



Firmly rooted.
**Growing
responsibly.**

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Chairman's Message



Dear Shareholders,

It is a great privilege to be able to share my thoughts with you for the first time since taking over as the Chairman and Managing Director of SRF Limited in April 2022.

This year, we bid farewell to the patriarch of our Group, Mr. Arun Bharat Ram, who expressed his desire to step down as the Executive Chairman and Director of SRF Limited. The amount of value SRF has created under his leadership – is extraordinary, as he leaves behind a strong foundation for future generations. Having said that, SRF will continue to benefit from his valuable knowledge and wisdom from time-to-time as a mentor to the Board of Directors and the management.

As I take on the role of Chairman and Managing Director with a great sense of responsibility and humility, I look forward to leading SRF into the future with an outstanding team at my side.

Firmly rooted. Growing responsibly.

We chose “Firmly rooted. Growing responsibly” as the theme of our annual report this year as we prepare to shape our future growth journey based on a powerful combination of experience and energy. Experience of a Company that has succeeded for decades, and the energy of a young Company with fresh opportunities. SRF products touch millions of lives every day and we work hard to remain relevant and current to the customers we serve and respond appropriately to changes taking place in our environment.

As an organisation that continues to evolve, grow, and progress into the future, we are also making concerted efforts towards identifying our ESG (Environmental, Social and Governance) risks and opportunities. It was therefore imperative for us to adopt ESG as part of our Company aspirations. In March 2022, we introduced and launched our Company's new ASPIRATIONS 2030. The five pillars of our ASPIRATIONS 2030 are:

We will continuously strive to be known for our:

- Professional Reputation and Value System
- Customer Advocacy
- Innovation and Technology Leadership
- Operational Excellence
- Environment & Social Responsibility

Our efforts in ESG encompass management of water use, protecting ecosystems and reducing community impacts related to operations, among others. I invite you to read the ESG section of this report for more on our work towards our environmental responsibility.

Financial Performance

FY 2021- '22 was an extraordinary year. Despite the ongoing COVID-19 pandemic, widespread supply bottlenecks, and increasingly higher energy and raw materials prices, we achieved robust operational and financial performance.

From a financial point of view, in FY 2021- '22, the Company achieved a 58% increase in profit after tax at ₹ 1,889 crore compared to ₹ 1,198 crore last year. The Company's revenue for the year stood at ₹ 12,434 crore as against ₹ 8,400 crore in the previous year, recording an overall growth of 48%.

Business Performance

Let me now talk about some of the milestones achieved by each of our business segments during the year.

Chemicals Business

In FY 2021 – '22, the Chemicals Business accomplished strong growth of 43.8% Year-over-Year (Y-o-Y) to achieve record revenues of ₹ 5,240.8 crore.

Our Specialty Chemicals Business performed remarkably well in the year, driven by strong demand in both the exports and domestic markets. Our new product portfolio is being enhanced continuously, which also helps us expand and strengthen our customer base further. Our customers are demanding more-and-more complex molecules, a demand that is being met by our robust in-house R&D team, giving the Company an overall edge in the marketplace. With rapid strides in the development of new products and process technologies, we launched four new products in the agrochemicals and two in the pharmaceuticals segment during the year. In addition, we are also seeing traction in the Active Ingredients (AI) space and building our capabilities on this front.

As we grow our revenues, we will continue to invest in this business to sustain healthy growth rates over the next few years. In this regard, I am pleased to share that the Board of Directors have approved the setting up of dedicated facilities to produce

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agrochemicals intermediates at Dahej, Gujarat, at a cost upwards of ₹ 200 crore. In addition to that, the Board approved a project to set up a Pharma Intermediates Plant (PIP) at a cost of ₹ 190 crore, which will strengthen SRF's pharma capabilities. Similar investments alongside improved efficiencies, optimum utilisation of capacities, and other initiatives to reduce the environmental costs of manufacturing were also announced throughout the year.

Overall, as India's largest specialty chemicals player, SRF, in FY 2021- '22, continued to maintain its 'preferred partner' status with most of its marquee global customers.

