



Board's Report

Dear Members,

Your Directors are pleased to present the 51st Annual Report for the year ended March 31, 2022.

Financial Results

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	9,953.44	6,988.32	12,433.66	8,400.04
Other income	135.31	63.30	115.51	66.35
Total Income	10,088.75	7,051.62	12,549.17	8,466.39
Profit Before Interest, Depreciation & Tax (PBIDT)	2,668.72	1,804.78	3,218.71	2,199.68
Less: Interest & Finance Charge	94.45	111.21	115.93	133.95
Less: Depreciation and amortisation charge	419.23	383.60	517.23	453.08
Profit Before Tax (PBT) from continued operation	2,155.04	1,309.97	2,585.55	1,612.65
Less: Provision For Taxation including Deferred Tax Charge	648.03	384.91	696.63	414.40
Profit After Taxation (PAT) from continued operation	1,507.01	925.06	1,888.92	1,198.25
Profit Before Tax (PBT) from discontinued operations	-	-	-	(2.73)
Less: Provision For Taxation including Deferred Tax Charge	-	-	-	(2.42)
Profit After Taxation (PAT) from discontinued operations	-	-	-	(0.31)
Total Profit After Taxation (PAT) from continuing and discontinued operations	1,507.01	925.06	1,888.92	1,197.94
Add: Profit Brought Forward	4,551.58	3,828.76	5,113.66	4,117.69
Total	6,058.59	4,753.82	7,002.58	5,315.63

Appropriation

Particulars	(₹ in Crores)			
	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Interim dividend on Equity Shares	211.89	141.31	211.89	141.31
Other comprehensive income arising from re-measurement of defined benefit obligation	4.75	(1.57)	4.92	(1.84)
Amount transferred to Debenture Redemption Reserve	-	62.50	-	62.50
Profit carried to Balance Sheet	5,841.96	4,551.58	6,785.77	5,113.66

Operations Review

Total revenue from operations of the Company on standalone basis increased by 42.43 per cent from ₹ 6988.32 Crores in 2020-21 to ₹ 9953.44 Crores in 2021-22. The profit before interest, depreciation and tax (PBIDT) including 'other income' on a standalone basis increased from ₹ 1804.78 Crores in 2020-21 to ₹ 2668.72 Crores in 2021-22.

Profit before tax (PBT) from continuing operations on a standalone basis increased by 64.51 per cent from ₹ 1309.97 Crores in 2020-21 to ₹ 2155.04 Crores in 2021-22. After accounting for the provision for tax of ₹ 648.03 Crores, profit after tax (PAT) on continuing operations on a standalone basis increased by 62.91 per cent from ₹ 925.06 Crores in 2020-21 to ₹ 1507.01 Crores in 2021-22.

Total revenue from operations of the Company on consolidated basis increased by 48.01 per cent from ₹ 8400.04 Crores in 2020-21 to ₹ 12433.66 Crores in 2021-22. The profit before interest, depreciation and tax (PBIDT) including 'other income' on a consolidated basis increased from ₹ 2199.68 Crores in 2020-21 to ₹ 3218.71 Crores in 2021-22.

Profit before tax (PBT) from continuing operations on a consolidated basis increased by 60.32 per cent from ₹ 1612.65 Crores in 2020-21 to ₹ 2585.55 Crores in 2021-22. After accounting for the provision for tax of ₹ 696.63 Crores, profit after tax (PAT) on continuing operations on a consolidated basis increased by 57.64 per cent from ₹ 1198.25 Crores in 2020-21 to ₹ 1888.92 Crores in 2021-22.

Transfer to Reserves

In view of the statutory provisions of the Companies Act, 2013 the Board of Directors has decided not to transfer any amount to the reserves consequent to declaration of dividend.

Share Capital

During the year, to commemorate 50th anniversary of the Company, the Board at its meeting held on October 15, 2021 allotted 23,69,80,820 Bonus Shares to the eligible shareholders of the Company in the proportion of 4 (four) new fully paid-up equity share of ₹ 10/- each for every 1 (one) existing fully paid-up equity share of ₹ 10/- each by capitalising a sum of ₹ 236,98,08,200 out of securities premium account of the Company.

Further, the Nomination and Remuneration Committee allotted 195,000 equity shares of ₹ 10/- each at par under Part B- SRF ESPPS, 2018 of the SRF Long Term Share Incentive Plan, 2018 to eligible employees on November 1, 2021.

In view of the above, the paid up share capital of the Company increased from ₹ 59,24,52,050 divided into 5,92,45,205 equity shares of ₹ 10/- each to ₹ 296,42,10,250 divided into 29,64,21,025 equity shares of ₹ 10/- each.

Equity Dividend

During the year, your Company has paid two interim dividends of ₹ 12 per share (before bonus issue) and ₹ 4.75 per share (after bonus issue) amounting to ₹ 211.89 Crores. The Board of Directors of the Company has not recommended any final dividend.

Management Discussion and Analysis

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

ESG Report

ESG Report for FY 2021 - '22 containing the Environment, Social and Governance Initiatives taken by the Company during the year forms part of the

Annual Report. As stipulated under the Securities and Exchange Board of India (LODR) Regulations, 2015 ("Listing Regulations"), the Business Responsibility Report has been prepared for 2021-22 and is presented along with the above ESG Report.

Subsidiaries, Joint Ventures and Associate companies

As on March 31, 2022, your Company had 7 (seven) wholly owned subsidiary companies out of which 2 (two) wholly owned subsidiary companies are registered in India and remaining 5 (five) are registered outside India. 3 (three) of these are direct wholly owned subsidiaries and rest 4 (four) are step-down wholly owned subsidiaries. The consolidated profit and loss account for the period ended March 31, 2022 includes the profit and loss account for these 7 (seven) wholly owned subsidiaries for the Financial Year ended March 31, 2022.

These subsidiaries are:-

1. SRF Global B.V. is a wholly owned subsidiary of the Company incorporated in the Netherlands. This entity is an SPV formed for the purpose of holding investments and mobilizing funds for the 4 (four) step-down subsidiaries of the Company.
2. SRF Industries (Thailand) Ltd. (a wholly owned subsidiary of SRF Global BV) is incorporated in Thailand engaged in the manufacture and distribution of packaging films.
3. SRF Flexipak (South Africa) (Pty) Ltd. (a wholly owned subsidiary of SRF Global BV) is incorporated in South Africa engaged in manufacture and distribution of packaging films.
4. SRF Industex Belting (Pty) Ltd. (a wholly owned subsidiary of SRF Global BV) is incorporated in South Africa presently in the business of trading in refrigerant gases and packaging films in South Africa and other neighbouring countries.
5. SRF Europe Kft (a wholly owned subsidiary of SRF Global BV) is incorporated in Hungary to undertake the manufacture and trading of packaging films in Hungary.
6. SRF Holiday Home Ltd. is a wholly owned subsidiary of the Company incorporated in India.

This company is engaged in the business of acquisition and renting of real estate properties.

7. SRF Altech Limited is a wholly owned subsidiary of the Company incorporated in India during the year. It shall engage in the business of manufacture of Aluminum foil.

The consolidated financial statements of the Company prepared in compliance with applicable Accounting Standards and other applicable laws including all the above subsidiaries duly audited by the statutory auditors are presented in the Annual Report.

No subsidiaries were divested during the year. No company has become/ceased to be a joint venture or associate during the year. A report on performance and financial position of each of the subsidiaries and associates is presented in a separate section in this Annual Report. Please refer (AOC-1) annexed to the financial statements in the Annual Report at page no. 371. The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link:

<https://www.srf.com/wp-content/uploads/2021/04/2019-02-04-SRF-Limited-Policy-on-Material-Subsidiary-Companies.pdf>

The annual accounts of the subsidiary companies will also be kept open for inspection at the registered office of the Company and of respective subsidiary companies. Further, the annual accounts of the subsidiaries are also available on the website of the Company viz. www.srf.com

Directors & Key Managerial Personnel

During the year Dr. Meenakshi Gopinath, Director CSR, retired as Director in the Annual General Meeting held on August 31, 2021.

