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	109.09	-
- Interest actually paid under section 16 of MSMED /settled	0.04	0.01
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED	0.39	-
Interest accrued and remaining unpaid at the end of the year		
- Interest accrued during the year	0.41	0.04
- Interest remaining unpaid as at the end of the year	0.41	0.04
Interest remaining due and payable even in the succeeding years, until such date when the interest dues are actually paid, for the purpose of disallowance of a deductible expenditure	0.41	0.04

** including payable to micro enterprise and small enterprise included in other financial liabilities (refer note 20).

Notes to the Consolidated Financial Statements
for the year ended March 31, 2025
(All amounts in ₹ Crores, unless otherwise stated)

20 OTHER FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Derivatives carried at fair value through other comprehensive income		
- Forward exchange contracts used for hedging	16.46	0.80
Security deposits	1.99	-
	18.45	**0.80**
Current		
Interest accrued but not due on borrowings	20.42	23.41
Unpaid dividends^	6.80	6.55
Security deposits received	7.90	7.84
Payables to capital creditors		
- Total outstanding dues of micro enterprises and small enterprises #		
Other than acceptances	18.25	40.24
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances*	-	147.65
Other than acceptances	79.46	94.24
Derivatives carried at fair value through profit and loss		
- Forward exchange contracts used for hedging	0.18	0.79
- Other Forward exchange contracts	-	0.04
Derivatives carried at fair value through other comprehensive income		
- Forward exchange contracts used for hedging	9.17	4.93
Payable to banks for discounted receivables	94.74	131.23
Liability towards unspent expenditure on corporate social responsibility **	24.39	9.51
Employee benefits payable	21.02	***
Others	2.11	0.99
	284.44	**467.42**

^ Amount will be credited to investor education and protection fund if not claimed within seven years from the date of declaration of dividend.
# Refer note 19.1
* Refer footnote to note no. 19
** Refer note 44 (d)
*** Comparative amount of ₹19.22 crores was included under Trade payables, not regrouped on materiality consideration.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2025
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21 TAX ASSETS AND LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Other tax assets		
Advance tax (net of provision for tax)	**203.60**	**210.96**
Current tax liabilities		
Provision for tax (net of advance tax)	**16.71**	**16.60**

22 OTHER LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Non-current		
Deferred government grants*	307.27	177.31
	307.27	**177.31**
Current		
Contract liability (Refer note 40)	28.68	33.05
Statutory liabilities	42.49	32.51
Payable to gratuity trust (Refer note 35.2)	6.55	4.00
Deferred government grants*	9.71	5.50
Other payables	11.30	18.55
	98.73	**93.61**

* Deferred government grants include capital grants for promoting investment, setting up of property, plant and equipment and job creation under various government programmes/ schemes. These grants are being amortised over the useful life of the related property, plant and equipment in proportion to the related depreciation expense recognised. The related unamortised grant amount as on March 31, 2025 is ₹ 263.90 crores (Previous year: ₹132.92 crores)

Deferred government grant also includes grant related to duty saved on import of capital goods under the Exports Promotion Capital Goods (EPCG) scheme. This is being amortised in profit and loss as and when the criteria of meeting export obligation as mentioned in EPCG license is fulfilled. Under such scheme, the Company is committed to export an amount equivalent to prescribed times of the duty saved on import of capital goods over a specified period of time. The related unamortised grant amount as on March 31, 2025 is ₹ 53.08 crores (Previous year: ₹ .49.89 crores)

Notes to the Consolidated Financial Statements

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23 REVENUE FROM OPERATIONS

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers		
Sale of products		
Manufactured goods	13,996.77	12,608.82
Traded goods	361.38	301.53
	14,358.15	**12,910.35**
Other operating revenues		
Export and other incentives	80.45	87.17
Scrap sales	60.81	41.20
Provision/ liabilities no longer required written back	11.74	12.54
Material handling income	160.77	80.47
Other operating income	21.15	6.79
	334.92	**228.17**
	14,693.07	**13,138.52**

Reconciliation of revenue from sale of products with the contracted price

	Year ended March 31, 2025	Year ended March 31, 2024
Contracted price	14,596.79	13,203.15
Less: Discounts, allowances and claims	(238.64)	(292.80)
Sale of products	**14,358.15**	**12,910.35**

24 OTHER INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income		
i. On financial assets carried at amortised cost		
- from customers	3.62	2.77
- on loans, deposits and investments	18.37	7.85
ii. On financial assets carried at fair value through profit and loss		
- on loans, deposits and investments	10.60	10.85
iii. Others *		
- on others	11.85	4.77
Net gain on sale/discarding of property, plant and equipment	1.51	4.74
Net gain on financial assets measured at fair value through profit and loss	32.44	22.88
Insurance claim	35.21	4.92
Other non-operating income	19.12	24.24
	132.72	**83.02**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

25.1 COST OF MATERIALS CONSUMED*

	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock of raw materials	1,067.59	1,102.59
Add: Purchases of raw materials	7,552.45	6,660.60
	8,620.04	**7,763.19**
Less: Closing stock of raw materials	1,045.84	1,067.59
Cost of materials consumed	**7,574.20**	**6,695.60**

* including packing material

25.2 PURCHASES OF STOCK IN TRADE

	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of stock in trade	124.86	118.56
	124.86	**118.56**

25.3 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the end of the year :		
Stock-in-Process	332.61	269.36
Finished goods	513.71	575.43
Traded goods	53.33	40.86
	899.65	**885.65**
Effect of changes in exchange currency rates		
Stock-in-Process	2.48	(1.20)
Finished goods	10.53	(5.63)
Traded goods	1.09	(1.37)
	14.10	**(8.20)**
Inventories at the beginning of the year:		
Stock-in-Process	269.36	239.56
Finished goods	575.43	476.19
Traded goods	40.86	95.71
	885.65	**811.46**
Total (increase) / decrease	**0.10**	**(82.39)**
Less: Inventory damaged due to cyclone / flood (refer to note 44(f))	-	(22.99)
Net (increase) / decrease	**0.10**	**(105.38)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

26 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages, including bonus	863.20	776.13
Contribution to provident and other funds	63.81	55.86
Workmen and staff welfare expenses	107.01	94.48
Share based payment expense (Refer note 36)	8.45	8.56
	1,042.47	**935.03**

27 FINANCE COST

	Year ended March 31, 2025	Year ended March 31, 2024
Interest cost ^		
- Term loans and others	339.58	266.25
- Lease liabilities	7.57	9.07
Other borrowing costs	18.40	19.98
Exchange differences regarded as an adjustment to borrowing costs	10.41	6.99
	375.96	**302.29**

^ pertains to liabilities measured at amortised cost. The amount disclosed is net of interest capitalised during the year. Also, Refer note no. 4 (i)

28 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment	732.43	631.29
Amortisation of intangible assets	9.34	9.33
Depreciation of Right of use assets	29.73	32.00
	771.50	**672.62**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

29 OTHER EXPENSES

	Year ended March 31, 2025	Year ended March 31, 2024
Power and fuel	1,351.87	1,344.81
Credit impaired assets provided / written off	1.60	4.22
Labour production	91.23	83.08
Directors' sitting fees	0.44	0.24
Expenditure on corporate social responsibility**	43.37	41.02
Property, plant and equipment provided/ written off	7.27	4.28
Freight charges	596.52	433.82
Insurance	88.42	73.07
Legal and professional charges	63.09	60.73
Rates and taxes	20.68	20.09
Rent***	43.41	41.77
Repairs and maintenance		
- Buildings	11.76	10.95
- Plant and machinery	275.71	251.80
- Other maintenance	66.91	66.15
Selling commission	43.27	35.24
Stores and spares consumed	102.84	94.16
Travelling and conveyance	24.92	23.37
Auditor remuneration #		
- Audit Fees	2.49	2.29
- For limited review of unaudited financial results	1.10	1.09
- For Corporate governance and other certificates	0.31	0.11
- For tax audit	0.17	0.17
- Reimbursement of out of pocket expenses	0.25	0.21
Exchange currency fluctuation (net)	119.17	76.71
Effluent disposal expenses	175.42	158.91
Miscellaneous expenses	100.78	82.31
	3,233.00	**2,910.60**

** Refer to note no. 44(d)

*** Refer to note no. 41

including fees paid to auditors of subsidiary companies

Also refer note no. 44 (f) for adjustment on account of damage due to cyclone / flood.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

30 INCOME TAX RECOGNISED IN PROFIT AND LOSS

	Year ended March 31, 2025	Year ended March 31, 2024
Tax expense	452.92	356.51
	452.92	**356.51**
Current tax		
In relation to current year	346.52	363.64
Adjustment in relation to earlier years (Refer note (i) below)	(2.36)	(98.06)
	344.16	**265.58**
Deferred tax		
In relation to current year	109.66	96.13
Adjustment in relation to earlier years	(0.90)	(5.20)
Total tax expense	**108.76**	**90.93**

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

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	1,703.70	1,692.22
Income Tax Expenses @ 25.168% (Previous year @ 25.168%)	428.79	425.90
Effect of deductions (research and development, share issue expenses and deductions under Chapter - VIA of Income Tax Act)	(0.50)	(0.25)
Effect of expenses that are not deductible in determining taxable profits	11.56	11.53
No tax on losses due to uncertainty of recoverability	5.59	7.97
Effect of Nil tax/exemption of overseas subsidiaries	(1.81)	(3.26)
Effect of differential tax rates in overseas subsidiaries	12.65	17.34
Others	(0.10)	0.54
Income tax expenses recognised in statement of profit and loss in relation to current year	**456.18**	**459.77**
Income tax credit recognised in statement of profit and loss in relation to earlier years	(3.26)	(103.26)
Total Income tax expenses recognised in profit and loss	**452.92**	**356.51**

Notes:

(i) During the year ended March 31, 2024, the Company had reassessed its uncertain tax position in relation to past years on taxability of income from sale of Carbon Emission Reduction Certificates (CER's) and had written back ₹ 98.06 crores in respect of assessment years 2008-09 and 2009-10 as 'Tax adjustments in relation to earlier years' after taking into consideration favourable orders received

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Crores, unless otherwise stated)

from Income Tax Appellate tribunal ("ITAT") in relation to the above assessment years, elapse of statutory time for further appeal by tax authorities and favourable judicial precedents.

