MANAGEMENT DISCUSSION & ANALYSIS

In the following pages, the Management will provide its perspective on the operating and financial performance of the Company during FY23 and an outlook of the business performance in the coming years.

Businesses

SRF Limited is a chemical-based, multi-business conglomerate engaged in the manufacturing of industrial and specialty intermediates. The Company is widely recognised and well respected for its R&D capabilities globally, especially in the niche domain of Chemicals. SRF Limited is a market leader in most of its business segments in India and overseas. The Company has operations in four countries namely, India, Thailand, South Africa, and Hungary. SRF has commercial interests in more than ninety countries and classifies its businesses as Technical Textiles Business (TTB), Chemicals Business (CB), Packaging Films Business (PFB), and Other Businesses.

Technical Textiles Business

Despite challenges, FY23 has been a stable year for the Technical Textiles Business. In the first half of the year, the TTB witnessed the easing of global supply chain issues. However, the Business faced headwinds in H2 due to cheap imports from China, which impacted business results.

Tyre Cord Fabrics (TCF)

The demand for Nylon Tyre Cord Fabric (NTCF) remained weak during the year due to several factors, including impact of increased radialisation in commercial vehicle Original Equipment (OE) segment, decline in two-wheeler tyre sales, and high imports. In addition, exports were impacted due to unfavourable economic situation in Sri Lanka & Bangladesh.

Having said that, the Business was able to partly offset the drop in NTCF sales volumes with a successful foray into Nylon Yarn sales in the domestic and overseas markets.

In terms of the environmental and social responsibility initiatives, the Business commissioned solar power plants, totalling a capacity of 8.5 MWp, further supporting sustainability and cost reduction.

Belting Fabrics (BF)

With healthy growth witnessed in core sectors of coal, steel, cement, and power generation, the demand for Belting Fabrics was strong during the year, registering record production and sales. While cheap imports from China remained a challenge, the BF segment could largely remain insulated due to an increase in the sales of high-end, Value-Added Products (VAPs) and expanded sales to tier-2 customers.

During the year, the BF segment commissioned its Solid Woven plant, further enhancing its product portfolio. In addition, the Board approved a capex for BF capacity expansion from 1,100 to 1,800 Metric Tonnes Per Month within the next three years.

Polyester Industrial Yarn (PIY)

During the year, the demand for PIY remained weak due to aggressive pricing from Chinese manufacturers, resulting in a severe pressure on margins.

In the ensuing months, the PIY segment is looking to consolidate its product mix and is also expected to gain from the projected capacity expansion in FY24.

Outlook

While we expect to see some green shoots on the back of a resilient Indian economy, the margins of the Tyre Cord Fabrics segment will remain under pressure due to cheap imports from China. We will focus on building our volumes. Having said that, we remain optimistic about the growth of the Belting Fabrics segment as additional capacity comes on stream.

Chemicals Business

The Chemicals Business comprises two different product segments, namely Fluorochemicals and Specialty Chemicals.

Fluorochemicals

Refrigerants, Propellants and Industrial Chemicals

FY23 began on a volatile note, with uncertainties on account of raw material and energy prices, bottlenecks in supply chain and high inflation rate.

Having said that, the Business achieved significant growth across all its product segments due to surge in the post-pandemic domestic demand. Demand in international markets was healthy, despite the cheap prices offered by the Chinese manufacturers. In addition, commodity prices eased out in the latter part of the year, aiding further growth.

QA Lab at SRF Dahej, India

Industrial Chemicals market remained stable, however prices dropped due to an oversupply situation resulting from additional capacities kicking in. The Dymel®/Propellants segment performed well because of increased market share, due to healthy demand and expansion in new geographies.

During the year, the Business witnessed safe and stable plant operations, with highest-ever production in most plants. The Business also commissioned new plants, namely, chloromethanes, calcium chloride and a Captive Power Plant (CPP) at its chemical complex in Dahej, India.

