Independent Auditor's Report

To the Members of SRF Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 38 to standalone financial statements

Key audit matter	How the matter was addressed in our audit
The Company uses derivative financial instruments to mitigate foreign currency risk primarily through foreign currency forward exchange contracts. Further, the Company 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 Company'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 29 to standalone financial statements

Key audit matter	How the matter was addressed in our audit
The 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 29 of the standalone financial statements, in the previous year, the Company had decided to reverse a significant amount of provision for tax recognized in earlier years, in respect of two 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. Given the significant level of continuing judgement and amounts involved, we have determined this to be a key audit matter.	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, Company's uncertain tax position by performing the following: (i) Identifying key judgements underlying uncertain tax position (ii) Evaluating relevant factors taken into consideration by the 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.

2. Assessment of uncertain tax position on taxability of income from sale of Carbon emission reduction ("CER") certificates	
See Note 29 to standalone financial statements	
Key audit matter	**How the matter was addressed in our audit**
	d. Based on the above, evaluating whether 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 Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone 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 Company's ability to continue as a going concern. 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 standalone 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 Company to cease to continue as a going concern.

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

We communicate with those charged with governance 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 standalone 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.

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, we report that:

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

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

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

e. On the basis of the written representations received from the directors between 1 April 2025 and 25 April 2025, taken on record by the Board of Directors, none of the directors 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 Company 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:

a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38 to the standalone financial statements.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40(h)(viii) to the standalone 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 Company 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 Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40(h)(ix) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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, nothing has come to our notice that has caused us 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 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, the Company has 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 Company 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, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/ payable to any director 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:25077569BMOVUW3759

Place: Gurugram
Date: 12 May 2025

Annexure A to the Independent Auditor's Report on the Standalone 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)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained, and for goods-in-transit, subsequent evidence of receipts till date of the report has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security nor granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in, provided guarantees and granted loans to companies and other parties, in respect of which the requisite information is as below. The Company has not made any investments in, provided guarantees and granted loans to firms or limited liability partnership.

(a) Based on the audit procedures carried out by us and as per the information and explanations given to us the Company has provided loans or stood guarantee, to entities as below:

Particulars	Guarantees (₹ in Crores)	Loans (₹ in Crores)
Aggregate amounts during the year		
(i) Subsidiaries*	64.48	125.00
(ii) Others (Officers* and employees)	-	28.30
Balance outstanding as at balance sheet date		
(i) Subsidiaries*	2,444.67	129.00
(ii) Others (Officers* and employees)	-	65.53

*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the investments made and guarantees provided during the year, and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion, the repayment of principal and payment of interest have been stipulated, and the repayments or receipts have been regular, except for the loan of ₹ 125.00 crores given to SRF Altech Limited (a wholly owned subsidiary), which is repayable on demand, including interest thereon and has been received to the extent demanded during the year. Thus, there has been no default on the part of the party to whom the money has been lent. Further, the Company has not given any advances in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

Particulars	Related Parties (Amount in crores)
Aggregate of loan	
- Repayable on demand (A)	125.00
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	**125.00**
Percentage of loan to the total loans	81.54%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount* (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Central Excise Laws	Excise Duty	2.64	1993-02	Upto Commissioner (Appeals)	None
Service Tax Laws	Service Tax	3.15	2006-15	Upto Commissioner (Appeals)	
		0.19	2016-18	Customs Excise and Service Tax Appellate Tribunal	
Customs Law	Customs Duty	1.27	2012-13	Supreme Court	
		0.17	2002	Upto Commissioner (Appeals)	
Sales Tax Laws	Sales Tax	4.41	2014-17	Sales tax Appellate Tribunal	
		3.61	1988-2017	Upto Commissioner (Appeals)	
Income Tax Laws	Income Tax	1.13	AY 1989-90	Supreme Court	
		12.35	AY 2018-19	Upto Income tax Appellate Tribunal	
		4.30	AY 2007-08	Upto Commissioner of Income Tax (Appeal)	
		68.76	AY 2022-23		
Goods & Service tax Laws	Goods & Service Tax	226.55	2019-22	Upto Commissioner (Appeals)	
		19.34	2017-21	Upto Commissioner (Appeals)	
		2.47	2017-18	High Court	
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	0.21	2011-16	EPF Appellate Tribunal	
		0.30	2011-13	Central Government Industrial Tribunal	

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

Name of the statute	Nature of the dues	Amount* (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Laws	Income Tax	2.64	AY 2000-01	High Court	None
		1.08	AY 2001-02		
Central Excise Laws	Excise Duty	1.18	1994-95	High Court	
		2.24	1989-95	Upto Commissioner (Appeals)	
Customs Law	Customs Duty	0.01	2012-13	Upto Commissioner (Appeals)	

*The amounts disclosed are net of payments made under protest and include interest and penalties, wherever determined.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained, other than ₹ 60.50 crores which remain unutilised as at 31 March 2025 pending application towards ongoing capital expenditure. The Company has temporarily invested such unutilised balance in fixed deposits with a bank as at 31 March 2025.

(d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, in respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

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

Ashish Bansal
Partner
Membership No.: 077569
ICAI UDIN:25077569BMOVUW3759

Place: Gurugram
Date: 12 May 2025

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

Report on the internal financial controls with reference to the aforesaid standalone 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

We have audited the internal financial controls with reference to financial statements of SRF Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, 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 the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The 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 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 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 Company's 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 standalone financial statements, whether due to fraud or error.

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

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

Ashish Bansal
Partner
Membership No.: 077569
ICAI UDIN:25077569BMOVUW3759

Place: Gurugram
Date: 12 May 2025

Standalone 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	2	10,483.00	10,078.20
Right-of-use assets	37	221.22	248.59
Capital work-in-progress	3	701.91	744.79
Other intangible assets	4	105.09	111.76
Financial assets			
(i) Investments	5	782.54	629.77
(ii) Loans	6	52.06	50.04
(iii) Other financial assets	7	137.87	190.48
Other tax assets (net)	20	202.96	206.85
Other non-current assets	8	185.73	114.23
Total non-current assets		**12,872.38**	**12,374.71**
Current assets			
Inventories	9	1,804.88	1,901.01
Financial assets			
(i) Investments	5	704.53	405.58
(ii) Trade receivables	10	1,765.14	1,538.00
(iii) Cash and cash equivalents	11	313.85	361.77
(iv) Bank balances other than above	12	15.25	8.21
(v) Loans	6	142.47	322.05
(vi) Other financial assets	7	158.63	201.48
Other current assets	8	253.29	251.83
Total current assets		**5,158.04**	**4,989.93**
TOTAL ASSETS		**18,030.42**	**17,364.64**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	297.44	297.44
Other equity	14	11,271.21	10,216.27
Total equity		**11,568.65**	**10,513.71**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15	1,566.60	1,662.06
(ii) Lease liabilities	37	55.01	81.75
(iii) Other financial liabilities	19	18.45	0.80
Provisions	16	67.63	60.96
Deferred tax liabilities (net)	17	993.20	880.28
Other non-current liabilities	21	127.33	122.75
Total non-current liabilities		**2,828.22**	**2,808.60**

Standalone 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	15	1,686.87	1,949.45
(ii) Lease liabilities	37	28.74	27.51
(iii) Trade payables	18		
(a) Total outstanding dues of micro enterprises and small enterprises		93.24	84.28
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,477.01	1,483.53
(iv) Other financial liabilities	19	248.01	404.56
Other current liabilities	21	75.33	73.97
Provisions	16	7.75	7.27
Current tax liabilities (net)	20	16.60	11.76
Total current liabilities		**3,633.55**	**4,042.33**
TOTAL LIABILITIES		**6,461.77**	**6,850.93**
TOTAL EQUITY AND LIABILITIES		**18,030.42**	**17,364.64**
Summary of material accounting policies	1B		
See accompanying notes to the standalone financial statements	2 to 40		

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

Standalone 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	22	11,697.97	10,786.67
II	Other income	23	174.97	119.42
III	**Total Income (I + II)**		**11,872.94**	**10,906.09**
IV	**Expenses**			
	Cost of materials consumed	24.1	5,602.99	5,196.28
	Purchases of stock-in-trade	24.2	95.89	83.61
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24.3	23.27	(114.32)
	Employee benefits expense	25	869.11	790.33
	Finance costs	26	296.35	235.60
	Depreciation and amortisation expense	27	629.96	555.85
	Other expenses	28	2,650.99	2,440.86
	Total Expenses		**10,168.56**	**9,188.21**
V	**Profit before tax (III - IV)**		**1,704.38**	**1,717.88**
VI	**Tax expense**	29		
	Current tax		320.72	244.67
	Deferred tax			
	Others		115.59	99.18
	Total tax expense		**436.31**	**343.85**
VII	**Profit for the year (V - VI)**		**1,268.07**	**1,374.03**
VIII	**Other comprehensive income**			
A	Items that will not be reclassified to profit or loss			
	(i)(a) Gain / (loss) on remeasurement of defined benefit obligation	14.2, 33.2	(0.28)	(4.59)
	(i)(b) Income tax on item (i)(a) above	14.2, 30	0.07	1.16
B	Items that will be reclassified to profit or loss			
	(i)(a) Effective portion of gain / (loss) on hedging instruments in a cash flow hedge	14.3	(6.08)	127.90
	(i)(b) Income tax on item (i)(a) above	14.3, 30	1.53	(32.19)
	(ii)(a) Cost of Hedging Reserve	14.9	(4.54)	(1.70)
	(ii)(b) Income tax on item (ii)(a) above	14.9, 30	1.14	0.43
	Total other comprehensive income / (loss) for the year, net of taxes (A + B)		**(8.16)**	**91.01**

Standalone 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)**		**1,259.91**	**1,465.04**
	Basic and Diluted Earnings per equity share (in ₹)	36	42.78	46.35

Summary of material accounting policies 1B

See accompanying notes to the standalone financial statements 2 to 40

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

Standalone Statement of Cash Flow

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	1,704.38	1,717.88
	Adjustments for:		
	Finance costs	296.35	235.60
	Interest income	(67.06)	(44.95)
	Net gain on sale of property, plant and equipment	(1.62)	(4.77)
	Net gain on financial assets measured at fair value through profit and loss	(32.44)	(22.87)
	Credit impaired assets provided / written off / (written back)	1.25	(0.17)
	Amortisation of grant income	(9.54)	(18.77)
	Depreciation and amortisation expense	629.96	555.85
	Property, plant and equipment and inventory discarded / provided / (written back)	8.49	11.17
	Insurance income against Property, plant and equipment	(33.11)	-
	Provision / liabilities no longer required written back	(10.70)	(12.54)
	Net exchange currency fluctuation (gain) / loss	104.85	(38.62)
	Employee share based payment expense	8.45	8.54
	Stamp duty on purchase of investments	0.10	0.13
	Adjustments for (increase) / decrease in operating assets :-		
	Trade receivables	(230.49)	(101.30)
	Inventories	94.88	(59.23)
	Loans	(3.58)	(7.60)
	Other assets	82.75	38.74
	Adjustments for increase / (decrease) in operating liabilities :-		
	Trade payables	28.04	(81.84)
	Provisions	7.15	10.11
	Other liabilities	(5.05)	82.17
	Cash generated from operations	**2,573.06**	**2,267.53**
	Income taxes paid (net of refunds)	(308.84)	(364.69)
	Net cash generated from operating activities	**2,264.22**	**1,902.84**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Net sale / (purchases) of current investments	(267.11)	107.34
	Stamp duty on purchase of investments	(0.10)	(0.13)
	Purchase of non-current investments	(152.29)	(555.28)
	Sale of non-current investments	-	4.11
	Interest received	62.14	47.54
	Bank balances not considered as cash and cash equivalents	(6.92)	0.07
	Deposit made with Non Banking Financial Company (NBFC)	(50.00)	(25.00)
	Payment for purchase of property, plant and equipment, capital work-in-progress and other intangible assets	(1,128.82)	(1,865.39)
	Proceeds from disposal of property, plant and equipment	9.26	14.97
	Government grant received	35.59	-
	Loans given to subsidiaries	(125.00)	(365.04)
	Repayment of loans by subsidiaries	309.31	562.77
	Net cash used in investing activities	**(1,313.94)**	**(2,074.04)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from long term borrowings	406.94	814.67
	Repayment of long term borrowings	(931.24)	(369.70)
	Net proceeds from short term borrowings	83.85	86.47
	Dividends on equity share capital paid	(213.18)	(213.71)
	Payment towards lease liability	(35.09)	(37.11)
	Finance costs paid	(309.48)	(274.90)
	Net cash generated from / (used in) financing activities	**(998.20)**	**5.72**
	Net increase / (decrease) in cash and cash equivalents	**(47.92)**	**(165.48)**
	Cash and cash equivalents at the beginning of the year	**361.77**	**527.25**
	Cash and cash equivalents at the end of the year (Refer to note 11)	**313.85**	**361.77**

Standalone Statement of Cash Flow (Contd.)