During the year ended March 31, 2025, interest income of ₹ 3.08 crores has been recognised based on the appeal effect received from income tax Assessing Officer in respect of order of ITAT for the Assessment year 2008-09. However, since the interest income for the complete relevant period was not granted by the assessing officer, a writ petition has been filed by the Company before Hon'ble Delhi High Court for grant of additional interest from the begining of the relevant assessment year.

Related remaining interest income in respect of assessment years 2008-09 and 2009-10 will be considered in the period in which a requisite level of certainty is achieved.

Considering that the in-principle matter of taxability of CER is yet to attain a finality, the Company will continue to re-assess its tax position, including in relation to other assessment years, and will consider their impact in the relevant period.

31 INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
Arising on income and expense recognised in other comprehensive income		
Net (gain)/ loss on designated portion of hedging instruments in cash flow hedges	1.53	(32.19)
Cost of hedging reserve	1.14	0.43
Remeasurement of defined benefit obligation	0.07	1.19
	2.74	**(30.57)**
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will be reclassified to profit or loss	2.67	(31.76)
Items that will not be reclassified to profit or loss	0.07	1.19
	2.74	**(30.57)**

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32 CONTINGENT LIABILITIES

	As at March 31, 2025	As at March 31, 2024
a. Claims against the group not acknowledged as debts :		
Sales tax and entry tax *	14.01	14.01
Goods and services tax, excise duty, custom duty and service tax **	278.27	17.92
Income Tax ***	238.78	300.22
Others****	10.16	10.16

* Amount deposited against contingent liability ₹ 6.54 crores (Previous year: ₹ 6.54 crores)

** Amount deposited against contingent liability ₹ 22.66 crores (Previous year: ₹ 6.77 crores). Contingent liabilities includes the following matters:

(i) Order received in the current year under Goods and Service tax (GST) law for the period from December 2019 to March 2022 of ₹ 235.07 crores (including penalty and applicable interest of ₹ 149.84 crores) on account of refund of IGST claimed on exports made using duty free raw materials procured from SEZ / EOU suppliers against Advance Authorisations. The Company has subsequently filed an appeal before Commissioner (Appeals) against this demand and an amount of ₹ 8.52 crores has been deposited under protest.

(ii) Order received in the current year under Goods and Service tax (GST) law for the period from July 2017 to March 2021 of ₹ 21.03 crores (including penalty and applicable interest of ₹ 14.03 crores), on account of non payment of GST on research and development services between internal units of the Company. The Company has subsequently filed an appeal before Commissioner (Appeals) against this demand and an amount of ₹ 7.00 crores has been deposited under protest.

*** Amount deposited against contingent liability ₹ 60.69 crores (Previous year: ₹ 63.42 crores). Contingent liabilities includes the following matters:

(i) Demand/ rectification Orders received in earlier years in respect of assessment years 2017-18 and 2018-19 having a tax implication of ₹ 19.96 crores (Previous year ₹ 19.96 crores) and ₹ 57.94 crores (Previous year ₹ 57.94 crores) respectively on account of transfer pricing adjustments, disallowance of research and development expenditure, etc. The Company has filed an appeal before Income Tax Appellate Tribunal against the said orders.

(ii) Final Assessment Order for assessment year 2020-21 received in the current year having adjustment of ₹ 48.39 Crores with tax implication of ₹ 16.91 crores (Previous year draft assessment order received with tax adjustments of ₹ 178.50 crores) on account of transfer pricing adjustments, disallowance u/s 14A and for generation of power from captive power plants, etc. The Company has filed an appeal before Income Tax Appellate Tribunal against the said order.

(iii) Final Assessment Order for assessment year 2021-22 received in the current year having adjustment of ₹ 98.27 Crores with tax implication of ₹ 54.19 crores (Previous year draft assessment order received with tax adjustments of ₹ 258.55 crores and order under section 143(1) with a demand of ₹ 130.74 crores) on account of transfer pricing adjustments, disallowance for research and development expenditure and for generation of power from captive power plants, etc. The Company has filed an appeal before Income Tax Appellate Tribunal against the said order. Also, refund aggregating to ₹ 57.33 crores (previous year ₹ 57.33 crores) for different assessment years have been adjusted against the said demand.

(iv) Intimation order under section 143(1) received in the previous year for assessment year 2022-23 with a demand of ₹ 68.76 crores for which the Company has filed rectification application before Assessing Officer and an appeal before CIT(Appeals).

**** Amount deposited against contingent liability ₹ 9.05 crore (Previous year: ₹ 9.05 crore). Contingent liability includes demand by Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd. (MPPKVV Ltd) of ₹ 8.73 Crores (Previous year: ₹ 8.73 crores).

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Crores, unless otherwise stated)

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

b. (i) The Company has been served with show cause notices regarding certain transactions as to why additional customs / excise duty / service tax / goods and service tax amounting to ₹ 24.22 crores (Previous year: ₹ 43.00 crores) should not be levied. An amount of ₹ 0.15 crores (Previous year: ₹ 7.15 crores) has been deposited against such show cause notices. The Company is of the view that the contention of the respective departments is not tenable and hence the show cause notices may not be sustainable.

(ii) The Company has received a draft Assessment Order for assessment year 2022-23 in which adjustments amounting to ₹ 197.13 crores are proposed on account of adjustments while passing order under section 143(1), transfer pricing adjustments, disallowance u/s 80G and for generation of power from captive power plants, etc. which are pending before Dispute Resolution Panel as on March 31, 2025. Based on the facts of the case and the management's assessment, the Company is of the view that the proposed adjustments are not likely to sustain.

c. The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of different legal processes which have been invoked by the Company, or by the claimant, as the case may be, and therefore, cannot be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made.

33 CAPITAL AND OTHER COMMITMENTS

	As at March 31, 2025	As at March 31, 2024
(i) Estimated amount of contracts remaining to be executed on capital account (property plant and equipment) and not provided for (net of advances).	672.61	318.82

(ii) The group has other commitments, for purchases / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreements in normal course of business. The group does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses which have not been provided for.

iii) Export obligation under advance license scheme on duty free import of specific raw materials, and EPCG scheme on import of capital items remaining outstanding is ₹1,409.15 crores (Previous year: ₹ 1,388.16 crores).

Notes to the Consolidated Financial Statements

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34 RELATED PARTY TRANSACTIONS

34.1 Description of related parties under Ind AS - 24 "Related Party Disclosures"

Ultimate Holding
ABR Family Trust

Holding Company
KAMA Holdings Limited

Fellow subsidiaries #
KAMA Realty (Delhi) Limited
Shri Educare Limited
SRF Transnational Holding Limited

Post employment benefit plans trust #
SRF Limited Officers Provident Fund Trust
SRF Employees Gratuity Trust
SRF Officers Gratuity Trust

Enterprises over which KMP have significant influence #
Havells India Limited
Indian Chemical Council *
Bharat Forge Limited ***

Relatives of KMP #
Arun Bharat Ram
Sushil Ramola
Murugappan Vellayan Subbiah
Deeksha Amit Kalyani
Salil Gupta
Apoorvi Bharat Ram

KMP of Holding Company #
Ekta Maheshwari
Jagdeep Singh Rikhy

Key management personnel (KMP) #
Ashish Bharat Ram
Kartik Bharat Ram
Vineet Agarwal ^
Ira Gupta ^
Vellayan Subbiah
Pramod Gopaldas Gujarathi
Bharti Gupta Ramola
Yash Gupta
Puneet Yadu Dalmia
Raj Kumar Jain

Enterprises over which KMP have control or joint control #
BLP Industry AI Private Limited
Parry Enterprises India Limited
SRF Foundation
SRF Welfare Trust
Carborandum Universal Limited
Rose Farms (Delhi) LLP
Dalmia Cement (Bharat) Limited **
CG Power and Industrial Solutions Limited
Transport Corporation of India Limited****
TCI Express Limited****
TCI Chemlog Private Limited*****

Relatives of KMP of Holding Company #
Nirmala Kothari
Meher Kaur Rikhy
Palak Maheshwari

Enterprises over which relative of KMP has control or joint control #
Murugappa & Sons

^ From April 01, 2024
* From October 31, 2023
** From December 08, 2023
*** From September 01, 2023
**** From April 01, 2024
***** From September 04, 2024
# Only with whom the Company had transactions during the year

Notes to the Consolidated Financial Statements
for the year ended March 31, 2025
(All amounts in ₹ Crores, unless otherwise stated)

34.2 Transactions with related parties

	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of property, plant & equipment from:		
Key management personnel	-	1.90
Enterprises over which KMP have control or joint control	0.04	1.51
	0.04	**3.41**
Sale of property, plant & equipment to		
Enterprises over which KMP have control or joint control	-	7.00
	-	**7.00**
Sale of goods to		
Enterprises over which KMP have significant influence	40.37	16.02
	40.37	**16.02**
Purchase of goods from		
Enterprises over which KMP have significant influence	0.02	3.41
	0.02	**3.41**
Rent paid to:		
Fellow Subsidiaries	6.54	6.54
Key management personnel	0.21	0.01
Relative of KMP	-	0.21
Enterprises over which KMP have control or joint control	2.40	1.36
	9.15	**8.12**
Reimbursement of expenses from		
Holding Company	0.02	*
Fellow Subsidiaries	-	0.02
	0.02	**0.02**

* Amount in absolute : ₹ 35,000

	Year ended March 31, 2025	Year ended March 31, 2024
Reimbursement of expenses to		
Enterprises over which KMP have control or joint control	0.02	0.03
Key management personnel	**	**
	0.02	**0.03**

* Amount in absolute : ₹ .27,900 (previous year: ₹ 28,000)

	Year ended March 31, 2025	Year ended March 31, 2024
Received Services from :		
Relative of KMP	0.60	0.60
Enterprises over which KMP have control or joint control	9.92	0.95
Enterprises over which KMP have significant influence	0.44	0.05
	10.96	**1.60**
Services rendered to :		
Enterprises over which KMP have control or joint control	1.50	-
	1.50	**-**
Security deposits given to		
Enterprises over which KMP have control or joint control	0.09	0.98
	0.09	**0.98**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Security deposits received back from		
Key management personnel	-	0.01
	-	**0.01**
Contribution for expenditure on corporate social responsibility		
Enterprises over which KMP have control or joint control	15.31	25.70
	15.31	**25.70**
Contribution to post employment benefit plans (Net of claims)		
Post Employment Benefit Plans Trust	28.30	31.50
	28.30	**31.50**
Employee benefit obligations/assets transferred to		
Fellow Subsidiaries	-	0.01
	-	**0.01**
Remuneration paid to		
Relative of KMP	0.04	-
	0.04	**-**
Equity dividend paid		
Holding Company	107.17	107.74
Key management personnel	0.08	0.07
Relatives of KMP	0.20	0.22
KMP of Holding Company	^^	^^
Relatives of KMP of Holding Company	^	^
Enterprises over which relative of KMP have control or joint control	^^^	^^^
	107.45	**108.03**

