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National Stock Exchange of India Limited
“Exchange Plaza”
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051

Scrip Code- 503806

Scrip Code-SRF

SRF/SEC/BSE/NSE

27.10.2023

Dear Sir,

Press Release

We enclose a copy of the Press Release issued by the Company

Thanking you,

Yours faithfully,

For **SRF LIMITED**

Rajat Lakhanpal
Sr. VP (Corporate Compliance) & Company Secretary

Encl: As above

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Corporate identity No. L181010L1970PLC005197

For immediate release

SRF Limited Announces Q2 and H1 FY24 Financial Results

Gurugram, October 27, 2023: SRF Limited, a chemical based multi-business entity engaged in the manufacturing of industrial and specialty intermediates today announced its consolidated financial results for the second quarter and half year ended September 30, 2023. The company's unaudited results were approved by the Board of Directors in a meeting held earlier today.

Consolidated Q2FY24 Financials

The consolidated revenue of the company decreased 15% from ₹3,728 crore to ₹3,177 crore in Q2FY24 when compared with Corresponding Period Last Year (CPLY). The company's Earnings before Interest and Tax (EBIT) decreased 23% from ₹689 crore to ₹533 crore in Q2FY24 when compared with CPLY. The company's Profit after Tax (PAT) decreased 37% from ₹481 crore to ₹301 crore in Q2FY24 when compared with CPLY.

Commenting on the results, Chairman and Managing Director, Ashish Bharat Ram said, "During the quarter, we felt the brunt of the destocking and inventory rationalization phenomenon in our Chemicals Business. Having said that, we are now beginning to see some positive traction that should bode well for a better second half of FY24. The overcapacity in our Packaging Films Business will continue for some more time."

Consolidated Q2FY24 Segment Results

The **Chemicals Business** reported a decrease of 22% in its segment revenue from ₹1,830 crore to ₹1,426 crore during Q2FY24 over CPLY. The operating profit of the Chemicals Business decreased 33% from ₹517 crore to ₹348 crore in Q2FY24 over CPLY. During the quarter, the Specialty Chemicals Business witnessed weak global demand owing to the ongoing inventory rationalization by certain key customers. The performance of the Fluorochemicals Business was adversely impacted due to low demand for refrigerants and resultant pressure on margins. In addition, sluggish growth in the pharmaceuticals and agrochemical industries adversely impacted the demand for some industrial chemicals.

The **Packaging Films Business** reported a decrease of 16% in its segment revenue from ₹1,331 crore to ₹1,122 crore during Q2FY24 when compared with CPLY. The operating profit of the Packaging Films Business declined 24% from ₹101 crore to ₹77 crore in Q2FY24 over CPLY. During the quarter, the Packaging Films Business faced headwinds on account of substantial supply addition in both BOPET and BOPP film segments, resulting in significant pressure on margins and an overall demand slowdown globally.

The **Technical Textiles Business** reported an increase of 9% in its segment revenue from ₹466 crore to ₹506 crore during Q2FY24 over CPLY. The operating profit of the Technical Textiles Business

increased 19% from ₹63 crore to ₹75 crore in Q2FY24 over CPLY. During the quarter, the Technical Textiles Business performed well owing to higher sales volume of its flagship Nylon Tyre Cord Fabric. Additionally, the Business witnessed healthy demand for its Belting Fabrics and Polyester Yarn segments due to increased infrastructural spending by the Government.

The **Other Businesses** reported an increase of 27% in its segment revenue from ₹100 crore to ₹127 crore in Q2FY24 when compared with CPLY. The operating profit of the Other Businesses increased 313% from ₹8 crore to ₹33 crore in Q2FY24 over CPLY. During the quarter, the Coated Fabrics segment performed well because of strong domestic sales driven by healthy demand for its products. The Laminated Fabrics segment also performed in line with the expectations.

H1 FY24 Financials

In the first six months of FY24, SRF's revenue decreased 15% from ₹7,622 crore to ₹6,516 crore over CPLY. The company's PAT decreased 39% from ₹1,089 crore to ₹660 crore over CPLY.

Capex

The Board has approved a project for setting up a manufacturing facility for Capacitor Grade BOPP Film at Indore, India at a projected cost of ₹275 crore.

The Board has also approved a project for setting up a new and dedicated facility to produce an agrochemical intermediate at Dahej, India at a projected cost of ₹235 crore to meet the growing demand for the product in the future.

Innovation and Intellectual Property

As of September 30, 2023, the company has applied for a total of four hundred and twenty-one patents. Till date, the company has been granted one hundred and forty-two patents globally.

Awards and Recognition

SRF conferred the Best Corporate - Cash Management Services and Best Corporate - Technology Adaption by HDFC Bank.

SRF Technical Textiles Business won the MATEXIL Export Award for Outstanding Export Performance for the year 2022-23.

SRF Foundation was honored with the Shiksha Bhushan Award at the 27th Bhamashah Samman Program by the Government of Rajasthan. Additionally, the SRF Foundation won the CSR Times Award 2023 (Gold) for its Rural Education Program and earned a Certificate of Appreciation (under the 'Operation Kayakalp' program) by the Government of Uttar Pradesh for the development of infrastructure facilities in Government Schools.

About SRF Limited

Established in 1970, SRF Limited with an annual turnover of ₹14,592 crore (US\$ 1.8 billion) is a chemical based multi-

business entity engaged in the manufacturing of industrial and specialty intermediates. The company's diversified business portfolio covers Fluorochemicals, Specialty Chemicals, Packaging Films, Technical Textiles, Coated and Laminated Fabrics. Anchored by a strong workforce of 8,000+ employees from different nationalities working across twelve manufacturing plants in India and one each in Thailand, South Africa and Hungary, the company exports to 90+ countries. Equipped with State-of-the-Art R&D facilities, SRF has filed 421 patents for R&D and technology so far, of which one-hundred and forty-two have been granted globally. A winner of the prestigious Deming Prize for two of its businesses namely, Tyre Cord and Chemicals, SRF continues to redefine its work and corporate culture with TQM as its management way.

For further information, please contact:

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