Mr. Sanjay Chatrath, President and CEO, Technical Textile Business retired on October 31, 2021, Your Board places on record its sincere appreciation for the contribution made by him during his years of service. Mr. Prashant Yadav, President and CEO (FCB) was also given the additional responsibility of Technical

Textile Business (TTB) w.e.f November 01, 2021 and redesignated as President and CEO (FCB and TTB)

Mr. Arun Bharat Ram decided to step down as Executive Chairman from the close of the business hours on March 31, 2022 and was appointed as "Chairman Emeritus" for a term of five years with effect from April 1, 2022.

The Board in its meeting held on March 28, 2022, had upon recommendations of Nomination and Remuneration Committee redesignated Mr. Ashish Bharat Ram as Chairman and Managing Director and Mr. Kartik Bharat Ram as Joint Managing Director of the Company with effect from April 1, 2022 and has recommended the same to the shareholders of the Company for their approval in this Annual General Meeting.

Mr. Ashish Bharat Ram, Chairman and Managing Director, is retiring by rotation and being eligible, offers himself for re-appointment.

Mr. Vellayan Subbiah was re-appointed as Non-Executive Independent Director by members at the Annual General Meeting held on August 07, 2018 for the period of 5 years commencing from April 01, 2019 upto March 31, 2024. The Board is of the view that it would be to the benefit of the Company if his experience and wisdom would continue to be utilized by the Board and management on a long-term basis. Accordingly, a proposal to appoint him as a non-independent and non-executive director was discussed with him and he graciously agreed to step down as an independent director and resigned from the closing of Business hours on May 9, 2022 and was appointed as Additional non-independent and non-executive director, liable to retire by rotation, w.e.f May 10, 2022. The Board recommends his appointment as Non-executive non-Independent Director, liable to retire by rotation, to the shareholders.

Upon recommendations of Nomination and Remuneration Committee, the Board appointed Mr. Raj Kumar Jain, as Additional Independent Director w.e.f May 9, 2022 and has recommended his appointment as Independent Director to the shareholders for a term of 5 years commencing from May 09, 2022 to May 08, 2027.

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

All the Independent Director(s) have submitted the declaration of meeting the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and rules applicable thereunder and as per the SEBI Regulations. They are also independent of the management.

The Board confirms that independent directors appointed during the year possess the desired integrity, expertise and experience. The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. Some of the Directors are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA and the remaining have cleared the Online Proficiency Test as prescribed under Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended.

In accordance with the requirements of the Companies Act and the Listing Regulations, the Company has formulated a Nomination, Appointment and Remuneration Policy. A copy of the Policy is enclosed as Annexure I and on the website of the Company at the link: <https://www.srf.com/wp-content/uploads/2022/05/2022-05-09-Rev-NRC-Policy-V6-F.pdf>

In accordance with the aforesaid Policy, the Nomination and Remuneration Committee evaluates the performance of the Executive Directors, Non-Independent non-executive Director and Independent Directors based on the criteria more particularly described in the enclosed Nomination, Appointment and Remuneration policy. Board evaluates, its own performance and the performance of its Committees on the criteria more particularly described in the said policy.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business

model of the Company and related matters are put up on the website of the Company at the link https://www.srf.com/wp-content/uploads/2022/04/Familiarisation-programme_2022.pdf

During the year 2021-22, Seven meetings of the Board of Directors were held. For further details, please refer to report on Corporate Governance on page no. 145 of this Annual Report.

Directors' Responsibility Statement

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

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

Contracts and Arrangements with Related Parties

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

Transfer Pricing Policy/basis approved by the Audit Committee and/or in accordance with the Omnibus approval of the Audit Committee. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Policy on Materiality of Related Party Transactions. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 ('the Act') in Form No. AOC-2 is not applicable to the Company for FY 2021 - '22 and hence the same is not provided.

Your Directors draw attention of the members to Note 32 to the notes to accounts forming part of the financial statements which sets out related party transaction disclosures.

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

Particulars of loans given, investments made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security was proposed to be utilised by the recipient are provided in the standalone financial statement (Please refer to Note 41(d) of Additional Disclosures forming part of the standalone financial statement).

Corporate Social Responsibility (CSR)

As per the requirements of the Companies Act, 2013, the Company has a Corporate Social Responsibility Committee comprising of Mr. Kartik Bharat Ram, Joint Managing Director (Chairman of the Committee), Mr. Lakshman Lakshminarayan, Independent Director, and Mr. Yash Gupta, Independent Director as other members. Mr. Arun Bharat Ram, was a member of this committee till March 31, 2022.

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

The CSR Policy may be accessed on the Company's website at the link <https://www.srf.com/wp-content/uploads/2021/04/25032021-Final-SRF-Corporate-Social-Responsibility-policy.pdf>

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

As per the requirements of section 135 (5) of the Companies Act 2013, the CSR Obligation for FY 2021 - '22 was ₹ 18.61 Crores. The Board upon recommendations of CSR Committee approved the Annual budget of ₹ 18.68 Crores towards CSR expenditure which was duly spent during the year. Moreover, an amount of ₹ 2.70 Crores earmarked for ongoing projects which commenced during FY 2020 - '21 was also spent during the year.

The CSR Obligation for FY 2020 - '21 was ₹ 13.25 lakhs out of which ₹ 12.88 lakhs was spent during that year and a credit of ₹ 37 lakhs was taken on account of excess amount spent during FY 2019-20 which was allowed as per the Companies (Corporate Social Responsibility) Rules, 2014. However MCA through its circular dated 25th August 2021 clarified that the Companies cannot set off excess CSR amount spent prior to FY 2020 - '21. Therefore, the CSR spend for FY 2020 - '21 was lesser to the extent of ₹ 37 lacs.

As per the provisions of the Companies Act, 2013, any CSR obligation which was not discharged during the financial year need to be transferred to one of the specified funds prescribed under Schedule VII to the Companies Act, 2013 on or before 30th September, 2021. In compliance with MCA circular dated 25th August, 2021, an amount of ₹ 37 lacs was transferred to Clean Ganga Fund, which is a fund specified under Schedule VII to the Companies Act, 2013, on 28th September, 2021.

Annual Report on CSR activities is annexed herewith as Annexure II.

Risk Management

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

The risks identified by the Company broadly fall into the following categories viz. strategic risks, operational risks, regulatory risks, financial and reporting risks, and IT & Cyber risks. The risk management process

consists of risk identification, risk assessment, risk prioritization, risk treatment or mitigation, risk monitoring and documenting the new risks.

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

The Board has constituted Risk Management Committee consisting of Mr. Ashish Bharat Ram as Chairman, Mr. Kartik Bharat Ram and Ms. Bharti Gupta Ramola as members of the Committee.

Internal Financial Controls

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

- close and active supervision by the Audit Committee
- business planning and review of goals achieved
- evaluating & managing risks
- policies and procedures adopted for ensuring orderly Financial Reporting
- timely preparation of reliable Financial Information
- accuracy and completeness of the Accounting Records
- ensuring legal and regulatory compliance
- protecting company's assets
- prevention and detection of fraud and error
- validation of IT Security Controls
- Entity Level Controls

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

Significant features of these control systems include:

- the planning system that ensures drawing up of challenging goals and formulation of detailed

strategies and action plans for achieving these goals.

- the risk assessment system that accounts for all likely threats to the achievement of the plans, and draws up contingency plans to mitigate them.
- the review systems track the progress of the plan and ensure that timely remedial measures are taken, to minimise deviations from the plan.