Overall, it was a year of stabilisation and growth post-COVID. The business performance was healthy and higher than last year.

Outlook

In FY24, the Indian economy is expected to grow, and global inflation is likely to come down. Hence, the demand momentum should continue in the coming year especially in the domestic market for all products. With the addition of new capacities and better utilisation, the Business is poised to grow in the coming year. Furthermore, we expect to commission new plants and increase our overall HFC capacities. In addition, we will also commission our new Fluoropolymers plant at Dahej in FY24.

Specialty Chemicals Business

FY23 has been a good year for the Specialty Chemicals Business (SCB). The Business maintained its growth momentum, despite being impacted by high input costs and global shortage of some key raw materials. The growth was primarily driven by an increase in demand for crop protection chemicals.

During the year, the Business focussed on the customers' key products and their developmental project requirements, while ensuring the production capacities were optimally utilised. This ensured continuity of customers' supply chain amid an uncertain environment of raw material availability triggered by disruptions in Europe. The combined effort of all the teams ensured that the Business maintained its growth trajectory and continued advancing on its key strategic priorities.

The SCB is committed to continue investing in setting up new plants to cater to the emerging demands from customers. Both sites at Bhiwadi and Dahej delivered improved operational efficiency from existing plants while managing an expanded portfolio of new products.

Furthermore, our 'Innovation and Technology Leadership' journey continued with the launch of several new Agrochemical and Pharma Intermediates. In addition, production capacities of several plants were enhanced, while working on continuous improvements in the plants at both the sites.

The Business continued to focus on increasing sourcing of raw materials from sustainable and environmentally responsible sources. The Business also implemented various initiatives to reduce its carbon footprint, such as optimising energy consumption and reducing greenhouse gas emissions.

The efforts of the Business in strengthening its capabilities and developing expertise in new chemistries have helped it to differentiate itself from its competitors. To address some of the future product requirements and to keep pace with the market opportunities, the fourth state-of-the-art Multipurpose Plant and a new Pharma Intermediates facility were commissioned apart from other Intermediates Plants.

During the year, the Board approved the construction of a number of plants for upcoming products and some of the critical feedstocks at Dahej. The Board also approved a Kilo-Lab at Bhiwadi to supply small quantities to customer for scale-up and product qualifications. The Business continues to make investments toward safer, cleaner, and leaner operations, and further strengthen its sustainability initiatives.

Outlook

The Specialty Chemicals Business continues to remain focussed on Agrochemical and Pharmaceutical segments, where it collaborates with major global innovators for process development, commercialisation, and production of complex, new age molecules. The Business expects to continue expanding its product portfolio on the back of sustainable value chain and remain focussed on strengthening its position in the existing markets.

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With sustainability and environment at the heart of product development, the Business will continue in its endeavour to deliver better value to its customers. It remains committed to invest in emerging and futuristic technologies, while focussing on operational excellence to grow sustainably.

Chemicals Technology Group

The Chemicals Technology Group (CTG) is committed to introducing new technologies and developing cost effective routes for existing and next generation products for the growth of the Specialty Chemicals and Fluorochemicals Businesses.

During the year, CTG continued to boost its capabilities and added new technologies, to support the Businesses. The centerpiece of the sustained growth momentum was technological advances and breakthroughs achieved by our team of researchers and scientists. CTG continues to transform innovation in new product/process development and implement cutting edge technology at SRF, spearheading both the Specialty Chemicals and Fluorochemicals Businesses into next-level technology play.

For over two decades, CTG has enabled the Business growth in Fluorinated molecules and now it is increasingly engaged in introducing new chemistries and development of complex non-Fluorinated intermediates. It is crucial to keep on enhancing CTG's capabilities and support systems with rising complexity in developing products and reducing timelines for delivery-to-market. CTG is committed to the journey of continuous process improvement and developing more efficient processes by tapping novel chemistries and scaling them up for successful commercialisation.