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Notes:

(i) The cash flow statement has been prepared under indirect method as set out in Indian Accounting Standard-7 (Ind AS) 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 financing 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	Lease liability recognised	
Non-current borrowings*	2,569.00	(524.30)	3.53	64.34	-	-	-	2,112.57
Current borrowings^	1,042.51	83.85	-	14.54	-	-	-	1,140.90
Interest accrued	19.51	(309.48)	-	-	308.29	-	-	18.32
Lease liability	109.26	(35.09)	-	-	7.51	-	2.07	83.75
Dividend	6.55	(213.18)	-	-	-	213.43	-	6.80
Total	**3,746.83**	**(998.20)**	**3.53**	**78.88**	**315.80**	**213.43**	**2.07**	**3,362.34**

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	Lease liability recognised	
Non-current borrowings *	2,092.08	444.97	3.35	28.60	-	-	-	2,569.00
Current borrowings ^	947.18	86.47	-	8.86	-	-	-	1,042.51
Interest accrued	13.25	(274.90)	-	-	281.16	-	-	19.51
Lease liability	122.43	(37.11)	-	-	8.99	-	14.95	109.26
Dividend	6.83	(213.71)	-	-	-	213.43	-	6.55
Total	**3,181.77**	**5.72**	**3.35**	**37.46**	**290.15**	**213.43**	**14.95**	**3,746.83**

* including current maturities of long term borrowings

^ excluding current maturities of long term borrowings

including amount capitalised

Summary of material accounting policies 1B

See accompanying notes to the standalone financial statements 2 to 40

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

Standalone 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	Effective portion of cash flow hedge	Equity instrument through other comprehensive income	Cost of hedging reserve	
Balance at April 1, 2023	**219.19**	**711.04**	**10.48**	**509.56**	**11.63**	**7,643.98**	**(150.22)**	**(4.22)**	**4.67**	**8,956.11**
Profit for the year	-	-	-	-	-	1,374.03	-	-	-	1,374.03
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(3.43)	95.71	-	(1.27)	91.01
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**1,370.60**	**95.71**	**-**	**(1.27)**	**1,465.04**
Dividend ^	-	-	-	-	-	(213.43)	-	-	-	(213.43)
Employee share based payment expense	-	-	-	-	8.55	-	-	-	-	8.55
Balance at March 31, 2024	**219.19**	**711.04**	**10.48**	**509.56**	**20.18**	**8,801.15**	**(54.51)**	**(4.22)**	**3.40**	**10,216.27**
Profit for the year	-	-	-	-	-	1,268.07	-	-	-	1,268.07
Other comprehensive income for the year, net of income tax	-	-	-	-	-	(0.21)	(4.55)	-	(3.40)	(8.16)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**1,267.86**	**(4.55)**	**-**	**(3.40)**	**1,259.91**
Dividend ^	-	-	-	-	-	(213.43)	-	-	-	(213.43)
Employee share based payment expense	-	-	-	-	8.46	-	-	-	-	8.46
Recognised / (released) on vesting of shares issued under employee share purchase scheme	-	-	-	0.53	(0.53)	-	-	-	-	-
Balance at March 31, 2025	**219.19**	**711.04**	**10.48**	**510.09**	**28.11**	**9,855.58**	**(59.06)**	**(4.22)**	**-**	**11,271.21**

Refer note 14

^ Refer note 13.1

Summary of material accounting policies 1B

See accompanying notes to the standalone financial statements 2 to 40

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

1 CORPORATE INFORMATION, MATERIAL ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

A 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 are manufacturing, purchase and sale of technical textiles, chemicals, packaging films and other polymers.

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

B MATERIAL ACCOUNTING POLICIES

1 Basis of Preparation

These standalone 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 standalone 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 standalone financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency and all values are rounded to the nearest crores, except when otherwise indicated.

The principal accounting policies are set out below.

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 Company has identified twelve months as its operating cycle for the purpose of current / non current classification of assets and liabilities.

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 Company 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 Company had opted such fair valuation as deemed cost at the transition date i.e. April 1, 2015.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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 Company 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 of comprising of cost of asset, direct cost of labour and material, related incidental expenses and attributable interest.

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

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 Company 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:

	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.

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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 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.

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	2.5-8 years

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

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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 Company 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.

7 Impairment of tangible and intangible assets other than goodwill

The Company 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 Company 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 Company 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.

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8 Leasing

At inception of a contract, the Company 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 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 Company assesses 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 Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and
- the Company has the right to direct the use of the asset. The Company 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 Company has the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

The Company 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 Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Company as lessee

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

The Company 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 Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining

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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 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 Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company 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 Company 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 Company recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

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 upto 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.

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10 Foreign Currencies

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 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.

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 materials 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 at Net Realisable Value 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

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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.

12 Provisions, contingent liabilities and contingent assets

Provisions

The Company recognises 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 Company 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 Company 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 Company 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 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.

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 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

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right to receive cash, and only passage of time is required, as per contractual terms. Advance from customers ("contract liability") is recognised when the Company 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.

14 Taxation

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

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 i.e. in other comprehensive income or in equity.

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 Company has a legally enforceable right for such set off.

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. 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 relating to items recognised outside profit or loss is recognised outside profit or loss i.e. 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)

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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

The Company considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Company concludes that it is probable that the taxation authority will accept an uncertain tax treatment, the Company 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 Company concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the Company reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates.

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 incurred is recognised in profit or loss on a systematic basis over the periods in which the Company recognises 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 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'.

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 Company 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 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

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have rendered services entitling them to contributions. The Company has no obligation, other than the contribution payable to such schemes.

Defined benefit plans

The Company has defined benefit gratuity plan and provident fund for certain category of employees administered through a recognised provident fund trust. Provision for gratuity and provident fund for certain category of employees administered through a recognised provident fund trust are determined on an actuarial basis at the end of the year and charged to Statement of Profit and Loss, other than remeasurements. The cost of providing 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. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Other long-term employee benefits

The Company also has other long-term employee benefits in the nature of compensated absences. Provision for compensated absences are determined on an actuarial basis at the end of the year and charged to 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 expense is amortised over the remaining tenure over which the employees renders their service on a straight line basis.

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.

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.

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

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originated. All other financial assets and financial liabilities are initially recognised when the Company 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 Company are classified in three categories:

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 Company 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 statement of profit and loss. The losses arising from impairment are recognised in the standalone statement of profit and loss. This category generally applies to trade and other receivables.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated 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 FVTOCI 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 Instruments

All equity instruments in the scope of Ind AS 109 are measured at fair value.

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Equity instruments which are held for trading are measured at fair value through profit and loss.

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

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

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

Investments in Subsidiaries which meet the definition of an equity instrument or provide access to returns associated with an underlying ownership interest are carried at cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

Investments in Subsidiaries which do not meet the definition of an equity instrument or provide access to returns associated with an underlying ownership interest in subsidiaries are accounted as financials instruments and initially recognised at its fair value. The difference, if any, between the fair value and the consideration given is recognised as an additional investment (deemed contribution) by the Company.

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 Company 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 Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company 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 Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred

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asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay. Any gain or loss on derecognition is recognised in profit or loss.

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

Impairment of financial assets

The Company 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 Company 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 Company's historical experience and informed credit assessment, that includes forward-looking information. The Company 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 Company assesses whether financial assets carried at amortised cost and debt securities at FVTOCI 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; or
- 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 Company 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 Company's procedures for recovery of amounts due.

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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 Company's financial liabilities includes borrowings, trade and other payables including financial guarantee contracts and derivative financial instruments.

Subsequent measurement

(i) Borrowings

Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) 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 liabilities for goods and services provided to the Company 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 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.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified entity fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Where premiums are received on initial recognition, liability is recognized on a net basis.

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 statement of profit and loss.

Equity instrument

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 Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

20 Derivative and non derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments (such as forward currency contracts, interest rate swaps and full currency swaps) or non derivative

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

financial assets / liabilities to hedge its foreign currency risks and interest rate risks. The Company 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 Company 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 Company'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 Company 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 Company 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:

- the effect of the counterparties' and the Company'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
- changes in the timing of the hedged transactions

Hedges entered into by the Company 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 or 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.

Notes to the Standalone Financial Statements

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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 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 statement of 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 statement of profit and loss.

The Company 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 statement of profit and loss. In some cases, the Company 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 Company also designates non derivative financial liabilities, such as foreign currency borrowings from banks, as hedging instruments for the hedge of foreign currency risk associated with highly probable forecasted 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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21 Fair value measurement

The Company 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 Company. 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 Company 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 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 financial statements on a recurring basis, the Company 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 Company 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.

22 Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company'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 Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

23 Dividend

The Company 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 Company. 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.

24 Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The appropriate level of management must be committed to a plan to sell, an active programme to locate a buyer and complete the plan has been initiated, the sale is considered highly probable and is expected within one year from the date of classification.

Non-current assets (or disposal groups) held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately from other assets and liabilities in the balance sheet. Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

A discontinued operation is a component of the Company that either has been disposed of, or is classified as held for sale, and:

a) Represents a separate major line of business or geographical area of operations,

b) Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or

c) Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented separately in the statement of profit and loss.

25 Interest and dividend income

Interest income is recognised when it is probable that the economic benefits will flow to the Company using the effective interest rate 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 amount of the financial asset or the amortised cost of the financial liability. The effective interest income is accrued on a 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 Company

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and the amount of income can be measured reliably).

26 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 7 May 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.

C SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgments, estimates and assumptions that 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 financial statements is included in the following notes.