Poised for sustainable growth, our Fluorochemicals Business delivered a strong performance during the year. This was largely on account of higher volumes in refrigerants, blends, and chloromethanes, in both the domestic and exports markets. Our capabilities on backward integration allow us to control costs as well

as propel the business forward.

Furthermore, in our constant endeavour to offer cutting-edge products to our customers, we enhanced our portfolio by introducing Anhydrous Hydrogen Chloride (AHCL) for pharmaceutical applications and ramping-up production of other key products in the Industrial Chemicals segment. Our Pharma propellant, which is sold under the brand name of Dymel® HFA 134a/P witnessed a significant increase in sales, expanding to new geographies and consolidating its customer footprint across the globe.

With large capex such as Polytetrafluoroethylene (PTFE), chloromethane (CMS), etc. likely to capitalise in the next few quarters, we are looking forward to exciting times ahead in the Fluorochemicals Business.

Packaging Films Business

In FY 2021 – '22, our Packaging Films Business witnessed robust growth of 45.2% Y-o-Y to achieve

record revenues of ₹ 4,779.2 crore. Both our domestic and international facilities delivered strong performance and contributed to the overall growth. Over-the-years, SRF's Packaging Films Business has established itself as a renowned player in the worldwide packaging industry, with a growing market presence across 100+ countries with multi-country and multi-substrate presence. This is a result of the Business' 'Easy to do Business with' philosophy, our geographical spread, along with continued focus on enhancing efficiencies, innovative practices, and cost-competitiveness.

During the year, the Company made an important announcement to further enhance our leadership position in this segment. We have allocated a capex of ₹ 425 crore to set up an Aluminium Foil manufacturing facility near Indore in Madhya Pradesh, India, which is expected to be commercialised in approx. 20 months. Our new BOPP film line, which is currently under construction in Indore is also on track and expected to be commissioned in the forthcoming quarter.



I am also happy to share that during the year, our Packaging Films Business was recognised with two prestigious awards. Our facility at Indore was conferred the Quality Sustainability Award at the international convention, organised by the International Academy for Quality (IAQ). SRF FLEXIPAK, our South African facility received the 'Sword of Honour' from the British Safety Council, demonstrating our emphasis on superior Environment, Health, Safety (EHS) practices.

As a market leader, our focus on sustainability initiatives is our responsibility and we will continue to work towards innovating films that have a lower environmental footprint. We aim to foster the 'Circular Economy' where we increasingly bring waste materials back into the economy.

Technical Textiles Business

In FY 2021 – '22, our Technical Textiles Business demonstrated promising results of 68.1% Year-over-Year to achieve healthy revenues of ₹ 2,085.2 crore. This was achieved on the back of highest-ever sales volumes from the Belting Fabrics and the Polyester Industrial Yarn segments. This contributed to partially offsetting the weak demand for Nylon Tyre Cord Fabrics. Overall, the Company is actively focusing on improving its operational efficiency and productivity parameters in this segment.

Other Businesses

In our Other Businesses, SRF continues to maintain market leadership in the Coated Fabrics Business, with a high-volume share driven by improved sourcing initiatives and plant efficiency. In the Laminated Fabrics Business, SRF retained its price & volume leadership, with the facility operating at full capacity, achieving its highest-ever sales in the fourth quarter. However, realisations in this segment were adversely impacted by the continuing surplus supply situation.

Our People are our Real Assets

I would like to emphasise at this point that our passionate workforce is our core business asset. I want to thank the employees of SRF for their hard work, dedication, and resilience in scripting our success story.

As most of our teams have now returned to our offices, I have had the opportunity to rediscover the collaborative culture that makes us such a unique and extraordinary Company.

Expanding our Community Impact

SRF Foundation, the CSR arm of SRF, has deep expertise in supporting transformative education initiatives at local and grassroots levels, including improving student-learning outcomes for more than one lakh fifty thousand students in India. We also go beyond traditional education by imparting vocational skill training to the youth, making them employable and contributing citizens of our country.