^ Amount in absolute ₹461 (Previous year : ₹ 720)

^^ Amount in absolute ₹ 1,202 (Previous year : ₹ 1,786)

^^^ Amount in absolute ₹ 37,224 (Previous year : ₹ 37,224)

34.3 Outstanding balances:

	Year ended March 31, 2025	Year ended March 31, 2024
Commission payable		
Key management personnel	17.26	17.26
	17.26	**17.26**
Receivable		
Enterprises over which KMP have significant influence	7.25	2.30
Post employment benefit plans trust	0.51	0.99
Enterprises over which KMP have control or joint control	0.02	-
	7.78	**3.29**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Payable		
Enterprises over which KMP have significant influence	-	0.02
Post employment benefit plans trust	8.39	5.69
Enterprises over which KMP have control or joint control	2.63	0.51
	11.02	**6.22**
Security deposits outstanding		
Fellow Subsidiaries	3.24	3.24
Relatives of KMP	0.11	0.11
Enterprises over which KMP have control or joint control	1.21	1.12
	4.56	**4.47**

34.4 Key management personnel compensation

	Year ended March 31, 2025	Year ended March 31, 2024
Short-term benefits *	40.24	39.05
Post-employment benefits	2.52	2.91
Other long-term benefits	0.80	1.07
	43.56	**43.03**

* Include sitting fees and commission paid/ payable to non executive directors

The above transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

35 EMPLOYEE BENEFITS

33.1 Defined contribution plans:

Amounts recognized in the statement of profit and loss are as under:

Indian entities	Year ended March 31, 2025	Year ended March 31, 2024
Superannuation fund {Refer to note (i) below}	0.46	0.48
Provident fund administered through Regional Provident Fund Commissioner {Refer to note (ii) below}	21.81	19.48
Employees' State Insurance Corporation	0.13	0.16
National Pension Scheme	3.50	2.76
	25.90	**22.88**

Foreign subsidiaries	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to provident fund	1.87	1.82
Skill, development and Social Security Fund	6.21	5.24
Pension fund	1.64	1.55
	9.72	**8.61**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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

(i) Superannuation fund

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

(ii) Provident fund administered through Regional Provident Fund Commissioner

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

35.2 Defined benefit plans

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

(a) Gratuity

(b) Provident fund for certain category of employees administered through a recognized provident fund trust.

(c) Legal Severance pay & Health care (Unfunded) as applicable with respect to foreign entities

(i) These plans typically expose the group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

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

Salary Risk

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

Notes to the Consolidated Financial Statements
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Interest Risk

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

Longevity Risk

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

(ii) The principal assumptions used for the purposes of the actuarial valuation are as follows:

Indian entities	As at March 31, 2025		As at March 31, 2024	
	Gratuity	Provident Fund	Gratuity	Provident Fund
Discount Rate	6.68%	6.68%	7.13%	7.13%
Expected statutory interest rate	-	8.25%	-	8.25%
Salary increase	8.50%	-	8.50%	-
Retirement Age (years)	58.00	58.00	58.00	58.00
Mortality Rates	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Withdrawal Rate				
Upto 30 years	15.00%	15.00%	15.00%	15.00%
31 to 44 years	7.00%	7.00%	7.00%	7.00%
Above 44 years	8.00%	8.00%	8.00%	8.00%

Foreign subsidiaries	Legal Severance Pay (unfunded)	
	As at March 31, 2025	As at March 31, 2024
Discount Rate	2.32%	2.99%
Salary increase	7.00%	7.00%
In service mortality	TMO	TMO
Retirement Age	2017	2017
Withdrawal Rate	55	55
- up to 20 years	16.0%	16.5%
- 21-30	16.0%	16.5%
- 31-40	7.0%	7.0%
- 41-50	4.5%	4.0%
- 51 onwards	1.5%	1.5%

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. An actuarial valuations involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexities involved in the valuation, the probability are highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of defined benefit obligation and the related current service cost and past service cost have been measured using projected unit credit method.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(iii) Amounts recognized in statement of profit an loss in respect of these benefit plans are as follows:

Indian entities	Year ended March 31, 2025		Year ended March 31, 2024	
	Gratuity	Provident Fund	Gratuity	Provident Fund
Current Service cost	14.13	10.64	12.58	7.81
Interest expenses (net of expected return on plan assets)	0.30	-	0.63	-
	14.43	**10.64**	**13.21**	**7.81**

Foreign subsidiaries	Legal Severance Pay (unfunded)	
	Year ended March 31, 2025	Year ended March 31, 2024
Current/past Service cost	2.20	0.91
Net interest expenses	0.29	0.21
	2.49	**1.12**

The current service cost and the net interest expenses for the year are included in Note 26 "Employee Benefits Expenses" under the head Contribution to provident and other funds".

(iv) Amounts recognised in other comprehensive income:

Indian entities	Gratuity	
	Year ended March 31, 2025	Year ended March 31, 2024
Remeasurment (gain) / loss :		
Return on plan assets excluding interest income	(3.51)	(5.59)
Actuarial (gain)/losses arising from changes in financial assumptions	4.99	6.85
Actuarial (gain)/losses arising from changes in experience adjustments	(1.18)	3.41
Actuarial (gain)/ losses arising from changes in demographic adjustments	-	0.10
	0.30	**4.77**

Foreign subsidiaries	Legal Severance Pay (unfunded)	
	Year ended March 31, 2025	Year ended March 31, 2024
Remeasurment (gain) / loss :		
Actuarial (gain)/losses arising from changes in financial assumptions	0.86	0.71
Actuarial (gain)/losses arising from changes in experience adjustments and demographic assumption	(0.43)	0.44
	0.43	**1.15**

Notes to the Consolidated Financial Statements

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(v) The amounts included in consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans are as follows:

Indian entities	As at March 31, 2025		As at March 31, 2024	
	Gratuity (Funded)	Provident Fund	Gratuity (Funded)	Provident Fund
Present value of funded defined benefit obligation	175.31	221.36	154.17	200.94
Fair value of plan assets	168.76	221.37	150.17	203.85
Surplus / (deficit)	**(6.55)**	**0.01**	**(4.00)**	**2.91**
Effect of asset ceiling, if any	-	(0.01)	-	(2.91)
Net assets / (liability)	**(6.55)**	**-**	**(4.00)**	**-**

	Gratuity (Unfunded)	
	As at March 31, 2025	As at March 31, 2024
Present value of funded defined benefit obligation	0.75	0.52

Foreign subsidiaries	Legal Severance Pay (unfunded)	
	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation	11.77	8.20
Fair value of plan assets	-	-
Net asset / (liability)	**(11.77)**	**(8.20)**

(vi) Movements in the present value of defined benefit obligation are as follows:

	As at March 31, 2025		As at March 31, 2024	
	Gratuity (Funded and Unfunded)	Provident Fund	Gratuity (Funded and Unfunded)	Provident Fund
Opening defined benefit obligation	154.69	200.94	127.85	178.30
Current Service Cost	14.13	10.64	12.58	7.82
Interest Cost	11.03	16.36	9.42	14.67
Actuarial (gain)/losses arising from changes in financial assumptions	4.99	-	6.85	-
Actuarial (gain)/losses arising from changes in experience adjustments	(1.18)	-	3.41	-
Actuarial (gain)/losses arising from changes in demographic assumptions	-	-	0.10	-
Benefits paid	(7.60)	(20.73)	(5.52)	(15.51)
Contribution by plan participants / employees	-	12.46	-	11.31
Settlement / transfer in /out	-	1.69	-	4.35
Closing defined benefit obligation	**176.06**	**221.36**	**154.69**	**200.94**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Foreign subsidiaries	Legal Severance Pay (unfunded)	
	As at March 31, 2025	As at March 31, 2024
Opening defined benefit obligation	8.20	6.97
Current Service Cost	2.20	0.91
Interest Cost	0.29	0.21
Actuarial (gain)/losses arising from changes in financial assumptions	0.86	0.71
Actuarial (gain)/losses arising from changes in experience adjustments and demographic assumption	(0.43)	0.44
Exchange difference on foreign plans	0.91	(0.42)
Benefits paid/Settled	(0.26)	(0.62)
Closing defined benefit obligation	**11.77**	**8.20**

(vii) Movements in the fair value of plan assets are as follows:

	Year ended March 31, 2025		Year ended March 31, 2024	
	Gratuity	Provident Fund	Gratuity	Provident Fund
Opening fair value of plan assets	150.17	203.85	119.30	180.00
Return on plan assets (excluding amounts included in net interest expenses)	14.23	14.82	14.36	15.89
Contributions from employer	11.96	9.29	22.01	7.81
Contributions from plan participants	-	12.45	-	11.31
Benefits paid	(7.60)	(20.73)	(5.50)	(15.51)
Settlement/ transfer in	-	1.69	-	4.35
Closing fair value of plan assets	**168.76**	**221.37**	**150.17**	**203.85**

Gratuity:

Plan assets comprises primarily of investments in HDFC Group Unit Linked Plan Fund and ICICI Prudential Life Fund. The average duration of the defined benefit obligation is 9.14 years (Previous year: 9.29 years). The Company expects to make a contribution of ₹ 15.69 crores (Previous year: ₹ 13.77 crores) to the defined benefit plans during the next financial year.