A) Judgements

- Classification and lease term determination of leasing arrangement – Note 1.B.8
- Derecognition of trade receivables and hedge effectiveness - Note 1.B.19 and Note 1.B.20
- Reverse factoring: presentation of amounts related to supply chain financing arrangements in the balance sheet and in the statement of cash flows - Note 18
- Assessment of Uncertain Tax Treatements - Note 1.B.14
- Assessment of classification and recognition of government grants - Note 1.B.15

B) Assumptions and Estimation uncertainties

- Fair value measurement of derivative instruments – Note 1.B.21
- Assessment of useful life of property, plant and equipment and intangible asset – Note 1.B.4 and Note 1.B.5
- Recognition and estimation of tax expense including determination of applicable tax rate for measuring deferred tax balances – Note 1.B.14
- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions) – Note 1.B.16
- Assessment of impairment of financial assets and non-financial assets – Note 1.B.19 and Note 1.B.7
- Recognition and measurement of contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – Note 1.B.12

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

2 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	**321.87**	**89.19**	**902.55**	**8,219.93**	**31.72**	**83.54**	**67.91**	**9,716.71**
Additions / adjustments	6.25	32.96	140.26	3,047.89	8.00	37.43	26.91	3,299.70
Disposals / adjustments	(2.01)	(0.99)	(1.99)	(19.73)	(0.62)	(3.63)	(14.15)	(43.12)
Balance at March 31, 2024	**326.11**	**121.16**	**1,040.82**	**11,248.09**	**39.10**	**117.34**	**80.67**	**12,973.29**
Additions / adjustments	0.47	2.02	25.08	940.02	1.36	24.32	21.95	1,015.22
Disposals / adjustments	-	-	(1.18)	(23.95)	(0.48)	(5.75)	(13.19)	(44.55)
Balance at March 31, 2025	**326.58**	**123.18**	**1,064.72**	**12,164.16**	**39.98**	**135.91**	**89.43**	**13,943.96**
Accumulated depreciation								
Balance at April 1, 2023	**-**	**11.44**	**151.50**	**2,152.12**	**14.70**	**46.75**	**30.95**	**2,407.46**
Depreciation expenses	-	2.32	27.33	460.59	3.13	10.19	12.43	515.99
Disposals / adjustments	-	(0.21)	(0.23)	(12.76)	(0.54)	(3.16)	(11.46)	(28.36)
Balance at March 31, 2024	**-**	**13.55**	**178.60**	**2,599.95**	**17.29**	**53.78**	**31.92**	**2,895.09**
Depreciation expenses	-	2.74	28.71	527.20	3.50	13.86	16.26	592.27
Disposals / adjustments	-	-	(0.19)	(11.34)	(0.33)	(5.47)	(9.07)	(26.40)
Balance at March 31, 2025	**-**	**16.29**	**207.12**	**3,115.81**	**20.46**	**62.17**	**39.11**	**3,460.96**
Net block								
Balance at March 31, 2024	**326.11**	**107.61**	**862.22**	**8,648.14**	**21.81**	**63.56**	**48.75**	**10,078.20**
Balance at March 31, 2025	**326.58**	**106.89**	**857.60**	**9,048.35**	**19.52**	**73.74**	**50.32**	**10,483.00**

Notes:

(i) Borrowing cost capitalised during the year (net of interest income) is ₹ 33.19 crores (Previous year: ₹ 59.52 crores) with a capitalisation rate ranging from 4.33% to 6.39% (Previous year: 3.09% to 6.71%).

(ii) The industrial freehold land measuring 32.41 acres at the Company's plant in Gummudipoondi, Tamil Nadu had been acquired by the Company w.e.f. January 01, 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 Company 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 40 (a) below.

(iv) Refer to note 15.1 for information on PPE pledged as security by the Company.

(v) Refer to note 40(c) for additions / adjustments on account of exchange differences during the year.

(vi) During the previous year, certain items of property, plant and equipment with written down value of ₹ 1.34 crores have been charged to the standalone statement of profit and loss on account of damages due to cyclone / flood in the state of Tamil Nadu. Refer to note 40 (g)

(vii) Capital Work in Progress

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	744.79	2,128.95
Additions during the year	972.34	1,915.54
Less: Amounts capitalised during the year*	1,015.22	3,299.70
Closing Balance	**701.91**	**744.79**

* The Company accounts for all capitalisation 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 for additions in property, plant and equipment.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

3 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	590.62	80.52	22.51	8.26	**701.91**
As at March 31, 2024	616.57	118.97	5.14	4.11	**744.79**

(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	-	-	-
Others *	37.14	-	-	-
	104.29	**-**	**-**	**-**

	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 *	76.17	-	-	-
	453.36	**-**	**-**	**-**

* Comprise projects not considered material at an individual level.

Also refer note no. 2 (vii)

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

4 OTHER INTANGIBLE ASSETS

Particulars	Trade Marks/ Brands	Technical Knowhow	Software	Others	Total
Cost					
Balance at April 1, 2023	**73.25**	**55.19**	**35.62**	**19.39**	**183.45**
Additions / adjustments	-	5.38	8.45	-	13.83
Disposals	-	-	(2.37)	-	(2.37)
Balance at March 31, 2024	**73.25**	**60.57**	**41.70**	**19.39**	**194.91**
Additions / adjustments	-	-	1.58	-	1.58
Disposals	-	-	-	-	-
Balance at March 31, 2025	**73.25**	**60.57**	**43.28**	**19.39**	**196.49**
Accumulated amortisation					
Balance at April 1, 2023	**19.83**	**11.05**	**27.84**	**18.65**	**77.37**
Amortisation expenses	2.45	1.76	3.89	0.05	8.15
Disposals	-	-	(2.37)	-	(2.37)
Balance at March 31, 2024	**22.28**	**12.81**	**29.36**	**18.70**	**83.15**
Amortisation expenses	2.45	1.84	3.91	0.05	8.25
Disposals	-	-	-	-	-
Balance at March 31, 2025	**24.73**	**14.65**	**33.27**	**18.75**	**91.40**
Net Block					
Balance at March 31, 2024	**50.97**	**47.76**	**12.34**	**0.69**	**111.76**
Balance at March 31, 2025	**48.52**	**45.92**	**10.01**	**0.64**	**105.09**

5 INVESTMENTS

	As at March 31, 2025	As at March 31, 2024
Non-current		
Investment in subsidiary companies (at cost)	626.78	508.66
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	50.11	50.11
Investment mandatory at fair value through profit and loss		
(i) Investment in bonds	66.50	65.89
(ii) Investment in subsidiary	33.01	-
	782.54	**629.77**

Notes to the Standalone 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	665.93	513.77
Aggregate amount of impairment in value of investments	4.34	4.34
Aggregate book value of quoted investments	116.61	116.00
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

5.1 Investment in subsidiaries (at cost)

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Unquoted investments (Non-current)				
Equity shares of ₹ 10 each fully paid up of SRF Holiday Home Limited (A wholly owned subsidiary)	4,300,000	4.30	4,000,000	4.00
Equity shares of Euro 100 each fully paid up of SRF Global BV (A wholly owned subsidiary)	128,920	79.60	128,920	79.60
Equity shares of ₹ 10 each fully paid up of SRF Altech Limited (A wholly owned subsidiary), including deemed contribution (Also refer Note 5.4(ii) & Note 32)	425,000,000	542.82	425,000,000	425.00
Contribution in SRF Employees Welfare Trust (Controlled trust)	-	0.06	-	0.06
		626.78		**508.66**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

5.2 Investment designated at fair value through other comprehensive income

(i) 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	4,221,535	4.22	4,221,535	4.22
Less: impairment in value of investments		(4.22)		(4.22)
Equity shares 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	670,000	0.12	670,000	0.12
Less: impairment in value of investment	-	(0.12)	-	(0.12)
		0.05		**0.05**

5.3 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 #	600,000	0.17	600,000	0.16
Equity shares of ₹ 10 each fully paid up of Dalavaipuram Renewables Private Limited #	6,809,261	1.94	5,515,661	1.44
Equity shares of ₹ 10 each fully paid up of Continuum MP Windfarm Development Private Limited #	13,915,200	3.98	3,437,917	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 #	-	-	9,780,283	2.56
		-		**2.56**

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(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 ₹ 100,000 each	3,500	35.07	3,500	35.07
8.60% Cholamandalam Investment and Finance Company Limited 2029 of ₹ 1,000 each	150,000	15.04	150,000	15.04
		50.11		**50.11**

5.4 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**

(i) Investment in Debt Instrument of subsidiary

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Unquoted investments				
8% Non-convertible Non-cumulative Redeemable Preference shares of ₹ 10 each fully paid up of SRF Altech Limited (A wholly owned subsidiary)*	150,000,000	150.83	-	-
Less: Equity component of Investment (Also refer Note 5.1 & Note 32)		(117.82)		-
		33.01		**-**

* Closing amounts include interest accreted

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

B Current investments

5.5 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	3,612,365	149.98	3,612,365	138.95
ICICI Prudential Liquid Fund- Growth Plan	1,580,334	60.10	-	-
Axis Liquid Fund - Regular Growth Plan	703,510	201.20	457,111	121.79
UTI Liquid Fund - Regular Growth Plan	357,101	150.48	25,664	10.08
HDFC Liquid Fund - Regular Growth Plan	-	-	107,121	50.32
HDFC Gilt Fund - Growth- Plan	2,005,085	10.96	-	-
Kotak Dynamic Bond - Regular Growth Plan	7,379,008	27.21	-	-
Kotak Liquid Fund - Regular Growth Plan	96,490	50.09	-	-
SBI Magnum Gilt Fund - Regular Growth Plan	4,187,964	27.36	-	-
SBI Dynamic Bond Fund - Regular Growth Plan	7,730,791	27.15	-	-
		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	54.82
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	4.97
		-		**84.44**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

6 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	22.72	20.43
	52.06	**50.04**
Current		
Loans to subsidiaries (Refer note 40(d)(iii))	129.00	310.15
Loans to officers *	0.84	1.08
Loans to employees	12.63	10.82
Others (other than related parties)		
Credit impaired	2.74	2.74
Less : Loss Allowance	(2.74)	(2.74)
	142.47	**322.05**

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

7 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		
- Government grants recoverable *	85.34	110.01
- Deposit accounts with maturity beyond twelve months	0.07	0.20
- Security deposits		
Related parties (Refer note 32)	4.58	4.48
Other than related parties	42.71	48.05
	137.87	**190.48**
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	20.29
Other financial assets carried at amortised cost		
- Government grants and duty rebate recoverable *	27.74	104.09
- Claims recoverable		
Insurance claim recoverable	20.15	27.66
Vendor claim recoverable	17.66	9.42
- Deposit with Non Banking Financial Company (NBFC)	75.00	25.00
- Security deposits		
Other than related parties	1.11	1.08
- Interest receivable from related parties	2.23	5.69
- Others	6.97	8.00
	158.63	**201.48**

* Also refer footnotes to note 21

8 OTHER ASSETS

(unsecured and considered good, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Capital advances	132.32	58.32
Prepaid expenses	14.63	17.09
Goods and services tax and other taxes/duties paid under protest	38.67	38.50
Others	0.11	0.32
	185.73	**114.23**
Current		
Prepaid expenses	31.47	26.39
Goods and services tax recoverable	87.78	94.95
Export incentives recoverable	24.04	19.56
Deposits with customs and excise authorities	16.38	19.01
Advance to suppliers	92.68	75.50
Others	0.94	16.42
	253.29	**251.83**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

9 INVENTORIES

(Valued at lower of cost and net realisable value)

	As at March 31, 2025	As at March 31, 2024
Raw material (including packing material)	745.75	841.22
Stock in progress	270.15	233.47
Finished goods	391.14	456.53
Stores and spares (including fuel)	385.06	362.44
Traded goods	12.78	7.35
	1,804.88	**1,901.01**
Goods-in-transit included above :		
Raw material (including packing material)	206.78	256.40
Stock in progress	2.44	-
Finished goods	64.68	52.72
Stores and spares (including fuel)	2.68	2.02
Traded goods	7.36	3.74
	283.94	**314.88**

Notes

(i) The cost of inventories recognised as an expense includes ₹ 5.37 crores (Previous year: ₹ 19.46 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 15.1 for information on inventories pledged as security by the Company.

(iii) The method of valuation of inventories has been stated in note 1.B.11

(iv) Inventories amounting to ₹ 2.48 crores (Previous year: ₹ 37.50 crores) have been charged to the standalone statement of profit and loss on account of damage due to cyclone / flood in the state of Tamil Nadu (Refer to note 40(g)).