The dedicated R&D facilities, developmental labs, and pilot plant facilities, having many scientists and engineers are working together to achieve the innovation and technology leadership at SRF. SRF continues to invest in R&D for creating propositions for the future and Capital and Revenue expenditures of ~₹ 120 crore was spent during FY23.

Our Packaging Films facility in Thailand

R&D worked on over 50 molecules and many products were successfully taken up for process development. More than 20 molecules were taken up for the scale-up studies and 70% were commercially produced in multipurpose and dedicated plants.

In FY23, CTG filed forty-two patents, taking the total count to four hundred and six patents filed so far. Eighteen patents were granted in FY23 taking the total count of patents granted to the Company to one hundred and thirty-two.

Packaging Films Business

FY23 has been a roller-coaster ride for the Packaging Films Business (PFB). During the first quarter of the FY, the Business made its highest-ever quarterly EBITDA. In Aug '22, PFB commissioned its new 10.4m BOPP line at Indore, India and managed to ramp it up vertically during the year. However, market conditions were extremely difficult from second quarter onwards as several new lines of BOPET and BOPP got commissioned during the period.

Overall, the Business achieved its highest-ever packed production of approximately 3,20,000 MTPA during the year while also focussing on intensive cost rationalisation as the business environment remained difficult. Enhancing business profitability through the development of VAPs has been a major thrust area. Our manufacturing capability in VAPs has been enhanced with the addition of paper metallisation, Alox Coating and Offline Coating assets and the new BOPP line, which has given us the flexibility to manufacture a wider BOPP portfolio. The Business successfully commercialised 10 new VAPs, 4 in BOPET and 6 in BOPP during the year, strengthening its VAPs portfolio.

Work on the upcoming Aluminium Foil project in India is progressing well and timely vertical start-up of the rolling mills will be an important focus area for the Business in the coming Financial Year.

The Business is driven by its philosophy of – Easy To Do Business With (ETDBW), and the team remains focussed on serving customers every day. Additionally, sustainability continues to be amongst the top priorities for the Business. Further development of sustainable products and compliance with the new Plastic Waste Management rules will be a key focus for us going forward.

Outlook

Margins in both BOPET and BOPP are likely to remain under pressure as new lines have been added and several more lines are in the pipeline. In FY24, SRF's primary focus will be on profitability enhancement and further rationalisation of operating cost and working capital in the Packaging Film Business. We will commission our new Offline Coating machine in Thailand and leverage our capabilities fully to further enhance our VAPs portfolio. Efforts will be directed towards vertical start-up of production and sales of Aluminium Foil in India. With the commissioning of our new Aluminium Foil plant, we will be amongst very few players globally who offer a wide portfolio of packaging substrates - BOPET, BOPP and Aluminium Foil under one roof. We will continue our work on various sustainability initiatives driven by the '3R' approach - Reduce, Reuse and Recycle. During the year, we will keep a close watch on the macro scenario and will be flexible to adapt our strategy accordingly.

