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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

03.11.2022

Dear Sir,

Press Release

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

Thanking you,

Yours faithfully,

For **SRF LIMITED**

Rajat Lakhnpal
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 FY23 Financial Results

Gurugram, November 03, 2022: 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, 2022. The company's unaudited results were approved by the Board of Directors in a meeting held today.

Consolidated Q2FY23 Financials

The consolidated revenue of the company grew 31% from ₹2,839 crore to ₹3,728 crore in Q2FY23 when compared with Corresponding Period Last Year (CPLY). The company's Earnings before Interest and Tax (EBIT) increased 21% from ₹569 crore to ₹689 crore in Q2FY23 when compared with CPLY. The company's Profit after Tax (PAT) increased 26% from ₹382 crore to ₹481 crore in Q2FY23 when compared with CPLY.

Commenting on the results, Chairman and Managing Director, Ashish Bharat Ram said, "Our Chemicals Business has performed exceedingly well once again. The Packaging Films Business is witnessing historically low margins in the polyester film segment and the Technical Textiles Business is suffering from weak demand for tyre cord.

Despite a challenging global scenario, we remain cautiously optimistic about the near-term outlook for our Chemicals business."

Consolidated Q2FY23 Segment Results

The **Chemicals Business** reported an increase of 62% in its segment revenue from ₹1,126 crore to ₹1,830 crore during Q2FY23 over CPLY. The operating profit of the Chemicals Business increased 106% from ₹251 crore to ₹517 crore in Q2FY23 over CPLY. During the quarter, both our Fluorochemicals and Specialty Chemicals Businesses performed exceedingly well on account of higher sales volumes, especially driven by international revenues and better realizations. Demand for existing and new, niche products aided overall sales. Price of some key raw materials remained elevated during the quarter, impacting overall profitability.

The **Packaging Films Business** reported an increase of 24% in its segment revenue from ₹1,072 crore to ₹1,331 crore during Q2FY23 when compared with CPLY. The operating profit of the Packaging Films Business declined (43)% from ₹180 crore to ₹101 crore in Q2FY23 over CPLY. Margins of BOPET films were under pressure owing to excessive supply. In addition, high energy costs due to the prevailing geopolitical scenario significantly impacted our operations in Hungary. However, this trend was partially offset with a sustained demand of BOPP films. BOPET film margins are expected to remain muted in the near-term.

The **Technical Textiles Business** reported a decline of (16)% in its segment revenue from ₹558 crore to ₹466 crore during Q2FY23 over CPLY. The operating profit of the Technical Textiles Business declined (53)% from ₹133 crore to ₹63 crore in Q2FY23 over CPLY. Subdued demand for Nylon Tyre Cord Fabrics negatively impacted the business. However, Belting Fabrics and Polyester Industrial Yarn segments witnessed healthy growth during the quarter.

The **Other Businesses** reported an increase of 16% in its segment revenue from ₹86 crore to ₹100 crore in Q2FY23 when compared with CPLY. The operating profit of the Other Businesses increased 33% from ₹6 crore to ₹8 crore in Q2FY23 over CPLY. Both the Coated and Laminated Fabrics Business performed reasonably well in a difficult external environment.

H1 FY23 Financials

In the first six months of FY23, SRF's revenue increased 38% from ₹5,538 crore to ₹7,622 crore over CPLY. The company's PAT increased 40% from ₹778 crore to ₹1,089 crore over CPLY.

Capex

The Board has approved capex aggregating ₹604 crore for four new plants in the agrochemical space and capacity enhancement of an existing plant at Dahej, India. These projects are a part of our overall expansion strategy in the Specialty Chemicals Business and our likely to be completed in the next ten-to-twelve months. In addition, the Board has approved a project to develop a Kilo Lab at Bhiwadi to address the needs of the Pharma market at a projected cost of ₹9.8 crore.

Innovation and Intellectual Property

As of September 30, 2022, the company has applied for a total of three hundred and seventy-eight patents. Till date, the company has been granted one hundred and twenty-seven patents globally.

Awards and Recognition

SRF won the award for Enlightened Growth Leadership, 2022 by the Frost & Sullivan Institute

SRF's President & CFO, Rahul Jain recognized with the "FE Financial Star" award under FinancialExpress.com FE POWER LIST

Mahatma Award for Social Good and Impact in Quality Education earned by SRF Foundation

About SRF Limited

Established in 1970, SRF Limited with an annual turnover of ₹12,313 crore (US\$ 1.6 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 7,000+ employees from different nationalities working across eleven 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 three hundred and seventy-eight patents for R&D and technology so far, of which one hundred and twenty-seven patents 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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