10 TRADE RECEIVABLES

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good	1,765.14	1,538.00
Unsecured, credit impaired	2.63	1.79
Less: Loss allowance	(2.63)	(1.79)
	1,765.14	**1,538.00**

Notes

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(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 - which have significant increase in credit risk	Disputed trade receivables - considered good	Disputed trade receivables - credit impaired	Disputed trade receivables - which have significant increase in credit risk	Total
Unbilled revenue	17.60						17.60
Not due	1,480.15	-	-	-	-	-	1,480.15
Less than 6 months	265.82	-	-	-	-	-	265.82
6 months - 1 year	1.57	0.35	-	-	-	-	1.92
1 - 2 years	-	0.94	-	-	-	-	0.94
2 - 3 years	-	0.40	-	-	-	-	0.40
More than 3 years	-	0.94	-	-	-	-	0.94
	1,765.14	**2.63**	**-**	**-**	**-**	**-**	**1,767.77**

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 - which have significant increase in credit risk	Disputed trade receivables - considered good	Disputed trade receivables - credit impaired	Disputed trade receivables - which have significant increase in credit risk	Total
Not due	1,384.42	-	-	-	-	-	1,384.42
Less than 6 months	153.58	-	-	-	-	-	153.58
6 months - 1 year	-	0.03	-	-	-	-	0.03
1 - 2 years	-	0.18	-	-	-	-	0.18
2 - 3 years	-	0.06	-	-	-	-	0.06
More than 3 years	-	1.52	-	-	-	-	1.52
	1,538.00	**1.79**	**-**	**-**	**-**	**-**	**1,539.79**

(iii) The Company 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 Company in the receivables as identified. Discounted receivables as on March 31, 2025 are of ₹ 1143.07 crores (Previous year: ₹ 790.27 crores). The Company 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 Company.

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

(v) Refer Note 15.1 for information on trade receivables pledged as security by the Company.

(vi) Refer Note 32.3 for trade receivables from related parties.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

11 CASH AND CASH EQUIVALENTS

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
Current accounts	221.94	163.89
Exchange earners foreign currency (EEFC) accounts	30.78	34.11
Deposit accounts with original maturity of three months or less	60.50	163.14
Cash on hand	0.63	0.63
	313.85	**361.77**

12 BANK BALANCES OTHER THAN ABOVE

	As at March 31, 2025	As at March 31, 2024
Earmarked balances		
- Margin money	1.01	1.44
- Unclaimed dividend accounts	6.80	6.55
- Unspent CSR account (refer Note 40(f))	7.01	-
Other deposit accounts		
- Deposit accounts with original maturity beyond three months upto twelve months	0.43	0.22
	15.25	**8.21**

13 SHARE CAPITAL

	As at March 31, 2025	As at March 31, 2024
Authorised share capital:		
320,000,000 (Previous Year - 320,000,000) Equity shares of ₹ 10 each	320.00	320.00
1,000,000 (Previous Year - 1,000,000) Preference shares of ₹ 100 each	10.00	10.00
1,200,000 (Previous Year - 1,200,000) Cumulative Preference shares of ₹ 50 each	6.00	6.00
	336.00	**336.00**
Issued share capital:		
300,481,580 (Previous Year - 300,481,580) Equity Shares of ₹ 10 each	300.48	300.48
Subscribed capital:		
296,424,825 (Previous Year - 296,424,825) 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**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

13.1 Fully paid equity shares

	Number of shares	Amount
Balance at April 1, 2023	**296,424,825**	**296.42**
Add : Movement during the year	-	-
Balance at March 31, 2024	**296,424,825**	**296.42**
Add : Movement during the year	-	-
Balance at March 31, 2025	**296,424,825**	**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 year ended March 31, 2022, the Company had issued and allotted 236,980,820 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 Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

During the year ended March 31, 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.

13.2 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	148,845,000
As at March 31, 2024	
KAMA Holdings Limited, the Holding Company	148,845,000

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

13.3 Details of equity shares held by promoters:

Promoter name	Number of fully paid equity shares	% holding in that class of shares	% change during the year
As at March 31, 2025			
1. Arun Bharat Ram	87,500	0.03%	0.00%
2. Ashish Bharat Ram	25,000	0.01%	0.00%
3. Kartik Bharat Ram	25,000	0.01%	0.00%
4. KAMA Holdings Limited	148,845,000	50.21%	0.00%
As at March 31, 2024			
1. Arun Bharat Ram	87,500	0.03%	(36.36)%
2. Ashish Bharat Ram	25,000	0.01%	100.00%
3. Kartik Bharat Ram	25,000	0.01%	100.00%
4. KAMA Holdings Limited	148,845,000	50.21%	(0.53)%

13.4 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	148,845,000	50.21%	148,845,000	50.21%

14 OTHER EQUITY

	As at March 31, 2025	As at March 31, 2024
General reserve	711.04	711.04
Retained earnings	9,855.58	8,801.15
Cash flow hedging reserve	(59.06)	(54.51)
Capital redemption reserve	10.48	10.48
Capital reserve	219.19	219.19
Employee share based payment reserve	28.11	20.18
Reserve for equity instruments through other comprehensive income	(4.22)	(4.22)
Securities premium	510.09	509.56
Cost of hedging reserve	-	3.40
	11,271.21	**10,216.27**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

14.1 General reserve

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	711.04	711.04
Increase / (decrease) during the year	-	-
Balance at end of year	**711.04**	**711.04**

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.

14.2 Retained earnings

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	8,801.15	7,643.98
Profit for the year	1,268.07	1,374.03
Other comprehensive income arising from remeasurement of defined benefit obligation * (Refer note 33.2 (iv))	(0.21)	(3.43)
Payment of dividend on equity shares	(213.43)	(213.43)
Balance at end of year	**9,855.58**	**8,801.15**

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

* net of income tax of ₹ 0.07 crores (Previous year: ₹ 1.16 crore)

14.3 Cash flow hedging reserve

(Refer note 38.3.1 (C))

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	(54.51)	(150.22)
Recognised / (released) during the year	(6.08)	127.90
Income tax related to above	1.53	(32.19)
Net balance at end of year	**(59.06)**	**(54.51)**

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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.

14.4 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 provisions of the Act.

14.5 Capital reserve

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	219.19	219.19
Increase / (decrease) during the year	-	-
Balance at end of year	**219.19**	**219.19**

Capital reserve represents amounts received pursuant to Montreal Protocol Phaseout Programme of refrigerant gases.

14.6 Employee share based payment reserve

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	20.18	11.63
Increase / (decrease) during the year	8.46	8.55
Released on vesting of shares issued under employee share purchase scheme	(0.53)	-
Balance at end of year	**28.11**	**20.18**

The Company has allotted equity shares to certain employees and officers under an employee share purchase scheme. The employee share based payment reserve is used to recognise the value of equity settled share based payments provided to such employees and officers as part of their remuneration. Refer note 34 for further details of the scheme.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

14.7 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)
Net fair value gain on investment in equity instruments at FVTOCI	-	-
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.

14.8 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 the provisions of the Act.

14.9 Cost of hedging reserve

(Refer note 38.3.1 (C))

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	3.40	4.67
Recognised / (released) during the year	(4.54)	(1.70)
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 Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

15 BORROWINGS

	As at March 31, 2025	As at March 31, 2024
Non-current		
Secured		
Term Loans from banks* ^ (Refer note 15.1.1)	1,453.01	1,882.68
Term Loans from others* (Refer note 15.1.2)	659.56	686.32
Less: Current maturities of long-term borrowings*		
Term loan from banks	(473.12)	(863.88)
Term loan from others	(72.85)	(43.06)
	1,566.60	**1,662.06**

* Above amount of borrowings are net of upfront fees paid ₹ 7.01 crores (Previous year: ₹ 9.56 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 ₹ 625.37 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).

	As at March 31, 2025	As at March 31, 2024
Current		
Secured		
Loans repayable on demand from banks (Refer note 15.1.3)	637.68	588.18
Current maturities of long-term borrowings	545.97	906.94
	1,183.65	**1,495.12**
Unsecured		
Loans repayable on demand from banks	103.22	254.33
Commercial papers from banks and others #	400.00	200.00
	503.22	**454.33**
	1,686.87	**1,949.45**

The maximum amount due during the year is ₹ 600.00 Crores (Previous year : ₹ 200.00 Crores)

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.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

15.1 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.
2	Term loans from others *	663.98	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.

Notes to the Standalone 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
				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.

Gross of upfront fees paid ₹ 7.01 crores (Previous year - ₹ 9.56 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.

15.2 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	Quarterly payments	Ranging from 3.58% to 5.75%	462.68	496.34	137.71	170.87
	Half yearly payments	Floating rate; 7.50% as at March 31, 2025	12.00	12.00	12.00	152.00
Term loan from others	Half yearly payments	Floating rate; 5.65% as at March 31, 2025	22.87	-	-	-
	Quarterly payments	Floating rate; 5.25% as at March 31, 2025	51.30	102.58	102.58	384.65
			548.85	**610.92**	**252.29**	**707.52**

Amounts mentioned above are gross of upfront fees paid of ₹ 7.01 crores.

CURRENT BORROWINGS

Short term borrowings are either payable in installments within one year or repayable on demand. For short term borrowings, interest rate ranges from 3.01% to 8.00%.

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for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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 2028-29
Term loan from banks	Quarterly payments	Ranging from 0.94% to 6.32%	338.56	404.54	388.92	39.09
	Half yearly payments	Floating rate; 8.10% as at March 31, 2024	12.00	12.00	12.00	164.00
	Monthly	At 1.12%	265.16	-	-	-
	Bullet	Floating rate; 6.22% as at March 31, 2024	250.15	-	-	-
Term loan from others	Half yearly payments	Floating rate; 6.62% as at March 31, 2024	44.46	22.31	-	-
	Quarterly payments	Floating rate; 6.22% as at March 31, 2024	-	50.03	100.06	475.28
			910.33	**488.88**	**500.98**	**678.37**

Amounts mentioned above are gross of upfront fees paid of ₹ 9.56 crores.

CURRENT BORROWINGS

Short term borrowings are either payable in installments within one year or repayable on demand. For short term borrowings, interest rate ranges from 5.45% to 9.50%.

Terms of repayment

1. Rupee term loan of ₹ 15.63 Crores is repayable in final instalment 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 instalment 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)

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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 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 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 is repayable in one bullet instalment in March 2025)

16 PROVISIONS

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Provision for employee benefits		
Provision for compensated absences (Refer note 33.3)	67.46	60.79
Provision for retention pay	0.17	0.17
	67.63	**60.96**
Current		
Provision for employee benefits		
Provision for compensated absences (Refer note 33.3)	7.75	7.27
	7.75	**7.27**

17 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	50.10	43.84
Deferred tax liabilities	(1,043.30)	(924.12)
Deferred tax liabilities, net	**(993.20)**	**(880.28)**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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	Closing balance
Deferred tax assets				
Expenses deductible in future years	21.83	(1.86)	-	19.97
Provision for credit impaired loans / receivables	0.46	0.25	-	0.71
Cash flow hedges / Cost of hedging reserve	17.28	-	2.67	19.95
Others	4.27	5.20	-	9.47
	43.84	**3.59**	**2.67**	**50.10**
Deferred tax liabilities				
Property, plant and equipment and intangible assets	(902.62)	(119.57)	-	(1,022.19)
Investment in mutual funds	(15.68)	(5.43)	-	(21.11)
Others	(5.82)	5.82	-	-
	(924.12)	**(119.18)**	**-**	**(1,043.30)**
Total	**(880.28)**	**(115.59)**	**2.67**	**(993.20)**

2023-24	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets				
Expenses deductible in future years	14.54	7.29	-	21.83
Provision for credit impaired loans / receivables	0.66	(0.20)	-	0.46
Cash flow hedges / Cost of hedging reserve	49.04	-	(31.76)	17.28
Others	5.89	(1.62)	-	4.27
	70.13	**5.47**	**(31.76)**	**43.84**
Deferred tax liabilities				
Property, plant and equipment and intangible assets	(797.37)	(105.25)	-	(902.62)
Investment in mutual funds	(12.90)	(2.78)	-	(15.68)
Others	(9.20)	3.38	-	(5.82)
	(819.47)	**(104.65)**	**-**	**(924.12)**
Total	**(749.34)**	**(99.18)**	**(31.76)**	**(880.28)**

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

18 TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises#		
- Other than acceptances	93.24	84.28
	93.24	**84.28**
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Acceptances*	306.79	335.82
- Other than acceptances	1,170.22	1,147.71
	1,477.01	**1,483.53**
	1,570.25	**1,567.81**

Refer to note 18.1

* The Company 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 Company. The Company 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 Company 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
Unbilled dues	-	303.99	-	-	303.99
Not due	90.73	1,126.11	-	-	1,216.84
Less than 1 year	2.46	45.89	-	-	48.35
1 - 2 years	0.05	1.02	-	-	1.07
2 - 3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
	93.24	**1,477.01**	**-**	**-**	**1,570.25**

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
Unbilled dues	-	367.74	-	-	367.74
Not due	82.88	1,042.91	-	-	1,125.79
Less than 1 year	1.40	72.39	-	-	73.79
1 - 2 years	-	-	-	-	-
2 - 3 years	-	-	-	-	-
More than 3 years	-	0.49	-	-	0.49
	84.28	**1,483.53**	**-**	**-**	**1,567.81**

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

18.1 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**	110.74	118.49
- Interest due thereon	0.02	0.04
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	104.14	-
- 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 enterprises and small enterprises included in other financial liabilities (refer note 19).