Other Businesses

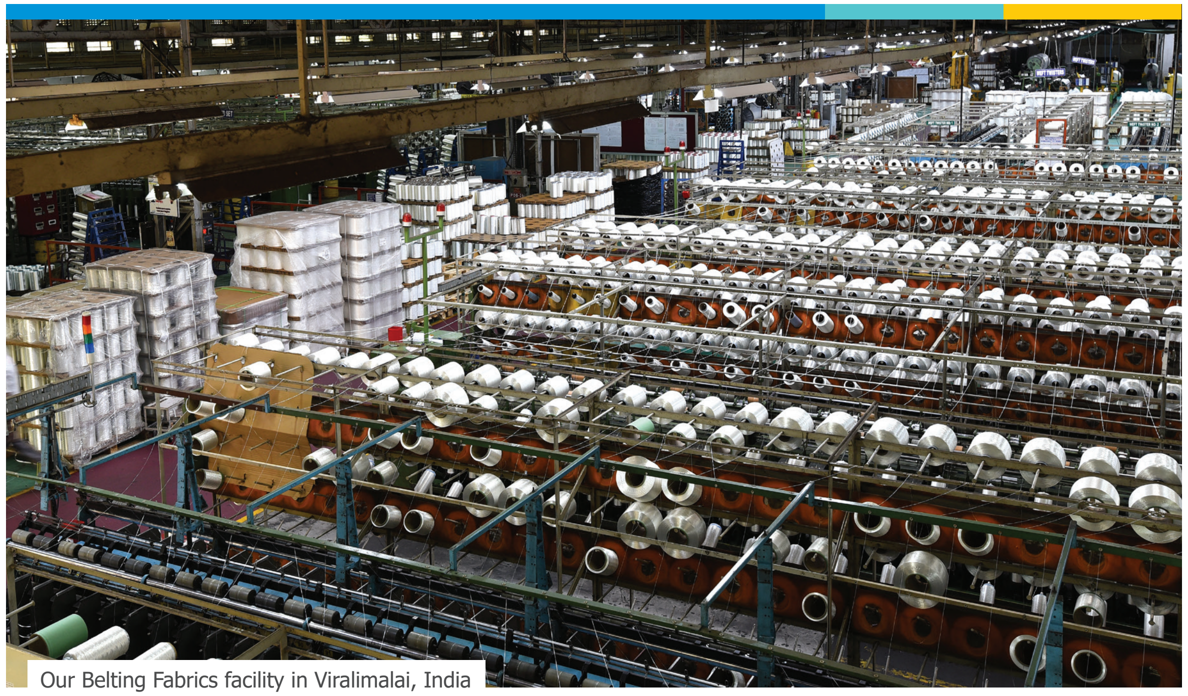
Coated and Laminated Fabrics Businesses

FY23 has been a good year for the Coated Fabrics Business. Domestic demand, particularly for VAPs remained strong, which helped the Business achieve its highest-ever domestic sales. Business made highest-ever EBITDA during the year. SRF continued to maintain its domestic market leadership in Coated Fabrics. Business also continued its price and volume leadership in the Laminated Fabrics Business by selling at full capacity and achieving its highest-ever sales during the FY. However, margins remained under pressure in Laminated Fabrics as costs increase could not be passed on completely to the customers due to excess supply.

With the commissioning of our new Aluminium Foil plant, we will be amongst very few players globally who offer a wide portfolio of packaging substrates - BOPET, BOPP and Aluminium Foil under one roof.

Outlook

In FY24, we expect demand to remain strong for both Coated Fabrics and Laminated Fabrics. In Coated Fabrics, the focus will be to enhance capacity and increase sales during the year. The Business will also continue to work on various cost reduction initiatives for both the businesses.



Our Belting Fabrics facility in Viralimalai, India

Human Resources

At SRF, the Human Resources (HR) function has evolved significantly over time. The function has always been determined to build best-in-class people processes that continue to enhance creativity of people. Our focus remains on building and strengthening a culture that keeps people at the core of all decisions while setting new benchmarks in profitability and productivity. With this ambitious goal, the HR team has had yet another successful year with a number of key accomplishments and initiatives being implemented.

The post pandemic world is different and in multiple ways; priorities have undergone a sea change. As an organisation, we've always maintained sync with what people want. As a step in this direction - the organisation focussed on implementing practices and policies that encouraged people to place a higher importance on health and wellness.

This year also witnessed an enhanced focus on building a culture that allows diversity to flourish and is inclusive in the truest sense. Making the organisation completely inclusive is a long-term journey that we have embarked upon and there is no looking back. Several changes were brought about that ensured a safe and conducive environment for all people irrespective of their gender, sexual preferences, caste, regional backgrounds, abilities, etc.