More importantly, our employees worldwide share our passion for community service. They volunteer and leverage their skills and experience to make a difference in the world. I am grateful to my team for their commitment towards making a positive change in our society.

In closing

On behalf of the Board and management, I thank you, our shareholders, for your continued support. I am confident that, with the actions we have outlined to continue driving growth, we will create long-term and sustainable value for our stakeholders.

Stay well.

Sincerely,

Ashish Bharat Ram

Chairman & Managing Director
SRF Limited

Our Locations

CHEMICALS BUSINESS

- Village - Jhiwana, PO - Khijuriwas, Tehsil - Tijara, District - Alwar, Rajasthan, India - 301 019
- D - 2/1, GIDC Phase II, PCPIR, Village - Dahej, District - Bharuch Gujarat, India - 392 130



TECHNICAL TEXTILES BUSINESS

- Malanpur Industrial Area, Bhind, Madhya Pradesh, India - 477 116
- Manali Industrial Area, Manali, Chennai,
- Plot No. K1, SIPCOT Industrial Complex, Gummidipoondi, Thiruvallur District, Tamil Nadu, India - 601 201
- Viralimalai, District - Pudukottai, Tamil Nadu, India - 621 316



National

- Plot No. 12, Rampura, Ramnagar Road, Kashipur, District Udham Singh Nagar, Uttarakhand, India - 244 713
- Sector 3, SEZ Indore, Pithampur, District - Dhar, Madhya Pradesh, India - 454 775
- Plot No. 675, Industrial Area, Sector 3, Village - Bagdoon, Pithampur, District - Dhar, Madhya Pradesh, India - 454 775

International

- SRF Industries (Thailand) Ltd., Hemraj Eastern Seaboard Industrial Estate, 112, Moo 3, Tambon Tasith, Amphur Pluakdaeng Rayong Province, Thailand - 21140
- SRF Flexipak (South Africa) (Pty) Ltd. 5 Eddie Hagen Dr, Cato Ridge 3680, Durban, South Africa
- SRF Europe KFT 05/219, Jaszfenyszaru Industrial Park, Jaszfenyszaru, 5126 Hungary



PACKAGING FILMS BUSINESS

- Plot No. K1, SIPCOT Industrial Complex, Gummidipoondi, Thiruvallur District, Tamil Nadu, India - 601 201
- Unit No. 2, Plot No. 12, Rampura, Ramnagar Road, Kashipur, District - Udham Singh Nagar, Uttarakhand, India - 244 713



OTHER BUSINESSES

Chairman Emeritus



Arun Bharat Ram

Board of Directors



Ashish Bharat Ram

Chairman & Managing Director



Kartik Bharat Ram

Joint Managing Director



Pramod G. Gujarathi

Director,
Safety & Environment



Vellayan Subbiah

Non-Executive,
Non-Independent Director



Tejpreet S Chopra

Independent Director



**Lakshman
Lakshminarayan**

Independent Director



Bharti Gupta Ramola

Independent Director



Puneet Yadu Dalmia

Independent Director



Yash Gupta

Independent Director



Raj Kumar Jain

Independent Director

Corporate Information

Auditors

M/s B S R & Co. LLP,
Chartered Accountants

President & CFO

Rahul Jain

Vice President (Corporate Compliance) & Company Secretary

Rajat Lakhnarpal

Bankers

ICICI Bank
State Bank of India
Standard Chartered Bank
Citibank NA
DBS Bank India Limited
HDFC Bank
Kotak Mahindra Bank
HSBC
Axis Bank
Yes Bank
MUFG Bank Limited
Sumitomo Mitsui Banking Corporation
Mizuho Bank Limited
IDFC Bank
BNP Paribas

Registered Office

(CIN: L18101DL1970PLC005197)
Unit Nos. 236 & 237, 2nd Floor,
DLF Galleria, Mayur Place,
Noida Link Road, Mayur Vihar
Phase I Extension,
Delhi, India - 110 091
Tel: +91-11- 49482870