19 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 received	1.99	-
	18.45	**0.80**
Current		
Interest accrued but not due on borrowings and others	18.32	19.51
Unpaid dividends^	6.80	6.55
Security deposits received	7.88	7.83
Payables to capital creditors		
Total outstanding dues of micro enterprises and small enterprises#		
- Other than acceptances	17.92	34.26
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Acceptances*	-	134.11
- Other than acceptances	48.05	56.49
Derivatives carried at fair value through profit and loss		
Forward exchange contracts used for hedging	0.18	0.79
Derivatives carried at fair value through other comprehensive income		
Forward exchange contracts used for hedging	8.53	4.93

Notes to the Standalone 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
Payable to banks for discounted receivables	94.74	129.58
Employee benefits payable ***	19.11	-
Liability towards unspent expenditure on corporate social responsibility**	24.39	9.51
Others	2.09	1.00
	248.01	**404.56**

* Refer footnote to note 18

** Refer note 40 (f)

*** Comparative amount of ₹ 17.93 crores was included under Trade payables, not regrouped on materiality consideration.

^ Amount will be credited to investor education and protection fund if not claimed within seven years from the date of declaration of dividend.

Also refer to note 18.1

20 TAX ASSETS AND LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Other tax assets		
Advance tax (net of provision for tax)	**202.96**	**206.85**
Current tax liabilities		
Provision for tax (net of advance tax)	**16.60**	**11.76**

21 OTHER LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Non-current		
Deferred government grants*	127.33	122.75
	127.33	**122.75**
Current		
Contract liability (Refer note 39)	21.13	23.21
Deferred government grants*	3.97	3.79
Statutory liabilities	32.40	24.44
Payable to gratuity trust (Refer note 33.2)	6.55	4.00
Other payables	11.28	18.53
	75.33	**73.97**

* 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 ₹ 96.58 crores (Previous year: ₹ 95.76 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 ₹ 34.72 crores (Previous year: ₹ 30.78 crores)

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

22 REVENUE FROM OPERATIONS

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers		
Sale of products		
Manufactured goods	11,270.22	10,469.17
Traded goods	107.05	96.75
	11,377.27	**10,565.92**
Other operating revenues		
Export and other incentives	71.46	83.89
Scrap sales	56.76	37.51
Provision/ liabilities no longer required written back	10.70	12.54
Material handling income	160.77	80.47
Other operating income	21.01	6.34
	320.70	**220.75**
	11,697.97	**10,786.67**

Reconciliation of revenue from sale of products with the contracted price

	Year ended March 31, 2025	Year ended March 31, 2024
Contracted price	11,584.78	10,835.57
Less: Discounts, allowances and claims	(207.51)	(269.65)
Sale of products	**11,377.27**	**10,565.92**

23 OTHER INCOME

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income		
i. On financial assets carried at amortised cost		
- from customers	-	0.01
- from loans, deposits and investments	46.77	29.65
ii. On financial assets carried at fair value through profit and loss		
- from investments	10.60	10.85
iii On others *	9.68	4.45
Net gain on sale/ discarding of property, plant and equipment	1.62	4.77
Net gain on financial assets measured at fair value through profit and loss	32.44	22.87
Income from business support services	17.87	15.10
Insurance Claims	34.87	4.92
Other non-operating income	21.12	26.80
	174.97	**119.42**

* Refer note no 29 (i)

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

24.1 COST OF MATERIALS CONSUMED

	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock of raw materials	841.22	893.08
Add: Purchases of raw materials	5,507.52	5,144.42
Less: Closing stock of raw materials	745.75	841.22
Cost of materials consumed *	**5,602.99**	**5,196.28**

* including packing material

24.2 PURCHASES OF STOCK IN TRADE

	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of stock in trade	95.89	83.61
	95.89	**83.61**

24.3 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	270.15	233.47
Finished goods	391.14	456.52
Traded goods	12.78	7.35
	674.07	**697.34**
Inventories at the beginning of the year :		
Stock-in-Process	233.47	198.74
Finished goods	456.52	391.52
Traded goods	7.35	15.75
	697.34	**606.01**
Total (increase) / decrease	**23.27**	**(91.33)**
Less: Inventory damaged due to cyclone / flood (refer to note 40(g))	-	(22.99)
Net (increase) / decrease	**23.27**	**(114.32)**

25 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages, including bonus	721.12	655.75
Contribution to provident and other funds	51.07	45.47
Workmen and staff welfare expenses	88.46	80.56
Employee share based payment expense (Refer note 34)	8.46	8.55
	869.11	**790.33**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

26 FINANCE COST

	Year ended March 31, 2025	Year ended March 31, 2024
Interest cost ^		
- Term loans and others	266.60	206.05
- Lease liabilities	7.51	8.99
Other borrowing costs	11.83	13.57
Exchange differences regarded as an adjustment to borrowing costs	10.41	6.99
	296.35	**235.60**

^ pertains to liabilities measured at amortised cost. The amount disclosed is net of interest capitalised during the year. Also refer note 2(i)

27 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment	592.27	515.99
Depreciation of right-of-use assets	29.44	31.71
Amortisation of intangible assets	8.25	8.15
	629.96	**555.85**

28 OTHER EXPENSE

	Year ended March 31, 2025	Year ended March 31, 2024
Stores and spares consumed	74.34	71.54
Power and fuel	1,127.06	1,134.90
Labour production	68.57	63.26
Rent*	38.11	36.52
Repairs and maintenance		
- Buildings	10.77	10.37
- Plant and machinery	246.58	230.74
- Others	55.60	56.41
Insurance	74.66	60.86
Rates and taxes	14.43	8.04
Freight charges	426.75	331.50
Expenditure on corporate social responsibility**	43.37	41.02
Legal and professional charges	51.91	51.11
Travelling and conveyance	21.09	20.05

Notes to the Standalone 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
Directors' sitting fees	0.29	0.21
Selling commission	12.75	10.48
Property, plant and equipment provided/ written off	7.24	4.27
Auditor remuneration		
- Audit fees	0.90	0.90
- For limited review of unaudited financial results	0.63	0.63
- For Corporate governance and other certificates	0.27	0.07
- For tax audit	0.12	0.12
- Reimbursement of out of pocket expenses	0.18	0.18
Effluent disposal expenses	173.77	157.16
Net foreign currency exchange fluctuation loss	113.43	78.93
Miscellaneous expenses	88.17	71.59
	2,650.99	**2,440.86**

* Refer to note 37

** Refer to note 40(f)

Also refer to note 40(g) for adjustments on account of damage due to cyclone / flood.

29 INCOME TAX RECOGNISED IN PROFIT AND LOSS

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax		
In relation to current year	323.08	342.73
Adjustment in relation to earlier years (Refer note (i) below)	(2.36)	(98.06)
	320.72	**244.67**
Deferred tax		
In relation to current year	116.49	101.70
Adjustment in relation to earlier years	(0.90)	(2.52)
	115.59	**99.18**
Total tax expense	**436.31**	**343.85**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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	1,704.38	1,717.88
Income Tax Expenses @ 25.168% (Previous year: 25.168%)	428.96	432.36
Effect of deductions (research and development, share issue expenses and deductions under chapter VI A of Income Tax Act)	(0.50)	(0.25)
Effect of expenses that are not deductible in determining taxable profit	11.42	11.32
Others	(0.31)	1.00
Income tax expenses recognised in statement of profit and loss in relation to current year	**439.57**	**444.43**
Income tax credit recognised in statement of profit and loss in relation to earlier years	(3.26)	(100.58)
Total Income tax expenses recognised in profit and loss	**436.31**	**343.85**

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 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 CERs 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

30 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	1.16
	2.74	**(30.60)**
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	1.16
	2.74	**(30.60)**

31 CONTINGENT LIABILITIES AND COMMITMENTS

	As at March 31, 2025	As at March 31, 2024
a. Claims against the Company 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).

All the above matters are subject to legal proceedings in the ordinary course of business. Based on the facts of the above cases and the management's assessment, 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 Company.

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

d. Guarantees given to banks and others to secure the financial facilities sanctioned to subsidiaries by banks and other companies are as below:

Name of the subsidiary	Currency	Guarantee amount as at				Loan / payable outstanding against the guarantee as at			
		March 31, 2025		March 31, 2024		March 31, 2025		March 31, 2024	
		In Millions	In ₹ Crores^	In Millions	In ₹ Crores^^	In Millions	In ₹ Crores^	In Millions	In ₹ Crores^^
SRF Global BV	USD	44.00	376.11	44.00	366.89	10.52	89.89	3.20	26.66
	USD *	50.00	427.40	50.00	416.92	40.66	347.54	21.10	175.97
SRF Industries (Thailand) Limited	EUR	-	-	12.76	114.81	-	-	1.50	13.54
	USD	17.20	147.03	17.20	143.42	5.52	47.16	8.56	71.41
	USD	24.00	205.15	24.00	200.12	12.36	105.63	19.18	159.95
	THB	840.00	211.26	840.00	191.93	800.00	201.20	600.00	137.10
SRF Europe Kft (Hungry)	EUR	33.00	303.97	33.00	296.93	6.50	59.87	6.50	58.49
	EUR	77.00	709.27	77.00	692.83	52.44	483.03	60.80	547.04
	EUR	7.00	64.48	-	-	2.98	27.47		

* Existing guarantee enhanced from 33 millions to 50 millions USD during the FY 2023-24

^ Converted using closing exchange rate - USD 85.48 and Euro 92.11

^^ Converted using closing exchange rate - USD 83.38 and Euro 89.98

e. 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).	649.47	297.01
(ii)	The Company 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 Company 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 ₹ 1,007.38 crores (Previous year: ₹ 1,003.14 crores).		