With years of continuous effort, we've been able to craft a unique and comprehensive performance management system that helps teams work to their potential by providing them necessary support and guidance. The system achieves a perfect balance between development, growth, rewards, conversations and strengthens the manager-subordinate relationships. With a high level of emphasis being placed on providing developmental and career growth opportunities, the organisation is able to promote meritocracy and build fairness and transparency. When it comes to salaries and benefits, SRF stands out for its competitive position in the market.

Not just the HR function but also the use of technology in the function has evolved over time. Today, a large majority of our people processes are completely automated.

Industrial environment

The organisation's overall employee relations remained positive throughout the year. This was a result of our consistent efforts towards keeping our employees engaged, motivated, involved in the success story of the organisation and completely committed to our cause. Various initiatives were implemented at the plants that encouraged participation and collaboration of not just employees but also of their families. We maintained a pleasant and cordial working environment across all manufacturing locations and witnessed a high in productivity at most of our manufacturing locations.


Our team at SRF Flexipak, South Africa

The total number of permanent employees at SRF and its subsidiaries/parent company stands at 7,971 at the close of business on March 31, 2023. Of these, 7,227 are based at our India locations.

Information Technology

As SRF plans for future growth, it is essential for core operations systems to work efficiently with increasing levels of automation leading to improved productivity and competitiveness. The systems have been designed appropriately to extend seamlessly to new factories with similar processes and standards.

In line with this vision, core systems like ERP, BPM-Business Process Management, ASCP-Advanced Supply Chain Management system underwent a generational upgrade to extend the support window by principals, leading to better availability, stability, and security. Many process improvements were done using the new features and functionalities of recent version releases, while also addressing pending operational issues of business teams. The technical stack was also upgraded and optimised to consume lesser resources while providing higher output at a faster pace. All this led to a substantial improvement in time taken to do basic transactions leading to higher throughput of operations teams. This enabled the staff to take on additional workload of our expansions.

SRF values its relationships with customers and vendors, continuously striving to improve the efficiency of operations and interactions. Our customer portal helps customers get an overview of their ongoing and past transactions with SRF. This solution was improved further and extended to more businesses this year. An integrated CRM-Customer Relationship Management solution was rolled out in Fluorochemicals Business and Technical Textiles Business aimed at helping the sales team service their customers promptly. A supplier procurement and portal solution was implemented in Specialty Chemicals Business this year as a pilot. This platform was used to close a lot of deals and share information to supplier related to their transactions with SRF.

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Manufacturing operations stands to gain from advancements in Industrial Internet of Things (IIOT). Over the years, SRF has done multiple implementations of solutions using factory systems data, sensor data, trend analysis, AI/ML algorithms. These projects helped improve machine state visibility, efficiencies, throughput, and uptime. Process Input/Output norms were also enhanced in some cases. Visual analytics is helping us detect any defects in the manufacturing process. These are also helping us optimise energy utilisation thereby helping us attain our sustainability and ESG commitments.

SRF increased its portfolio of security solutions in line with regulatory requirements as well as to suitably address the enhanced threat perception. Security incidents and events monitoring solution was implemented and is being monitored 24x7 by a specialist security organisation. We are also implementing a Privileged Access Management solution that will ensure that only authorised technical staff when authorised can reach the technical layer of IT solutions.

We are enhancing our citizen analytics and development capability using low code/no code tools. Many employees outside IT were able to develop insightful dashboards and micro process automations to help streamline their department operations. We will now be increasing our investments in Cloud technologies to plan for the next phase of growth.

Community Partnerships

Building upon its longstanding commitment to sustainable and inclusive community growth, the SRF Foundation - the Corporate Social Responsibility arm of SRF Limited - has expanded the scope of its work and taken concrete steps in compliance with Section 135 of the Companies Act 2013 during FY23.