Corporate Office

Block - C, Sector - 45,
Gurugram - 122 003,
Haryana, India

Email: info@srf.com

www.srf.com

Our approach to ESG



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- Sustainability is at the heart of our Governance Framework
- Codes and Policies for best-in-class Governance
- Regulatory compliance - Our Pride
- Fostering advancement of industry through industry associations

Creating shared value through extensive stakeholder engagement

- Inclusive stakeholder engagement process

Materiality assessment driving long-term value creation

Managing risks strategically for a sustainable tomorrow

Strategy

The Six Capitals

- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Natural Capital
- Human Capital
- Social & Relationship Capital

Business Responsibility Report

Scope and Boundary

As a responsible organisation, sustainability is part of our core value system. We care for people and the planet and our ever-evolving policies and inherent philosophy are testimony of it. We are diligent about the way we conduct business to deliver value to all our stakeholders. Our universal and all-pervading theme that runs across our organisation encompasses the elements of environment, social and governance. The ESG section of the report reflects the current systems, practices, performance and the various initiatives undertaken by SRF for integrating ESG into their business activities. The report provides information on SRF Limited, India and covers the period from 1st April 2021 to 31st March 2022.

SRF's Business Verticals



Chemicals Business

Chemicals Business includes two divisions, namely Speciality Chemicals and Fluorochemicals

Plants in Dahej and Bhiwadi located in Gujarat and Rajasthan respectively

Speciality Chemicals

- Expertise in fluorine chemistry and deep knowledge in a variety of other organic chemistries
- Capability to produce active, non-active advanced intermediaries used in agrochemical and pharmaceutical industries, custom research & synthesis for major players in agrochemicals and pharma space

Fluorochemicals

- Global-scale fully integrated player in refrigerants & pharma propellants and industrial chemicals
- Manufacturer of ozone-friendly refrigerants in India
- Product application in room air-conditioners, pharma, automobile air-conditioners, refrigerators and chillers



Packaging Films Business

Two plants in Indore, Madhya Pradesh and one plant in Kashipur, Uttarakhand. In addition, there are three overseas plants in Thailand, South Africa and Hungary

- State-of-the-art facilities having capability to offer innovative solutions in BOPET and BOPP Films
- Spectrum of product mix includes transparent, metallised, coated, and other value-added films finding various diverse applications in fast moving consumer goods, Food & Agro, confectionery, soaps & detergents, solar panels, labelling, overwraps, embossing, etc.
- Diversifying into Aluminium foil manufacture under new wholly-owned subsidiary



