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Mumbai 400 001

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

04.11.2019

Dear Sir,

Press Release

We enclose a copy of the Press Release issued by the Company as on the date of Board Meeting i.e. 4th November, 2019 on the performance of the Company.

Thanking you,

Yours faithfully,

For SRF LIMITED

**RAJAT LAKHANPAL
VP (CORPORATE COMPLIANCE) & COMPANY SECRETARY**

RL

Encl: As above

SRF LIMITED

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For immediate release**SRF Limited Announces Q2 and H1 FY20 Financial Results**

Gurugram, November 04, 2019: 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, 2019. The Company's un-audited results were approved by the board of directors in a meeting held today in Gurugram, India.

Consolidated Q2FY20 Financials

The consolidated revenue of the company decreased 1% from ₹1,722 crore to ₹1,702 crore in Q2FY20 when compared with Corresponding Period Last Year (CPLY). The Company's Profit after Tax (PAT) increased 56% from ₹129 crore to ₹201 crore in Q2FY20 when compared with CPLY. This excludes profits from the discontinued entities.

Commenting on the results, Managing Director, Ashish Bharat Ram said, "In general, the operations performed well in the second quarter. The Technical Textiles Business was hit badly because of a significant drop in demand. The revival of the Specialty Chemicals Business augurs well for the future. We remain optimistic that this trend will continue."

Consolidated Q2FY20 Segment Results

The **Chemicals Business** reported an increase of 25% in its segment revenue from ₹542 crore to ₹678 crore during Q2FY20 over CPLY. The operating profit of the Chemicals Business increased 108% from ₹63 crore to ₹131 crore in Q2FY20 over CPLY. During the quarter, the Specialty Chemicals Business performed well with strong demand witnessed in the overseas markets. The Fluorochemicals Business performed in line with expectations, owing to an increase in domestic volumes and market share of key refrigerants, despite the auto sector slowdown and drop in global prices of refrigerants.

The **Packaging Films Business** reported a decrease of 5% in its segment revenue from ₹696 crore to ₹663 crore during Q2FY20 when compared with CPLY. The operating profit of the Packaging Films Business increased 8% from ₹120 crore to ₹130 crore in Q2FY20 over CPLY. The Business performed well due to continued focus on maximizing savings by keeping costs under control, improving the product mix and working towards sustainability initiatives.

The **Technical Textiles Business** reported a decrease of 29% in its segment revenue from ₹453 crore to ₹323 crore during Q2FY20 over CPLY. The operating profit of the Technical Textiles Business declined 70% from ₹70 crore to ₹21 crore in Q2FY20 over CPLY. The performance of the Technical Textiles Business was impacted due to a slump in the automotive sector, leading to an overall decline in the volumes and margin of the Business and a one-time impact of a legal matter, decided unfavorably.

SRF Limited

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Other Businesses reported an increase of 15% in its segment revenue from ₹65 crore to ₹74 crore during Q2FY20 when compared with CPLY. The operating profit of the Other Businesses increased 63% from ₹5 crore to ₹8 crore in Q2FY20 over CPLY.

During the quarter under review, the Board of Directors of SRF Industries (Thailand) Ltd., a material wholly owned subsidiary of the company announced the closure of its Technical Textiles Business operations at Rayong, Thailand as it was becoming economically unviable to continue running the plant. Also, the closing conditions under the Business Transfer Agreement for sale of the Engineering Plastics Business were met, during the quarter under review. The relevant numbers have been reported under discontinued operations for both the Technical Textiles Business – Rayong operations closure as well as the Engineering Plastics Business sale.

H1 Financials

In the first six months of FY20, the Company's PAT increased 45% from ₹259 crore to ₹376 crore over CPLY. SRF's revenue increased 4% from ₹3,353 crore to ₹3,501 crore over CPLY.

Capex

The Board approved a capital expenditure of ₹40 crore to expand the capacity for production of a high volume specialty product that finds application in agro, pharma and other specialty industries.

The Board also approved a capital expenditure for capacity enhancement cum modernization of the Tyre Cord Fabric value chain at an estimated cost of ₹125 crore. This is an enhancement of the capex of ₹81 crore approved by the Board at its meeting held on February 4, 2019 to cater to the customer requirements as the Technical Textiles Business operations of SRF Industries (Thailand) Ltd. at Rayong, Thailand have been shut down.

Further, the Board also approved the setting up of a BOPP film line in Thailand by SRF Industries (Thailand) Ltd., a wholly owned subsidiary of the company at a total cost of US\$ 50 million.

Innovation and Intellectual Property

As of September 30, 2019, the company has applied for a total of 182 patents. Till date, the company has been granted forty eight patents globally.

Awards and Recognition

SRF Limited was conferred the National CSR Award 2018 in the category – Corporate Awards in CSR in Challenging Circumstances – North in recognition of SRF Foundation's work towards improving the quality of education and revitalizing the infrastructure of Government schools in Mewat, Haryana.

About SRF Limited

Established in 1970, SRF Limited with an annual turnover of ₹7,541 crore (US\$ 1,077 million) 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 7,000 employees from different nationalities working across eleven manufacturing plants in India, one each in Thailand and South Africa and an upcoming facility in Hungary, the company exports to more than 75 countries. Equipped with State-of-the-Art R&D facilities, SRF has filed 182 patents for R&D and technology so far, of which forty eight have been granted. 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:**Nitika Dhawan**

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nitika.dhawan@srf.com**Note-**

Revenue and EBIT numbers exclude discontinued business operations numbers during the relevant period.

The company reported a PAT of ₹301 crore and ₹490 crore during Q2FY20 and H1 FY20 respectively. This includes profit from the discontinued business operations.