SRF Vidyalaya, Chennai, India

The Foundation continued to focus on the identified areas of Education, Vocational Skills, Health Promotion, Environment, Disaster Management and Promotion of Arts and Culture on a sustainable basis. Moreover, it strengthened its Public Private Community Partnership (PPCP) model to positively impact people's lives.

FY23 witnessed the strengthening of the Foundation's Education Programs. SRF Foundation transformed Government schools into dynamic centres of education, turning them into "Model Schools" by working in the areas of physical-infra development, digitalisation, academics, and school leadership development. Presently, we have reached 465 Government schools across 24 locations in 12 states directly and indirectly by collaborating with like-minded partners, providing quality education to over 1,78,702 students, and training 3,397 teachers and 465 headmasters.

To promote digital inclusion, the SRF Foundation is working on KidSmart Centres, World on Wheels & SmartShiksha Mobile Digital Labs, Common Services Lab, and Digital Smart TV Classroom Programs in the intervention locations. In addition, the SRF Foundation is committed to transforming schools into centres of innovation through future skills programs such as the Tinker Coding Program, ATAL Community Innovation Centres, and ATAL Tinkering Labs.

Apart from school education, this year, the SRF Foundation initiated the 'Anganwadi Development Program,' aimed at improving the quality of Early Childhood Care and Education in line with the National Education Policy (NEP) 2020, which had a direct impact on 10,905 children from 308 Anganwadis across 7 locations.

Regarding vocational skills, the SRF Foundation integrated school dropouts, unemployed youth, and women into the mainstream workforce by equipping them with appropriate skills to meet the demands of the supply chain. Through the vocational skills programs, such as the Basic Electrician Training Program, Basic Computer Literacy Program, Spoken English Program, and Nari Shakti Program, we have trained 1,785 unemployed youth from 13 locations across 8 states, and 50% of them have been placed in national and multinational companies. In addition, 7,235 people in rural locations have received training in digital skills and 259 women have been trained in fashion designing and beautician trades.

Preventive Health Check Camp

SRF Foundation undertook several new initiatives this year to improve employability, health, and digital skills among the community. We introduced 'SmartShiksha' mobile digital labs in Mewat, Bharuch, Kamrup (M), Dhar, and Kashipur, offering a mobility solution to bridge the digital divide in rural locations. By partnering with Microsoft and Shell, we introduced 'Skills for Livelihood – Digital Skills for ITI & Polytechnics (non-IT trades),' which will benefit 5,000 ITI and Polytechnic students in skill development and employability across various parts of the country.

To promote community health, we introduced two new programs, the 'Rural Health Program (RHP)' and 'SRF Swasthya Seva.' Through RHP, we adopted a primary health centre in Nalcha (Dhar) to improve the medical practices as per 'kayakalp standard'. Our mobile health van 'SRF Swasthya Seva' in Bharuch will visit 15 different villages around the Dahej plant providing health awareness, diagnose issues, and cure diseases in the community. In partnership with Amway and Opportunity International, we extended the 'Power of 5' project in Sohna (Haryana) and Chennai (Tamil Nadu) to support child nutrition.

Through the Natural Resource Management (NRM) program, the SRF Foundation continued to support economically weaker families in the vicinity of its Bhiwadi, Rajasthan manufacturing plant by adopting a watershed-based livelihood and environmental conservation approach. In FY23, this program directly benefited over 5,249 families and indirectly supported 1,705 from 35 villages in the Tijara block surrounding the SRF Bhiwadi plant. This region receives below-normal rainfall, but the NRM program has helped maintain 206 earthen dams, ensuring their proper utilisation and providing sustainable benefits.

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Electrician Training in progress

Furthermore, we undertook Assam flood relief work in several locations, including Nalbari, Bajali, Kamrup, and Barpeta. We provided 171 tents to 772 individuals affected by the floods. During FY23, the SRF Foundation funded fourteen NGOs for sixteen social projects in education, sports, health, and environment.