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

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

Listing of Equity Shares

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

SRF Limited Long term Share based Incentives Plan, 2018

During the year, 195,000 equity shares were allotted under Part B- SRF ESPS, 2018 of the SRF Long Term Share Incentive Plan, 2018 to eligible employees. There has been no change in the said Plan which was approved by the shareholders through postal ballot on February 26, 2018. The said Plan is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2018. The disclosures prescribed under the said Regulations are given below:

- In terms of the "Guidance Note on accounting for employee share based payments" issued by ICAI and Ind AS 102, note no. 34 on Employee

Share Based Payments forms part of the notes to standalone annual accounts appearing on page no. 242 of the Annual Report 2021-22. Note No. 1.B.17 forming part of the Accounting Policies which refers to this is also appearing on page no. 195 of the Annual Report 2021-22. The same are also reproduced in the "Investors Section" of the website (www.srf.com). The weblink for the same is <https://www.srf.com/investors/corporate-governance/>

- During financial year 2018-19 and 2021-22 shares under Part B- SRF ESPS, 2018 of the SRF Long Term Share Incentive Plan, 2018 were issued directly to the eligible employees as decided by the Board/Nomination and Remuneration Committee of the Company. Basic and diluted EPS for 2021-22 was ₹ 50.86 per Share.
- Other Disclosures mandated by the said circular are given in Annexure III.

Certificate from the Secretarial Auditors of the Company dated May 30, 2022 that SRF Limited Employees Long term Share Based Incentive Plan, 2018 has been implemented in accordance with these regulations and in accordance with the resolution of the company shall be placed in the forthcoming Annual general meeting.

Dividend Distribution Policy

In compliance with the Listing Regulations, your Board had formulated a Dividend Distribution Policy. A copy of the said policy is available on the website of the Company at <https://www.srf.com/wp-content/uploads/2020/11/Dividend-Distribution-Policy.pdf>

Corporate Governance

Certificate of the auditors of your Company regarding compliance of the conditions of corporate governance as stipulated in regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the report as Annexure IV.

In compliance with the requirements of the regulation 17(8) of the aforesaid regulations, a certificate from Chairman and Managing Director and President & CFO was placed before the Board.

All Board members and Corporate Leadership Team (CLT) have affirmed compliance with the Code of

Conduct for Board and Senior Management Personnel. A declaration to this effect duly signed by the Chairman and Managing Director is enclosed as a part of the Corporate Governance Report. A copy of the Code is also placed at the website of the Company at <https://www.srf.com/wp-content/uploads/2020/11/Code-of-Conduct-for-Directors-and-Senior-Management-Personnel.pdf>

Consolidated Financial Statement

The consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant amendments issued thereafter of the Act.

Audit Committee

As on date, the Audit Committee comprises of Independent Directors namely, Mr. Lakshman Lakshminarayan (Chairman of the Committee), Ms. Bharti Gupta Ramola and Mr. Raj Kumar Jain as other members. All the recommendations made by the Audit Committee were accepted by the Board.

Accounts and Audit

M/s BSR & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022) were appointed as Statutory Auditors for 5 years in 47th annual general meeting to hold office from the conclusion of 47th Annual General Meeting until the conclusion of 52nd annual general meeting.

The observations of the auditors are explained wherever necessary in appropriate notes to the accounts. The Auditors Report does not contain any qualification, reservation, adverse remark or disclaimer.

Vigil Mechanism

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

The Vigil Mechanism of the Company consists of Code of Conduct for employees, Policy against sexual harassment, Whistleblower Policy, Code of Conduct to Regulate, Monitor and Report Trading by Insiders and

Code of Conduct for Directors and Sr. Management Personnel. These taken together constitute the vigil mechanism through which Directors, employees and other stakeholders can voice their concerns. The Whistle blower Policy, Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Conduct for Directors and Sr. Management Personnel can be accessed on the Company's website at the link: <https://www.srf.com/investors/corporate-governance/>

Cost Audit

Pursuant to various circulars issued by Ministry of Corporate Affairs, the Company is required to maintain cost records for all the products being manufactured by it and get the same audited by a cost auditor.

M/s. H. Tara & Co., Cost Accountants, was appointed to conduct cost audit of the accounts maintained by the Company for the financial year 2022-23 in respect of all the relevant product groups of Technical Textiles Business and other Businesses of the Company.

M/s. Sanjay Gupta & Associates, Cost Accountant, was appointed to conduct cost audit of the accounts maintained by the Company for the financial year 2022-23 in respect of all the relevant product groups of Chemicals Business and Packaging Films Business of the Company.

M/s. Sanjay Gupta & Associates, Cost Accountant was nominated as the Company's Lead Cost Auditor.

The remuneration of the cost auditors for financial year 2022-23 is subject to ratification by the shareholders. Accordingly a suitable item has been included in the notice of the ensuing annual general meeting.

The Cost Audit reports for audit of the said products for the financial year 2020-21, conducted by M/s. H. Tara, Cost Accountants (M. No. 17321) and M/s Sanjay Gupta & Associates, Cost Accountants (M. No. 18672), have been filed with the Ministry of Corporate Affairs on August 24, 2021. The due date for filing was August 27, 2021.

Secretarial Auditor

The Board has appointed M/s Sanjay Grover & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report for the financial year ended

March 31, 2022 is annexed herewith as Annexure V to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, Secretarial Compliance Report dated May 11, 2022 issued as per SEBI Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019 was given by M/s Sanjay Grover & Associates, Practising Company Secretary which was submitted to Stock Exchanges.

Reporting of Fraud

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in this Report.

Personnel

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under section 197 (12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said Annexure is open for inspection at the registered office of the Company during business hours on working days upto the date of ensuing Annual general meeting. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary at cs@srf.com

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

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

The details as required under the Companies (Accounts) Rules, 2014 are given as Annexure VII to the Directors' report.

Annual Return

The Annual Return (MGT-7) of the Company as on 31.03.2022 is available on the following web link: <https://www.srf.com/investors/corporate-governance/>

Industrial Relations

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

Secretarial Standards

Applicable Secretarial Standards, i.e. SS-1 SS-2 and SS-3, relating to 'Meeting of the Board of Directors' 'General Meetings' and 'Dividend' respectively, have been duly followed by the Company.

General

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

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

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees (ICC). During the year, three complaints were received which were duly resolved.

Acknowledgements

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

For and on Behalf of the Board

Ashish Bharat Ram

Date: May 30, 2022

Chairman & Managing Director

Place: New Delhi

(DIN – 00671567)

Annexure - I to Board's Report

Nomination, Appointment and Remuneration Policy

A. Introduction

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

B. Definitions

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

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

C. Terms of Reference

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

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Formulation of policies for remuneration to Directors, Key Managerial Personnel, Sr. Management Personnel and Other Employees.
- Identification and recommendation to Board of persons who are qualified to become Directors, Key Managerial Personnel and Sr. Management Personnel in accordance with the criteria laid down.

- Recommend to the Board on appointment and removal of Directors, Key Managerial Personnel and Sr. Management Personnel.
- Evaluation of the performance of Directors (other than independent directors).
- Evaluation of the performance of independent directors and make recommendations to Board.
- To oversee succession planning for Board of Directors, Key Managerial Personnel and Senior Management Personnel.
- Formulation of criteria for making payment to non-executive Directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

D. Criteria for recommending a person to become Director

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

1. Qualification & Experience

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

2. Attributes/Qualities

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

Industry knowledge/experience	Technical skills/experience	Behavioural Competencies
a) Consulting Experience	a) Accounting and finance	a) Integrity and ethical standards
b) Manufacturing Industry experience	b) Industrial Engineers	b) Mentoring abilities
c) Understanding of relevant laws, rules, regulation and policy	c) Talent Management	c) Critical thinking
d) Analyzing Business Problems	d) Compliance and risk	d) Strategic Planning
e) Adapting to changing Business Conditions	e) Devising plans for New Business	e) Entrepreneurial & Commercial Acumen
f) Recommending cost-cutting measures	f) Proposing solutions to Business Problems	f) Analytical Decision Making
g) Recommending Process Improvements	g) Innovation	g) Customer Centricity
		h) Leading Change
		i) Leading People

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

The Committee will recommend to the Board appropriate fees / commission to the non-executive directors for its approval. The Committee / Board shall inter alia, consider level of remuneration /commission payable by other comparable companies, time devoted, experience, providing guidance on strategic matters and such other factors as it may deem fit.

