



Independent Auditor's Report:

To the members of SRF INDUSTEX BELTING PTY. LIMITED, South Africa

Report on the Financial Statements

We have audited the accompanying standalone Financial Statements of SRF Industex Belting Pty. Limited ("the company"), which comprise the Balance Sheet as at March 31, 2020 and the statement of Profit and Loss of the company for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility

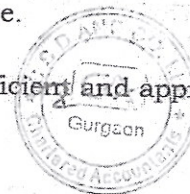
Management is responsible for the preparation and presentation of these Standalone Financial Statement that give a true and fair view of the financial position and financial performance. This responsibility includes designing, implementation and maintaining internal control relevant to the preparation and presentation of the Reporting Financial Statements that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express opinion on these standalone Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Reporting Package, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the Reporting Package in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the Reporting Package.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, in case of:

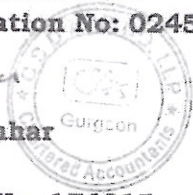
- (i) the Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- (ii) the Statement of Profit and Loss, of the loss for the period ended on that date.

Restriction on use and Distribution

This Financial statement has been prepared for purposes of providing information to the management of SRF Limited to enable it to take appropriate course of action in respect of the group operations. As a result, the Financial Statements may not be suitable for any other purpose (s).

For, C S D AND CO LLP
Chartered Accountants
Firm Registration No: 024501N/ N500074


Pooja Machchhar
Partner
Membership No: 176815



Place: Gurgaon
Date: 22-05-2020

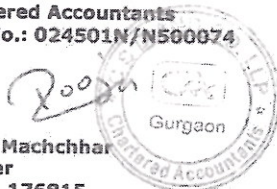
UDIN :- 20176815 AAAADV9550

SRF INDUSTEX BELTING PTY LTD.
Balance Sheet as at 31st March 2020
(Amount in ZAR, except for share data and if otherwise stated)

	Notes References	As at 31-Mar-20	As at 31-Mar-19
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment		-	-
(b) Tangible assets - ROU Lease		-	-
(c) Capital work-in-progress		-	-
(d) Goodwill on consolidation		-	-
(e) Goodwill		-	-
(f) Other Intangible assets		-	-
Financial Assets			
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Other financial assets		-	-
(i) Deferred tax assets (net)		-	-
(j) Other non-current assets		-	-
(2) Current assets			
(a) Inventories	2	92,92,716	5,22,463
(b) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade receivables	3	39,54,716	2,70,894
(iii) Cash and cash equivalents	4	16,22,844	3,25,218
(iv) Bank balances other than (iii) above		-	-
(v) Loans		-	-
(vi) Other financial assets		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	5	79,563	1,43,985
Total Assets		1,49,49,839	12,62,560
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	6	1,33,20,202	1,33,20,202
(b) Other Equity	7	(5,95,83,305)	(4,09,98,728)
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities		-	-
(i) Borrowings	8	4,41,29,250	2,79,39,563
(ii) Lease (Non-current)		-	-
(iii) Trade payables		-	-
(iv) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities		-	-
(2) Current liabilities			
(a) Financial Liabilities		-	-
(i) Borrowings		-	-
(ii) Lease (Current)		-	-
(iii) Trade payables	9	1,68,46,281	9,19,694
(iv) Other financial liabilities (other than those specified in item (c))		-	-
(b) Other current liabilities	10	2,37,411	81,829
(c) Provisions		-	-
(d) Current Tax Liabilities (Net)		-	-
Total Equity and Liabilities		1,49,49,839	12,62,560

In terms of our report attached of even date

For CSD AND CO LLP
Chartered Accountants
FRN No.: 024501N/N500074



Pooja Machchhar
Partner
M. No. 176815

Place: Gurgaon
Date: 22-05-2020

For SRF Industex Belting Pty Ltd.