In recognition of our efforts in education programs, the SRF Foundation was honoured with three prestigious awards during the year, including the Mahatma Award 2022 for social impact in promoting quality education, the Bhamashah Award 2022 for CSR intervention in Education (Rajasthan), and the ICC Social Impact Award 2023 for the promotion of education.

Internal Control System and Internal Audit

The Company has a well-documented system of internal financial controls in place commensurate with its size, scale, and complexity of operations. These controls have been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets, executing transactions with proper authorisation, and ensuring compliance with corporate policies.

The Company has a well-established independent Internal Audit & Risk Management function which drives and coordinates for the Internal Audits, Internal Financial Controls and Enterprise Risk Management System. These frameworks are supported by a well-defined organisation structure, roles and responsibilities, documented policies and procedures, financial delegation of authority, ERP controls, among others.

The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, the ERP solutions, the accounting procedures, and policies at all locations.

Internal Audit reviews are conducted on an ongoing basis, based on a comprehensive risk-based audit plan commensurate with the size and nature of business activities of the Company. The Internal Audit plan is approved by the Audit Committee, which also reviews compliance to the said plan. Any significant audit observations and corrective actions thereon are presented to the Audit Committee which reviews the reports submitted by the Internal Auditors (both internal and external) in each of its meetings. Based on the gaps reported in the internal audit report, process owners undertake corrective actions in their respective areas and thereby strengthen the internal control framework. In addition, the statutory auditors also obtain reasonable assurance on the adequacy and operating effectiveness over the Company's internal financial controls with reference to financial statements as a part of their annual audit exercise.

A robust Control Self-assessment (CSA) process enables process owners to perform self-assessment and promote self-compliance in accordance with laid down policies and procedures, regulatory environment through IT-enabled platform such as CSA tool and Compliance Manager.

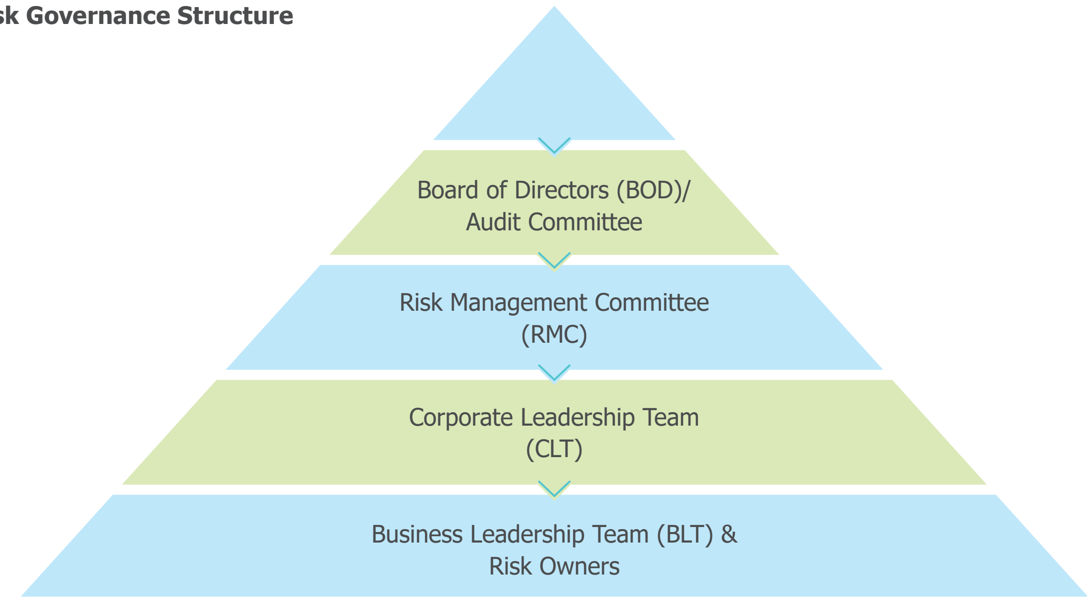
Risk Management

The Company has developed and implemented a Risk Management Framework, which is approved by the Board. Further, Board has constituted a Risk Management Committee (RMC) to oversee key risks and assist the Board in efficient management of risk management process.