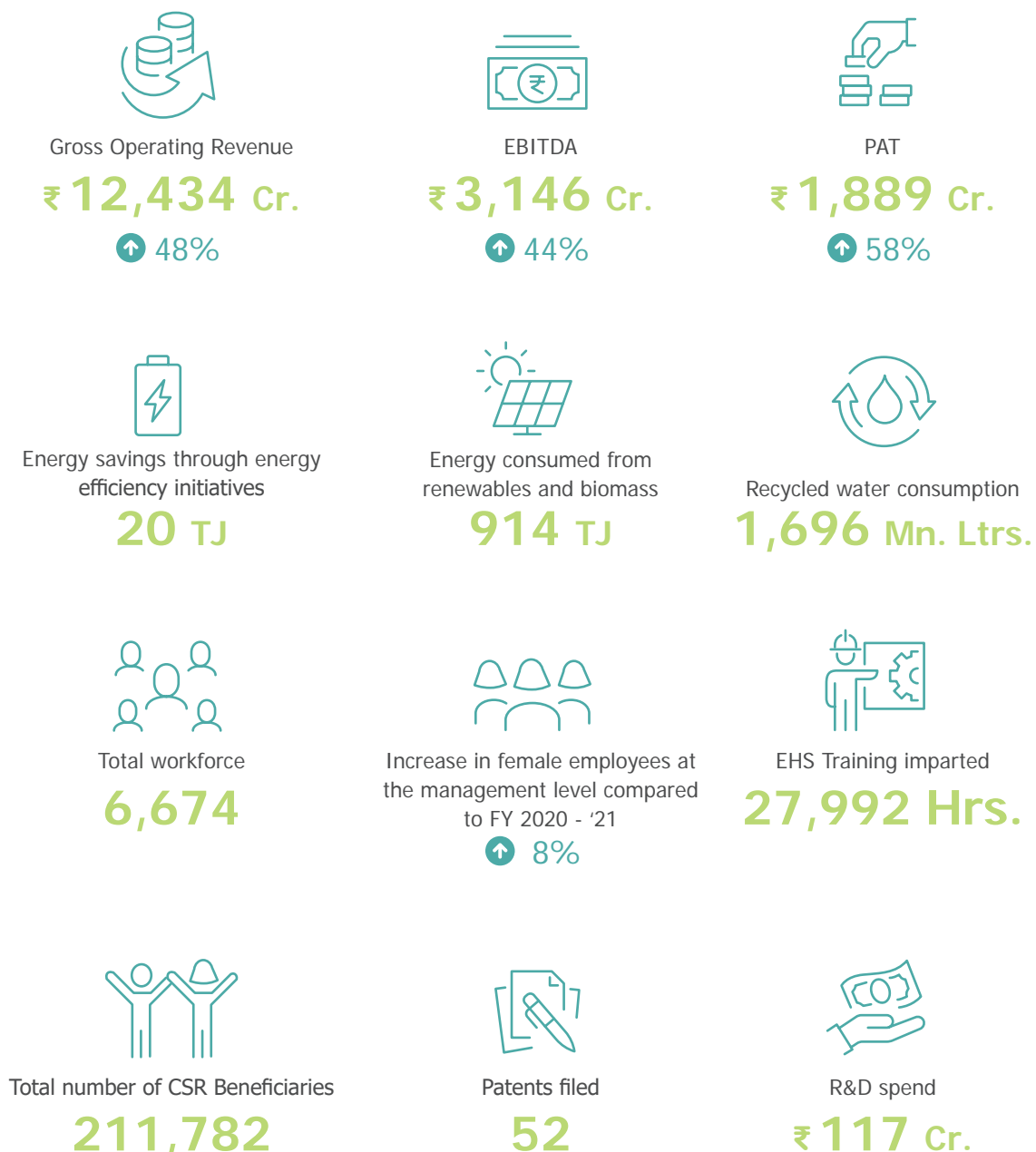
Technical Textiles Business

Plants in Manali, Gummidipoondi and Viralimalai in Tamil Nadu and Malanpur in Madhya Pradesh

- Largest manufacturer of technical textiles in India and also enjoys a global leadership for most of the products under this business
- Technical Textiles business offers a wide range of high-performance reinforcements, covering both nylon and polyester yarns and fabrics for diverse non-consumer and lifestyle applications
- Product basket for technical textiles contains tyre cord fabrics, belting fabrics and industrial yarn
- Used in varied applications, such as tyres, seat-belts, conveyor-belts and other industrial applications

Note: All the financial numbers are on consolidated basis while the other data pertains to Indian operations of the above businesses

Key ESG Performance Highlights



Governance

We never yield to or compromise on the basic principles of Integrity, Transparency and Accountability. Robust corporate governance practices are the key pillars for driving all initiatives.



We believe that good corporate governance is the sum or result of implementing sound management practices, compliances, and adherence to the highest levels of transparency and business ethics. Our organisation is based on a strong bedrock of corporate governance. We have put in place a detailed governance framework that outlines our operations, business actions and possible outcomes. Corporate governance at SRF encompasses comprehensive oversight of business strategies, ensuring fiscal accountability, ethical corporate behaviour, and upholding stakeholder interests. Our Governance incorporates a systematic and periodic evaluation of business operations thereby ensuring compliance with all applicable rules and regulations. We are committed to delivering value-based growth while maintaining high ethical standards and complete transparency with all our stakeholders - shareholders, customers, employees, vendors, society.