F. Evaluation

Performance evaluation of Executive Directors, Non-executive & Non Independent Directors, Independent Directors, Board as a whole, Board Committees and their members and Chairman shall be carried out in following manner:

- a) **Performance evaluation of all individual Directors:** It shall be done annually by the Nomination and Remuneration Committee (NRC) as per the structure of performance evaluation (as per Annexure I & II & III). The outcome of the evaluation shall be shared by the Chairman of NRC with the Board.

E. Directors' Remuneration

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

- b) Performance evaluation of Independent Directors:** It shall be done, annually and at the time of their re-appointment, by NRC for recommending to the Board whether to extend or continue the term of appointment of independent directors. Based upon the recommendations of the NRC, the Board of Directors shall decide to continue their appointment or consider them for reappointment.

The performance evaluation of independent directors, in addition to feedback received from NRC, shall be done by the entire Board of Directors, excluding the director being evaluated as per the structure of performance evaluation (as per Annexure II).

- c) Performance evaluation of Non-Executive & Non-Independent Directors:** It shall be done annually by NRC for recommending to the Board whether to extend or continue the term of appointment of non-executive & non-independent Directors.

The performance evaluation of **Non-Executive & Non-Independent** directors, in addition to feedback received from NRC, shall be done by the entire Board of Directors, excluding the director being evaluated as per the structure of performance evaluation (as per Annexure III).

- d) Performance evaluation of the Board of Directors:** Board shall evaluate its own performance on criteria as specified in annexure IV.

- e) Performance evaluation of Board Committees:** The Board shall review the performance of all its committees annually on criteria for evaluation as specified in annexure V.

- f) Performance evaluation of Chairman:** The Board shall review the performance of Chairman annually on criteria for evaluation as specified in annexure VI.

- g) Performance evaluation by independent directors at their separate meeting:** The Independent Directors in their separate meeting shall review performance of non-independent directors, Board as a whole, the Chairman of the company, taking into account the views of executive directors and non-executive directors.

The Chairman of meeting of Independent Directors or one selected by independent Directors shall share outcome of their abovementioned evaluations with the Chairman of the Board.

Chairman of the Board shall be responsible for giving feedback as and when required as a result of performance evaluation above and guide on preparation of a suitable action plan, if required.

G. Board Diversity

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

H. Eligibility criteria & Remuneration of Key Managerial Personnel, Senior Management Personnel and Other Employees

The eligibility criteria for appointment of Key Managerial Personnel, Senior Management Personnel and Other Employees shall be in accordance with the job description of the relevant position.

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

Remuneration Structure

- i) Key Managerial Personnel and Senior Management Personnel,**

The remuneration structure for Key Managerial Personnel and Senior Management Personnel shall be decided taking into account factors such as level of experience, qualification, performance and suitability which shall be reasonable and sufficient to attract, retain and motivate them.

Nomination and Remuneration Committee shall recommend to the Board the remuneration/remuneration structure for senior management personnel every year.

- ii) Other Employees**

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

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

The annual increments to the remuneration paid to the employees shall be determined based on the appraisal carried out by the respective

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

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

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

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

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

Annexure - I

Performance Evaluation of Executive Directors

Name of Director :

Type of Directorship : **Executive Director**

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

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

Name of Director :

Signature :

Date & Place :

Annexure - II

Performance Evaluation of Independent Directors

Name of Director :

Type of Directorship : **Independent Director**

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

Sl. No.	Particulars/Role/Attribute	(Yes/No)
1.	Attendance and participation in meetings of the Board of Directors and of the Board Committees	
2.	Independent Directors have sufficient knowledge of Company strategy and objective and can monitor performance.	
3.	Advises on implementation of good corporate governance practices.	
4.	Whether knowledge and experience of the Independent Directors have been adequately and productively used for the functioning of Board.	
5.	Independent Directors make efforts for professional development to enable better fulfilment of their responsibilities.	
6.	Independent in judgement and actions	
7.	Exercised his/her duties with due & reasonable care, skill and diligence	
8.	Acted in good faith and in the best interests of the Company towards promotion of interest of the stakeholders	
9.	Conduct in compliance with the policies of the Company viz. Code of Conduct, Code of Conduct for Prevention of Insider Trading, Whistle blower Policy etc.	
10.	Fulfilment of the independence criteria as specified in Listing Regulations and other applicable laws and their independence from the management	
	Overall Performance (Remarks)	

Name of Director :

Signature :

Date & Place :

Annexure - III

Performance Evaluation of Non-executive & Non-Independent Directors

Name of Director :

Type of Directorship : **Non- Executive & Non-Independent Director**

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

Sl. No.	Particulars/Role/Attribute	(Yes/No)
1.	Attendance and participation in meetings of the Board of Directors and of the Board Committees	
2.	Non-Executive & Non-Independent Directors have sufficient knowledge of Company strategy and objective and can monitor performance.	
3.	Advise on implementation of good corporate governance practices.	
4.	Whether knowledge and experience of the Non-Executive & Non-Independent Directors have been adequately and productively used for the functioning of Board.	
5.	Non-Executive & Non-Independent Directors make efforts for professional development to enable better fulfilment of their responsibilities.	
6.	Exercised his/her duties with due & reasonable care, skill and diligence	
7.	Acted in good faith and in the best interests of the Company towards promotion of interest of the stakeholders	
8.	Conduct in compliance with the policies of the Company viz. Code of Conduct, Code of Conduct for Prevention of Insider Trading, Whistle blower Policy etc.	
Overall Performance (Remarks)		

Name of Director :

Signature :

Date & Place :

Annexure - IV

Performance Evaluation of The Board

Assessment of the following Roles/Attributes as observed in the Board as a whole:

Sl. No.	Particulars/Role/Attribute	(Yes/No)
Composition and Quality		
1.	The Company has Diverse Board.	
2.	The Board monitors compliance with corporate governance norms and other laws applicable to the Company.	
Understanding Business including Risks		
3.	The Company's management and internal control system is periodically reviewed for appropriateness and relevance.	
Process and Procedure		
4.	The structure and content of the Board meeting agendas are appropriate.	
5.	Board meetings are conducted effectively, with sufficient time spent on significant or emerging points.	
6.	The agenda and related information are circulated in advance of the meetings to allow Board members sufficient time to study and understand the information.	
Oversight of Financial Reporting process including Internal Controls and Audit Functions		
7.	The Board considers the quality and appropriateness of financial accounting and reporting including transparency of disclosures.	
8.	The Board appropriately considers the suggestions from the Audit Committee, internal audit reports, management's responses, risk framework and steps toward improvement.	
9.	The Board through Audit Committee reviews material related party transactions.	
Ethics and Compliance		
10.	The Board is fully aware of the Company's code of conduct and has a well-developed sense of ethics.	
Monitoring Activities		
11.	An annual performance evaluation of the Board is conducted and any matters that require follow-up are resolved and presented to the Board.	
Overall Performance (Remarks)		

Name of Director :

Signature :

Date & Place :

Annexure - V

Performance Evaluation of The Committees

Assessment of the following Roles/Attributes as observed in the Committees:

Sl. No.	Particulars/Role/Attribute	(Yes/No)
1.	The Committee(s) composition is/ are appropriate	
2.	The Committee(s) has/ have a defined agenda.	
3.	Members of the Committee(s) receive agenda in sufficient time which permits them to effectively consider issues to be dealt with.	
4.	The mandate of the Board to the Committee(s) of all matters are clear and adequate.	
5.	The Committee(s) allocate(s) the right amount of time for its discussions.	
6.	The minutes of the Committee(s) are placed before the Board on a regular basis.	
7.	Appropriate internal and external support or resources are available to the Committee(s).	