The plan assets comprise of the following securities:

	As at March 31, 2025	As at March 31, 2024
Government and Corporate Bonds	82.27%	85.69%
Others	17.73%	14.31%

Notes to the Consolidated Financial Statements

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Provident Fund:

The plan assets comprise of the following securities:

	As at March 31, 2025	As at March 31, 2024
Government Bonds	48.37%	49.57%
Public Sector Bonds	39.70%	35.38%
Other equity and Mutual Funds	11.93%	15.05%

(viii) Sensitivity Analysis

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

Indian entities	Year ended March 31, 2025		Year ended March 31, 2024	
	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Sensitivity analysis of Gratuity				
Discount rate	(5.55)	5.92	(4.89)	5.21
Expected salary growth	5.79	(5.49)	5.12	(4.85)
Attrition rate	(0.56)	0.58	(0.49)	0.51
Sensitivity analysis of Provident Fund				
Discount rate	(0.02)	0.02	(0.02)	0.02

Foreign subsidiaries	Year ended March 31, 2025		Year ended March 31, 2024	
	1% increase	1% increase	1% increase	1% increase
Sensitivity analysis of Legal Severance Pay				
Discount rate	(1.27)	1.49	(0.95)	1.12
Expected salary growth	1.37	(1.19)	1.03	(0.90)

Sensitivity due to mortality and withdrawals are insignificant and hence ignored

35.3 Other long-term employee benefit

Amounts recognised in the statement of profit and loss in note 26 "Employee benefits expenses" under the head "Salaries and wages, including bonus".

	Year ended March 31, 2025	Year ended March 31, 2024
Compensated absences	14.18	15.87
	14.18	**15.87**

Notes to the Consolidated Financial Statements

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Long Term Retention Pay

The group has a Long Term Retention Pay Plan which covers employees selected on the basis of their current band and their long term value to the Company. The incentive is payable in three year blocks subject to achievement of certain performance ratings. The Company also has a scheme for talent retention of certain identified employees under which an incentive is payable over a period of three years.

36 EMPLOYEE SHARE BASED PAYMENTS

The Company has an Employee Share Purchase Scheme (SRF Long Term Share Based Incentive Plan) to provide equity settled share based payments to eligible employees. Under the said Scheme, the Company has issued equity shares to the eligible employees by entering into a Share Grant Agreement and executing a Share Grant Acceptance Letter and paying the exercise price, if any, as prescribed by the Nomination and Remuneration Committee at the time of grant. Subscribed shares have complete voting and dividend rights. Employees who have been granted equity share are required to pledge their shares as part of the Share Grant Agreement between the Company, Eligible Employee and the SRF Employees Welfare Trust ('Trust'). In case of exit/ termination of employees before their retirement or such other period as may be decided by the Nomination and Remuneration Committee, the shares shall get transferred to the Trust. Such shares will then be issued to another set of eligible employees as and when the Nomination and Remuneration Committee decides subject to the applicable rules and regulations.

The expenses related to the grant of shares under the Scheme are accounted for on the basis of fair value of the share on the grant date (which is the market price of the Company's share on the date of grant less exercise price). The fair value so determined is expensed on a straight line basis over the term of the grant

The movement of number of equity shares granted, their fair value and the share based payment expense recognised during the year are as under:

	Year ended March 31, 2025	Year ended March 31, 2024
Number of equity shares:		
(i) At the beginning of the year	1,98,800	1,98,800
(ii) Granted during the year	-	-
(iv) Released during the year	(2,500)	-
(iii) At the end of the year	**1,96,300**	**1,98,800**
Market price on the grant date (₹ per equity share)	-	-
Exercise price (₹ per equity share)	-	-
Fair value of share based payment (₹ per equity share)	-	-
Share based payment expense recognised during the year	8.45	8.56

The shares outstanding as on March 31st, 2025 are pledged for a period upto October 31, 2026.

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37 SEGMENT REPORTING

Based on the guiding principles laid down in Indian Accounting Standard (Ind AS) - 108 "Segment Reporting", the Chairman and Managing Director of the Company is the Chief Operating Decision Maker (CODM) and for the purposes of resource allocation and assessment of segment performance, the business of the Group is segregated in the segments below:

- Technical Textiles business: includes nylon tyre cord fabric, belting fabric, and polyester tyre cord fabric and its research and development
- Chemicals business: includes refrigerant gases, industrial chemicals, speciality chemicals, fluorochemicals & allied products and its research and development.
- Performance Films & Foil Business (earlier named as Packaging Film business) : includes polyester films, polypropylene films and aluminium foil.
- Others: include coated fabric, laminated fabric and other ancillary activities.

Segment revenue, results and capital employed include the respective amounts identifiable to each of the segments. Other unallocable expenditure includes expenses incurred on common services provided to the segments, which are not directly identifiable.

In addition to the material accounting policies applicable to the business segments as set out in note 2 above, the accounting policies in relation to segment accounting are as under:

a) Segment revenue and expenses

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments. These amounts relate to continuing operations, unless otherwise stated.

b) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and property plant and equipment and intangible assets, net of allowances and provisions, which are reported as direct offsets in the consolidated balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes. While most of the assets / liabilities can be directly attributed to individual segments, the carrying amount of certain assets / liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

A. Information about operating business segments

	Year ended March 31, 2025	Year ended March 31, 2024
Segment revenue		
a) Technical textiles business (TTB)		
- External sales	2,021.00	1,886.99
- Inter-segment sales	8.05	11.02
Total	**2,029.05**	**1,898.01**
b) Chemicals business (CB)		
- External sales	6,690.75	6,297.01
- Inter-segment sales	-	0.01
Total	**6,690.75**	**6,297.02**

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	Year ended March 31, 2025	Year ended March 31, 2024
c) Performance Films and Foil business (PFB)		
- External sales	5,553.78	4,489.23
- Inter-segment sales	0.02	0.11
Total	**5,553.80**	**4,489.34**
d) Others		
- External sales	427.54	465.29
- Inter-segment sales	-	0.01
Total	**427.54**	**465.30**
Total segment revenue	**14,701.14**	**13,149.67**
Less: Inter Segment revenue	8.07	11.15
Revenue from operations	**14,693.07**	**13,138.52**
Add: unallocable income	132.72	83.02
Total revenue	**14,825.79**	**13,221.54**
Segment profits		
Profit before interest and tax from each segment		
a) Technical textiles business (TTB)	238.05	274.22
b) Chemicals business (CB)	1,664.80	1,627.38
c) Performance Films & Foil Business (PFB)	364.53	206.50
d) Others	68.83	93.02
Total segment results	**2,336.21**	**2,201.12**
Less: i) Interest and finance Charges	375.96	302.29
Less: ii) Other unallocable expenses net of income	256.55	206.61
Profit before tax	**1,703.70**	**1,692.22**
Capital expenditure		
a) Technical textiles business (TTB)	217.23	215.59
b) Chemicals business (CB)	675.80	1,650.43
c) Performance Films & Foil Business (PFB)	172.28	456.17
d) Others	22.43	16.52
e) Unallocated	7.94	8.74
Total	**1,095.68**	**2,347.45**
Depreciation and amortisation		
a) Technical textiles business (TTB)	53.79	44.72
b) Chemicals business (CB)	468.61	403.76
c) Performance Films & Foil Business (PFB)	226.26	201.05
d) Others	7.80	8.38
e) Unallocated	15.04	14.71
Total	**771.50**	**672.62**

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Segment assets and liabilities

Segment assets	As at March 31, 2025	As at March 31, 2024
Segment assets		
a) Technical textiles business (TTB)	2,199.07	2,030.45
b) Chemicals business (CB)	10,875.20	10,745.87
c) Performance Films & Foil Business (PFB)	6,645.73	6,181.15
d) Others	217.12	178.30
Total	**19,937.12**	**19,135.77**
Unallocable assets	1,620.00	1,346.17
Total assets	**21,557.12**	**20,481.94**
Segment liabilities		
a) Technical textiles business (TTB)	410.91	525.38
b) Chemicals business (CB)	1,114.53	1,042.58
c) Performance Films & Foil Business (PFB)	1,494.26	1,392.08
d) Others	43.77	41.60
Total	**3,063.47**	**3,001.64**
Unallocable liabilities	5,867.45	6,001.28
Total liabilities	**8,930.92**	**9,002.92**

B. Information about geographical business segments

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations		
- India	7,324.05	5,964.76
- USA	1,219.74	1,412.42
- South Africa	628.66	552.76
- United Kingdom	229.35	262.70
- Italy	262.60	211.33
- Indonesia	133.27	117.22
- UAE	187.03	158.97
- South Korea	182.65	121.95
- Germany	363.25	414.21
- Thailand	530.69	477.30
- Hungary	36.29	28.44
- Switzerland	746.93	659.98
- Belgium	596.34	767.81
- Others	2,252.22	1,988.67
	14,693.07	**13,138.52**

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(All amounts in ₹ Crores, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Non current segment assets		
- Within India	12,256.50	11,857.70
- Outside India	2,472.80	2,367.67
	14,729.30	**14,225.37**

Non current segment assets includes property, plant and equipment, right of use assets, capital work in progress, intangible assets and other non current assets.

No single customer contributed 10% or more to the Group's revenue for both financial years 2024-25 and 2023-24.

Revenue from major products	Year ended March 31, 2025	Year ended March 31, 2024
a) Technical textiles business (TTB)		
Nylon tyre cord fabric/ Polyester tyre cord fabric / Belting fabric	1,707.93	1,652.37
Synthetic filament yarn including Industrial yarn /Twine	265.12	207.05
Waste/others	3.56	5.52
b) Chemicals business (CB)		
Speciality chemicals	3,793.19	3,666.07
Fluorochemicals, Refrigerant Gases and allied products	2,249.96	2,132.52
Industrial chemicals	411.26	343.39
Waste/others	2.70	9.24
c) Perfomance Films and Foil Business (PFB)		
Packaging Films	5,192.30	4,421.73
Aluminium Foils	309.15	11.95
d) Others		
Coated fabric, laminated fabric and other ancillary activities	422.98	460.51
	14,358.15	**12,910.35**

38 EARNINGS PER SHARE (EPS)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit attributable to equity holders of the group used in calculating basic earning per share and diluted earning per share:	1,250.78	1,335.71
Weighted average number of equity shares of the company used in calculating basic earning per share and diluted earning per share (nos.)	29,64,24,825	29,64,24,825
Basic and diluted earnings per share of face value ₹10 each	42.20	45.06

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39 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

39.1 Capital Management

The group manages its capital to ensure that it will be able to continue as a going concern and provide reasonable return to the shareholders by maintaining a reasonable balance between debt and equity. The capital structure of the group consists of net debt (borrowings net of cash and cash equivalents, deposits accounts with maturity beyond three months up to twelve months and current investments) and total equity of the group. The group is not subject to any externally imposed capital requirements. The group's management reviews the capital structure of the group on periodic basis. As part of its review, the management considers the cost of capital and risk associated with each class of capital. The group also evaluates its gearing measures using Net Debt Equity Ratio to arrive at an appropriate level of debt and accordingly evolves its capital structure.