At SRF, we are led by the Board of Directors comprising of industry experts who come with diverse and rich experiences which enable and facilitate effective decision-making and execution of sustainable and long-term strategies. The Board reviews all significant aspects of the Company and ensures that the

business activities are aligned with the Company's long-term strategies. The Board members monitor the financial, environmental, and social performance of the Company while addressing key risks and opportunities.

We have 10 Directors on our Board as on 31st March 2022. During the year, Dr. Meenakshi Gopinath, Director CSR, retired from the Board w.e.f. 31st August 2021 and Mr. Arun Bharat Ram resigned as Chairman of the Board w.e.f. closing of business hours of 31st March 2022. He was appointed as Chairman Emeritus by the Board and shareholders for a term of 5 years w.e.f. 1st April 2022. Further, w.e.f. 1st April 2022, Mr. Ashish Bharat Ram was re-designated as Chairman and Managing Director and Mr. Kartik Bharat Ram was re-designated as Joint Managing Director by the Company subject to approval of shareholders. Mr. Vellayan Subbiah resigned as independent director on 9th May 2022 and was appointed as Non-Executive Non-Independent Director w.e.f. 10th May 2022 subject to approval of the shareholders and Mr. Raj Kumar Jain was appointed as Independent Director (additional) w.e.f. 9th May 2022 subject to approval of the shareholders.

Committees Driving Performance Excellence

The governance structure at SRF consists of six Board level committees with well-defined roles and responsibilities to protect the interests of all shareholders. The committees are instrumental in contributing to the Company's journey to market leadership and help in maximising value for all stakeholders.

Nomination and Remuneration Committee

- The Committee is responsible for assessing qualification of a director, proposing policies on board diversity and undertaking performance evaluations of directors
- It consists of three independent directors

CSR Committee

- The Committee is responsible for handling matters related to spending of CSR funds, monitoring of CSR activities and so on
- The committee consists of two non-executive directors and one executive director

Audit Committee

- The Committee is responsible for reviewing and approving the internal audit plan, financial reporting systems, whistle blower mechanism, ensuring compliance with regulatory guidelines, undertaking discussions on quarterly, half-yearly and annual financial results and engaging with statutory auditors
- It consists of three independent directors

Stakeholders Relationship Committee

- The stakeholder relationship committee oversees the grievance related aspects of all concerned stakeholders
- It consists of two executive and two independent directors