Name of Director :

Signature :

Date & Place :

Annexure - VI

PERFORMANCE EVALUATION OF CHAIRMAN

Assessment of the following Roles/Attributes as observed in the Chairman:

Sl. No.	Roles/Attributes	(Yes/No)
1.	Chairman demonstrates effective leadership qualities and skills	
2.	Implementation of observations/recommendations of Board Members	
3.	Effective and timely resolution of grievances of Board Members	
4.	Ability to bring convergence in case of divergent views and conflict of interest situation tabled at Board meetings	

Name of Director :

Signature :

Date & Place :

For and on Behalf of the Board

Ashish Bharat Ram

Chairman & Managing Director
(DIN – 00671567)

Date: May 30, 2022

Place: New Delhi

Annexure - II to the Board's Report

Annual Report on CSR Projects as on March 31, 2022

1. Brief outline on CSR Policy of the Company

As per the requirement of Section 135 of the Companies Act, 2013, the Company had laid down a CSR Policy under which the Company had identified projects as per the Schedule VII of the Act in the following areas for the year 2021-22: -

- **Promotion of Education (ii):** Improving Quality of Education and Developing School infrastructure of Govt. Schools, Anganwadi Development, Setting up of School.
- **Employment enhancing vocational skills (ii):** Focusing on imparting appropriate skills as per the market and industry needs and providing a platform to the youth trained to be gainfully self-employed or linking them with potential employers to increase their employability and livelihood;

- **Environment (iv):** Plantation, Awareness Creation – Water Conservation, Ground Water Recharge, Research, Waste Recycling
- **Art and Culture (v):** Lecture cum demonstration session on classical music, dance, folk form, etc.
- **Rural Development (x):** Construction of community shed, village roads / community assets / village development activities/ temporary shelter for homeless etc.
- **Promotion of Health Care (i):** Prevention and Curative Health Care, Awareness Creation
- **Disaster Management (xii):** Relief and rehabilitation, livelihoods support, R&D, COVID awareness and response, vaccination etc.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Meenakshi Gopinath*	Chairperson*	Nil	Nil
2.	Mr. Arun Bharat Ram	Member	Nil	Nil
3.	Mr. Kartik Bharat Ram*	Chairman	Nil	Nil
4.	Mr. L. Lakshman	Member	Nil	Nil
5.	Mr. Yash Gupta*	Member	Nil	Nil

- Dr. Meenakshi Gopinath ceased to be a Director of the Company w.e.f August 31, 2021 and Mr. Kartik Bharat Ram was appointed as Chairman of the Committee w.e.f October 25, 2021 and Mr. Yash Gupta was inducted as a Member of the Committee w.e.f Oct 25, 2021.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

3.1. CSR Committee & CSR Policy: <https://srf.com/investors/corporate-governance/>

3.2. CSR Projects: <https://srf.com/investors/corporate-governance/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

We have conducted Third Party Impact Assessment of Rural Education Program (REP) in both Nuh district of Haryana and Bharuch district of Gujarat. Study was conducted for the period between April 2019 to March 2021 with objective

to assess Program level and Organizational level outcomes. Also, Impact Assessment of Rural Vocational Program in Nuh district of Haryana was conducted with the objective to evaluate the program level outcomes and assess the organizational level changes in terms of tangible and intangible parameters.

Impact Assessment report can be accessed at: <https://www.srf.com/investors/corporate-governance/>

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Crores)	Amount required to be set-off for the financial year, if any (₹ in Crores)
1.	2020-21	-	-
2.	2021-22	-	-
TOTAL		-	-

6. Average net profit of the company as per Section 135(5)

₹ 930.31 Crores

7. (a) Two percent of average net profit of the company as per Section 135(5)

₹ 18.61 Crores

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

Nil

(c) Amount required to be set off for the financial year, if any

Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): 2021-22

₹ 18.61 Crores

8. (a) CSR amount spent or unspent for the financial year: 2021 - 22

Total Amount spent for the Financial Year. (₹ in Crores)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
18.68	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: 2021-22

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (₹ in Crores)	Amount spent in the current financial Year (₹ in Crores)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation-Direct (Yes/No).	Mode of Implementation-Through Implementing Agency
			State	District					Name	CSR Registration number

(c) Details of CSR amount spent against other than ongoing projects for the financial year: 2021-22

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for the project (₹ in Crores)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency		
			State	District			Name	CSR Registration number	
1.	Rural Education Program	(ii)	Yes, except Kamrup, Assam	Gujarat, Madhya Pradesh, Rajasthan, Tamil Nadu, Haryana, Uttarakhand and Assam	Bharuch, Bhopal, Dhar, Bhind, Bhiwadi, Thiruvallur, Chennai, Pudukottai, Mewat, Kashipur and Kamrup (M)	6.57	No	SRF Foundation	CSR00000733
2.	Vocational Skills Program	(ii)	Yes, except Bengaluru, Karnataka	Gujarat, Madhya Pradesh, Rajasthan, Tamil Nadu, Haryana, Uttarakhand, Uttar Pradesh and Karnataka	Bharuch, Gwalior, Dhar, Bhind, Bhiwadi, Thiruvallur, Chennai, Mewat, Kashipur, Noida and Bengaluru	0.78	No	SRF Foundation	CSR00000733
3.	SRF Vidyalaya, Gurugram	(ii)	Yes	Haryana	Gurugram	0.29	No	SRF Foundation	CSR00000733
4.	Environment	(iv)	Yes	Delhi, Gujarat, Rajasthan, Haryana	Delhi, Bharuch, Bhiwadi, Gurugram	5.07	No	SRF Foundation	CSR00000733
5.	Art & Culture through Spic Macay	(v)	No	Pan India	-	0.25	No	SRF Foundation	CSR00000733
6.	Disaster Management: Covid19	(xii)	Yes, except Noida, UP	Gujarat, Madhya Pradesh, Rajasthan, Tamil Nadu, Uttarakhand, Uttar Pradesh	Bharuch, Bhopal, Dhar, Bhind, Bhiwadi, Thiruvallur, Chennai, Pudukottai, Kashipur, Noida	5.47	No	SRF Foundation	CSR00000733
7.	Disaster Management: Flood Relief	(xii)	Yes	Madhya Pradesh, Tamil Nadu	Gwalior, Thiruvallur and Chennai	0.12	No	SRF Foundation	CSR00000733
TOTAL					18.55				

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: 0.13 Crore

(f) Total amount spent for the Financial Year(8b+8c+8d+8e): ₹ 18.68 Crores

(g) Excess amount for set off, if any: 0.07

Sl. No.	Particular	Amount (₹ in Crores)
(i)	Two percent of average net profit of the company as per section 135(5)	18.61
(ii)	Total amount spent for the Financial Year	18.68
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.07
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.07

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year(₹ in Crores)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (₹ in Crores)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21	-	-	Clean Ganga Fund	0.37	Sep 28, 2021	0.00

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
1.	01/2020-21	Rural Education & Skilling Program	FY 2020 - '21	2 Years	3.21	Rural Education & Skilling Program	1.25	Completed
2.	02/2020-21	Rural Education & Skilling Program	FY 2020 - '21	2 Years	3.79	Rural Education & Skilling Program	1.45	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details)**.

(a) Details of Capital Assets	Oxygen Compression and Cylinder filling System	In-House Water Treatment Plant (WTP)
(b) Date of creation or acquisition of the capital asset (s)	30/06/2021	31/03/2022
(c) Amount of CSR spent for creation or acquisition of capital asset	0.76 Crore	4.50 Crores
(d) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	SRF Foundation, Tower – C, 1 st Floor, Unitech Business Zone, Nirvana Country, South City – II, Gurgaon, Haryana, India – 122018	The Delhi Golf Club, Dr. Zakir Hussain Road, New Delhi – 110003 A section 8 company registered under companies Act, 1956 CSR Registration Number - CSR00002962 A society registered under Societies registration Act, 1860 CSR Registration Number- CSR00000733
(e) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):	SRF Limited, Mhow-Ghatabillod Road, Pithampur Industrial Area, Indore District, Pithampur, Madhya Pradesh – 454774	The Delhi Golf Club, Dr. Zakir Hussain Road, New Delhi - 110003

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5).