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

32 RELATED PARTY TRANSACTIONS

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

Ultimate Holding

ABR Family Trust

Holding Company

KAMA Holdings Limited

Subsidiaries

SRF Holiday Home Limited
SRF Global BV
SRF Industries (Thailand) Limited
SRF Industex Belting (Pty) Limited
SRF Flexipak (South Africa) (Pty) Limited
SRF Europe Kft
SRF Employees Welfare Trust (Controlled Trust)
SRF Altech Limited
SRF Middle East LLC ^

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

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 #

SRF Foundation
SRF Welfare Trust
BLP Industry AI Private Limited
Parry Enterprises India Limited
Rose Farms (Delhi) LLP
Carborundum Universal Limited
Dalmia Cement (Bharat) Limited***
CG Power and Industrial Solutions Limited
Transport Corporation of India Limited*
TCI Express Limited*
TCI Chemlog Private Limited ****

Enterprises over which KMP have significant influence #

Havells India Limited
Indian Chemical Council**
Bharat Forge Limited*****

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

Enterprises over which relative of KMP has control or joint control #	Relative of KMP #
Murugappa & Sons	Arun Bharat Ram
	Sushil Ramola
	Murugappan Vellayan Subbiah
	Deeksha Amit Kalyani
	Salil Gupta
	Apoorvi Bharat Ram
	Relative of KMP of Holding Company #
	Nirmala Kothari
	Meher Kaur Rikhy
	Palak Maheshwari

^From March 12, 2024
* From April 1, 2024
** From October 31, 2023
*** From December 08, 2023
**** From September 04, 2024
***** From September 01, 2023
# Only with whom the Company had transactions during the year

32.2 Transactions with related parties

	Year ended March 31, 2025	Year ended March 31, 2024
Sale of goods to:		
Subsidiaries		
SRF Industries (Thailand) Limited	71.31	28.97
Others	79.28	53.37
Enterprises over which KMP have significant influence	40.37	16.02
	190.96	**98.36**
Purchase of goods from:		
Subsidiaries	18.11	0.53
Enterprises over which KMP have significant influence	0.02	3.41
	18.13	**3.94**
Purchase of property, plant & equipment from:		
Subsidiaries	0.63	0.22
Key management personnel	-	1.90
Enterprises over which KMP have control or joint control	0.04	1.51
	0.67	**3.63**

Notes to the Standalone 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
Sale of property, plant & equipment to:		
Subsidiaries	0.07	0.01
Enterprises over which KMP have control or joint control	-	7.00
	0.07	**7.01**
Services rendered to:		
Subsidiaries	18.60	16.42
Enterprises over which KMP have control or joint control	1.50	-
	20.10	**16.42**
Receiving of 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**
Rent paid to:		
Fellow Subsidiaries	6.54	6.54
Subsidiaries	0.06	0.06
Relative of KMP	0.21	0.21
Key management personnel	-	0.01
Enterprises over which KMP have control or joint control	2.40	1.36
	9.21	**8.18**
Reimbursement of expenses from		
Holding Company *	0.02	-
Subsidiaries	2.27	1.72
Fellow Subsidiaries	-	0.02
	2.29	**1.74**

* Amount in absolute : ₹ 1,85,000 (Previous year : ₹ 35,000)

Reimbursement of expenses paid		
Subsidiaries	0.28	-
Key management personnel *	-	-
Enterprises over which KMP have control or joint control	0.02	0.03
	0.30	**0.03**

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

Notes to the Standalone 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
Loan given to		
Subsidiary		
SRF Altech Limited	125.00	365.04
	125.00	**365.04**
Loan received back from		
Subsidiaries		
SRF Global BV	253.31	202.77
SRF Altech Limited	56.00	360.00
	309.31	**562.77**
Interest received from		
Subsidiaries	24.82	24.11
	24.82	**24.11**
Security deposits given to		
Enterprises over which KMP have control or joint control	0.09	0.98
	0.09	**0.98**
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**
Investments made in		
Subsidiaries		
SRF Altech Limited (refer note below)	150.00	420.00
Others	0.30	-
	150.30	**420.00**
Remuneration		
Relative of KMP	0.04	-
	0.04	**-**
Contribution to post employment benefit plans (Net of claims)		
Post Employment Benefit Plans Trust	28.30	31.50
	28.30	**31.50**

Notes to the Standalone 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
Employee benefit obligations/assets transferred to		
Subsidiaries	0.02	-
Fellow Subsidiaries	-	0.01
	0.02	**0.01**
Equity dividend paid		
Holding Company	107.17	107.74
Key management personnel	0.08	0.07
Relative of KMP	0.20	0.22
KMP of Holding Company	*	*
Relative of KMP of Holding Company	^	^
Enterprises over which KMP have control or joint control	#	#
	107.45	**108.03**

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

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

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

Guarantees issued / renewed		
Subsidiaries*		
SRF Europe Kft	64.48	98.98
SRF Global BV	-	141.75
SRF Industries (Thailand) Limited	-	392.06
	64.48	**632.79**
Guarantees run-down / released		
Subsidiaries*		
SRF Industries (Thailand) Limited	117.54	161.96
	117.54	**161.96**

* Converted using closing exchange rate - USD 85.48 and Euro 92.11 (Prev year USD 83.38 and Euro 89.98)

Note:- During the current year, the Company subscribed to redeemable preference shares issued by its subsidiary, SRF Altech Limited, amounting to ₹ 150.00 crores. These shares are redeemable at the subsidiary's discretion within a 20-year period from the issuance date. The holders of these shares are entitled to a non-cumulative dividend of 8%, payable at the subsidiary's discretion.

In accordance with relevant accounting standards, the instrument was initially recognized at fair value through profit or loss (FVTPL). The differential between the fair value and the consideration provided has been recorded as an additional investment (deemed contribution) by the Company. Consequently, ₹ 32.18 crores has been recognized as an investment in a debt instrument, while the remaining ₹ 117.82 crores has been recognized as an additional equity investment. Further, an interest income of ₹ 0.83 crores has been accrued on the debt investment during the current year. Also refer to note 5.1 and 5.4(ii)

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

32.3 Outstanding balances:

	As at March 31, 2025	As at March 31, 2024
Receivables		
Subsidiaries		
SRF Industries (Thailand) Limited	65.69	15.42
Others	37.26	17.14
Post Employment Benefit Plans Trust	0.51	0.99
Enterprises over which KMP have significant influence	7.25	2.30
Enterprises over which KMP have control or joint control	0.02	-
	110.73	**35.85**
Payables		
Subsidiaries	13.12	0.60
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
	24.14	**6.82**
Interest receivable		
Subsidiaries	2.23	5.69
	2.23	**5.69**
Commission payable		
Key management personnel	17.26	17.26
	17.26	**17.26**
Security deposits outstanding		
Subsidiaries	0.02	0.02
Fellow Subsidiaries	3.24	3.24
Relative of KMP	0.11	0.11
Key management personnel	-	-
Enterprises over which KMP have control or joint control	1.21	1.12
	4.58	**4.49**
Equity Investment outstanding		
Subsidiaries		
SRF Altech Limited	425.00	425.00
SRF Global BV	79.60	79.60
Others	4.36	4.06
	508.96	**508.66**
Redeemable Preference shares outstanding		
Subsidiaries		
SRF Altech Limited (refer footnote to note 32.2)	150.00	-
	150.00	**-**

Notes to the Standalone 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
Loans outstanding		
Subsidiaries		
SRF Altech Limited	129.00	60.00
SRF Global BV	-	250.15
	129.00	**310.15**
Guarantees outstanding		
Subsidiaries* (Refer to note 31(d))	2,444.67	2,423.85
	2,444.67	**2,423.85**

* Converted using closing exchange rate - USD 85.48 and Euro 92.11 (Prev year USD- 83.38, Euro 89.98)

32.4 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**

* Includes 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

33 EMPLOYEE BENEFITS

33.1 Defined contribution plans:

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

	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)	21.44	19.33
Employees' State Insurance Corporation	0.13	0.15
National Pension Scheme	3.46	2.75
	25.49	**22.71**

The expenses incurred on account of the above defined contribution plans have been included in Note 25 "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

Notes to the Standalone Financial Statements
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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 Company administers the benefits through a recognised 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 Company has an obligation to make good the shortfall, if any, between the yield on the investments of the trust and the yield mandated by the Government and these are considered as Defined Benefit Plans and are accounted for on the basis of an actuarial valuation.

33.2 Defined benefit plans

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

(a) Gratuity

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

(i) These plans typically expose the company 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.

Interest Risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in 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 plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

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(All amounts in ₹ Crores, unless otherwise stated)

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

	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	58	58	58
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%

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve 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 probability are highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost have been measured using the projected unit cost method.

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

	Year ended March 31, 2025		Year ended March 31, 2024	
	Gratuity	Provident Fund	Gratuity	Provident Fund
Current Service cost	13.94	10.47	12.43	7.73
Interest expenses (net of expected return on plan assets)	0.26	-	0.62	-
	14.20	**10.47**	**13.05**	**7.73**

The current service cost and the net interest expenses for the year are included in Note 25 "Employee Benefits Expenses" under the head "Contribution to provident and other funds".

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(iv) Amounts recognised in Other Comprehensive Income:

	Year ended March 31, 2025		Year ended March 31, 2024	
	Gratuity	Provident Fund	Gratuity	Provident Fund
Remeasurements (gain)/losses:				
Return on plan assets excluding interest income	(3.51)	-	(5.59)	-
Actuarial (gain)/ losses arising from changes in financial assumptions	4.96	-	6.82	-
Actuarial (gain)/ losses arising from changes in experience adjustments	(1.17)	-	3.25	-
Actuarial (gain)/ losses arising from changes in demographic adjustments	-	-	0.11	-
	0.28	**-**	**4.59**	**-**

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

	As at March 31, 2025		As at March 31, 2024	
	Gratuity	Provident Fund	Gratuity	Provident Fund
Present value of funded defined benefit obligation	175.31	220.59	154.18	200.48
Fair value of plan assets	168.76	220.60	150.17	203.36
Surplus/ (Deficit)	**(6.55)**	**0.01**	**(4.01)**	**2.88**
Effect of asset ceiling, if any	-	(0.01)	-	(2.88)
Net assets / (liability)	**(6.55)**	**-**	**(4.01)**	**-**

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

	Year ended March 31, 2025		Year ended March 31, 2024	
	Gratuity	Provident Fund	Gratuity	Provident Fund
Opening defined benefit obligation	154.18	200.48	127.68	178.17
Current service cost	13.94	10.47	12.43	7.73
Interest cost	10.99	16.34	9.39	14.66
Actuarial (gain)/ losses arising from changes in financial assumptions	4.96	-	6.82	-
Actuarial (gain)/ losses arising from changes in experience adjustments	(1.17)	-	3.25	-
Actuarial (gain)/losses arising from changes in demographic assumptions	-	-	0.11	-
Benefits paid	(7.59)	(20.71)	(5.50)	(15.51)
Contribution by plan participants/ employees	-	12.32	-	11.20
Settlement/ transfer in	-	1.69	-	4.23
Closing defined benefit obligation	**175.31**	**220.59**	**154.18**	**200.48**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(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	203.36	119.30	179.86
Return on plan assets (excluding amounts included in net interest expenses)	14.22	14.78	14.36	15.85
Contributions from employer	11.96	9.16	22.01	7.73
Contributions from plan participants	-	12.32	-	11.20
Benefits paid	(7.59)	(20.71)	(5.50)	(15.51)
Settlement/ transfer in	-	1.69	-	4.23
Closing fair value of plan assets	**168.76**	**220.60**	**150.17**	**203.36**

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%

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.

Notes to the Standalone 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	
	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Sensitivity analysis of Gratuity				
Discount rate	(5.52)	5.88	(4.87)	5.18
Expected salary growth	5.75	(5.46)	5.09	(4.83)
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

33.3 Other long-term employee benefit

Amounts recognized in the statement of profit and loss in note 25 " Employee Benefits expense" under the head "Salaries and wages, including bonus" are as under:

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

Long Term Retention Pay

The Company 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.

34 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.