The following table provides the details of the debt and equity at the end of the reporting periods :

	As at March 31, 2025	As at March 31, 2024
Debt and lease liabilities	4,726.03	5,030.54
Less:		
Cash and cash equivalents	333.99	399.33
Deposits accounts with maturity beyond three months up to twelve months	0.43	0.22
Deposit with Non Banking Financial Company (NBFC)	75.00	25.00
Current investments	704.53	405.58
Net debt	**3,612.08**	**4,200.41**
Total equity	**12,626.20**	**11,479.02**
Net debt to equity ratio	**0.29**	**0.37**

39.2 Financial instruments by category

Financial assets	Level of hierarchy	Notes	Carrying value		Fair value	
			As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Measured at amortised cost						
Investments in bonds	1	d	50.12	50.12	50.79	50.29
Investment in equity instruments	3	d	6.09	2.50	6.09	2.50
Investment in optionally convertible debentures	3	d	-	2.56	-	2.56
Trade Receivables		a	2,169.46	1,942.82	2,169.46	1,942.82
Cash and cash equivalents		a	333.99	399.33	333.99	399.33
Bank balances other than above		a	19.76	8.21	19.76	8.21
Loans		a,b	69.53	63.13	69.53	63.13
Other financial assets		a,b	438.98	346.90	438.98	346.90
			3,087.93	**2,815.57**	**3,088.60**	**2,815.74**

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(All amounts in ₹ Crores, unless otherwise stated)

Financial assets	Level of hierarchy	Notes	Carrying value As at March 31, 2025	Carrying value As at March 31, 2024	Fair value As at March 31, 2025	Fair value As at March 31, 2024
Measured at Fair value through profit and loss						
Investments in mutual funds	2	d	704.53	321.14	704.53	321.14
Investments in bonds	1	d	66.50	150.33	66.50	150.33
Derivative instruments	2	d	1.64	0.25	1.64	0.25
			772.67	**471.72**	**772.67**	**471.72**
Measured at Fair value through Other comprehensive income						
Investments in unquoted equity instruments	3	d	0.05	0.05	0.05	0.05
Derivative instruments	2	d	11.30	48.48	11.30	48.48
			11.35	**48.53**	**11.35**	**48.53**

Financial liabilities	Level of hierarchy	Notes	Carrying value As at March 31, 2025	Carrying value As at March 31, 2024	Fair value As at March 31, 2025	Fair value As at March 31, 2024
Measured at amortised cost						
Borrowings	3	a,c	4,641.24	4,920.24	4,603.89	4,911.15
Trade payables		a	2,331.59	2,197.76	2,331.59	2,197.76
Other financial liabilities		a,b	277.08	461.66	277.08	461.66
			7,249.91	**7,579.66**	**7,212.56**	**7,570.57**
Measured at Fair value through profit and loss						
Derivative instruments	2	d	0.18	0.83	0.18	0.83
			0.18	**0.83**	**0.18**	**0.83**
Measured at Fair value through other comprehensive income						
Derivative instruments	2	d	25.63	5.73	25.63	5.73
			25.63	**5.73**	**25.63**	**5.73**

The following methods/ assumptions are used to estimate the fair values:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair valuation of non-current financial assets and financial liabilities has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.

(c) Fair value of other long-term borrowings is estimated by discounting future cash flows using current rates (applicable to instruments with similar terms, currency, credit risk and remaining maturities) to discount the future payouts.

(d) The fair value is determined by using the valuation model/technique with observable/non-observable inputs and assumptions.

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There are no transfers between Level 1, Level 2 and Level 3 during the Year ended March 31, 2025 and March 31, 2024

Hierarchy levels :

Level 1:

Quoted prices in the active market: This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market.

Level 2:

Valuation techniques with significant observable inputs: This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of over the counter (OTC) derivative contracts, open ended mutual funds and bonds.

Level 3:

Valuation techniques with significant unobservable inputs: This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

The fair value of the financial instruments are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions are used to estimate the fair values:

(i) Investments in mutual funds and bonds : Fair value is determined by reference to quotes from the financial institutions.

(ii) Derivative contracts: The group has entered into various foreign currency contracts and interest rate swaps contracts to manage its exposure to fluctuations in foreign exchange rates and interest rate respectively. These financial exposures are managed in accordance with the group's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data, i.e., mark to market values determined by the authorized dealers banks and quoted forward exchange rates at the balance sheet date.

(iii) Unquoted equity investments : Fair value is determined based of the recoverable value as per agreement with the investee

Reconciliation of Level 3 fair value measurements	Unlisted equity instruments
As at March 31, 2023	**4.16**
Sale of investment	(4.11)
As at March 31, 2024	**0.05**
Sale of investment	-
As at March 31, 2025	**0.05**

Sensitivity of the fair value measurement to changes in unobservable inputs for financial instruments in Level 3 level of hierarchy is insignificant.

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39.3 Financial Risk Management

The group is exposed to various financial risks arising from its underlying operations and finance activities. The group is primarily exposed to market risk (i.e. interest rate and foreign currency risk) and to credit risk and liquidity risk. The Group's Corporate Treasury function plays the role of monitoring financial risk arising from business operations and financing activities.

Financial risk management within the group is governed by policies and guidelines approved by the senior management and the Board of Directors. These policies and guidelines cover interest rate risk, foreign currency risk, credit risk and liquidity risk. Group policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long-term debt. Compliance with the policies and guidelines is managed by the Corporate Treasury function within the group. Review of the financial risk is done on a monthly basis by the Managing Director and on a quarterly basis by the Board of Directors. The objective of financial risk management is to contain, where deemed appropriate, exposures on net basis to the various types of financial risks mentioned above in order to limit any negative impact on the group's results and financial position.

In accordance with its financial risk management policies, the group manages its market risk exposures by using specific type of financial instruments duly approved by the Board of Directors as and when deemed appropriate. It is the group's policy and practice neither to enter into derivative transactions for speculative purpose, nor for any purpose unrelated to the underlying business. The Board of Directors / Managing Director reviews and approves policies for managing each of the above risks.

39.3.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and foreign currency risk. Financial instruments affected by market risk includes loans and borrowings, deposits, investments and derivative financial instruments. The group enters into derivative contracts as approved by the Board to manage its exposure to interest rate risk and foreign currency risk.

A. Foreign Currency Risk Management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the group is attributable to group's operating activities, investing activities and financing activities.

In the operating activities, the group's exchange rate risk primarily arises when revenue / costs are generated in a currency that is different from the reporting currency (transaction risk). In compliance with the Board approved policy, the Group manages the net exposure on a rolling 12 month basis and for exposures between a period of 12 to 36 months, hedging is done based on specific exposure. The information is monitored by the Board of Directors on a quarterly basis. This foreign currency risk exposure of the group are mainly in U.S. Dollar (USD), Euro (EUR), Japanese Yen (JPY) and British pound sterling (GBP). The group's exposure to foreign currency changes for all other currencies is not material.

The summary quantitative data about the group's exposure to currecny risk at the end of reporting periods expressed in ₹are as follows:

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	Assets		Liabilities		Net Assets / (Liabilities)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD	788.06	941.37	3,163.00	3,966.07	(2,374.94)	(3,024.70)
EUR	382.67	339.83	767.28	654.19	(384.62)	(314.36)
JPY	-	-	12.90	10.65	(12.90)	(10.65)
GBP	11.13	15.57	0.08	0.30	11.06	15.27

Foreign currency sensitivity analysis

The group is mainly exposed to changes in USD, EURO, JPY and GBP exchange rates.

The following table details the group's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. This analysis assumes that all other variables, in particular interest rates, remain constant. A positive number below indicates an increase in profit before tax or vice-versa.

	Year ended March 31, 2025		Year ended March 31, 2024	
	₹ strengthens by 1%	₹ weakens by 1%	₹ strengthens by 1%	₹ weakens by 1%
Impact on profit / (loss) *				
USD	8.74	(8.74)	8.86	(8.86)
EUR	(0.29)	0.29	0.85	(0.85)
JPY	0.13	(0.13)	0.11	(0.11)
GBP	(0.11)	0.11	(0.15)	0.15

* Includes sensitivity on long-term foreign currency monetary items on which Para D13 AA of Ind AS 101 has been applied. Accordingly, the exchange loss/ (gain) arising on long term foreign currency monetary items relating to acquisition of depreciable assets will be added to/deducted from the cost of such assets/capital work-in-progress and will be depreciated over the balance useful life of assets.

	Year ended March 31, 2025		Year ended March 31, 2024	
	₹ strengthens by 1%	₹ weakens by 1%	₹ strengthens by 1%	₹ weakens by 1%
Impact on equity (Other Comprehensive Income)				
USD	14.42	(14.42)	21.38	(21.38)
EUR	4.05	(4.05)	2.30	(2.30)

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Foreign exchange derivative and non-derivative financial instruments

The group uses derivative as well as non derivative financial instruments for hedging financial risks that arise from its commercial business or financing activities. The group's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within a period of 1 to 36 months for hedges of forecasted sales, purchases, loans and liabilities and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts*	No of Deals		Contract Value of Foreign Currency (In Millions)		Maturity: Up to 12 months Nominal Amount* (₹ Crores)		Maturity: More than 12 months Nominal Amount* (₹ Crores)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD/INR Sell forward	235	234	720.20	668.20	3,239.12	2,517.66	3,044.25	3,204.48
EUR/USD Sell forward	9	8	4.72	6.95	40.75	63.12	-	-
EUR/USD Buy forward	2	1	7.20	0.73	67.58	6.57	-	-

* Computed using average forward contract rates

The following table details the group's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currency. The sensitivity analysis includes only outstanding forward exchange contracts as tabulated above and adjusts their translation at the period end for 1% change in forward rates. A positive number below indicates an increase in profit before tax or vice-versa.

	Year ended March 31, 2025		Year ended March 31, 2024	
	Functional currency strengthens by 1%	Functional currency weakens by 1%	Functional currency strengthens by 1%	Functional currency weakens by 1%
Impact on profit / (loss) for the year				
USD	1.98	(1.98)	1.84	(1.84)
EUR	-	-	(0.07)	0.07
Impact on equity (Other Comprehensive Income)				
USD	61.03	(61.03)	54.97	(54.97)
EUR	(1.07)	1.07	0.63	(0.63)

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B. Interest Rate Risk Management

Interest rate risk arises from movements in interest rates which could have effects the group's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates.