There was no unspent amount.

Sd/-
Ashish Bharat Ram
Date: May 09, 2022
Place: Gurugram

Sd/-
Ashish Bharat Ram
Chairman & Managing Director

Sd/-
Kartik Bharat Ram
Joint Managing Director and
Chairman CSR Committee

Annexure - III to the Board's Report

ESPS Disclosures

Details related to ESPS

(i) Details of allotments made under **Part-B of SRF ESPS 2018 of SRF Limited (SRF) Employees Long Term Share Based Incentive Plan – 2018** during the financial year 2021-22:

- (a) Date of shareholders' approval: **26th March 2018**
 (b) Number of shares issued: **1,95,000**
 (c) The price at which such shares are issued: **10**
 (d) Lock-in period: **1 year from the date of Allotment**

(ii) Details regarding allotment made under **Part-B of SRF ESPS 2018 of SRF Limited (SRF) Employees Long Term Share Based Incentive Plan – 2018**, as at the end the financial year 2021-22 :

Particulars	Details of Allotment during FY 2018 - '19	Details of Allotment during FY 2021 - '22
The details of the number of shares issued under ESPS	60,000#	1,95,000
The price at which such shares are issued	₹ 10/-	₹ 10/-
Employee-wise details of the shares issued to		
i) senior management" as defined under regulation 16(1) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015		
Mr. Prashant Yadav, President & CEO (FCB & TTB)	20,000 Shares	55,000 shares
Mr. Prashant Mehra, President & CEO (PFB, LF & CF)	20,000 Shares	55,000 shares
Mr. Anurag Jain, President & CEO (SCB & CTG)	20,000 Shares	55,000 shares
Mr. Rahul Jain, President & CFO	-	15,000 shares
Mr. Sanjay Rao, President & CIO	-	12,500 shares
Mr. Ajay Chowdhury, President & CHRO	-	2,500 shares
ii) any other employee who is issued shares in any one year amounting to 5% or more shares issued during that year;	None	None
(iii) identified employees who were issued shares during any one year equal to or exceeding 1% of the issued capital of the company at the time of issuance	None	None
Consideration received against the issuance of shares, if scheme is implemented directly by the company	₹ 6,00,000	₹ 19,50,000
Loan repaid by the Trust during the year from exercise price received	NA	NA

#Bonus shares in the ratio of 4 equity shares for every 1 equity shares were issued in respect of these shares on 15th October 2021

Details related to Trust

Details, inter alia, in connection with transactions made by the Trust meant for the purpose of administering the schemes under the Regulations :-

(i) General information on all schemes:

Sl. No	Particulars	Details
1.	Name of the Trust	SRF Employees Welfare Trust
2.	Details of the Trustee(s)	SRF Employees Benefit Scheme LLP
3.	Amount of loan disbursed by company / any company in the group, during the year	NIL
4.	Amount of loan outstanding (repayable to company/ any company in the group) as at the end of the year	NIL
5.	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	NIL
6.	Any other contribution made to the Trust during the year	₹ 5,50,000

(ii) Brief details of transactions in shares by the Trust

- (a) Number of shares held at the beginning of the year; : NIL
 (b) Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share;: NIL
 (c) Number of shares transferred to the employees / sold along with the purpose thereof : NIL
 (d) Number of shares held at the end of the year.: NIL

(iii) In case of secondary acquisition of shares by the Trust

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	NIL
Acquired during the year	NIL
Sold during the year	NIL
Transferred to the employee during the year	NIL
Held at the end of the year	NIL

For and on Behalf of the Board

Ashish Bharat Ram

Chairman & Managing Director
(DIN – 00671567)

Date: 30th May 2022
Place: New Delhi

Annexure - IV to the Board's Report

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (Listing Obligations and Disclosure Requirements) REGULATIONS, 2015

TO THE MEMBERS OF SRF LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 18 May 2022.
2. We have examined the compliance of conditions of Corporate Governance by **SRF Limited** ("the Company"), for the year ended March 31, 2022, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2022.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Kaushal Kishore

Partner

Membership Number: 090075

UDIN: 22090075AJTKND7904

Place: Delhi

Date: 27 May 2022

Annexure - V to the Board's Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
SRF Limited
(CIN: L18101DL1970PLC005197)
The Galleria, DLF Mayur Vihar,
Unit No. 236 & 237, 2nd Floor, Mayur Place,
Mayur Vihar Phase I Extension, New Delhi-110091

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SRF Limited** (hereinafter called "the Company") for the financial year ended March 31, 2022. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit and we adhered to best professional standards and practices as could be possible while carrying out audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of the financial statements of the Company.

- Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

- The Companies Act, 2013 ("the Act") and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;
- The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 {Not applicable during the audit period};
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 {Not applicable to the Company during the audit period};
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 {Not applicable to the Company during the audit period}; and
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India.

We report that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, to the extent applicable, as mentioned above, during the audit period.

- The Company is engaged in manufacturing of **Chemicals & Other Businesses** plants located at Alwar, Rajasthan; Bharuch, Gujarat, Udham Singh Nagar, Uttarakhand and Thiruvallur, Tamil Nadu; **Technical Textiles** plants at Manali, Tamil Nadu; Bhind, Madhya Pradesh; Thiruvallur, Tamil Nadu and Pudukottai, Tamil Nadu; and **Packaging Films** plants at Udham Singh Nagar, Uttarakhand and Indore and Dist. Dhar, Madhya Pradesh. As informed by the management, following are some of the laws specifically applicable to the Company: -
 - Narcotics Drugs and Psychotropic substance Act, 1985;
 - Legal Metrology Act, 2009;
 - SEZ Act, 2005 and SEZ Rules, 2006;
 - The chemical weapons convention Act, 2000;

On the basis of management representation, recording in the minutes of Board of Directors and our check on test basis, we are on the view that the Company has ensured the compliance of laws specifically applicable on it.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including woman director. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and

detailed notes on agenda were sent in advance of the meetings and there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for the meaningful participation at the meetings.

As per minutes, Board decisions were carried out with requisite majority. There were no dissenting views which were required to be captured and recorded in the minutes.

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

We further report that during the audit period

- the Shareholders at their Annual General Meeting held on 31st August, 2021 passed a Special Resolution to Offer or invitation to subscribe to secured/unsecured Redeemable Non-Convertible Debentures in one or more series/ tranches, aggregating upto ₹ 1500 Crores (Rupees Fifteen Hundred Crores), on private placement basis.
- the Shareholders of the Company passed the following resolutions by way of postal ballot on 6th October, 2021:

- Special Resolution for cancellation of unissued portion of Authorized Preference Share Capital representing 2,00,00,000 Cumulative Preference Shares of ₹ 100/- each aggregating to ₹ 200,00,00,000/- and correspondingly increase in Authorised Equity Share Capital to 32,00,00,000 Equity Shares of ₹ 10/- aggregating to ₹ 320,00,00,000/- in lieu of the cancelled unissued portion of the Authorized Preference Share Capital of the Company and consequent alteration of the Memorandum of Association;
- Ordinary Resolution for issue of Bonus Shares in the proportion of 4 (four) fully paid up equity shares for every 1 (one) existing fully paid up equity share. After allotment of these bonus shares, the paid-up share capital of the Company was increased to ₹ 296,22,60,250/-.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900