The Risk Management Policy, inter alia, includes identification therein of elements of risk, including those, which in the opinion of the Board/RMC may threaten the existence of the Company or may have material impact. Risk management process has been an integral part of the Company strategy and planning process. The Company has established a risk management framework to identify, assess and frame a response to threats that can affect its business objectives and stakeholders. Further, it is embedded across all the major functions and revolves around the goals and objectives of the organisation. The responsibility of tracking and monitoring the key risks of the business/function periodically and implementing suitable mitigation plans proactively is with the senior executives of various business/functional units.

Risk Management Process

Risk Governance Structure



The key roles and responsibilities regarding risk management in the Company are summarised as follows:

1. **Board of Directors (BOD) & the Audit Committee:**
   - The Board of Directors hold the overall responsibility for an effective risk management system. The Audit Committee of the Board examines the appropriateness and effectiveness of the risk management system at least once a year and reports to the Board
   - Review the risks that may threaten the existence of the Company
   - Consider the recommendation of Risk Management Committee on Risk Management Plan/Policy

2. **Risk Management Committee (RMC):**
   - Overview Company's risk management framework and its compliance
   - Identifications of key risks which may significantly impact the performance of the Company
   - Review of policy, key risks as identified by the management, provide guidance to the management, and update the Board & Audit Committee on the same
   - Assist the Board/Audit Committee in evaluating the effectiveness of Risk Management System

3. **Corporate Leadership Team (CLT):**
   - Develop risk management framework and policy
   - Review key risks and mitigation action plan
   - Review effectiveness of risk mitigation strategies, develop counter measures if any and update the same to RMC

4. **Business Leadership Team (BLT) & Risk Owners:**
   - Identification, classification, and prioritisation of risks into high, medium, and low as per risk management framework
   - Identify and implement risk mitigation measures
   - Periodically review mitigation measures status, develop counter measures, if any
   - Provide status update of key risks to the CLT

Risk Classification

All risks have been broadly classified into the following categories:

Strategic Risk
Risks arising out of macro-Economics and other external conditions which can significantly impact the Company's strategic business decision, future aspiration, and financial performance

Operational Risk
Risks of loss due to Inadequate manufacturing process, insufficient resources, inadequate processes, safety or failure thereof, insufficient skill or people

Regulatory Risk
Risks arising out of regulatory non-compliances

Financial & Reporting Risk
Financial reporting risk arises from the evolving accounting and financial reporting requirement, increasingly complex business model, etc.

IT and Cyber Risk
Potential loss due to non-availability of technical infrastructure or appropriate software technology, impact on data integrity, data theft or loss of Intellectual Property Rights (IPR) due to compromised network security

Sectoral Risk
These are the risks arising out of uncertainty with respect to changes in the economic and financial scenarios that are unique to a sector or industry

Sustainability including ESG Risk
These are the risks arising out of environmental, social or governance events or conditions that, if it occurs, could cause an actual or a potential material negative impact

During FY23, significant changes in the key financial ratios as per listing regulations were as follows:

Ratio	FY23	FY22	% Change	Reason
Interest Coverage Ratio = (EBDIT - Current Tax) / Gross Interest and Lease payments	13.10	19.04	(31.17%)	Largely due to increase in key interest rate benchmarks, both locally and globally which led to higher interest costs and deterioration in the ratio despite increase in overall servicing ability
Return on Net Worth = PAT / Net Worth	21.87%	19.77%	10.63%	Increase in PAT by 34.26% from ₹ 1,507.01 crore in FY22 to ₹ 2,023.35 crore in FY23