The group manages its interest rate risk by having a portfolio of fixed and variable rate loans and borrowings. The group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed principal amount outstanding at the time of inception of the swap. Out of the total long term borrowings, the amount of fixed interest loan aggregate ₹ 15.63 crores and floating interest loan aggregates ₹2,780.46 crores (Previous year : Fixed interest loan ₹ 438.88 crores and Floating interest loan ₹ 2,899.03 crores)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the group's profit before tax is affected through the impact on floating rate long term borrowings, as follows:

	Year ended March 31, 2025		Year ended March 31, 2024	
	₹ loans interest rate increases by 0.50 %	Foreign currency loans interest rate increases by 0.15 %	₹ loans interest rate increases by 0.50 %	Foreign currency loans interest rate increases by 0.15 %
Decrease in profit before tax by	(0.94)	(3.89)	(1.75)	(4.05)

In case of decrease in interest rate by above mentioned percentage, there would be a comparable positive impact on the profit before tax as mentioned above.

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C. Hedge accounting

Cash flow hedges

The amounts at the reporting date relating to the item designed as hedge items are as follows:

Hedging instruments	As at March 31, 2025			Year ended March 31, 2025	As at March 31, 2024			Year ended March 31, 2024
	Nominal amount (₹ Crores)	Carrying amount Assets / (liabilities) (₹ Crores)	Line item where the hedging instrument is included	Change in the value of the hedging instrument recognised in OCI	Nominal amount (₹ Crores)	Carrying amount Assets / (liabilities) (₹ Crores)	Line item where the hedging instrument is included	Change in the value of the hedging instrument recognised in OCI (₹ Crores)
Foreign exchange contracts *	6,192.50	11.30 (25.63)	Other financial assets (current and non - current) Other financial liabilities (current and non - current)	(57.07)	5,602.12	48.48 (5.73)	Other financial assets (current and non - current) Other financial liabilities (current and non - current)	104.04
Foreign currency denominated creditors	-	-	Other financial liabilities (current and non - current)	15.69	134.11	(134.11)	Other financial liabilities (current and non - current)	4.58
Foreign currency denominated loans	1,893.07	(1,893.07)	Non-current/ current borrowings	34.82	2,233.66	(2,233.66)	Non-current/ current borrowings	3.29
Interest rate swap contacts	-	-	-	-	-	-	-	(0.89)

Fair Value hedges

The amounts at the reporting date relating to the item designed as hedge items are as follows:

Hedging instruments	As at March 31, 2025			Year ended March 31, 2025	As at March 31, 2024			Year ended March 31, 2024
	Nominal amount (₹ Crores)	Carrying amount Assets / (liabilities) (₹ Crores)	Line item where the hedging instrument is included	Change in the value of the hedging instrument recognised in statement of profit and loss	Nominal amount (₹ Crores)	Carrying amount Assets / (liabilities) (₹ Crores)	Line item where the hedging instrument is included	Change in the value of the hedging instrument recognised in statement of profit and loss (₹ Crores)
Foreign exchange contracts*	199.20	(0.18) 1.64	Other financial liabilities (current) Other financial assets (current)	2.00	183.14	(0.79) 0.25	Other financial liabilities (current) Other financial assets (current)	6.55

* Excluding forward contracts not designated as hedging instruments

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Movement of cash flow hedging reserve and cost of hedging reserve

Particulars	Cash flow hedging reserve		Cost of hedging reserve	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Opening Balance	(54.06)	(150.34)	3.40	4.74
Changes in the spot element of the forward contracts which is designated as hedging instruments for time period related hedge	(3.16)	(2.38)	-	-
Changes in the forward element of the forward contracts where changes in spot element of forward contract is designated as hedging instruments for time period related hedges (including contracts settled during the year)	-	-	-	(15.06)
Changes in fair value of forward contracts designated as hedging instruments recognised in OCI	(57.67)	121.48	-	-
Changes in fair value of interest rate swaps	-	(0.89)	-	-
Amount reclassified to profit or loss (Foreign exchange (gain) / loss)	115.09	39.03	(3.40)	13.29
Amount arising from remeasurement of financial liability	(61.42)	(28.77)	-	-
Taxes related to above	1.53	(32.19)	-	0.43
Closing Balance	**(59.69)**	**(54.06)**	**-**	**3.40**

Investment Risk

The primary goal of the Group's investment is to maintain liquidity along with meeting group's strategic purposes. Depending upon the investment strategy at inception, management classifies certain investments as FVTPL.The following table details the group's sensitivity to a 1% increase and decrease in the price of instruments.

	Year ended March 31, 2025		Year ended March 31, 2024	
	Market price increase by 1%	Market price decrease by 1%	Market price increase by 1%	Market price decrease by 1%
Impact on profit / (loss) for the year	7.71	(7.71)	4.71	(4.71)

39.3.2 Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily trade receivables, loans and other financial assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The group does not require collaterals in respect of trade receivables, loans and contract assets.

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Credit risk from balances with banks and financial institutions is managed by the group's treasury department in accordance with the group's policy. Investments of surplus funds are made only with counterparties who meet the parameters specified in Investment Policy of the group. The investment policy specifies the limits of investment in various categories of products so as to minimize the concentration of risks and therefore mitigate financial loss due to counterparty's potential failure.

The derivatives are entered into with reputed and well established banks and financial institutions.

The cash and cash equivalents and other banks balances are held with banks, financial institutions and other counterparties, which are rated AA or above. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The Group limits its exposure to credit risk by investing in liquid debt securities and only with counterparties that have a credit rating of at least AA or above. The group permits exposure in corporate bonds only up to the specified amount as per its Board policy. Also, mutual fund investments are permitted only in those funds where the corpus size is more than ₹ 2,000 crores. The Group monitors its investment portfolio on continues basis to assess whether there has been a significant increase in credit risk whether or not reflected in the published ratings.

Expected credit loss on financial assets:

To manage credit risk for trade receivables, the group establishes credit approvals and credit limits, periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

With regard to all financial assets with contractual cash flows other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties, from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets other than as detailed below.

Loss allowance for the following financial assets have been recognised by the group:

	Note No.	As at March 31, 2025	As at March 31, 2024
Loans - current	7	2.74	2.74
Trade receivables	12	4.62	7.56
		7.36	**10.30**

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Movement of loss allowance :

	Loans (current and non current)	Trade receivables
As at April 1, 2023	**2.74**	**5.30**
Provided during the year	-	4.22
Reversed/ utilised during the year	-	(1.96)
As at March 31, 2024	**2.74**	**7.56**
Provided during the year	-	1.60
Reversed/ utilised during the year	-	(4.54)
As at March 31, 2025	**2.74**	**4.62**

Other than financial assets mentioned above, none of the group's financial assets are impaired, as there are no indications that defaults in payments obligation would occur.

39.3.3 Liquidity Risk Management

Liquidity risk is the risk of non-availability of financial facilities available to the group to meet its financial obligations. The group's objective is to maintain a balance between continuity of funding and flexibility through the use of money market instruments, bank overdrafts, bank loans, debentures and other types of facilities. The liquidity management is governed by the Board approved liquidity management policy. Any deviation from the policy has to be approved by the Treasury Management comprising of Chairman and Managing Director, Chief Financial Officer and Treasury Head. The group assesses the concentration of risk with respect to refinancing its debt, guarantee given and funding of its capital expenditure according to needs of the future. The group manages its liquidity by holding appropriate volumes of liquid assets which are available for its disposal on T +1 basis and by maintaining open credit lines with banks.

The Group has a secured bank loans which contain loan covenants. A future breach of any covenant may require the Group to repay the loans earlier than their original payment date. These covenants are monitored by the treasury department and regularly reported to management to ensure compliance with the agreement.

The Group also participates in a supply chain financing arrangement (SCF) with the principal purpose of facilitating efficient payment processing of supplier invoices. The SCF allows the Group to centralise payments of trade payables to the bank rather than paying each supplier individually. While the SCF does not extend payment terms beyond the normal terms agreed with other suppliers that are not participating, the programme assists in making cash outflows more predictable. Also refer note 19

Also refer note 12 for receivables purchase agreements entered into by the group as a part of its liquidity risk management policy.

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

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(All amounts in ₹ Crores, unless otherwise stated)

As at March 31, 2025	Less than 1 year	More than 1 year and upto 5 years	More than 5 years	Total
Borrowings*	2,776.08	2,050.42	103.47	4,929.97
Lease Liabilities **	34.17	54.80	37.17	126.14
Trade payables	2,331.59	-	-	2,331.59
Derivative liabilities	9.35	16.46	-	25.81
Other financial liabilities	275.09	-	1.99	277.08
	5,426.28	**2,121.68**	**142.63**	**7,690.60**

As at March 31, 2024	Less than 1 year	More than 1 year and upto 5 years	More than 5 years	Total
Borrowings*	2,848.43	2,123.16	437.88	5,409.47
Lease Liabilities **	35.04	81.71	41.93	158.68
Trade payables	2,197.76	-	-	2,197.76
Derivative liabilities	5.76	0.80	-	6.56
Other financial liabilities	461.66	-	-	461.66
	5,548.64	**2,205.67**	**479.81**	**8,234.13**

* includes currrent maturity of non current borrowings and future cash outflow towards estimated interest on non -current borrowings.

** including future cash outflow towards estimated interest on lease liabilities.

40 Contract balances

The following table provides information about contract liabilities from contracts with customers

Contract liability	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	33.05	45.90
Revenue recognised that was included in the contract liability balance at the beginning of the period	(33.05)	(45.90)
Increase due to cash received, excluding the amount recognised as revenue during the period	28.68	33.05
Closing balance	**28.68**	**33.05**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

41 Right-of-use assets

The group leases various types of assets including land, buildings and plant & machinery. Information about leases for which the group is a lessee is presented below.