Devesh Kumar Vasisht
Partner
CP No.: 13700

Date: May 30, 2022
Place: New Delhi

Mem. No. F8488
UDIN: F008488D000427929

Annexure - VI to the Board 's Report

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

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary and CEO during the financial year 2021-22 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2021-22 (₹/Crores)	% Increase in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director to median remuneration of employees
1.	Arun Bharat Ram ^{1,2} Chairman	12.41	63.07%	248.19
2.	Ashish Bharat Ram ¹ Managing Director	12.76	36.03%	255.20
3.	Kartik Bharat Ram ¹ Deputy Managing Director	12.48	35.49%	249.57
4.	Meenakshi Gopinath ³ Director (CSR)	0.06	(62.94%)	1.26
5.	Tejpreet S Chopra Non-Executive Director	0.21	10.53%	4.20
6.	Lakshman Lakshminarayan Non-Executive Director	0.19	2.11%	3.88
7.	Vellayan Subbiah Non-Executive Director	0.19	11.76%	3.80
8.	Bharti Gupta Ramola Non-Executive Director	0.19	7.22%	3.86
9.	Yash Gupta Non-Executive Director	0.21	11.58%	4.24
10.	Puneet Dalmia Non-Executive Director	0.19	9.41%	3.72
11.	Pramod G Gujarathi Director (Safety and Environment)	0.22	8.75%	4.35
12.	Prashant Mehra ⁴ President & CEO (Packaging Films Business, CF & LF)	5.68	25.69%	Not Applicable
13.	Prashant Yadav ⁴ President & CEO (Fluorochemicals Business and Technical Textile Business)	5.66	28.70%	Not Applicable
14.	Anurag Jain ⁴ President & CEO (Speciality Chemicals Business and CTG)	5.61	26.12%	Not Applicable
15.	Sanjay Chatrath ² President and CEO - TTB	2.43	(12.02%)	Not Applicable
16.	Rahul Jain ⁴ President & CFO	2.12	20.23%	Not Applicable
17.	Rajat Lakhanpal VP - Corporate Compliance and Company Secretary	0.78	5.10%	Not Applicable

- (ii) The median remuneration of employees of the Company as on March 31, 2022 was ₹ 0.050 Crores as compared to ₹ 0.047 Crores as on March 31, 2021. The increase in median remuneration was 6.59% as compared to 2020-21.
- (iii) There were 6674 permanent employees on the rolls of the Company as on March 31, 2022.
- (iv) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Category	Average Increase
Employees' remuneration (other than Directors)	10.02%
Managerial remuneration (Directors)	41.41%

The increase in managerial remuneration and remuneration of other employees is a function of many factors such as company performance, compensation philosophy, market competitiveness, local agreements with unions and the total number of employees. Percentage increase in employees remuneration (other than Directors) includes increase on account of shares issued under ESPS during the year.

- v) It is hereby affirmed that the remuneration paid is as per the Nomination, Appointment and Remuneration Policy of the Company.

Notes:

¹ Designations as on March 31, 2022. After the resignation of Mr. Arun Bharat Ram, Executive Chairman, and re-designation of Mr. Ashish Bharat Ram and Mr. Kartik Bharat Ram, the designations have been changed w.e.f. 1st April 2022 as below

- Chairman to **Chairman Emeritus**
- Managing Director to **Chairman and Managing Director**
- Deputy Managing Director to **Joint Managing Director**

² Remuneration of outgoing employees includes, Leave encashment and other Retirals. Date(s) of resignation and retirement are as below:

- Mr. Arun Bharat Ram - March 31, 2022 (resignation)
- Mr. Sanjay Chatrath – October 31, 2021 (retirement)

³ Retired on August 31, 2021.

⁴ Remuneration excludes perquisite value of ESPS and tax paid thereon by the Company. Remuneration including these are given below:-

Name	Designation	Remuneration including Perquisite value of ESPS and Tax (in ₹ Crores)	% Increase in Remuneration in the Financial Year 2021-22
Prashant Mehra	President & CEO (Packaging Films Business, CF & LF)	22.29	393.23%
Prashant Yadav	President & CEO (Fluorochemicals Business and Technical Textile Business)	22.28	406.27%
Anurag Jain	President & CEO (Speciality Chemicals Business and CTG)	22.23	399.45%
Rahul Jain	President & CFO	6.57	273.40%

For and on Behalf of the Board

Ashish Bharat Ram

Chairman & Managing Director
(DIN – 00671567)

Date: May 30, 2022

Place: New Delhi

Annexure - VII to the Board's Report

Conservation of Energy – Measures taken:

1. Laminated Fabrics Business, Kashipur

- Saved 424582 Kwh / annum by Banbury A, Banbury B and Mixing mill A automation on calender line
- Saved 89.6 MT of furnace oil / annum by integrating hot oil circulating systems of PFB & LFB
- Saved 27588 Kwh / annum by efficient operation of compressed air systems

2. Coated Fabrics Business, Gummidipoondi

- Savings of 340 MT Husk in solid fired thermic fluid heater by efficient operation and maintenance of system and production planning

3. Packaging Film Business, Indore (SEZ)

- Saved 3,43,314 KWH by installation of close loop cooling tower and reducing cooling load from utility chillers for Line I Chill Roll, Machine Direction Oriented (MDO), Take up and Transfer (TUT) and Air Handling Units (AHUs)
- Saved 2,04,820 KWH by upgradation of Line I and Line II air washers, line II & metallizer AHUs (Air Handling Unit) and exhaust blower fan with new energy efficient (EC-5) plug fans - Amount spent – 59.80 lacs
- Saved 1,18,000 KWH by optimization of chilled water pump for head, flow, and energy efficient motors - Amount spent (34.86 lacs)

4. Packaging Films Business, Indore DTA

- Saved 1,31,500 KWH from installation of drive in hot oil system of BOPP line to optimize oil flow without compromising the process and quality
- Saved 235 MT of pet coke by commissioning ash recirculation system in pet coke heater
- Saved 20 KL water by using cooling tower water in place of chilled water from Tetra Ethylene Glycol (TEG) cooling system

5. Packaging Films Business, Kashipur

- Saving of 50,000 KWH by replacing one more piston type vacuum pump by installation of energy efficient vacuum pump in metallizer. Amount spent – INR 26.56 lacs
- Saved 30,000 KWH by installation of Solar Geyser in guest house and canteen.

6. FCB Bhiwadi

- Saved 1.8 lac units of electricity, 400 MT of steam and 90 MT of LSHS in AHF plant by implementing the following measures:
 - a. Shifting crude tank from ground floor to first floor to increase the pump suction head
 - b. Changing crude HF Pump from centrifugal to positive displacement pump
 - c. Improving the condensers & reboiler cleaning process using hydro jetting
 - d. Replacing the distillation column with improved internal design