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for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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	198,800	198,800
(ii) Granted during the year	-	-
(iii) Released during the year	(2,500)	-
(iv) At the end of the year *	**196,300**	**198,800**
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	8.46	8.55

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

35 SEGMENT REPORTING

Based on the guiding principles laid down in Indian Accounting Standard (Ind AS) - 108 "Segment Reporting", the Chairman & 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 Company is segregated in the segments below:

- Technical Textiles business: includes nylon tyre cord fabric, belting fabric, polyester tyre cord fabric and industrial yarns and its research and development
- Chemicals business: includes refrigerant gases, industrial chemicals, speciality chemicals, fluorochemicals & allied products and its research and development.
- Performance Films and Foil Business (earlier named as Packaging Film Business): includes polyester films and polypropylene films.
- Others: includes 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 significant accounting policies applicable to the business segments as set out in note 1B 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, 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 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	6,649.59	6,237.32
- Inter-segment sales	-	0.01
Total	**6,649.59**	**6,237.33**
c) Performance Films and Foil business (PFB)		
- External sales	2,599.84	2,197.07
- Inter-segment sales	0.02	0.11
Total	**2,599.86**	**2,197.18**
d) Others		
- External sales	427.54	465.29
- Inter-segment sales	-	0.01
Total	**427.54**	**465.30**
Total segment revenue	**11,706.04**	**10,797.82**
Less: Inter segment revenue	8.07	11.15
Revenue from operations	**11,697.97**	**10,786.67**
Add: Unallocable income	174.97	119.42
Total revenue	**11,872.94**	**10,906.09**
Segment profits		
(Profit before interest and tax from each segment)		
a) Technical textiles business (TTB)	237.51	273.68
b) Chemicals business (CB)	1,659.50	1,628.48
c) Perfomance Films and Foil business (PFB)	254.85	122.55
d) Others	68.83	93.02
Total segment results	**2,220.69**	**2,117.73**

Notes to the Standalone 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
Less: i) Interest and finance charges	296.35	235.60
Less: ii) Other unallocable expenses net of income	219.96	164.25
Profit before tax	**1,704.38**	**1,717.88**
Capital expenditure		
a) Technical textiles business (TTB)	216.94	215.59
b) Chemicals business (CB)	675.80	1,650.43
c) Performance Films and Foil business (PFB)	50.81	44.58
d) Others	22.43	16.52
e) Unallocated	7.94	8.74
Total	**973.92**	**1,935.86**
Depreciation and amortisation		
a) Technical textiles business (TTB)	54.33	45.26
b) Chemicals business (CB)	468.05	403.36
c) Perfomance Films and Foil business (PFB)	84.78	84.14
d) Others	7.80	8.38
e) Unallocated	15.00	14.71
Total	**629.96**	**555.85**

Segment assets and liabilities

	As at March 31, 2025	As at March 31, 2024
Segment assets		
a) Technical textiles business (TTB)	2,210.05	2,041.96
b) Chemicals business (CB)	10,858.57	10,689.28
c) Perfomance Films and Foil business (PFB)	2,374.07	2,321.37
d) Others	217.12	178.30
Total	**15,659.81**	**15,230.91**
Unallocable assets	2,370.61	2,133.73
Total assets	**18,030.42**	**17,364.64**
Segment liabilities		
a) Technical textiles business (TTB)	410.91	525.38
b) Chemicals business (CB)	1,109.55	1,033.67
c) Perfomance Films and Foil business (PFB)	480.95	622.43
d) Others	43.77	41.60
Total	**2,045.18**	**2,223.08**
Unallocable liabilities	4,416.59	4,627.85
Total liabilities	**6,461.77**	**6,850.93**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

B. Information about geographical business segments

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations		
- India	7,012.39	5,917.29
- Germany	301.11	353.05
- USA	1,021.43	1,288.48
- Belgium	596.34	767.81
- Switzerland	746.16	659.98
- Others	2,020.54	1,800.06
	11,697.97	**10,786.67**

	As at March 31, 2025	As at March 31, 2024
Non current segment assets		
- Within India	11,696.97	11,297.57
- Outside India	-	-
	11,696.97	**11,297.57**

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

No single customer contributed 10% or more to the Company'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	265.12	207.05
Others	3.56	5.52
b) Chemicals business (CB)		
Speciality chemicals	3,793.19	3,666.07
Fluorochemicals, Refrigerant gases and Allied products	2,208.81	2,072.82
Industrial chemicals	411.26	343.39
Others	2.70	9.24
c) Perfomance Films and Foil Business (PFB)		
Packaging films	2,561.72	2,148.95
d) Others		
Laminated fabric, Coated fabric and other ancillary activities	422.98	460.51
	11,377.27	**10,565.92**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

36 EARNINGS PER SHARE (EPS)

	Year ended March 31, 2025	Year ended March 31, 2024
Profit attributable to the equity holders of the Company used in calculating basic earning per share and diluted earning per share	1,268.07	1,374.03
Weighted average number of equity shares for the purpose of calculating basic and diluted earnings per share (numbers)	296,424,825	296,424,825
Basic and diluted earnings per share of face value ₹ 10 each	42.78	46.35

37 RIGHT-OF-USE ASSETS

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

Particulars	Land	Buildings	Plant and equipment	Total
Cost				
Balance at April 1, 2023	**156.07**	**45.43**	**125.87**	**327.37**
Additions / adjustments	6.49	5.21	9.73	21.43
Derecognition	-	(6.66)	(4.71)	(11.37)
Balance at March 31, 2024	**162.56**	**43.98**	**130.89**	**337.43**
Additions / adjustments	-	-	2.07	2.07
Derecognition	-	-	(6.25)	(6.25)
Balance at March 31, 2025	**162.56**	**43.98**	**126.71**	**333.25**
Accumulated amortisation				
Balance at April 1, 2023	**6.07**	**26.39**	**36.04**	**68.50**
Depreciation expenses	1.89	6.68	23.14	31.71
Derecognition	-	(6.66)	(4.71)	(11.37)
Balance at March 31, 2024	**7.96**	**26.41**	**54.47**	**88.84**
Depreciation expenses	1.83	6.88	20.73	29.44
Derecognition	-	-	(6.25)	(6.25)
Balance at March 31, 2025	**9.79**	**33.29**	**68.95**	**112.03**
Net Block				
Balance at March 31, 2024	**154.60**	**17.57**	**76.42**	**248.59**
Balance at March 31, 2025	**152.77**	**10.69**	**57.76**	**221.22**

Lease liabilities included in the Balance Sheet

	As at March 31, 2025	As at March 31, 2024
Current	28.74	27.51
Non-current	55.01	81.75

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%).

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Amounts recognised in Statement of Profit and Loss

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease liabilities (Refer note 26)	7.51	8.99
Depreciation expense (Refer note 27)	29.44	31.71
Expenses relating to short-term leases (Refer note 28)	5.87	10.62
Expenses relating to low-value assets (Refer note 28)	32.24	25.90

Amounts recognised in Cash Flow Statement

	Year ended March 31, 2025	Year ended March 31, 2024
Total cash outflow for leases	35.09	37.11

38 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

38.1 Capital Management

The Company 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 Company consists of net debt (borrowings net of cash and cash equivalents, deposit accounts with maturity beyond three months upto twelve months and current investments) and total equity of the Company. The Company is not subject to any externally imposed capital requirements. The Company's management reviews the capital structure of the Company on periodic basis. As part of its review, the management considers the cost of capital and risk associated with each class of capital. The Company also evaluates its gearing measures using 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	3,337.22	3,720.78
Less:		
Cash and cash equivalents	313.85	361.77
Deposit accounts with maturity beyond three months upto 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	**2,243.41**	**2,928.21**
Total equity	**11,568.65**	**10,513.71**
Net debt to equity ratio	**0.19**	**0.28**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

38.2 Financial instruments by category

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 amortised cost						
Investments in bonds	1	d	50.11	50.11	50.79	50.28
Investments 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	1,765.14	1,538.00	1,765.14	1,538.00
Cash and cash equivalents		a	313.85	361.77	313.85	361.77
Bank balances other than above		a	15.25	8.21	15.25	8.21
Loans		a,b	194.52	372.09	194.52	372.09
Other financial assets		a,b	283.56	343.68	283.56	343.68
			2,628.52	**2,678.92**	**2,629.20**	**2,679.09**
Measured at Fair value through profit and loss						
Investments in bonds	1	d	66.50	150.33	66.50	150.33
Investments in debt instrument of subsidiary	3	d	33.01	-	33.01	-
Investments in mutual funds	2	d	704.53	321.14	704.53	321.14
Derivative instruments	2	d	1.64	0.25	1.64	0.25
			805.68	**471.72**	**805.68**	**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	48.03	11.30	48.03
			11.35	**48.08**	**11.35**	**48.08**

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	3,253.47	3,611.51	3,216.12	3,602.42
Trade payables		a	1,570.25	1,567.81	1,570.25	1,567.81
Other financial liabilities		a,b	241.29	398.84	241.29	398.84
			5,065.01	**5,578.16**	**5,027.66**	**5,569.07**
Measured at Fair value through profit and loss						
Derivative instruments	2	d	0.18	0.79	0.18	0.79
			0.18	**0.79**	**0.18**	**0.79**
Measured at Fair value through Other comprehensive income						
Derivative instruments	2	d	24.99	5.73	24.99	5.73
			24.99	**5.73**	**24.99**	**5.73**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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.

(e) Investment value excludes equity investment in subsidiaries which are shown at cost in balance sheet as per Ind AS 27 "Separate financial statements".

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

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 and investment in debt investment in a Subsidiary.

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 Company 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 Company'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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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

(iv) Investment in debt instruments: Fair value is determined as present value of amount receivable at end of term.

Reconciliation of Level 3 fair value measurements	Unlisted equity instruments	Investment in Debt Instrument of Subsidiary
As at March 31, 2023	**4.16**	**-**
Sale of investment	(4.11)	-
As at March 31, 2024	**0.05**	**-**
Purchase of investment	-	32.18
Interest accreted	-	0.83
As at March 31, 2025	**0.05**	**33.01**

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

38.3 Financial Risk Management

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

Financial risk management within the Company 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. Company 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 Company. Review of the financial risk is done on a monthly basis by the Chairman and 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 Company's results and financial position.

In accordance with its financial risk management policies, the Company 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 Company'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 / Chairman and Managing Director reviews and approves policies for managing each of the above risks.

38.3.1 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 Company enters into derivative contracts as approved by the Board to manage its exposure to interest rate risk and foreign currency risk.

Notes to the Standalone Financial Statements

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(All amounts in ₹ Crores, unless otherwise stated)

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 Company is attributable to Company's operating activities, investing activities and financing activities.

In the operating activities, the Company'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 Company manages the net exposure on a rolling period of 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 Company are mainly in U.S. Dollar (USD), Euro (EUR), Japanese Yen (JPY) and British Pound Sterling (GBP). The Company's exposure to foreign currency changes for all other currencies is not material.

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

	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	647.92	798.65	2,919.24	3,670.38	(2,271.32)	(2,871.73)
EUR	84.76	90.91	444.29	428.44	(359.53)	(337.53)
JPY	-	-	12.90	10.65	(12.90)	(10.65)
GBP	2.51	2.18	0.06	0.30	2.45	1.88

Foreign currency sensitivity analysis

The Company is mainly exposed to changes in USD, EUR, JPY and GBP exchange rates.

The following table details the Company'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	7.92	(7.92)	7.33	(7.33)
EUR	(0.55)	0.55	1.09	(1.09)
JPY	0.13	(0.13)	0.11	(0.11)
GBP	(0.02)	0.02	(0.02)	0.02

* 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/ deleted from the cost of such assets/ capital work in progress and will be depreciated over the balance useful life of assets.

Notes to the Standalone 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	
	₹ strengthens by 1%	₹ weakens by 1%	₹ strengthens by 1%	₹ weakens by 1%
Impact on equity (Other Comprehensive Income)				
USD	14.79	(14.79)	21.38	(21.38)
EUR	4.15	(4.15)	2.30	(2.30)

Foreign exchange derivative and non-derivative financial instruments

The Company uses derivative as well as non-derivative financial instruments for hedging financial risks that arise from its commercial business or financing activities. The Company'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 Company 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 Buy forward	2	-	7.20	-	67.58	-	-	-

* Computed using average forward contract rates

The following table details the Company'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.