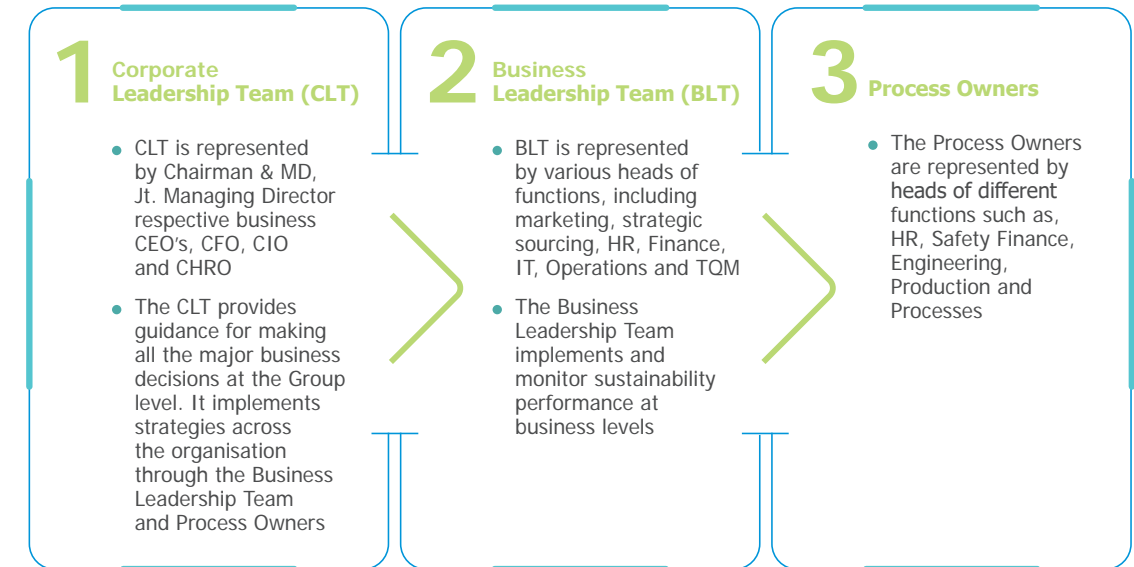
Risk Management Committee

- The Committee is responsible to support the Audit Committee in analysing the efficacy of the Risk Management System and assists the Board in framing, implementing, monitoring, and revising the Risk Management Policy
- It consists of one Independent director and two executive directors

Committee of Directors Financial Resources

- The Committee of Directors Financial Resources is responsible to provide financial oversight for the organisation
- It consists of three executive directors

Sustainability is at the Heart of our Governance Framework



Codes and Policies for Best-in-Class Governance

At SRF, we believe robust policies and practices including ESG considerations are key driving forces in decision-making. We are periodically reconceptualising and reimagining our strategies to keep up with the ever-changing business environment and evolving consumer needs. Our policies provide specific guidance to employees on their ethical/

behavioural standards to uphold our organisation's values and ensure that business is conducted in an ethical and responsible manner. While following these policies is mandatory for all our employees, we also encourage all other stakeholders to adopt and adhere to the same. SRF has laid out the following codes and policies to govern its business in a responsible way:

Codes & Policies

- Code of Practices and Procedures for Fair Disclosure of UPSI
- Code of Conduct for Prevention of Insider Trading
- Code of Conduct for Directors and Senior Management Personnel

- Nomination, Appointment and Remuneration
- Health & Safety
- Human Rights
- Whistle Blower
- Corporate Social Responsibility
- Anti-Corruption and Bribery
- Material Subsidiary Companies
- Dealing with Related Party Transactions
- Dividend Distribution
- Preservation of Documents

Source - <https://www.srf.com/investors/corporate-governance/>

The Company's Code of Conduct (CoC) testifies the organisation's commitment towards conducting its business with utmost integrity, honesty and accountability. It ensures compliance with internal standards of business practices and covers aspects such as regulatory compliance, fair employment practices, environment, health and safety, conflicts of interest and safeguarding the Company's assets.

The principles enumerated in the Code of Conduct have been complied with by the Board members and senior management representatives. The CoC coupled with the Whistle-blower policy reinforces the stated values of the Company and promotes ethical behaviour for conducting business in the most transparent manner.

In the current reporting period, there were no cases of conflict of interest and no disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption on Directors / KMPs / employees / workers.