Pooja Wani

Authorized Signatory

SRF INDUSTEX BELTING PTY LTD.
Statement of Profit and Loss for the period ended 31st March 2020
(Amount in ZAR, except for share data and if otherwise stated)

Particulars	Notes Reference	31-Mar-20	31-Mar-19
I Revenue From Operations	11	79,73,770	2,54,544
Other Income	12	103	41,35,717
Total Revenue (I)		79,73,873	43,90,261
II EXPENSES			
Cost of Material consumed		9,91,603	2,16,982
Purchases of Stock-in-Trade		1,33,22,792	-
Changes in inventories of finished goods, stock in trade work in progress		(73,63,521)	-
Employee benefits expense	13	10,98,700	3,23,100
Finance costs	14	56,522	4,16,645
Depreciation and amortization expenses		-	-
Other expenses	15	1,84,52,356	1,32,989
Total expenses (II)		2,65,58,451	8,23,739
III Profit before exceptional items and tax (I-II)		(1,85,84,578)	35,66,522
IV Exceptional Items		-	-
V Profit/(loss) before tax (III-IV)		(1,85,84,578)	35,66,522
VI Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
VII Profit (Loss) for the period from continuing operations (V-VI)		(1,85,84,578)	35,66,522
VIII Profit/(loss) from discontinued operations		-	-
IX Tax expense of discontinued operations		-	-
X Profit/(loss) from Discontinued operations (after tax) (VIII-IX)		-	-
XI Profit/(loss) for the period (VII+ X)		(1,85,84,578)	35,66,522
XII Other Comprehensive Income			
A Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		-	-
Income tax effect		-	-
Net movement on cash flow hedges		-	-
Income tax effect		-	-
Net (loss)/gain on FVTOCI financial instruments		-	-
Income tax effect		-	-
B Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		-	-
Income tax effect		-	-
Revaluation of property, plant and equipment		-	-
Income tax effect		-	-
XIII Total Comprehensive Income for the period (XI + XII)		(1,85,84,578)	35,66,522
(Comprising Profit (Loss) and Other Comprehensive Income for the period)			
XIV Earnings per equity share (for continuing operation):			
(1) Basic			
(2) Diluted			
XV Earnings per equity share (for discontinued operation):			
(1) Basic			
(2) Diluted			
XVI Earnings per equity share (for discontinued & continuing operations)			
(1) Basic			

In terms of our report attached of even date

For CSD AND CO LLP
Chartered Accountants
FRN No.: 024501N/N500074

Pooja Machchhar
Partner
M. No. 176815

Place: Gurgaon
Date: 22-05-2020

For SRF Industex Belting Pty Ltd.

Piresh Wani
Authorized Signatory

Note 1:

ACCOUNTING POLICIES AND GENERAL NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT & LOSS

Significant Accounting Policies and basis of preparation:

The Financial Statements have been prepared in accordance with International Financial Reporting Standards and the Companies Act, 2013. The annual financial statements have been prepared on the historical basis, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

Notes to Accounts

a) Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discount and volume rebates, and value added tax.

Interest is recognized, in profit and loss, using the effective interest rate method.

b) Translation of foreign currencies:

A foreign currency translation is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and



- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

Exchange difference arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognized in the profit or loss in the period in which they arise.

Cash flows arising from transactions in foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the transaction.

c) Related Parties:

Relationships	
Holding Company	SRF Global B.V (Netherlands)
Members of key management	Board of Directors
Ultimate Holding Company	SRF Limited

d) Related Party Transactions and Balances:

I. Interest paid to Holding Company:

- (i) Interest on loan from SRF Global B.V. (Netherland) – NIL * (Previous year ZAR 408,631)

* SRF Industex Belting is 100% wholly owned subsidiary of SRF Global BV, Netherland. As per the decision taken by the management considering the current financial position of the Company, Interest on loan facility has been waived w.e.f. 1st April 2018.

- (ii) Purchases from SRF Limited India ZAR 1,43,14,394/- (Previous year ZAR 216,982/-)



SRF Industex Belting Pty. Limited
Notes to Accounts for the year ended on 31st March, 2020

II. Loans and advances include:

	31.03.2020 (ZAR)	31.03.2019 (ZAR)
Loan accounts – Owing to related parties:		
- SRF Global B.V. (Netherland)	4,41,29,250	27,939,563

III. Balances payable includes:

	31.03.2020 (ZAR)	31.03.2019 (ZAR)
Trade payables to related parties:		
- SRF Ltd.	1,56,48,808	Nil

As per our attached report of even date

For C S D AND CO LLP
Chartered Accountants
FRN - 024501N / N500074



Pooja Machchhar
Partner
M. No. 176815

Place: Gurgaon
Date: 22-05-2020

For SRF Industex Belting Pty. Limited



Authorized Representative