Particulars	Land	Buildings	Plant & equipment	Total
Cost				
Balances at April 1, 2023	**184.65**	**45.43**	**125.89**	**355.97**
Additions/adjustments	6.49	5.21	9.73	21.43
Derecognition	-	(6.66)	(4.71)	(11.37)
Balance at March 31,2024	**191.14**	**43.98**	**130.91**	**366.03**
Additions/adjustments	-	-	2.07	2.07
Derecognition	-	-	(6.25)	(6.25)
Balance at March 31,2025	**191.14**	**43.98**	**126.73**	**361.85**
Accumulated depreciation				
Balances at April 1, 2023	**6.33**	**26.39**	**36.04**	**68.76**
Depreciation expenses	2.18	6.68	23.14	32.00
Disposals	-	(6.66)	(4.71)	(11.37)
Balances at March 31, 2024	**8.51**	**26.41**	**54.47**	**89.39**
Depreciation expenses	2.12	6.88	20.73	29.73
Disposals	-	-	(6.25)	(6.25)
Balance at March 31,2025	**10.63**	**33.29**	**68.95**	**112.87**
Net block				
Balances at March 31, 2024	**182.63**	**17.57**	**76.44**	**276.64**
Balances at March 31, 2025	**180.51**	**10.69**	**57.78**	**248.98**

Lease liabilities included in the Balance Sheet	As at March 31, 2025	As at March 31, 2024
Current	28.74	27.51
Non-current	56.05	82.79

The average incremental borrowing rate applied to lease liabilities during the year ranges from 6.75% to 7.89% (Previous year: ranges from 8.03% to 8.41%).

Amounts recognised in Statement of Profit and Loss	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease liabilities (refer note 27)	7.57	9.07
Depreciation expense (refer note 28)	29.73	32.00
Expenses relating to short-term leases (refer note 29)	5.87	10.62
Expenses relating to low value leases (refer note 29)	37.54	31.15

Amounts recognised in Cash Flow Statement	Year ended March 31, 2025	Year ended March 31, 2024
Total cash outflow for leases	35.16	37.18

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

42 Group Information

Name	Principal activities	Country of incorporation	% equity interest	
			March 31, 2025	March 31, 2024
SRF Holiday Home Limited	Development and lease of Industrial, commercial and residential complexes	India	100%	100%
SRF Altech Limited	Manufacture of aluminium foil	India	100%	100%
SRF Employees Welfare Trust (Controlled Trust)	Implementation and operationalisation of long term incentive plans of the Company	India	*	*
SRF Global BV	Investment company	Netherlands	100%	100%
SRF Flexipak (South Africa) (Pty) Limited (subsidiary of SRF Global BV)	Manufacture of BOPP and metallized BOPP films	Republic of South Africa	100%	100%
SRF EUROPE Kft (subsidiary of SRF Global BV)	Manufacture of Polyester film and metallized Polyester film	Hungary	100%	100%
SRF Industries (Thailand) Limited (subsidiary of SRF Global BV)	Manufacture of Polyester film and metallized Polyester film & trading of chemical products	Thailand	100%	100%
SRF Industex Belting (Pty) Limited (subsidiary of SRF Global BV)	Trading of packaging films and chemical products	Republic of South Africa	100%	100%
SRF Middle East LLC (subsidiary of SRF Global BV)	Trading of chemical products	Dubai	100%	**

* By virtue of management control.

** SRF Middle East LLC was established on March 12, 2024 as a subsidiary of SRF Global BV. In terms of the Memorandum of Association of SRF Middle East LLC, SRF Global BV shall subscribe to 365 equity shares of AED 1,000 each aggregating to AED 3,65,000, which was under process as at March 31, 2024. The same has been subscribed during the current financial year.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

43 Additional information as required by Paragraph 2 of General Instructions for preparation of consolidated financial statements of Division II of Schedule III to the Companies Act, 2013

	Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (₹ Crores)	As % of consolidated Share in profit or loss	Amount (₹ Crores)	As % of consolidated other comprehensive income	Amount (₹ Crores)	As % of total consolidated comprehensive income	Amount (₹ Crores)
I	**Parent - SRF Limited**	91.62%	11,568.65	101.38%	1,268.07	(8.05)%	(8.16)	93.18%	1,259.91
II	**Subsidiaries:**								
A	**Indian**								
(1)	SRF Holiday Home Limited	0.03%	4.05	-	(0.04)	-	-	-	(0.04)
(2)	SRF Altech Limited	3.82%	482.29	(3.22)%	(40.34)	(0.01)%	(0.01)	(2.98)%	(40.35)
(3)	SRF Employees Welfare Trust (Controlled Trust)	-	0.04	-	-		-		-
B.	**Foreign**								
(1)	SRF Global BV (Consolidated)	9.58%	1,209.97	1.80%	22.55	108.00%	109.48	9.76%	132.03
	Adjustments arising out of consolidation	(5.05)%	(638.80)	0.04%	0.54	0.06%	0.07	0.04%	0.61
Total		**100%**	**12,626.20**	**100%**	**1,250.78**	**100%**	**101.38**	**100%**	**1,352.16**
Non-controlling Interests in all subsidiaries		**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

44 ADDITIONAL DISCLOSURES

(a) RESEARCH AND DEVELOPMENT EXPENDITURE

The details of research and development expenditure of ₹ 154.27 crores (Previous Year - ₹ 146.41 crores) included in these financials statements are as under:

	Year ended March 31, 2025	Year ended March 31, 2024
Capital expenditure	19.68	20.46
Revenue expenditure	134.59	125.95
	154.27	**146.41**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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

	Year ended March 31, 2025	Year ended March 31, 2024
Cost of material consumed	0.08	0.74
Salaries and wages, including Bonus	63.69	56.21
Contribution to provident and other funds	4.34	3.74
Workmen and staff welfare expenses	4.62	4.60
Stores and spares consumed	6.54	5.61
Power and fuel	8.96	10.41
Rent	0.58	1.32
Repairs and maintenance		
- Buildings	0.04	0.08
- Plant and machinery	12.66	12.39
- Others	1.49	2.05
Insurance	1.38	1.10
Rates and taxes	0.06	0.04
Travelling and conveyance	2.01	2.36
Legal and professional charges	4.95	5.34
Depreciation and amortisation expense	17.06	14.56
Interest cost	^	^
Miscellaneous expenses	6.13	5.40
	134.59	**125.95**

^ Absolute amount ₹ 177 (Previous Year: ₹ 19,704)

(b) MANAGERIAL REMUNERATION

	Year ended March 31, 2025	Year ended March 31, 2024
(i) (a) Remuneration to Chairman & Managing Director/ Joint Managing Director/ Whole time Directors		
Salary and contribution to provident and other funds	23.08	22.40
Value of perquisites	2.13	2.08
Commission	16.00	16.00
SUB-TOTAL	**41.21**	**40.48**
(b) Remuneration to Non Executive Directors		
Commission	1.26	1.26
Directors' sitting fees	0.29	0.21
SUB-TOTAL	**1.55**	**1.47**
TOTAL	**42.76**	**41.95**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(c) The Group has elected to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items as described in Para D13 AA of Ind AS 101. Accordingly, exchange loss/ (gain) arising on all long term monetary items financed or re-financed on or before March 31, 2016 relating to acquisition of following depreciable assets are added to/ adjusted from the cost of such assets/ capital work in progress and will be depreciated over the balance useful life of such assets.

Exchange loss/ (gain) added/ (adjusted)	Year ended March 31, 2025	Year ended March 31, 2024
Property, plant and equipment		
- Roads	-	-
- Buildings	-	0.03
- Plant and equipment	0.75	1.23
	0.75	**1.26**

The cumulative exchange loss/ (gain) added/ (adjusted) and remaining unamortised as at March 31, 2025 is ₹ 216.46 crores (Previous year: ₹ 224.95 crores).

(d) Disclosure on corporate social responsibility expense:

	Year ended March 31, 2025	Year ended March 31, 2024
(i) Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	43.37	41.04
(ii) Amount approved by the Board to be spent during the year		
a) in respect of ongoing projects	17.38	21.69
b) in respect of other than ongoing projects	25.99	19.35
(iii) Actual amount spent during the year :		
a) in respect of ongoing projects	2.50 ***	12.18
b) in respect of other than ongoing projects	25.99	19.33 ^
(iv) Amount unspent during the year out of (ii) above (in respect of ongoing projects)	17.38	9.51
(v) Amount spent during the year on :		
a) construction /acquistion of an assets	2.50 ***	13.24
b) On purpose other than (a) above	25.99	18.27
(vi) Detail of related party transactions (refer note no. 34.2)	15.31	25.70
(vii) Nature of CSR activities:	School education, promotion of healthcare, art and cultural projects, apprenticeship programme, vocational skills and livelihood projects, disaster management, environment project and other CSR projects etc.	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(viii) Details of ongoing CSR projects under Section 135(6) of the Act:

Financial Year	Opening balance		Amount required to be spent	Amount spent during the year		Closing balance	
	With Company's bank account	In separate CSR Unspent account		From Company's bank account	From separate CSR Unspent account	With Company's bank account	In separate CSR Unspent account
For the year ended March 31, 2025							
FY 2024-25	-	-	17.38	-	-	17.38**	-
FY 2023-24	9.51*	-	9.51	-	2.50***	-	7.01
For the year ended March 31, 2024							
FY 2023-24	-	-	21.69	12.18	-	9.51*	-

* The amount was transferred to Unspent CSR Bank account on April 30, 2024.

** The amount was transferred to Unspent CSR Bank account on April 30, 2025.

*** Includes an amount of ₹ 0.76 crores disbursed to CSR implementation agency, which is yet to be spent.

^ Out of ₹ 0.07 crore excess CSR spent during the year ended March 31, 2023, an amount of ₹ 0.02 crore have been utilised in previous financial year.

(**e**) The Company has established a comprehensive system of maintenance of information and documents as required by transfer pricing legislation under section 92D for its international transactions as well as specified domestic transactions. Based on the transfer pricing regulations/ policy, the transfer pricing study for the year ended March 31, 2025 is to be conducted on or before due date of the filing of return and the Company will further update above information and records based on the same and expects these to be in existence latest by that date. Management believes that all the above transactions are at arm's length price and the aforesaid legislations will not have material impact on the financial statement, particularly on the amount of tax expense and provision for taxation.

(**g**) In December 2023, the operations of Technical Textile Business plant, located in Manali Industrial Area, Chennai, Tamil Nadu, were disrupted due to cyclone with flooding and waterlogging in the plant premises. This incident led to damage of certain items of Property, Plant and Equipment and Inventory. Plant operations were resumed in a phased manner by February 2024. The Company is covered under its insurance policy on a 'Reinstatement Value basis' against the estimated losses. Based on the current best estimates of the management, expected loss has been considered in these consolidated financial statements under the respective heads (net of claim recoverable) as below:

	Year ended March 31, 2025	Year ended March 31, 2024
Loss of inventories and property, plant and equipment recognised	2.48	38.84
Repair and restoration expenses incurred during the year	8.12	16.56
Related insurance claim (net of adjustment of deductible)	9.26	51.50

Additionally, during the current year, certain related items of Property, plant and equipment (written off in the previous year) have been reinstated at a cost of ₹ 30.49 crores and the related insurance claim recognised as income in the consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Further, the Company has recognised an income for claim against Business Interruption loss of ₹ 10.00 Crores during the current year. Any additional cost towards further repair and maintenance, replacement of items of property, plant and equipment, other incidental costs and adjustment from change in estimates (including for insurance claim receivable from insurer) would be considered in the period of incurrence / change.