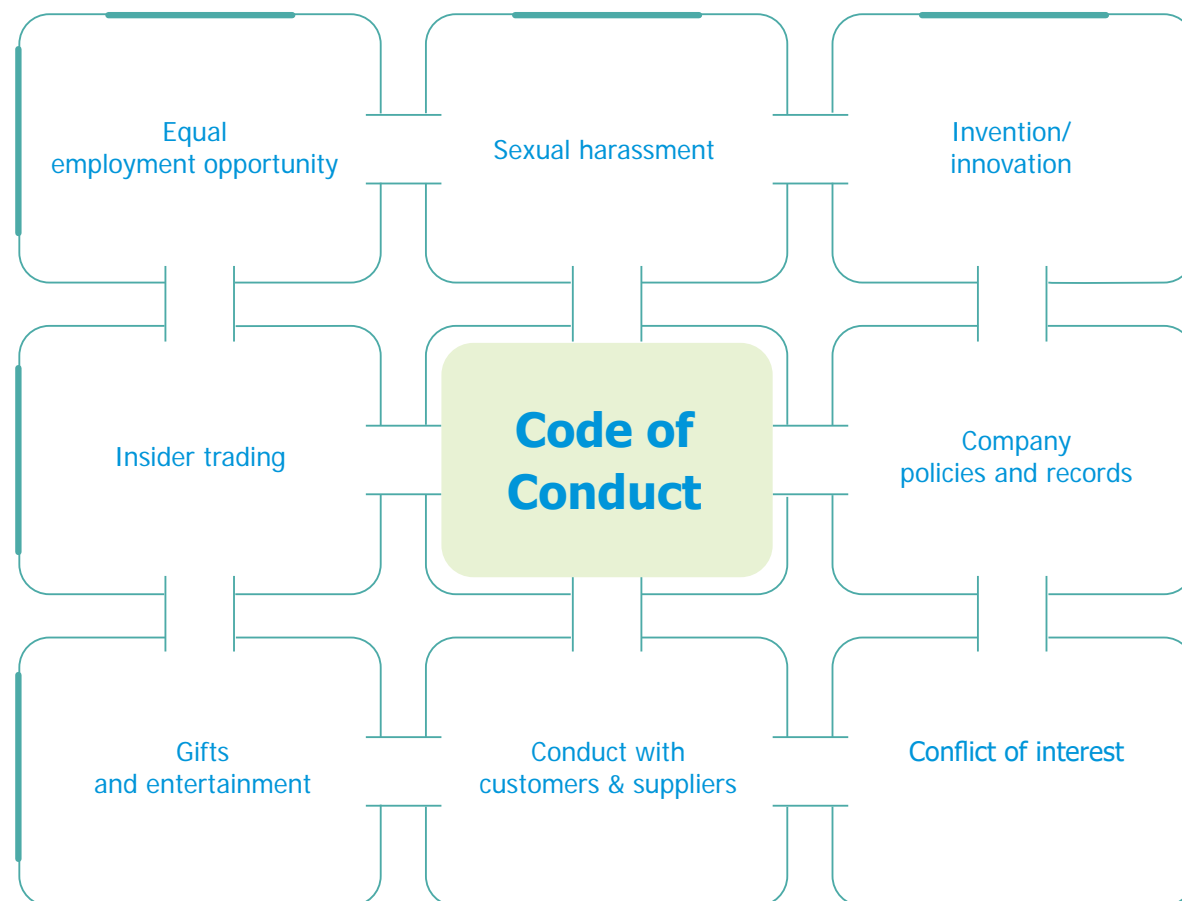


For details: SRF-Whistleblower-Policy.pdf

Code-of-Conduct-for-Directors-and-Senior-Management-Personnel.pdf (srf.com)

The figure below highlights the key aspects of the Code of Conduct:

(Business Responsibility Report Principle 1)



Regulatory Compliance - Our Pride

To further reinforce the Company's core values beyond regulatory compliances, we have established a Values Steering Committee, which includes the Joint Managing Director and some members from the Corporate leadership team. They are responsible for conducting fair and transparent investigations of reported issues, independently and take corrective or disciplinary actions.

SRF has implemented an IT system based 'Compliance Manager' tool, which tracks the status of compliances on defined frequency for required periods. With a view to ensure total compliance with applicable legal frameworks, this tool provides capability and offers timely and intelligible disclosures for effective monitoring and reporting.

During the current reporting period, no case has been filed by any stakeholder regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour

(Business Responsibility Report Principle 1 & 9)

SRF actively participates in discussions and discourses on growth and sustainable development in various industry forums. Over the years, the Company has been proactively collaborating with several industry associations to share best practices, address industry concerns, and implement measures for driving industry growth and fostering economic development in the country. Currently, SRF is a member of the following industry associations and forums:

Industry Associations

Confederation of Indian Industry	■	National Safety Council	■
Refrigerant Gases Manufacture Association	■	Centre for Chemical Process Safety	■
Indian Chemical Council	■	The Synthetic & Rayon Textiles Export Promotion Council	■
CHEMEXCIL	■	Delhi Chamber of Commerce	■

Reach of Association: State ■ National ■

(Business Responsibility Report Principle 7)