Notes to the Standalone 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	
	₹ strengthens by 1%	₹ weakens by 1%	₹ strengthens by 1%	₹ weakens by 1%
Impact on profit / (loss) for the year				
USD	1.98	(1.98)	1.84	(1.84)
EUR	-	-	-	-
Impact on equity (Other Comprehensive Income)				
USD	61.03	(61.03)	54.97	(54.97)
EUR	(0.67)	0.67	-	-

B. Interest Rate Risk Management

Interest rate risk arises from movements in interest rates which could have effects on the Company'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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a portfolio of fixed and variable rate loans and borrowings. The Company 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 aggregates to ₹ 15.63 crores and floating interest loan aggregates to ₹ 2,103.95 crores (Previous year: Fixed interest loan ₹ 438.88 crores and Floating interest loan ₹ 2,139.67 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 Company'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)	(2.87)	(1.00)	(2.91)

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.

Notes to the Standalone Financial Statements

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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	Carrying amount Assets / (liabilities)	Line item where the hedging instrument is included	Change in the value of the hedging instrument recognised in OCI	Nominal amount	Carrying amount Assets / (liabilities)	Line item where the hedging instrument is included	Change in the value of the hedging instrument recognised in OCI
Foreign exchange contracts	6,151.76	11.30 (24.99)	Other financial assets (current and non - current) Other financial liabilites (current and non - current)	(56.00)	5,539.00	48.03 (5.73)	Other financial assets (current and non - current) Other financial liabilites (current and non - current)	103.01
Foreign currency denominated creditors	-	-		15.69	134.11	(134.11)	Other financial liabilities (current)	4.58
Foreign currency denominated loans	1,893.07	(1,893.07)	Borrowings (current and non - current)	34.82	2,233.66	(2,233.66)	Borrowings (current and non - current)	3.29
Interest rate swap contacts	-	-	-	-	-	-	-	(0.89)

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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	Carrying amount Assets / (liabilities)	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	Carrying amount Assets / (liabilities)	Line item where the hedging instrument is included	Change in the value of the hedging instrument recognised in statement of profit and loss
Foreign exchange contracts	199.20	1.64	Other financial assets (current)	2.01	183.14	0.25	Other financial assets (current)	6.45
		(0.18)	Other financial libilities (current)			(0.79)	Other financial libilities (current)	

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	**(54.51)**	**(150.22)**	**3.40**	**4.67**
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 contract settled during the year)	-	-	-	(15.52)
Changes in fair value of forward contracts designated as hedging instruments recognised in OCI	(56.58)	120.92	-	-
Changes in fair value of interest rate swaps	-	(0.89)	-	-
Amount reclassified to Profit or Loss (Foreign exchange (gain) / loss)	115.08	39.02	(3.40)	13.82
Amount arising from remeasurement of financial liability	(61.42)	(28.77)	-	-
Taxes related to above	1.53	(32.19)	-	0.43
Closing Balance	**(59.06)**	**(54.51)**	**-**	**3.40**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

D Investment Risk

The primary goal of the Company's investment is to maintain liquidity along with meeting Company's strategic purposes. Depending upon the investment strategy at inception, management classifies certain investments as FVTPL. The following table details the Company'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)

38.3.2 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 Company 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 Company does not require collateral in respect of trade receivables, loans and contract assets.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with counterparties who meet the parameters specified in Investment Policy of the Company. 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 bank and financial institution.

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

The Company 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 Company permits exposure in corporate bonds only upto 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 Company monitors its investment portfolio on continuous 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 Company 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 receivable, 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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 Company:

	Note No.	As at March 31, 2025	As at March 31, 2024
Loans - current	6	2.74	2.74
Trade receivables	10	2.63	1.79
		5.37	**4.53**

Movement of loss allowance :

	Loans (current and non current)	Trade receivables
As at April 1, 2023	**2.74**	**2.64**
Provided during the year	-	-
Reversed / utilised during the year	-	(0.85)
As at March 31, 2024	**2.74**	**1.79**
Provided during the year	-	1.07
Reversed / utilised during the year	-	(0.23)
As at March 31, 2025	**2.74**	**2.63**

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

38.3.3 Liquidity Risk Management

Liquidity risk is the risk of non-availability of financial facilities available to the Company to meet its financial obligations. The Company'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 Company 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 Company 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 Company has secured bank loans that contain loan covenants. A future breach of any covenants may require the Company 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

The Company 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 Company 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 18.

Also refer note 10 for receivables purchase agreements entered into by the Company as a part of its liquidity risk management policy.

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

As at March 31, 2025	Less than 1 year	More than 1 year and upto 5 years	More than 5 years	Total
Borrowings*	1,783.35	1,627.02	103.47	3,513.84
Lease Liabilities**	34.10	54.51	30.63	119.24
Trade payables	1,570.25	-	-	1,570.25
Derivative Liabilities	8.71	16.46	-	25.17
Other financial liabilities	239.30	-	1.99	241.29
	3,635.71	**1,697.99**	**136.09**	**5,469.79**

As at March 31, 2024	Less than 1 year	More than 1 year and upto 5 years	More than 5 years	Total
Borrowings*	2,087.18	1,475.89	437.88	4,000.95
Lease Liabilities**	34.96	81.42	35.32	151.70
Trade payables	1,567.81	-	-	1,567.81
Derivative Liabilities	5.72	0.80	-	6.52
Other financial liabilities	398.84	-	-	398.84
	4,094.51	**1,558.11**	**473.20**	**6,125.82**

* Includes current maturity of non-current borrowings and future cash outflow towards estimated interest on non-current borrowings

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

39 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	23.21	40.37
Revenue recognised that was included in the contract liability balance at the beginning of the period	(23.21)	(40.37)
Increase due to cash received, excluding the amount recognised as revenue during the period	21.13	23.21
Closing balance	**21.13**	**23.21**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

40 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 financial 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**

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)

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(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**

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

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before taxation	1,704.38	1,717.88
Add: Managerial remuneration including commission	42.76	41.95
Add: Amounts specified under section 198(2)	8.28	3.42
Sub Total	**1,755.42**	**1,763.25**
Less: Amounts specified under section 198(5)	23.25	15.80
Profit as per section 197 of the Companies Act, 2013	**1,732.17**	**1,747.45**
Maximum remuneration as commission and/ or salary including perquisites @ 10% of net profit of ₹ 1,732.17 crores (Previous year: ₹ 1,747.45 crores) which can be paid to Managing Directors/ Whole time Directors under section 197 of the 2013 Act	173.23	174.75
Remuneration paid/ payable to Managing Directors / Whole Time Directors	**41.21**	**40.48**
Maximum remuneration payable to Non-Executive Directors @ 1% of net profit of ₹ 1,732.17 crores (Previous year: ₹ 1,747.45 crores) under section 197 of the 2013 Act	17.32	17.47
Remuneration paid/ payable to Non-Executive Directors	**1.55**	**1.47**

(c) The Company 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Exchange loss/ (gain) added/ (adjusted)	Year ended March 31, 2025	Year ended March 31, 2024
Property, plant and equipment		
- Plant and equipment	0.75	1.15
	0.75	**1.15**

The cumulative exchange loss/ (gain) added/ (adjusted) and remaining unamortised as at March 31, 2025 is ₹ 101.60 Crores (Previous year: ₹ 110.84 Crores).

(d) Disclosures pursuant to section 186(4) of the Companies Act, 2013 and regulations 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as applicable:

(i) Details of guarantees:

Nature of Guarantees	Purpose
Refer note 31 (d) above	To secure the financial facilities sanctioned to subsidiaries by banks and other companies.

(ii) Details of investments:

Nature of Investments	Purpose
Refer note 5 above	Investment in wholly owned subsidiaries.

(iii) Details of unsecured loans given:

Particulars of loans	Terms	As at March 31, 2025	As at March 31, 2024
SRF Global BV (denominated in USD) - given for repayment of existing borrowings and general corporate purpose	Principal amount repaid in March 2025 (Previous year: Principal amount repayable in March 2025). Interest on a floating rate basis payable quarterly. The effective yield is in compliance with Section 186 of the Companies Act, 2013.		
As at the beginning of the year		250.15	246.63
Given during the year		-	-
Received back during the year		(253.31)	-
Foreign currency exchange fluctuation gain / (loss)		3.16	3.52
As at end of the year		-	250.15
Maximum balance outstanding		(253.31)	250.15

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars of loans	Terms	As at March 31, 2025	As at March 31, 2024
SRF Global BV (denominated in EUR) - given for repayment of existing borrowings	Previous year: Principal amount was repaid in June 2023. Interest on a fixed rate basis, payable annually. The effective yield is in compliance with Section 186 of the Companies Act, 2013.		
As at the beginning of the year		-	178.77
Given during the year		-	-
Received back during the year		-	(202.77)
Foreign currency exchange fluctuation gain / (loss)		-	24.00
As at end of the year		-	-
Maximum balance outstanding		-	202.77
SRF Altech Limited (denominated in INR) - given for general purpose and capital expenditure	Principal and interest is repayable on demand. Interest rate is 7.79% to 8.27% (Previous year: Interest rate is 7.48% to 8.05%)		
As at the beginning of the year		60.00	54.96
Given during the year		125.00	365.04
Received back during the year		(56.00)	(360.00)
As at end of the year		129.00	60.00
Maximum balance outstanding		154.00	195.00

(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 statements, particularly on the amount of tax expense and provision for taxation.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(f) 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. 32.2)	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.	

(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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(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 standalone financial statements under the respective heads (net of claim recoverable):

	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	51.40

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 standalone statement of profit and loss.

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.

(h) OTHER STATUTORY INFORMATION

(i) Analytical ratios:

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024	% change	Reason for change, wherever more than 25%
(i)	Current ratio (Total current assets / Total current liabilities)	1.42	1.23	15.00%	Not applicable
(ii)	Debt-equity ratio (Total debt including lease liabilities / Total equity)	0.29	0.35	(18.49%)	Not applicable
(iii)	Debt service coverage ratio [(Earnings before depreciation, interest and tax - current tax) / (Gross interest and lease payments + scheduled principal repayment of long term debts)]	1.82	3.34	(45.41%)	Ratio is lower due to higher scheduled repayments of long term borrowings in the current year
(iv)	Return on equity ratio (Profit after tax / Average equity)	11.48%	13.90%	(17.39%)	Not applicable

Notes to the Standalone Financial Statements

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	% change	Reason for change, wherever more than 25%
(v) Inventory turnover ratio (Sale of products / Average inventory)	6.14	5.64	8.95%	Not applicable
(vi) Trade receivables turnover ratio (Sale of products / Average trade receivables)	6.89	7.10	(3.04%)	Not applicable
(vii) Trade payables turnover ratio (Purchases of raw materials / Average trade payables)	3.51	3.20	9.75%	Not applicable
(viii) Net capital turnover ratio (Sale of products / Working capital)	7.46	11.15	(33.07%)	This is primarily due to repayment of certain current liabilities (including current portion of long term borrowings and payables to capital creditors) during the current year leading to a higher working capital as on March 31, 2025, impacting the overall ratio
(ix) Net profit ratio (Profit after tax / Total revenue from operations including other operating income)	10.84%	12.74%	(14.90%)	Not applicable
(x) Return on capital employed [Earnings before interest and tax / (Total equity - other intangible assets - goodwill + total debt + deferred tax liability)]	12.67%	13.02%	(2.71%)	Not applicable
(xi) Return on investment * (Income generated from investments / Weighted average investments)	8.27%	7.45%	11.11%	Not applicable

* Mutual funds, bonds and debentures are considered for the purpose of computing return on investment.

(ii) There are no title deeds of immovable property which are not held in name of the Company.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

(iii) The Company 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)

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

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

(vi) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vii) 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.

(viii) 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 Company 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 Company ("Ultimate Beneficiaries") or

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

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

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.

(x) The Company 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).

(xi) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(xii) The Company 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

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.