



SRF LIMITED

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT FOR THE QUARTER / NINE MONTHS ENDED 31ST DECEMBER 2013

(Rs. in lakhs)

Particulars	3 Months Ended 31st December 2013	3 Months Ended 30th September 2013	3 Months Ended 31st December 2012	9 Months ended 31st December 2013	9 Months ended 31st December 2012	Previous Accounting Year Ended 31st March 2013
	(1)	(2)	(3)	(4)	(5)	(6)
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue						
a) Technical Textiles Business (TTB)	44616	45293	39721	133526	126087	167088
b) Chemicals and Polymers Business (CPB)	26996	20826	35155	70791	77100	103498
c) Packaging Film Business (PFB)	14769	18409	14097	49173	47451	62077
Total Segment Revenue	86381	84528	88973	253490	250638	332663
Less: Inter Segment Revenue	224	139	84	453	198	408
Net Sales / Income from Operations	86157	84389	88889	253037	250440	332255
Segment Results						
(Profit before Interest and Tax from each Segment)						
a) Technical Textiles Business (TTB)	3853	4666	2554	12353	9284	11237
b) Chemicals and Polymers Business (CPB)	6964	3475	15631	15697	26290	34653
c) Packaging Film Business (PFB)	(7)	1399	(488)	1872	527	329
Total Segment Results	10810	9540	17697	29922	36101	46219
Less/(Add): i) Finance Costs	1596	2260	2083	5883	6945	8465
ii) Other Unallocable Expenses Net of Income	26	1106	2688	3541	4635	2495
Total Profit Before Tax	9188	6174	12926	20498	24521	35259
Capital Employed (Segment Assets Less Segment Liabilities)						
a) Technical Textiles Business (TTB) (Including Capital Work In Progress Rs 201 lakhs as at 31st December 2013)	120630	115051	117220	120630	117220	118549
b) Chemicals and Polymers Business (CPB) (Including Capital Work In Progress Rs 62362 lakhs as at 31st December 2013)	178225	154200	132222	178225	132222	135300
c) Packaging Film Business (PFB) (Including Capital Work In Progress Rs 252 lakhs as at 31st December 2013)	43929	41316	43016	43929	43016	40472
Total Capital Employed	342784	310567	292458	342784	292458	294321
Add : Unallocable Assets Less Liabilities	24691	37302	26003	24691	26003	35932
Total Capital Employed In the Company	367475	347869	318461	367475	318461	330253

For IDENTIFICATION ONLY

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**NOTES TO UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED
31ST DECEMBER 2013**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11th February 2014.
- 2 The Company had opted to apply the provisions under paragraph 46A of Accounting Standard (AS) - 11 "The Effects of Changes in Foreign Exchange Rates" with effect from April 1, 2013. Accordingly, the depreciated/amortised portion of net foreign exchange (gain)/loss on long-term foreign currency monetary items, for nine months ended 31st December, 2013 is Rs. 268 lakhs. The unamortised portion carried forward as at 31st December, 2013 is Rs. 5939 lakhs.
- 3 The Company had received demand notices from the Commercial Tax Department, Government of Madhya Pradesh for payment of Central Sales Tax (CST), VAT and Entry Tax aggregating to Rs. 9491 lakhs (including interest and penalty) for the period from 2007 to 2013 in respect of sales from its manufacturing facility in Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA).

In terms of the Policy of the Government of Madhya Pradesh and Madhya Pradesh SEZ Act, 2003, the Unit was exempt from local state taxes and levies. The Company has paid Additional Countervailing Duty (ACVD) aggregating to Rs. 4831 lakhs for the period from 2007 to 2013 on sales from the SEZ to the DTA under the Customs laws pursuant to the Special Economic Zone Act 2005, MP SEZ Act, 2003 and the Policy of Centre and Madhya Pradesh State. The Company had filed a writ petition before the Indore Bench of the Hon'ble High Court of Madhya Pradesh ("Court") against the said demands.

The Company contended that while State is demanding local taxes, the Centre in its reply has stated that ACVD is payable and therefore this amounts to double taxation. The Court had granted a stay on such demands and directed the Central and State Governments to jointly look into the matter. The Government of Madhya Pradesh had filed a reply in the Court informing their stand that CST, VAT, Entry Tax on sales from the SEZ to DTA is payable. The Company had sought certain amendments to the petition including, challenging the constitutional validity of amendments made in 2008 to The Indore SEZ (Special Provisions) Act 2003 and inconsistency between the provisions of The SEZ Act 2005 and the Central Sales Tax Act 1956. The Court vide order dated 31.01.2014 has directed for filing of a fresh writ petition while continuing the stay on previous demands. The matter is sub judice. However, the Management of the Company, based on the facts of the case and opinion received by the Company from legal experts, is confident of getting a relief in the matter from the Court and, accordingly, has not made any provision for the said disputed demands.

- 4 The Board of Directors have approved the payment of an interim dividend @ 70% i.e. Rs. 7/- on each equity share of the nominal value of Rs. 10/-
- 5 Previous period figures have been regrouped wherever necessary to conform to current quarter classifications.

Limited Review:

The Limited Review for the quarter and nine months ended December 31, 2013 as required under Clause 41 of Listing Agreement has been completed by the Statutory Auditors.

For and on behalf of the Board


Ashish Bharat Ram
Managing Director

For IDENTIFICATION ONLY

Place : Gurgaon

Date : 11th February, 2014


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INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF SRF LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SRF LIMITED** ("the Company") for the Quarter and Nine Months ended December 31, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Attention is invited to Note 3, which sets out the position of the demand for Central Sales Tax (CST), VAT and Entry Tax aggregating to Rs. 9491 lakhs (including interest and penalty) for the period from 2007 to 2013 by the Commercial Tax Department, Government of Madhya Pradesh, in respect of sales from the Company's manufacturing facility in its Special Economic Zone (SEZ) in Madhya Pradesh to the Domestic Tariff Area (DTA). The matter is sub-judice and is pending before the Hon'ble High Court of Madhya Pradesh. Basis legal opinion obtained by the Company, the Management of the Company is confident of getting relief in this matter and, accordingly, has not made any provision for the said disputed demands.

Our conclusion is not qualified in respect of this matter.



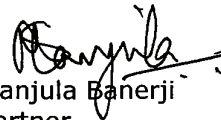
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5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter/Nine Months ended December 31, 2013 of the Statement, from the details furnished by the Management/Registrars.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 015125N)



Manjula Banerji
Partner
(Membership No. 086423)

GURGAON, FEBRUARY 11, 2014