- e. Changing the drift eliminator design from honeycomb type to wooden type
- f. Modifying the cooling water circuit design
- Saved 3.5 lac units of electricity by improving the C1 recycling design in CMS plant
 - Saved 0.12 lac units of electricity by replacing old lighting luminaires with LEDs
 - Saved 0.20 lac units of electricity by installing a variable frequency drive in AHF plant
 - Saved 0.10 lac units of electricity by reducing and optimizing the heat load of rotary UPS panel
- 7. FCB Dahej**
- Saved 235 MT of furnace oil in -134a plant by optimizing the fuel air ratio to ensure complete combustion of fuel
 - Saving of 14 lac units of electricity by improving the heat transfer coefficient of brine chiller
 - Saved 2.9 lac units of electricity by optimizing operations to take advantage of favorable climatic conditions
 - Saved 9.5 lac units of electricity by optimizing and re-routing the air compressor load
 - Saved 0.5 lac units of electricity by installing new energy efficient motors
 - Saved 0.15 lac units of electricity by replacement of CFL to LED fixture
 - Saved 0.15 lac units of electricity by installing light detector Resistor (LDR) and timer
- 8. SCB Bhiwadi**
- Water conservation of 45 KL / day by various water saving & control measures implemented at site
 - Saving of 206 MT steam (₹ 2.8 lacs) by optimizing steam traps & installation of tracer traps
 - Saving of 2.04 lacs units of electricity (₹ 17.15 lacs) by installing variable frequency drives in equipment
 - Saving of 3827 units of electricity (₹ 0.31 lacs) in lighting by replacing conventional lights with LEDs
- 9. SCB Dahej**
- Savings of 532 MWH (₹ 29.26 lacs /annum) by replacing brine with chilled water from process chiller
 - Savings of 50.4 MWH (₹ 2.77 lacs /annum) by exchanger replacement in brine package
 - Savings of 1360 MWH (₹ 74.8 lacs /annum) by power consumption optimization through pumping system
 - Savings of 133 MWH (₹ 7.31 lacs /annum) through heat load optimizations for CT
 - Savings of 776 MWH (₹ 42.68 lacs /annum) by installation of automated systems
 - Saving of 321.4 MWH (₹ 17.67 lacs /annum) by improving power factor
 - Savings of 566.9 MWH (₹ 31.18 lacs / annum) by utilization & removal of VFD / soft starter
 - Other savings of ₹ 9.42 lacs /annum
- 10. Technical Textile Business – Gwalior**
- Annualized saving of 8.30 lacs kwh achieved by replacing conventional air blowers with energy efficient mono block fans in air washers
 - Annualized saving of 0.50 lacs kwh achieved by Installing energy efficient cooling water pump
 - Annualized saving of 0.53 lacs kwh achieved by Installing energy efficient chilled water pump
 - Annualized saving of 0.72 lacs kwh achieved by replacing chilled water coils of quench air washer plant-I
- 11. Technical Textile Business – Manali**
- Annualized saving of 1.95 lacs kwh achieved by installation of new EC fans in Textile AHU 1B & AHU 2
 - Annualized saving of 0.13 lacs kwh achieved by installation of energy efficient motor (IE4 – 90KW) in spinning extruder (1 no's)
 - Annualized saving of 1.12 lacs kwh achieved by air power consumption optimization by ultrasonic study and leakage arresting
- 12. Technical Textile Business – Gummidipoondi**
- Annualized saving of 1.72 lacs kwh achieved in semi variable power by installation of CC2 twisting machines in the same textile shed
 - Annualized saving of 1.40 lacs kwh achieved by optimizing twister traveler weight
 - Annualized saving of 0.65 lacs kwh achieved by 4 zone operation in dipping
 - Annualized saving of 1.26 lacs kwh achieved by compressed air power savings through better SPC & air loss reduction through ultrasonic leak detector
 - Annualized saving of 3.99 lacs kwh achieved by chillers and auxiliary change overs from high capacity to lower capacity w.r.t heat load and better SPC
- Annualized saving of 0.58 lacs kwh achieved by fan speeds regulations in lean production period, stopping fans in accordance to heat load and ambient condition in Textile AHUs power
 - Annualized saving of 1.66 lacs kwh achieved by PIY take up fan speeds regulations in accordance to heat load and ambient condition
- 13. Technical Textile Business – Viralimalai**
- Annualized saving of 0.15 lacs kwh achieved by optimization of lighting (replacement mercury / fluoro cent with LED fittings)
 - Annualized saving of 0.18 lacs kwh achieved by replacing TFO- motor from 40 HP to 30 HP and weft motor from 50 HP to 30 HP
 - Annualized saving of 0.08 lacs kwh achieved by replacing Sulzer RUTI loom motor capacity from 10 HP to 5 HP
 - Annualized saving of 0.20 lacs kwh achieved by Installed energy efficient air compressor in Plant 2
- Capital Investment on Energy Conservation Equipment:**
- TTBM:**
- Installation of energy efficient motor (IE4 – 90KW) in spinning extruder (1 no's). Total investment - ₹4.5 lacs
 - Installation of new EC fans in Textile AHU 1B & AHU 2. Total investment - ₹ 45 lacs
- TTBV:**
- The energy efficient air compressor for plant 2 is a capex of ₹6.65 lacs
- Packaging Film Business, Indore SEZ**
- Installation reinforced chain flaps in line II HS9 model chain – INR 426 lacs

- Installation of 3-way metal separator system for Line II co-extruders – INR 65.72 lacs
- Installation of lightning protection system (IS/IEC 62305-2 code)- INR 45.12 lacs
- Infrastructure for smooth utilization of de-metallized fluff – INR 40.47 lacs
- Restructuring of Power Control Circuit (PCC) by installation of 2 MVA energy efficient transformers – INR 28.61 lacs
- Installation of New design Heat Exchanger in Line I Air Drying Unit (ADU)- INR 9 lacs

SCB Bhiwadi:

- Conversion of energy monitoring meters: ₹ 25 lacs
- Renewable energy utilization at warehouses: ₹ 15 lacs
- Installation of energy efficient compressors: ₹ 40 lacs
- Cooling tower upgradation of plants: ₹ 45 lacs
- VFD installation of ₹ 15 lacs

SCB Dahej:

- Investment in providing heat exchanger to stop brine chiller: ₹ 6 lacs
- Investment in providing higher capacity evaporator in brine package: ₹ 9 lacs
- Investment in installation of automated systems: ₹ 33 lacs
- Other investments of ₹ 2.4 lacs

SCB: Technology Absorption

Technology plays a pivotal role in development of complex products within shorter timelines for the Specialty Chemicals Business. The technology teams at SRF are actively engaged in development

of new molecules used as intermediates by the Pharmaceutical and Agrochemical customers. The inhouse R&D helps development of novel cost-effective routes for both new and existing products, while multiple teams in the Chemical Technology Group focus on innovation in cost effective processes development and overcoming the technology barriers to scale up the production to meet market demand.

During the year, several molecules were developed for the global innovators, that were challenging in terms of quality and technological parameters. The Business successfully demonstrated its capability to address innovators' demand at different scales ranging from a few grams to few hundred metric tons by producing a number of high-value products from both dedicated and flexible manufacturing assets at its sites at Bhiwadi and Dahej. The focus of the Business is to create value for its customers by addressing complexity across the value chain.

The technological teams in conjunction also worked on improving the technology, lowering the cost of production, and expanding the plants' capacities.

Some of the areas where technology has been absorbed in this period are:

- Building capabilities and exploring novel technologies to develop new age molecules
- Capacity and production yields of several product were significantly enhanced
- Improvement of in-process norms to reduce costs
- Focus on automation to improve process stability and costs
- Strong emphasis on waste generation minimization and ensuring process safety
- Enhanced efforts to create and protect IP

The Business would continue to benefit from technology absorption as it continues to invest in the

technological advancements, people, and processes, to enhance learnings, and overall value proposition for the customers.

TTB:

"The R&D centre of Technical Textiles Business is located at Manali, Chennai. Equipped with state-of-the-art Pilot facilities and sophisticated testing laboratories for evaluating Polymers, Fibers and fabrics, the TTB-R&D centre aims at maximizing competitiveness of Technical Textiles Business through market oriented new product/ technology development. In this regard, the R&D centre has developed many variants of Polyester Industrial Yarns as reinforcements in geotextiles and Aramid based reinforcement fabric for hoses, each tailor-made for the respective application.

Apart from the developments in existing business space, novel products involving Nano-technology are also being developed by this centre in close association with leading Academic and Research Institutes in India and abroad for various research projects. TTB-R&D also works in close collaboration with major

customers for joint developments in the field of Tyre cords, belting fabrics and other Mechanical Rubber Good reinforcements"

C) Foreign exchange earnings and outgo

(₹ in Crores)

Particulars	Year ended March 31, 2021	Year ended March 31, 2022
Foreign Exchange Earnings	3325.05	4,614.26
Foreign Exchange outgo	1686.70	3,114.78
Net Foreign Exchange Earnings	1638.35	1,499.48

For and on Behalf of the Board

Ashish Bharat Ram

Date: May 30, 2022 Chairman & Managing Director
Place: New Delhi (DIN: 00671567)