(g) OTHER STATUTORY INFORMATION

(i) There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of subsidiaries which are incorporated in India, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) There are no funds which have been received by the Holding Company or any of subsidiaries which are incorporated in India, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall:

a) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) The group does not have any transactions with companies which are struck off, except the following:

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024	Relationship with the struck off company, if any
Jyotsna Engineers & Consultants Private Limited	Advance given	^	^	Vendor
Krishna Freeze Private Limited	Advance received	-	0.02	Customer
Perfect Refcon & Tools Private Limited	Advance received	-	0.01	Customer
Crownstar Industries Private Limited	Payables	0.01	0.01	Vendor
Vaishak Shares Limited	Dividend paid	^^	-	Shareholder

^ Amount in absolute ₹ 2,000 (Previous year: ₹ 2,000)

^^ Amount in absolute ₹ 36 (Previous year: Nil)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(iv) The group does not have any benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.

(v) The group is not declared a wilful defaulter by any bank or financial institution or any other lender.

(vi) The Company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) The group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(ix) The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration no: 101248W/W-100022

Ashish Bansal
Partner
Membership No.: 077569

Place: Gurugram
Date : May 12, 2025

For and on behalf of the Board of Directors

Ashish Bharat Ram
Chairman and Managing Director
DIN - 00671567

Kartik Bharat Ram
Joint Managing Director
DIN - 00008557

Raj Kumar Jain
Director
DIN - 01741527

Rahul Jain
President & CFO

Rajat Lakhanpal
Senior Vice President (Corporate Compliance) and Company Secretary

Place: Gurugram
Date : May 12, 2025

Statement pursuant to first proviso to sub section(3) of section 129 of Companies Act 2013,read with rule 5 of Companies (Accounts) Rules, 2014 in prescribed form AOC-1 relating to subsidiaries/associates companies/joint ventures

A Statement showing salient features of the financial statements of subsidiaries

Indian Subsidiaries

S. No.	Name of the subsidiary	SRF Holiday Home Limited (subsidiary of SRF Limited) (₹ Crores)	SRF Altech Limited (subsidiary of SRF Limited) (₹ Crores)
(a)	Reporting Period	April 1, 2024 to March 31, 2025	April 1, 2024 to March 31, 2025
(b)	Date since when subsidiary was acquired/formed	30.01.2008	15.03.2022
(c)	Reporting Currency	INR	INR
(d)	Exchange Rate	-	-
(e)	Share Capital	4.30	425.00
(f)	Reserves and Surplus	(0.25)	57.29
(g)	Total Assets	4.07	940.13
(h)	Total Liabilities	0.02	457.84
(i)	Investment	-	-
(j)	Turnover	-	315.12
(k)	Profit/(Loss) Before Taxation	(0.05)	(48.46)
(l)	Tax expense / (income)	(0.01)	(8.12)
(m)	Profit/(Loss) After Taxation	(0.04)	(40.34)
(n)	Proposed Dividend	-	-
(o)	% of shareholding	100%	100%

		SRF Employees Welfare Trust Controlled Trust (₹ Crores)
(a)	Reporting Period	April 1, 2024 to March 31, 2025
(b)	Date since when Trust was acquired/formed	27.06.2018
(c)	Reporting Currency	INR
(d)	Exchange Rate	-
(e)	Share Capital	-
(f)	Reserves and Surplus	0.04
(g)	Total Assets	0.04
(h)	Total Liabilities	-
(i)	Investment	-
(j)	Turnover	-
(k)	Profit/(Loss) Before Taxation	(0.00)
(l)	Tax expense / (income)	-
(m)	Profit/(Loss) After Taxation	(0.00)
(n)	Proposed Dividend	-
(o)	% of shareholding	100%

Foreign Subsidiaries

S. No.	Name of the subsidiary	SRF Global BV # (subsidiary of SRF Limited)		SRF Flexipak (South Africa) (Pty) Limited # (subsidiary of SRF Global BV)	
		USD	₹ Crores	Rand	₹ Crores
(a)	Reporting Period	April 1, 2024 to March 31, 2025		April 1, 2024 to March 31, 2025	
(b)	Date since when subsidiary was acquired/ formed	20.10.2008		26.10.2011	
(c)	Reporting Currency	USD	₹ Crores	Rand	₹ Crores
(d)	Exchange Rate	85.48		4.71	
(e)	Share Capital	13,942,698	119.18	100	0.00
(f)	Reserves and Surplus	(2,431,411)	(20.78)	625,730,317	294.72
(g)	Total Assets	62,743,857	536.33	1,078,658,355	508.05
(h)	Total Liabilities	51,232,570	437.94	452,927,938	213.33
(i)	Investment	29,136,449.00	249.06	-	-
(j)	Turnover	-	-	1,374,244,840	647.27
(k)	Profit/(Loss) Before Taxation	1,063,373	9.09	190,733,652	89.84
(l)	Tax expense / (income)	-	-	51,498,086	24.26
(m)	Profit/(Loss) After Taxation	1,063,373	9.09	139,235,566	65.58
(n)	Proposed / paid Dividend	-	-	60,000,000	28.26
(o)	% of shareholding	100%		100%	

S. No.	Name of the subsidiary	SRF Industries (Thailand) Limited # (subsidiary of SRF Global BV)		SRF Industex Belting (Pty) Limited # (subsidiary of SRF Global BV)	
		THB	₹ Crores	Rand	₹ Crores
(a)	Reporting Period	April 1, 2024 to March 31, 2025		April 1, 2024 to March 31, 2025	
(b)	Date since when subsidiary was acquired/ formed	08.09.2008		13.06.2008	
(c)	Reporting Currency	THB	₹ Crores	Rand	₹ Crores
(d)	Exchange Rate	2.52		4.71	
(e)	Share Capital	200,000,300	50.40	13,320,202	6.27
(f)	Reserves and Surplus	3,666,656,466	924.00	(20,892,935)	(9.84)
(g)	Total Assets	7,603,027,263	1,915.96	138,220,648	65.10
(h)	Total Liabilities	3,736,370,497	941.57	145,793,381	68.67
(i)	Investment	-	-	-	-
(j)	Turnover	6,405,766,931	1,614.25	316,909,027	149.26
(k)	Profit/(Loss) Before Taxation	10,043,818	2.53	30,533,140	14.38
(l)	Tax expense / (income)	(5,137,735)	(1.29)	8,243,947	3.88
(m)	Profit/(Loss) After Taxation	15,181,553	3.83	22,289,193	10.50
(n)	Proposed Dividend	-	-	-	-
(o)	% of shareholding	100%		100%	

S. No.	Name of the subsidiary	SRF Europe Kft # (subsidiary of SRF Global BV)		SRF Middle East LLC # (subsidiary of SRF Global BV)	
		EURO	₹ Crores	EURO	₹ Crores
(a)	Reporting Period	April 1, 2024 to March 31, 2025		April 1, 2024 to March 31, 2025	
(b)	Date since when subsidiary was acquired/ formed	25.04.2018		12.03.2024	
(c)	Reporting Currency	EURO	₹ Crores	AED	₹ Crores
(d)	Exchange Rate	92.11		23.27	
(e)	Share Capital	1,010,000	9.30	365,245.00	0.85
(f)	Reserves and Surplus	(78,760)	(0.73)	462,700.00	1.08
(g)	Total Assets	101,404,179	934.03	3,426,539.00	7.97
(h)	Total Liabilities(external liabilities)	100,472,939	925.46	2,598,595	6.05
(i)	Investment	-	-	-	-
(j)	Turnover	63,057,089	580.82	5,326,653.00	12.40
(k)	Profit/(Loss) Before Taxation	(3,523,529)	(32.46)	471,373.00	1.10
(l)	Tax expense / (income)	-	-	8,674.00	0.02
(m)	Profit/(Loss) After Taxation	(3,523,529)	(32.46)	462,699	1.08
(n)	Proposed Dividend	-	-	-	-
(o)	% of shareholding	100%		100%	

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

(i) 1 USD = ₹ 85.48
(ii) 1 Baht = ₹ 2.52
(iii) 1 Rand = ₹ 4.71
(iv) 1 Euro = ₹ 92.11
(v) 1 AED = ₹ 23.27

B Statement containing salient features of the financial statements of associates companies/ joint ventures

Name of Associate Companies/Joint Ventures #	Malanpur Captive Power Ltd. **	Vaayu Renewable Energy(Tapti) Pvt. Ltd.
Latest audited Balance Sheet date	31.03.2023	31.03.2024
Date on which the Associate was associated or acquired	09.01.2007	29.05.2013
Shares of associate held by the company on the year end		
Number of shares :	4,221,535	50,000
Amount of investment in Associate Companies	4.22	0.05
Extent of holding (%)	22.60%	26.32%

Description of how there is significant influence	Due to control of at least 20% of total share capital as envisaged in Sec. 2(6) of the Companies Act, 2013	Due to control of at least 20% of total share capital as envisaged in Sec. 2(6) of the Companies Act, 2013
Reason why the associate company is not consolidated	*	*
Net worth attributable to shareholding as per latest Audited Balance Sheet	(8.75)	9.90
Profit & loss for the year		
(i) Considered in Consolidation	Nil	Nil
(ii) Not considered in Consolidation	(0.05)	(1.34)

The company has no joint venture

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

** The financial statements for the period ended March 31, 2024 are not avilable with the Company, hence the disclousre have been given for the period ended March 31, 2023.

For and on behalf of the Board of Directors

Ashish Bharat Ram
Chairman and Managing Director
DIN - 00671567

Kartik Bharat Ram
Joint Managing Director
DIN - 00008557

Raj Kumar Jain
Director
DIN - 01741527

Rahul Jain
President & CFO

Rajat Lakhanpal
Senior Vice President (Corporate Compliance) and Company Secretary

Place : Gurugram
Date : May 12, 2025